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Labour market transitions of young women and men in the Occupied Palestinian Territory

Tareq Sadeq and Sara Elder

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Preface

Youth is a crucial time of life when young people start realizing their aspirations, assuming their economic independence and finding their place in society. The global jobs crisis has exacerbated the vulnerability of young people in terms of: (i) higher unemployment, (ii) lower quality jobs for those who find work, (iii) greater labour market inequalities among different groups of young people, (iv) longer and more insecure school-to-work transitions, and (v) increased detachment from the labour market.

In June 2012, the International Labour Conference of the ILO resolved to take urgent action to tackle the unprecedented youth employment crisis through a multi-pronged approach geared towards pro-employment growth and decent job creation. The resolution "The youth employment crisis: A call for action" contains a set of conclusions that constitute a blueprint for shaping national strategies for youth employment.[1] It calls for increased coherence of policies and action on youth employment across the multilateral system. In parallel, the UN Secretary-General highlighted youth as one of the five generational imperatives to be addressed through the mobilization of all the human, financial and political resources available to the United Nations (UN). As part of this agenda, the UN has developed a System-wide Action Plan on Youth, with youth employment as one of the main priorities, to strengthen youth programmes across the UN system.

The ILO supports governments and social partners in designing and implementing integrated employment policy responses. As part of this work, the ILO seeks to enhance the capacity of national and local-level institutions to undertake evidence-based analysis that feeds social dialogue and the policy-making process. To assist member States in building a knowledge base on youth employment, the ILO has designed the "school-to-work transition survey" (SWTS). The current report, which presents the results of the surveys in the Occupied Palestinian Territory, is a product of a partnership between the ILO and The MasterCard Foundation. The Work4Youth project entails collaboration with statistical partners and policy-makers of 28 low- and middle-income countries to undertake the SWTS and assist governments and the social partners in the use of the data for effective policy design and implementation.

It is not an easy time to be a young person in the labour market today. The hope is that, with leadership from the UN system, with the commitment of governments, trade unions and employers' organizations and through the active participation of donors such as The MasterCard Foundation, the international community can provide the effective assistance needed to help young women and men make a good start in the world of work. If we can get this right, it will positively affect young people's professional and personal success in all future stages of life.

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[1] The full text of the 2012 resolution "The youth employment crisis: A call for action" can be found on the ILO website at: http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS_185950/lang--en/index.htm..

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Acknowledgements

The 2012 school-to-work transition survey in the Occupied Palestinian Territory was implemented by the Palestinian Central Bureau of Statistics (PCBS) with funding from the ILO Work4Youth partnership with The MasterCard Foundation. The President of PCBS, Minister Ola Awad, directed the work, with a team consisting of: Maher Sbeih, Saadi Al-Masri, Rawan Abu-Farha, Fayez Alghadban, Issam Al-Khatib, Ziyad Qalalweh, Mamoon Najar, Jawad Al-Saleh, Suha Kana'an, Nayef Abed, Mohammad Qlalwah and Maher Tannous. PCBS has also reviewed this report and verified the findings.

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The preliminary results of the survey were presented at a national workshop in Ramallah on 15 May 2014. The ILO wishes to thank the participants of the workshop, including Minister of Labour, Dr Ahmad Majdalani, for their validation of the results and feedback on the relevance of the survey to the monitoring of the numerous youth-related policies and programmes in the country. Mounir Kleibo, Rasha El Shurafa and Mary Kawar offered invaluable assistance in the organization of the workshop and, more generally, in supporting the Work4Youth process in the territory.

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1. Introduction and main findings

1.1 Overview

Transitioning from education to work is a challenge for youth in the Occupied Palestinian Territory (OPT). With an unemployment rate of more than 20 per cent over the past decade, youth remain severely affected by the lack of opportunities. A large proportion of young men and women in the OPT are resorting to emigration to find work outside the territory, significantly impacting the families left behind.

Israeli occupation of more than 60 per cent of the West Bank and the imposition of movement barriers make mobility of workers difficult within the territory. Moreover, the Israeli wall erected in the territory has confiscated large areas of agricultural land and natural resources in the West Bank. The lack of border controls by the Palestinian National Authority and Israeli restrictions on the passage of tradable goods represent further curbs on national productivity.

Employment in Israel and Israeli settlements of the West Bank does provide some jobs for Palestinian youth. However, this source of employment is restricted by the Israeli enclosure of portions of the OPT, with consequent mobility difficulties. Working conditions in Israel have deteriorated for young Palestinians, with many workers taking up informal jobs. Although they are required to hold official work permits issued by Israeli occupation authorities in the West Bank, Palestinian workers still find themselves obliged to stay in Israel due to the closure policy in force on the West Bank.

Despite positive developments in the official educational system, young Palestinians still face difficult labour market transitions. Recently, the Palestinian Ministry of Labour has developed, in cooperation with Palestinian universities, career development units to facilitate matches with opportunities in the job market and to provide more information to university graduates. However, the problem of youth unemployment is not simply the challenge of matching jobs to applicants or a lack of information; rather, it reflects demand constraints on the part of employers. To address this issue, some non-governmental organizations have organized employment initiatives to provide short-term internship programmes to graduate youth. However, the number of beneficiaries is limited and employment tenure tends to be temporary.

To characterize the specific youth employment challenges and to support policy-makers in designing effective instruments to support the transition of young people into employment, the ILO has developed its school-to-work transition survey (SWTS), a household survey of young people aged 15–29. The SWTS, implemented in 2013 with a second round planned for 2015, can serve as a principle tool for monitoring the impact of youth employment policies and programmes. This report is also intended to aid the policy-makers and social partners in the implementation of youth-related policies and programmes in the OPT.

The indicators generated from the survey and analysed in this report aim to present a much more detailed picture of youth in the labour market than can usually be derived through standard surveys, including the labour force survey. Unemployment among youth is a major national concern, but it is also important to consider the quality of work made available to the young population. Does the work provide the wages and security necessary to empower young people to move towards self-sufficiency in their pending adulthood? The emphasis on quality of employment in this report should help to answer this question. The report also draws attention to the path and duration that young people's transition from

school to work takes and draws conclusions on characteristics or experiences that facilitate a smoother transition.

1.2 Main findings

Too many young people are not benefiting fully from the education system.

The survey found that among those who were no longer in school – 55.2 per cent of the youth population – as many as one-fifth (20.9 per cent) of youth had no education at all and almost another third (31.7 per cent) finished their education at the basic level only. This means that, in total, more than one-half of Palestinian youth had not reached the secondary level of education. There was also a high rate of early school leaving among both men and women in the territories; 33.1 per cent of men and 23.5 per cent of women left school before achieving their degree. Nearly nine out of ten school drop-outs (88.4 per cent) completed at most the basic level of education. The main reasons for leaving school early were failure in examinations and having no interest in education. The latter reason implies a sense of defeatism on the part of young people, whereby they feel that investing in their education does not bring them a sufficient rate of return in terms of job opportunities.

That too many young Palestinians are leaving school early was also reflected in the employment statistics. SWTS results showed that as many as 46.4 per cent of young working Palestinians were undereducated for the work that they were doing. These underqualified workers were concentrated in sales occupations, agriculture, crafts work and machine operations. Undereducation can have a negative impact not only on the productivity of the worker, and therefore the output of the enterprise, but also, on a more personal level, on the young worker's sense of security.

Youth unemployment rates are among the highest in the region, particularly for young women, and long-term unemployment affects more than half of unemployed youth.

The youth unemployment rate in the OPT, at 37.0 per cent, was higher than both Jordan and Tunisia (24.1 and 31.8 per cent, respectively).[2] More than half of young women in the OPT were unemployed, and the female unemployment rate was almost double that of young men (54.8 and 32.4 per cent, respectively). The unemployment rate of 55.8 per cent among youth in Gaza (compared to 26.1 per cent in the West Bank) was among the highest in the world; providing strong evidence that the labour market in the territory was barely functioning.

The results showed that a young person in the OPT may be unemployed for a very long period of time. The share of unemployed youth with duration of unemployment greater than two years was 32.2 per cent (31.0 per cent for young men and 35.0 per cent for young women). Long-term unemployment, if measured as seeking work for one year or longer, impacted more than half (56.7 per cent) of unemployed youth. Persistent and high youth unemployment can have adverse long-term consequences, such as a higher risk of future unemployment, a prolonged period of unstable jobs and potentially depressed income growth (ILO, 2010). At the same time, the longer a jobseeker's period of unemployment, the more likely prospective employers are to harbour negative perceptions of the young jobseeker, whom they may start to see as unemployable.

[2] National SWTS reports for Jordan (Barcucci and Mryyan, 2014) and Tunisia (ONEQ, 2014) are available at www.ilo.org/w4y. The micro-data files of all SWTS countries are available on the same site.

While unemployment may be higher among the better educated, the results clearly showed that investing in education brings positive returns to youth in terms of wages and access to the "better" jobs.

The youth unemployment rates increased with educational attainment. The youth unemployment rate of a university graduate was 1.5 times that of a young person with no education (47.0 per cent and 31.2 per cent, respectively), indicating that the skills level required by the labour market was not particularly high and that young people who did invest in long-term education faced a long queue for the few professional jobs available. This may be due to the fact that highly educated people are keen to reap the benefits of the money and time they have invested in education and are willing to spend more time looking for the right job. At the same time, however, the results confirmed the clear deficiency of job opportunities for the most educated young graduates. In fact, while 31.0 per cent of unemployed youth were seeking professional occupations and 75.0 per cent of surveyed students stated a preference for a future career as a "professional", only 13.1 per cent of the employed youth were engaged in professional occupations.

However, this is not to say that investment in education does not pay off. There were clear signs in the SWTS results that young people with higher levels of education had a better chance of obtaining better quality employment. Youth with tertiary education were more likely than youth with lesser education to find a stable job rather than resorting to temporary or self-employment.

The youth labour force participation rate is very low at 38.5 per cent and reflects a wide gender gap (61.8 per cent for young men compared to only 15.6 per cent for young women).

To give a wider perspective, the ILO estimated global youth labour force participation rate (aged 15–24) in 2013 was 47.4 per cent (55.3 per cent for young men and 39.0 per cent for young women) (ILO, 2014). In comparison to SWTS results of other countries in the region, the youth participation rate in the OPT was in line with that of Jordan youth (39.4 per cent) and lower than youth in Tunisia (45.3 per cent).

As the inverse to labour force participation, the inactivity rate of young women was remarkably high at 84.4 per cent compared to 38.2 per cent for young men. And the reasons for inactivity also differed between the sexes; young men were almost exclusively inactive due to engagement in school while young inactive women were split between current students and inactive non-students, who were likely to be looking after the household. In total, 31.0 per cent of the female population consisted of inactive non-students and another 41.5 per cent were inactive students. The male youth population, in contrast, consisted of 3.4 per cent inactive non-students and 28.2 per cent inactive students. The sizable share of young women who were neither in the labour force nor in education or training had an impact on the productive potential of the country.

Discouragement was another reason for inactivity, whereby a person was available to work but not actively seeking work because they felt the search would be futile.[3] More than one-quarter of the female labour force (28.6 per cent) qualified as "discouraged workers" compared to only 4.4 per cent of young men. Overall, the share of discouraged youth in the labour force was 9.3 per cent. Given the high youth unemployment rates in the territory, it is not overly surprising to find that discouraged youth were largely concentrated in Gaza, making up 18.1 per cent of the youth labour force compared to 4.2 per cent in the West Bank.

[3] Specific reasons included: not knowing how or where to seek work, an inability to find work matching his/her skills, experience of looking for work before had led to no results, feeling too young to find work and the sense that no jobs were available in the area.

A total of 41.8 per cent of young men were working compared to only 7.1 per cent of young women. With a strong majority in paid employment, it appears that self-employment is not an attractive option for most youth.

Among the employed, a strong majority were wage and salaried workers (81.8 per cent of men and 84.1 per cent of women). Self-employed youth (including employers, own-account owners and unpaid family workers) constituted less than one-fifth of young workers (18.0 per cent of men and 16.0 per cent of women). Only 1.9 per cent of young workers were employers, 6.9 per cent were own-account workers and 8.9 per cent were unpaid family workers.

The poor quality of employment is a concern that impacts on the capacity of the youth (and the territory) to make the most of their economic potential.

Certain quality-of-employment indicators highlight areas of concern. Informal employment was nearly universal among youth, touching 94.1 per cent of all young workers. As many as 68.6 per cent of wage and salaried workers had no written contract, and another 13.1 per cent held a contract of limited duration. One-third or fewer of young wage and salaried workers were given access to key benefits, such as paid annual leave (34.3 per cent), paid sick leave (33.2 per cent) or medical insurance (29.7 per cent). Finally, as many as 37.4 per cent of young male workers and 13.6 per cent of young female workers worked "excessive" hours, or more than 50 hours per week. Poor conditions of work were reflected in the fact that 38.0 per cent of young workers said they would like to change their job, with many citing unsatisfactory pay, poor working conditions and qualifications mismatch as reasons.

The youth labour market in the Occupied Palestinian Territory is profoundly influenced by gender issues.

As many as 84.4 per cent of young women remained outside the labour force, with only one-half (54.4 per cent) of these citing studying or training as reasons (compared to 81.1 per cent for young men). And the high levels of inactivity among young women persisted despite their recent gains in educational access. Among the few young women who did work, their employment was concentrated in the public sector (41.7 per cent in education and health compared to 5.4 per cent of male workers).

For both young women and men, the rate of unemployment increased with each incremental addition of education level. The unemployment rate of female graduates from university reached as high as 64.3 per cent, double the male rate of 31.1 per cent. The numbers hinted, therefore, at a significant deficiency in high-skilled professional posts in the territory and that the few that did exist tended to go to young men in preference to young women.

A minority share of young Palestinians had completed their labour market transition to stable and/or satisfactory employment (22.6 per cent). Nearly half (45.6 per cent) had not started the transition and 31.8 per cent remained in transition.

While 38.9 per cent of young men had completed the labour market transition, the same could be said of only 6.6 per cent of women. The majority of women (62.1 per cent) had not yet started a transition (compared to 29.0 per cent of young men) and 31.3 per cent remained in transition (compared to 32.2 per cent of men). Unemployment was the main reason for an incomplete transition (74.0 per cent of all youth in transition were unemployed). One-fifth (20.8 per cent) of in-transition youth were inactive with future plans to work, which left only 5.3 per cent of youth remaining in transition because of their engagement in non-satisfactory temporary or self-employment.

Sex, area of residence and level of educational attainment are good determinants of who does better in the labour market transition.

In terms of who was doing better at obtaining the few "good" jobs and completing their labour market transition, young men had a strong advantage over young women in completing the transition (38.9 per cent of young men had completed the transition compared to only 6.6 per cent of young women), but the few young women who did manage to complete the transition were just as likely as young men to transit to stable employment.

Of all transited youth, 81.1 per cent had transited to a stable job, 14.4 per cent were in satisfactory temporary employment and 4.5 per cent in satisfactory self-employment. Differences across sub-categories were not significant by sex or area of residence. In terms of household wealth, there was a slightly higher tendency towards satisfactory temporary employment among the very poor, but the trend was also evident among the well off. The young person with a bachelor's or postgraduate degree had more chance of obtaining stable employment than the young person with lesser education. Satisfactory temporary work, on the other hand, was more prevalent among the less skilled (those with no education or basic level only).

Direct transitions were dominant, but those who did not gain stable or satisfactory employment at their first attempt waited a long time.

Of the youth who completed their labour market transitions, 36.0 per cent transited directly from school to their stable and/or satisfactory job. Another third (35.4 per cent) experienced a spell of unemployment before completing the transition. And these youth who did not transit directly were likely to have been in transition for an average of 31.8 months (more than 2.5 years). The average spell of unemployment during the transition period was 19.5 months. Regarding youth in transition, it would seem that they spent an extremely long period of time in the search for stable and/or satisfactory work. The average time that the young Palestinian spent in transition was 55.6 months (and counting).

1.3 Structure of the report

Section 2 of the report presents an overview of the Palestinian labour market and the socio-economic context surrounding youth employability. Section 3 presents the characteristics and perceptions of employed, unemployed and inactive youth in the OPT. Section 4 introduces the classification of stages of labour market transition and investigates the characteristics that led to more advantageous labour market outcomes, specifically in the attainment of stable employment. The section also discusses the length of time that young men and women spent in transition and traces the various labour market experiences they had along the way. Finally, section 5 discusses some policy implications.

2. Overview of the labour market and survey methodology

2.1 The socio-economic context

At the time of the survey, the Palestinian population in the Occupied Palestinian Territory was around 4.42 million (table 2.1). Youth in the age group 15–29 represented around 30.1 per cent of the population. Older age groups (30–64 and 65+) had lower proportions. Life expectancy was around 72.6 years.

Table 2.1 Population distribution by age

Age	Population	%
0–14	1 772 640	40.1
15–29	1 332 106	30.1
30–64	1 121 299	25.4
65+	194 504	4.4
Total	4 420 549	100

Source: PCBS, "Population projections of 2013".

Since the Palestinian economy is dependent on foreign aid, it was unaffected by the global slowdown in 2008. Annual real GDP growth rate was 7.1 per cent in 2008 and reached 12.2 per cent in 2011. Gross Domestic Product (GDP) per capita was US$1,635.2 and Gross National Income (GNI) per capita was US$1,734.8 for the year 2011 (in 2004 prices; table 2.2). Despite high growth rates, 25.8 per cent of the population was classified as poor and 12.9 per cent as being in extreme poverty.

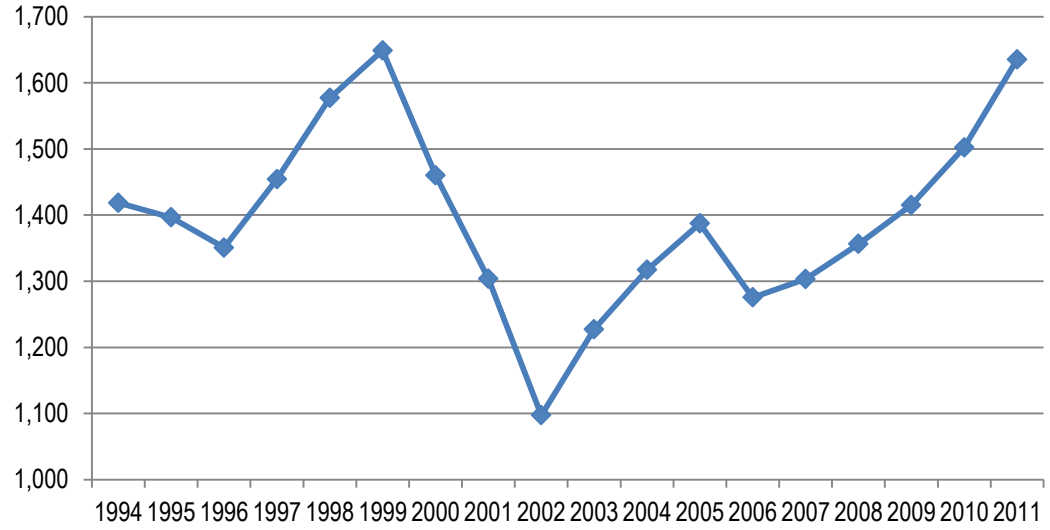
Table 2.2 Key economic indicators

Indicator	Value in US$
GDP per capita (constant prices, base year: 2004)	1 635.2
GDP per capita (current prices)	2 489.2
GNI per capita (constant prices, base year: 2004)	1 734.8
GNI per capita (current prices)	2 669.7
Average monthly household expenditure	1 331.5
Average monthly per capita expenditure	222.8
Poverty rate among individuals	25.8%
Extreme poverty rate among individuals (according to monthly consumption patterns)	12.9%

Source: PCBS, National Accounts, 2011.

Over the past two decades, the economy of the OPT has experienced significant fluctuations. High growth rates of GDP per capita are observed for the period 1996–1999 after the establishment of the Palestinian National Authority as part of the Oslo peace agreements with the Israeli Government (figure 2.1). However, a recession occurred in the period 2000–2002, during the second Intifada and Israeli invasion into Palestinian Authority's administered areas. Since 2003, when a programme of rehabilitation and reconstruction was launched, GDP growth has restarted. In 2006, the Palestinian economy underwent a temporary slowdown due to international aid suspension after Hamas was elected to the Palestinian legislative council.

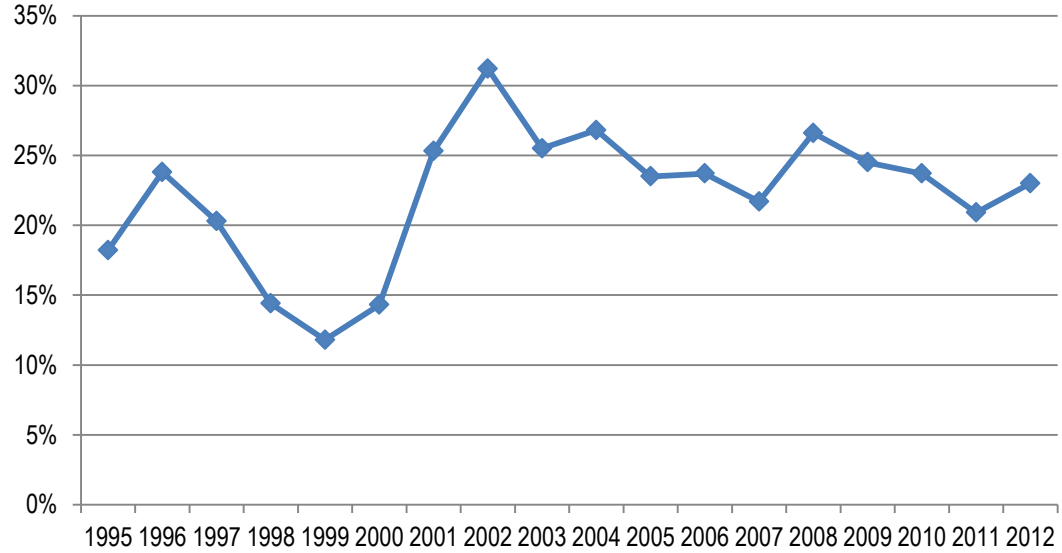
Figure 2.1 Real GDP per capita in the Occupied Palestinian Territory, 1994–2011



Source: PCBS, National Accounts, 2011.

In spite of economic growth in the period 2003–2011, the unemployment rate fluctuated around a constant mean above 20 per cent of the labour force (figure 2.2). This was explained by the lack of a production sector, where final consumption was around 128 per cent of GDP, and a negative trade balance.

Figure 2.2 Unemployment rate, 1995–2012



Source: PCBS, Labour Force Survey 2012.

In November 2012, the United Nations General Assembly recognized Palestine as an observer State. While a political gain to the territory, this status came with economic costs (ILO, 2013b). Israel reacted by withholding the disbursement of clearance revenues to the Palestinian Authority, which constrained the Palestinian economy and effectively brought to an end the relatively high growth of the previous few years. Israel also announced significant plans for further expansion of its settlements, which would have the effect, among other things, of sealing off East Jerusalem.

2.2 The labour force in the Occupied Palestinian Territory

According to table 2.3, labour force participation rates presented an inverse U-shaped profile by age with lower rates at the younger and older extremes. Only 29.3 per cent of youth in the age category 15–24 participated in the labour force in 2013 (49.0 per cent of men and 8.8 per cent of women). Most of the inactive youth were likely to be enrolled in education.

The highest participation rate for men was 92.8 per cent in the age group 35–44, while the highest participation rate for women was 29.1 per cent in the age group 25–34. The huge gender gap in labour force participation rates was representative of the strongly embedded traditional views on gender roles in the territory.

The share of unemployment in the labour force was highest among youth, 41.0 per cent of youth aged 15–24 was unemployed as was 25.2 per cent of the age group 25–34. Up to the age of 44, the unemployment to labour force ratio of women was higher than that of men.

Table 2.3 Labour market indicators by age group and sex, 2013 (%)

Sex	Age group	Share in labour force			Labour force participation rate	Inactivity rate	Total
		Employment	Unemployment	Total			
Male	15–24	63.1	36.9	100	49.0	51.0	100
	25–34	81.9	18.1	100	89.2	10.8	100
	35–44	88.1	11.9	100	92.8	7.2	100
	45–54	86.4	13.6	100	83.6	15.4	100
	55–64	87.2	12.8	100	54.4	45.6	100
	65+	96.2	3.8	100	16.9	83.1	100
	Total	79.4	20.6	100	69.3	30.7	100
Female	15–24	35.3	64.7	100	8.8	91.2	100
	25–34	52.0	48.0	100	29.1	70.9	100
	35–44	86.9	13.1	100	24.3	75.7	100
	45–54	94.7	5.3	100	19.7	80.3	100
	55–64	99.4	0.6	100	11.0	89.0	100
	65+	100	0.0	100	2.8	97.2	100
	Total	65.0	35.0	100	17.3	82.7	100
Total	15–24	59.0	41.0	100	29.3	70.7	100
	25–34	74.8	25.2	100	59.8	40.2	100
	35–44	87.9	12.1	100	59.0	41.0	100
	45–54	87.9	12.1	100	52.8	47.2	100
	55–64	89.2	10.8	100	32.8	67.2	100
	65+	96.9	3.1	100	8.8	91.2	100
	Total	76.6	23.4	100	43.6	56.4	100

Source: PCBS, Labour Force Survey 2013.

In table 2.4, the general trend of labour force participation rate (LFPR) increased with educational attainment. However, for men, there is little variation in LFPR according to years of schooling (except at the extreme, where the LFPR of men with no schooling is as low as 20.3 per cent). For women, in contrast, there is a significant jump in the labour force participation rate of women at the highest level of education (13+ years of schooling).

The unemployment shares of men (in the labour force) drop for those with the greatest number of years of schooling, while the opposite trend holds for women. Less than 5 (2.8) per cent of economically active women without education or with basic education (1–6 years) were unemployed compared to 47.0 per cent of women with tertiary education (13+ years).

Table 2.4 Labour market indicators by years of schooling and sex, 2013 (%)

Sex	Years of schooling	Share in labour force			Labour force participation rate	Inactivity rate	Total
		Employment	Unemployment	Total			
Male	0	74.7	25.3	100	20.3	79.7	100
	1–6	77.4	22.6	100	69.7	30.3	100
	7–9	77.0	23.0	100	71.5	28.5	100
	10–12	78.5	21.5	100	66.7	31.3	100
	13+	83.6	16.4	100	71.3	28.7	100
	Total	79.4	20.6	100	69.3	30.7	100
Female	0	97.2	2.8	100	6.9	93.1	100
	1–6	97.2	2.8	100	12.3	87.7	100
	7–9	93.6	6.4	100	7.5	92.5	100
	10–12	85.3	14.7	100	6.1	93.9	100
	13+	53.0	47.0	100	44.0	56.0	100
	Total	65.0	35.0	100	17.3	82.7	100
Total	0	87.0	13.0	100	9.9	90.1	100
	1–6	80.2	19.8	100	42.2	57.8	100
	7–9	78.3	21.7	100	42.8	57.2	100
	10–12	79.0	21.0	100	38.8	62.2	100
	13+	71.1	27.9	100	57.8	42.2	100
	Total	76.6	23.4	100	43.6	56.4	100

Source: PCBS, Labour Force Survey 2013.

The majority of employed persons worked in paid employment (68.8 per cent of men and 64.9 per cent of women). However, a larger proportion of women than men were working as unpaid family workers in family businesses or farms.

Table 2.5 Status in employment by sex, 2013 (%)

Employment status	Male	Female	Total
Employer	7.1	1.8	6.2
Self-employed	19.3	12.3	18.1
Wage or salaried worker (employee)	68.8	64.9	68.2
Unpaid family worker	4.8	21.0	7.5
Total	100	100	100

Source: PCBS, Labour Force Survey 2013.

While the male distribution of occupations was almost equally distributed across four occupations – with approximately one-fifth each as professionals, technicians, associate professionals and clerks (grouped category), service and sales workers, craft workers and in elementary occupations – female employment was much more concentrated with one-half (51.5 per cent) in the category of professionals, technicians, associate professionals and clerks (table 2.6). Moreover, a larger proportion of women than men (18.2 per cent) were working as skilled agriculture workers.

Table 2.6 Employed population by occupation (ISCO-08) and sex, 2013 (%)

Occupation	Male	Female	Total
Legislators, senior officials and managers	3.7	3.3	3.6
Professionals, technicians, associate professionals and clerks	22.0	51.5	26.9
Service and sales workers	19.2	11.1	17.9
Skilled agricultural and fishery workers	4.5	18.2	6.8
Craft and related trade workers	20.2	5.4	17.7
Plant and machine operators and assemblers	10.9	3.3	9.7
Elementary occupations	19.5	7.2	17.4
Total	100	100	100

Source: PCBS, Labour Force Survey 2013.

Similar to the occupational distribution, there was a wider variety of opportunities for male workers across sectors of economic activity (30.9 per cent in services, 21.9 per cent in commerce, 18.6 per cent in construction, etc.). Female employment was concentrated in two sectors (59.3 per cent of women worked in services and 20.9 per cent in agriculture – table 2.7). The share of male employment in agriculture, in contrast, was much lower at 8.5 per cent.

Table 2.7 Employed population by sector and sex, 2013 (%)

Industry	Male	Female	Total
Agriculture, hunting and fishing	8.5	20.9	10.5
Mining, quarrying and manufacturing	12.6	9.9	12.2
Construction	18.6	0.2	15.6
Commerce, hotels and restaurants	21.9	8.4	19.6
Transportation, storage and communication	7.5	1.3	6.4
Services and other branches	30.9	59.3	35.7
Total	100	100	100

Source: PCBS, Labour Force Survey 2013.

2.3 Survey objectives and methodology

Current limitations in labour market information make it difficult to obtain detailed information about the conditions of youth employment and the labour market transitions that young people undertake. Even when regular labour force surveys take place, as is the case in the OPT, results are often not tabulated for young people, at least beyond the basic indicators like the youth unemployment rate. Still, the issue of improving the transition for young people has become a policy priority for a growing number of countries. In response to this obvious information gap, the ILO has developed a framework for understanding the labour market transitions of youth, based on the SWTS. The detailed household survey covering 15−29-year-olds (see box 1) is applied at the national level to generate information on the current labour market situation, the history of economic activities and the perceptions and aspirations of youth.

Box 1. Definition of youth

While, in other contexts, a youth is defined as a person aged between 15 and 24 (United Nations, for example), for the purpose of the SWTS and related reports, the upper age limit is 29. This recognizes the fact that some young people remain in education beyond the age of 24, and allows the opportunity to capture more information on the post-graduation employment experiences of young people.

Funding for the surveys came from the Work4Youth partnership between the ILO Youth Employment Programme and The MasterCard Foundation (see box 2). The partnership supports the SWTS in 28 target countries, and data from the first round of surveys were made available throughout 2013. A second series of SWTSs will be conducted in 2014−15 in many of the 28 countries surveyed. National reports summarizing survey results as well as the data itself (in both raw and tabulated form) are available on the W4Y website.[4]

Box 2. Work4Youth: An ILO project in partnership with The MasterCard Foundation

The Work4Youth (W4Y) project is a partnership between the ILO Youth Employment Programme and The MasterCard Foundation. The project has a budget of US$14.6 million and will run for five years to mid-2016. Its aim is to "promote decent work opportunities for young men and women through knowledge and action". The immediate objective of the partnership is to produce more and better labour market information specific to youth in developing countries, focusing in particular on transition paths to the labour market. The assumption is that governments and social partners in the project's 28 target countries will be better prepared to design effective policy and programme initiatives once armed with detailed information on:

- what young people expect in terms of transition paths and quality of work;
- what employers expect in terms of young applicants;
- what issues prevent the two sides – supply and demand – from matching; and
- what policies and programmes can have a real impact.

Work4Youth target countries:

- **Asia and the Pacific:** Bangladesh, Cambodia, Nepal, Samoa, Viet Nam
- **Eastern Europe and Central Asia:** Armenia, Kyrgyzstan, FYR Macedonia, Republic of Moldova, Russian Federation, Ukraine
- **Latin America and the Caribbean:** Brazil, Colombia, El Salvador, Jamaica, Peru
- **Middle East and North Africa:** Egypt, Jordan, Occupied Palestinian Territory, Tunisia
- **Sub-Saharan Africa:** Benin, Liberia, Madagascar, Malawi, Togo, Uganda, United Republic of Tanzania, Zambia

The SWTS survey was conducted in the OPT in August–September 2013 by the PCBS. The sampling frame of the survey consisted of a list of enumeration areas from a census of population, buildings and establishments, implemented by the PCBS in 2007. An enumeration area (EA) is a geographical area containing approximately 124 households, on average. The sample size of the survey was 3,000 Palestinian households in 150 enumeration areas. All individuals (aged 15–29) were interviewed in the eligible households. After visiting the 3,000 households, the sample size amounted to 4,547 individuals. In total, 4,321 individuals responded to the survey.

After determining the sample size, the sample type was a two-stage stratified cluster sample, as follows:

- first stage: selecting a systematic sample of clusters (enumeration areas), to get 150 enumeration areas from the total EAs frame;

- second stage: selection of 20 households from each EA selected in the first stage. For more details on the sampling methodology, see Annex III.

[4] The ILO Work4Youth website is: www.ilo.org/w4y.

3. Characteristics of youth in the sample survey

3.1 Individual characteristics of youth

Table 3.1 shows that the sample had more youth at the younger end of the age band than at the upper end. In descending order, the sample was composed of 39.5 per cent youth aged 15–19, 33.8 per cent aged 20–24 and 26.7 per cent aged 25–29. The distribution by sex in the sampled youth was nearly equal, with 49.6 per cent male and 50.4 per cent female. More than three-fifths (61.7 per cent) of the sampled youth lived in the West Bank and the remaining 38.3 per cent in Gaza.

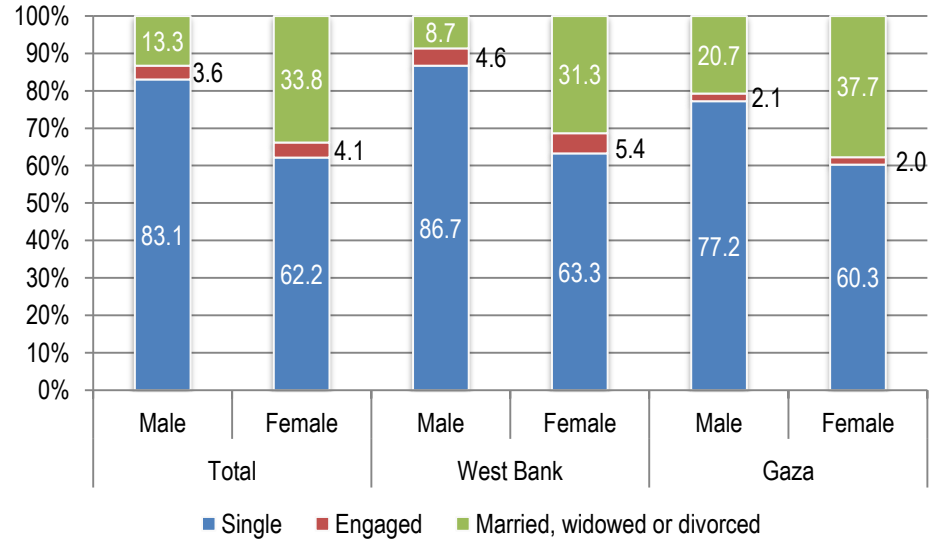
Table 3.1 Distribution of youth by age group and sex

	Total		West Bank		Gaza	
	Number	%	Number	%	Number	%
Age group						
15–19	526 613	39.5	322 723	39.3	203 890	40.0
20–24	449 743	33.8	277 775	33.8	171 968	33.7
25–29	355 750	26.7	221 261	26.9	134 489	26.4
Sex						
Male	661 107	49.6	407 511	49.6	253 596	49.7
Female	670 999	50.4	414 248	50.4	256 751	50.3
Total	1 332 106	100	821 759	100	510 347	100

Source: PCBS, SWTS-Palestine, 2013.

Marital status distribution shows that 83.1 per cent of male youth were single, while 62.2 per cent of women were single (figure 3.1). Regarding the difference between youth in the West Bank and Gaza, men in the West Bank were more likely to be single than men in Gaza (86.7 and 77.2 per cent, respectively). Young women in the West Bank also showed a lower marital rate, although the gap between them and young women in Gaza was smaller (63.3 and 60.3 per cent, respectively).

Figure 3.1 Distribution of youth by marital status, area of residence and sex



Source: PCBS, SWTS-Palestine, 2013.

Table 3.2 Distribution of youth who moved from original residence by reason for moving, area of residence and sex

Area of residence	Reason	Male		Female		Total	
		Number	%	Number	%	Number	%
West Bank	To accompany family	16 033	76.8	19 943	45.0	35 976	55.2
	For education/training	1 334	6.4	0	0.0	1 334	2.1
	To work/for employment-related reasons	2 535	12.2	1 650	3.7	4 185	6.4
	Marriage	212	1.0	21 777	49.1	21 989	33.7
	Other	751	3.6	990	2.2	1 741	2.6
	Total	20 865	100	44 360	100	65 225	100
Gaza	To accompany family	23 467	96.5	20 343	46.4	43 811	64.3
	For education/training	255	1.1	0	0.0	255	0.4
	To work/for employment-related reasons	–	–	–	–	–	–
	Marriage	412	1.7	22 829	52.0	23 241	34.1
	Other	192	0.8	694	1.6	886	1.3
	Total	24 326	100	43 866	100	68 193	100
Total	To accompany family	39 500	87.4	40 287	45.7	79 787	59.8
	For education/training	1 589	3.5	0	0.0	1 589	1.2
	To work/for employment-related reasons	2 535	5.6	1 650	1.9	4 185	3.1
	Marriage	623	1.4	44 606	50.6	45 230	33.9
	Other	943	2.1	1 684	1.9	2 628	2.0
	Total	45 190	100	88 227	100	133 419	100

Note: – = Insignificant response rate.

Source: PCBS, SWTS-Palestine, 2013.

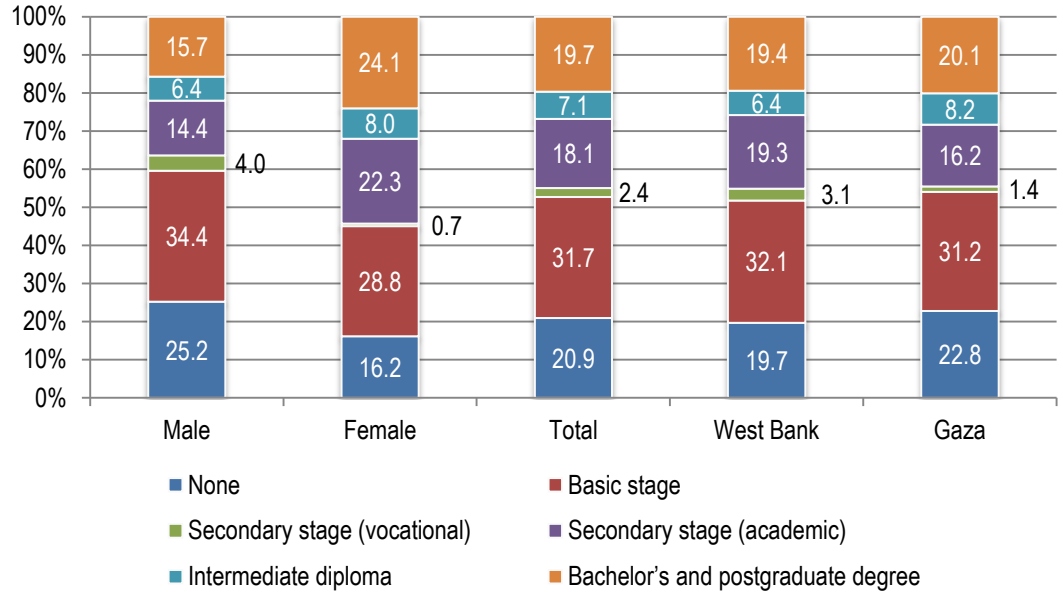
More than 133,000 young men and women had moved from their original area of residence, but this represented a small share (10.0 per cent) of the total youth population. Reasons for moving varied between men and women and by area of residence. Young men moved primarily to accompany their family, almost universally among those living in Gaza (96.5 per cent) (table 3.2). Young men living in the West Bank, however, showed a higher tendency to have moved there for employment purposes (12.2 per cent) or to pursue their studies (6.4 per cent). Young migrated women were almost evenly split between two reasons: accompanying their families (45.7 per cent) or for reasons of marriage (50.6 per cent). There was not much difference between areas of residence in this regard. At most, 3.7 per cent of young women in the West Bank moved there for employment purposes.

3.2 Educational attainment

3.2.1 Completed education

Among those who were no longer in school – 55.2 per cent of the youth population – as many as one-fifth (20.9 per cent) of youth had no education at all and nearly another third (31.7 per cent) had finished their education at the basic level. This meant that, in total, more than one-half of Palestinian youth had not reached the secondary level of education (figure 3.2). At the other extreme, 19.7 per cent of youth had been educated at the tertiary level. Young women were more likely to have completed tertiary education than men (shares were 24.1 and 15.7 per cent, respectively) and young women were also less likely than young men to have had no education or basic education only. Regarding the distribution of educational attainment among youth, the West Bank and Gaza showed similar results.

Figure 3.2 Distribution of youth by completed level of education, area of residence and sex



Source: PCBS, SWTS-Palestine, 2013.

Educational attainment of youth was positively related to parents' educational attainment. For example, the proportion of bachelor's degree holders increased with father's educational attainment (from 10.3 per cent for youth with non-educated fathers to 69.4 per cent for youth with fathers who held doctorates). Similarly, youth with more highly educated mothers had higher proportions of bachelor's or postgraduate degrees (see Annex II, tables A.4 and A.5).

Table 3.3 Highest completed level of education of youth by household's income level*

Highest completed level of education	Income level	Well off	Average	Poor	Very poor	Total
None	Number	14 262	86 361	38 752	14 614	153 989
	%	9.3	56.1	25.2	9.5	100
Basic	Number	24 968	146 038	52 863	9 598	233 467
	%	10.7	62.6	22.6	4.1	100
Secondary (vocational)	Number	3 395	11 123	1 844	1 394	17 756
	%	19.1	62.6	10.4	7.9	100
Secondary (academic)	Number	22 969	82 664	22 816	4 866	133 315
	%	17.2	62.0	17.1	3.6	100
Intermediate diploma	Number	10 810	31 122	9 001	1 485	52 418
	%	20.6	59.4	17.2	2.8	100
Bachelor's degree	Number	33 443	84 629	19 631	1 897	139 600
	%	24.0	60.6	14.1	1.4	100
Postgraduate	Number	3 767	905	302	164	5,138
	%	73.3	17.6	5.9	3.2	100
Total	Number	113 614	442 841	145 209	34 018	735 682
	%	15.4	60.2	19.7	4.6	100

Note: *The income level of the household was based on self-assessment of respondents.

Source: PCBS, SWTS-Palestine, 2013.

The poverty rate in the territory exceeded 25 per cent in 2011, according to the PCBS expenditure and consumption survey. Economic difficulties may have had implications for access to education, especially higher education. The hypothesis was tested by comparing the self-assessed income level of a young person's household against the educational level

of youth with completed schooling. The results in table 3.3 show that youth from poor and very poor households had less chance of reaching the higher levels of education. Moreover, more than one-third (34.7 per cent) of youth from poor and very poor households (combined) had no education at all, while 26.7 per cent had completed only the basic level. In comparison, 9.3 per cent of youth from "well off" households had no education and 10.7 per cent had finished only the basic level.

The SWTS results showed a worryingly high share of youth leaving school before completion; 33.1 per cent of men and 23.5 per cent of women (28.2 per cent overall) had left school before achieving their degree (table 3.4). The share of early drop-outs was slightly higher in Gaza than the West Bank, at 30.2 and 27.0 per cent, respectively. The results in table 3.4 also confirmed that a strong majority of youth who left school early left in the early levels. Nearly nine out of ten school drop-outs (88.4 per cent) had completed, at most, only the basic level of education.

Table 3.4 Share of early school leavers and highest level completed by sex and area of residence (%)

	Share of early leavers	Highest level completed						
		None	Basic	Secondary (vocational)	Secondary (academic)	Intermediate diploma	Bachelor's degree	Post-graduate
Total	28.2	38.9	49.5	0.9	10.7	–	0.1	–
Male	33.1	42.0	48.5	1.6	7.7	–	0.1	–
Female	23.5	34.4	50.8	0.0	14.8	–	0.0	–
West Bank	27.0	37.6	48.9	1.6	11.7	–	0.1	–
Gaza	30.2	40.6	50.2	0.0	9.2	–	0.0	–

Note: – = Insignificant response rate.

Source: PCBS, SWTS-Palestine, 2013.

Table 3.5 shows the reasons given for leaving school. For men, the main reasons were failing examinations (31.0 per cent) and having no interest in education or training (35.2 per cent). For women, the main reason for leaving school before completion was to get married (43.0 per cent). Only 10.3 per cent of early school leavers left because of economic reasons.

Table 3.5 Reasons for leaving school by sex

Reason	Male		Female		Total	
	Number	%	Number	%	Number	%
Failed examinations	67 717	31.0	34 674	22.1	102 392	27.3
Not interested in education/training	76 890	35.2	30 571	19.5	107 460	28.6
Wanted to start working	31 476	14.4	2 905	1.8	34 381	9.2
To get married	1 199	0.5	67 521	43.0	68 718	18.3
Parents did not want me to stay in school	2 364	1.1	5 052	3.2	7 416	2.0
Economic reasons	27 491	12.6	11 219	7.1	38 710	10.3
No school nearby	0	0.0	805	0.5	805	0.2
Other	11 077	5.1	4 336	2.8	15 413	4.1
Total	218 214	100	157 083	100	375 295	100

Source: PCBS, SWTS-Palestine, 2013.

3.2.2 Current students

The students surveyed in the OPT mainly hoped to obtain a professional job eventually (75.0 per cent) (table 3.6). Among male students, 68.1 per cent preferred professional jobs and 10.1 per cent preferred crafts work. Among female students, 81.0 per

cent preferred professional jobs and 8.5 per cent technical jobs. In terms of where the students wanted to work, more than half (50.8 per cent) hoped to work someday in the government or public sector. The attraction of the public sector was due to three factors: status, security and benefits. For young women in the OPT, public sector employment can be the only outlet for finding work. Unfortunately, it is unrealistic to imagine that the public sector could have the capacity to absorb the totality of emerging young graduates. Nearly one-third (31.8 per cent) of young students stated a preference to work for a private company and a relatively high share (11.4 per cent) expressed a desire to go into self-employment.

Table 3.6 Students by desired future place of work and occupation

Desired place of work and occupation	Male		Female		Total	
	Number	%	Number	%	Number	%
Occupation						
Legislators, senior officials and managers	10 890	4.0	7 234	2.3	18 125	3.0
Professionals	187 449	68.1	259 978	81.0	447 427	75.0
Technicians and associate professionals	17 013	6.2	27 303	8.5	44 317	7.4
Clerks	4 394	1.6	9 288	2.9	13 682	2.3
Service workers, shop and market sales workers	17 968	6.5	10 311	3.2	28 279	4.7
Skilled agricultural and fishery workers	1 548	0.6	0	0.0	1 548	0.3
Craft and related trade workers	27 754	10.1	1 955	0.6	29 709	5.0
Plant and machine operators and assemblers	3 495	1.3	0	0.0	3 495	0.6
Elementary occupations	3 196	1.2	0	0.0	3 196	0.5
Armed forces	1 617	0.6	5 028	1.6	6 646	1.1
Total	275 324	100	321 097	100	596 424	100
Place of work						
Own business/farm)	46 212	16.8	21 649	6.7	67 862	11.4
Work for the government/public sector	119 556	43.4	183 109	57.0	302 665	50.8
Work for a private company	95 513	34.7	94 405	29.4	189 918	31.8
Work for an international organization	7 678	2.8	13 382	4.2	21 060	3.5
Work for non-profit organization	540	0.2	318	0.1	858	0.1
Work for family business/farm	1 396	0.5	271	0.1	1 667	0.3
Work for a foreign government	4 079	1.5	2 631	0.8	6 710	1.1
Do not wish to work	350	0.1	5 335	1.7	5 685	1.0
Total	275 324	100	321 100	100	596 425	100

Source: PCBS, SWTS-Palestine, 2013.

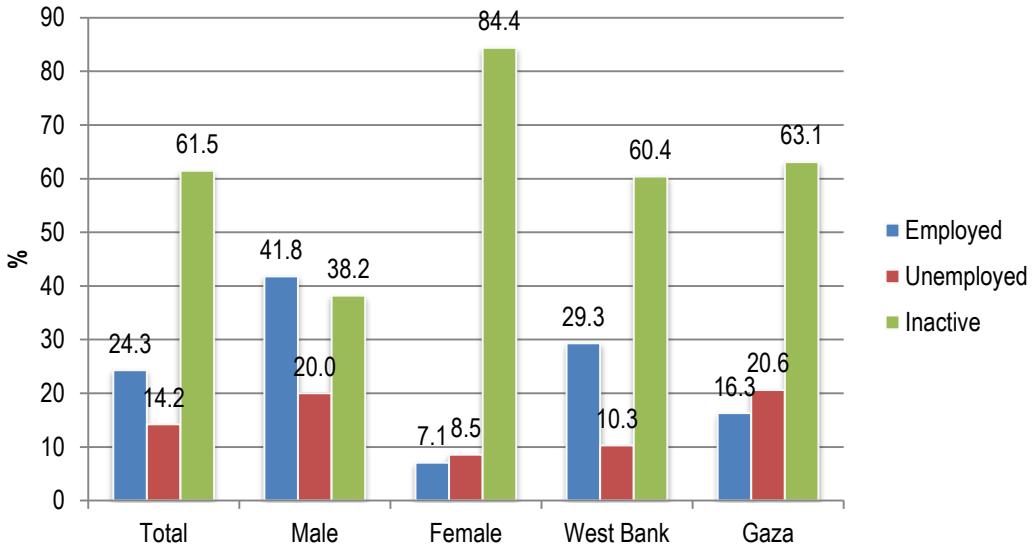
3.3 Activity status of surveyed youth

The international standards concerning employment and unemployment statistics are based on the labour force framework (see Annex I). According to this framework, the working age population is divided into three categories (employed, unemployed and economically inactive) depending on their labour market activities during a specified short reference period.

Figure 3.3 illustrates the distribution of the youth working-age population by main economic activity. Several observations can be made. First, 14.2 per cent of the youth were unemployed, with higher shares of unemployment among young men than among women

(20.0 and 8.5 per cent, respectively) and among youth in Gaza compared to those in the West Bank. At 20.6 per cent, the share of unemployed youth in Gaza was double that of the West Bank (10.3 per cent). The limited job opportunities in Gaza were further reflected in the lower employment-to-population ratio (16.3 per cent compared to 29.3 per cent in the West Bank). Second, most of the youth were inactive (61.5 per cent), mainly due to the very high share of inactive young women (84.4 per cent compared to only 38.2 per cent of young men). The inactive group was not engaged in the labour market and included people who were in education, looking after family, retired or sick or disabled. Third, the share of employed young men was nearly six times that of women at 41.8 per cent and 7.1 per cent, respectively. Young women were therefore much more likely to be inactive in comparison to young men and young men were more likely to be employed or unemployed in comparison to young women.

Figure 3.3 Distribution of the youth population by main economic activity, area of residence and sex



Source: PCBS, SWTS-Palestine, 2013.

In the ILO's *Global Employment Trends for Youth 2013*, the argument was made that comparing traditional labour market indicators with a more detailed disaggregation of indicators made available through the SWTS allowed a clearer picture to be drawn of the challenges that youth face in developing economies (ILO, 2013a, Chapter 4). Figure 3.4 shows the results for the OPT. The SWTS framework proposes a distribution of the youth population in the following five categories: (i) regular employment, defined as wage and salaried workers holding a contract of duration greater than 12 months, plus self-employed youth with employees (employers); (ii) irregular employment, defined as wage and salaried workers holding a contract of limited duration, i.e. set to terminate within 12 months, self-employed youth with no employees (own-account workers) and contributing family workers; (iii) unemployed (relaxed definition), defined as persons currently without work and available to take up work in the week prior to the reference period; (iv) inactive non-students; and (v) inactive students.

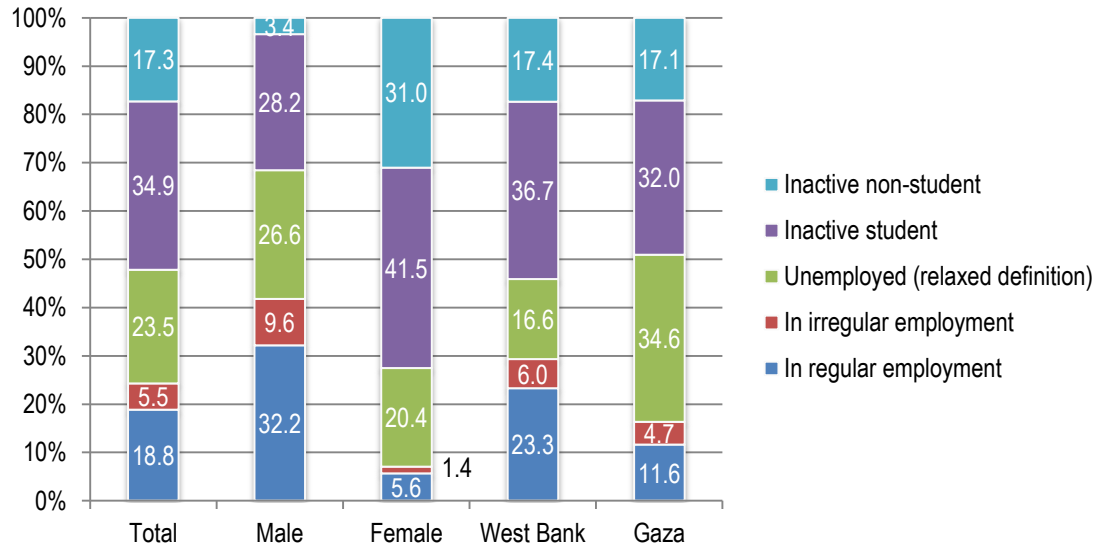
Figure 3.4 shows the components of the labour market by sex and area of residence. Here one sees clearly that a significant portion of the inactive youth were non-students (17.3 per cent of the youth population in total), but this was only true for young women. While more inactive women were students than non-students, still the share of inactive non-students among women was sizable at 31.0 per cent and thus had a significant impact on the productive potential of the country. The share of female inactive non-students was ten times greater than the share among young men (3.4 per cent).

For the youth who were working, a greater proportion had attained regular employment (18.8 per cent of the youth population) than irregular employment (5.5 per cent). Irregular employment includes wage and salaried workers who hold a contract for a limited period (less than 12 months), self-employed youth with no employees (own-account workers) and contributing family members. At most, irregular employment impacted 9.6 per cent of the male youth population. Finally, one-fifth (20.4 per cent) of young women and one-quarter of young men (26.6 per cent) were affected by unemployment.

Across the territories, the figure confirmed once again the evident challenge of unemployment among youth in Gaza, where as many as 34.6 per cent of the youth population remained without a job. That the share of unemployed according to the relaxed definition was so much higher than the share according to the strict definition (a 14 percentage point increase) was a further signal of the limited opportunities in the territory and the resulting situation in which fewer young people bothered to engage in an active job search.

The difference between the relaxed definition of unemployment (also known as "broad unemployment") and the strict definition is in the relaxation of the "seeking work" criterion. According to international standards, the seeking work criterion may be relaxed "in situations where the conventional means of seeking work are of limited relevance, where the labour market is largely unorganized or of limited scope, where labour absorption is, at the time, inadequate or where the labour force is largely self-employed". Given the restricted economic conditions in the OPT, and particularly in Gaza, a young person without work was more likely to wait for word-of-mouth, informal connections that led to occasional work than to engage in an active job search. The result of relaxing the active job search criterion in the unemployment definition therefore had a significant impact on results.

Figure 3.4 Distribution of the youth population by more detailed disaggregation of economic activity, area of residence and sex



Source: PCBS, SWTS-Palestine, 2013.

Table 3.7 summarizes the youth labour market situation with some key labour market indicators. As mentioned above, the female youth population was characterized by a very low rate of labour force participation (15.6 per cent) and a high unemployment rate (54.8 per cent). To place this in perspective, results can be compared to the global female youth labour force participation rate (aged 15–24) in 2013 of 39.0 per cent (ILO, 2014) and national labour force participation rates of young women of 19.3 per cent in Jordan and

31.0 per cent in Tunisia based on recent SWTS run in both countries (Barcucci and Mryyan, 2014 and ONEQ, 2014). The male youth labour force participation rate, at 61.8 per cent, is closer to the global average (55.3 per cent) and also to the male rates in Jordan and Tunisia (at 58.0 and 59.9 per cent, respectively).

Table 3.7 Key labour market indicators of youth by area of residence and sex (%)

	Total	Male	Female	West Bank	Gaza
Labour force participation rate	38.5	61.8	15.6	39.6	36.9
Unemployment rate (strict definition)	37.0	32.4	54.8	26.1	55.8
Unemployment rate (relaxed definition)	49.1	38.9	74.3	36.2	68.0
NEET % in population	35.0	23.6	46.2	29.9	43.1

Source: PCBS, SWTS-Palestine, 2013.

The lack of opportunities for young women was further reflected in the high female youth unemployment rate of 54.8 per cent (compared to the male rate of 32.4 per cent) and the high share of young women who were neither in employment nor in education or training (NEETs). The share of NEETs among young women was 46.2 per cent; double the male share of 23.6 per cent. Table A.6 confirms that two-thirds of total NEETs were female (66.5 per cent). Overall, the youth unemployment rate in the OPT, at 37.0 per cent, was higher than both Jordan and Tunisia (24.1 and 31.8 per cent, respectively). The rate of 55.8 per cent among youth in Gaza was certainly among the highest in the world and a strong signal that the labour market in the territory was barely functioning.

Table 3.8 shows the distribution of educational attainment by current activity status and illustrates that youth with lower levels of educational attainment were strongly represented among all statuses, which is not overly surprising since the lowest two categories of attainment (none and basic) comprise more than half of the youth population (figure 3.2). Still, it was the inactive youth who showed the highest tendency towards the lower levels of education (57.7 per cent had basic education or less compared to 50.2 per cent of employed youth and 46.3 per cent of unemployed youth). Then, at the highest level of education – bachelor's or postgraduate degree levels – the highest share was found among the unemployed (31.2 per cent) compared to the employed (22.6 per cent) and inactive (11.2 per cent).

Table 3.8 Completed education attainment by current activity status

Educational level	Inactive		Employed		Unemployed	
	Number	%	Number	%	Number	%
None	69 042	22.7	56 350	21.0	25 496	16.0
Basic stage	106 453	35.0	78 571	29.2	48 442	30.3
Secondary (vocational)	2 919	1.0	39 808	14.8	17 852	11.2
Secondary (academic)	75 654	24.9	11 965	4.4	2 872	1.8
Intermediate diploma	15 710	5.2	21 504	8.0	15 203	9.5
Bachelor's degree	34 101	11.2	55 886	20.8	49 614	31.0
Postgraduate	–	0.0	4 815	1.8	322	0.2
Total	303 897	100	268 899	100	159 801	100

Note: Students still in education were not included.

Source: PCBS, SWTS-Palestine, 2013.

3.4 Primary life goals

The primary life goals selected by the youth population were, first, to have a good family life (43.2 per cent), second, to be successful in work (31.0 per cent) and, third, to make a contribution to society (16.0 per cent) (table 3.9). However, the ranking of these goals varied depending on whether the young person was employed or not. The most important goal of employed youth was to be successful in work (39.5 per cent).

Table 3.9 Primary life goals of youth by economic activity status

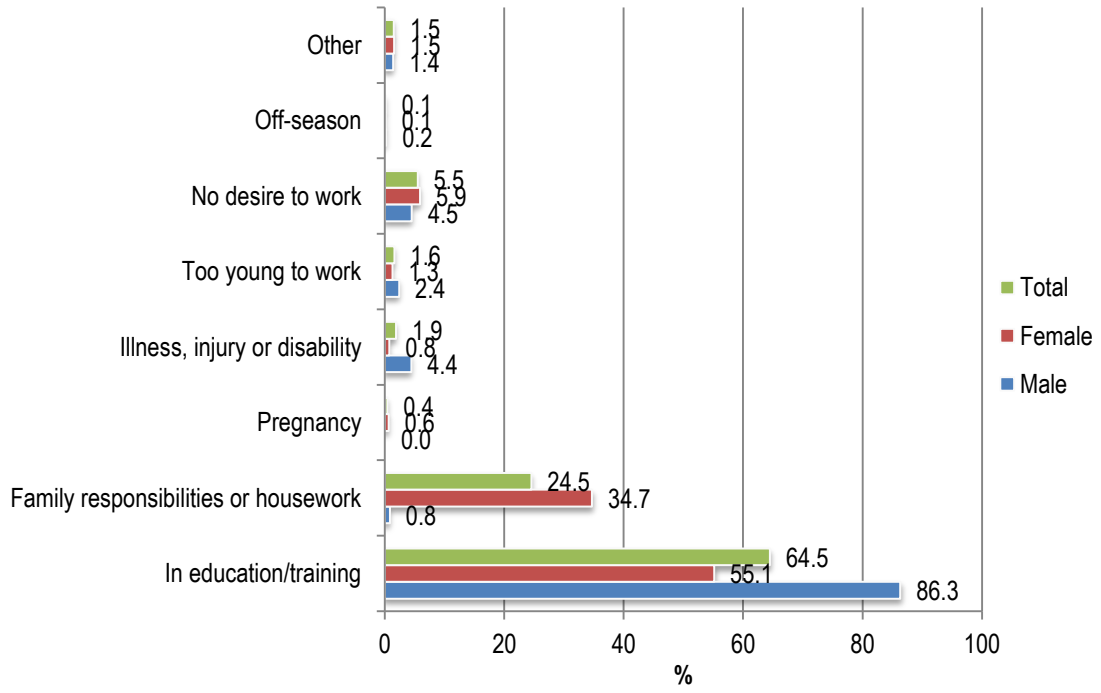
Primary goals	Employed		Unemployed		Inactive		Total	
	Number	%	Number	%	Number	%	Number	%
Being successful in work	127 750	39.5	60 697	32.0	224 864	27.5	413 311	31.0
Making a contribution to society	40 071	12.4	28 284	14.9	145 374	17.7	213 729	16.0
Having lots of money	37 124	11.5	19 587	10.3	41 146	5.0	97 857	7.4
Having a good family life	111 329	34.4	76 391	40.3	387 522	47.3	575 242	43.2
Other	7 405	2.3	4 767	2.5	19 795	2.4	31 967	2.4
Total	323 679	100	189 726	100	818 701	100	1 332 106	100

Source: PCBS, SWTS-Palestine, 2013.

3.5 Characteristics of inactive youth

Among inactive youth, most were inactive due to engagement in education or training (64.5 per cent). Another quarter (24.5 per cent) – almost entirely female – were inactive due to family responsibilities or housework (figure 3.5).

Figure 3.5 Inactive youth by reason for inactivity and sex



Source: PCBS, SWTS-Palestine, 2013.

Figure 3.4 shows that, overall, 17.3 per cent of the youth population was inactive and not in school (31.0 per cent of young women and 3.4 per cent of young men). Inactive non-students made up 45.6 per cent of inactive women and 18.9 per cent of inactive men.

Among both inactive non-student men and women, there was a higher tendency towards the lower levels of education, implying that youth who invested more in their education had a higher opportunity cost for inactivity. Among inactive non-student men, 76.3 per cent had, at most, basic stage educational attainment, 13.4 per cent had secondary stage education and 10.3 per cent had tertiary level education (table 3.10). For inactive non-student women, 54.7 per cent had, at most, basic stage educational attainment, 27.9 per cent had secondary level and 17.4 per cent had tertiary level education.

Table 3.10 Inactive non-student youth by completed educational level and sex

Educational attainment	Male		Female		Total	
	Number	%	Number	%	Number	%
None	19 871	41.6	51 326	19.9	71 196	23.3
Basic stage	16 580	34.7	89 873	34.8	106 453	34.8
Secondary stage (vocational)	537	1.1	2383	0.9	2 919	1.0
Secondary stage (academic)	5 892	12.3	69 761	27.0	75 654	24.7
Intermediate diploma	1 440	3.0	14 270	5.5	15 710	5.1
Bachelor's degree	3 501	7.3	30 600	11.9	34 101	11.1
Total	47 821	100	258 213	100	306 033	100

Source: PCBS, SWTS-Palestine, 2013.

Discouraged workers are defined as those who are not working, are available to work but not seeking work for reasons that imply that they felt that undertaking a job search would be a futile effort. Specific reasons for discouragement include not knowing where to look for work, being unable to find work matching one's skills, having previously looked for work and not found any, feeling too young to find a job, and there being no jobs available in the area.[5] In total, the discouraged youth in the OPT made up 3.6 per cent of the youth population and 9.3 per cent of the youth labour force. The high rate of discouragement among young women was particularly disturbing; as many as 28.6 per cent of the female labour force was made up of discouraged youth. For young men, the rate was only 4.4 per cent. Given the high youth unemployment rates in the territory, it is not overly surprising to find that discouraged youth are largely concentrated in Gaza, making up 18.1 per cent of the youth labour force compared to 4.2 per cent in the West Bank.

Table 3.11 Discouraged youth by reason for discouragement, area of residence and sex (%)

	Male	Female	Total	West Bank	Gaza
Share of discouraged youth in population	2.7	4.5	3.6	1.7	6.7
Share of discouraged youth in labour force	4.4	28.6	9.3	4.2	18.1
Reason for discouragement					
Do not know how or where to seek work	10.2	26.3	20.3	11.9	23.6
Unable to find work matching skills	13.4	13.1	13.2	15.5	12.3
Had looked for work before but had not found any	35.4	21.7	26.8	30.7	25.3
Too young to find a job	2.4	10.8	7.7	14.8	4.8
No jobs available in the area/governorate	38.5	28.1	32.0	27.0	33.9
Total	100	100	100	100	100

Source: PCBS, SWTS-Palestine, 2013.

[5] Other reasons for not actively seeking work included waiting for a reply to a previous application, waiting for seasonal work, pregnancy, education leave, family responsibilities and disability or illness.

A total of 32 per cent of discouraged youth did not seek work as they thought that no jobs were available near their residence, 26.8 per cent said they had looked before and found nothing, 20.3 per cent said they did not know how and where to seek work, 13.2 per cent said they were unable to find work matching their level of skills, and 7.7 per cent felt they were too young to work (table 3.11).

Discouraged youth were asked to identify their source of financial resources. The majority were supported by their family (82.1 per cent), 12.5 per cent by spouses (this response was from females only), 2.2 per cent from their own savings and only 0.8 per cent from government benefits (table A.7). Table A.8 in Annex II provides additional information on how discouraged youth were spending their time.

3.6 Characteristics of unemployed youth

Unemployment as defined according to international standards requires a person to meet three criteria for inclusion: they (a) did not work in the reference period, (b) were available to take up a job had one been offered in the week prior to the reference period, and (c) actively sought work within the past 30 days (for example, by registering at an employment centre or answering a job advertisement). The difference between the relaxed and strict definitions of unemployment was explained above in section 3.3. Regardless of which measure was used, the unemployment rate of youth was a major issue for the territory, especially for young women and youth residing in Gaza.

Results detailed in table 3.12 showed that a young person in the OPT had a significant chance of being unemployed for a very long period of time. The share of unemployed youth with duration of unemployment greater than two years was 32.2 per cent (31.0 per cent for young men and 35.0 per cent for young women). Long-term unemployment, if measured as seeking work for one year or longer, impacted more than half (56.7 per cent) of unemployed youth. Persistent and high youth unemployment can have adverse long-term consequences, such as a higher risk of future unemployment, a prolonged period of unstable jobs and potentially depressed income growth (ILO, 2010). An additional factor comes into play, in that the longer the unemployment spell, the more likely prospective employers are to have negative perceptions of the young jobseeker, whom they start to see as unemployable.

Table 3.12 Youth unemployment rate and share of unemployed youth by unemployment duration and sex (%)

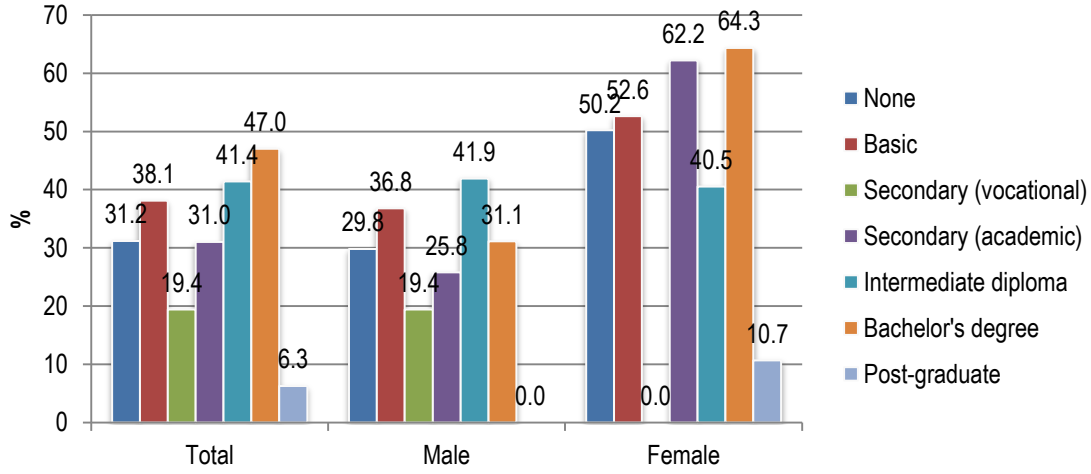
Duration	Male	Female	Total	West Bank	Gaza
Less than 3 months	25.4	26.4	25.7	33.4	19.5
3 months to less than 6 months	8.5	6.8	8.0	10.2	6.2
6 months to less than 1 year	9.5	9.8	9.6	6.3	12.2
1 year to less than 2 years	25.6	21.9	24.5	22.5	26.2
2 years or more	31.0	35.0	32.2	27.6	35.9

Source: PCBS, SWTS-Palestine, 2013.

Figure 3.6 shows increasing rates of unemployment with increased levels of educational attainment, at least for young women. For young men, the unemployment rate was lowest at the secondary level of education (19.4 per cent), increasing for both those with the fewest skills (36.8 per cent for young men with basic education) and those with the highest education levels (41.9 per cent for those with an intermediate diploma and 31.1 per cent for a university graduate). For young women, with the exceptions of the vocational training tracks, which few young women followed, unemployment rates increased incrementally with each added level of education. Already, at the basic level, the

unemployment rate of women was extremely high, at 50.2 per cent, but it continued to increase to as many as 64.3 per cent for women with a bachelor's degree. The numbers indicated, therefore, that there was a significant deficiency in high-skilled professional posts in the territory and that the few that did exist tended to go to young men in preference to young women. The results also indicated that young women continued to invest in their education despite their limited job prospects, in the knowledge that they could still benefit from the social value of education.

Figure 3.6 Youth unemployment rates by level of educational attainment and sex



Source: PCBS, SWTS-Palestine, 2013.

Job search methods were primarily informal; 86.2 per cent of unemployed youth looked to their family and friends for news of job opportunities (table 3.13). The second most frequently employed method was inquiring directly at factories or establishments (64.1 per cent). Nearly one-third (30.6 per cent) of youth registered at an employment centre (more women than men). Compared to other countries, enrolment in public employment services is high, which testifies to the effectiveness of public investment in attracting young jobseekers to use the services but less to the effectiveness of employment services in job placement (given the high youth unemployment rates, especially among women). Young women were more likely than men to use formal job search methods – placing or responding to job advertisements, searching the internet or taking a test or interview. Only 5.2 per cent of unemployed youth took action towards setting up a business (looking for loans, land or materials).

Table 3.13 Unemployed youth by job search method and sex (%)

Job search method	Male	Female	Total
Asked relatives or friends	92.8	71.1	86.2
Inquired directly at factories	62.8	67.0	64.1
Registered at employment office	24.6	44.3	30.6
Took a test or an interview	7.6	33.2	15.4
Placed job advertisements	2.5	10.1	4.8
Responded to job announcements	14.5	28.6	18.8
Searched the internet	28.8	57.6	37.6
Waited in the street	11.8	1.0	8.5
Started a new business	5.1	5.2	5.2
Other	0.1	0.9	0.4
No method	3.9	5.2	4.3

Source: PCBS, SWTS-Palestine, 2013.

Table 3.14 shows the occupations sought by the unemployed. Young male jobseekers were fairly evenly distributed among those seeking elementary occupations (27.0 per cent), service and sales work (22.9 per cent), crafts work (21.2 per cent) and professional posts (16.7 per cent). Young women, on the other hand, concentrated their job search around professional occupations (63.8 per cent), with much smaller shares looking for technical work (10.8 per cent), clerical work (7.2 per cent) and service and sales jobs (10.9 per cent).

Table 3.14 Unemployed youth by occupation sought, area of residence and sex (%)

Occupation sought	Male	Female	Total	West Bank	Gaza
Legislators, senior officials and managers	0.8	0.6	0.7	1.6	0.0
Professionals	16.7	63.8	31.0	28.5	33.0
Technicians and associate professionals	3.2	10.8	5.5	6.4	4.8
Clerks	2.6	7.2	4.0	1.9	5.7
Service workers, shop and market sales workers	22.9	10.9	19.3	19.3	19.2
Skilled agricultural and fishery workers	0.5	0.0	0.3	0.3	0.3
Craft and related trade workers	21.2	2.6	15.5	16.5	14.7
Plant and machine operators and assemblers	5.1	0.7	3.8	4.0	3.6
Elementary occupations	27.0	3.4	19.8	21.1	18.8
Armed forces	0.2	0.0	0.1	0.3	0.0
Total	100	100	100	100	100

Source: PCBS, SWTS-Palestine, 2013.

Table 3.15 supports the premise that unemployment was a less viable option for youth from poor households than for those from well-off households, but only for young men. The reasoning here is that unemployed youth from well-off households could rely on financial support from the household during their period of job search while youth from poor households have a more pressing need to take up whatever means of generating income they can find. Unemployed women, however, came almost equally from well-off and poor households.

Table 3.15 Unemployed youth by household income level and sex

Household's income level	Male		Female		Total	
	Number	%	Number	%	Number	%
Well off	9 083	6.9	11 556	20.1	20 639	10.9
Average	71 012	53.6	32 753	57.1	103 765	54.7
Poor	41 535	31.4	9 636	16.8	51 171	27.0
Very poor	10 735	8.1	3 414	6.0	14 149	7.5
Total	132 365	100	57 359	100	189 724	100

Note: Household income level was based on the self-assessment of respondents.

Source: PCBS, SWTS-Palestine, 2013.

Unemployed youth were asked to identify their main obstacles to finding work. The majority of unemployed youth selected the lack of availability of jobs (55.4 per cent) as the primary obstacle (table 3.16). Other notable responses included 10.3 per cent (11.9 per cent of young women and 9.7 per cent of young men) who felt that the requirements of jobs were too high for them and 9.8 per cent who felt that their lack of work experience was preventing them from being hired. Nearly one-half (46.4 per cent) of unemployed men and one-quarter (25.3 per cent) of unemployed women judged their education not to be helpful in their search for work. These figures (in Annex II, table A.9) should focus the attention

of policy-makers on reconsidering the functionality of the educational system and its alignment to the labour market.

Table 3.16 Unemployed youth by opinion of main obstacle to finding work

Main obstacle	Male		Female		Total	
	Number	%	Number	%	Number	%
Requirements for job were higher than education/training received	12 819	9.7	6 807	11.9	19 626	10.3
Not enough work experience	10 257	7.7	8 319	14.5	18 576	9.8
Not enough jobs available	73 888	55.8	31 185	54.4	105073	55.4
Considered too young	5 819	4.4	1 840	3.2	7 659	4.0
Being male/female	709	0.5	0	0.0	709	0.4
Discriminatory prejudices	1 242	0.9	0	0.0	1 242	0.7
Low wages in available jobs	11 762	8.9	3 705	6.5	15 467	8.2
Poor working conditions in available jobs	5 781	4.4	1 451	2.5	7 232	3.8
Did not know how or where to seek work	4 876	3.7	1 494	2.6	6 369	3.4
Other	5 214	3.9	2 559	4.5	7 773	4.1
Total	132 367	100	57 360	100	189 726	100

Source: PCBS, SWTS-Palestine, 2013.

Only a small proportion of unemployed youth – 12.2 per cent – had refused a job offer in the past. For men, the main reasons for refusal were low wages (50.5 per cent) and inconvenience of work location (13.8 per cent) (table 3.17). However, for women the main reasons were a lack of family approval (25.2 per cent) and low wages (25.4 per cent). The results gave further evidence of the differing labour market constraints on young men and young women in the OPT.

Table 3.17 Unemployed youth who had refused a job by reason for refusal and sex

Reason for job refusal	Male		Female		Total	
	Number	%	Number	%	Number	%
Wages offered were too low	5 516	50.5	3 103	25.4	8 619	37.3
Work was not interesting	508	4.7	1 487	12.2	1 995	8.6
Location was not convenient	1 502	13.8	1 141	9.4	2 643	11.4
Work did not match qualifications	397	3.6	422	3.5	819	3.5
Work required too many hours	506	4.6	236	1.9	742	3.2
Family did not approve	858	7.9	3 075	25.2	3 933	17.0
Waiting for a better job	0	0.0	1 010	8.3	1 010	4.4
Other	1 635	15.0	1 727	14.2	3 363	14.5
Total	10 922	100	12 201	100	23 124	100

Source: PCBS, SWTS-Palestine, 2013.

The general trend for unemployed youth was that minimum income expectations increased by educational level (table 3.18). At all educational levels, men had significantly higher income expectations than women. It is noticeable that minimum income expectations were very close to the minimum monthly wage fixed by the Palestinian National Authority of 1,450 Israeli shekels; however, the expectations of men tended to exceed the minimum wage.

Table 3.18 Minimum income expectations[6] of unemployed youth by sex and level of completed education (in Israeli shekels)

Educational attainment	Male	Female	Total
None	1 535	1 188	1 388
Basic stage	1 692	882	1 515
Secondary stage (vocational)	1 585	800	1 340
Secondary stage (academic)	1 710	1 030	1 418
Intermediate diploma	1 606	1 352	1 470
Bachelor's degree	1 916	1 391	1 543
Postgraduate	–	1 500	1 500

Note: – = Insignificant response rate.

Source: PCBS, SWTS-Palestine, 2013.

3.7 Characteristics of employed youth

3.7.1 Employment by status, sector and occupation

As stated in section 3.3 above, results showed that 41.8 per cent of young Palestinian men were working compared to 7.1 per cent of women. The female youth employment-to-population ration was among the world's lowest. The majority of employed youth (table 3.19) were working as wage and salaried workers (employees) (81.8 per cent of men and 84.1 per cent of women). "Vulnerable" employment, made up of sub-categories of own-account workers and unpaid family workers accounted for a relatively small share at 15.8 per cent of young workers (16 per cent of male workers and 14.6 per cent of female workers).

Table 3.19 Employed youth by status in employment, area of residence and sex (%)

Employment status	Male	Female	Total	West Bank	Gaza
Wage or salaried worker	81.8	84.1	82.2	83.2	79.2
Employer	2.0	1.4	1.9	2.1	1.2
Own-account worker	7.2	5.2	6.9	6.7	7.5
Unpaid family worker	8.8	9.4	8.9	7.7	12.1
Other	0.1	0.0	0.1	0.2	0.0
Total	100	100	100	100	100

Source: PCBS, SWTS-Palestine, 2013.

According to table 3.20, employment status distribution was similar across educational levels of employed male youth. However, for young women, the distribution was dependent on educational attainment. Half (50.7 per cent) of young women with no education were employed as wage and salaried workers and 37.6 per cent were unpaid family workers. As education level increased, the shares in unpaid family work declined. A total of 93.9 per cent of young women with bachelor's degrees were wage and salaried workers and only 4.2 per cent were unpaid family workers.

[6] Currency used is Israeli shekel (IS). Average exchange period during the survey period is US$1 = 3.57 IS.

Table 3.20 Employment status distribution by level of education and sex (%)

Educational attainment	Male					Female				
	Wage or salaried worker	Employer	Own-account worker	Unpaid family worker	Total	Wage or salaried worker	Employer	Own-account worker	Unpaid family worker	Total
None	78.8	1.6	8.3	11.3	100	50.7	0.0	11.7	37.6	100
Basic stage	84.3	3.7	7.3	4.8	100	58.4	5.9	25.6	10.0	100
Secondary stage (vocational)	85.4	1.6	6.3	6.7	100	–	–	–	–	–
Secondary stage (academic)	88.6	0.6	6.9	3.9	100	78.7	0.0	6.5	14.8	100
Intermediate diploma	81.9	0.0	10.5	7.6	100	97.0	0.0	3.0	0.0	100
Bachelor's degree	87.9	2.1	7.5	2.5	100	93.9	1.9	0.0	4.2	100
Postgraduate	60.2	0.0	13.5	26.3	100	100.0	0.0	0.0	0.0	100

Note: – = Insignificant response rate.

Source: PCBS, SWTS-Palestine, 2013.

The occupational distribution of employed youth (table 3.21) also showed distinct variation between men and women. Young men had more occupational choice. Young men worked as sales and service workers (28.3 per cent), in elementary occupations (25.6 per cent), as craft workers (20 per cent), professionals (8.3 per cent) and machine operators (7.0 per cent). Young female workers were concentrated in fewer occupations; 41.0 per cent were professionals, 20.9 per cent were in sales and service work, 14.3 per cent were technicians or associate professionals and the remaining occupations took up 23.9 per cent of female employment combined. Professional work among young women was much more common in Gaza than the West Bank (27.9 and 12.0 per cent, respectively), where young female workers were more likely to work as clerks (22.8 per cent). As stated in table 3.14, 31.0 per cent of unemployed youth sought professional occupations and 75.0 per cent of students stated a preference for professional occupations in the future. It was, therefore, a matter of concern that only 13.1 per cent of the employed youth had found work as professionals. These results have highlighted the importance of finding alternatives to professional occupations for youth and overcoming traditional views regarding what constitutes "female work" so as to extend the occupational options of young women.

In terms of the sectoral distribution of employment, young female workers were heavily concentrated in public sector areas, such as education (27.7 per cent) and health (14.0 per cent), with another 13.6 per cent in the retail sector (table 3.22). Young men, on the other hand, worked in manufacturing (13.4 per cent), construction (20.0 per cent), but with a majority in the retail sector (26.9 per cent). Only 7.2 per cent of male employment and 6.5 per cent of female employment was in agriculture. Employment shares in the construction and manufacturing sectors were stronger in the West Bank than Gaza, while Gaza had a higher share of youth (18.0 per cent) working in public administration.

Table 3.21 Occupational distribution of employed youth by area of residence and sex (%)

Occupation	OPT			West Bank			Gaza		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Legislators, senior officials and managers	0.9	4.3	1.4	8.8	39.3	13.9	7.0	51.0	10.5
Professionals	8.3	41.0	13.1	3.2	12.0	4.7	1.3	27.9	3.5
Technicians and associate professionals	2.7	14.3	4.4	1.7	7.9	2.8	2.2	3.2	2.3
Clerks	1.9	7.2	2.6	27.3	22.8	26.6	31.0	9.1	29.3
Service workers, shop and market sales workers	28.3	20.9	27.2	1.7	7.3	2.7	3.4	0.0	3.1
Skilled agricultural and fishery workers	2.2	6.3	2.8	20.9	4.1	18.0	17.6	3.6	16.5
Craft and related trade workers	20.0	4.0	17.6	7.2	1.0	6.1	6.5	0.0	5.9
Plant and machine operators and assemblers	7.0	0.8	6.1	26.8	1.5	22.5	22.5	0.0	20.7
Elementary occupations	25.6	1.3	22.1	1.6	0.0	1.3	7.4	0.0	6.8
Armed forces	3.2	0.0	2.7	0.9	4.1	1.4	1.0	5.1	1.3
Total	100	100	100	100	100	100	100	100	100

Source: PCBS, SWTS-Palestine, 2013.

Table 3.22 Distribution of youth employment by 1-digit ISIC sector, area of residence and sex (%)

Sector	OPT			West Bank			Gaza		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Agriculture, forestry and fishing	7.2	6.5	7.1	6.8	7.6	7.0	8.1	–	7.4
Manufacturing	13.4	6.5	12.4	14.6	7.0	13.3	10.5	3.6	9.9
Construction	20.0	1.3	17.2	22.6	1.5	19.1	12.9	–	11.9
Wholesale and retail trade	26.9	13.6	24.9	27.0	13.5	24.7	26.5	14.5	25.5
Transport	3.4	–	2.9	2.4	–	2.0	5.9	–	5.4
Accommodation	5.6	1.0	4.9	6.4	1.2	5.5	3.4	–	3.1
Financial activities	1.0	3.9	1.4	0.9	3.7	1.4	1.2	5.1	1.5
Professional scientific activities	1.5	5.5	2.1	1.6	5.6	2.2	1.3	5.2	1.6
Administrative and support activities	1.1	3.5	1.4	1.4	4.0	1.8	0.3	–	0.2
Public administration	9.0	0.9	7.8	5.2	–	4.3	19.0	6.7	18.0
Education	3.3	27.7	6.8	3.2	25.7	7.0	3.4	39.8	6.3
Health and social work	2.1	14.0	3.8	1.9	14.6	4.1	2.5	10.1	3.2
Other services	2.1	11.4	3.4	1.9	10.8	3.4	2.6	15.0	3.6
Others*	3.7	4.1	3.8	4.1	4.8	4.2	2.6	0.0	2.4

Notes: – = Insignificant response rate. ISIC = International Standard Industrial Classification.

* Only sectors taking at least 2 per cent of the total are shown. The remainder is put in "Others", which include mining, electricity, gas and steam, water supply, real estate, information and communications, arts and entertainment and extra-territorial activities.

Source: PCBS, SWTS-Palestine, 2013.

3.7.2 Wage and salaried workers

In terms of the type of contract held by young wage and salaried workers, as many as 68.6 per cent had no written contract at all (72.9 per cent of male employees and 43.7 per cent of female employees). A further 13.1 per cent held a contract of limited duration, of which 62.0 per cent were for 12 months or less (table 3.23). In terms of the reasons given for limited duration contracts, for young men, the time limits reflected the nature of the work: 30.7 per cent were engaged in occasional work, 19.9 per cent in seasonal work, 17.4 per cent were on their probationary period and 17.6 per cent were working in public employment programmes (table 3.24). For women, the main reasons for time-limited contracts were working on public employment programmes (27.1 per cent) and working at a "specific service or task" (16.1 per cent). A large share of women (43.1 per cent) also reported "other" reasons for working on a time-limited contract.

Table 3.23 Young wage and salaried workers by type of contract, duration of contract and sex

	Male		Female		Total	
	Number	%	Number	%	Number	%
Written agreement	61 181	27.1	22 421	56.3	83 602	31.4
Oral agreement	164 954	72.9	17 431	43.7	182 385	68.6
Unlimited duration	197 843	87.5	33 290	83.5	231 133	86.9
Limited duration	28 291	12.5	6 562	16.5	34 854	13.1
– Less than 12 months	18 868	66.7	2 746	41.8	21 614	62.0
– 12 months to less than 36 months	5 634	19.9	3 531	53.8	9 166	26.3
– 36 months or more	3 789	13.4	285	4.3	4 073	11.7
Total young wage and salaried workers	226 134		39 852		265 987	

Source: PCBS, SWTS-Palestine, 2013.

Table 3.24 Young wage and salaried workers on limited duration contract by reason and sex

Reason	Male		Female		Total	
	Number	%	Number	%	Number	%
On the job training, internship	744	2.6	193	2.9	937	2.7
Probationary period	4 915	17.4	475	7.2	5 390	15.5
Seasonal work	5 632	19.9	0	0.0	5 632	16.2
Occasional/daily work	8 695	30.7	0	0.0	8 695	24.9
Working as a replacement/substitute	394	1.4	231	3.5	625	1.8
Public employment programme	4 975	17.6	1 776	27.1	6 750	19.4
Specific service or task	768	2.7	1 060	16.1	1 828	5.2
Other	2 167	7.7	2 828	43.1	4 995	14.3
Total	28 290	100	6 563	100	34 852	100

Source: PCBS, SWTS-Palestine, 2013.

Benefits other than salary were considered important as indicators of employment quality. Among possible entitlements were health insurance coverage, paid sick leave, transport allowance, etc. The highest share in terms of access to benefits – although low in relative terms (reaching less than one-half of young workers) – was the added coverage of overtime pay (45.1 per cent of men and 35.0 per cent of women) (table 3.25). Approximately one-third of young workers were provided with paid annual leave by their employers (34.3 per cent), paid sick leave (33.2 per cent), transport allowance (31.9 per cent) and medical insurance (29.7 per cent). It can be observed that lower wages for

women relative to those of men (table 3.26) were slightly compensated for by increased access to other benefits. The fact that women worked primarily in the public sector implies a perception of greater stability of contracts and access to benefits. One-half of young female workers received paid annual leave and 55.5 per cent paid sick leave compared to less than one-third of male workers.

Table 3.25 Young wage and salaried workers by access to benefits/entitlements and sex (%)

Benefits	Male	Female	Total
Transport or transport allowance	30.6	39.6	31.9
Meals or meal allowance	37.0	21.4	34.7
Annual paid leave	31.5	50.0	34.3
Paid sick leave	29.2	55.5	33.2
Pension/old age insurance	15.6	19.6	16.2
Severance/end-of-service payment	18.4	29.1	20.0
Overtime pay	45.1	35.0	43.6
Medical insurance coverage	28.7	35.2	29.7
Bonus/reward for good performance	23.5	33.0	25.0
Social security contribution	5.4	5.1	5.4
Educational or training course	18.2	35.5	20.8
Occupational safety	24.2	13.4	22.6
Childcare facilities	1.7	6.3	2.4
Maternity/paternity leave	0.8	15.9	3.1

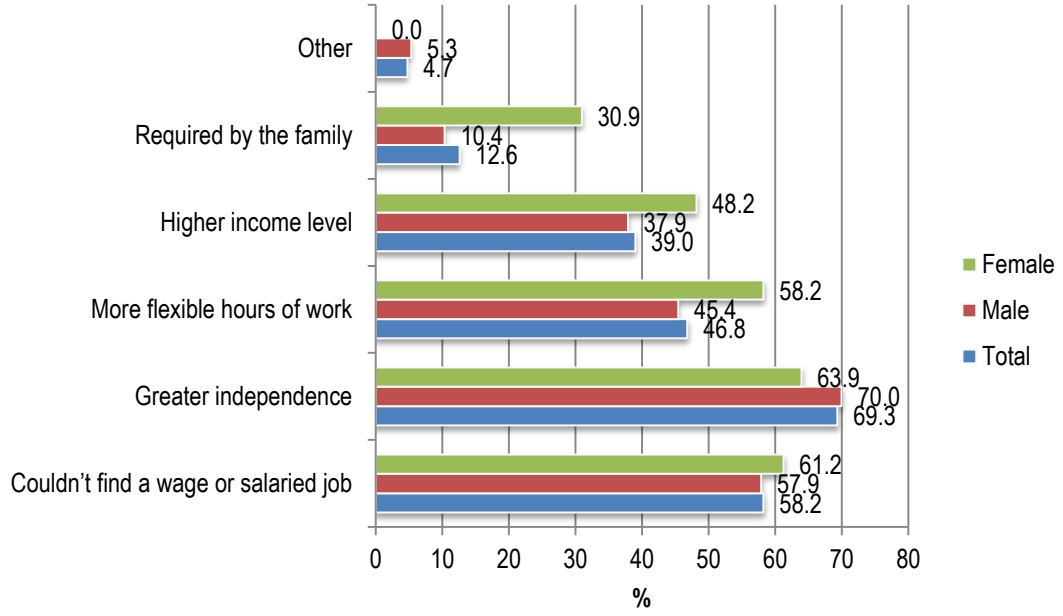
Source: PCBS, SWTS-Palestine, 2013.

3.7.3 Self-employed youth

Self-employment was not taken up by a significant number of youth in the OPT. As shown in table 3.19, only 1.9 per cent of young workers were employers and 6.9 per cent were own-account workers (7.2 per cent of male workers and 5.2 per cent of female workers). Figure 3.7 details the main reasons for taking up self-employment. In general, more youth chose self-employment for "positive" reasons than negative ones; 63.9 per cent of women and 70 per cent of men thought self-employment would bring them greater independence, but they were also attracted by the greater flexibility in working hours (58.2 per cent of women and 45.4 per cent of men) and higher income possibilities (48.2 per cent of women and 37.9 per cent of men). Some self-employed youth also indicated "negative" reasons for taking up self-employment: 61.2 per cent of women and 57.9 per cent of men could not find a paid job; and 30.9 per cent of women and 10.4 per cent of men were following the requirements of the family. Although not shown in the figure, data revealed that the negative view towards self-employment was predominantly held among youth in Gaza, where 83.3 per cent chose self-employment because they could not find a paid job (compared to 49.8 per cent in the West Bank).

Self-employed youth were challenged by many obstacles, both in the start-up and the running of their venture. The most significant challenges identified by self-employed youth are reported in table A.12. Competition in the market (36.6 per cent), lack of financial resources (22.5 per cent) and political uncertainties due to the Israeli occupation (16.3 per cent) were the most commonly reported challenges facing self-employed youth. Lack of financial resources was cited particularly among youth in Gaza (42.8 per cent compared to 15.6 per cent in the West Bank), while competition in the market was a more common response among self-employed youth in the West Bank (42.9 per cent compared to 18.1 per cent in Gaza).

Figure 3.7 Self-employed youth by reason for self-employment and sex



Note: Multiple responses were allowed.

Source: PCBS, SWTS-Palestine, 2013.

Table 3.26 reports the financial resources used in the start-up phase of businesses. For men, 41.7 per cent depended on money from family and friends, 37.5 per cent used their own savings and 12.7 per cent did not need money. Results for young self-employed women were diverse; they mainly used loans from microfinance institutions (43.1 per cent) with lesser shares using their own savings (27.5 per cent) or funding through family or friends (17.9 per cent). The results reflect the tradition in the territory whereby self-employment among women is not a widely acceptable course of action, and therefore not supported by the families of young women. The traditional role of women in the Palestinian society is to care for the home and children. In most cases, women face opposition from families or husbands to taking up employment. Thus, young women who wished to start their own business substituted the lack of family support with financial support from microfinance institutions.

It is important to notice that only a minimal 1.3 per cent of self-employed youth took out loans from banks to finance the start-up of their enterprise. This is due to the banks' requirements for high levels of guarantees and collateral that youth, especially young women, do not have.

Table 3.26 Financial resources for self-employed youth to start up a business

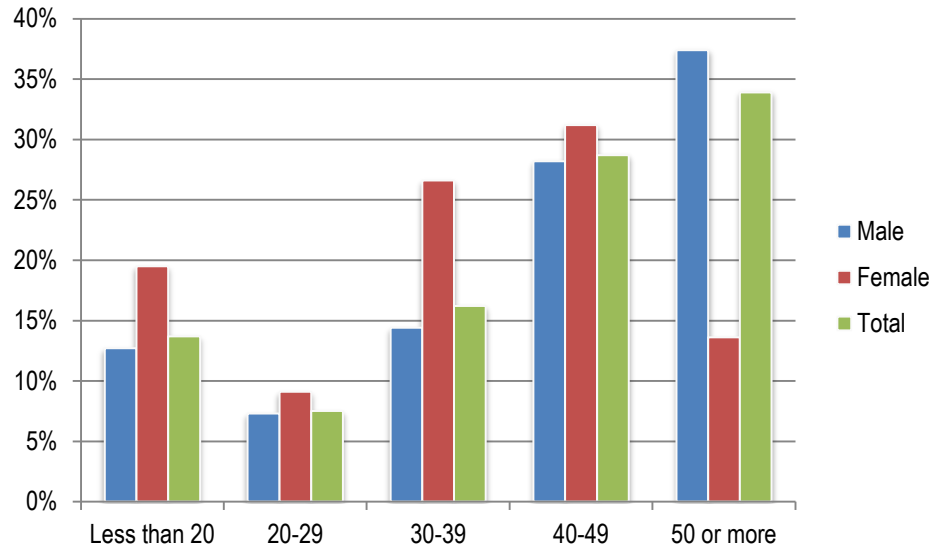
Financial resources	Male		Female		Total	
	Number	%	Number	%	Number	%
No money needed	3 252	12.7	354	11.5	3 606	12.6
Own savings	9 578	37.5	851	27.5	10 429	36.4
Money from family or friends	10 635	41.7	553	17.9	11 189	39.1
Loan from microfinance institutions (including cooperatives)	866	3.4	1 332	43.1	2 197	7.7
Loan from bank	362	1.4	0	0.0	362	1.3
Loan from an informal financial operator (money lenders)	831	3.3	0	0.0	831	2.9
Total	25 524	100	3 090	100	28 614	100

Source: PCBS, SWTS-Palestine, 2013.

3.7.4 Hours of work

The results showed that more than half of employed youth (62.6 per cent) worked for more than 40 hours per week and as many as one-third (33.9 per cent) of young workers worked "excessive" hours, that is, more than 50 hours per week (figure 3.8). Young men were much more likely to work long hours than women; the share of excessive hours among male workers was 37.4 per cent compared to 13.6 per cent for young women. Moreover, young women were more likely to work short hours, that is, less than 20 hours per week (19.5 per cent of women and 12.7 per cent of men).

Figure 3.8 Distribution of youth employment by actual hours worked per week by sex



Source: PCBS, SWTS-Palestine, 2013.

Despite the shorter hours of female workers, fewer women than men stated that they would like to work more hours than they actually worked. The time-related underemployment rate of young women was 15.5 per cent compared to 25.0 per cent for young men.

3.7.5 Informal employment

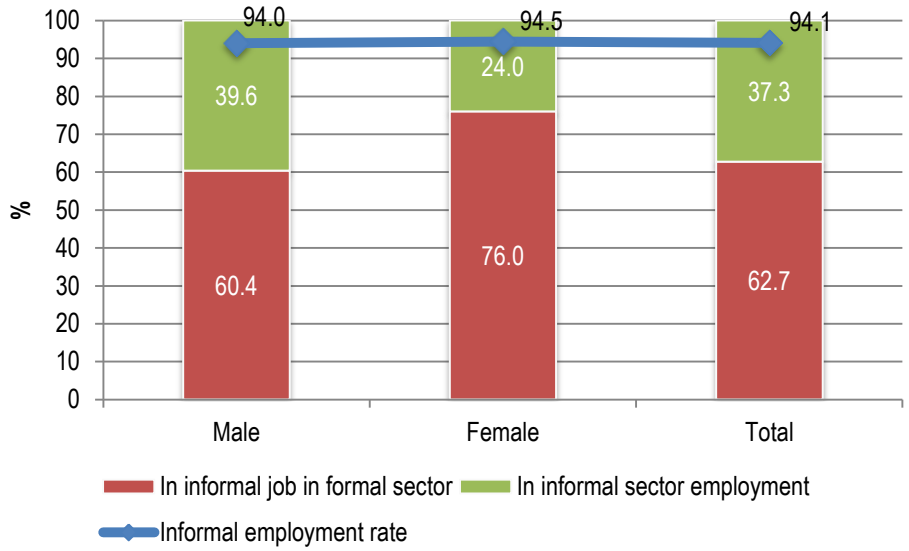
Informal employment[7] was shown to be the standard condition among youth in the OPT, as indeed it is among youth in most developing countries.[8] As many as nine out of ten young workers (94.1 per cent) were classified as being in informal employment (figure 3.9). Informal employment is made up of two categories: workers in the informal (unregistered) sector and paid employees holding informal jobs in the formal sector. The

[7] Informal employment is measured according to the guidelines recommended by the 17th International Conference of Labour Statisticians. The calculation applied here includes the following sub-categories of workers: (i) paid employees in "informal jobs", i.e. jobs without a social security entitlement, paid annual leave or paid sick leave; (ii) paid employees in an unregistered enterprise with size classification below five employees; (iii) own-account workers in an unregistered enterprise with size classification below five employees; (iv) employers in an unregistered enterprise with size classification below five employees; and (v) contributing family workers. Sub-categories (ii) to (iv) are used in the calculation of "employment in the informal sector", sub-category (i) applies to "informal job in the formal sector" and sub-category (v) can fall within either grouping depending on the registration status of the enterprise that engages the contributing family worker.

[8] See Shehu and Nilsson, 2014.

latter do earn a salary but do not receive the other benefits, such as social security contributions or paid annual or sick leave that would normally be associated with a job in the formal sector. Given the relatively low share of self-employment among youth in the region, including contributing family work, it was not surprising to find that the majority were classified as informally employed youth because of an informal job in the formal sector. Nearly two-thirds (62.7 per cent) of informal employment fell within this sub-category with the remaining 37.3 per cent employed in the informal sector. The share of informal employment within the informal sector was higher for young men than young women (39.6 and 24.0 per cent, respectively).

Figure 3.9 Youth informal employment rate and sub-categories by sex



Source: PCBS, SWTS-Palestine, 2013.

3.7.6 Qualifications mismatch

One means of measuring the mismatch between the job that a person does and their level of educational qualifications is to apply the normative measure of occupational skills categories from the International Standard Classification of Occupations (ISCO). ISCO-08 includes a categorization of major occupational groups (first-digit ISCO levels) by level of education in accordance with the International Standard Classification of Education (ISCED) that is reproduced in table 3.27.

Table 3.27 ISCO major groups and education levels

ISCO major group	Broad occupation group	Skill level
1: Legislators, senior officials and managers	High-skilled non-manual	Tertiary (ISCED 5–6)
2: Professionals		
3: Technicians and associate professionals		
4: Clerical support workers	Low-skilled non-manual	
5: Service and sales workers		
6: Skilled agricultural and fishery workers		Secondary (ISCED 3–4)
7: Craft and related trades workers	Skilled manual	
8: Plant and machine operators and assemblers		
9: Elementary occupations	Unskilled	Primary (ISCED 1–2)

Source: ILO, 2013a, p. 29.

Workers in a particular group who have the assigned level of education are considered well-matched. Those who have a higher level of education are considered to be overeducated and those with a lower level of education are considered undereducated. For instance, a university graduate working as a clerk (a low-skilled non-manual occupation) is overeducated, while a secondary school graduate working as an engineer (a high-skilled non-manual occupation) is undereducated.

The result for Palestinian youth was that a slight minority of young workers were in occupations that matched their level of education (40.1 per cent) compared to workers who worked in occupations for which they were overeducated or undereducated combined (59.9 per cent). Table 3.28 provides the breakdown: 13.5 per cent of young workers were overeducated and 46.4 per cent were undereducated. The results were, in part, a reflection of the levels of education attained by youth in the country. With a substantial share of employed youth completing education below the secondary level, it was not overly surprising to find more youth classified as undereducated than overeducated.

Table 3.28 Shares of overeducated and undereducated young workers by major occupational category (ISCO-08, %)

ISCO major group	Overeducated	Undereducated	Matching qualifications
Legislators, senior officials and managers	0.0	45.8	54.2
Professionals	0.0	19.0	81.0
Technicians and associate professionals	0.0	62.0	38.0
Clerks	60.2	2.8	37.0
Service workers, shop and market sales workers	15.0	53.2	31.8
Skilled agricultural and fishery workers	21.5	59.7	18.8
Craft and related trade workers	3.6	66.7	29.7
Plant and machine operators and assemblers	12.2	60.2	27.6
Elementary occupations	26.8	34.4	38.9
Total	13.5	46.4	40.1

Source: PCBS, SWTS-Palestine, 2013.

The phenomenon of overeducation tends to be found when there are an insufficient number of jobs to match a given level of education. The mismatch in supply and demand forces some of the degree holders to take up available work for which they are overqualified. In the OPT, overeducated youth were found primarily in clerical work (60.2 per cent) and, to a lesser degree, in elementary occupations (26.8 per cent), skilled agriculture (21.5 per cent) and sales work (15 per cent). Overeducated youth are likely to earn less than they otherwise could have and are also not making the most of their productive potential.

The survey results showed that there were many more young people holding positions that did not perfectly match their level of education. Six out of ten youth working as technicians, craft workers and plant or machine operators did not hold the level of education required for the job. The share of undereducated professionals was low at 19 per cent, which was to be expected given the high number of educated youth queuing up for such posts. Even one-third (34.4 per cent) of those youth working in elementary occupations could be considered undereducated for their jobs, as they had no education at all whereas the classification assumes that all young people should have attained at least a basic level of education. The undereducation of workers can have a severe impact on labour productivity and can be a significant hindrance to economic growth, but it can also impact the young worker in terms of their self-confidence.

Table 3.29 offers a test of whether the ISCO-based measure of qualifications mismatch corresponds to the perception of young workers regarding the relevance of their education. One-third (33.1 per cent) of employed youth (30.4 per cent of men and 48.4 per cent of women) felt that their education was relevant to their work. However, 41.1 per cent of men and 28.3 per cent of women felt themselves to be underqualified for their work (39.2 per cent). This share was not too far off the ISCO-based measure of undereducation given in table 3.28 (46.4 per cent). Likewise, the 11.0 per cent of young workers who said they felt overqualified for their job corresponds nicely to the ISCO-based measurement of 13.5 per cent overeducated young workers.

Table 3.29 Employed youth by perception of education relevance, area of residence and sex (%)

Perception of relevance	Male	Female	Total	West Bank	Gaza
Feels underqualified	41.1	28.3	39.2	37.7	43.6
Feels overqualified	11.6	7.3	11.0	12.5	6.6
Education is relevant	30.4	48.4	33.1	33.8	30.9
Still studying	16.9	16.0	16.7	16.0	18.9
Total	100.0	100.0	100.0	100.0	100.0

Source: PCBS, SWTS-Palestine, 2013.

3.7.7 Job satisfaction and security

A surprising element that appeared in the examination of indictors from the SWTS was that, despite some indications of poor-quality employment, the majority of young people in most countries expressed satisfaction with their work. The job satisfaction rate among young workers was 77.3 per cent. The seeming contradiction of a young person working in a job that might bring little in terms of monetary reward or stability claiming job satisfaction is a likely reflection of the ability of youth to adapt to the reality of a situation where not many "good jobs" exist. In the context of a low-demand labour market with high unemployment rates, simply having a job at all may outweigh issues of job quality.

Table 3.30 Employed youth share who would like to change job by reason and sex

	Male		Female		Total	
	Number	%	Number	%	Number	%
Share of employed who would like to change job	111 559	40.4	11 552	24.4	123 111	38.0
Reason for wanting to change job						
Fear of losing the present job	3 992	3.4	347	3.0	4 339	3.5
Present job is temporary	20 026	18.0	2 532	22.0	22 558	18.3
To have a higher rate of pay per hour	33 165	29.7	2 068	17.9	35 232	28.6
To have more convenient working hours	3 530	3.2	–	0	3 530	2.8
To improve working conditions	23 995	21.5	3 592	31.1	27 587	22.4
To use qualifications/skills more effectively	22 116	19.8	2 057	17.8	24 173	19.6
To work fewer hours with a reduction in pay	499	0.5	–	0	499	0.4
To work more hours paid at current rate	1 069	1.0	–	0	1 069	0.9
Other	3 167	2.8	956	8.3	4 123	3.3
Total		100		100		100

Note: – = Insignificant response rate.

Source: PCBS, SWTS-Palestine, 2013.

To test the degree of job satisfaction further, youth were asked if they wanted to change their current job. If they responded positively, they were asked to identify their main reason for wanting to change their job. Results are shown in table 3.30. Approximately two in five working youth expressed a desire to change their job (40.4 per cent of male workers and 24.4 per cent of female workers). Analysis of the reasons why young workers wanted to change jobs provided an indication of what they wanted from their work. For example, higher wages emerged strongly as a motivation for changing jobs; 28.6 per cent of youth indicated that they would leave to earn a higher wage elsewhere. A further 22.4 per cent would change for improved working conditions, 19.6 per cent to make better use of their qualifications or skills and 18.3 per cent because their current job was temporary. Such findings indicated that underemployment of young workers, due to low wages, qualifications mismatch or conditions of work, was a source of irritation to them, which could have negative consequences for the young workers' productivity.

4. Stages of transition

4.1 Concepts and definitions[9]

The ILO approach to labour market transition of young people measures not only the length of time between the exit from education (either upon graduation or early exit without completion) to the first entry into any job but also includes qualitative elements, such as whether that job is stable (measured by contract type). The SWTS was designed in a way that applies a stricter definition of stable employment than is typically used in the genre. By starting from the premise that a person has not transited until settled in a job that meets very basic criteria of stability, as defined by the duration of the contract, the ILO has introduced a new quality element to the standard definition of labour market transitions. However, only a miniscule share of youth in many developing economies, particularly the low-income economies, will ever attain stable employment, which implies that the statistics are probably not framed widely enough. For this reason, the decision was taken to also look at the element of satisfaction with employment and build it into the concept of labour market transition.

More specifically, the labour market transition is defined as the passage of a young person (aged 15–29) from the end of schooling (or entry to first economic activity) to the first stable or satisfactory job. Stable employment is defined in terms of the contract of employment (written or oral) and the duration of the contract (whether longer than 12 months). Bringing in the issue of contract automatically excludes the employment status of the self-employed, where the employment relationship is not defined by a written contract. In contrast to stable employment is temporary employment, or wage and salaried employment of limited duration. Satisfactory employment is a subjective concept, based on the self-assessment of the jobholder. It implies a job that the respondent considers to fit her or his desired employment path at that moment in time. The contrary is termed non-satisfactory employment, implying a sense of dissatisfaction with the job. Based on the definition of labour market transition, the stages of transition are classified as follows:

Transited – A young person who has "transited" is one who is currently employed in:

- a stable job, whether satisfactory or non-satisfactory; or
- a satisfactory but temporary job; or
- satisfactory self-employment.

[9] This section is adapted from ILO (2013a), Chapter 5.

In transition – A young person still "in transition" is one who is currently:

- unemployed (relaxed definition); or
- employed in a temporary and non-satisfactory job; or
- in non-satisfactory self-employment; or
- inactive and not in school, with the aim of looking for work later.

Transition not yet started – A young person whose "transition has not yet started" is one who is currently:

- still in school and inactive (inactive student); or
- inactive and not in school (inactive non-student), with no intention of looking for work.

Two elements are noteworthy with this classification. First, the stages of transition span the boundaries of economic activity as defined in the traditional labour force framework. The transited category includes a subset of youth classified as employed; the remaining employed fall within the category of in transition, which includes also the strict unemployed and portions of the inactive (namely, those without work, available for work but not actively seeking work and the inactive non-students who have stated an intention to join the labour force at a later stage); and finally, the transition not yet started category is the residual of the inactive population.

Second, the stages of transition are not intended to be a normative framework. Because of the inclusion of persons in satisfactory self-employment and satisfactory temporary employment, one cannot say that all youth in the transited category have transited to a good quality job. By definition, informal workers make up the bulk of the country's share of irregularly employed and wages tend to be low and unstable. However, they have still professed a degree of satisfaction with their job and they are likely to have finished their transition in the sense that they will remain in the self-employed classification for the remainder of their working lives. To summarize, rather than a normative concept, the stages of transition classification are intended to offer a flow concept. A person is in transition until they reach a resting point in the labour market where, regardless of job quality, they are likely to remain.

4.2 Stages of transition

Concerning the above-defined stages of transition, 45.6 per cent of the youth population had not yet started the transition, 31.8 per cent were in transition and 22.6 per cent had completed the transition to a satisfactory and/or a stable job (table 4.1). While 38.9 per cent of men had complete transition, only 6.6 per cent of women had completed their transition, implying that for young Palestinian women it is a herculean task to complete the labour market transition to stable employment. The majority of women (62.1 per cent) had not started a transition (compared to 29 per cent of men) while 31.3 per cent were in transition (compared to 32.2 per cent of men). Youth living in Gaza were also less likely to have completed the transition than youth in the West Bank (15.1 and 27.3 per cent, respectively).

Table 4.1 Youth distribution by stages of transition, area of residence and sex

Transition stage	Total		Male		Female		West Bank		Gaza	
	Number	%	Number	%	Number	%	Number	%	Number	%
Transited	301 347	22.6	257 032	38.9	44 315	6.6	224 553	27.3	76 794	15.1
In transition	422 962	31.8	212 677	32.2	210 285	31.3	212 574	25.9	210 388	41.2
Transition not yet started	607 797	45.6	191 398	29.0	416 399	62.1	384 632	46.8	223 165	43.7
Total	1 332 106	100	661 107	100	670 999	100	821 759	100	510 347	100

Source: PCBS, SWTS-Palestine, 2013.

Table 4.2 shows the distribution of transition stages by characteristics of sex, age group and area of residence. As highlighted above, sex is the predominant determinant of where a young person is likely to show up on the transition continuum. The results confirmed the few opportunities to complete a labour market transition open young women so that they tended to either remain stuck in unemployment or outside the labour force. Only 6.6 per cent of young women had completed the transition compared to 38.9 per cent of young men. Shares of young men and women remaining in transition were similar, which meant that the remaining differences showed up in the category of transition not yet started, where far more young women than men remained (62.1 and 29 per cent, respectively).

Table 4.2 Transition stages by sex, age group, area of residence and household's income level

		Transited		In transition		Transition not yet started		Total	
		Number	%	Number	%	Number	%	Number	%
Sex	Male	257 032	38.9	212 677	32.2	191 398	29.0	661 107	100
	Female	44 315	6.6	210 285	31.3	416 399	62.1	670 999	100
Age group	15–19	51 147	9.7	112 129	21.3	363 337	69.0	526 613	100
	20–24	110 678	24.6	174 815	38.9	164 250	36.5	449 743	100
	25–29	139 522	39.2	136 018	38.2	80 210	22.5	355 750	100
Area of residence	West Bank	224 553	27.3	212 574	25.9	384 632	46.8	821 759	100
	Gaza	76 794	15.1	210 388	41.2	223 165	43.7	510 347	100
Household's income level*	Well off	68 155	28.3	53 185	22.0	119 894	49.7	241 234	100
	Average	187 841	23.3	246 229	30.6	371 555	46.1	805 626	100
	Poor	37 697	16.3	97 151	41.9	96 775	41.8	231 623	100
	Very poor	7 653	14.3	26 397	49.2	19 573	36.5	53 623	100
Total		301 347	22.6	422 962	31.8	607 797	45.6	1 332 106	100

Note: * Household income levels are based on the self-assessment of respondents.

Source: PCBS, SWTS-Palestine, 2013.

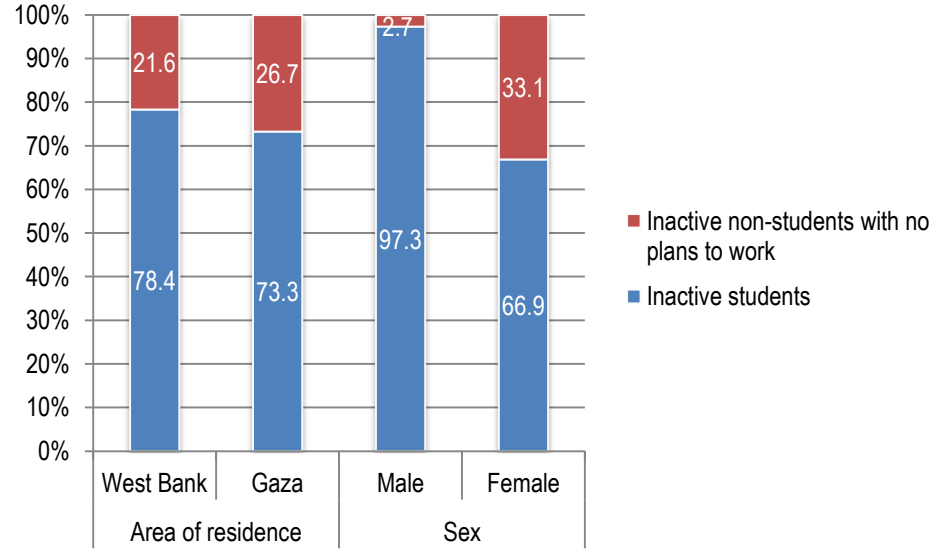
Concerning age groups, the share of transited youth was higher for older age groups and the share of youth who had not started transition was highest for the lowest age group (15–19) since many in this age group remained in school. Although rural areas had a higher share of transited youth and a lower share of in-transition youth, differences were not significant.

Youth from households of higher income status had more opportunities than those from lower income households to be in the completed transition stage. Youth from poor and very poor households were most likely to remain in transition (compared to other income levels, where the largest shares were in the category of transition not yet started).

4.2.1 Youth who had not started their transition

Inactive students and inactive non-students with no plans to work in the future were the two components of youth who had not started their labour market transition. A significantly higher share of women than men who were in the transition not yet started group were inactive non-students with no future plans to work (33.1 and 2.7 per cent, respectively) (figure 4.1). The share of inactive non-student youth was also slightly higher among youth in Gaza compared to youth in the West Bank.

Figure 4.1 Youth who had not yet started transition by sub-category, area of residence and sex



Source: PCBS, SWTS-Palestine, 2013.

4.2.2 Youth in transition

According to the results shown in table 4.3, unemployment was the main reason for young Palestinians remaining in transition. Nearly three-quarters (74.0 per cent) of all youth in transition were unemployed, with 20.8 per cent as inactive non-students with future plans to work. This distribution differs by sex, household's income level and educational attainment. The share of unemployed among young men in transition was higher than among women (82.8 per cent of men and 65.1 per cent of women), with higher shares of inactive non-students among women. Youth from better off households had a higher tendency to be inactive non-students with plans for future work, while shares of youth in unemployment were higher among the poorer households.

Table 4.3 In-transition youth by sub-category, area of residence, sex and household income level

		Currently unemployed		Currently employed in a temporary job		Currently self-employed and unsatisfied		Inactive non-student with future plans to work		Total	
		Number	%	Number	%	Number	%	Number	%	Number	%
Area of residence	West Bank	136 308	64.1	6 101	2.9	9 790	4.6	60 375	28.4	212 574	100
	Gaza	176 514	83.9	1 828	0.9	4 614	2.2	27 432	13.0	210 388	100
Sex	Male	176 007	82.8	7 160	3.4	12 114	5.7	17 396	8.2	212 677	100
	Female	136 815	65.1	769	0.4	2 290	1.1	70 411	33.5	210 285	100
Household's income level*	Well off	38 368	72.1	396	0.7	2 457	4.6	11 964	22.5	53 185	100
	Average	174 121	70.7	5 211	2.1	8 458	3.4	58 439	23.7	246 229	100
	Poor	79 304	81.6	2 158	2.2	2 317	2.4	13 371	13.8	97 151	100
	Very poor	21 028	79.7	164	0.6	1 171	4.4	4 033	15.3	26 397	100
Total		312 822	74.0	7 929	1.9	14 403	3.4	87 807	20.8	422 962	100

Note: * Household income levels were based on the self-assessment of respondents.

Source: PCBS, SWTS-Palestine, 2013.

4.3 Characteristics of a successful transition

A successful transition can be to a satisfactory temporary job, a stable job (whether satisfactory or non-satisfactory) or to satisfactory self-employment. Of all transited youth, table 4.4 shows that 81.1 per cent had transited to a stable job, 14.4 per cent to satisfactory temporary employment and 4.5 per cent to satisfactory self-employment. Differences across sub-category were not significant by sex or area of residence. Regarding household wealth, there was a slightly higher tendency towards satisfactory temporary employment among the very poor, but this was also seen among the well off. The young person with a bachelor's or postgraduate degree had more chance of attaining stable employment than the young person with lesser education (with the exception of youth at the secondary (academic) level). Satisfactory temporary work, on the other hand, was more prevalent among the less skilled (those with no education or basic level only).

Figure 4.2 compares the stages of completed transition and in-transition youth by the variables of sex, area of residence, household income level and educational attainment. This comparison was done to see whether these factors played a role in the process of transition for those who had completed the transition and for those who were in transition.

First, results confirmed the strong gender dimension in the transition process. Among the active transition population, a majority of young men had completed their transition (54.7 per cent), while for young women, the significantly larger share remained in transition (82.6 per cent). Second, there was a higher incidence of completed transitions among youth living in the West Bank than in Gaza (51.4 and 26.7 per cent, respectively). Third, there was a clear advantage given to youth from above average income households when it came to completing the transition. The share of youth from well-off households who had completed the transition was 56.2 per cent compared to 22.5 per cent of youth from very poor households.

Table 4.4 Transited youth by sub-category, sex, area of residence, household income level and educational attainment

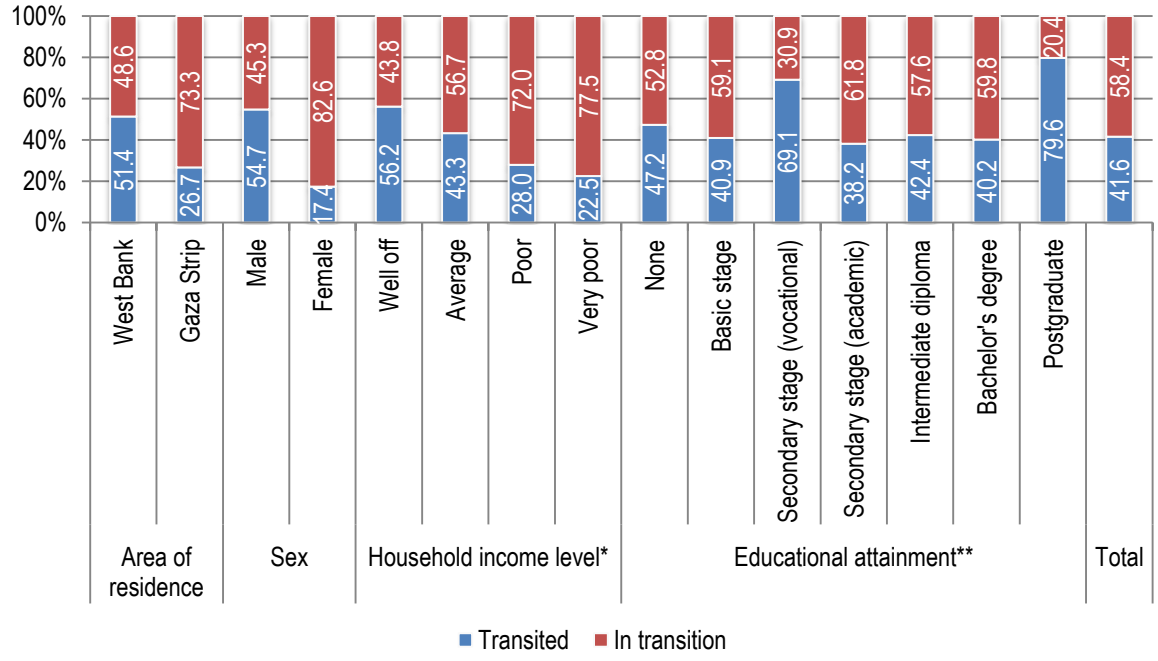
		Stable job		Satisfactory self-employment		Satisfactory temporary job		Total	
		Number	%	Number	%	Number	%	Number	%
Area of residence	West Bank	186 241	82.9	7 727	3.4	30 586	13.6	224 554	100
	Gaza	58 133	75.7	5 958	7.8	12 703	16.5	76 794	100
Sex	Male	207 266	80.6	11 708	4.6	38 057	14.8	257 032	100
	Female	37 107	83.7	1 977	4.5	5 231	11.8	44 315	100
Household income level*	Well off	52 965	77.7	1 673	2.5	13 518	19.8	68 155	100
	Average	154 192	82.1	9 517	5.1	24 132	12.8	187 841	100
	Poor	31 200	82.8	2 055	5.5	4 442	11.8	37 697	100
	Very poor	6 016	78.6	440	5.7	1 197	15.6	7 653	100
Educational attainment**	None	42 554	80.0	860	1.6	9 788	18.4	53 202	100
	Basic	59 580	81.6	2 530	3.5	10 867	14.9	72 977	100
	Secondary (vocational)	9 760	84.6	458	4.0	1 315	11.4	11 533	100
	Secondary (academic)	32 944	89.8	239	0.7	3 503	9.5	36 686	100
	Intermediate diploma	15 850	77.7	2 592	12.7	1 953	9.6	20 394	100
	Bachelor	45 976	85.1	3 923	7.3	4 145	7.7	54 043	100
	Postgraduate	3 801	92.9	0	0.0	289	7.1	4 090	100
Total		244 373	81.1	13 685	4.5	43 289	14.4	301 347	100

Notes: * Household income levels were based on the self-assessment of respondents.

** Excluding students at the time of the survey since their highest education level was not yet determinable.

Source: PCBS, SWTS-Palestine, 2013.

Figure 4.2 Distribution of transition groups (transited and in transition) by sex, area of residence, household income level and completed education attainment



Notes: * Household income levels are based on the self-assessment of respondents.

** Excluding students at the time of the survey since their highest education level was not yet determinable.

Source: PCBS, SWTS-Palestine, 2013.

Finally, looking at transition stages by level of completed education, results were mixed. Between secondary and tertiary level, the chance to complete the transition increased slightly; however, only young persons with secondary vocational training and postgraduate youths were more likely to have completed the transition than to remain in transition. Six out of ten youth (59.8 per cent) with a bachelor's degree remained in transition while four out of ten (40.2 per cent) had completed the transition. This is not so surprising, given previous results of high rates of unemployment for the higher educated, but it was surprising to find the same distribution for the young person with only a basic education, since their unemployment rate was lower. In fact, the major difference lay in the higher shares of inactive non-students with plans for future work (another sub-category of in transition) among youth with basic education. Among youth with secondary (academic) education, an even larger number fell into the category of inactive non-students with plans to work in the future.

4.4 Paths and duration of transition

Another means of looking at the concept of transition is through flows, identifying the labour market category held by the young person prior to transiting to stable or satisfactory employment. The largest share of transited youth in the OPT had made a direct transition to their stable and/or satisfactory job (36.0 per cent) as shown in table 4.5. What this means is that the young person had no other labour market experience (employment or unemployment) before taking up the current stable and/or satisfactory job. But the share that transited from unemployment was almost as high at 35.4 per cent (40.9 per cent for young transited women). Eighteen per cent of the youth started their transition from another employment experience and 4.8 per cent of them from inactivity.

Table 4.5 Transited youth by flows to stable and/or satisfactory employment by sex

Flows	Male		Female		Total	
	Number	%	Number	%	Number	%
Direct transition	79 931	37.2	11 237	29.7	91 168	36.0
From unemployment	74 112	34.5	15 476	40.9	89 588	35.4
From own-account work	3 658	1.7	371	1.0	4 029	1.6
From unpaid family work	7 374	3.4	0	0.0	7 374	2.9
From other employment	40 064	18.6	5 540	14.7	45 604	18.0
From inactivity	7 207	3.4	4 865	12.9	12 072	4.8
From army	0	0.0	0	0.0	0	0.0
Total transited, non-students	215 124	100	37 802	100	252 926	100

Source: PCBS, SWTS-Palestine, 2013.

Table 4.6 presents certain transition path indicators that provide a more detailed picture of how youth arrived at the transited stage. Excluding the youth who transited directly to stable or satisfactory employment (36.0 per cent of the total), the path to transition involved, on average 1.5 intermediary labour market activities – whether unemployment, employment or inactivity – prior to completing the labour market transition and took as long as 31.8 months or 2.6 years. The typical young person in the country experienced "only" one spell of unemployment in their transition path, but the spell was long, averaging 19.5 months or nearly two years. Spells of temporary employment were slightly more frequent than unemployment but were shorter in duration, with a young person spending, on average, 9.1 months in temporary employment prior to completing the transition. The average young transited female spent longer in temporary employment than the young male (10.5 months compared to 8.6 months).

When one includes the young people who transited directly to stable and/or satisfactory employment to generate an average duration of transition, the results show duration of the transition period to be around two years (20.1 months to be exact). Removing the number of youth who transited directly from the calculation adds an average of 12 months to the duration (to 31.8 months). The time spent in transition averaged only three months longer for young men compared to young women (32.4 and 29.2 months, respectively). Regarding youth in transition, it would seem they spend an extremely long period of time in their search for stable and/or satisfactory work. The average duration that the young Palestinian has spent in transition is 55.6 months (and counting).

Table 4.6 Indicators on path of transition for transited youth by sex

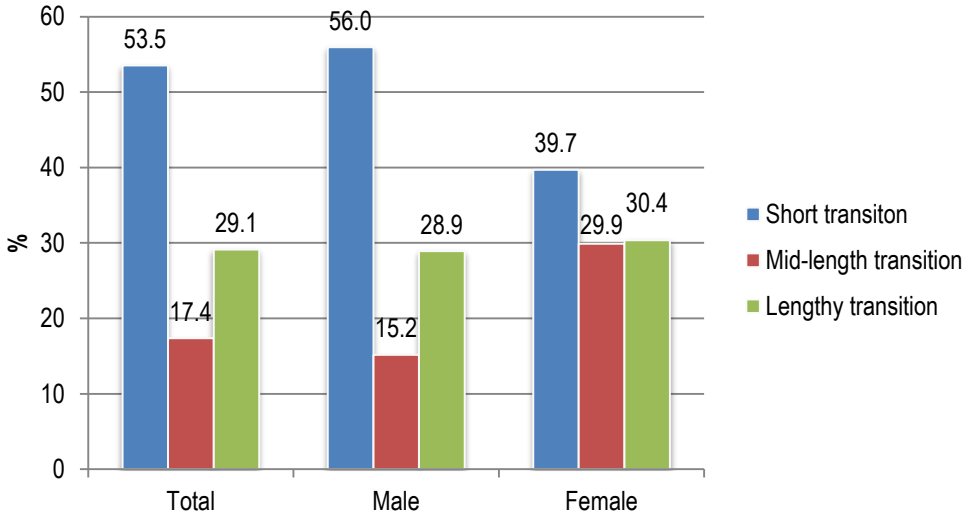
Average duration	Male	Female	Total
Average length of transition (excluding direct transition)	32.4 months	29.2 months	31.8 months
Average length of transition (including direct transition)	20.0 months	20.4 months	20.1 months
Average length of transition to stable employment (including direct)	20.0 months	17.4 months	19.6 months
Average length of transition to satisfactory self-employment or temporary employment (including direct)	20.3 months	35.9 months	22.5 months
Average number of intermediary activities	1.54	1.51	1.54
Average number of unemployment spells	1.09	1.05	1.09
Average length of unemployment spells	19.0 months	21.9 months	19.5 months
Average number of temporary employment spells	1.05	1.38	1.13
Average length of temporary employment spells	8.6 months	10.5 months	9.1 months
Average number of spells of self-employment	1.04	1.55	1.05
Average length of spells of self-employment	34.3 months	25.4 months	34.0 months

Source: PCBS, SWTS-Palestine, 2013.

The ILO has also developed a classification system for the duration of the transition period of youth who have completed the transition.[10] We have already observed that 36.0 per cent of the transited youth had experienced a direct transition. This is reflected in figure 4.3, with 53.5 per cent of the total experiencing a short transition. More than one-quarter (29.1 per cent), however, underwent a lengthy transition process, with almost no difference in shares between young men and women.

[10] A **short transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent either: (i) a direct transition; or (ii) a spell (or cumulative spells) of stable or satisfactory employment with no spell of unemployment or inactivity; or (iii) a spell (or cumulative spells) of employment of less than or equal to one year with no spell of unemployment or inactivity where the job(s) held is classified as non-satisfactory self-employment or temporary employment; or (iv) a spell of unemployment with or without spells of employment or inactivity of less than or equal to three months; or (v) a spell of inactivity of less than or equal to one year. A **mid-length transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent either: (i) a spell (or cumulative spells) of non-satisfactory self-employment or temporary employment of between one and two years with no spell of unemployment or inactivity; or (ii) a spell of unemployment with or without spells of employment or inactivity of between three months and one year; or (iii) a spell of inactivity longer than one year. A **lengthy transition** is classified as one in which, before obtaining the current satisfactory/stable job, the young person underwent either: (i) a spell (or cumulative spells) of non-satisfactory self-employment or temporary employment of two years or over with no spell of unemployment or inactivity; or (ii) a spell of unemployment with or without spells of employment or inactivity of one year or more.

Figure 4.3 Classification of length of transition of transited youth by sex



Source: PCBS, SWTS-Palestine, 2013.

5. Relevant policy framework and policy implications

5.1 Relevant policy framework in the Occupied Palestinian Territory

Over the last two decades under the Palestinian National Authority in the OPT, youth have been under-represented in national strategies. The **Palestinian National Development Plan (2011-2013)** mentioned youth as one of the target groups that need further opportunities. However, activities within the Plan do not tackle specific issues related to youth employment. In terms of education, the same Plan identified policies to facilitate access to basic and secondary education. Moreover, the Palestinian National Authority was planning to replace the general secondary examination system with a new system and develop the vocational and technical education provisions during the period 2011–2013, but to date no action has been taken in this direction.

The general framework of the **Palestinian National Development Plan (2014-2016)** places employment as one of the national priorities and calls for the creation of 600,000 new job opportunities over the next decade. Youth employment and entrepreneurship development are both prioritized in the strategic development goals of the Palestinian National Authority. In order to achieve these goals, the Palestinian National Development Plan (2014–2016) has put forward policies for training programmes for graduates, capacity development of young entrepreneurs to manage small and medium-sized enterprises (SMEs), enhancing business incubators and providing advice to young entrepreneurs.

Improving the quality of education, and specifically vocational education, is stated as a policy priority for the years 2014–2016. Moreover, the Palestinian National Authority aims to improve the matching of tertiary education to labour market needs.

Although Palestinian youth, who face severe difficulties in finding good employment opportunities, has been identified as one of the target groups for development, in practice, policies and governmental activities often lack the comprehensiveness of the strategic goals, especially those related to youth.

On a more positive note, it is worth mentioning a successful non-governmental programme to promote youth employment, the Welfare Association internship programme for new university graduates. The programme provides short-term internship in non-governmental organizations and private sector companies to a number of graduates, giving them the opportunity to access the labour market. Participation in such programmes is only temporary but does provide a welcome alternative to unemployment and keeps young people engaged in the labour market.

5.2 Policy implications

At the time of the survey, youth in the Occupied Palestinian Territory had the highest unemployment rate in the Middle East and North Africa region. Failure to find decent work has implications for young people's occupational patterns over the whole course of their lives. Thus, youth employment is a precondition for sustainable development and poverty eradication in the Occupied Palestinian Territory.

The authors of this report are aware that the survey results were influenced by the fact that the Palestinian people, including youth were suffering, then as now, under an occupation that jeopardized the attainment of their basic human needs and any meaningful progress in human development. The economic situation has also been exacerbated by the continued divide between the West Bank and Gaza, stagnating economic growth, persistent fiscal crises and higher unemployment, as well as increased poverty and food insecurity. Nevertheless, based on the SWTS results, and taking into consideration the larger challenges facing the Occupied Palestinian Territory, the following areas can be considered in the development of youth employment policies and programmes:

1. **Design a new macroeconomic policy framework** to review the Paris Protocol on Economic Relations, which regulates the economic relations of the OPT with Israel and the rest of the world. The review should emphasize freedom of trade and promote investment in-flows for Palestinians. The framework should include incentives to invest in technology-based sectors that can increase youth employment. Beyond improving the alignment of the education system to the demands of the labour market, demand-side solutions are needed to generate additional jobs for young professionals. There is a general understanding that high unemployment in the OPT is a structural, demand-side issue, rather than a supply-side constraint. *Solutions, therefore, require coordinated policy efforts to support aggregate demand through pro-employment macroeconomic policies and to foster growth engines through an appropriate balance of export-driven growth and expansion of domestic markets.* See box 3 for some general policy suggestions in this area.

2. **Promote educational access for all and prevent early school leaving**. With 28.2 per cent of youth in the OPT leaving school at early levels (basic or less) before completion, citing failure of exams and a lack of interest in education as the main reasons for school leaving, the SWTS provides a strong message that the education system in Palestine is not as successful as previously assumed. The education results indicate that the personal, social and economic benefits of education are still not universally recognized. The responsibility for this situation is likely to lie with the poor quality of schools and the lack of relevance of curricula, along with the very high rates of unemployment among youth, especially young women, which together cause the perception among families that it is not worthwhile investing in long-term education. Conversely, we can expect that education systems would earn the trust and support of families and youth if more graduates found good jobs after leaving school. A programme to remind youth and their families about the importance of education is needed.

Box 3. Approaches to boost aggregate demand and promote youth employment

Policies that promote employment-centred and sustainable growth are vital if young people are to be given a fair chance at a decent job. Youth labour market outcomes are closely related to overall employment trends but are more sensitive to the business cycle. A boost in aggregate demand is key to addressing the youth employment crisis as this will create more job opportunities for young people. ILO research shows that macroeconomic policies can influence youth employment by:

1. encouraging economic diversification and productive transformation;
2. reducing macroeconomic volatility by engaging in timely and targeted counter-cyclical policies;
3. loosening constraints on private sector growth, with a particular emphasis on access to finance for micro, small and medium-sized enterprises;
4. focusing on targeted demand-side interventions with particular impact on youth employment (e.g. labour-intensive infrastructure works, public employment programmes, wage and training subsidies); and
5. ensuring adequate and predictable funding for targeted youth employment interventions.

Source: ILO, 2013a, box 8.

3. **Address qualification mismatch issues, as they hamper the economic potential, productivity and well-being of youth.** This report has demonstrated the high levels of skill mismatches among young workers. The survey data revealed that undereducation in particular affected nearly half of young workers. Expanding the inclusiveness of education is a fundamental step towards reducing issues of undereducation. In addition, the report has shown that there is considerable room to strengthen vocational education. Given the evident over-supply of skilled youth seeking work as professionals or filling posts for which they are overqualified, one could argue that the education system should try to encourage less participation in higher academic studies and more in technical, vocational studies. A vocational system that offers quality and market-responsive education plays a critical role in ensuring that the skills base available in a country matches the needs of its economy. Tripartite cooperation is an essential feature of such a system, since it ensures that vocational education caters for the needs of all its clients and that it is, in turn, supported by them. Advanced vocational systems have institutionalized the role of tripartite partners in specific national bodies, whose role is to coordinate the formulation of qualifications, the design of curricula and the assessment of graduates.

4. **Improve working conditions by ensuring equal treatment for and rights of young workers.** The survey results show that young people continue to suffer from decent work deficits and low-quality jobs. The lack of security resulting from informal, oral contracts has a significant influence on young workers' ability to plan for the future. Policy-making can contribute effectively to stimulating the demand for young labour under conditions of decent employment. However, the size of the informal sector in the region, often consisting of a myriad of SMEs, poses a barrier to the effectiveness of policy responses. The Palestinian National Authority should design an adequate system of incentives to encourage enterprises of different sizes to reach various degrees of formalization, invest in compliance with International Labour Standards and improve young people's working conditions. Inclusive laws are needed, for instance targeting micro-enterprises, which are critical for labour creation in the region and yet are frequently excluded from the application of labour laws. Greater investment is called for to ensure compliance with labour laws by implementing sufficient labour inspections and practical enforcement mechanisms.

5. **Reduce gender-based gaps in labour market outcomes.** With eight out of ten young women remaining outside the labour force and the remainder facing more than 50 per cent unemployment rates, it is clear that creating employment opportunities for Palestinian young women has been treated as an afterthought in labour policies. Legislative efforts to promote equal opportunities for women are not sufficient unless they go hand in hand with pragmatic measures. The first step towards closing gender gaps in labour market transition is to understand in detail the practical, daily constraints facing young women in entering the labour market and completing their transitions. The SWTS indicators can contribute significantly to this endeavour, as they provide insights into young people's expectations, interests and obstacles during their transitions. Still, translating information into action remains the hard part. Innovation in policy design and implementation is called for to broaden the array of occupations considered acceptable to young women, going beyond the usual public sector work. The Palestinian National Authority could, for example, consider promoting and supporting all-female enterprises, such as an all-female staffed branch of a bank. Gender segregation in enterprises might sound extreme but might be exactly what is called for to address the challenge of female unemployment in the territory and to help break down cultural barriers.

6. **Support employers in taking an active part in the creation of decent jobs for young people.** Employers may take on young people when subsidies are offered in the way of tax breaks or other financial incentives, although a high levels of informality among enterprises can hamper the effectiveness of such a strategy. Perhaps more can be done to make the business case for employing young people by highlighting how this impacts on organizations' competitiveness. Helping employers to link investment in young people and in the training of their young staff to their business strategy is an area that could be expanded. At the same time, governments are advised to give clear signals to enterprises that they will reward private-sector enterprises that respond well to measures that promote job creation for young people.

7. **Expand formal institutions for finding work, including public employment offices.** The role of education in addressing qualification mismatches between supply and demand of labour needs to be complemented by effective matchmaking mechanisms. Good quality education can ensure that graduates can offer to the labour market the skills that employers need. However, qualification mismatches at the level of the individual can still persist if well-functioning mechanisms to efficiently pair jobs with jobseekers are not in place. With a view to more effectively linking educational outcomes and labour market needs, at the end of 2012, the Ministry of Labour signed a Memoranda of Understanding with ten universities to establish employment services centres (ILO, 2013b, p. 46). The investment seems to be paying off, given the results of the SWTS which showed that one-third of unemployed youth were registered at employment centres. However, there is always room for improvement in the selection of services for the young unemployed and developing outreach strategies for young people who have given up on the job search.

8. **Encourage more young entrepreneurs through training and replicate initiatives that have proven effective.** With only 6.9 per cent of young workers in own-account work but long job queues for those seeking paid employment, an obvious policy response is to try to attract more young people to consider entrepreneurship as an option. In the specific context of youth enterprise promotion, sustainable entrepreneurship should be placed within the remit of national initiatives. Young people should be exposed to entrepreneurial thinking from an early stage in their schooling. A school background that includes elements of entrepreneurship would also be helpful to the large share of youth who end up as contributing family workers. Family businesses are often run on very little business expertise. If the education system could better equip youth to fill this knowledge gap, family businesses could

benefit and the negotiating power of young workers in improving their working conditions could be bolstered.

Once a youth decides to start up a business, they need to have access to support services that extend beyond the provision of finance, such as assistance in shaping a business idea into a solid and bankable business plan, information on registration and taxation issues and mentoring throughout the life of the business. Business incubators can be an efficient solution, allowing entrepreneurs to access comprehensive support in a single provider. However, incubators will only be effective if they are designed to function with the right incentives, not only encouraging parties to engage, but also ensuring that they disengage from each other when services are no longer needed.

9. **Facilitate financial inclusion of youth and access to credit for youth activities.** Banks and microfinance providers are recommended to provide facilities to young people without asking for high-level guarantees and collaterals for small loans to young entrepreneurs.

10. **Encourage bipartite and tripartite cooperation on youth employment, which can yield better employment outcomes.** Establishing an enabling environment for the successful implementation of employment and labour market interventions for young people requires bipartite and tripartite cooperation. This is confirmed by the results of evaluations of youth employment programmes. The Palestinian National Authority, employers' organizations and trade unions of the OPT have a role to play in fulfilling their own specific mandates and through concerted and joint efforts for the promotion of decent work for youth in the country.

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Annex I. Definitions of labour market statistics

1. The following units are defined according to the standards of the International Conference of Labour Statisticians:

a. The **employed** include all persons of 15 years of age or more who, during a week of reference:
   - worked for wage or profit (in cash or in kind) for at least one hour;
   - were temporarily absent from work (because of illness, leave, studies, a break in the activity of the firm, for example), but had a formal attachment to their job;
   - performed some work without pay for family gain.

b. The **unemployed** (strictly defined) include all persons of 15 years of age or more who meet the following three conditions during the week of reference:
   - they did not work (according to the abovementioned definition);
   - they were actively searching for a job or took concrete action to start their own business;
   - they were available to start work within the two weeks following the reference week.

c. Persons neither included in the employed nor in the unemployed category are classified as **not in the labour force (also known as inactive)**.

2. The International Classification of Status in Employment (ICSE) categorizes the employed population on the basis of their explicit or implicit contract of employment, as follows:

a. **Employees** (also wage and salaried workers) are all those workers who hold the type of jobs defined as "paid employment jobs", where the incumbents hold explicit (written or oral) or implicit employment contracts that give them a basic remuneration which is not directly dependent upon the revenue of the unit for which they work.

b. **Employers** are those workers who, working on their own account or with one or a few partners, hold the type of jobs defined as "self-employment jobs" (i.e. jobs where the remuneration is directly dependent upon the profits derived from the goods and services produced) and, in this capacity, have engaged, on a continuous basis, one or more persons to work for them as employee(s).

c. **Own-account workers** are those who, working on their own account or with one or more partners, hold the type of jobs defined as "self-employment jobs" and have not engaged, on a continuous basis, any employees to work for them.

d. **Contributing (unpaid) family workers** are those workers who hold "self-employment jobs" as own-account workers in a market-oriented establishment operated by a related person living in the same household.

3. The employed are also classified by their main **occupation**, in accordance with the International Standard Classification of Occupations (ISCO-08).

4. A **household** is a family or other community of persons living together and jointly spending their income to satisfy the basic necessities of life. The concept of household includes members present in the place where the household resides, as well as individuals who are temporarily absent and living elsewhere, including abroad, for business, education or other purposes, as long as their residence in the foreign country does not exceed one year. A person living alone can also qualify as a household ("single household") if she or

he does not already belong to another unit. The single household can reside in a separate or shared dwelling, and will be considered to be an independent unit as long as the household's income is not shared with other residents. Collective households, such as prisons and institutions, and their members are not observed in the Labour Force Survey.

5. **The reporting period**, to which the questions for the economic activity are related, is the week before the week of interview (52 reporting weeks throughout the year).

6. The following units are also defined within the SWTS analysis but are outside the scope of those defined within the international framework of labour market statistics mentioned in item 1 above:

   a. **Relaxed unemployment** – a person without work and available to work (relaxing the jobseeking criteria of item 1b above).

   b. **Labour underutilization rate** – the sum of shares of youth in irregular employment, unemployed (relaxed definition) and youth neither in the labour force nor in education/training (inactive non-students) as a percentage of the youth population.

   c. **Regular employment** – the sum of employees with a contract (oral or written) of 12 months or more in duration and employers; the indicators are therefore a mix of information on status in employment and contract situations.

   d. **Satisfactory employment** – based on self-assessment of the jobholder; implies a job that respondents consider to "fit" their desired employment path at that moment in time.

   e. **Stable employment** – employees with a contract (oral or written) of 12 months or more in duration.

   f. **Temporary employment** – employees with a contract (oral or written) of less than 12 months in duration.

Annex II. Additional statistical tables

The source of all the tables in this annex is the SWTS-Palestine, 2013.

Table A.1 Distribution of the youth population by age group, area of residence and sex

Area of residence	Age group	Male		Female		Total	
		Number	%	Number	%	Number	%
West Bank	15–19	162 516	39.9	160 207	38.7	322 723	39.3
	20–24	135 020	33.1	142 755	34.5	277 775	33.8
	25–29	109 975	27.0	111 286	26.9	221 261	26.9
	Total	407 511	100	414 248	100	821 759	100
Gaza	15–19	102 534	40.4	101 356	39.5	203 889	40.0
	20–24	85 180	33.6	86 789	33.8	171 968	33.7
	25–29	65 882	26.0	68 607	26.7	134 489	26.4
	Total	253 596	100	256 752	100	510 346	100

Table A.2 Distribution of the youth population by marital status, area of residence and sex

Area of residence	Marital status	Male		Female		Total	
		Number	%	Number	%	Number	%
West Bank	Single	353 447	86.7	262 210	63.3	615 657	74.9
	Engaged	18 795	4.6	22 216	5.4	41 010	5.0
	Married	34 622	8.5	123 907	29.9	158 529	19.3
	Divorced	202	0.0	5 449	1.3	5 651	0.7
	Widowed	0	0.0	466	0.1	466	0.1
	Separated	445	0.1	0	0.0	445	0.1
	Total	407 511	100	414 248	100	821 758	100
Gaza	Single	195 682	77.2	154 837	60.3	350 519	68.7
	Engaged	5 330	2.1	5 003	1.9	10 333	2.0
	Married	50 946	20.1	90 626	35.3	141 572	27.7
	Divorced	1 638	0.6	5 414	2.1	7 053	1.4
	Widowed	0	0.0	871	0.3	871	0.2
	Separated	0	0.0	0	0.0	0	0.0
	Total	253 596	100	256 751	100	510 348	100

Table A.3 Distribution of youth by completed education level, area of residence and sex

Area of residence	Educational attainment	Male		Female		Total	
		Number	%	Number	%	Number	%
West Bank	None	53 822	22.5	34 483	16.5	88 305	19.7
	Basic stage	84 438	35.3	59 217	28.4	143 654	32.1
	Secondary stage (vocational)	12 629	5.3	1 159	0.6	13 788	3.1
	Secondary stage (academic)	40 474	16.9	46 109	22.1	86 582	19.3
	Intermediate diploma	11 194	4.7	17 508	8.4	28 702	6.4
	Bachelor's degree	34 708	14.5	47 286	22.7	81 994	18.3
	Postgraduate	1 971	0.8	3 003	1.4	4 973	1.1
	Total	239 236	100	208 765	100	447 998	100
Gaza	None	43 499	29.7	22 184	15.7	65 683	22.8
	Basic stage	48 177	32.9	41 635	29.5	89 812	31.2
	Secondary stage (vocational)	2 745	1.9	1 224	0.9	3 969	1.4
	Secondary stage (academic)	14 893	10.2	31 839	22.6	46 732	16.2

Intermediate diploma	13 341	9.1	10 374	7.4	23 715	8.2
Bachelor's degree	23 726	16.2	33 880	24.0	57 606	20.0
Postgraduate	164	0.1	0	0.0	164	0.1
Total	146 545	100	141 136	100	287 681	100

Table A.4 Educational level of youth by father's educational attainment (%)

Educational attainment	Educational attainment of the father									
	None	Elem-entary	Preparat ory	Secon dary	Intermed-iate diploma	Bachelor's degree	Associate diploma	Master's degree	PhD	Don't know
None	34.0	23.7	17.4	14.0	9.3	7.5	0.0	5.9	0.0	38.1
Basic stage	37.4	34.8	33.6	30.8	23.5	13.8	26.1	4.1	0.0	36.0
Secondary stage (vocational)	1.3	1.9	3.8	2.2	3.6	3.0	0.0	0.0	0.0	0.0
Secondary stage (academic)	12.5	17.6	21.9	23.0	15.8	18.9	0.0	5.5	0.0	14.3
Intermediate diploma	4.3	7.6	7.0	8.6	8.1	9.6	73.9	3.2	0.0	5.9
Bachelor's degree	10.3	13.6	15.6	21.1	39.8	46.1	0.0	66.1	69.4	5.7
Postgraduate	0.2	0.8	0.6	0.3	0.0	1.2	0.0	15.2	30.6	0.0
Total	100	100	100	100	100	100	100	100	100	100.0

Table A.5 Educational level of youth by mother's educational attainment (%)

Educational attainment	Educational attainment of the mother									
	None	Elem-entary	Preparat ory	Secon dary	Intermedi ate diploma	Bachelor' s degree	Associate diploma	Master's degree	PhD	Don't know
None	34.4	21.2	17.0	10.4	2.3	2.5	0.0	0.0	35.7	20.6
Basic stage	32.3	36.9	35.9	21.4	18.6	8.9	0.0	24.5	36.4	32.1
Secondary stage (vocational)	0.9	2.1	3.8	2.7	5.1	0.0	0.0	0.0	0.0	2.4
Secondary stage (academic)	14.8	18.5	19.4	21.7	17.0	13.8	8.6	0.0	23.4	18.3
Intermediate diploma	6.3	6.4	5.7	11.1	11.0	8.2	38.9	0.0	4.5	7.7
Bachelor's degree	11.0	14.2	17.5	32.7	43.6	62.6	52.5	0.0	0.0	18.2
Postgraduate	0.3	0.6	0.7	0.0	2.4	4.0	0.0	75.5	0.0	0.6
Total	100	100	100	100	100	100	100	100	100	100

Table A.6 Distribution of NEET youth by area of residence and sex

Area of residence	Male		Female		Total	
	Number	%	Number	%	Number	%
West Bank	70 283	45.0	175 699	56.7	245 983	52.8
Gaza	85 775	55.0	134 407	43.3	220 182	47.2
Total	156 058	100	310 106	100	466 165	100

Table A.7 Discouraged non-student youth by main source of financial resources, area of residence and sex (%)

Financial resources	Male	Female	Total	West Bank	Gaza
Family	90.4	77.2	82.1	83.9	81.4
Spouse	0.0	20.0	12.5	11.1	13.1
Own savings	2.7	1.9	2.2	1.7	2.4
Government benefits	2.2	0.0	0.8	0.0	1.1
Other	4.7	1.0	2.4	3.3	2.0
Total	100	100	100	100	100

Table A.8 Discouraged non-student youth by time use, area of residence and sex (%)

Time use	Male	Female	Total	West Bank	Gaza
Hang-out with friends	78.6	48.5	59.5	58.9	60.8
Help with housework	23.2	96.9	69.7	71.6	68.0
Computer entertainment	63.6	53.1	57.0	62.0	54.3
Watching TV	80.8	90.9	88.6	89.5	85.3
Listening to music	38.2	53.1	47.7	62.3	41.6
Reading	14.3	38.5	29.6	29.8	29.1
Shopping	35.7	40.2	38.6	49.2	34.1
Cinema, theatre or parties	12.7	8.3	9.9	17.9	6.6
Hiking, bike riding or sport	43.6	21.9	29.8	33.3	28.0
Other	1.8	1.0	1.3	1.5	1.2

Table A.9 Unemployed youth by assessment of usefulness of education, area of residence and sex (%)

	Male	Female	Total	West Bank	Gaza
Very useful	17.0	31.6	23.4	21.2	25.1
Somewhat useful	31.7	39.7	35.2	36.7	34.1
Not useful	46.4	25.3	37.2	35.8	38.2
Don't know	4.9	3.4	4.2	6.3	2.7
Total	100	100	100	100	100

Table A.10 Financial instruments used by youth population by sex

Financial instruments	Male		Female		Total	
	Number	%	Number	%	Number	%
Don't use any financial services	621 921	94.1	633 874	94.5	1 255 795	94.3
Housing loans	8 934	1.4	2 198	0.3	11 132	0.8
Consumption loans	12 324	1.9	10 451	1.6	22 776	1.7
Savings	17 906	2.7	10 676	1.6	28 582	2.1
Insurance	11 554	1.7	14 969	2.2	26 523	2.0
Remittances/money transfer services	5 930	0.9	4 397	0.7	10 327	0.8
Other	2 779	0.4	2 403	0.4	5 182	0.4

Note: Multiple answers allowed.

Table A.11 Unemployed youth who would consider moving from current residence for employment purposes by area of residence and sex (%)

	Male	Female	Total	West Bank	Gaza
Would not move	81.1	90.2	85.1	80.6	88.6
Would move to Ramallah	6.2	4.6	5.5	8.9	2.9
Would move to a town/city (other than Ramallah)	4.7	2.4	3.7	5.8	2.1
Would move to a rural area	1.6	0.6	1.1	1.7	0.7
Would move to another country	13.3	3.7	9.1	9.4	8.9

Note: Multiple answers allowed.

Table A.12 Self-employed youth by most significant challenge to doing business and area of residence

Most significant challenge	OPT		West Bank		Gaza	
	Number	%	Number	%	Number	%
Access to technology	458	1.6	458	2.2	0	0.0
Competition in the market	10 473	36.6	9 175	42.9	1 298	18.1
Insufficient (personal) business experience	544	1.9	544	2.6	0	0.0
Insufficient financial resources	6 438	22.5	3 332	15.6	3 106	42.8
Shortages of raw materials	572	2.0	357	1.7	215	2.9
Political uncertainties	4 664	16.3	4 056	19.0	608	8.2
Legal regulations	1 001	3.5	542	2.5	459	6.3
Other	4 464	15.6	2 895	13.5	1 569	21.7
Total	28 614	100	21 359	100	7 255	100

Annex III. Methodology and data quality of SWTS-Palestine, 2013[11]

Sampling frame and sample size

Target population

The target population of the survey consisted of all Palestinian individuals in the age group 15–29 living in private households in Palestine in 2013.

Sampling frame

The sampling frame of the survey consisted of a list of enumeration areas from the census of population and buildings and establishments, which was implemented by PCBS in 2007 (the enumeration area was a geographical area containing a number of households, 124 households, on average).The enumeration areas were the primary sampling units (PSUs) in the sampling design.

Sample size

The sample size of the survey was 3,000 Palestinian households in 150 enumeration areas. The sample of individuals was 4,547 individuals after visiting all the 3,000 households. In total, 4,321 individuals responded to the survey.

Sample design and type

After determining the sample size, the sample type selected was a two-stage stratified cluster sample as follows:

- First stage: selecting a systematic sample of 150 clusters (enumeration areas) from the total EAs frame.
- Second stage: systematic selection of 20 households from each of the EAs selected in the first stage.

All individuals aged 15–29 were enumerated in the eligible households.

Sample strata

The population was divided by:

1. governorate (16 governorates in the West Bank and Gaza Strip);
2. locality type (urban, rural or camp).

Weight calculation of households

Would the following rewording make the sense clearer? ‘The statistical units (sampling units) in the sample were weighted according to their probability of selection. Weights were calculated at each of the two sampling stages, based on the mathematical inverse of the selection probability. At the first sample stage, the weight for each enumeration area was calculated from its probability of selection (a systematic random sample). At the second stage, the weight for each household was calculated as the product of the area weight from the first stage and the inverse of the household selection probability. Final household weights were obtained after adjustment of the initial weights

[11] Provided by the Palestinian Central Bureau of Statistics.

using the data from the 2013 PCBS survey in terms of design strata (governorate and locality type).

For individuals, the final household weight for each person was added, then the initial individual weighting was adjusted, based on to the population estimates of 15 September 2013, according to region (West Bank or Gaza Strip), sex (male or female) and age groups (17 groups), to obtain the final adjusted individual weight.

Fieldwork operations

Training of fieldworkers

Fieldworkers were trained in basic skills before the start of data collection. The interviewers attended training courses in Ramallah for the West Bank trainees and in Gaza for Gaza Strip trainees. The training explained the aims and definitions of the different indicators and expressions of the survey to the interviewers and instructed them in how to fill in the questionnaire.

Coding

The economic activity variable underwent coding according to the West Bank and Gaza Strip Standard Commodities Classification, based on the United Nations ISIC-4. Economic activity for all employed and ever-employed individuals was classified at the fifth digit level. The occupations were coded on the basis of the International Standard Occupational Classification of 2008 at the third digit level (ISCO-08).

Data processing

The data processing stage consisted of the following operations:

1. Editing and coding before data entry: All questionnaires were edited and coded in the PCBS office using the same instructions adopted for editing in the field.

2. Data entry: At this stage, data was entered into the computer using a data entry template designed in Microsoft Access. The data entry program was prepared to satisfy a number of requirements, such as:

   - duplication of the questionnaires on the computer screen;
   - logic and consistency check of the data entered;
   - option for internal editing of questionnaire answers;
   - maintaining a minimum of digital data entry and fieldwork errors;
   - user friendly handling.

Data accuracy

Sampling errors

The data gathered in this survey was affected by sampling errors due to the use of a sample instead of complete enumeration. Therefore, certain differences can be expected in comparison with the real values obtained through censuses. Variances were calculated for the most important indicators: the variance table is reproduced below.

Main estimates of the survey with variance estimation

Indicator	Estimate	Standard error	95% confidence interval		CV %
			Lower	Upper	
Percentage of employees	82.2	1.4	79.2	84.8	0.017
Percentage of employers	1.8	0.4	1.1	2.9	0.240
Percentage of own-account workers	7.0	1.0	5.3	9.3	0.141
Percentage of persons working without pay in the business or farm of another household/family member	8.9	1.2	6.8	11.5	0.132

Non-sampling errors

Non-statistical errors are possible at all stages of the project, during data collection or processing. These are referred to as non-response errors, response errors, interviewing errors and data entry errors. To avoid errors and reduce their effects, strenuous efforts were made to train the fieldworkers intensively in how to carry out the interview, what to discuss and what to avoid, how to carry out a pilot survey, and they were given practical and theoretical training throughout the course.

Data entry staff were trained on a data entry programme, which was tested before starting the data entry process. To stay in contact with the progress of fieldwork activities and to limit obstacles, there was continuous contact with the fieldwork team through regular visits to the field and regular meetings with them. Problems faced by fieldworkers were discussed to clarify any issues.

Non-sampling errors are generally difficult to evaluate statistically. They cover a wide range of errors, including errors resulting from non-response, sampling frame coverage, coding and classification, data processing and survey response (both respondent and interviewer related). The use of effective training and supervision and the careful design of questions have a direct bearing on limiting the magnitude of non-sampling errors and hence enhancing the quality of the resulting data. The following are possible sources of non-sampling errors:

- Non-response rates – the implementation of the survey encountered non-response where the young individual was not present at the household during the fieldwork visit and where housing units were vacant. The total non-response rate reached 4.9 per cent, which is very low in comparison to the household surveys conducted by the PCBS.

- Response rates – the sample size of the survey was 3,000 households, of which 1,895 questionnaires were completed or partially completed with individuals aged 15–29. Weights were modified to compensate for the non-response cases. The response rate in the survey in Palestine was 95.1% for the households and 95% for the individuals as the follows:

Response cases for households	Number of cases
Completed	1 743
Half complete	152
Travelling household	43
Home not found	21
No one at home	58
Refused	25
Home not occupied	146
No information	1

No individuals aged 15–29	800
Other	11
Total	3 000

Response and non-response formulas

Percentage of over-coverage errors = Total cases of over coverage x 100%

Number of cases in original sample = 5.6%

Non-response rate = Total cases of non-response x 100%

Net sample size = 4.9%

Net sample = Original sample - cases of over coverage

Response rate = 100% - non-response rate = 95.1%

Response cases for individuals	Number of cases
Completed	4 316
Half complete	5
Couldn't interview the individual	137
Refused	27
Other	62
Total	4 547

Quality control procedures

In order to minimize errors in data processing, such as coding and data entry, the data underwent checks and completion of missing information in the office. Checks on logic were conducted on computer as well as manually, including call-backs if required.

Response errors, resulting from misunderstanding of the questions or interviewers' bias in asking the questions and probing, were minimized through training, supervision and various quality control checks.

This report presents the highlights of the 2013 School-to-work Transition Survey (SWTS) run together with the Palestinian Central Bureau of Statistics (PCBS) within the framework of the ILO Work4Youth Project. This Project is a five-year partnership between the ILO and The MasterCard Foundation that aims to promote decent work opportunities for young men and women through knowledge and action. The W4Y Publication Series is designed to disseminate data and analyses from the SWTS administered by the ILO in 28 countries covering five regions of the world. The SWTS is a unique survey instrument that generates relevant labour market information on young people aged 15 to 29 years. The survey captures longitudinal information on transitions within the labour market, thus providing evidence of the increasingly tentative and indirect paths to decent and productive employment that today's young men and women face.

The W4Y Publications Series covers national reports, with main survey findings and details on current national policy interventions in the area of youth employment, and regional synthesis reports that highlight regional patterns in youth labour market transitions and distinctions in national policy frameworks.

Work4Youth

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