



**Palestine Economic Policy Research Institute (MAS)**

**Background Paper**

**Roundtable (9)**

**“Palestinian Workers in the Israeli Market:  
The Labour Permit Brokerage System”**

**Walid Habbas<sup>1</sup>**

**2020**

---

<sup>1</sup> Doctoral candidate at the Hebrew University of Jerusalem- the Department of Sociology and Anthropology.  
Email: [walidhabbas1980@gmail.com](mailto:walidhabbas1980@gmail.com).

This Background Paper is funded by:



This document has been produced with the support of the Heinrich-Böll-Stiftung. The views expressed herein are those of the author(s) and therefore not necessarily reflect the opinion of the Heinrich-Böll-Stiftung

---

## Summary

The present background paper focuses on the phenomenon of selling and buying work permits in the black market. In 2019, about 133,000 Palestinians worked in Israel and Israeli settlements.<sup>2</sup> As illustrated in Table 1, Palestinian workers are connected to the Israeli labour market through various types of brokerage systems, depending on whether they have a permit or not, as well as on the type of permit used to enter Israeli workplaces. This paper focuses on the brokerage system related to **work permits** (to differentiate from other types- see table 1). Due to the difference in the system of issuing a work permit to access workplaces inside the Israeli settlements and the one for issuing work permits to access workplaces inside Israel (see: Kanafani, 2018), the paper will be limited to the second type as it enables the largest brokerage business.

Today, about 30% of the work permits are delivered to workers in return for a brokerage fee (NIS 1500-2500). This clandestine business generates personal profits for Palestinian and Israeli brokers that, according to the estimations of the Bank of Israel, amounted to NIS 122 million in 2018 (Atkas and Wifaq, 2019). It is an extremely systematic, lucrative, and complicated system of brokerage with far-reaching consequences: not only are the Palestinian workers super-exploited and substantial parts of their wages leaked to the brokers, but also this illegal business promotes fraud and false reporting on the workers' actual wages. This falsification reduces the spill-over to the Palestinian National Authority (PNA) as initially envisioned by the Paris Protocol. This Roundtable discussion and background paper do not examine other features of the exploitation of Palestinian workers in Israel and their rights and entitlements, which are regular issues in other MAS research on the labour market.

**Table 1: Disaggregation of the Palestinian Workers in Israeli Workplaces according to the Method of Access (PCBS, 2020)**

Workplace	Permits	Type of permits	Brokerage	Used for work	Total permits	
Israel	permit	Work permit <sup>3</sup>	legal	No	48,534	78,094
			Purchased	Yes	20,166	
		Family union		Yes	6,404	
		Trade permit		Yes		
		Special needs		Yes		
	Seam zone		Yes			
	No permit	Smuggling	Most often	21,998	21,998	
Settlements	No permits	Smuggling	Most often	N. A	4,602	
	permit	Intermediaries <sup>4</sup>	Yes	N. A		
	permit	Work permit	Yes	16,336	16,336	
Israel and settlements	no permit	Jerusalem ID holders	Sometimes <sup>5</sup>	11,970	11,970	
Total					133,000	

<sup>2</sup> It should be emphasized that this is a yearly aggregated estimation of the average number of workers employed. This should not mean that the same 133,000 workers were employed in Israeli workplaces throughout the year. For instance, whereas the average number of workers inside Israel in 2017 was 123,230 worker, the total number of workers who actually issued a work permit and worked inside Israel was 559,000; not to mention workers who accessed Israeli workplaces without a work permit (Al-Qadi, 2018).

<sup>3</sup> The estimation of work permits (purchased and legal) are calculated according to Bank of Israel report (Atkas and Wifaq, 2019).

<sup>4</sup> Intermediaries, or middlemen, are Palestinian contractors who guarantee the entrance of workers into the settlements on daily basis. In most of the cases, workers who rely on intermediaries do not know their actual Israeli employer. The intermediary person receives the wages from the actual Israeli employer, and extract his/her brokerage fees before handling the remainder to the workers.

<sup>5</sup> Brokerage occurs through Palestinian or Israeli companies in Jerusalem that link between unskilled Jerusalemite workers and employers in Israel. Employers who do not wish to declare for additional labour force in their workplaces, rely on brokers that extract a percentage from the worker's wage per hour. Such brokers have contracts with a bunch of Israeli companies and can easily employ workers even when there is shortage in labour demand.

## 1. Introduction

Since 1967, Israeli colonial rule governed the Palestinian Occupied Territory (West Bank, Gaza Strip, and East Jerusalem) through two principle strategies, paradoxically exclusionary and integrative at once. First, *demographically*, Israel manages the Palestinians as non-citizen subjects, and governs them and their movement through a variety of exclusionary policies aimed at separating them from Israeli citizens (Ophir et al., 2009). Second, *economically*, successive regulations rendered the Palestinian economy highly dependent on the much more advanced Israeli economy (Taghdisi-Rad, 2014). One of the core features of dependency is low-wage Palestinian labour that, from the outset, started commuting daily to workplaces in Israel.

On July 2, 1972, the Israeli military issued a general exit permit that allowed Palestinian workers from the Occupied Territory to cross into Israel freely (Handel, 2009). In the period between 1972 and 1991, labour was mainly recruited through Labor Offices spread throughout the Occupied Territory and managed by the Israeli military or Military/Civil Administrations in consultation with the Israeli Ministry of Labor (Farsakh, 2005: 103). The Israeli organization of Palestinian labor inflows was, until the early 1990s, enabled by Israeli military orders that, although was monitored by diverse Israeli military institutions, did not hamper the Palestinian-Israeli interactions in the spatial sense.

The spatial fluidity of Palestinian labor to the Israeli workplaces came to an end during the First Palestinian Intifada (1987-1991) that led to the cancellation of the generalized permit system in January 1991. Since then, the practical configuration between population-exclusion and economy-inclusion policies has been organized through a permit regime whereby each Palestinian laborer must be issued an individual passing permit to cross into Israel (Berda, 2017). The breakout of the Second Palestinian Intifada (2000-2004) was followed by a segregation system that rigorously separated the Palestinian Territory (especially Area A and B) from the state of Israel and the Israeli settlements in the West Bank.

By contrast to the ghettoized Gaza strip (since 2006, Gazan labor are banned from entering Israeli working places), or East Jerusalem (the status of Jerusalemites as permanent residents waives the need to hold a passing permit), West Bank workers are required to obtain work permits in order to cross through the Israeli border regime.

## 2. What is a Work permit?

There are about 70 types of permits (human, health, economic, and civilian) issued by the Civil Administration (COGAT, 2020). Officially, three types of permits are relevant to labor market: 1) permits for seeking employment, issued once every three months for 5-7 days; 2) green work permits, designated for workplaces in the Israeli settlements in the West Bank; 3) an orange work permit, designated for workplaces inside the state of Israel.<sup>6</sup> The first type (seeking employment) is affordable through many official channels such as the DCOs and Palestinian Civil Affairs Authority and does not grant its holder the right to work. By contrast, a work permit is one of the very few passing permits that cannot be issued through a direct relationship between the Palestinian workers and the Civil Administration. Nor can it be mediated through the official channels- Chambers of Commerce and the Palestinian Civil Affairs Authority. In practice, it is the responsibility of an Israeli employer to present the

---

<sup>6</sup> Workers and brokers can still benefit from other non-work permits to enter Israel for the purpose of work, as illustrated in table 1.

required documents and prove willingness to employ the Palestinian worker in order for the work permit to be issued.<sup>7</sup>

When issuing a work permit inside Israel, the system operates as follows:

- A. The Government of Israel (GoI) and the COGAT determine the **general quota** of permits for each economic sector or branch in Israel (see table 2 for the quota in 2020). It is estimated that 85-90% of the general quota is used each year (see: Kanafani, 2018). Moreover, Israel ignores the fact that many workers are either smuggled or use non-work permits to access the Israeli workplace. However, holding a non-work permit (which is not counted within the general quota) means that the worker cannot receive a payslip, and thus no labor rights accrue to the worker (social security, vacations, sick leave, etc.) nor the PNA will be able to clear from the Israeli side the workers' deductions (for instance: equalization and income taxes).
- B. As long as the general quota is not yet fully exploited, each employer with a registered license can ask for a number of Palestinian workers to be employed in his company. The theoretical number of Palestinian workers allowed for each Israeli company is determined according to the **company's quota** (can reach up to more than 100 permits) which is determined by the GoI according to the company size, volume in the market, and its specific economic needs (Atkas and Wifaq, 2019). An Israeli registered company can submit to the Employers Service Unit<sup>8</sup> (ESU) stating the specific names and details of the demanded Palestinian workers<sup>9</sup>. The ESU passes the list of demanded workers to the Civil Administration (department of Labor) which, after conducting a "security check", asks the DCO to issue the permit to the worker. However, many Israeli contractors and companies can issue additional permits beyond their company's quota- a fact that designates the existence of corruption or absence of monitoring in both the ESU and the Civil Administration (according to the Israeli State Comptroller, 2014). For instance, in 2013, an Israeli employer opened accounts in different ESUs (in Jerusalem and Tel Aviv, and Ramat Gan). Employers in the ESU helped him circumvent the computerized system and thus illegally tripled his company's quota. In another instance, ESUs issued permits for companies that are not eligible for permits (Comptroller, 2014: 511–515; MACRO, 2017: 26).
- C. Each permit is issued in the name of both the worker and the Israeli employer and requires a direct relationship between them. The permit could be considered, in a way or another, an employment contract: The employer is committed to employing the worker for a full job (to distinguish it from a part-time job), provide free transport from and to the crossing points, and pay the worker's social security and tax dues. The worker is committed to working only for the employer stated in his permit. However, the employer can cancel the work permit at any stage, without previous notice.<sup>10</sup>

Work permits allow the worker to enter an Israeli workplace **under the condition that he/she works only for the employer who requested the permit and whose name is registered on the permit**. However, hundreds of Israeli contractors who are *able* to issue

---

<sup>7</sup> See how Israeli employers order labour permits in the official website of Israeli Ministry of Interior Affairs: [https://www.gov.il/en/subjects/labor\\_and\\_employment/jordanian\\_and\\_palestinian\\_workers](https://www.gov.il/en/subjects/labor_and_employment/jordanian_and_palestinian_workers). However, the manual to issue permits is published only in Hebrew.

<sup>8</sup> A division in the Israeli ministry of interior affairs responsible of the relationships between Israeli employers and foreign workers. It is responsible of the sub-division "Jordanian and Palestinian workers". See: [https://www.gov.il/en/subjects/labor\\_and\\_employment/jordanian\\_and\\_palestinian\\_workers](https://www.gov.il/en/subjects/labor_and_employment/jordanian_and_palestinian_workers).

<sup>9</sup> The Israeli official manual for requesting permits by the Israeli employer, [https://www.gov.il/BlobFolder/service/apply\\_for\\_employment\\_permits\\_for\\_palestinian\\_workers/he/instructions\\_for\\_application\\_pls\\_0820.pdf](https://www.gov.il/BlobFolder/service/apply_for_employment_permits_for_palestinian_workers/he/instructions_for_application_pls_0820.pdf).

<sup>10</sup> See the official website for procedures of cancelling permits: [https://www.gov.il/he/service/request\\_for\\_cancellation\\_of\\_work\\_permits\\_for\\_palestinian\\_workers](https://www.gov.il/he/service/request_for_cancellation_of_work_permits_for_palestinian_workers).

permits (company's quota) do not actually need workers (later on: fictional employer)<sup>11</sup>. Whereas several Israeli contractors who do need Palestinian workers prefer not to issue permits on their own for the purpose of eluding taxes (later on: actual employer). This situation provides mutual interests; a basis for trading permits in the black market in a way that fictional employer profits from selling a permit for a worker, whereas the actual employer profits from downsizing his taxation profile and reducing any possibility for prosecutions.

Today, different Israeli companies, especially in the construction sector, are well aware of their legal status as possible fictional employers. Such fictional employers are a central node within a wider Palestinian-Israeli clandestine network that became specialized in recruiting workers, marketing their services on social media, and selling permits in the black market. Although the fictional employer is crucial within such networks, numerous Palestinian middlemen, spread throughout the West Bank, can become the powerful and determinant figures in this lucrative business. In order to understand the brokerage system, we need to have a close look at the way fictional employers operate.

### 3. The Brokerage System

Selling work permits in the black market (hereafter: permit brokerage) is a well-known, yet highly undocumented phenomena in the Palestinian society. Besides a growing number of media reports, a journey through different Facebook groups<sup>12</sup> (tens of thousands of Palestinian workers are subscribed to them) can reveal this brokerage system. Moreover, in 2013, Israeli court convicted an Israeli person for running a brokerage network that entailed two Israeli construction companies and a number of Palestinian intermediaries. The network was responsible for selling 1,341 work permits between 2007-2010 in return for about NIS 4 million (about NIS 2,980 per permit).

However, after the trial, the corruption in both the Civil Administration and the ESUs did not come to an end. The Israeli State Comptroller reported in 2014 on the continuous corruption in the ESUs. His report in 2020 explicitly referred to corruption and the absence of a monitor in the Civil Administration (department of Labour) concerning the workers' permits. The Bank of Israel (BoI) illustrated this corruption and estimated that 20,166 Palestinian workers purchased their work permits in order to enter Israeli workplaces. Brokers generated a total profit that stood at NIS 122 million in 2018. However, the BoI underestimated the price of permits in the black market and suggested that the average *monthly* profit from each permit is only NIS 500.<sup>13</sup> Since the actual profit from a permit is known to reach NIS 500-800, there is some basis to expect that the generated profits are much higher than estimated by the BoI.

In order to further understand the brokerage system, we need to take a closer look at how employers calculate workers' payments. Once an Israeli employer (whether fictional or

---

<sup>11</sup> It is the duty of the "Employer Service Division" in the ministry of interior affairs to inspect the legibility of each employer to have (or raise) a company's quota. However, the Division's computerized files lack the appropriate documents, or have very old statistics. Moreover, while the Division is obliged to monitor all the registered companies, in fact it is monitoring only 15%. Finally, requests to issue permits in light of the company's size/quota are most often approved without real investigation (Comptroller, 2014: 509-511).

<sup>12</sup> The most popular groups are "Workers demanded in Israel and the West Bank", see: <https://www.facebook.com/groups/549179322172218>; "Work permits and settlements in Israel and West Bank", see: <https://www.facebook.com/groups/113263779209683>; "Requested craftsmen and workers and permits to work in Israel", see: <https://www.facebook.com/groups/385835351573164>; "Work in Israel", see: <https://www.facebook.com/groups/1899582550257672>; and "Requested workers with permits", see: <https://www.facebook.com/groups/1662788727093519>.

<sup>13</sup> NIS 122 million/12 month/20,000 permits= NIS 500 profit per permit.

actual) issues a permit, he/she is required to issue a payslip for the Palestinian worker.<sup>14</sup> The payslip details the gross wage and the net wage- the difference encompasses many details that can be grouped together under the title of deductions.<sup>15</sup> Until 1994 the employer used to transfer the gross wages (net wages + tax deductions) to the ESU, and the latter issued a payment check for the worker to receive his/her net wage while transferring the deductions to the relevant Israeli institutions. After 1994, employers have been transferring only the deductions to the Payment Division, and the net wages are paid in cash. This arrangement that prevails until today, provides a conducive environment for the trade of permits. Because deductions are calculated as a percentage of the gross wage of the worker (see Table 3), the post-1994 arrangement enables the employer to declare minimum wages for the workers, and thus pay the minimum deductions and sanctions to the ESU, while in reality, the employer pays the worker a much higher net wage in accordance with the market price of the labor force.

The BoI estimated that the **average** monthly deductions paid by the employer (fictional or actual) to the ESU are **NIS 1,482**. The estimations were based on a survey that included 1,271 Palestinian workers (out of which 561 purchased permits) at four crossing points in the West Bank in June 2018. This means that most of the payslips issued for permit-holders declared almost minimum wages.

**Table 3<sup>16</sup>: Total Deductions Paid by the Employer who Issue a Payslip to the ESU on Monthly Basis**

<b>Wage in NIS</b>	<b>Up to 6,310</b>	<b>6,310- 9,050</b>	<b>9,051- 14,530</b>
Social security	7.6%	7.6%	7.6%
Comprehensive Pension	13.1%	13.1%	13.1%
Competition to severance pay	2.33%	2.33%	2.33%
Total deductions (percentage)	23.03%	23.03%	23.03%
Total secretions by the employer	1,453	1,453- 2,084	2,084- 3,346

It appears that there are two different daily wages in the Israeli market: Workers who purchased permits from a fictional employer were able to find jobs at a much higher average daily wage (NIS 465) compared with workers who did not purchase permits but received it legally from their actual employer (NIS 440)- see Table 4. The reason is that the actual employer pays less costs for employing a permit purchaser since the employer isn't legally obligated to pay for transportation.

<sup>14</sup> A pay slip must state the starting date of employment, the cumulative seniority, working days and hours, vacation days granted during the same period and the balance of the employee's vacation days, sick days utilized and accrued, the value of wages paid to an employee for a normal working hour, regular wage, other payments (including overtime pay, convalescence pay, vacation pay and sick pay), total wages and other payments liable to income tax and social security contributions that are taken into account for calculating pension rights or other social rights.

<sup>15</sup> In Oct. 8, 1970, the Government of Israel decided that Palestinian workers should be treated as equal to any Israeli worker in terms of their social rights as well as the minimum wages rates prevailing in Israel. The Payment Division in the Israeli Interior Affairs is responsible for applying this equity. Until today, this governmental decision is not implemented, and the pay slips still declare less social rights than what a Palestinian worker deserves (Comptroller, 2014).

<sup>16</sup> This is a rough estimation. For full details, please see the update since 2019 at: [https://www.gov.il/BlobFolder/policy/palestinian\\_workers\\_constructions\\_social\\_rights\\_procedure/he/9.1.1003.pdf](https://www.gov.il/BlobFolder/policy/palestinian_workers_constructions_social_rights_procedure/he/9.1.1003.pdf).

**Table 4: The calculations of real and unreal (declared) net wages of Palestinian workers in Israel**

		Bank of Israel data survey	
		Fictional employer	Actual employer
Working days		21.7	21.1
Gross wage/working day (NIS)		465	440
Gross wage (NIS)		10,090	9,282
Permit cost	Deductions (23.03%)	1,482	1,482
	Permit price (NIS)	500-800	none
Total brokerage profits (in million NIS)		121-194	none
Net wage (NIS)		8,108- 7,785	7,800
Real net wage/working day (NIS)		374-360	370
Net wages/working day (NIS) according to the declared reductions (1,482/0.2303)/working days <sup>17</sup>		296	296

#### 4. Consequences of Permit Brokerage

At first glance, permit brokerage might appear like a win-win situation for the three parties (fictional and actual employers as well as the worker). In fact, this illegal relationship is more complicated and leaves the workers over-exploited.

1. The system increases the maneuvering power of both the fictional and actual employers vis-à-vis the workers.
2. The phenomenon of underestimating the workers' daily wages in order to pay the minimum deductions is not limited to those workers who purchase the permits. Almost all actual and fictional employers declare unreal wages in order to raise their profit by not paying the accrued deductions on the additional money paid to the worker beyond the false declared wages. However, workers who buy permits are more constrained in the labor market and they are compelled to waive their labor rights in order to preserve their access to Israeli workplaces.

As stated earlier, the issuance of a permit is conditioned by working for the employer who issued the permit. The official payslip is also issued by the same (fictional) employer. In many instances, the workers even do not engage in a direct relationship with the fictional employer because issuing a permit is mediated by a huge number of middlemen who are West Bankers. Thus, instead of imagining a linear relationship between a Palestinian worker and an Israeli actual employer, the permit system enables a multi-level hierarchy in which the fictional employer and a middleman are two determinant nodes in linking the final beneficiaries. According to Shaher Saad,<sup>18</sup> General Secretary of The Palestinian General

<sup>17</sup> This rate is very close to the PCBS estimations of the average daily wage of Palestinians workers in the construction sector, see (PCBS, 2020)

<sup>18</sup> Shaher Saad (2020). Interviewed by Walid Habbas via Zoom on Oct. 1, 2020.



Federation of Trade Unions (PGFTU) who has been following this black-market trade for years, the middlemen who are not part of the industry have good relations with the Civil Administration and are considered powerful figures, and some are members in organized gangs.

## **5. Lack of Effective Reform**

The State Comptroller's report in 2014 revealed the corruption and lack of monitoring in issuing permits and granting companies' quotas. In 2016, the Government of Israel approved an innovation through its governmental decision number 2174.<sup>19</sup> The decision, which was supposed to be implemented in summer 2017, intended to end the "orthodox" relationships stated in the work permit between the worker and the employer. According to the innovation, a Palestinian worker with a work permit is free to work for any employer in the labor market. For this purpose, the government called upon the COGAT to create a digital system to recruit and distribute the workers in the Israeli labor market. A pilot was launched in July 2017 for workers in Atarot industrial park (general quota 2,500 workers- see Table 2). Each worker needs to login into the COGAT system and pass a qualification course before being legible for a work permit. The system is also supposed to link between actual employers and legible workers. The permit will be canceled for any worker who cannot find a match within 60 days. The system was supposed to expand to other sectors and workplaces at the beginning of 2020. The breakout of COVID-19 and other bureaucratic complexities prevented its application until today.

However, it is doubtful that such an innovation will bring the brokerage system to an end. First, decision 2174 was motivated by the need of raising the supply of Palestinian workers, especially in the construction sector, decreasing their labor wage and thus reducing the cost of houses and apartments<sup>20</sup>. As proposed in the 2174 reform, the digital system for recruiting labor should result in reducing the brokerage fees paid to a fictional employer, and thus decrease the net wages paid to construction workers. In order to scale this scenario, the Government of Israel prepared for an increase of 20,000 additional Palestinian workers starting by 2017. However, as long as permits are issued through COGAT and are subject to security check, the brokerage will remain structural to the system. Especially when we recall the subsection 3.G of the 2174 decision stating that workers will lose their permits if they fail in finding an actual employer.

In the Paris Protocol, which organized the labor-employer relationships, article VII.1 stated that "The Palestinian side has the right to regulate the employment of Palestinian labor in Israel through the Palestinian employment service, and the Israeli Employment Service will cooperate and coordinate in this regard". There is a real Palestinian interest in bringing back official labour market coordination mechanisms into operation with the power to transparently and equitably certify the labor-employer relationships. Moreover, it is highly recommended that work permits be issued through the Palestinian Civil Affairs Authority as part of a joint committee that brings together the Palestinian Labor Unions, Palestinian Labor Ministry as well as the Israeli stakeholders.

---

<sup>19</sup> [https://www.gov.il/he/departments/policies/2016\\_dec2174](https://www.gov.il/he/departments/policies/2016_dec2174).

<sup>20</sup> This is the reason why the government decision 2174 referred to, and was build upon, a previous governmental decision in 2015 that called for increasing the general quota of construction labour. See: [https://www.gov.il/he/departments/policies/government\\_decision\\_317\\_moch](https://www.gov.il/he/departments/policies/government_decision_317_moch).

**Table 2: The quota that determines the official number of permits allowed for each economic branch, sector, or activity (Al-Qadi, 2018; COGAT, 2020)**

Type of permit	Economic sector	GoI-COGAT quota	Duration	Issuance conditions	Notes
Wage-work (orange) permit in Israel	construction	58,100	3 months – 1 year	Age 22 and married	Out of which 16,000 overnight permits
	Industry and services	4,450	3 months – 1 year		
	agriculture	6,250	3 months – 1 year		
	Seasonal agriculture	10,750	Max 6 months	Age 21-22 and married	
	In Atarot industrial zone	2,500	3 months – 1 year	Age 21-22	
	Hotels in Jerusalem	300		Age 21 and married	
<b>Total</b>		<b>82,350<sup>21</sup></b>			
Wage-work (green) permit in settlements	All sectors	No quota <sup>22</sup>	various	Age 21-22	
<b>Estimated</b>		<b>21,000<sup>23</sup></b>			
Seeking employment	all	No quota	5 days every 3 months	Age 21-22 and married	
<b>Estimated</b>		<b>106,000<sup>24</sup></b>			
Exit for work meetings	all	No quota	5 days	various	
None-wage working <sup>25</sup>		33,580	Various durations		

## 6. Questions for Discussion

1. Not only does the 18-20% of Palestinian working labor force depend on the Israeli market, but also part of the Palestinian GNP depends on employment in the more advanced Israeli economy. However, the other side of the coin, namely the Israeli dependence on Palestinian low-wage workers has been almost absent from the Palestinian political agendas, especially in the bilateral meetings between both sides. How can the Israeli need of low-wage Palestinian workers be raised as a maneuvering tool in future economic meetings with Israel in order to improve the workers' conditions?
2. Are the Palestinian labor unions fulfilling their anticipated role in organizing, raising awareness, and protecting Palestinian workers in Israeli workplaces? What recommendations can be raised to such unions in light of their limited jurisdiction on what occurs on the other side of the segregation and annexation wall?
3. A large number of brokers are either profit-seeking individuals or organized networks who actually reside and operate within the West Bank, and under the jurisdictions of the Palestinian Authority and its security apparatuses. Can a joint operations room that

<sup>21</sup> This is the official number of maximum numbers of work permits in Israel. However, it is estimated that in the few last years about 35-38% of the Palestinian labour force actually employed in Israeli workplaces can smuggle without a work permit (MACRO, 2017).

<sup>22</sup> See, (MACRO, 2017)

<sup>23</sup> According to a PCBS recent survey.

<sup>24</sup> An estimation of the Palestinian Civil Affairs Authority from 2017, in (Al-Qadi, 2018).

<sup>25</sup> These include: health employees, international organizations, church and Waqf workers, BMC, trade, tour guides and others.

encompasses representatives of the workers, labour unions, Ministry of Labour, and various Palestinian security apparatuses be helpful in cracking down on exploitation by Palestinian brokers? It is legitimate to ask whether there is negligence in protecting the Palestinian workers, at least in criminalizing and deterring Palestinian brokers, where possible.

4. The Civil Administration claims that since 2004 nobody approached its offices with a formal and written objection on the issue of work permits or brokerage system (Comptroller, 2020: 241). Although the Civil Administration announcements should be taken with several grains of salt, it is worth discussing how the role of the Palestinian Civil Affairs Authority can be more emphasized in negotiating, and co-authoring any future Israeli “reform” concerning an important segment of our society- workers?
5. Revising the many reports on fiscal leakage, and financial losses of the Palestinian Authority, none of the available reports and studies referred to the role of brokerage system, and the false reporting on minimum wages, on decreasing the accumulated contributions of the Palestinian labor force in Israel to social security; equalization tax. A comprehensive study is highly recommended.

## Bibliography

- Al-Qadi N (2018) *The Israeli Permit Regime: Realities and Challenges*. Jerusalem: Applied Research Institute. Available at: <https://www.arij.org/files/arijadmin/2018/permits1.pdf>.
- Atkas H and Wifaq A (2019) *Illegal Work Permits for Palestinian Workers in Israel: The existing situation and planned reform*. Jerusalem: Bank of Israel, Research Department. Available at: <https://www.boi.org.il/he/NewsAndPublications/PressReleases/Documents/%D7%94%D7%99%D7%AA%D7%A8%D7%99%20%D7%A2%D7%91%D7%95%D7%93%D7%94%20%D7%9C%D7%A2%D7%95%D7%91%D7%93%D7%99%D7%9D%20%D7%A4%D7%9C%D7%A1.pdf>.
- Berda Y (2017) *Living Emergency: Israel's Permit Regime in the Occupied West Bank*. Stanford, California: Stanford University Press.
- COGAT (2020) Unclassified status of authorizations for entry of Palestinians into Israel, for their passage from Judea and Samaria into the Gaza Strip, and for their departure abroad. Coordination of Government Activities in the Territories, Operations and Coordination Department. Available at: <https://www.gisha.org/UserFiles/File/LegalDocuments/procedures/general/50en.pdf>.
- Comptroller (2014) *Annual audit report 65a*. Ministry of the Interior, Population Immigration Authority and Border Crossings: Employment of Workers: Palestinians in the construction industry in Israel. Jerusalem: State Comptroller's Office. Available at: <https://www.mevaker.gov.il/sites/DigitalLibrary/Pages/Reports/162-30.aspx>.
- Comptroller (2020) *Annual audit report 70c*. Staff officers in the Civil Administration in the Judea and Samaria area. Jerusalem: State Comptroller's Office. Available at: <https://www.mevaker.gov.il/sites/DigitalLibrary/Pages/Reports/3602-7.aspx>.
- Farsakh L (2005) *Labour Migration and the Palestinian State: The Political Economy of Palestinian Labour Flows to Israel*. London: Routledge.
- Handel A (2009) Chronology of the Occupation Regime: 1967-2007. In: *The Power of Inclusive Exclusion: Anatomy of Israeli Rule in the Occupied Palestinian Territories*. New York : Cambridge, Mass: Zone Books ; Distributed by The MIT Press, pp. 603–634.
- Kanafani N (2018) *Economic Monitor Issue 52/2017*. Ramallah: Palestine Economic Policy Research Institute (MAS).
- MACRO (2017) *The Working Conditions of Palestinian Wage Earners in Israel*. Tel Aviv: The Macro Center for Political Economics and the Hans-Böckler-Stiftung. Available at: <http://www.macro.org.il/images/upload/items/27348794024004.pdf>.
- Ophir A, Givoni M and Hanafi S (eds) (2009) *The Power of Inclusive Exclusion: Anatomy of Israeli Rule in the Occupied Palestinian Territories*. New York : Cambridge, Mass: Zone Books ; Distributed by The MIT Press.
- PCBS (2020) *Palestinian Labour Force Survey: Annual Report: 2019*. Ramallah: Palestinian Central Bureau of Statistics.
- Taghdisi-Rad S (2014) The Economic Strategies of Occupation: Confining Development and Buying-off Peace. In: Turner M and Shweiki O (eds) *Decolonizing Palestinian Political Economy: De-Development and Beyond*. New York: Palgrave Macmillan, pp. 13–31.