

Informal Labor in the Gaza Strip: Facts and Figures



Prepared by

Abdullah Abu Al-Shaar, Mohammed Ashour

within project

PalThink Academy for Democracy and Human Rights



Published by

PalThink for Strategic Studies - Palestine

October 2022



Youth Research Papers:

Informal Labor in the Gaza Strip: Facts and Figures

This is a summary of the original paper, which was written in Arabic.

October 2022

Informal Labor in the Gaza Strip: Facts and Figures

Informal labor comprises the total number of informal jobs in the formal sector, the informal sector, and households during a given reference period. It also includes own-account workers, persons working in their own informal sector enterprises, contributing family workers, employees holding informal jobs, members of informal producers' cooperatives, and own-account workers engaged in the production of goods exclusively for their own final use by their household.¹

In the Gaza Strip, informal labor has soared during the past 15 years due to the Palestinian division and the Israeli blockade. According to the Palestinian Central Bureau of Statistics' most recent official statistics on informal labor in Palestine, it constitutes 57% of the total working force in Palestine. However, this was in 2008, and further research on informal labor in oPt has been difficult to conduct.

The Israeli blockade, limited public jobs, and overpopulation are the main factors that led to the inflation of the informal labor sector in the oPt, especially in the Gaza Strip.

The continuation of the political division led to the collapse of the economic structure of the Palestinian society and the administrative separation of the Gaza Strip from the West Bank. Additionally, under various pretexts, Israel targeted economic and industrial facilities in the Gaza Strip during its recurrent military attacks.

This reinforced the dependence of the Palestinian economy on foreign aid, reduced its production capabilities, and decreased the rates of domestic and gross income. Consequently, the Gaza Strip has been suffering a lack of job opportunities, and high unemployment and poverty rates. To make ends meet, many resorted to the informal sector.

Most challenges facing workers in informal sectors begin with the fact that their work environments lack decent work standards. Workers in this sector generally have no social or economic security, work in unsuitable and unsafe working

¹ 7th Meeting of the Expert Group on Informal Sector Statistics

conditions, suffer high levels of illiteracy, have low skills, and find insufficient training opportunities.

In addition, they have less stable, less regular, and lower income compared to those in the formal sector; are forced to work longer hours; have no collective bargaining and representation rights; are excluded from social security plans; have no health insurance; are denied safety, health, maternity, and other rights guaranteed by labor protection legislation.

In view of the foregoing, we find that political division is main obstacle to economic development in the Gaza Strip. Division must be ended urgently, and a national reconciliation must be reached to rebuild Gaza's economy. With the division ended, Palestinians can unite their efforts and work towards breaking the Israeli blockade and fighting its restrictive policies.