



Palestinian National Plan 2011-13

Labour Sector Strategy Summary

Introduction

This summary presents an overview of the Labour Sector Strategy, developed to enhance service delivery in the Palestinian labour sector. Services include those provided by the Ministry of Labour (MoL), by other ministries and government bodies, or by the private sector. In this context, the labour sector means the services delivered in the areas of employment, vocational training, inspection, worker protection, cooperation, work relations, and trilateral dialogue, which includes the Government, employer organisations, and labour unions. The Labour Sector Strategy has been developed to cope with the problems the labour sector and respective bodies, including MoL, face.

1. Vision

“Improve the absorptive capacity of the Palestinian labour market by matching the outputs of education and training systems to the labour market needs.” Such a vision can materialise the labour sector’s mission of “contributing to building the Palestinian state by providing decent work to all citizens, including men and women, supporting the national economy, and achieving comprehensive development in an environment of safety, freedom, equal opportunities and productivity.” The labour sector goal is to “make available a workforce in line with the labour market needs and provide employment opportunities.”

2. Priorities and Strategic Objectives

Priority (1): Create an enabling environment to provide decent employment opportunities (employment)

Objectives:

1. Increase the percentage of participation in the workforce, including by women, persons with special needs and marginalised groups.
2. Reduce the percentage of employment in the public sector and promote it in the private sector.
3. Reduce the percentage of unemployment, especially among the youth and women.
4. Regulate the employment of Palestinians in Arab and foreign countries.
5. Develop employment services in unregulated sectors and encourage employment in regulated ones.

Sector Policies

1. Develop and implement effective and efficient employment policies with participation of respective stakeholders, as well as promote policies and coordination processes that lead to enhanced linkages between various parties and improved partnership with the private sector.

2. Develop small and medium enterprises (SMEs) in qualitative and quantitative terms.
3. Promote the employment of women and persons with special needs, enrol them in vocational training programmes, and evaluate and amend regulatory frameworks in order to meet needs of vulnerable groups.
4. Increase the percentage of Palestinians employed in Arab countries by providing support to the private sector employment offices, developing capacities of Palestinian embassies, and supporting and coordinating with the Arab Labour Organisation.

Required Interventions

1. Develop a national employment strategy.
2. Establish a public commission on employment.
3. Support the Employment Fund.
4. Update the Labour Market Information System (LMIS) and ensure that it is used by relevant bodies.

Priority (2): Develop vocational education and training

Objective:

1. Develop capacities and enhance productivity of the workforce in various vocational areas.
2. Integrate employment with vocational and professional training, as well as improve linkages between the workforce demand and supply in the area of vocational training and education.
3. Encourage education and training on self-employment and make the establishment of private enterprises a professional choice.
4. Provide a high-quality, adaptable vocational training that helps provide qualified, competitive workers.
5. Promote channels and linkages between general education and vocational training and education.
6. Develop a comprehensive system for the accreditation, licensing, and quality control at vocational training institutions and programmes, including centres and bodies that offer continuing education and training services.
7. Promote equity (equality) in vocational training and education programmes, paying special attention to women and persons with special needs.
8. Encourage participation of the private sector, labour unions and NGOs in the development of training policies and provision of training.

Sector Policies:

1. Develop vocational training and education systems, structures and quality in the public and private sectors.

2. Rejuvenate, institutionalise and enhance channels and linkages between supply and demand on vocational training and educational. This policy will affect legislation, information system, research and developments, institutionalised relations and linkages, professional classification and standards, certificates, accreditation and licensing, quality assurance system, vocational guidance, employment services, etc.
3. Regulate, coordinate and channel external support to the vocational training centre and apply and benefit from international systems and models in the area of vocational training and education, thereby developing national planning capacities.
4. Rationalise linkages and organise channels between vocational training and education and official and higher education in line with the general framework, prescribed by the Palestinian National Vocational Training and Technical Education Strategy.

Required Interventions:

1. Review, amend and put in place the Palestinian National Vocational Training and Technical Education Strategy.
2. Establish the Public Vocational Training and Education Commission.
3. Apply the 2008 Arab Standard Classification of Occupations (ASCO).
4. Approve the Law on the Regulation of the Vocational Work.
5. Establish the Fund for Financing Vocational Training and Education.

Priority (3): Invigorate the Cooperative Sector

Objectives:

1. Create an enabling environment for the growth of cooperative societies, as well as develop clear, consolidated standards, systems and processes to support the cooperative movement.
2. Contribute to raising cooperative awareness and culture, introduce cooperative-based principles, concepts and values, and encourage a regulated collective activity.
3. Contribute to cooperative-based service delivery, encourage establishment of cooperative societies and unions, and incorporate respective service bodies.
4. Register Palestinian cooperative societies and unions in accordance with clear standards.
5. Provide capacity building and achieve sustainable development of cooperatives' cadres and human resources.
6. Regulate and systematise financial support channelled to cooperatives from various sources.
7. Provide cooperative support services to respective societies in the areas of human training and sustainable development. Cooperative development programmes will also be monitored on conjunction with relevant bodies.

Sector Policies:

1. Encourage all respective ministries and government bodies to play their assigned role side by side with MoL, as well as consolidate administrative and financial oversight and regulation of the cooperative activity.
2. Engage the private sector in policy- and strategy- making, thereby realising partnership and democracy principles and promoting administrative decentralisation in the cooperative activity.
3. Promote and rejuvenate relations and communications with various countries, bodies, and international agencies interested in the cooperative movement in Palestine. Cooperation will also be built with Arab, regional and international cooperatives.
4. Integrated women, the youth, and persons with special needs in the cooperative movement.

Required Interventions:

1. Approve a Palestinian law on cooperation.
2. Establish the Public Commission on the Regulation of Cooperative Activity.
3. Establish the Fund for Financing Cooperative Societies (cooperative bank).

Priority (4): Improve work conditions (occupational safety and health)

Objectives:

1. Enforce the Labour Law.
2. Coordinate and promote national efforts in relation to occupational health and safety.
3. Improve labour inspection both qualitatively and quantitatively.
4. Eliminate all forms of child work and regulate the work of minors.

Sector Policies:

1. Promote coordination and consultation in order to consolidate the status of occupational health and safety on the national level.
2. Review laws and regulations to ensure better implementation of health and safety standards throughout workplaces.
3. Raise awareness and provide guidance to the two production parties about labour-related legislation and about their rights and duties.

Required Interventions:

1. Establish the National Occupational Safety and Health Commission.
2. Regulation and enable labour inspection services.
3. Apply international occupational health and safety standards.

Priority (5): Effective consultation and social dialogue

1. Raise awareness and provide guidance about provisions of the Palestinian Labour Law, collective negotiation mechanisms and techniques, and conduct of dialogues and consultations.
2. Encourage dialogue and negotiation as well as conclude collective agreements in order to contribute to improving working conditions.
3. Sponsor and protect the democratic development of labour unions and employer organisations and relations in line with the provisions of the Law as well as respective bylaws, thereby contributing to promoting their institutional capacities.
4. Promote better collective and individual conflict resolution mechanisms, underpinned by the integration of qualified cadres and specialised labour courts.
5. Provide a joint operational framework for the trilateral partnership in order to bring about stable working relationships.

Sector Policies:

1. Rejuvenate the tripartite committee on the national level and support trilateral representation throughout relevant frameworks with the aim to promote social dialogue and participation of various parties.
2. Strengthen capacities of all stakeholders, particularly in the area of collective negotiation and conflict resolution.
3. Provide a legal framework to govern the operation of union organisations, thereby contributing to directing the trilateral dialogue within bounds of specific mechanisms and terms and reference.

Required Interventions:

1. Enact the Law on the Regulation of Union Activity.
2. Support social partners who will effectively contribute to developing and managing the labour market.
3. Promote and develop the collective negotiation practice.
4. Develop a programme to build capacities of social partners in order to consolidate their integration in the national policy making process.

Priority (6): Promote regional and international cooperation

Objectives:

1. Develop national capacities – both qualitatively and quantitatively – in the development of human resources in general, and in the employment and vocational training and education in particular, in order to benefit from available employment opportunities in the Arab countries.

2. Promote interaction with regional and international expertise in the area of labour, including in employment and in vocational training and education.
3. Make available sufficient data about Arab labour markets in general, and about markets that assimilate Palestinian workforce in particular. This information will be incorporated within national plans and programmes on human resources development, employment, and vocational training and development.
4. Develop and use LMIS to serve the Arab labour market needs.

Sector Policies:

1. Utilise efforts made by the Arab Labour Organisation (ALO) and International Labour Organisation (ILO) in the field of employment and vocational training and education.
2. Ensure and consolidate networking and information channels and mechanisms with countries in the region and worldwide. Contributions will also be made to international developments pertaining to the labour sector.
3. Take part and contribute to conferences, seminars, training workshops, and regional and international frameworks; encourage comparative studies; and organise and exchange survey visits.

Required Interventions:

1. Enact necessary legislative tools; establish institutional structures in the public and private sectors to support international cooperation; and follow up on the Palestinian workforce abroad.
2. Encourage bilateral and regional agreements and relations between Palestine and other Arab countries in labour areas.

3. Institutional Framework and Implementation Arrangements

A. Institutional Structure

Restructuring MoL:

To implement this Strategy will lead to the establishment of three MoL major directorates, which will be part of the specialised public bodies to be composed. These are the (i) Vocational Training Directorate; (ii) Employment Directorate; and (iii) Cooperation Directorate. Although a proposal was made to establish the National Occupational Safety and Health Commission, the Labour Inspection and Protection Directorate will remain to be in operation at MoL. Like the aforesaid three directorates, the proposed Commission will be a supportive, not an executive, body. This does not mean that a working relationship is not in place between MoL and these new agencies. It is proposed that these will have boards, to be chaired by the Minister of Labour. Additionally, MoL representatives will take part on the said boards. It is also supposed that MoL expresses the Government policies and approaches on these new bodies.

MoL's role will be reviewed and the Ministry will be restructured in line with the new Strategy and role. Existence of the Ministry is not an end in itself, but a means towards the specific public service delivery. Accordingly, MoL's success can be monitored. Pursuant to its new role, the Ministry will maintain a supervisory role in the labour sector. However, it will focus its efforts on overseeing enforcement of the Labour Law through the Labour Inspection and Protection Directorate, as well as developing trilateral relations, implementing the Law on the Regulation of the Vocational Work, and proposing appropriate legislation in order to develop the labour sector. The Ministry will also register and supervise labour unions, control quality, coordinate donor efforts to support the labour sector, and promote cooperation and expertise exchange on the regional and international levels.

Supportive Legal Framework

The labour sector legal framework should be consolidated. Putting this Strategy in place will not be feasible if the respective legal framework is incomplete. In addition to the operative Labour Law No. (7) of 2000 as well as relevant bylaws and regulations, the following laws (attached) need be approved:

1. Law on the Regulation of the Vocational Work (Annex 4);
2. Law on the Regulation of the Cooperative Activity (Annex 5);
3. Law on the National Occupational Safety and Health Commission (Annex 6); and
4. Law on the Regulation of the Union Activity (Annex 7).

Respective bylaws should also be developed and enacted.

Advanced Information Systems

MoL's information systems should be developed not only to enable them to deliver their mission, but also to enable them to contribute effectively to implementing this Strategy.

Capacity Building Programme

This programme will feature an ongoing development of available human resources, which will be employed in administrative, financial and technical areas; reorganisation and distribution of human resources; and enhancement of internal communications. In cooperation with ILO and United Nations Development Programme (UNDP), MoL is currently developing an integrated Human Resources Capacity Building Programme to be introduced to the Ministry as well as to other production parties.

B. Support Coordination and Consultations

Implementing this Strategy requires an effective and efficient participation, cooperation and coordination on five levels:

- Coordination on the Government level (Palestinian National Authority);
- Coordination on the trilateral level (Government, employers and labour unions);
- Coordination on the level of the civil society and NGOs;
- Coordination with educational and training institutions; and
- Coordination with donors and international organisations.

C. Strategy Implementation Structures

In essence, this Strategy targets the restructuring of the labour sector as a whole. Hence, the Palestinian Government is called to establish the following structures in order to put the Strategy in place:

- (1) Public Commission on Vocational Training and Technical Education: To be annex to this new Commission will be the MoL Vocational Training Directorate, vocational training centres, vocational schools, and technical community colleges of the Ministry of Education and Higher Education.
- (2) Public Commission on Employment: MoL district employment offices will be annexed to this new Commission.
- (3) Public Commission on the Regulation of Cooperative Activity: The Cooperative Directorate and respective staff will be annexed to this new Commission.
- (4) Public Commission on Occupational Safety and Health will also be established as a policy, consultative body, which will provide support to the Labour Inspection and Protection Directorate.
- (5) Cooperative Societies Fund.
- (6) Vocational Training Development Fund.
- (7) Employment Fund will be supported and treated as the financial arm of the Public Commission on Employment.

Performance, Monitoring and Evaluation

The following steps are proposed in order to implement this Strategy:

1. The Strategy will be submitted to the Council of Ministers for approval as well as endorse establishment of the four public commissions.
2. Six technical committees, including respective specialists, will be incorporated:

- (i) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of vocational education and training.
 - (ii) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of employment, particularly the establishment of the Public Commission on Employment.
 - (iii) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of cooperation.
 - (iv) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of occupational health and safety.
 - (v) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of the trilateral dialogue.
 - (vi) A specialised technical committee to develop an executive plan for implementation of the Strategy in respect of the restructuring of MoL.
3. Each technical committee will be given a respite of three months to develop and finalise executive plans. Thenceforth, the Strategic Plan and executive plans will be submitted to the Council of Ministers for approval. Commission boards will be appointed under presidency of the Minister of Labour. Four chairpersons will be appointed to these Commissions on professional grounds.
 4. A separate budgetary allocation (incorporation expenses) will be designated to each of these four commissions in order to enable the Ministry and National Team to develop the commissions as well as to transfer the Ministry's units to the first three commissions. The allocation will be a one-time item under the MoL's 2011 fiscal year budget.
 5. In cooperation with the Minister of Labour, the units to be transferred to the first three commissions will be complete within a period of four months, during which all pending problems will also be solved.
 6. The final quarter of 2011 will be designated to adjust the administrative, legal and financial position of the new bodies, promote and introduce them to the public, develop the annual plan and indicative budget, and submit them to the Council of Ministers in due form.
 7. It is proposed the Council of Ministers establish a Monitoring and Evaluation Team to monitor and evaluate performance of the new commission, especially over the first three years. It is also proposed that the Team comprises representatives of the Council of Ministers, MoL, commission boards, Financial and Administrative Control Bureau (FACB), General Personnel Council (GPC), Ministry of Planning and Administrative Development (MoPAD), and Ministry of Finance (MoF). Other representatives may also take part on the Team.

In addition to this multilateral evaluation, separate evaluations can be carried out by single bodies, including donors, MoL, MoPAD, FACB, etc. It should finally be noted that this Strategy should be subject to a comprehensive review four or five years after commencement of implementation.

D. Financing

Financial resources of the labour sector systems, programmes and services should be diversified. Effective and efficient financing will be enhanced by developing specific financial frameworks and regulatory structures in order to fund vocational training and education systems, programmes and services; establishing and developing the funds mentioned above; developing and rationalising trainees' contributions to cover costs of their training, particularly in adult education programme; and supporting income-generating activities at labour sector bodies to promote domestic finance capacities. Also, studies and research on the labour sector economics, especially in the areas of cost and cost efficiency, will be supported. As mentioned above, international support of the labour sector will be liaised and the benefit therefrom will be promoted by channelling it to the projects and programmes provided by the Strategy-related executive plans.

E. Plan Implementation Cost over 2011-2013

The estimated cost of the 2011-13 Labour Sector Strategy amounts to USD 250 million.