# Discussion on the Challenges of Labor Market and the Pandemic

وزارة العمل
Ministry of Labor

Information brochure issued by the Ministry of Labor to keep pace with the events and findings of the first national conference of social dialogue

June 2020

## The First National Conference of Social Dialogue Lays out the Road Map




### Consensus on priorities & launching the national employment strategy

Throughout two days of frank conversations, the production parties agreed on drawing up a road map to address the imbalance in the labor market and confront the challenges after the pandemic at health, economic and social levels, and also adopt social dialogue methodology as an efficient tool for confronting challenges, crises and fostering steadfastness.

### The Main Outcomes of the Conference

- Launching the national employment strategy as a framework of empowerment and improving the employment opportunities as well as enhancing the participation of women and youth.
- Consensus on increasing the minimum wages in Palestine
- Launching inclusive dialogue to revise the social security law
- Consensus on the priorities of the upcoming phase, and forming a tripartite committee for follow-up; these priorities included: revision of the Palestinian Labor Law; adoption of a law for the regulation of trade union activities; evaluation of the second program of decent labor in cooperation with the International Labor Organization; fostering sectoral dialogue




Supported by ILO

## Dialogue on confronting the pandemic...situations and quotes from the opening session



### Dr. Mohammad Ishtaye
Prime Minister

The conference constitutes as an effective response to the government's policies and programs. Social dialogue is significant among production parties for confronting the pandemic and its reflections on the labor market. It is necessary to combine efforts for maintaining our employees at their place of work and preserving facilities, factories and companies from bankruptcy.



### Dr. Nasri Abu Jeish
Minister of Labor

The dialogue has become more important in confronting challenges; and with the increasing economic losses and the infrastructure and social damages, as well as the availability of a deep gap in the social protection system, we should proceed dialogue for establishing a modern labor law and trade union act.



### Guy Ryder
Director-General of International Labor Organization

The pandemic has resulted in massive consequences on the labor markets as well as increasing the unemployment rates. In Palestine, the pandemic has had obvious consequences on the Palestinian labor sector. Therefore, social dialogue is necessary for contributing in recovery from the consequences of the pandemic.



### Omar Hashem
Director of Federation of Palestinian Chambers of Commerce

The private sector incurred several losses which would be impossible to recover from for several years; however we are looking forward to proceed the effective dialogue with the government, and we are also looking forward to work together for implementing the national employment strategy during the upcoming years.



### Fayez Al-Mteiry
Director-General of Arab Labor Organization

Social dialogue is significant in this pandemic, for the purpose of discussing the employment policies and broadening the scope of social coverage to reach to the most affected categories for mitigating the consequences of this pandemic,



### Shaher Sa'd
General Secretary of Palestine General Federation of Trade Unions

It is necessary to activate dialogue for fostering the steadfastness of our employees, combating poverty and unemployment through launching the national employment strategy.

### During 2020

**50%**
of the Palestinian society lack any type of social security and social protection.

**73%**
of facilities have been operating at less than half of their productive capacity

**560**
income-generating projects were supported by the Employment Fund during 2020, and more than 52% of them were allocated for women

**For More Info:**
Assistant Deputy Minister for Funds affairs and International Relations, Email:Rmehdawi@mol.pna.ps

Institutionalizing social dialogue: for influencing the economic, social and financial policies through an inclusive national dialogue.

An initiative for dialogue: On third and fourth of March 2021, and with the sponsorship of the Prime Minister Dr. Mohammad Ishtayeh, the first national conference of social dialogue entitled "confronting the challenges of labor market" was held at Ramallah, organized by the Labor Policy Committee and supported by the International Labor Organization;




An effective tool in confronting crisis: launching dialogue within complicated and extraordinary conditions has constituted as a platform which gathered the production parties and relevant parties for confronting challenges, finding solutions, and placing effective national plans and strategies.

## On the Dialogue Table...

### Social dialogue as an effective tool for confronting crises

The challenges before and after the pandemic and their impacts on the labor sector have imposed themselves on the dialogue table. In addition to the political and economic crises, which have casted greater shadows over the labor sector, the pandemic has added complicated and extraordinary burdens.

Concerning the challenges before the pandemic: the continuous political and economic crises and their impacts on the labor market are highlighted, as well as policies of economic strangulation and restrictions on movement, controling crossings as well as the movement of goods and people, which are associated with the Israeli occupation's control over the economy and its policies of settlement, annexation of lands and retention of clearance funds.

Futhermore, the labor market suffers from structural imbalances, decrease in the indicators of decent labor in terms of wages and equality, poor occupational health and safety conditions, the absence of social protection framework, the need for revising and modifying labor legislations, the weak framework of monitoring bilateral labor relations, as well as the weak effective frameworks of production parties.




## Influences of the Pandemic under the Microscope

### The economic and social influences of the pandemic... and the role of social dialogue are the main topics discussed in the first day of the conference ...

In the first day, the first session of the conference highlighted the economic and social influences of the pandemic. Director of Palestinian Central Bureau of Statistics, Dr. Ola Awad, discussed the impact of the pandemic on the labor market and the economy

The Minister of Social Development, Dr. Ahmad Majdalani, addressed the reality of the Palestinian Economic and Social Council.

Manal Farhan, Deputy of Ministry of National Economy, discussed the impacts and damages resulting from the pandemic on the economic facilities; whereas the Palestinian Minister of Women's Affairs, Dr. Amal Hamad, presented the influences of the pandemic on women.

> Discussions which gathered the three production parties (employees, employers and the government) for the purpose of combining efforts to confront challenges)

As in the second session, the concentration was mainly on examining the role of social dialogue by presenting several models. The session included discussions and comments of spokesmen from the Ministry of Labor as well as representatives of employees and employers, before representatives of civil society provided a presentation on job opportunities for the youth and transformations of jobs in the labor market.

### The impact of the pandemic on the labor market and its components...

The second day was opened by a presentation of the Ministry of Labor in three topics. The first topic was presented by the General Directorate of Policies

The External Employment Department, within the second topic, addressed the reality and challenges of Palestinian employment sector inside the Green Line. In the third topic, the The Palestinian Fund for Employment and Social Protection concentrated on the importance of creating job opportunities and financing developmental projects.

Representatives of employers provided a presentation on the impact of Covid-19 virus crisis on the economy by concentrating on the fragility of businesses and liquidity crisis. Furthermore, representatives of employees addressed the impact of Covid-19 virus crisis on employees and the deterioration of labor conditions.

> The conference has constituted as a response to the challenges which encounter the labor sector; particularly the challenge of the pandemic which has complicated the situation economically, socially and for the health sector

## National Employment Strategy – Empowerment framework

For improving employment opportunities and fostering the participation of women and youth The national employment strategy represents the consensus of all parties on a common reference for the employment policy goals in Palestine and its priorities. The national employment strategy for 2021/2025 represents a consensual framework among the active parties in the labor market. This strategy is considered as the empowerment framework for improving employment opportunities, increasing the participation of women and youth, fostering the governance of labor market, harmonizing the higher education system with labor market needs, and fostering the private sector's capacity of productivity growth as well as creating decent labor opportunities.

## During 2020

**26%**
the unemployment rate among participants of labour forces in 2020

**12%**
the percentage of Palestinian economic decline in 2020

**41%**
the participation of labour forces in 2020