MONITOR REPORT ON THE IMPLEMENTATION OF GOVERNMENT DECISION 3790 FOR INVESTMENT IN EAST JERUSALEM

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I. Introduction

At the time of completion of this report, it appears that the coronavirus crisis that has accompanied us in recent months has not yet ended. Although economic activity is gradually returning, the economic and communal implications of the crisis for Israeli society, and particularly for Jerusalem and the Palestinian society, already seem significant.

This report is the fourth installment of <u>Ir Amim's publication of</u> monitoring reports on <u>Government Decision 3790 for the Reduction of</u> <u>Socio-economic Gaps and Economic Development in East Jerusalem</u>, and the second publication as part of the joint monitoring project of Ir Amim and the Workers' Advice Center WAC-MAAN. The report will focus on two chapters of the Government Decision – the Employment chapter and the Quality of Life chapter.

In the first part that discusses the Employment chapter – a continuation of the last monitor report from March, 2020 – we will focus on the negative changes that the pandemic has caused and its interface with the Government Decision.

In the section discussing the **Quality of Life chapter**, we will present the main points of <u>the study on barriers and policy recommendations of Ir</u> <u>Amim on the subject of leisure infrastructures in Government Decision</u> <u>3790</u>. This study focused on the **promotion of construction of public buildings, sport facilities, parks and entertainment complexes in East Jerusalem**. This subject has also turned out to have special importance during this latest period of time, when it is possible to see a gradual return from social distancing and isolation at home. In East Jerusalem, as well as in the west of the city, the public spaces are again being used by the city's residents and their special value for the community and personal life are being rediscovered.

II. Employment

On June 11, 2020, Ir Amim and WAC-MAAN held a conference titled <u>'Employment in East Jerusalem – The Day after the Coronavirus.</u>' The conference was simultaneously translated into Arabic and hundreds participated through Zoom and Facebook, many of them residents of East Jerusalem. The new data below were presented during the conference alongside first-hand testimony of Palestinian women who currently

participate in the workforce. This data, along with the testimonies, should serve for designing and implementing desired employment policies.

A. <u>Trends in the Employment Market in East Jerusalem –</u> <u>Decline in Participation of Women</u>

According to the Statistical Yearbook of Jerusalem for 2020, published by the Jerusalem Institute for Policy Research,¹ the number of East Jerusalem residents (aged 15 and over) who were participants in the workforce in 2018 was 89,600 people: 21,300 women and 68,300 men. Of these, those at the ages of prime employment (25-64) in the workforce numbered 68,500 participants, of whom 17,699 were women (25% of women in this age range) and 50,800 were men (79% of the men in this age range).² The data in the Yearbook point to a decline in the rate of employment in comparison to 2017. According to preliminary data of the Central Bureau of Statistics, this decline continued in the decrease of the percentage of women participating in the workforce in 2019.³

It would seem that it is too early to arrive at long-term conclusions regarding these trends that have characterized the employment market even prior to the pandemic, but it is clear that the data regarding the decline in employment, even while implementation of Government Decision 3790 was beginning, gives rise to questions. There is also no doubt that these data have also been significantly adversely affected by the coronavirus crisis. The full ramifications of the crisis will become clear only in the future, but the data that have been published in the interim augur a significant negative change.

¹ The Jerusalem Institute for Policy Research, <u>Statistical Yearbook for 2020</u>. According to this Yearbook, the poverty rate per capita in 2018 was 59%, which seems to indicate a significant decline in the poverty rate in East Jerusalem, as compared to 2017 (when the poverty rate was 77.5%). In effect, this does not accurately reflect the reality in view of the NII-reported difficulty in sampling the data in East Jerusalem for this year, which led to insufficient sampling.

² The rates of employment for those aged 25-64 years, the primary years of employment according to the Jerusalem Institute, constitute the point of reference of the objectives of the Government Decision. In view of the fact that workers from age 15 to 24 constitute a significant share of the labor market in East Jerusalem, and in view of our use of the data of the Employment Service for the coronavirus period, which include workers of all ages, the data in this report relate to ages 15 and older.

³ The Central Bureau of Statistics, internal data. We thank Netta Porzycki, an economics and employment researcher in the Jerusalem Institute for Policy Research, for providing this useful data. We note that in spite of the decline, the rate of employment of women is still higher that it was in 2016.

B. <u>The Coronavirus Crisis – More than One-Third of East</u> Jerusalem Participants in the Workforce Lost their Jobs

Since the coronavirus crisis began, there has been a more than 80-fold increase in the number of new applicants to the employment office in East Jerusalem. In March 2020, 23,020 new job seekers from East Jerusalem reported to the Employment Service office. An additional 9,415 job seekers joined them in April, 2020.⁴ In total, in March and April 2020, about 32,435 new job-seekers were registered in the Employment Service office in East Jerusalem, of whom 24,366 were men and 8,069 were women.⁵

Therefore, this is the loss of jobs (temporarily or permanently) of more than one-third of the participants in the workforce from East Jerusalem as compared to 2018 (when, as stated above, 68,300 men and 21,300 women participated in the workforce). This astonishing figure does not even tell the entire story, because in view of the obstacles that make it difficult for many East Jerusalem residents to register in the Employment Service office, this rate of registered jobseekers only partially reflects the number of residents who have lost their jobs.

One of the significant dangers reflected in that data is the harm to the objective of integration of women residents of East Jerusalem in the job market. The 8,069 jobs held by women that were lost, whether temporarily or permanently, are liable to strengthen the decline that was seen from 2017-2019. In addition to the increased objective difficulty experienced by many women to re-find their place in the employment market in view of the gaps in language, education, awareness of rights and the ability to insist on them vis à vis their employers, this shake-up is also liable to constitute a negative incentive for women who have not yet broken through the barriers to integration. It emphasizes the lack of stability and the shaky conditions that characterize employment of East Jerusalem women.

⁴ Report of the Employment Service, The Pulse of the Job Market – Monthly Publication, April, 2020 [Hebrew].

⁵ The Jerusalem Institute for Policy Research, <u>Employment in East Jerusalem in the Time</u> of Corona – Data and Trends, June 2020.

C. <u>The Coronavirus Crisis – Unique Harm to the East Jerusalem</u> <u>Population</u>

Harm to the young age range causes more harm to young women residents of East Jerusalem

More than half of the residents of East Jerusalem who registered in the Employment Service office in March and April 2020, were between the ages of 18 and 25, the age range of entry into the job market that also constitutes, for the most part, a significant portion of all of the participants in the workforce.⁶ In the past, the source of the most significant increase in the number of women who entered the workforce in East Jerusalem were women in this age range. Presumably, at this age it is easier for employees to deal with the change in their situation and to find new jobs. However, this is not the case with young women from East Jerusalem. They tend to marry and give birth to their first child at a younger age than is customary in the Israeli population as a whole. Therefore, they have fewer years during which they can be flexible in terms of employment, and difficulty in entering the job market between the ages of 18 and 20 is liable to significantly harm their chances of integrating into the job market in the future.

Troubling indications that those who are on unpaid leave do not return to the workforce

Almost 90% of the new registrants in the Employment Service office from the residents of East Jerusalem in March and April registered as workers who were on unpaid leave. This is likely to hint at a possibility of the return of most job seekers to their former jobs; however, the Employment Service's report from May 2020, demonstrates that many of the job seekers who are entitled to unemployment benefits in Israel have, as of May, moved from the status of unpaid leave to that of laidoff or recipients of negative income tax benefits.⁷ Although this report does not present a separate breakdown of data relating to residents of East Jerusalem, it contains troubling indications of the poorer chances they have to return to the workforce. According to the data set forth

⁶ Employment Service report, The New Registrants in the Employment Service during the Corona Crisis: A Comparison between the Arab and the Jewish Population, March-April, 2020.

⁷ Employment Service report The Job Market Pulse – Monthly Report, May, 2020.

in the report, the Arab population in Israel encounters greater difficulty in returning to the workforce after an unpaid leave than does the Jewish population: While 20% of those from the Jewish population who were on unpaid leave have gone back to work, there has been a return rate of only 9% among Muslims, Christians and Druze. Additionally, according to the data from the report, Jerusalem as a whole has one of the lowest rates of return to work – only 16% of jobseekers in the Jerusalem district have returned to work, as compared to a 20% rate of return to work in the central part of the country.

As of June 2020, the unemployment rate in Jerusalem was 26%. 39% of the unemployed are residents of East Jerusalem, although they make up only about 30% of the workforce in the city. As of June, their percentage of all of the unemployed in the city is higher than it was at the height of the crisis – 35% - which is a further troubling indicator.⁸

Financial incentive to employers as an additional disincentive for employment of women from East Jerusalem

The Grants Law that was passed by the Knesset in June outlines financial incentives for employers to bring back employees who were put on unpaid leave due to the coronavirus crisis. The law, which was intended to make it easier for employers, was limited to employees who were returned to their jobs after a period of unpaid leave or termination of employment and who earn over 3,300 NIS per month. Many East Jerusalem women are employed in part-time jobs at minimum wage, and therefore do not meet the criteria set forth in the law. Thus, the law actually provides an additional *disincentive* that combines with the other disincentives – e.g., language difficulties, accessibility, education – for employing women who are residents of East Jerusalem. A program for supplemental grants to encourage returning part-time employees to work should be offered.

⁸ Jerusalem Institute, Employment in East Jerusalem at the Time of Corona – <u>Data</u> and<u>Trends</u>, June 2020.

D. <u>Realization of Targets of Government Decision 3790 for</u> <u>Integration of Women in Employment Requires Determined</u> <u>and Immediate Measures</u>

The financial crisis plaguing East Jerusalem is an integral part of the general crisis in which the Israeli economy lost more than one million jobs in the first months of the pandemic. The coronavirus crisis in East Jerusalem comes on top of the data demonstrating that the poverty level and unemployment are the highest in the country, after years of neglect on the part of Israeli authorities.

It appears that the latest crisis has dealt a fatal blow to the moderate achievements of the employment market for East Jerusalem residents in recent years, which were brought about, in part, by wide-reaching governmental interventions. As part of the employment chapter of Government Decision 3790, the government has allocated approximately 232 million NIS over five years for processes of job training, employment guidance, welfare services, construction of day care centers etc. (for more expansive treatment of this subject, see <u>Monitor of the Implementation of Government Decision 3790 for Investment in East Jerusalem – March, 2020</u>, on the subject of employment). The employment chapter of Government Decision 3790 constitutes part of the government investment in the field, but it is too early to assess its influence.

Government Decision 3790 sets a target rate for the integration of East Jerusalem women in the job market at 75% of the employment rate of Arab women in Israel – i.e., approximately a 30% employment rate for ages 25 to 64. The target for the integration of women in the job market also expresses internal targets for participation of women in a program of employment circles and in programs of the Rian Center for employment guidance (70% of the overall number of participants in these programs per year), in budgets allocated for programs for encouraging employment of young women, including preparatory programs for learning Hebrew, and incentives for employers to hire employees.

The broad loss of jobs in recent months makes meeting the target set out in Government Decision 3790 much more challenging. Harm to the ongoing activity of the employment training programs at the Rian Center and in the framework of the Employment Circles program, as a result of the restrictions on gatherings and reduced government activity during the period of the pandemic, has certainly contributed to the widening gap for the realization of employment targets. It may be assumed that additional processes for developing human resources and encouragement of employment of women will also be harmed during this period.

These difficulties present an important challenge to the policymakers and duty bearers in the field of employment, including the Ministry of Labor and Social Services, the Ministry for Jerusalem and Heritage and the Jerusalem Municipality. They must act immediately and decisively. This is in order to avoid the erosion, to the point of disappearance, of the targets for development and improvement of the job market for East Jerusalem residents for the long term- targets that were only determined after years of ignoring the issue. At the same time, they must invest all of the necessary resources into solving the immediate crisis that has been created – first and foremost bringing back to work employees who were forced to leave their jobs in recent months.

E. Increased Importance of Dealing with Obstacles to Realizing Government Decision 3790 Targets

During this crisis period, the influence of the obstacles to employment – transportation, education, and commerce – is magnified.

In the area of **transportation**, the absence of the Rav Kav (city pass) arrangement, the integration of the public transportation systems in the eastern and western parts of town, and expansion of the reach of the lines between East Jerusalem neighborhoods and their frequency – are joined at present by the concern over the danger of contagion of passengers on crowded and slow public transportation.

In the field of **education**, the uncertainty with respect to schools and educational institutions returning to normal activity has added to the challenge of inadequate daycare arrangements for younger children. During this period, the importance of a solution with respect to daycare centers has only increased, especially in the form of an appropriate subsidy that will enable young women to find and keep jobs.

In the field of **commerce**, which has been hit very hard, now more than ever measures are needed to strengthen businesses in East Jerusalem and to create new areas of employment and commerce that will provide available and accessible workplaces (for more expansive explanation of the necessary measures in the fields of transportation, education, and commerce – see the <u>Monitoring Report from March, 2020</u> on the subject of employment). These three areas are also included under the clauses of Government Decision 3790, and it is appropriate that with respect to them, as is the case with the employment chapter, the necessary accommodations are made in order to stop the crisis and return to the path of rehabilitation and development. In the area of employment, as well as in the areas interfacing with it in the Government Decision, the entities implementing the Decision must be flexible and creative while using the existing resources already allocated as part of the Decision and additional resources in order to stop the economic decline in the wake of the crisis. All of this, without abandoning the appropriate targets that were established in the area prior to the pandemic, which propose the beginning of fair economic prospects for the residents of East Jerusalem, both men and women.

III. Ir Amim's Study of Barriers and Policy Recommendations for Promoting Public Buildings under Government Decision 3790

East Jerusalem is characterized by a significant shortage of public buildings and sport and leisure facilities, as the State Ombudsman also noted in the <u>last report</u> that was published regarding governmental actions for socioeconomic development in Jerusalem (2018). This serious shortage of public buildings can be seen through a significant lack of public and community institutions, including youth clubs, welfare offices, daycare centers, baby and mother clinics, day centers for the elderly, sports courts, swimming pools, public parks, playground facilities, libraries, cultural spaces and more. The gap between these East Jerusalem neighborhoods and the Jewish neighborhoods in the west of the city is very evident.

According to the <u>Status Document for Implementation of the Decision</u> by the Ministry of Jerusalem and Heritage from October 2019, a detailed plan for implementation of this chapter has not yet been approved. In 2019, the Jerusalem Municipality submitted a request for support to the Ministry for Jerusalem and Heritage that included seven plots of land for various purposes solely in the area of parks and leisure facilities, but apparently the plan was not advanced because the Municipality did not succeed in proving an entitlement to the land. Thus, as of October 2019, the budget allocations designated for the clauses of the Government Decision that deal with constructing public buildings and sports facilities have not been transferred. As of the completion of the study, the Ministry of Jerusalem and Heritage related that legal efforts were being made in order to enable the promotion of the plan.

<u>Ir Amim's Study of Barriers and Policy Recommendations</u> sought to thoroughly examine the possibilities of implementing Government Decision 3790 in promoting public buildings, as set forth in chapter four of the Government Decision. The study discussed the primary problems and barriers that have led to the serious lack of public and community buildings in the Palestinian neighborhoods in East Jerusalem, and made policy recommendations to resolve them.

The current situation regarding planning and construction of public buildings in East Jerusalem points to four central problems leading to the lack of public buildings:

I) Incompatibility of the planning infrastructure with the residents' needs

2) Shortage of resources for reducing the long-standing gap in development and maintenance of public areas and buildings

3) Lack of suitable infrastructure for development of public areas and buildings

4) Shortage of designated personnel and multiplicity of responsible entities

In each of the problems, as specified above by Ir Amim's study, it also identified concrete barriers while offering recommended solutions. Among the main recommendations: the necessity of increasing the supply of public land and its accessibility through broadening the boundaries of planning and development of the neighborhoods as well as adding lands to overcrowded neighborhoods; the need for public participation and increased transparency at the steering and implementation stages; the need to increase resources for the purpose of building public spaces and buildings and for their maintenance; the need to create appropriate infrastructures for the development of public areas and buildings; the development of models accommodated for building public structures under the existing conditions on the ground and the planning system; an increase of personnel and designated work plans convening around the subject.

Some of Ir Amim's recommendations lay out solutions that recognize the current limitations and propose action within them, such that it will be possible to see the results in the short term. Others are directed

towards systematic long-term solutions, including increase in the supply of public lands by the means that were detailed. Getting at the root of the obstacles discussed and the adoption of the policy recommendations by the steering and implementation responsible entities of the Government Decision will significantly promote the solution for the lack of public buildings and public lands in East Jerusalem. In these days, when the East Jerusalem community – like many other communities – is dealing with an economic crisis and a significant shake-up of the community, it is ever more important to enact changes for the betterment of the public spaces.



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The Undesirable	Serious Shortage in Developed Public Areas and Buildings in Palestinian Neighborhoods in East Jerusalem								
Phenomenon									
Problems	Unsuitability of the planning infrastructure for the needs of East Jerusalem residents	Shortage of resources for decreasing the long-standing gap in development and maintenance of public areas and buildings	Lack of suitable infrastructure for development of the public areas and buildings	Shortage of designated personnel and multiplicity of responsible entities	Policy Recommendations				
						Details			
Barriers	I Shortage of areas designated for the public								
	1.1 Shortage of large plots designated for the public				I Development and adoption of alternative models for construction of public buildings				
	1.2 Valid master plans are limited in area addressed and do not include most of the land owned by residents of the neighborhoods				2 Increase in supply of public land and accessibility to it	Enlarge the planning and development boundaries (the blue line) of East Jerusalem neighborhoods			
	1.3. There are too many areas designated as 'open landscape' without justification					Adding areas to the crowded neighborhoods with preference for state- owned land, including open landscape areas			
	2 Development of multi- neighborhood centers and parks is not suitable for East Jerusalem				3 Effort to establish "pocket parks" and small public buildings				
	3 Marking many areas for reallocation				4 Public participation and greater transparency	Increasing public participation in plans for reallocation			
	4 The Municipality's decision to develop overall plans is delaying planning in Palestinian neighborhoods					Establishment of a civil planning mechanism with participation of the Palestinian community in East Jerusalem			
	, ř					Placing emphasis on the participatory aspect			

Table of Conclusions: Problems, Barriers and Policy Recommendations

				of the mechanisms for public participation
				in planning
				Representative community committees
				Expanding means of communication with
				residents
				Representation for Palestinian residents in
				municipality deliberations re: issues
				involving East Jerusalem
				Establishing an internet site with the
				detailed work plans
				Availability of municipal activities in Arabic
5 Complexity of locating			5 Development and building as a	Freezing home demolitions until the
land for public use when			preliminary stage in confidence	approval of detailed master plans that
most of the land in East			building	address the residents' needs
Jerusalem is privately				
owned				
				Building a mechanism for transferring
				private lands for State development without
				the need to transfer ownership
				Granting incentives to private landowners
				to release the land for public use
				Refraining from use of the land registration
				mechanism for transferring land from the residents to the State
	6 Significant lack of		6 Increase of resources for	Designation of a budget for maintenance of
	funds to reduce the		construction and maintenance of	public areas and buildings
			public areas and buildings	public al eas and buildings
	gap 7 Absence of budget		public al eas and buildings	Changes in the municipal and state
	itemization for			budgetary allocation rates
	changes in funding for			budgetary anocation rates
	public construction			
	8 Absence of defined			Allocation of a designated budget for
	budget for mapping			mapping and infrastructure survey
	and planning an			······································
	appropriate solution			
	within a reasonable			
	time			
	9 Conditioning the			Removal of the conditioning of state budget
	budget allocations in			allocations on a budget from the Jerusalem
	the Government			Municipality
	Decision on budget			
	allocations from the			
	Jerusalem Municipality			
	10 Aspiration for full			Introduction of the challenges faced by East
	or partial funding of			Jerusalem Palestinian neighborhoods to

	public area buildings philanthropists	by				philanthropic bodies
			II Lack of wide roads		7 Creation of a suitable infrastructure for development of public areas and buildings	Increasing the budget allocations for road development
			12 Ignoring existing road systems and lack of suitability for development needs			Planning preference according to the current road system
			13 Shortage of public transportation			Improvement of the public transportation system
			14 Shortage of parking			Advancing parking solutions relevant to the neighborhoods
						Completing the budget allocation for improvement of the sewage system and carrying out the plan for infrastructure improvement
				15 Shortage of designated personnel	8 Increase in designated personnel within the Municipality	
					9 Adding a position in the Municipality responsible for locating land available for public development	
				16 Multiplicity of entities responsible for development in Jerusalem	10 Establishment of a forum dealing with public areas	
					11 A designated work plan That will be implemented by the relevant entities	



Ir Amim is an Israeli nonpartisan organization that deals with the complexity of life in Jerusalem in the context of the Israeli-Palestinian conflict. The organization acts to promote stability, equality and a consensual political future in Jerusalem.

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<u>The Workers' Organization WAC-MAAN</u> is a general workers organization which unites workers in Israel. In addition, the organization unites Palestinian workers who work for Israeli employers in industrial areas in the areas of the settlements. For twenty years the organization has operated a branch in East Jerusalem which assists the residents there to realize their social rights and acts to promote fair employment for women.