

Situation Report

Developments and Reform in the Employment Conditions of Palestinians in Israel

קו לעובד ∕ Worker's Hotline ∕عنوان العامل

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Introduction

Palestinian workers have been employed in the Israeli economy since the beginning of the occupation. The entry of Palestinian workers into Israel began in the late 1960s and was regulated in 1970 by a government resolution that put their working conditions on an equal footing with those of Israeli workers.¹

Historically, the entry of Palestinian workers lowered employment costs in the agriculture and construction sectors.² Subsequently, following the first intifada and the frequent closures in the early 1990s, as well as lobbying on the part of employers and manpower companies, significant numbers of permits were issued to recruit migrant workers to these sectors.³

From the Palestinian workers' viewpoint, employment in Israel is required in light of the high unemployment rate and the low wages in the West Bank compared to Israel. The Palestinian economy presents limited opportunities, largely due to Israeli policy.⁴ From the Israeli standpoint, the employment of Palestinian workers improves the standard of living in the West Bank, provides cheap and available labor for various Israeli sectors, and serves the security purpose of poverty alleviation and reducing tensions in the territories.⁵

In recent years, the number of Palestinian workers in Israel has been steadily rising, especially in the construction sector, which is the largest employer of Palestinian workers in Israel. As of mid-2020, more than 80,000 permanent Palestinian workers were registered in Israel, of which more than 60,000 were in the construction sector. Other sectors that employ significant numbers of Palestinian workers include: agriculture, which in 2020 employed nearly 5,000 permanent workers and more than 2,500 seasonal workers; manufacturing,

¹ Resolution B/1 of the Ministerial Committee on Security Affairs (8.10.1970).

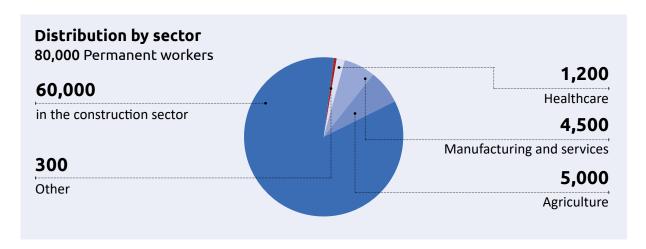
² Shlomo Svirsky and Noga Dagan-Buzaglo, The Occupation: Who Pays the Price - The Impact of the Occupation on the Economy and Society in Israel (Adva Center, 2017), p. 44.

³ Adriana Kemp and Rebeca Raijman, Migrants and Workers: The Political Economy of Labor Migration in Israel (Van Leer Institute Jerusalem/ Hakibbutz Hameuchad 2008), pp. 52-54.

⁴ Leila Farsakh, Labour Migration and the Palestinian State: The Political Economy of Palestinian Labour Flows to Israel (Routledge 2005); Amir Paz-Fuchs and Yaël Ronen, 'Occupational Hazards' (2012) 30 Berkeley J. Int'l L. 580; Jonathan Preminger, Labor in Israel: Beyond Nationalism and Neoliberalism (ILR Press, an imprint of Cornell University Press 2018), p. 160; International Labour Organization Director-General, The Situation of Workers of the Occupied Arab Territories (International Labour Office 2021), p. 10, 27-29.

⁵ See Kemp and Reichman; Roni Singer, The deployment at the checkpoints is holding back allowing 33,000 workers from the West Bank into Irael, Calcalist; Danny Zaken, The Uprising that did not Occur: The Dependence on Israel Blocked the Intifada, Globes (30.12.2017) https://www.globes.co.il/news/article.aspx?did=1001217392; For a more comprehensive analysis of the economic and political interests that determine the employment model of Palestinian workers in Israel and the quotas for the entry of workers, see a previous report by Kav LaOved Occupation of Labor - Employment of Palestinian Workers in Israel, (November 25, 2018), available at: <a href="https://www.kavlaoved.org.il/%D7%9B%D7%99%D7%91%D7%95%D7%A9-%D7%94%D7%A2%D7%91%D7%95%D7%99%D7%A9-%D7%94%D7%98%D7%99%D7%A9-%D7%A4%D7%A2%D7%A1%D7%A7%D7%AA-%D7%A4%D7%9C%D7%A1%D7%98%D7%99%D7%A9-%D7%99%D7%A9%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%99%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%90%D7%9C/D7%A1%D7%A9%D7%A8%D7%A9%D7%A8%D7%90%D7%A9%D7%A9%D7%A8%D7%90%D7%A9%D7%A8%D7%90%D7%A9%D7%A9%D7%A9%D7%A8%D7%A9%D7%A

which employed about 4,500 workers; and healthcare, which employed about 1,200 workers (excluding East Jerusalem).6 Some 5,000 Palestinian workers in East Jerusalem held work permits (in the healthcare, hospitality and manufacturing sectors) and more than 30,000 Palestinian workers were employed in the settlements. Additionally, there are a significant number of workers without a permit.8



In the past year, the regulations that apply to Palestinian construction workers in Israel have undergone a number of significant changes. Quite a few significant developments have marked a positive trend of enhanced protection of labor rights, improved work conditions and increased bargaining power. Other more disturbing trends reflect violations of rights, the full extent of which it is too early to assess.

Kav LaOved is the leading organization in Israel working to protect the rights of non-Israeli workers, and, as such, has taken an active part in ushering in significant changes in the employment conditions of Palestinian workers in recent years. This report is based on our collaborative work with Palestinian workers. It reviews developments that have taken place in recent years in a number of significant areas and describes developments that have taken place since the previous report, "Occupation of Labor," which was published in November 2018.9

The first chapter of the report focuses on the most significant development of the past uear – the reform of the employment model in the construction sector enacted in December 2020, which is planned to expand to the manufacturing and services sector as well. One of the pillars of the reform includes ending the practice of binding workers to their employer and granting them the freedom to choose their employer, as long as they hold a valid permit. A significant outcome targeted by the reform is limiting the dependency of workers

⁶ Gilad Nathan, 'Annual Report International Migration—Israel 2019–2020, Submitted to the OECD Expert Group on Migration SOPEMI' (2020), p. 69. According to the report, the quota for Palestinian workers in Israel is more than 100,000 permits, which is not fully utilized.

⁷ Ibid, pp. 72, 74.

⁸ Ibid, p. 74 – almost 18,000 workers, according to the Palestinian Central Bureau of Statistics (PCBS).

⁹ Occupation of Labor report, footnote 5.

on brokers who charge high brokerage fees for work permits, in violation of the law. This report will present preliminary evidence and findings regarding the implementation of the reform, as well as evidence of the situation facing workers in the months following the reform's enactment in the construction sector.

The second chapter of the report will review a number of legal proceedings pertaining to the labor rights of Palestinian workers, which have led to significant court decisions in the last two years. On the one hand, petitions lodged by Kav LaOved concerning the payment of pension benefits and sick pay resulted in considerable progress. On the other hand, a petition that objected to regulations restricting the access of Palestinians working in Israel to labor courts was not accepted by the court.

Regarding occupational safety, Palestinian workers account for about one third of the work force in the construction sector, while their share of the total number of workers killed between 2017–2020 is about 30%–40%. Only 1% of Palestinian workers employed in Israel were compensated for work injury, compared to 1.7% of all Israeli workers, who are usually employed in less dangerous conditions. This situation reflects under–reporting and failures facing Palestinian workers when they exercise their rights, failure to enforce the law, and obstacles that have adverse effects on their health. There have been significant developments on this front too in recent years, partly as a result of public pressure that sought to give a face to victims of work accidents on construction sites, one third of whom, as mentioned, are Palestinian workers.

Finally, the impact of the coronavirus pandemic did not skip Palestinian construction workers. Restrictions on movement between the West Bank and Israel, worsening working conditions, and significant loss of revenue are just some of the implications of the pandemic.

The "Occupation of Labor" report described the reality of Palestinians working in the construction sector in Israel.¹¹ This year, there have been significant developments that justify the publication of an updated report on the employment conditions of Palestinian workers in all sectors. This report includes updates on the trends that we have previously reviewed, as well legal and political developments. This report includes new data reflecting recent research and interviews conducted by Kav LaOved with workers in January and February 2021.¹¹

¹⁰ Ibid.

¹¹ In the study, 216 workers in the construction sector responded to questions about the impact of the reform on the practice of paying brokerage fees and the search for an employer, awareness of their rights, and the impact of the coronavirus pandemic. Workers (64 male, 14 female) in other sectors responded to questionnaires on the same topics (except for the impact of the reform, which is relevant to the construction sector only). Most of respondents in other sectors worked in agriculture (48), 16 in manufacturing, and others in hospitality, nursing homes or services. To complete the picture, along with the questionnaires, 15 in-depth interviews were conducted with workers in the construction, manufacturing, agriculture and nursing sectors.

"I call them human traffickers."

The employment model of Palestinian workers and the trade in permits

Until recently, the employment model of Palestinian workers was characterized by two significant and related structural problems: binding workers to employers and a dependence on brokers who charge large sums, up to a third of a worker's salary, in exchange for arranging work permits in Israel.

In 2016, the government adopted a resolution that addressed these two difficulties. The resolution, applicable only to the construction sector, mandated that Palestinian workers not be bound to one employer, which in the prior system had meant that leaving a job would automatically lead to the revocation of a worker's permit. This reform, recommended by an inter-ministerial team, intended to reduce and even nullify (if implemented correctly) the trade in work permits and the payment of brokerage fees.

Alas, this decision was not implemented for four years. It was only at the end of 2020, that the government began implementing the reform, and then only in the construction sector. The 2020 reform also fails to establish some of the necessary conditions that would ensure achievement of its goals. This chapter will describe the situation that preceded the reform, the main principles of the reform and some preliminary data that we have collected regarding the reform's impact on the ground since the beginning of its implementation in December.

Binding workers to employers and collecting brokerage fees

The employment of Palestinian workers in Israel, in all sectors, requires two permits: an employment permit for the employer and a work permit for the worker. Until recently, workers were forced to work for the employer who initially applied for the permit to hire them. The employer's name was recorded in their work permit and they could not transfer to another employer. Leaving the employer for any reason, including poor working conditions, abuse and ill-treatment, led to the revocation of their work permit in Israel.

The practice of binding workers to one employer was already rejected more than a decade ago in the context of migrant workers by the Supreme Court (HCJ 4542/o2 Kav LaOved v. Government of Israel), which labeled such arrangements "modern slavery." Since the Supreme Court ruling applied to migrant workers, the State of Israel chose not to apply the new policy in the case of Palestinian workers. Academic literature on the subject

¹² HCJ 4542/02 Kav LaOved v. Government of Israel, para. 4 of the judgment of Justice Cheshin (published in Nevo, March 30, 2006).

suggests that the main justification for governments to adopt such binding arrangements is to protect the local workforce. However, in practice, the attempt to protect the local workforce (which has legitimate aspects) through binding workers to an employer creates a tremendous dependence on employers and increases the risk for exploitation and abuse.¹³ As we suggested in the previous report, the "binding" policy in relation to Palestinian workers was justified by another national purpose – the security of Israeli citizens – which provided the justification for particularly severe restrictions on the freedom of movement of Palestinian workers.

One of the justifications given to continue this practice was the concern that unsupervised Palestinian workers in Israel would pose a security threat. This concern has not diminished and still serves as a justification for a range of restrictions and arrangements, even though all Palestinians who receive a work permit underwent a security clearance review by security officials.

In practice, the binding of Palestinian workers to one employer has not served any security purpose; instead, it has led to severe harm to workers. The main harm of binding is the loss of bargaining power, which was already low. The situation of Palestinian workers worsened even further with the addition of other regulations pertaining to their work in Israel.

The trade in permits

Employer permits are issued based on "quotas" made by an inter-ministerial team headed by the Population and Immigration Authority, which determines the number of permits each employer will receive, if any. 14 One of the conditions for obtaining an employer permit is providing workers stable, full-time paid employment. Many employers holding permits have not been able to offer permanent, full-time employment, so they have sought avenues to keep their workers in order to avoid the revocation of their permit allotment. Due to high demand, employers who lose permits during off-peak periods may be unable to obtain a new permit should they need one in the future. Thus, there is an incentive to continue holding the permit and paying the worker's wages and required benefits. At the same time, employers who do not hold permits and need workers are incentivized to subcontract workers who are registered with another employer. This practice results in an illegal trade in permits. 15

Similarly, workers also fear losing their permit and their source of livelihood in Israel. But, unlike employers, they cannot find an employer themselves since there is no database of employers

¹³ Martin Ruhs, The Price of Rights: Regulating International Labor Migration 174-175 (2015).

¹⁴ Ministry of Construction and Housing, Report on the Work of the Inter-Ministerial Team for Changing the Employment Model of Palestinian Workers in the Construction Sector (2016) ("Inter-Ministerial Team Report"), p. 13.

¹⁵ Ibid, p. 14.

holding an available permit, and they are unable to enter Israel in order to search for an employer.

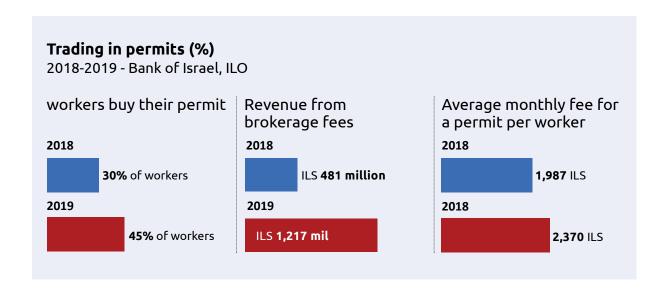
Brokers and employers turned this situation into a business opportunity and started charging Palestinian workers high brokerage fees for finding an official employer in Israel. Data collected by Kav LaOved several years ago shows that workers paid between a quarter and a third of their salary for brokerage fees. In many cases, the registered employer is not the real employer. Instead, the broker arranges a fictitious permit that includes the name of an employer with an official allotment of work permits. The employer agrees to this arrangement in exchange for part of the brokerage fee. In practice, however, the worker works for another employer.

"If I am now going to buy a permit, for example, I agree with the broker on a certain amount, 2,500 for example. I give him a check, or other guarantee, for the amount. After receiving the permit, I am supposed to pay the full amount of the check and get my check back, then pay it in regular installments from my monthly salary." Many people work in several jobs. Brokers from the West Bank agree with others, Israelis, that they'll bring the workers, and the Israeli broker (who has a company) is responsible for the permits and shares the brokerage fees paid by the worker. I call them human traffickers. Everyone is playing with workers, playing with pay slips, and the workers do not know at all what they are entitled to and what things are supposed to look like."

Interview with A., construction worker, January 2021

According to a survey conducted by Kav LaOved in 2019, about 48% of Palestinians working in the construction and agriculture sectors paid brokers to obtain a permit to work in Israel. Workers reported a monthly payment of NIS 2,500–3,000 per month, which was significantly higher than the payment amount reported in 2014. This was a monthly payment, required even during periods when monthly salaries were lower, such as during closures. Workers reported that part of the brokerage fees were paid up front in cash, and that they were required to sign a promissory note with the nominal value of six months of brokerage fee payments. The workers were required to continue paying the fees monthly, or else the broker deposited the promissory note. Workers were required to continue paying the fees every month, even after the initial six-month period.

¹⁶ Occupation of Labor report (Footnote 5), p. 16.



Based on estimates made in 2018 by the Bank of Israel, about 30% of Palestinian workers paid brokerage fees to obtain a work permit. The average monthly payment, according to the Bank of Israel, was NIS 1,990, while in the construction sector most of the permits were sold for NIS 2,000–2,500 per month.¹⁷ There was a significant difference in the employment arrangements of workers who paid for their permit and those who did not. Those who did not pay for their permit usually worked for the employer registered in their permit, whereas about 70% of those who paid for their permit worked for an employer other than the registered employer.¹⁸

It seems that in 2019 there was an increase in the rate of workers who purchased permits as well as in the monthly payment for each permit. According to a 2019 study conducted by the International Labor Organization (ILO), about 45% of Palestinian workers in Israel and the settlements paid for their permits. That is, there was an increase in the number of workers who paid for their permits. In addition, the ILO estimated that the amount of the payment also increased to about NIS 2,370 per month, on average. 19 The organization estimated the total revenue generated from brokerage fees in 2019 at NIS 1.2 billion, of which NIS 941 million was connected to the construction sector. 20 This figure is twice as much as the figure reported by the Bank of Israel in the previous year. The increase was mainly due to the rise in the number of workers purchasing permits (45% in 2019 compared to about 30% in 2018 according to the Bank of Israel).

¹⁷ Bank of Israel, Illegal Trade in Work Permits for Palestinian Workers in Israel: Existing Situation and Planned Reform (September 25, 2019), p. 1, 6 https://www.boi.org.il/he/Research/DocLib3/%D7%AA%D7%99%D7%91%D7%94%20%D7%94.pdf

¹⁸ Ibid, p. 9.

¹⁹ ILO Report (n 2), p. 20-21.

²⁰ Ibid, p. 24.

The State Comptroller has reached similar conclusions. In a report from 2020, the auditor stated:

"The average wage of a Palestinian worker is approximately NIS 5,000 per month, and a considerable portion of workers pay half of this as brokerage fees, which is a significant loss in the earning capacity of Palestinians ... The phenomenon of trading in permits issued by the Employment Unit of the Civil Administration is harmful to Palestinian workers and to public trust in the Civil Administration, and may even harm the construction sector in Israel."²¹

Through binding workers to employers and the unlawful trade in permits, the parties found an arrangement that harms workers and is not in the Israeli interest. From the perspective of the workers, the arrangement forced them to pay large sums of money for permits. In addition, this status also deprives them of social benefits and protection in the event of work accidents. These difficulties have also been recognized by the courts.²² From the government's point of view, the purpose of binding workers to employers is to monitor their presence in Israel,²³ but fictitious employment that does not reflect reality does not achieve this goal. This failure was a significant incentive for the government to decide to reform the construction sector.

The government decision in 2016 formulated a new employment model for the construction sector.

The harm to workers, the trade in permits and the inability to monitor for fictitious employment led to the establishment of an inter-ministerial team tasked with proposing a new employment model for the construction sector. The team proposed a model which required permits for both the employer and the worker, but allowed workers to switch employers within the construction sector. The government adopted this model in 2016.²⁴

To make it easier for workers to find employers, the inter-ministerial team also suggested that workers who could not find an employer be trained, and that the Ministry of Construction and Housing hold a "job fair" to bring together workers seeking employment and employers.²⁵ The government's decision also called for the "establishment of an assessment, screening, training and placement system for Palestinian workers who are interested in working legally

²¹ State Comptroller's Report 70C, Civil Administration Headquarters Officers in the Judea and Samaria Area, (the "State Comptroller Report 2020"), p. 23.

²² See, for example, CA 2385-02-17 Ahmad Abu Muhsein - Kibbutz Beit HaArava (11.2.2021) ("The Abu Muhsein case"), para. 35.

²³ The Inter-ministerial report, p. 14.

²⁴ Resolution 2174 of the 34th Government, increasing employment rate of Palestinian workers in Israel from the Judea and Samaria area, streamlining the allocation of work permits and ensuring fair employment conditions for Palestinian workers, (18.12.2016) (hereinafter "Government Resolution 2174"), section 3.

²⁵ The Inter-ministerial report, p. 27.

in Israel in the construction sector." Under this system, new workers would be eligible to use the platform, and workers who had worked in Israel for at least one month in the preceding two years would not be required to undergo assessment and training.²⁶

Since the government adopted this decision, its implementation has been postponed several times – at first to 2018 and later to 2019.²⁷ Various government ministries attributed the failure in implementing the policy to various difficulties and delays—allocation of the necessary budget funds, recruitment of workers and obtaining needed approvals from relevant government ministries.²⁸

Following repeated delays in implementing the reform, Kav LaOved and the Association for Civil Rights in Israel petitioned the Supreme Court in September 2020, requesting implementation of the 2016 government decision and abolishment of binding Palestinian workers to their employers—not only in the construction sector, but in other sectors as well such as manufacturing, services, agriculture and hospitality.²⁹

In October 2020, The Population and Immigration Authority issued new regulations regarding the employment of Palestinian workers in the construction sector, which went into effect at the beginning of December 2020.³⁰ According to the regulations, the new allocation method is as follows:

"The quota set for the construction sector will be considered as "pertaining" to workers and not to employers, so that workers can work for employers of their choice in the construction sector. The work permits issued to them will not specify an employer name, but only specify the sector name "construction," as long as their employment is duly registered and approved by the Unit for Employers' Services (previously the Payment Unit at the Population and Immigration Authority) and the Civil Administration."³¹

²⁶ Government Resolution 2174, Section 3.a.

²⁷ Government Resolution 3431 of 11.1.2018, Government Policy on the Employment of Non-Israeli Workers and the Amendment of Government Resolutions, section 9; Amitai Gazit, The Reform for the Employment of Palestinians in Israel Crosses the Green Line, Calcalist 15.10.2018 www.calcalist.co.il/local/articles/0,7340,L-3747607,00.html

²⁸ State Comptroller Report 2020, pp. 24-25.

²⁹ HCJ 6272/20 Kav LaOved v. Government of Israel (Petition dated 10.9.2020; the proceedings are pending in the Supreme Court).

³⁰ Population and Immigration Authority 9.1.1001, Procedure for Regulating the Employment of Palestinian Workers in the Construction Sector in Israel, (22.10.2020).

³¹ Ibid, section b.10.

The regulations set out conditions and steps for obtaining an employment permit (not required of employers who hold a valid permit), and clarify that, even after the reform, two permits are required: an employer permit and an worker permit.³² The regulations include various provisions intended to ensure that an employer who did not pay legal wages to his workers in the past, or did not transfer required social benefit payments, will not receive a permit.³³ They also define a number of conditions indicative of situations in which an application is likely made for trading purposes rather than direct employment (e.g., part-time employment for workers already employed by the employer; a significant gap between the number of permits requested and the number of past workers; and frequent cancellation of permits), and set out procedures for handling such applications.³⁴ Transferring the worker to another employer or employing the worker through a manpower contractor are prohibited.³⁵

In addition, the regulations allow Palestinian workers holding a permit to enter Israel for a maximum of 60 days for job search purposes.³⁶ In our opinion, this period is sufficient to find new employment without being dependent on brokers as long as steps are taken to combat the trade in permits by adopting mechanisms that allow workers to obtain information independently about Israeli employers holding valid available permits, such as databases or employment fairs (as suggested by the inter–ministerial team)³⁷ or other such means. It is important to note, however, that this period is shorter than the 90-day period for job-search purposes granted to migrant workers.

To the best of our knowledge, at the time of writing this report, neither employment fairs nor vocational training have taken place. This is probably due to the closures imposed in order to control the spread of Covid–19, which made it practically impossible to carry out such activities. However, even online information – that could indeed be provided during the current situation – has not been published so far. The list of employers with unused allocations is also not published, nor the ways of contacting such employers. A platform to facilitate an independent employment search has not been developed and made available. In fact, information about the reform and its implications has not even been published in Arabic or on sites available to workers. Today, as we shall see, the reform seems largely declarative, and the trade in permits continues, even in the construction sector where the new policy is supposed to be implemented.

Preliminary Findings - Has the reform affected the collection of brokerage fees so far?

Questionnaires distributed by Kav LaOved among Palestinian construction workers in Israel in February 2021 reveal the following:

- 32 Ibid, section f.10.
- 33 Ibid, sections g.10, h.2.
- 34 Ibid, section h.9.
- 35 Ibid, section i.5.
- 36 Ibid, section b.11.
- 37 The Inter-Ministerial Report, pp. 27, 29.

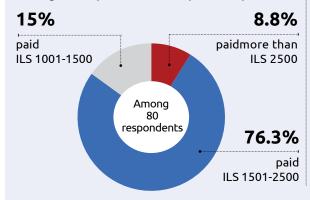
Kav LaOved Findings

Trading in permits after the reform went into effect

As of 7.12.2020 (the permit reform in the construction industry starts being im plemented) do you pay for the work permit you received?

Among respondents from the construction industry

Among 215 respondents: 34.9% paid for a permit



Among respondents in all industries except construction

Among 77 respondents - 29.9% paid for a permit

Among 76 respondents

34.2%

reported that the employer registered on the permit is not their actual employer

Among 24 respondents

45.8%

reported that they paid 1501-2500 for a permit

About a third of construction workers surveyed indicated that they continue paying a monthly fee for their permit, even after the reform went into effect on December 7, 2020.³⁸ Only one worker said that he had stopped paying as of that time. Most workers paid between NIS 1,500 and NIS 2,500 per month, about the same as before.³⁹ In addition, about forty workers reported that they were required to deposit a promissory note in exchange for the permit, even after the reform went into effect.⁴⁰ In sum, the interviews we conducted after the reform was enacted, also suggest that the trade in permits did not stop following the reform.

"I heard about the changes in permits, that we need to pay for them once a year, but nothing happened ... even the issuer of the permit told me that the permit was going to be more expensive ... I pay NIS 2,600 for the permit ... During the coronavirus period, because of the situation, I asked if there was any relief with the payments, he said he could not ... I heard that the permits will now be on our name, but nothing happens." Interview with E., construction worker, March 2021; M. holds a work permit and works in Israel for three years

^{38 75} out of 215 who answered the question. 139 aswered that they do not pay and have not paid in the past.

^{39 61} out of 80 who responded paid between NIS 1,501 and NIS 2,500; 12 paid between NIS 1,001 and NIS 1,500, and 7 paid more than NIS 2,500 per month (there is a slight mismatch between the response to this question and the response to previous question).

^{40 38} out of 42 that confirmed, paid with a negotiable promissory note, and 4 gave checks.

In terms of the freedom to change employers, a painful issue that impacts the bargaining power of workers and their ability to fight for their rights, about half of respondents reported that they had tried to change employers in early 2021 (i.e., after the reform went into effect), but most had failed.⁴¹

Several months following the reform, traders in permits continue selling permits, and ads published without interference highlight the incompetence of law enforcement authorities in addressing this situation.

"For the permit I have now, I pay NIS 2,500. This payment took me back years financially. I pay this amount on the 18th of every month."

Interview with M., construction worker, March 2021; M. works holds a permit and has worked in Israel for five years

"What our employer paid for the permit – we, the workers, pay him back. I pay the employer between 1,450 and 1,700 NIS every month.

Interview with E., construction worker, March 2021; E. has held a permit to work in Israel for two years now

Given the short time that has elapsed since the reform went into effect, it is too early to assess what the long-term change will be. Further research is needed to establish whether there is a change in current trends and if the relevant authorities start monitoring and enforcing it in the interim. However, if the new regulations that allow workers to change employers are not coupled with the provision of tools to look for a new employer, workers will continue to depend on brokers for their permits and continue having to pay high brokerage fees. It is interesting to note that some of the respondents paid brokerage fees directly to their licensed employers even after the reform went into effect.

At present, there is a gap between the intended purpose of the reform—to increase the bargaining power of workers and to stop the trade in permits—and its poor implementation.

⁴¹ The question the respondents were asked on the subject was: "Have you tried to change employer in the last month?" All respondents responded during February 2021, about two months after the reform went into effect. 103 out of 209 responded that they tried to change employer; Those who responded in the affirmative were asked if they were able to find an employer. 91 out of 106 who said they tried, did not succeed (here too there is a slight mismatch between the numbers - 103 who answered yes to the first question compared to 106 who answered the second question).

Workers do not have access to sufficient information, and authorities have failed to create the tools for a meaningful, independent job search. In the absence of integrated tools to provide access to such information, direct contact between job seekers and employers, as well as enforcement, the reform has so far not achieved its goals. The freedom to change employers has not taken effect since, in practice, workers cannot resign and look for new employers and the trade in permits thrives on the backs of workers.

"The permit has becomes expensive, they started selling the permits at high prices. When you work with a salary of NIS 6,000, pay NIS 2,700 for the permit, and, in addition, you have to take out travel costs and food, etc. You have nothing left

When you work from six in the morning until five o'clock, and share with someone what you earn on your own when he sits comfortably in his home, that's what led me to give up [my job in Israel]. I do not need it. If I end up with 3,500 NIS, it would be better for me to work in the West Bank with a similar daily salary."

Interview with S., construction worker, March 2021; S. holds a permit and has worked in Israel for about three years









"If you are on leave, you lose the permit."

Binding workers to employers continues in other sectors

While employment reform in the construction sector has been launched, and the workers are allowed to change employers, in other sectors the situation remains as it was. At this stage, no similar reform is being considered, but the pending petition in the High Court of Justice demands that workers in all sectors be released from the complete dependence upon their employers. The trade in permits, it should be said, has a different form in every sector.

"I have already bought the permit twice. For every employer, I need to buy a permit again. The seller is a Jewish Israeli, I do not know where he gets the permits, but in the two periods I worked as a nurse in nursing institutions, I applied to him. I paid him 7,000 NIS in cash, and I got a permit that allowed me to work for two years. When I resigned after two years, I lost my permit. I had to buy another one again when I was looking for a job elsewhere. I have now been fired from the second place, and again I will have to buy a permit from the same broker. Without paying him, I have no way of getting an employer."

Interview with H., worker in the nursing field, March 2021

Permit rates vary, depending on the worker's earning potential as well as supply and demand. But even without the trade in permits, tying workers to their employers impacts their labor rights and bargaining power. The fact that the employer holds a permit that is of tremendous importance to his workers in itself results in workers being more vulnerable to exploitation by their employers. Workers tend to accept working conditions that do not meet the required legal minimum and avoid any reporting or complaint.

In the agriculture sector, for example, which, as of now, is not slated to be part of the reform according to the State's preliminary response filed in response to KLO's petition to the High Court, workers interviewed reported great concern about low wages, difficult working conditions and a fear of claiming their basic rights. Many in fact refused to be interviewed. One worker's response reflected these concerns:

"I think there should be guidance for workers, they should be supported, the worker should not be afraid of not finding a job, they need support. Everyone is afraid about the permit; I am also afraid that this interview will endanger my permit."

Interview with W., worker in the agriculture sector, February 2021

Releasing workers from dependence on brokers is currently under consideration in the manufacturing and services sector, which is very decentralized and somewhat puzzling, as it includes a wide range of occupations and professions. New regulations to eliminate the binding of Palestinian workers in the manufacturing and services sector has been formulated by the Population and Immigration Authority, and was published in January 2021 for public comment.⁴² Although there are similarities between the provisions of these regulations and the new regulations in the construction sector, there are a number of significant differences between them.

The term "manufacturing and services sector" is a generic term, which combines a long list of businesses and jobs, some in the manufacturing sector and some occupations with no clear common denominator, such as welding, shoemaking, plumbing, trucking and other specialized businesses, including bakeries, laundromats and even undertaker and an oven builder. The list of employers holding a permit in this category appears so haphazard, that it raises the concern that at least some of the Israeli employers who received a permit to employ Palestinians received it based on an arbitrary decision or through personal connections. Therefore, it is possible that these unique characteristics, and the difference between this "sector" and the construction sector, led to a government decision to call for the establishment of an inter-disciplinary, independent team to identify an appropriate employment model in sectors other than construction.⁴³

"Once I was really sick. The manager forced me to go to work for fear that my permit would be stopped if I did not come. Not just me, it happened to other people."

Interview with K., works in the manufacturing sector, January 2021

⁴² The Population and Immigration Authority, Call for comments and remarks regarding the draft of the Procedure for Regulating the Employment of Palestinian Workers in Israel in the Manufacturing and Services Sector, 14.1.2021. https://www.gov.il/he/departments/publications/Call_for_bids/palestinian_employment_procedure_public_review 43 Government Resolution 1236, Strengthening Economic Cooperation through the Employment of Palestinian Workers in Israel, 8.3.2016, https://www.gov.il/he/departments/policies/2016_dec1236

However, the team has not been formed, and the new regulations do not address the unique challenges posed by a sector with high instability that employs only a few workers in each workplace and in occupations that require specific expertise irrelevant to other jobs in the same sector, unlike construction. Similar to the construction sector, however, the regulations stipulate that a worker holding a permit may move between employers, but, at the same time, they also state that the employer must hire the worker "only in the manufacturing and services sector and/or for a job that appears in the employment permit he received."44 This is a reasonable requirement if the intention is for workers to be employed in any sub-sector of the "manufacturing and services" sector, although some workers, such as welders, may encounter practical difficulties if they are to find work as electronics technicians, bakers or plumbers. On the other hand, if the definition of "sector" or "job" refers to the specific area of expertise, it means that someone who works in a very specialized sub-sector will not be able to transfer to a new employer simply because there are no other employers with a valid employment permit.⁴⁵ Kav LaOved contacted the Population and Immigration Authority in January 2021 and asked that they clarify this provision, establish an inter-disciplinary independent team, as well as extend the short period of time given to workers to find an employer.46 Consequently, new regulations were issued at the beginning of March in which not only were the problematic areas not addressed, but the minimum time period allotted to workers in order to find an employer was further reduced to only ten days. The reason for such a move is not clear, as such a short period of time will increase the dependence of workers on their employers.

As stated, in other sectors, the full binding arrangement is not planned to change. Workers in the agriculture sector and in smaller sectors, such as care and hospitality, will continue to be bound to their employers, which is an inherently severe violation of labor rights. Such violations are reflected in purchasing permits as well as in punishing workers for exercising basic rights.

⁴⁴ Procedure for Regulating the Employment of Palestinian Workers in Israel in the Manufacturing and Services Sector, p. 5, section g. 5.

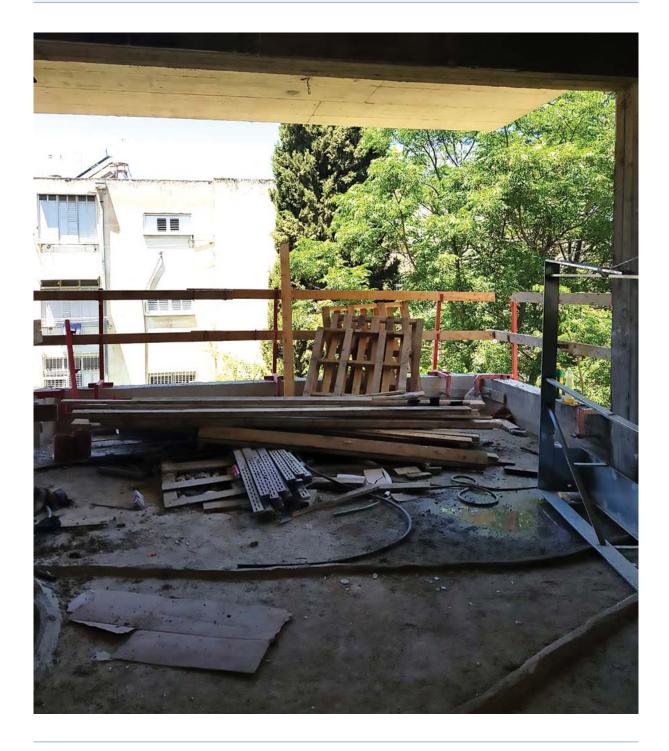
On the difficulty in the actual removal of the binding workers to employers in sectors where specific skills are required and the issue of the limited number of such workers, see for example Maayan Niezna "Binding", an alternative plan to combat human trafficking: a model proposed by the labor approach to trade, policy document - The TraffLab research group (Hila Shamir and Maayan Niezna eds., 2020), p. 32, available at: https://5b95acaf-0ac7-4d09-b46a-a0f0163d0c70.filesusr.com/ugd/11e1f0_a0421b2e35204a859611a029bd2dcc2f.pdf

46 Comments on the Draft Procedure for the Employment of Palestinians in Manufacturing and Services, a letter from Adv. Michal Tadjer of Kav LaOved to the Population and Immigration Authority – Employers Service Desk (Payments Unit), 28.1.2021.

"If we go on leave, the employer tells us when we return, that he was on the verge of terminating our permit.

It happened to me. My sister had a wedding, I told the employer that I had to leave earlier, at four o'clock. The manager told me no. I said I was going anyway and went to the wedding. The next day, when I arrived at the checkpoint, the soldier told me that the employer had terminated my permit."

Interview with K., a worker in the manufacturing sector, January 2021



The wheels of justice turn slowly and have high costs

For several years now, Kav LaOved has been conducting legal proceedings intended to protect the social rights of Palestinian workers in Israel and ensure that they receive the payments to which they are entitled. The two most significant advocacy measures have dealt with pension and sick pay.

Pension

The payment of pension is a prominent example of the long-standing violations of the social rights of Palestinian workers in Israel. Pension benefits are paid by the employer and by the Palestinian worker. As of 2014, these sums have accumulated to the amount of about NIS 1.5 billion.⁴⁷ They are managed in a non-transparent manner, against all the rules of proper administration, and also do not meet the purpose of pension insurance.⁴⁸ In addition, pension benefits were found to be calculated based on irrelevant data and thus incorrect.⁴⁹

Over the years, the Payments Unit managed funds allocated for pension payments as capital savings and not as pension insurance and excluded significant aspects that should have been part of the pension insurance, such as disability payments and beneficiary payments.⁵⁰ The funds were managed incompetently and unprofessionally, with a lack of rules or guidelines to ensure the proper payment of pension benefits. Moreover, in contrast to the accepted policy of encouraging pension savings, as is shown by the government's approach to the pension savings of Israeli workers, the Payments Unit encourages Palestinian workers to withdraw the entire amount accrued on their behalf in one lump sum rather than receive it as a pension benefit in old age. Furthermore, the lump sum withdrawal is calculated such that the amounts received are very low and "not generous," as defined by the State Comptroller.⁵¹ The true purpose of the accumulated funds is concealed and bureaucratic barriers imposed prevent the use of the accumulated funds as pension insurance.⁵² The Payments Unit conceals information from Palestinian workers and does not publish relevant information in Arabic.⁵³ While applications for one-time withdrawals of funds are processed quickly and efficiently, applications to receive pension funds as annuities are processed slowly, only once every quarter, and no information

⁴⁷ State Comptroller Annual Report 65C, Population, Immigration and Border Crossing Authority - Employment of Palestinian Workers in the Construction Sector in Israel, (hereinafter "State Comptroller Report 65c"), p. 533, Table 5.
48 See petition, HCJ 7399/15 Kav LaOved v. State of Israel (Nov. 2015), the Pension Fund Petition, section 138, https://docs.google.com/viewerng/viewer?url=http://www.kavlaoved.org.il/wp-content/uploads/2015/11/%D7% A2%D7%AA%D7%99%D7%A8%D7%94-%D7%A1%D7%95%D7%A4%D7%99-1.pdf&hl=en

⁴⁹ State Comptroller Report 65c, pp. 534-535.

⁵⁰ The Pension Fund Petition, sections 70-77.

⁵¹ State Comptroller Report 65c, pp. 528.

⁵² The Pension Fund Petition, sections 33-50.

⁵³ Ibid, sections 51-58.

is provided to applicants regarding the status of their application.⁵⁴ Consequently, only a minority out of thousands of Palestinian workers have received meaningful pension annuities at retirement age. The Payments Unit waived its obligation to provide any benefits to workers for disability, to beneficiaries or to widows, and did its best to ensure that as few workers as possible succeeded in receiving retirement benefits by virtue of their pension insurance, which had been managed for them throughout the years.

"My late husband had worked in the construction sector in Israel with a permit since 2003 and suddenly died of a heart attack. My husband's death, at the age of only 46, left me and our seven children without a source of livelihood and assistance. Throughout the years, I knew that my husband kept money, which he called "savings," from work. When he died, I went to get the money he had accumulated in his account. I received a lump sum of several tens of thousands of shekels. No one talked to me about an annuity. No one mentioned the word pension. The money was enough to cover expenses, and it's finished."

Interview with A., S.'s widow who worked in the construction sector, February 2021

At the end of 2015, Kav LaOved filed a petition with the High Court of Justice demanding that the pension funds be managed as pension insurance, including all the rights granted by virtue of the fund's purpose, such as: transparency, proper governance rules, and procedures that allow workers to understand their rights and exercise them.⁵⁵ Following the petition, drafts of new procedures intended to regulate the pension funds and clarify workers' rights were published for public comment. These procedures deal with disability benefits, withdrawal of funds in their true value, beneficiary payments for a deceased worker, and beneficiary payments for a retired worker.⁵⁶

Five years after KLO filed the petition, the State announced that it had entered into an agreement with the Amitim pension fund to manage the pension insurance for Palestinian workers holding a permit. By virtue of this agreement, the funds accumulated after paying pension benefits for a period of 40 years will now be managed professionally as a pension fund. The contract between the State and Amitim pension fund was signed in August 2020, but the implementation of the new pension arrangement is expected to take place only after the Payments Unit transmits all worker information to Amitim, which will not happen soon. We recently discovered that since the agreement was signed in August, the

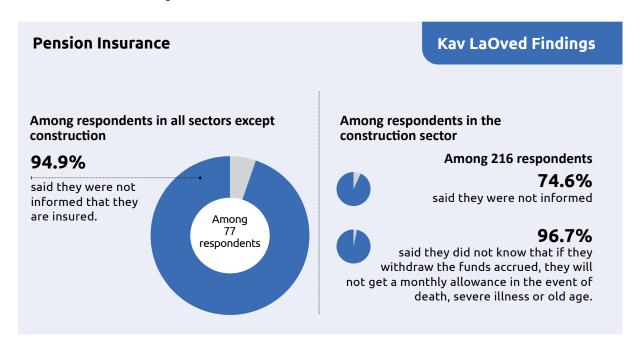
⁵⁴ The Pension Fund Petition, pp. 13-14.

⁵⁵ The Pension Fund Petition.

⁵⁶ The Pension Fund Petition, an update on behalf of respondents, 13.11.2017.

Population and Immigration Authority, which has managed the funds of Palestinian workers for decades, has not provided the Amitim pension fund with the basic information required to calculate their pension regime. In February 2021, we requested that the information be transferred immediately.⁵⁷ Only after the information is transferred will the contract that was signed with Amitim take effect. Subsequently, a computerized system will be created, and all worker information will be processed in order to establish and manage their pension accounts. It turns out that, for decades, funds intended for pension insurance have been accumulated, but the information about the beneficiaries who deposited the money in the fictitious fund has not been transferred. At this stage, the missing information prevents the contract that was signed with the fund six months ago from being implemented. Based on cautious estimates, we believe that only Palestinian workers retiring around 2030 will get to enjoy a significant pension allowance.

Data obtained by Kav LaOved show that, even today, many workers are unaware of their rights or the consequences of early withdrawal of pension funds. Three quarters of construction workers and almost all workers in other sectors surveyed told Kav LaOved that they were not aware of their pension insurance.⁵⁸ Only a few were aware of the consequences of early withdrawal of the accrual funds and of the consequences of not receiving pension benefits at retirement or family benefits in the event of death.⁵⁹



⁵⁷ Letter from Adv. Michal Tadjer of Kav LaOved to the Director General of the Population and Immigration Authority, the Minister of Finance and the Minister of Labor, Welfare and Social Services, re: enacting the pension fund for Palestinian workers, (4.2.2021).

^{58 159} out of 213 respondents in the construction sector; 74 out of 78 respondents in other sectors answered in the negative to the question "Have you been explained that you are insured in a pension fund?"

^{59 206} out of 213 respondents in the construction sector and 74 out of 78 respondents in other sectors answered in the negative to the question "Do you know that if you withdraw the pension money (deposited every month for you) before retiring, you and your family will not receive a fixed monthly benefit in case of death, severe illness, or old age?"

Paid sick leave

For forty years, the wages of Palestinian workers in Israel were governed by a separate agreement when it came to paid sick leave and disability benefits. This arrangement was intended to protect them and improve their chances of receiving sick pay. Unlike Israeli workers who receive sick pay directly from their employer, employers of Palestinian workers were required to set aside fixed amounts for sick pay funds. However, although large amounts were transferred throughout the years to the Payments Unit for the payment of sick leave to Palestinian workers, only a tiny percentage of workers (at most 4%) received sick pay when they were ill and needed it. In comparison, in the case of private sick pay funds provided to Israeli workers through collective agreements in the same sectors, the utilization rate approached 90% of the amount paid. Unlike similar sick pay funds, such as in the agriculture and construction sectors, the state-run fund never established a statute that describes the nature of the rights workers should attain in exchange for the insurance or the compensation rate to which workers are entitled in different circumstances. Information about their eligibility has never been provided to Palestinian workers, who, to this day, are not aware of their right to sick pay. Anyone who is aware of this right, mainly through Kav LaOved lawyers, has encountered great difficulty in obtaining it, due to the absence of an official body to process such requests.

As a result, a large sum of money has accumulated in the State Treasury. According to information obtained through a petition KLO filed with the High Court in 2016, nearly NIS 500 million had accumulated in the fund by 2019, which was then transferred from the Payments Unit to the Ministry of Finance.

"In 2014 I had a difficult operation ... after my sick leave period ended, I applied to the Payments Unit with my medical documents, and filed a claim for sick pay from the Payments Unit. Because I knew it would take months to get an answer, and with no choice, I redeemed the 'money accrued', the sums set aside for pension insurance. I waived all my pension rights. A year and a half after I had applied for sick pay, I went to the office of the Employment Bureau in Qalqilya, and was told that the claim I submitted to the Payments Unit for sick pay was rejected. No written explanation was given. The result is that for my long illness, after years of working in the construction sector, I did not receive any compensation and I gave up my pension savings."

Affidavit of A., June 2016

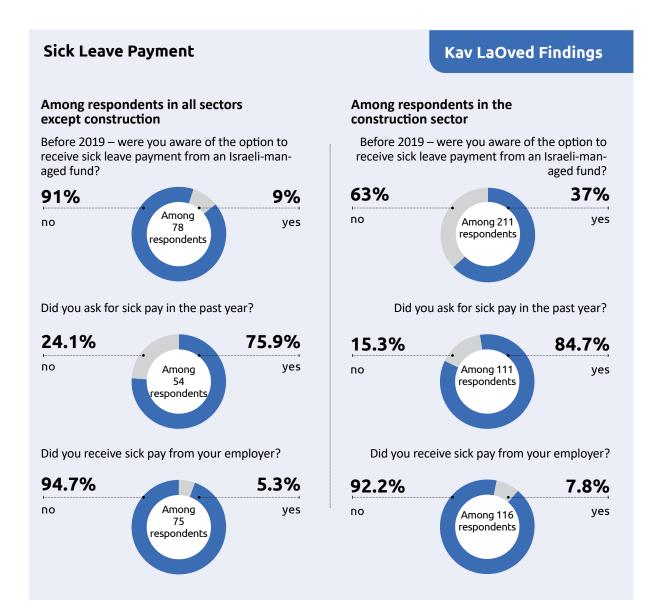
In 2016, Kav LaOved filed a petition with the High Court on this issue. The petition requested a range of remedies regarding the rights granted by the fund and the ways to exercise them. In addition, the petition included a request for remedy regarding the funds that were not used for the purpose of the health of Palestinian workers. A year after the petition was filed, the State announced that it had ceased to require allocations to the fund, and that it had decided to establish an inter-ministerial team to determine a use for the funds accumulated in the State Treasury. From that moment on, the State kept changing its position regarding this fund. Kav LaOved then learned from the Facebook page of the Builders Association that the State had decided to distribute NIS 250 million from this fund to employers. This effectively meant that half of the amount of the fund would be given to employers without any indication that it would be used in the benefit of their workers. Kav LaOved filed an injunction against this decision and the Supreme Court then issued a temporary injunction, after which the State withdrew its intention to distribute the money.

In a ruling given in December 2020, the Supreme Court decided to strike out KLO's petition, stating that the existing arrangement had changed significantly (since the collection of funds from employers had stopped, as mentioned, in 2019). In light of the Supreme Court's comments, the State withdrew its intention to distribute the money back to employers and affirmed that the inter-ministerial team would discuss uses for the accumulated funds. The court ruled that any decision made on this issue would have to be submitted to Kav LaOved and other parties for comment at least 60 days before its implementation.

As of January 2019, Palestinian workers are to receive sick pay directly from their employers and the collection of payments to the fund has ceased. However, the decadeslong failure to manage the fund means that most workers are unaware of this right. The responses of Palestinian workers to questions asked by Kav LaOved attest that the vast majority of workers did not know until 2019 that they could receive payment for sick leave from a fund managed by Israel.⁶⁰ At the same time, while many workers reported that they had lost work days due to illness during the past year. When they asked for sick pay from their employer to cover those lost days, however, the vast majority did not receive any sick pay, despite their request.⁶¹

^{60 133} out of 211 respondents in the construction sector and 72 out of 78 respondents in other sectors responded in the negative to the question "Until 2019 - did you know about the possibility of receiving payment for illness from a fund managed by Israel?"

⁶¹ In the construction sector, 94 out of 111 respondents indicated that they applied for sick pay, and 107 out of 116 indicated that they did not receive sick pay. In other sectors, 41 out of 54 respondents indicated that they applied for sick pay, and 54 out of 57 responded that they did not receive sick pay. In both cases, there is a slight mismatch between the numbers of respondents to the two consecutive questions.



Jordan Valley Regulations - "The High Court ends the abuse of Israeli farmers by Palestinian workers." 62

The term Jordan Valley Regulations has been given to regulations, initiated by Israeli farmers living in the settlements in the West Bank, aimed at reducing legal proceedings initiated by Palestinian workers by allowing the defendant–employer to demand a deposit by the plaintiff in order to cover the employer's expenses in case the worker loses the lawsuit. ⁶³ According to the farmers, these proceedings were based on "frivolous claims," which had no chance of being accepted and obliged the employer to incur significant court expenses in the process. They alleged that since the worker is not an Israeli citizen, the farmer could not force the worker–plaintiff to cover these expenses even after the farmer proved his claim.

Subtitle in the article "the High Court of Justice rejected the petition of left-wing organizations and approved the "Valley Regulations" by Shaked, Maariv, 17.9.18.

⁶³ Regulations of the Labor Court (Rules of Procedure) (Amendment), 2016, Regulation 116A.

The regulations have an obvious political context - they were promoted by the former Minister of Justice, Ayelet Shaked, from the right-wing Jewish Home party (and later the New Right and Yamina), which is affiliated with the settlers.

The regulations discriminated against non–Israeli workers, who belong to underprivileged populations in the first place, and violated their fundamental right of access to the court system. This approach, which discriminates against non–citizen workers (even though they are not "migrant workers") stands in stark contrast to international law and international expert bodies, that emphasize the duty to treat migrant workers and citizens equally in legal proceedings, and to facilitate access to the courts for migrant workers and to help them obtain remedies when their rights are violated. The absence of any data to substantiate the claim that Palestinian workers initiate a significant number of "frivolous claims" against employers did not prevent the adoption of the regulations.

"We have no money to eat, how can we pay the court and the lawyers? There are lawyers who close cases because they are on the companies' side, and the worker pays the cost."

Interview with W., worker in the construction sector, February 2021

In September 2016, Adalah, Kav LaOved and the Association for Civil Rights in Israel petitioned against the regulations.⁶⁵ The petitioners claimed that the regulations were enacted without authority, that they discriminated against non–Israeli workers, and that there was no factual ground for the claim that gave rise to the regulations. Not a single procedure was found in which the employer failed to recover his expenses from a non–Israeli worker who lost the lawsuit.⁶⁶ The State confirmed that no such proceeding had been found, and that the evidence provided to the Minister of Justice only proved that in a small number of cases the defendants (employers) had to end the proceeding by reaching a compromise out of a concern that they would not be able to recover their expenses should they win.⁶⁷ In response to the proceeding in the High Court, the State confirmed that:

Petra Herzfeld Olsson, The Role of Effective Enforcement in International Law on Labour Migration, (2020) 17 International Organizations, Law Review 206, p. 218 and references therein; International Convention on Protection of the Rights of All Migrant Workers and Members of their Families, adopted 18 December 1990, entered into force 1 July 2003, art. 18 (Israel did not sign the convention); UN Human Rights Committee, General Comment 15 - the Position of Aliens Under the Covenant, (11 April 1986). In the Israeli context, see (L.A) (national) 1064/00 - Daniel Kinyanjoy - Olitsky Earthworks Roads and Development Ltd., Judgement 35, 625, 636 (2000); y"y (national) 1459/02 Dan Buchiman - Best Development and Construction Ltd., Judgement 35, 824, 836 (2000). 65 HCJ 7016/16 Adalah - The Legal Center for the Rights of the Arab Minority in Israel and others. v. Minister of Justice (published in the Judicial Authority website, September 17, 2018) (HCJ Regulations of the Jordan Valley) 66 Ibid, para. 13-14.

⁶⁷ Ibid, para. 19. At the court hearing on December 27, 2017, the state representative referred to a table that showed that complaints were received on 130 cases, but it was difficult to verify the claim against the data of the courts' administration.

"The main victims will be foreign workers and residents of the Palestinian Authority, many of whom work in Israel. These workers are very weakened, often of low socio-economic status; they are typically hired to do manual labor, in construction, manufacturing and agriculture as well as seasonal work. In addition, there are language barriers, low pay, and the workers are rarely unionized. In addition, the association between permits and employers is another barrier to filing claims that Palestinian workers face. That is, work permits are not general but are associated with a specific employer, so taking action against an employer may affect the entry permit into Israel. It seems that there is a particular interest in facilitating access to the courts of workers who are considered weak." 68

The members of the Supreme Court panel hearing the petition have changed several times. The panel that gave the court ruling included Justice Solberg, a settler affiliated with the political right. In September 2018, when the court rejected the petition, Justice Solberg was the one to write the ruling. The High Court of Justice ruled that there is nothing wrong with adopting regulations that infringe on the right of non–Israeli workers to access the courts, and that the distinction between plaintiffs who are Israeli residents and plaintiffs who are not "is warranted by common sense."⁶⁹

To the best of our knowledge, the regulations had a significant adverse effect on initiating proceedings in the labor courts. Already during the hearing of the petition, it became clear that the enactment of the regulations resulted indeed in a significant increase in the number of cases that required deposit by the plaintiffs. To This is just one of many difficulties facing Palestinian workers who decide to take legal action. Others include fearing the employer's reaction and the absence of means to finance legal proceedings and lawyer fees. In conversations with Kav LaOved, some workers reported considerable financial difficulty conducting proceedings to secure their rights and due payments, regardless of the deposit. Requiring a deposit just aggravates the situation and may deny access to the labor courts, even for workers who dare to stand up for their rights and manage to find the financial means to cover the legal costs.

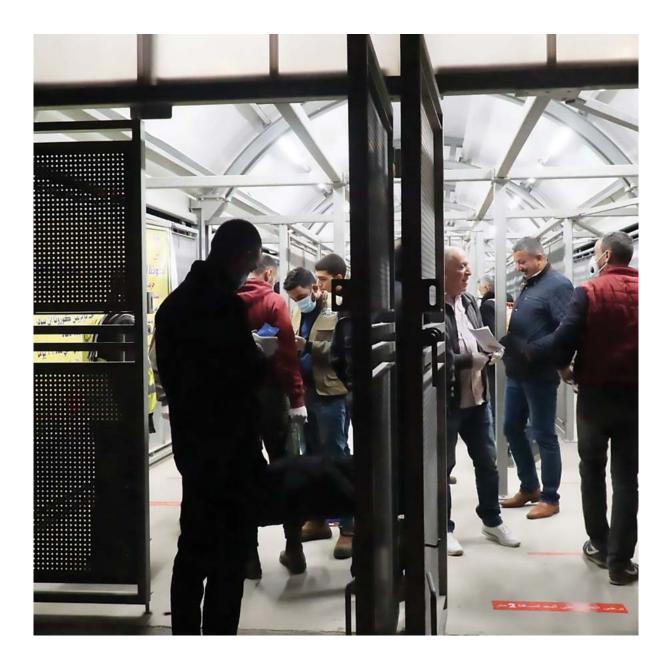
In a recent ruling by the National Labor Court, the tribunal clarified that the regulations changed the legal situation in that the burden of proof when a deposit is required is very often imposed on the worker rather than the employer requesting it. However, the tribunal stressed that even after the regulations entered into effect, the court should consider

⁶⁸ The Abu Muhesin case, p. 19.

⁶⁹ The Jordan Valley Regulations petition, para. 24.

⁷⁰ Ibid, para. 9.

the vulnerability of workers, the power gaps between them and their employers, and the challenges they face when they assert their rights. The tribunal added that the court should also be aware that the claims of workers are grounded in protections granted to them under Labor Law.⁷¹ The tribunal also recognized that being employed by contractors and subcontractors could complicate the situation for workers who may not be able to identify the defendant at the initial stage of the legal process and asserted that it could affect the deposit.⁷² Time will tell whether this ruling, which sought to slightly reduce the harm to workers suing their employers, will reduce the adverse effect of the regulations on Palestinian workers' access to the labor courts in order to claim their rights.



⁷¹ The Abu Muhsein case, para, 35-36, 56.

⁷² Ibid, para. 60.

"I will not receive [sick pay or paid leave], not even in my dreams."

Systematic violation of basic rights of Palestinian workers

Palestinian workers in Israel are employed in sectors where the violation of rights is fairly common. The violation of labor rights is rooted in several structural factors. The first, which was described in detail in the first chapter, lies in restrictions on the movement between employers. The dependence on employers for employment leaves the already vulnerable workers without any bargaining power and unable to leave an abusive employer.

Another structural factor is the malfunction of the Payments Unit, which is a primary cause for the systematic violation of the rights of Palestinian workers. The Payments Unit is the official body entrusted with the dissemination of information as well as supervision and protection of Palestinian workers' rights. The following section describes key areas of malfunction of the Unit.

"There are things you cannot imagine that are done to workers. For example, if someone is sick or absent from work, they deduct a sum of money from his salary for that day because they say it is part of the permit they are paying."

Interview with M., construction worker, January 2021

The systematic violation of Palestinian workers' rights is reflected in the data collected by Kav LaOved in outreach efforts conducted at the beginning of this year. The ongoing assistance we provide to workers allows us to witness it on a daily basis. The data show clearly that the employment of Palestinian workers does not comply with the protective labor laws, rather it is governed by norms unique to the employment of Palestinians.

The Payments Unit or, in its ironic "new" name, the Unit for Employers' Services – is the body entrusted with dissemination of information as well as supervision and protection of Palestinian workers' rights. This Unit was established by virtue of a government decision adopted in 1970, which regulated the employment of Palestinian workers in Israel. It was established as a unit of the Employment Service (previously the Ministry of Labor and later the Ministry of Industry, Trade and Labor). According to the decision, the employer was supposed to transfer payment for the salaries and social benefits of their workers to the Payments Unit, and the Unit would then pay Palestinian workers their salary.⁷³ A decision

⁷³ Kav LaOved 2014, the State Comptroller's Report 65c, pp. 485, 516.

adopted in 1994 ruled that the Unit would stop paying salaries and would only deal with the transfer of social benefits. Employers would pay salaries directly to their workers. In 2002, the Unit was transferred from the Ministry of Industry, Trade and Labor to the Population and Immigration Authority. Some thought that this change is the reason for the infringement on Palestinian workers' rights, since the Unit transferred from a ministry that specialized in labor relations and rights to an agency that had other responsibilities. The trend intensified in 2019, when the Unit remained part of the Population Authority, while its name changed to the Unit for Employers' Services.

The State Comptroller has identified administrative flaws in the conduct of the Payments Unit, including action without authority, lack of transparency and lack of good faith. The Payments Unit is part of the Population Authority, which has announced that it lacks the knowledge and capacity to supervise the Unit's activities. ⁷⁶ The flaws in the conduct of the Payments Unit and the irregularity governing its action and procedures makes it difficult not only for Palestinian workers, but also for Israeli employers. ⁷⁷

Without delving into the historical and administrative factors that led to this situation, there is no dispute that the Payments Unit is a body with extremely poor standards of work, and it seems that all relevant entities share this view. The State Comptroller ruled as early as 2014 that the section had failed in fulfilling its duty and its continued operation should be examined. The State Comptroller has found serious deficiencies in all issues under the Unit's responsibility, including holiday pay, notice of seniority (the basis on which various benefits are calculated), or reimbursement of travel expenses, convalescence pay, severance compensation, leave pay, and overtime pay.

One of the most difficult manifestations of the damage to workers inflicted by such poor management practices is the task of producing pay slips to Palestinian workers assigned to the Payments Unit based on the information provided by their employers. The Payments Unit does not check, not even in a small sample, whether the information provided on the pay slips is reliable. Not surprisingly, it is not.

In surveys we conducted prior to writing this report, it became clear, not surprisingly, that

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74 The State Comptroller's Report 65c, p. 516.
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⁷⁵ See Shalev, p. 53.

⁷⁶ The State Comptroller's Report 65c, p. 531.

⁷⁷ Barda, pp. 96-103.

⁷⁸ The State Comptroller's Report 65c, p. 490.

⁷⁹ Ibid, p. 518.

⁸⁰ Ibid, p. 523.

⁸¹ Ibid, p. 530.

⁸² Ibid, p. 525.

⁸³ Ibid, p. 524.

⁸⁴ Ibid, p. 527.

⁸⁵ Ibid, p. 529.

most Palestinian workers who responded to our questions did not receive their pay slips regularly. Only about one quarter of workers in non–construction sectors responded that they receive their pay slips on a regular basis. Most of those who receive their pay slips do not understand what is written in them.⁸⁶

Almost all the workers who responded to our questions said that the information on their pay slips does not match their pay.⁸⁷ This practice is so commonplace that the labor courts already take for granted that the pay slip does not reflect reality, and employers confirm this in proceedings before the court.⁸⁸



¹⁷⁸ out of 211 respondents in the construction sector and 58 out of 64 respondents in other sectors answered in the negative to the question "when you receive pay slips, do you understand what is written in them?"

93% of Palestinian workers said in the survey that their pay slip does not reflect the actual pay they received.

In one of the proceedings in the National Court, it was stated: "In the cases before us, there was a question regarding work permits issued by the Civil Administration. In this context, the employers claimed that ... the issuance of the permit does not prove that the worker was actually employed ... "the "brokers" get there with a list of names and have the farmers sign the form and they take it from there"; "Sometimes the permits only serve as transit permits at the checkpoints." Abu Muhsein case, para. 43.

The disconnect between official documentation and reality begins with the fictitious permits, as described in the first chapter. About one third of the workers in non-construction sectors are not employed by the person who issued the permit for them and whose name is registered on the pay slip.⁸⁹

During the interviews, workers said that they work overtime without any pay, and reported that their salary does not reflect the hours worked. Violations of rights, including failing to pay the minimum wage, and, in particular, social benefits such as the right to leave/holiday/sick pay, are particularly common violations. More than 100 workers responded to a questionnaire regarding sick pay posted on the Facebook page of Kav LaOved in Arabic. Nearly 90% of respondents who tried to receive sick pay from their employers did not receive it.90 At the time when the fund was managed by the Payments Unit, 91% of workers did not even know that they were entitled to receive sick pay from this fund. Regarding the right to paid vacation, the situation is equally severe—the vast majority of workers in all industries (93.5%) do not receive annual paid leave.91

"... I never asked for [sick pay or paid leave], because I know they would not give it to me, not even in my dreams."

Interview with V., works in the agricultural sector, January 2021

In the absence of bargaining power and in light of the significant extent of rights infringement, the need for effective enforcement is evident. However, in addition to the structural failures described above, there is a stark lack of enforcement. Until 2018, the Population and Immigration Authority, which issues approximately 130,000 permits to Palestinian workers, did not document – and apparently never carried out – any enforcement activities against their employers. As of 2018, enforcement activities started to be documented. The findings are extremely disturbing: in the years 2018–2019, 27 and 28 enforcement and investigation activities, respectively, were carried out in the construction sector, which employs more than 60,000 workers; 7 and 5 enforcement actions in the agriculture sector (employing more than 10,000 workers); 3 and 8 enforcement activities in the manufacturing sector (employing about 10,000 workers, including Atarot). In comparison, the Immigration Authority carried out 1,200 enforcement and investigative actions, in each of these years, targeting employers of migrant workers in Israel who

^{89 34.2%} of workers in manufacturing and agriculture, said that they are not actually employed by the person registered as their employer.

^{90 89.9%} of Palestinian workers who were asked if they received sick pay from their employer, answered in the negative.

^{91 93.5%} of workers in all sectors except construction; 93.8% of workers in the construction sector.

⁹² In response to Freedom of Information request dated 17.11.2019.

number fewer than Palestinian workers. Although there is extreme under-enforcement, even in the case of migrant workers (especially in light of the scope of violations), the situation with Palestinian workers is even more extreme.

If workers can change employers, their bargaining power may improve, and, as a result, their rights will be protected. However, it is hard to believe that reform will suffice without further measures to ensure workers' rights.

Labor Rights Enforcement Kav LaOved Findings 2018 2019 **27** enforcement actions. **28** enforcement actions. more than **60,000** workers more than **60,000** workers sector **5** enforcement actions in the **7** enforcement actions, more agriculture sector – more Agriculture than **10,000** workers than **10,000** workers **3** enforcement actions, 8 enforcement actions, more more than **10,000** workers than 10,000 workers Manufactur-(including workers in the ing sector Atarot industrial zone)

"When you enter into a factory you see the workers silent about everything."

Palestinian Trade Unions

The abovementioned decision of the Ministerial Committee on Security Affairs on October 8, 1970, which regulated the payment of wages and the provision of social benefits for Palestinian workers, also regulated the payment of membership fees to trade unions and the responsibility of the Payments Unit (part of the Ministry of Labor at that time) to collect the union deductions from the employers.

"I ask the trade unions to come to see what is happening in the factories, that they force the factories to improve the conditions of workers. We should make them work according to the law."

Interview with a worker in the manufacturing sector, February 2021

At the time, the Histadrut, the largest trade union in Israel, signed on all the collective agreements in the sectors that employed Palestinian workers. Therefore, the government decision adopted in 1970 stipulated that agency fees collected from Palestinian workers would be transferred to the Histadrut.⁹³ Agency fees are deducted from the salary of every worker in Israel who is not a member of any trade union, but is employed by an employer who has signed a collective agreement. The rationale for this is that collective agreements have led to an improvement in the rights of workers in the workplaces that signed them. Workers pay for this improvement, even if they are not members of the trade union who pay membership fees. The decision to collect agency fees from Palestinian workers at a rate of 0.75% of their wages, should have been subject to conditions that, by law, stipulate that agency fees can only be collected from workers who are under a collective agreement in the factory or the sector in which they are employed.

Over the years, the labor market in Israel has changed dramatically. The proportion of organized workers has dropped from about 85% of workers in the 1980s to about 40% in the early 2000s. The number of workers employed under a collective agreement (according to the Collective Agreements Law, they must pay agency fees to the trade union that signed the agreement) dropped as well to only about 20% of workers in Israel. The weakening of the

⁹³ Regarding the collection of agency fees and the application of collective agreements, and the very limited involvement of the Histadrut in the case of Palestinian workers, see, for example, Preminger (n 4), p. 160.
94 The Knesset Research and Information Center, the right of Association in Israel, 25.6.2006. http://www.knes-

⁹⁴ The Knesset Research and Information Center, the right of Association in Israel, 25.6.2006. http://www.knesset.gov.il/committees/heb/material/data/H16-04-2008_11-31-34_mmm.pdf

Histadrut has opened the door for new trade unions to emerge, including the old National Histadrut and two relatively new trade unions – Koach LaOvdim and Ma'an.

Unlike with Israeli workers, however, the Payments Unit continued transferring 0.75% of the salaries of Palestinian workers holding a permit to the Histadrut as "agency fees" for decades, without bothering to check whether the law allows these funds to be collected. The agency fees collected from Palestinian workers, which are estimated at about NIS 40 million a year, have been deducted automatically. Since 2008, the Histadrut has transferred about half of the agency fees collected from Palestinian workers to the Palestinian Federation of Trade Unions. However, no one verified whether the law allows for this, whether the employers hiring these Palestinians have signed a collective agreement with their workers, or whether or not the worker is a member of another trade union in which case the law prohibits deducting agency fees.

Ma'an trade union, which was represented by Kav LaOved, filed a lawsuit in February 2020 seeking to terminate this illegal collection of funds. During the court hearing, the State announced that it would stop deducting and transferring these funds automatically, and even noted that the fact that the Histadrut has not bothered to inform government officials that some of the funds were unduly collected is extremely disturbing. The failure of the State, that turned out to have collected money for decades without a clear reason, should not be ignored.

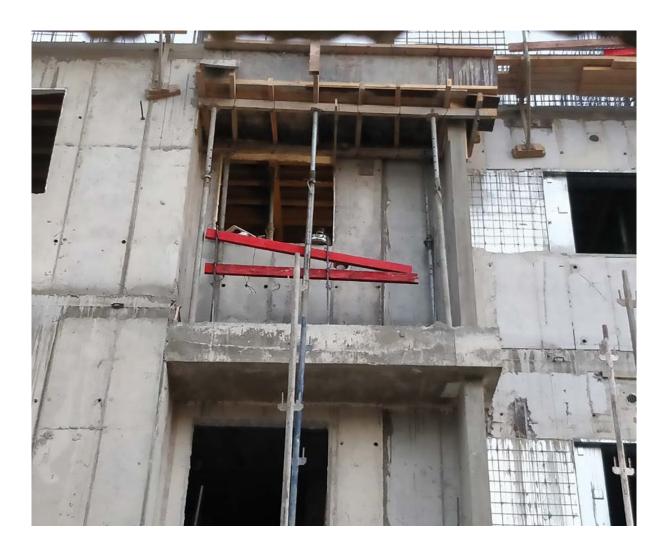
"[I am aware of my rights] but they will not give anything to anyone. When you enter the factory and see that all the workers are silent about everything, you will have to do the same thing, if someone - who has worked there for longer than me – is still silent about his rights, it makes me shut up too.

I even brought Assaf Adiv from Ma'an [trade union], I did it quietly. Assaf explained to us what to do, everyone signed, so the previous manager tried to sabotage the process, [...] he threatened people, tried to convince people, raised a bit the salary of some people, in the end the workers were scared, and others gave up after certain improvements in their conditions and did not continue.

Interview with a worker in the manufacturing sector in the Atarot Industrial Zone, February 2021

This story reflects a broader trend, which we discussed in the previous report. Palestinian workers, who were a source of significant income for various actors, did not actually benefit from the freedom of association. When funds are automatically transferred to one trade

union, no union has a real incentive to improve the situation facing workers—not the union that receives their money regardless, nor the other unions. The only union who genuinely tried to unionize Palestinian workers – Ma'an – had to wage a lengthy legal battle in order to get the workers' membership fees. A representative of the National Histadrut, who has been collecting membership fees from these workers for the past two years, said at the hearing that his organization does a lot for workers, and, as an example, noted that his representatives go to checkpoints in order to recruit more Palestinian workers as members. The representative of the General Histadrut, which collected tens of millions of shekels without actually unionizing the Palestinian workers, described meager activities that were carried out only recently and are not nearly enough to address any of the issues these workers have. The unionizing, therefore, did not contribute to improving the situation of Palestinian workers. Rather it was another approach, similar to the means described above, to benefit from employing them in Israel.⁹⁵



⁹⁵ For further reading about the limited contribution of labor unions in comparison with civil society organizations, and in particular Kav LaOved, see Assaf Shlomo Bondy, New Labor Actors Under Corporatism: Complementarity and the Renewal of Class Representation for Precarious Workers (2020) Critical Sociology.

"They will not worry if we die."

Occupational safety and access to healthcare for Palestinian workers

The construction sector in Israel is the most dangerous sector in terms of occupational safety. In recent years, the number of work accidents in the construction sector constitutes about half of all work accidents in Israel, while fatal accidents in the sector constitute more than half of fatal accidents in all sectors. In 2020, 35 construction workers were killed – about 53% of all casualties in work accidents that year. In 2019, 47 construction workers were killed—about 57% of all casualties that year. 96 EU data shows that the number of casualties as a result of work accidents in the construction sector in Israel, which is around 1.12 fatalities per 100,000 workers employed in this sector, is high and exceptional on an international scale.97

The failure to ensure safety and the high number of casualties in the construction sector are closely linked to the identity of workers. More than two thirds of the workers in this sector are Palestinians, Arab citizens of Israel and migrant workers, who are hired to do the more dangerous jobs. Against the backdrop of Israel's continued inaction, a group of activists has been leading a public action for the last five years aimed at giving a voice to the victims of work accidents in construction, calling for urgent action to address the myriad safety failures in the sector. As a result, media outlets have started regularly covering work accidents in construction, including the names of those who died and their personal stories. Following public pressure, the government has advanced a number of legislative changes to increase occupational safety in the construction sector and increased the number of inspectors entrusted with enforcing safety regulations.

"I did not feel safe at work ... we work without a helmet, without special clothes, take you down to work in ditches in the streets without safety. Workers are cheap, as they say. It does not matter if he lives or not, the main thing is to that he brings results at the end of the day."

Interview of a worker in the construction sector, March 2021

⁹⁶ Kav LaOved, Civil Database - Work Accidents, https://www.kavlaoved.org.il/work-accidents-data

⁹⁷ Ran Cohen, Occupational Safety (Construction Works) Regulations: Impact Assessment of the Regulatory Burden Report, Occupational Safety and Health Administration, Ministry of Labor, Welfare and Social Services, October 2019, p. 21 https://www.gov.il/BlobFolder/publicsharing/regulatory-impact-assessment-impact-report/he/regulatory-impact-assessment-impact-report.pdf

However, these measures did not lead to a significant improvement in occupational safety in the construction sector. In practice, the supervision and enforcement of occupational safety regulations in this sector (as well as in other sectors in the economy) have remained meager and inadequate. Thus, according to the Occupational Safety Administration at the Ministry of Labor and Welfare, which is entrusted with the supervision and enforcement of occupational safety guidelines at work, Israel needs to recruit at least another one hundred inspectors in order to meet the minimum threshold set by the OECD for developing countries.98 Criminal enforcement against safety offences is almost nonexistent. At the end of 2018, Israel Police set up a division for the investigation of work accidents, "Peles" ("workers without risk"), a policing unit jointly established between Israel Police, the Ministry of Homeland Security and the Ministry of Labor and Welfare, for the investigation of work accidents in the construction sector. However, over a period of two years, this unit investigated a minute number of work accidents. Given the paucity of criminal investigations against violators of safety regulations, it is clear that the number of indictments filed is almost nil. Beyond criminal enforcement, the legislature also regulated a series of administrative enforcement measures against contractors who violate safety regulations - imposing sanctions, revoking their contractor's license and suspending work on government builds – but, unfortunately, very little use is made of these means. The weak use of criminal or administrative sanctions leads, of course, to an absence of deterrence among contractors and developers, who continue to violate safety regulations almost unhindered.99

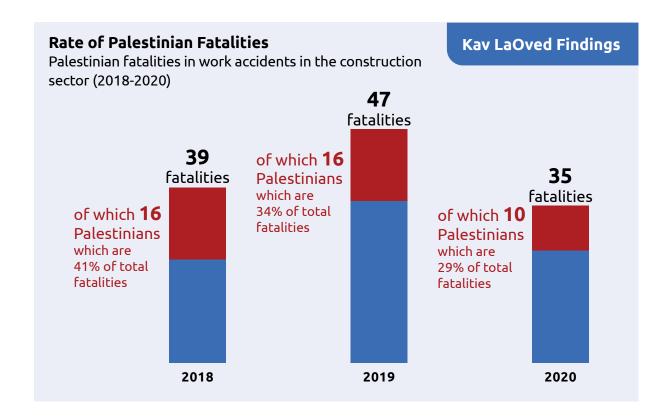
As of the end of 2020, more than 300,000 workers are employed in the construction sector, of whom about 60–65,000 are Palestinian residents in the West Bank who hold permits.¹⁰⁰ It is estimated that at least another 30,000 Palestinians are employed in Israel without a permit in the construction sector. Palestinian workers make up more than half of the workers in wet work activity (construction of building skeletons).¹⁰¹ Because of this, they are the most vulnerable to the hazards of working in construction, and especially to falls from height, which cause about half of the work accidents in the sector. This fact is reflected in the high rate among those killed in work accidents in the sector.

⁹⁸ Or Kashti, the number of occupational safety inspectors in Israel is one third of the minimum set by OECD for developing countries, Haaretz, 29.02.16 https://www.haaretz.co.il/news/education/.premium-1.2866915

⁹⁹ Kav LaOved, "Safety at Work – summary of the year 2020", 31.12.2020 https://www.kavlaoved.org. il/%d7%93%d7%95%d7%97-%d7%91%d7%98%d7%99%d7%95%d7%95%d7%aa-%d7%91%d7%91%d7%95%d7%93%d7%94-2020

¹⁰⁰ President of Israel Builders Association, Raul Srugo, "The Impact of the Covid-19 virus Crisis on the Construction and Infrastructures Industry Sector", https://www.acb.org.il/%D7%94%D7%A9%D7%A4%D7%A2%D7% AA-%D7%9E%D7%A9%D7%91%D7%A8-%D7%A0%D7%92%D7%99%D7%A3-%D7%94%D7%A7%D7%95%D7% A8%D7%95%D7%A0%D7%94-%D7%A2%D7%9C-%D7%A2%D7%A0%D7%A3-%D7%94%D7%91%D7%A0%D7% 99%D7%99%D7%94-%D7%95

¹⁰¹ Yael Darel, "The Ministry of Construction Requests Exemption of the Construction Sector from Lockdown and Continued Entry of Palestinian Workers", The Marker, 14.9.2020, https://www.themarker.com/realestate/1.9154552



Despite the high rate of Palestinians among those injured in work accidents over the years, the rate of those receiving work injury benefits from the National Insurance Institute among Palestinian workers has been lower than the rate among Israeli recipients. Between 2017 and 2019, the percentage of Palestinians who received injury benefits ranged from 1% to 1.1%, compared with 1.7% among Israeli citizens. The National Insurance Institute states in its reports that this gap is wider still given the fact that Palestinians are employed in construction and other dangerous sectors, and therefore their share among the recipients of injury benefits should be higher than that of Israelis. The National Insurance Institute's annual reports also state that Palestinians "apparently refrain from reporting injuries at work, for several reasons: fear of losing their jobs if they are absent due to an accident; their illegal status and fear of their fate if it becomes known; and probably a lack of information about their rights." 102

These arguments are very convenient for the National Insurance Institute, since they remove from this important body the responsibility for the underpayment of work injury benefits to Palestinian workers. In fact, reasons of no less importance are the Palestinians' lack of access to Social Security mechanisms and the myriad of obstacles this vulnerable group faces when attempting to exercise their social rights in work accident cases. We present some examples of the bureaucratic tangle that Palestinian workers face when it comes to exercising their rights through the National Insurance Institute. We should warn

¹⁰² Israel National Insurance, Annual Report (Annual Review) 2019, pp. 6-7

at the outset that the mere description of the failures is enough to fatigue readers. How much more so for an injured Palestinian worker who will find it exhausting to be in the grips of this tangled web.

A worker injured in a work accident needs to file a claim with the National Insurance Institute. There are three ways to file such a claim to receive work injury benefits: one, go in person to the Social Security offices; the second, send the claim form and accompanying documents by mail or fax; and the third, apply through the website. Most Palestinian workers cannot realize the first option, since when they do not work, they lose their permit to be in Israel, and, in addition, their injury in a work accident makes it difficult for them to travel to Israel. Applying through the website, an option used by many Israeli citizens, is not available to Palestinian workers. This is because an Israeli identity card number is required to gain access to the website – a certificate that Palestinians do not have. As a result, the only option for Palestinian workers is to file an actual claim is by sending a fax or letter by mail. This option is very challenging, as it is difficult for workers to verify that their claim was been received and, even when this occurs, they cannot receive additional demands from the Social Security (for example, a requirement to complete documents), because they do not have a fax machine or an exact address. Accordingly, claims sent by fax or mail are usually not accepted.¹⁰³

Another example that illustrates the bureaucratic denial of rights is the complicated and Kafkaesque mechanism created by the National Insurance Institute only for Palestinian workers who were injured in work accidents, hindering their access to treatment and rehabilitation in the aftermath of the accident. Palestinian workers in Israel are the only group of workers who are required to self-finance medical and rehabilitation treatments in the period between the injury at work in Israel and the National Insurance Institute's recognition of their injury as a work accident. The customary arrangement in Israel is to receive reimbursement for the medical expenses of Palestinian workers in retrospect i.e., only after recognition of the accident as a work accident, months after the injury. Thus, unlike an Israeli worker or migrant worker, a Palestinian worker injured at work in Israel or in the settlements, during the most critical period of his injury and while unable to work, is required to take large sums of money out of his own pocket for medical treatment, or, as is often the case, to forfeit treatment and rehabilitation since he does not have the means to finance them. It is difficult to describe the tangle of bureaucracy that awaits a Palestinian work injury victim on his path from receiving confirmation that the accident occurred at work all the way to receiving reimbursement for treatment and rehabilitation expenses. First, the worker is entitled to apply for reimbursement only after the accident has been acknowledged as a work accident, and only after he has already financed the treatment himself. Then, his application needs to be processed by three different bodies.

¹⁰³ Kav LaOved's application to the National Insurance Institute dated 1.7.2020; and a further Kav LaOved and Ma'an application from 1.2.2021 – which received no response.

None of the three bothers to give information to workers, reply to their communications, or give its reasons for deciding whether or not to reimburse treatment costs and how much to reimburse. At the end of the day, workers are afraid or unable to take the costs of care from their own pockets and end up forfeiting expensive treatments, a result that harms their health and their rehabilitation. On February 2, 2021, Kav LaOved and the Association for Civil Rights in Israel filed a petition regarding the serious harm to the health of Palestinians injured at work.¹⁰⁴ It is likely to be discussed sluggishly while, in the meantime, there is no response to Palestinians injured in work accidents, who continue to be injured and remain untreated.

The poor level of occupational safety for Palestinian workers in the construction sector is reflected in a brief survey we conducted on Facebook in February 2021. Thirty–five workers responded to the survey. An overwhelming majority, two thirds of respondents, answered in the negative to the question: "Does the employer look after your safety?" One commented thus: "They will not care if we die." Nearly half of the respondents in this survey distinctly said they do not feel safe going to work.

Early in March 2021, the media reported testimonies of Palestinian workers regarding their past accidents. One worker testified that "contractors at the sites where we work do not feel our pain." A second worker said: "I was injured about two years ago by a pipe during the pouring of concrete. The feeling of fear is constant, throughout all the working hours." A Palestinian worker with twenty years of experience told the reporter: "I am exposed to inhalation of gases and toxic substances, suffer burns to the skin, eyes and ears. We are exposed to many diseases and long-term injury. There is a severe shortage of work clothes, shoes, harnesses and occupational safety equipment."

This shortage of equipment was reflected in the responses we received to the survey: only 3% of the workers said they receive protective glasses, for example, and a device to protect their hearing. None of the workers who responded received a mask on a regular basis to protect against dust or knee pads. Only 12% said they are given gloves, and only a quarter of workers receive safety shoes, which prevent slipping. Even a protective hard hat or helmet – an elementary safety accessory – was given to fewer than half of the respondents in the survey.

During the Covid-19 pandemic, construction workers were forced to stay overnight in Israel, as we will describe in the next chapter. Accommodation was, at least in the early months, on the construction sites. At night, in the dark, Palestinian workers slept among scaffolding

High Court of Justice 745/21 – Kav LaOved and others v. the National Insurance Institute and others. To read the petition https://www.acri.org.il/post/ 562

¹⁰⁵ Maria Rashad, At Any Moment I May Die: Documenting the Lives of Palestinian Workers on Construction Sites, 3.3.2021, published here: https://www.ynet.co.il/economy/article/rys1100Ae0

and exposed electrical wires. Not only were they were exposed to safety hazards during the day, but also at night, in their sleep.

"Two weeks ago, mold plates fell on me. The employer saw me, workers lifted the plates off me and got me out. The workers told him to call an ambulance, but the employer said that an ambulance wasn't necessary in the meantime, simply bring the injured worker some water. Within about 15 to 30 minutes, I couldn't move at all. The employer told me that he didn't want to transfer me to Soroka Hospital or any other hospital here because of the coronavirus, "so I will transfer you to the West Bank..." He didn't take me to a hospital in the West Bank – he tossed me out at the checkpoint and went back. Over the three or four days I spent at home, he didn't even call once to ask how I was getting on; he didn't call to ask "How are you? What condition are you in?" On the fifth day, he called and asked me "how much longer are you going to stay at home, so I know what to do?" It's like he's saying to me that he's thinking of stopping the permit."

Interview with "Y", a worker in the construction sector, January 2021

"They treat us like terrorists."

The Impact of the Covid-19 Pandemic on Palestinian Labor in Israel

The outbreak of the Covid-19 pandemic in early 2020 affected Palestinian workers in Israel in various ways, some of which are expected to continue to affect work arrangements even after the end of the pandemic.

In March 2020, a general lockdown was imposed on the West Bank. Despite this, the construction and agriculture sectors were defined as essential and continued to operate, and the work of Palestinian workers in Israel in these sectors was therefore required. Fear of the daily movement of workers between the West Bank and Israel, and possibly the overcrowding at checkpoints and the inability to maintain distance, led to the adoption of new procedures allowing workers to stay in Israel instead of returning home at the end of the workday or over the weekend. According to the new guidelines, published in April 2020, permits would be issued for a stay of 30 days in Israel in the agriculture sector and 60 days in the construction sector.

This change in the nature of working in Israel is in fact a transition from daily commuting to a model that is more similar to seasonal work migration. Although this was a significant change that affected workers' rights and their work conditions, Israeli decision—makers focused on the Israeli economy's need for Palestinian workers during the crisis and lockdown and neglected the workers themselves. The change was not accompanied by adequate housing solutions for workers who, prior to this, had not been required to stay overnight in Israel and certainly not for extended, continuous periods. Unlike the clear and detailed procedures that define the living conditions of migrant workers, the new procedures dealing with the living conditions of Palestinian workers were vague and ineffective. Stories reached Kav LaOved and the Israeli media about arduous and inhumane living conditions. Many workers were required to stay overnight on active construction sites, on agricultural land or in industrial plants. At some sites there were no beds, toilets, running water or dining areas the fact that workers were required to live under these conditions for weeks on end. The poor living conditions led to the outbreak of Covid–19 among Palestinian workers in Israel and in the settlements. Data from the Ministry of Construction and

¹⁰⁶ Maayan Niezna, 'Under Control: Palestinian Workers in Israel During Covid-19' (Border Criminologies, 7 July 2020) https://www.law.ox.ac.uk/research-subject-groups/centre-criminology/centreborder-criminologies/blog/2020/07/under-control

High Court of Justice 2730/20 Kav LaOved v. Minister of Health (petition dated 8.4.2020) (hereinafter: "HCJ The Impact of the coronavirus"); Gal Brenner, "Sleeping in the Streets: The Conditions of the Palestinians who were Required to Remain in Israel", "KAN News", 19.3.2020. https://www.youtube.com/watch?v=K6Ce1ymXyPM Jackie Khoury and Hagar Sheizaf, In the Palestinian Authority, they are preparing for the return of tens of thousands of workers from Israel and are afraid they will bring coronavirus, "Haaretz" 4.4.2020

Housing show that during periods when Palestinian construction workers stayed overnight in Israel because of the lockdowns and the Covid–19 pandemic, 60 inspections were made to workers' residences, of which ten demonstrated significant deficiencies. The information on the deficiencies was provided to the Population and Immigration Authority, and, as of the writing of this report (March 2021), we do not know if any proceedings whatsoever have been taken against the violators.

Another unaddressed difficulty resulting from the transition from commuting to a prolonged stay in Israel is the degree of control and supervision of Palestinian workers by Israeli employers. Along with binding the workers to an employer, which we discussed earlier, employers were required to keep the identification documents of their workers and monitor their workers continuously throughout their stay in Israel. Withholding identification documents is equivalent to the offense of withholding a passport, an offense that characterizes cases of slavery and human trafficking.¹¹⁰

Another related means of control is the requirement to appoint a "security trustee" to supervise Palestinian workers staying overnight in Israel and to ensure that they remain in the place of accommodation and do not leave. In some cases the trustee is a representative of the employer, while in other cases employers turn to security companies for this purpose." Here too, appointing a security company to supervise workers outside of work hours is a draconian means of control, closer to situations of forced labor than to standard labor relations. In February 2021, Kav LaOved approached representatives of the Population and Immigration Authority, the Ministry of Construction and Housing, the Civil Administration and the Office of the National Anti–Trafficking Coordinator asking to repeal this requirement, due to fear of grievous violation of the workers' rights and the absence of a security justification for this requirement. The Population and Immigration Authority responded to this concern, "It and it is our understanding that this demand was removed.

Intensive control and supervision are severe enough when limited to the duration of a working day, but are much worse when they last around the clock, for several weeks, when, at any given moment, the worker is under the supervision of the employer or his representatives. The combination of absolute control by the employer, lack of freedom of

¹⁰⁹ Response from Maya Stein, Commissioner for Freedom of Information in the Ministry of Construction and Housing to Adv. Elad Kahana of Kav LaOved "Freedom of Information Request – Supervision over Accommodations for Palestinian workers in the Construction Sector during the coronavirus Period", 1.3.2021
110 Penal Code 5737-1977, S 376a.

¹¹¹ The Israel Builders Association: The Association Presents: Rules and Solutions for the Overnight Stays of Palestinian Workers during the coronavirus Crisis, https://www.acb.org.il/%d7%94%d7%9c%d7%a0%d7%aa-%d7%a2%d7%95%d7%91%d7%93%d7%99%d7%9d-%d7%a4%d7%9c%d7%a9%d7%aa%d7%99%d7%90%d7%90d7%aa%d7%95%d7%a4%d7%aa-%d7%9e%d7%a9%d7%91%d7%a8-%d7%94%d7%a7%d7%95/

¹¹² Response of 15 March 2021 from Adv. Efrat Lev Ari, Coordinator of Foreign Workers and Palestinians in the Population and Immigration Authority, to adv. Michal Tadjer

movement, poor working and living conditions, and the lack of access to health services, constitutes a situation close to the offense of holding a person under conditions of slavery, as defined in Israeli law.

In view of the serious harm to workers, at the end of April 2020, Kav LaOved, together with the Association for Civil Rights in Israel, petitioned for a response to the new situation created, and in particular, to formulate an arrangement that would ensure workers' access to health services; to arrange adequate accommodation under conditions similar to those provided to migrant workers; ensure adequate supervision of working and living conditions; and eliminate the illegal requirement to retain the identification documents of workers holding overnight stay permits.¹¹³ A few days later, the State responded to the petition, detailing the various steps it had taken, including changes in regulations and legislation, and a government decision on the matter.¹¹⁴







With regard to the requirement to withhold identification documents, state representatives in the High Court of Justice argued that this requirement stems from an old procedure and was included in the letter of obligation to house Palestinian workers "inadvertently." This requirement does not appear in the new procedures. At the same time, we are not aware of any steps whatsoever having been taken to make it clear to employers or to workers that the withholding of worker identification documents constitutes a criminal offense. This lack of notice is opposed to published guidelines that strengthen the duty to provide workers with health insurance and provide them with adequate accommodation. In these circumstances, there is a concern that some of the employers may well continue to keep the identity documents of workers, a means of control that could prevent workers from leaving, complaining or demanding their rights.

¹¹³ HCJ, The Impact of coronavirus (see footnote 109 above)

¹¹⁴ Ibid, the State response of 5.5.2020

¹¹⁵ HCJ, The Impact of coronavirus (see footnote 109 above), S 8-9 of the State's response

Although the vast majority of workers we spoke to indicated that the employer does not hold their ID card, ¹¹⁶ seven workers indicated that the employer does still hold their ID. This, despite the fact that the survey was conducted in February 2021, about nine months after termination of the requirement to hold identity cards. In addition, even among the workers whose employer did not hold their ID card, only a minority of them knew that the employer was not allowed to hold it.¹¹⁷ This figure underscores the need for proactive action by government authorities to clarify for both employers and workers the ban on holding identification documents and to take proceedings against employers who violate the ban.

"[Since the coronavirus] the employer has been treating us like animals. Before [the coronavirus] there was some respect for the worker, now they treat us like we are terrorists. In the coronavirus, in the lockdown after Ramadan, we slept under trees, not in rooms or houses. In this period, we didn't sleep there, we would go home illegally to sleep like humans.

... there are no conditions, no place to sleep. We asked him to bring us gas and equipment to prepare food. He told us, I have no place [for you] to sleep and we do not have such equipment, go to your homes."

Interview with 'S', a construction sector worker, February 2021

As a result of the petition filed in April 2020, new, clear and detailed regulations were adopted in May regarding the living conditions of Palestinian workers, and employers were required to arrange health insurance for them. 118 Freedom of information data we received from four different authorities show confusion and the absence of significant enforcement of the new regulations regarding health insurance. The Ministry of Construction and Housing said that according to the Population and Immigration Authority, enforcement of

¹¹⁶ All the construction workers who responded to the question (213) and 71 out of 78 workers in other sectors.

^{117 46} of 214 respondent

¹¹⁸ Ibid, Emergency Regulations (New coronavirus Virus) (Medical Insurance and Adequate Residence for Workers from the Region), 5752-2020; Government Resolution No. 5047 of 4.5.2020 "Draft Foreign Workers Law (Amendment No.) (Temporary Provision – New coronavirus Virus), 5752-2020. See also the Population and Immigration Authority – Circular from the Foreign Workers Administration Director No. 07/2020 "Update on the Duty of Medical Insurance and Adequate Residence for Palestinian Workers with Residence Permits in Israel during the coronavirus Lockdown Period", 10.5.2020 (in Hebrew) <a href="https://www.gov.il/Blob-Folder/policy/health_insurance_and_proper_housing_for_palestinian_workers_with_permits_10052020/he/%D7%97%D7%95%D7%96%D7%A8%2007-2020%20-%20%D7%91%D7%99%D7%98%D7%95%D7%95%D7%97%20%D7%95%D7%95%D7%96%D7%96%D7%99%20%D7%95%D7%95%D7%95%D7%96%D7%95%D7%95%D7%96%D7%95%D7%96%D7%95%D7%96%D7%95%D7%96%D7%96%D7%96%D7%96%D7%96%D7%96%D7%96%D7%96%D7%99%D7%96

the obligation to purchase health insurance for workers rests with the Population Authority, while the Authority claims the responsibility is imposed on the other bodies and not on it. The Ministry of Agriculture stated that "according to the employers' statements" there were no violations on the matter. The Ministry of Economy and Industry made all its inspections at times when Palestinians were not required to stay in Israel at all or to be insured – and the Ministry therefore also found no violations.¹¹⁹

To the best of our knowledge, as a result of the new regulations and the government decision, the living conditions of Palestinian workers have indeed improved, and, as of the summer of 2020, most workers reported adequate living conditions. According to a study by the Bank of Israel, which supports these findings, "About half of all workers noted that their employers provided them with reasonable or good sleeping and hygiene conditions, and only a few noted that they had bad sleeping and hygiene conditions." Accordingly, the accommodation issue was indeed enforced, even if not resolutely. The duty of adequate accommodation was examined by inspectors of the Ministry of Agriculture (which found three violations as of August 2020) and by the Ministry of Construction and Housing (which found ten violations at that time). As of February 2021, enforcement had led to three investigations and one decision regarding the conditions of a deposit.

"The coronavirus period was a very, very difficult period. Especially for the construction workers. The living conditions were difficult ... with the last employer I was with ... people slept outside under the trees, there was even an Israeli who tried to intervene because he saw the conditions were difficult, in the endone of those in charge he told him it was neither his business nor his responsibility, and they silenced him." Interview with 'M', a worker in the construction sector, January 2021

Another issue affected by the Covid-19 pandemic is transit to Israel and overcrowding at checkpoints. In a recent petition filed with the Supreme Court, the Association for Civil Rights in Israel and Kav LaOved pointed out the violation of rights resulting from congestion and overcrowding at checkpoints at the entrance to Israel in general, and the fact that overcrowding constitutes a danger of contracting the virus in the face of the Covid-19 pandemic in particular. The petition attacked the congestion at checkpoint 300 ("Rachel Crossing") located near the separation barrier, between Bethlehem and Jerusalem, 121 and

¹¹⁹ Responses received in March 2021 to Kav LaOved Freedom of Information requests

¹²⁰ Bank of Israel – Office of the Spokesperson and Economic Information, "Palestinian Employment in the Israeli Economy in the coronavirus Crisis", press release dated 29.12.2020.

¹²¹ HCJ 8732/20 Association for Civil Rights v. Israel Police (petition dated 13.12.2020). https://www.acri.org.il/post/ 533

pointed out that measures preventing congestion and the gathering of people inside the crossing led to congestion and congestion at the entrance to the crossing, and that closing some of the service windows led to congestion inside the crossing itself. In a response from January 2021, the State claimed that since completing renovation of the crossing in 2019, congestion had decreased, and that today the delay on the Israeli side of the crossing lasts only a few minutes.

All the construction workers we spoke to noted that their condition had worsened since the start of the Covid–19 pandemic. Only one noted improvement – following the pandemic, his living conditions in Israel improved. The most common complaints were about harm to family life (about half of the respondents) and the lack of job offers (more than a quarter of respondents). Some reported poor housing conditions, an increase in brokerage fees and a lack of payment or compensation for the days they could not work.

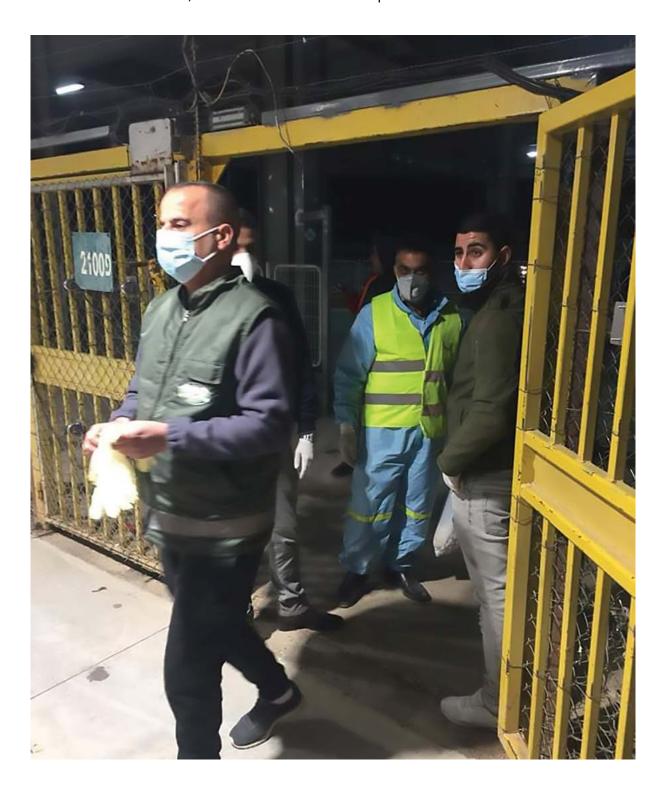
"Workers in the coronavirus period are having a hard time, there may be funds for workers which can help them financially. For example, workers who have an East Jerusalem (permanent) ID card are not as afraid as we are, because they can receive unemployment benefits, but workers who do not have an Israeli identity card cannot."

Interview with 'K', a worker in the construction sector, February 2021

It should be noted that, at the beginning of the pandemic, we turned to the Israeli government, which, as is known, holds half a billion shekels that were supposed to be used as health insurance for Palestinian workers, with a demand that these funds be used to compensate workers for the loss of income during the Covid-19 period. The State refused to allocate any amount for this purpose, and a request submitted to the Supreme Court to issue an order instructing it to do so was denied in August 2020.

In other sectors, too, the most common difficulties were the lack of job offers (almost 30% of respondents), harm to family life (more than a quarter of respondents), and poor accommodation conditions (about 10%). Here, too, workers reported lost workdays as a deterioration in their condition. Of the workers in other industries, only one noted that his condition had improved – and explained this by his having received an advance on his salary. In both the construction sector and other sectors, the vast majority of workers said they would not want to continue working in Israel after the end of the Covid-19 pandemic on

overnight terms. 122 Thus, despite the fact that the "experiment" for housing a significant number of Palestinian workers in Israel during the Covid-19 period proved it to be a practical possibility, and the accommodation solutions proposed from the end of 2020 were generally described as reasonable, it is still not an attractive option for the workers themselves.



²⁰⁰ of 208 respondents in the construction sector and 51 of 54 of the respondents in other sectors responded negatively to the question "If you stayed overnight in Israel during the coronavirus period, would you want to continue to stay overnight in Israel if this were permitted after coronavirus ends?"

Summary and Recommendations

Trends in policing, exploitation and denial of basic rights form the basis for employing Palestinian workers in Israel. Criticism of the Payments Unit (or the "Unit for Employers' Services"), a body originally intended to protect these workers, but that became a dysfunctional body which accumulated funds derived from workers' social rights, encounters a single government response: a complete waiver of responsibility for Palestinian workers' labor rights.

In recent months, after protracted foot dragging, a fundamental change in the employment model of Palestinian workers was begun. However, in light of its initial implementation and the lack of information and tools for finding an employer provided, its results currently seem very limited. The new arrangement only applies to one sector, it is not accompanied by enforcement and no steps have been taken to implement it in practice, such as opportunities and information enabling workers to connect to a new employer. In other sectors, the arrangement has not yet changed, and workers are still bound to their employers. Violations of workers' rights are common, and enforcement does not exist.

The Covid-19 period presented particular difficulties for these workers. The movement restrictions imposed on Israeli citizens made it especially difficult for Palestinian workers, who were forced to choose between loss of income and separation from their families. The existing suspicions and barriers to their movement and freedom in Israel were further aggravated by the circumstances of the pandemic. Their employment costs have risen as a result of the duty to provide accommodation, and, from initial evidence, it may have led to a rise in permit prices. An attempt to use the money held for decades in government coffers for the benefit of their rights when ill, was rejected by the State, and was not responded to by the court.

The main recommendations:

- Promote and improve the provision of information to workers in all sectors, along
 with measures to change employment by making information accessible. This should
 include accessible information about the new regulations, publication of available
 quotas, creation of an interface of waiting lists for quotas or information on the
 progress of applications and more.
- Conduct research to study the impact of the changes: To examine the effects of the reform in the field, the payment of brokerage fees in particular, and the real possibility of moving between employers in practice.
- Revoke all arrangements that lead to binding to the employer, in law or in practice,

in any sector that employs non-Israeli workers.

- Take steps that will allow workers to find a new employer or change employers through publication of databases and contact information for employers, job fairs or other means.
- Remove draconian control measures against Palestinian workers staying in Israel, in particular workers who hold residence permits and who stay in Israel for extended and continuous periods of time.
- Publish accessible information for workers and employers regarding workers' rights, including sick pay, pensions and benefits, the ban on withholding identification documents, and the maintenance of adequate housing conditions.
- Exercise real and effective enforcement against employers in response to violation of workers' rights and occupational safety violations.
- Implement tough enforcement of the ban on collecting brokerage and permit fees in Israel and in the Palestinian Authority.
- Ensure the right of access of non-Israeli workers to the court system on an equal footing with Israeli workers and recognition of their greater vulnerability and the need to make it easier for them to demand their rights.
- Correct and accept responsibility for Israel's failures in ensuring that Palestinian workers can exercise their social rights, including pension, sick pay, receipt of work injury benefits from the National Insurance Institute, and accurate pay slips.

Working conditions during the coronavirus pandemic

Kav LaOved Findings

Among respondents in all sectors except construction



100%

said their working conditions had worsened since March 2020 when the coronavirus pandemic epidemic erupted

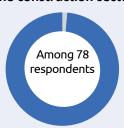
In what way have your working conditions worsened?

9.4%Sleeping conditions in Israel are bad

27.7%There are no job offers

48.4% Staying in Israel overnight is a challenge for family relations

Among respondents in the construction sector



98.7%

said their working conditions had worsened since March 2020 when the coronavirus pandemic erupted

In what way have your working conditions worsened?

10.7%Sleeping conditions in Israel are bad

29.3% There are no job offers **26.7%**Staying in Israel overnight is a challenge for family relations



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