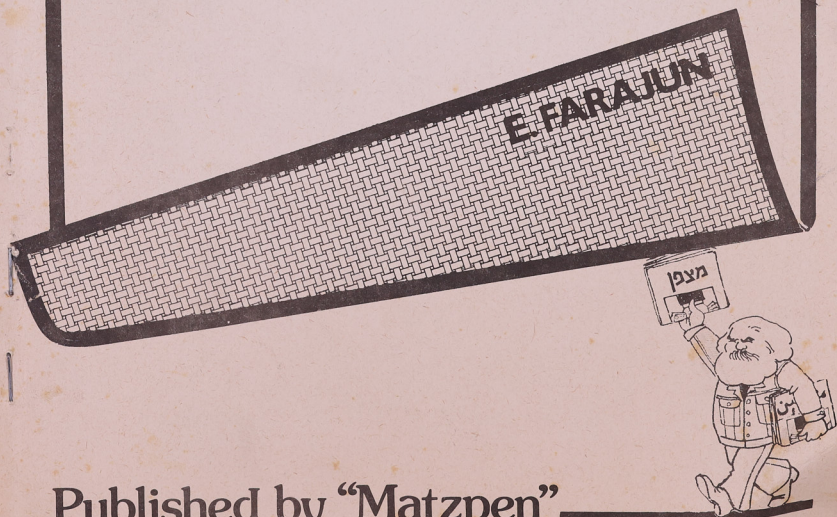


PALESTINIAN WORKERS  
IN ISRAEL :  
A RESERVE  
ARMY OF LABOUR



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By Emanuel Farajun

Tel-Aviv, July 1979

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PALESTINIAN WORKERS  
A Reserve Army of Labour in the Israeli Economy

By Emmanuel FaraJun  
(Red pages, no 5, May 1978)

INTRODUCTION

In Israeli society the term 'Arab' i.e. a member of the Arab society in the territory occupied by Israel has a two-fold meaning: firstly, the Arab as a *person*, born and bred in Palestinian-Arab society, is a non-Jewish inhabitant of a Jewish State, and secondly, the Arab as a *worker*, arriving to work early in the morning from his village, building houses and roads, clearing, gardening, fixing cars, pumping petrol and returning home at night - to the West Bank, the Gaza Strip, the Galilee or the Triangle.

The Arab as a *person* is most loathsome. His mere existence is a threat to the Jewish character of the State of Israel. He belongs to the Arab nation, against which the colonising Jewish society has been struggling since its infancy. As the writer A.B. Yehoshua puts it: 'That is why this nation was warned to remain alone, virtually alone, separated from the nations surrounding it... there is nothing more dangerous than embracing these nations into our midst (and they are. In our midst, they are entirely woven in our economic infrastructure and encroaching into other areas, too...)'

The Arab as a *person* is persecuted and hated in Israeli society. All sorts of means are sought to hide his existence and even to expel him. He cannot join a kibbutz or a moshav - the plume feather in Israel's bonnet; most Israeli cities and Jewish settlements are closed to him by force of local regulations and state laws. (In the whole of Israel there are only six settlements with a mixed Arab and Jewish population); at night, after work, he cannot walk about freely in the streets of Tel-Aviv, he has to huddle in dark coverings, lock himself in at night or return home to his village. The term 'Arab' does not even appear in official Israeli statistical publications, (according to which there is only one nationality in Israel - the Jews; the rest are 'the minorities', 'non-Jews', 'Christians', 'Druze' and so forth).

The Arab *worker*, however, is welcome everywhere in Israeli society - and this enrages 'liberals' like A.B. Yehoshua. In the kitchens and gardens of the Israeli elite, where he cooks, cleans and prunes, through building sites, petrol stations, carpentry shops and factorles and even in army camps. The abolition of daily passes and structural changes in the Military Government in 1966, enabled many Arab workers to move relatively freely (except in the southern region); the gates so to speak, opened wide for him. The Histadrut (General Federation of Labour), a cornerstone of the Israeli establishment, not only allowed him in for the first time since its establishment in 1920, but also changed its name from the General Hebrew Federation of Labour to the General Federation of Labour for his behalf.

As we shall see the Arab worker became a decisive factor in the major sectors of the Israeli economy: in the construction industry, in road building, in tourism, agriculture and various other industries. He is gradually moving into many typical Israeli industrial production areas: food processing, textile industries, building material manufacture and many other industries. We shall attempt in this survey to describe the characteristics of Arab labour power in Israel. We'll ignore, in other words, as far as possible, the Arab as a person, as a citizen and as a member of the Arab-Palestinian nation, though this constitutes a vitally important aspect of the national and class structure of Israeli society. We'll try to focus on the role of the Arab worker in Israel's economy - workers both from inside the 'green line' and from outside it, i.e. from the West Bank and the Gaza Strip.

The obvious difficulty of distinguishing between the two aspects and isolating the economic side of the story is illustrated in the following honest journalistic account, written by Ya'ir Kotler in an article about the civil guard and its role as the guardian of Jewish purity in Tel-Aviv:

'The time is two hours before midnight, in a back seat of the jeep there are two young armed volunteers (civil guards). Their mission - to comb Shuk Hakarmel (the Tel-Aviv central market). They are searching for Arabs spending the night in Tel-Aviv - in tiny nooks, on building sites, in warehouses, even behind greengrocers' counters. They are not supposed to stay on in the Jewish city beyond one a.m. unless they have special permits which most of the workers from the occupied territories, flooding Tel-Aviv and the neighbouring municipalities do not have... The civil guard is helping the police. The frightened Arabs, unaware of the police-type-authority of this civil militia, answer questions and show their papers. They are harassed. They are temporarily detained in a base near a large school. Although they cannot be arrested before one a.m., they can be harassed. This is precisely what is done. The district police chief, commander Moshe Tliskin, says in an interview that in his district, which contains 1.1 million people, there are already some 70,000 Arabs from the occupied territories - 50 per cent of whom work in Tel-Aviv proper. This is an undoubtedly astonishing figure. The police cannot cope with the problem. They seek the help of the civil guard. But the volunteers have not joined the guard

in order to become semi-official policemen, hunting and interrogating Arab workers seeking shelter from the law in fox holes, in locked poultry shops, in back yards and in rented rooms in Jewish houses. Can we detain thousands of them? If so this," says Tiomkin, "we shall be the first in Jewish houses. The following morning the big city will lose its workers. They are building the city." If they are detained no one will clean the streets... Somewhere near the beach we stopped three Arabs. One was terrified - he had no papers - he came to work with a friend from Hebron. The friend, Hebronite, 19 years old, has been working in Tel-Aviv for the last 5 years, mostly as a night Arab watchman, earning 70 ml. per day, sometimes more. He wouldn't give up his work in Tel-Aviv for a starting of his own. He simply fell in love with the Jewish city, with its girls and its enterprising spots. Jews aren't workers - he says, adding that Shuk HaKarmel is full of Arabs from Gaza. Commander Tiomkin is of the opinion that the increase in crime in the district, particularly in Tel-Aviv, is partly a result of there being tens of thousands of Arabs from the occupied territories there. They remind him of a "slave market".<sup>12</sup>

This essay does not, in fact, deal with the overall role of the Palestinian-Arabs in the Israeli economy but examines their contribution as workers, be it labourers, self-employed workers or skilled workers, since the Arab labour power in Israel operates mainly within the bounds of a capitalist economy. The capitalist stratum within Arab society is very limited and is either salaried or a self-employed worker. The capitalist stratum within Arab society in Israel has a limited economic base: according to official reports<sup>13</sup> there were only three Arab-owned industrial enterprises in Israel in 1976. Israeli economic-politics does not permit factories to be opened without active government aid. But State institutions do not permit even the most consistent of the collaborationist villages to develop Arab-owned industrial zones (see, for example, an article about Kafer Qana, Ha'aretz, Nov. 4, 1977). Two of the existing enterprises are a textile sewing workshop and a metal factory with 200 employees in Yarka, in the Galilee. Even if one or two other enterprises were founded during the last few years, the fact remains that there is no Arab capitalist bourgeoisie in Israel. Moreover, Jewish-Israeli enterprises in Arab villages are few and far between according to the latest reports there are some 50 small enterprises, mostly sewing workshops and carpentry shops. The Arab bourgeoisie is a petit-bourgeoisie made up of merchants and farmers. More than 70 per cent of the total Arab labour force is made up of salaried workers, mostly in production: construction, agriculture, industry and services, i.e. hotels, restaurants, etc. Only a small proportion work as clerks, or in the public services, in finance or in the professions. One must conclude that the Arabs' almost exclusive contribution to the Israeli economy is as productive workers, from whose labour someone - a contractor, an industrialist, a businessman - profits directly. Only a few of them are self-employed: farmers, sub-contractors and so on.

THE UNIQUE ROLE OF THE ARAB WORKER

If we follow the growth of this labour force, its composition, the sectors in which it is concentrated and its structural characteristics, we shall discover that there is a definite regularity in the growth of the Arabs' place and role in the economy. During the history of Zionist settlement in Israel the Jews tried as a rule, to create a society based on the purity of Jewish labour, at least in some focal sectors. But the natural development of a capitalist economy as well as constant clashes with the Arab world concentrated the Jewish worker more and more in purely strategic production. At first this meant agricultural production - extending on the Israel creating Jewish colonies, agoshavim and kibbutzim wherever possible - (the rules of the Jewish National Fund (JNF) were drawn up to this end: to forbid the sale, lease of its lands, or the right to work them, to non-Jews). Other such sectors were the diamond industry, the ports etc. With the establishment of the state and the deportation of many Arabs from hundreds of villages came the expropriation of most of the Arab lands in order to sleep control of the Arabs' main property - the land, as an important step towards the total control of agricultural production. On the other hand, with the increase of the Arab population remaining under Israeli rule (more than half that population was 'acquired' by Israel as a result of the Rhodes agreements and the change in the cease-fire line in the area of the Triangle and Wadi Ara) from 160,000 at the end of 1949, 400,000 in 1967, to 550,000 in 1978 - the pressure of workers willing to work for low wages and in bad conditions, made itself felt, at the same time, an important change occurred in the Israeli economy with the developing Israeli armament industry in the sixties, particularly after decisive changes both in the geography of the country and in the alignment of powers resulting from the June 67 war - changes which brought a huge flow of capital into Israel, turning it from a privileged province of the West into an ally with a local council status. Following these changes, agriculture ceased to fulfil a strategic role and the accelerated economic development both in agriculture and in industry created an ever increasing demand for a cheap, mobile and under-

privileged labour force: a free labour force in the classical economic sense of the term. This role was filled by the Arab worker, both in the territories just annexed to Israel and by Israeli Arab workers, just starting to flow into the market in large numbers. Because of the need to sustain a colonising society, living sword in hand, in constant conflict with the world around it, it became necessary to grant the Jews full privileges and to try and maintain, at all costs, a high standard of living for them, in order to prevent emigration ('Verdienen und helfen create a maximal state of political stability. In order to meet this demand, the freedom of action towards the Jewish workers, especially on the part of the bourgeoisie in government, i.e. the Avodah (labour) party and Napam (the bourgeoisie of the public-bureaucratic economy), must be curtailed. Secure employment and salary, a standard of living higher than that of the surrounding Arab world, became a cornerstone of the Israeli political system. Thus post 67 accelerated economic development created the above mentioned demand for 'free' labour, i.e. cheap, mobile, unimportant and lacking political representation - a demand which could not be met by Jewish workers. Post 67 military and political development also created a huge demand for Jewish labour power in the armament industry, in the army and in the general administration of the territories recently occupied. The inevitable result was that the Arab labour force started taking an active role within this free labour, in the above mentioned sense, at the disposal of the Israeli economy, which until then was mostly made up of oriental Jews. We will show that since 67 it has become, together with the lowest strata of the Jewish proletariat, made up mainly of oriental Jews, - a major and indispensable element of the Israeli economy. Israeli civil industry particularly the private sector, is becoming dependent on Arab labour power. The ethnic division in the territories governed by Israel is becoming more and more economically significant: on one side, working in the industries and State services, the army and strategic industries - a shielded group with a certain monopoly, immobile hard to fire and whose working conditions are constantly being improved through organised struggles and political pressures (the Histadrut, the AVODAH party, etc.); and on the other hand the free part of the working class, granting the economy its flexibility, its capacity to adjust to crises. The latter group turns the manpower reservoir into a labour market in the classical capitalist sense and is, as denotes the title of this work, the reserve force of the Israeli economy. At the same time, this free labour makes the private bourgeoisie, both in agriculture and in industry, independent of the Histadrut, the State bodies and the bureaucracy. This force is one of the sources of strength of the private bourgeoisie, as opposed to the State-bureaucratic bourgeoisie (i.e. the Histadrut, the kibbutzim, etc.). The Histadrut cannot attack a private businessman employing Arabs by applying pressure or by using force - since both stand in the same boat regarding the Arabs. A strike by Arab workers would endanger both sectors. However, due to the relative abundance of Arabs in the Israeli economy, their manoeuvrability is limited and their bargaining powers almost nil. Thus Arab labour has contributed to strengthening the private bourgeoisie in Israel in relation to the State-bureaucratic bourgeoisie. This causes some rather ridiculous situations in which representatives of the State-bureaucratic bourgeoisie - like A.B. Yehoshua, a 'leftwing' Zionist - talk and act more dogmatically, more firmly and with more racist jingoism against the 'Arab presence' in Israel than their counterparts on the right - some of whom would like the two nations to live together - under Zaha's Iron hand, of course.

THE SURVEY AND ITS CHAPTERS

This survey, for the most part, is made up of statistics. It tries to chart the growth of the Arab working class in Israel and its present position, using Israeli official publications and a lesser degree, occasional articles published in the Israeli press. The figures, though indicative, tell only a small part of the story of the Arab workers in Israel. Only a full sociological survey could tell the whole story. A short visit to some Israeli towns would reveal that figures could never describe the situation. Be'er-Sheva, for example - a town 'washed clean' of its pre-1948 Arab inhabitants, like hundreds of other towns and villages during the 1948-1949 war - in Israel today has a population of 100,000, more firmly and with more Arabs were Fellahin, driven off their lands by the kibbutzim and moshavim whose aim was, to 'make the desert bloom'. These workers cannot, of course, live in Be'er-Sheva: the houses they build are not destined for Arabs but for new immigrants, for Jewish workers etc. As a result, Be'er-Sheva is now surrounded by a belt of tin huts where the Arab workers live. These townships, townships in which the workers emerge in order to build Be'er-Sheva and work in its factories, are not serviced by water, sewerage, electricity, or roads. Like the black townships in South Africa, their very existence is illegal and with the expansion of the town they will no doubt be pushed out, beyond the city boundaries. Such townships tell more about these workers than any list of figures. They are to be seen on the fringe of other cities in Israel, like

Ramleh and Haderah. The government and its 'settlement minister', Arik Sharon, keep reminding us that tens of thousands of Bedouins have 'infiltrated' into the coastal plain<sup>1</sup>. In the heart of the Jewish state. Histor Sharon forgets that these very same Bedouin infiltrators fill his car with petrol, work on his large agricultural farm and that without their 'infiltration' many Israeli enterprises, including many export lines, would have to close down. But this survey does not touch upon any of the above mentioned social aspects.

The survey has four chapters: the first chapter deals with the working population as a whole and with the reserve force of the Israeli economy. It seems that the Jewish industrial reserve force in Israel has largely diminished - all skilled and semi-skilled workers are fully, though not always efficiently, employed - despite the five years recession, since the 73 war. The manpower problem is of course related to the general population balance between the two nationalities: the Israeli and the Palestinian. In this chapter we shall see, for instance, that the growth of Arab labour is twice that of Jewish labour. The second chapter deals with the division of Arab labour, both from the territories and from Israel, into various sectors and enterprises. It seems that in the heavy industries, where direct profit is made, the Arabs contribute more than their proportion in the population and in the general labour force. We shall also try to estimate their relative contribution to the overall production of Israeli workers.

The third chapter reviews an important characteristic of the Arab working class - its mobility, which distinguishes it from the Jewish proletariat. This very mobility makes it a 'free' labour power, economically speaking, totally effected by the fluctuations of the market. The recent recession which did not bring about unemployment in the Jewish sector, dramatically reduced the number of Arab workers, particularly from the West Bank, working in Israel.

The fourth chapter deals with salaries and working conditions. This chapter is on the borders of statistical research. To fully cover this subject one has to study the social conditions of the Arab working class - which is beyond the scope of this work. It seems, however, that not only the income per capita of the Arab working class is half the income per capita of the Jewish (salaried) working class, but also that within each occupation there is a difference of 25-40 per cent between the salaries of Arab and Jewish workers.

#### CHAPTER ONE

##### THE ARAB WORKING CLASS

A quick glance at the numerical proportions of the two nationalities in Israel, i.e. the Israeli-Jewish and the Palestinian-Arab, is enough to show one the important role the latter plays, far outweighing its size in the population. Within the 'green line', the Arab age median is 15 as opposed to the Jewish one of 22. This results, among other things, from the fact that 9 per cent of the Jews are beyond pensionable age (65+), almost three times as many as the Arab number: 3.4 per cent. This age structure means that though the proportion of the two populations is three million Jews to half a million Arabs, i.e. 6:1, the annual population (age 20-65) increase, is 3:1. In other words: in the last few years the Jewish population in this age group has increased by about 24,000 per year and the Arab population by about 9,000.<sup>4</sup> This high proportion of potential increase in Arab labour power is less surprising if we remember that in spite of Jewish immigration, the overall growth ratio of the Arab population (4 per cent per year) is twice that of the Jewish population (2 per cent per year). Every year there are an additional 60,000 Jews, as opposed to 20,000 Arabs. Already Arab children between the ages of 1 and 10 make up a third of the number of Jewish children.<sup>5</sup>

To sum up then, whereas the Arab population is a sixth the size of the Jewish population in Israel, Arab labour potential, (Israeli citizens only), constitutes a third of that of Jewish labour potential, i.e. with every three Jews added to the labour force pool, one Arab is also added. These figures are underlined by some deeper factors. Examining Arab youth labour, we will see that 37 per cent of Arab boys between 14 and 17 are actually working or seeking employment, as opposed to only 23 per cent of Israeli youths.<sup>6</sup> Moreover, secondary education plays a more important role among Jews than among Arabs. This, of course, is the result of a deliberate policy. This policy was revealed long before the famous 'Keonig report' by the serving 'adviser to the Prime Minister on Arab affairs', Uri Lubrani, who wrote in Ha'aretz: 'It might have been better if there were no Arab students. Had they stayed woodsplitters and waterboys it might have been easier to govern them. But there are things beyond our control. We cannot avoid the problem. What we have to do now is know how to localise it.'<sup>7</sup>

This approach manifests itself in the token support the government gives Arab education and the local Arab authorities - a support which is totally out of proportion to the numbers. The results in secondary education can be measured, for instance, in the number of secondary school teachers: 1800 in the Arab sector as opposed to 24,500 in the Jewish sector, i.e. less

than 7 per cent of all the teachers in Israel are working in the Arab sector, although its student population constitutes 20 per cent of the total secondary school population. But Arab workers residing in Israel constitute only half of the number of Arabs working in Israel. The other half comes from the occupied territories (the West Bank and the Gaza Strip) and several hundreds even come from Lebanon. There are also workers from East Jerusalem, which is officially annexed to the State of Israel and appears in most official statistical publications as part of Israel. Together with the East Jerusalem workers, there were about 540,000 Arabs in Israel in 1978, some 110,000 of whom were part of the labour force, according to official figures. These figures do not accurately reflect the true picture, though, for several reasons: the figures are based on surveys and questionnaires and obviously not everyone reports his work - in order to avoid income tax. Also it seems that only a small part of the female Arab work force is included in these statistics, according to which only the 10,000 Arab women residing in Israel are included in the labour force. In fact, thousands of women do domestic and agricultural work and are employed by labour contractors in small village spinning workshops and in seasonal harvesting - and undoubtedly a large number of them do not appear in the official statistics. This statistical distortion occurs to the same extent regarding Jewish labour and if we ignore it, we probably won't harm the comprehensibility of the numerical proportion between the two nationalities very much.

(Notes: among the Jews, the self employed are the black marketeers whereas among the Arabs it is the workers who are employed by black market employers.) On the other hand we cannot accept the official figures of Arab labour from the occupied territories. The figures for 1977 are as follows:<sup>8</sup>

THOUSANDS	POPULATION (OVER 14)	LABOUR FORCE	WORKING IN ISRAEL
All territories	608	203	62
West Bank	373	125	37
Gaza Strip + Sinai	235	78	25

These figures were calculated from answers to representative questionnaires given to some 2000 family units in the West Bank and the Gaza Strip. They do not reflect the actual situation since only a few employers accurately report the number of workers from the occupied territories working for them. The reasons are many: the law against spending the night in Israeli territory, income tax and insurance for the workers, etc.

Handok Smith, the official statistician and director of the authority for manpower planning, reports vis a vis the workers from the occupied territories in the Be'er Sheva region: 'There are about 5,000 workers from Judea and Samaria according to official data. In fact, the real figure is at least double.'<sup>9</sup> The Tel-Aviv police commander said late in 1977 that 70,000 workers arrive every day from the occupied territories to Tel-Aviv alone.<sup>10</sup> The Ministry of Labour itself reports<sup>11</sup> that it has in its possession a card index of 150,000 workers from the West Bank and the Gaza Strip who have worked at one time or another in Israel. These workers have been employed officially, of course, i.e. through the labour exchanges. This figure does not tally at all with the overall official figure of the labour force of the occupied territories, i.e. 203,000, even if we take into consideration that these are accumulative records ranging over 10 years of occupation. According to the same report, approximately 60,000 workers from the occupied territories are registered and work through the labour exchanges.<sup>12</sup> The labour exchange of the Gaza Strip and north Sinai, for example, reports a constant drop in the number of workers registering with it. Among the reasons given is the delay in the payment of wages and the possibility of getting a job through private contractors who pay on the spot. It also seems that official salaries paid through the labour exchanges are lower than those paid on the open market. They are also tax deductible, pensionable and subject to all sorts of other deductions which Gaza Strip workers would rather not pay, since there is no guarantee they would get anything in return for them when they reach retirement age.

The following is a sample of the Gaza Strip labour exchange records during the last few years:<sup>13</sup>

YEAR	1969	1970	1971	1972	1973	1974	1975	1976
REGISTERED LABOURERS	31,000	25,000	25,000	26,000	23,000	24,000	18,000	20,000

There is a sharp decline, even during the economic boom years 1969-73, in which there was an

enormous increase in the number of workers from the occupied territories working in Israel. According to the same Ministry of Labour report for every 5 organised workers, there are 4 other, 'official' workers. All the above shows that without a doubt the number of workers from the occupied territories working in Israel averages around 100,000 a year. Averaging higher during the busy seasons in agriculture and in construction, lower during other seasons. In other words, the total number of Arabs employed in the Israeli economy is about 210,000 men and women, or some 17 per cent of the total Israeli labour force.

The importance of this labour force is shown by the fact that the ratio of participation in the civil labour force, (i.e. the percentage of the employed and the persons seeking employment) of the Israel population is one of the lowest in the world. In Israel this ratio is 33 per cent; by comparison: the percentage of the labourers in England is 46 per cent, in Switzerland 48 per cent, in Holland - 38 per cent, in Hong Kong - 45 per cent, in Japan - 54 per cent and in Rumania - 54 per cent. Israel, on the other hand, is in the same category as countries like India - 33 per cent and the Sudan - 29 per cent. Such a small ratio in an industrial country like Israel is a result, first of all, of statistical fraud which is in turn a result of a black market economy and of a large standing army, which swallows huge quantities of manpower working in agriculture, construction and production, in comparison with other industrial countries.

The accelerated development of the Israeli economic infrastructure and the large capital investments during the years 1967-73 would never have materialised without Arab labour, and particularly the workers from the occupied territories. As the 1976 Annual Bank of Israel Report concludes on the role of Arab labour from the occupied territories: 'The workers from the occupied territories, who entered the Israeli economy in great numbers until 1974, have been excluded from it to some extent over the past two years. The economic boom in the Arab countries and in the occupied territories themselves to some extent accounts for this exclusion. But in spite of attractions outside the Israeli economy, the most important determinant in whether they are employed or excluded, is the Israeli demand for these workers. This is apparent in the development of various areas of employment: the fast slump in the construction industry excluded about 6,000 Arab workers from the occupied territories whereas in industry and in the services, the number of workers from the territories has in fact increased, in direct proportion to the increase in exports and tourism.'

These workers, whose wages are lower than those of Israeli workers, and whose real as well as relative wages have decreased in 1976, have taken over some manual jobs almost completely - in construction, in agriculture and in the service industries (including hotels, which have had an increased number of guests this year). The slowing down of the Israeli economy has not unduly harmed them beyond their unavoidable concentration in certain sectors (like construction), since competition on the part of Israelis is diminishing constantly both because of the rise in the level of education within the Israeli labour force and because family allowances paid to Israeli families cancel the drive towards manual jobs, the wages for which are low and getting even lower. There is a difference between the inhabitants of Judea and Samaria and the inhabitants of the Gaza Strip working in Israel. The first find it easier to get work in the Arab countries and their numbers in the Israeli economy have decreased over the last two years. Their places have been filled by workers from the Gaza Strip whose numbers have increased in 1976 in the sectors.<sup>14</sup>

This report touches on the three most important determinants of the Arab labour force: firstly, its absolute demand in the market. (We shall deal with this in the chapter on the mobility of the Arab labour force.) Secondly, its concentration in certain sectors, though, as we shall see in the chapter on branch distribution, it does not limit itself to manual work only. Thirdly, the low price of this labour force, with which we shall deal in the chapter on Arab workers' wage structures.

## CHAPTER TWO

### THE DIVISION OF THE ARAB LABOUR FORCE BETWEEN OCCUPATIONS AND ENTERPRISES

As we have already seen, the proportion of Arabs and Jews in the labour force is 1 to 5, i.e. Arab labour constitutes 17 per cent, or a sixth, of the labour force of the Israeli economy. This includes the workers from the occupied territories, of course. But in order to grasp the real contribution of this labour and its role in the economy, we ought to examine the determinants which typify it. In the following chapter we shall examine the distribution on Arab labour, compared to Jewish labour, according to three determinants:

- The economic sector of employment: agriculture, construction, services, finance, etc.
- The professional character of the work within each sector: skilled industrial workers as opposed to services worker, scientists, teachers, clerics, etc.
- The enterprises according to ownership and size: public or private, large corporations or small workshops.

One of the important determinants in the development of salaried Jewish labour in Israel is, as is well known, its concentration in the service sector: clerical work, administration, finance, trade, etc., and a constant decrease in the number of Jewish workers in basic production areas: industry, construction and agriculture, as well as a decrease in the number of Jewish workers in services like maintenance, restaurant work, etc. The above mentioned development can be measured in two ways: by absolute figures of the industrial workers in Israel and in the percentage of industrially employed Jewish labour, (trying to find out, if this percentage is on the increase, on the decrease or remains static). The latter holds greater interest of course, since the number of salaried workers in Israel increases one way or another over the years, with the growth of the population. The question is then - what is the general structure of employment and how does it develop. We shall soon see that there is a very strong long-term trend for Jews to relinquish the three key occupations, mentioned above. This trend exists independently of the economic situation and manifests itself both in boom years and in recession years. In the last few years, 'due to the recession no doubt, there has been a decrease in the absolute number of Jewish workers in all the above mentioned occupations. Arab labour, however, has always been employed by and large in these three main productive areas - agriculture, industry and crafts and construction. Approximately 86 per cent of all workers from the West Bank and the Gaza Strip are thus employed, as well as some 70 per cent of the Arab residents of Israel. In other words, 78 per cent of the Arabs employed in Israel are employed in these three main production areas, as opposed to 36 per cent of all the Jewish workers in 1976.

Moreover, the Arabs tend to work principally in the 'productive services' i.e. services from which a private businessman profits directly. The Jews, on the other hand, tend to work mainly in the Government services, which are non-profit making and are part of the establishment or services supplied by the State in order to ensure continual and smooth economic and social activity. These include clerks, policemen, teachers, etc.

The next table, taken from manpower surveys, sums up the development of the division of occupations of the two nationalities in Israel during the years 1969 and 1976. The occupations are divided into two categories - A - Industrial workers, craftsmen, agricultural and construction workers, both skilled and unskilled.

B - academics, clerks, service workers, salesmen, managers and engineers. The second category includes upper grade production workers, such as engineers, though their number is relatively small. In other words, category A includes all 'blue collar' workers, though this, too, is not entirely accurate, as cleaners, who are 'blue collar' workers, are included in category A.

The table shows the percentage of A and B workers in each nationality by the year.

### OCCUPATIONAL DIVISION ACCORDING TO NATIONALITIES (ISRAELI RESIDENTS ONLY).

(1969 to 1976). All figures denote percentages of the overall labour force of each particular nationality)<sup>15</sup>

YEAR	A-JEWS	B-JEWS	A-ARABS RESIDENT IN ISRAEL	B-ARABS RESIDENT IN ISRAEL
1969	45.2	54.8	74	26.1
1970	44.4	55.6	73	27
1971	43	57	72	28
1973	40.5	59.5	65.7	34.3
1975	36.8	62.5	72	29
1976	36.1	64	67.7	32.3

A - 'blue collar workers' - production.

B - 'white collar workers' - services.

The above table is based on tables showing the occupational distribution of the total labour force and the Jewish labour force. The following table is intended to complete the picture by detailing the absolute number of workers according to their specific occupations of the two nationalities.

The table refers to Israeli residents only. Here are some of the occupations: Professional-technical - teachers, accountants, social workers, nurses, technicians, draughtsmen, Academic - researchers, pharmacists, lawyers, engineers. Services - kitchen workers, charwomen, cleaners, hairdressers, policemen, porters.<sup>16</sup>

OCUPATIONAL DISTRIBUTION OF THE EMPLOYEES IN ISRAEL, ACCORDING TO NATIONALITY. 17  
(All figures in thousands).

OCCUPATION	JEWISH EMPLOYEES				ARAB EMPLOYEES (ISRAELI RESIDENTS ONLY)			
	1971	1973	1975	1976	1971	1973	1975	1976
OVERALL NUMBER OF EMPLOYEES	902.5	981	995.2	1018	94.6	107	107.6	109

The above two tables indicate that Jewish labour tends to be concentrated mainly in 'white collar' and service type occupations - in 1976 64 per cent of the Jewish workers were in this category. This figure results from a continual increase in category B - from 5.8 per cent to 64 per cent. On the other hand, the Arab labour force tended to be concentrated in clearly productive occupations - the Arabs comprised 67 per cent of category A in 1976. Here too category A slowly decreased proportionately but this is not continued, as it is clearly dependent on the state of the economy; but in spite of the decrease, the majority of Arabs remain in category A. More detailed examination of the division of the labour force according to nationality and occupation shows that whereas the percentage of Jewish labour is continuously decreasing in each productive occupation (for instance, Jewish skilled labour constituted 28 per cent, 26 per cent and 25 per cent in 1973, 1975 and 1976 respectively), the decrease within category A among the Arabs has to do mainly with a continual decrease only in one area, i.e. agriculture, and in the areas of industry, construction and other skilled and unskilled occupations there is a continuous increase.

There are two reasons for the decrease in the Arab labour force in agriculture: firstly, the unavailability of land. Most of the lands, most suitable for modern agriculture, have been confiscated for Jewish kibbutzim and moshavim. Three out of every four dunams (1/10 hectare, or 1/4 acre approximately) which belonged once to Arab villagers in 1948 have been confiscated and this is still going on. In his book, 'The Arabs in Israel', Sabri J'ris tells of systematic discrimination by the government against Arab agricultural production in favour of Jewish agricultural production. The second reason is a more general one: in every economy which undergoes industrialisation and changes over to mass-production, there is a tendency to decrease the number of agricultural workers and increase the number of industrial workers. However, in Israel there is a decrease in the number of Jewish agricultural workers without there being a corresponding increase in the number of industrial workers - rather it is in the number of administration, management, finance and professional workers.

Where does the Arab overflow from agriculture go to, then? The answer, according to various tables in this chapter, is clear: to other productive occupations and to the services, i.e. cleaners, watchmen, etc., according to Uniform Classification. Only in these occupations does the number of Arab workers rise yearly, category B occupations. So far we can sum up with a simple statement: apart from agriculture, the importance of which is generally decreasing in the Israeli economy, there is a rise in the number of Arab 'blue collar' workers.

There is one other interesting development, apparent only in the last couple of years, since no data was available previously: the proportion of skilled/non skilled Arab workers in industry and construction, is continuously increasing despite a severe recession in the Israeli economy.

NUMBER OF SKILLED WORKERS DIVIDED BY NUMBER OF UNSKILLED WORKERS IN INDUSTRY AND CONSTRUCTION. 18

YEAR	NATIONALITY	
	JEWS	ARABS (ISRAELI RESIDENTS)
1973	5.1	2.3
1975	5.1	3.2
1976	4.7	3.5

While there are five times as many skilled as unskilled Jewish workers, this proportion remaining more or less constant, there is an increase from 2.3 in 1973 to 3.5 in 1976 among Arab workers living in Israel. No similar data about workers from the occupied territories is available, but it seems that there is a similar trend there too. This shows the ever growing dependence of Israeli industry and construction on Arab labour. It is clear that it is the Arab workers from the occupied territories with whom we shall deal later, who replace the unskilled workers, whose numbers, among Israelis has been on the decline since 1976. The dynamics of increasing concentration of Arabs in skilled-productive work, overcomes well-known political obstacles: a large proportion of Israeli industry is geared directly or indirectly to the production of arms, ammunition or spare parts for the armaments industry. Arabs are almost totally barred from the metal and electronics factories connected with the military. Likewise, there are hardly any Arab workers in large public enterprises like the Dead Sea Industries, the Kur Corporation, the ports, etc. The diamond industry and more specialised public corporations, like 'Tnuvah', try to avoid employing Arabs too. There are daily advertisements in the Israeli press for skilled workers, with one of the specifications being that the applicants should be 'army veterans'. The term 'army veteran' has become a polite code-word for 'Jewish', in the same manner that the word 'member of the minorities' has become a code word for 'Arab'. Large companies, such as insurance companies, tend to advertise openings for switch-board operators or secretaries with the one specification being that the applicants 'have completed their army service'.<sup>19</sup>

This discrimination is manifested particularly in large corporations, most of which belong to the Histadrut or to the government: the cement factories, the chemical industries, metal factories like Kur, the ports do not employ Arabs in the majority of cases. Being based on more or less regular labour power they are not greatly effected by market fluctuations. The military and aviation industry, like the huge 'Adirran' complex, does not take in Arab workers as well. This industry employs, according to various estimations, approximately half of the Jewish labour force. The other workers in the private sector, the 'diamond industry', has traditionally barred Arabs, although recently a small number of Arabs has been admitted to the diamond industry.

The general picture, then, is that the Arab industrial work force is to be found mainly in small to medium private enterprises. Such enterprises pay low wages (about half of the wages paid in the public sector) and are given to market fluctuations. Arabs tend to work for the civil market, to produce consumer goods (food, building materials, wood and rubber materials, textiles, etc.). It is doubtful whether such enterprises could develop and progress without Arab labour. Some times these enterprises suffer acute shortages of man power so as to force them to farm out work on a contractual basis to small workshops in the West Bank and the Gaza Strip, since it is easier to employ men and girls there, particularly in the textile industry: 'the fashion industry suffers from a shortage of skilled manpower, particularly cutters and sample makers... the factories have to compete for manpower by offering better wages... the supply of skilled workers is low... a large fashion manufacturer complained to me of having to depend on sewing work-shops beyond the green line. He said that if there was a political change in the fashion industry would be harmed and would probably not be able to meet demand for its goods'.<sup>20</sup>

Small sewing workshops have been set up recently in some Arab villages in Israel, like Umm el-Fahem, for instance. Their owners pay the women half the current wage paid in Tel-Aviv - but due to the social conditions, and Arab family structure, many women and young girls prefer working for half the wages close to home rather than for full wages in Tel-Aviv. The daily wage in these sewing workshops was about 40 IL at the beginning of 1978. See chapter 4.) With the increasing importance of private industry, however, many of the obstacles facing the Arab worker trying to get a skilled job have been removed. The determinant factor here - as always with these workers - is the market. The Israeli economy is still suffering a chronic shortage of manpower in all its productive areas. This shortage is particularly evident in private industry where the average salary is about half that of the public sector. The Jewish change-over from production to services, causes an increasing flow of Arab manpower, which is the only reserve force private industry has.

#### DETAILED DISTRIBUTION - OCCUPATIONS

The above analysis gives a general picture. Now let us examine the distribution of Arab workers in specific occupations. The most reliable data to be found is in the population census. The last census was taken in 1972. The data above is based on the answers to open surveys and questionnaires by a few thousand families. In the uniform classification into occupations from 1972, the occupations are divided into 10 major groups, each of which was further divided into 8-10 sub-groups. The following table shows the distribution of the salaried workers of the two nationalities, living in Israel, in detail. This table, from 1972, also shows the wages per hour of each nationality. We have copied from the Appendix from the Statistical Yearbook, 1975, No.7 (P.92), only those occupations in which more than one per cent of the

salaried worker of each nationality are employed. We additionally detailed the occupations and the proportion of the salaries of the two nationalities. (Please note that this table is from 1972, the year of the last census).

OCCUPATIONAL AND WAGE DISTRIBUTION - FOR THE TWO NATIONALITIES POPULATION CENSUS 1972. 21

Code	JEWS		ARABS		OCCUPATION	PROPORTION OF SALARIES	REMARKS
	% of all employees	wage per hour	% of all employees	wage per hour			
02	1.3	7.9			Engineers		
09	1.7	8.4			Secondary school teachers		
10	4.2	7.1	5.5	5.8	Primary school teachers	1.2	
13	1.1	5.8			Writers, artists		
15	2.3	4.5	1.2	3.0	Nurses	1.5	
17	2.5	5.4			Technicians		
24	2.3	8.4			Production managers		
31	5.3	4.9			Accountants		
32	3.6	3.9			Secretaries		
33	2.1	4.4			Storekeepers		
37	1.2	4.1			Office workers		
38	2.3	4.2			General clerks		
41	3.2	5.1	3.5	3.9	Self employed - commerce	1.3	
44	2.7	3.4	2.2	2.3	Salesmen and shop assistants		
52			1.1	2.5	Waiters		
54	2.	2.7			Charwomen		
57	1.3	3.9	2.5	3.5	Policemen	1.1	
59	4.1	2.8	2.8	2.5	General services workers	1.1	Cleaners, watchmen
60	1.7	5.3	5.1	3.5	(Working) farm owners	1.5	
62	2.8	2.9	5.5	2.7	Skilled agricultural workers	1.1	High Arab concentration
66	.8	2.6	2.1	2.8	Unskilled agricultural workers	0.9	The only occupation with a higher salary for Arabs
71	4.2	4.1	4.1	3.2	Tinsmiths, welders	1.3	
72	2.1	4.2	2.8	3.0	Mechanics	1.4	
73			1.4	3.3	Plumbers		
74	2.4	4.3	1.3	2.8	Electricians	1.5	
77			1.3	2.3	Skilled workers in the food industry	1.1	
78	2.6	3.7	8.8	3.3	carpenters	1.1	Very high Arab concentration
79	1.6	3.3	1.7	2.4	Weavers	1.3	
80	2.7	2.7	1.9	2.0	Tailors	1.3	
85	2.2	4.7	6.9	3.5	Construction workers	1.3	High Arab concentration.
88	3.9	4.2	5.7	3.3	Drivers	1.3	
90	1.1	3.6	1.0	3.1	Porters and dockers	1.2	
96			1.0	3.1	Mineral industry workers		
98			1.7	2.9	General-construction workers	1.1	10 per cent of all Arab workers
99	1.4	3.4	8.3	3.0	Unskilled - industrial & construction workers	1.1	Unclassified unskilled Jewish str
Total	100%	4.6	100%	3.3		1.4	

Salaries are 40 per cent higher than Arab salaries.

CONCLUSIONS

- In all the occupations specified, in fact in almost all the occupations in the full table, the Jewish worker receives a higher salary than the Arab worker, doing the same work. The difference in each occupation is about 20 per cent on the average and the general difference is 40 per cent (see chapter 4).
- The full table includes some 100 specific occupations. More than 60 per cent of the Arab salaried workers in Israel, in 1972, were employed in 16 typical production occupations. What's more, about 46 per cent, i.e. almost half the Arab work force, concentrates in only 7 occupations: farmers working their own land, skilled agricultural workers, tinsmiths, carpenters, construction workers, drivers and unskilled workers in industry and construction.
- Jews, on the other hand, are scattered over the occupational field much more evenly, there are only three occupations which employ 4 or more per cent Jews: accountants (5.3 per cent), general services workers, tinsmiths and welders, as opposed to 8 occupations with such a high percentage among the Arabs.
- The full table shows that there are some industries where there is a minimal number of Arabs (less than 0.1 per cent). For example, the diamond industry, which employs 0.8 per cent of the salaried Jewish workers, i.e. 7,000 workers.
- Service occupations which employ Arabs are almost all productive services, restaurant work, hotel workers, etc. Many of these serve the Israeli tourist industry.
- There is a high concentration of Arab workers in factories, which, because of their productive nature, are small, i.e. tinsmiths, welders, wood workers, drivers, construction and agricultural workers.
- The table enables us to calculate the overall number of salaried workers of both nationalities within each occupation, through the overall number of salaried workers in 1972. This calculation shows that in some occupations the Arab workers, from the territories currently occupied by Israel, constitute a majority. (See the section on the overall contribution of Arab workers, p. 1).

WORKERS FROM THE WEST BANK, THE GAZA STRIP, AND THE NORTH OF SINAI

32 per cent of the Arab residents of the West Bank and the Gaza Strip currently employed, are employed in Israel.<sup>22</sup> The importance of employment in Israel for salaried workers in the occupied territories is of course, even greater: even according to official figures 50 per cent of the salaried workers from the West Bank and the Gaza Strip are employed in Israel. This figure has continually increased since the 1967 occupation as a result of unemployment in the occupied territories, although since 1967 there has not been an increase in the overall number of industrial workers in the occupied territories. In the last ten years the number of industrial workers is estimated by the Bank of Israel and the Ministry of Labour, to be 15,000.<sup>23</sup> Although the overall proportion of workers from the occupied territories in the Israeli work force, is not particularly large 7-10 per cent, in some industries and in some occupations, like construction, carpentry and manual labour, it is as high as 40-50 per cent. Moreover, these workers are the flexible and 'freer' part of the labour force: when, for example, there was a huge boom in the Israeli construction industry in 1970-73, three fifths, i.e. 60 per cent, of the growth in labour power in the construction industry originated in the occupied territories,<sup>24</sup> and another 20 per cent from Israeli Arabs. All the surveys done by the Bank of Israel stress the flexibility of this labour force. Manpower surveys tend to show stability in the number of the men employed (despite the recession) and the continual growth in the number of the women employed in services. The data shows an adjustment of the supply of labour to the various components of the demand, a phenomenon which existed in the boom years too: a change in immigration patterns, in the tendency to work within marginal age groups, a flexibility in the depth of employment and mobility of workers from the occupied territories working both inside the Israeli economy and outside of it - all these things explain the unusual slowdown of production without a significant increase of unemployment.<sup>25</sup> (My italics, E.F.)

The Jewish-Israeli establishment admits, of course, only small number of Arabs with higher education to the civil and social services: 'An analysis of the employment ratio in relation to level of education shows that contrary to the situation of the Jewish population in Israel, the ratio of employment in the occupied territories decreases the higher the level of education (measured by years of schooling). This is apparently a result of a shortage of the



right kind of work for educated workers. The same problem exists among educated non-Jewish workers in Israel among whom the level of unemployment is relatively high.<sup>26</sup> The distribution into sectors among Palestinian workers from the occupied territories is also clear-cut: a high concentration in basic production areas. Here, too, there is a tendency towards industry and these workers fill the vacancies in the unskilled worker category.

#### DISTRIBUTION (INTO OCCUPATIONS) OF WORKERS FROM THE OCCUPIED TERRITORIES.

	Total (Thousands)	Agriculture (per cent)	Industry (per cent)	Construction (per cent)	The rest (per cent)
1970	20	24	11	54	10
1972	52	23	17	50	10
1975	66	14	18	54	13
1976	65	15	20	49	15
	Increasing	Decreasing	Increasing	Stable	Increasing

This table deals only with the 65,000 regular and officially employed workers. One suspects that the tens of thousands of workers employed through contractors (Ra'isin) tend to work more in agriculture and construction and less in industry.

The proportion of workers from the occupied territories in the service industries is continuously increasing. Many local authorities depend on them for sanitation work, garbage collection, etc. In October 1977 the public learned that the municipality of Holon, employed, through a contractor, 12 year old boys in the industrial zones and in the commercial centres, cleaning restaurants and streets.<sup>27</sup> These workers are also employed in maintenance and in cleaning jobs in large and small private institutions. The Hadassah Hospital in Jerusalem employs scores of Arab cleaners from the West Bank both in the laboratories and in the wards - in this case the supervisors are Jewish cleaners who have been with the hospital for a long time. The high dependency of the moshavim and the kibbutzim on Arab labour is well known. When, as a result of fighting, hundreds of Lebanese workers could not cross the border, an acute shortage of manpower was felt during harvest time in the Hula valley kibbutzim. Israeli agriculture, which exports more and more (about 50 per cent of agricultural produce is exported nowadays) flowers, strawberries - only thanks to the cheap and abundant labour power of the occupied territories. During the busy seasons, scores of workers arrive each morning at every moshav to do all the work: from weeding and thinning to harvesting. Most of the Jewish moshavniks have become farm-owners who supervise, occasionally operate the heavy equipment, and do the necessary paperwork. A large proportion of these Arab workers are not registered anywhere and there is no reason for them to report their work in any of the surveys upon which the official statistics are based.

#### AGE GROUPS OF INDUSTRIAL AND CONSTRUCTION WORKERS

The consistent trend of Jewish workers towards 'white collar' jobs and particularly to the services, manifests itself in two ways: firstly, by workers moving from production jobs in factories and on building sites to service jobs. This takes place during times of economic recession when there are no new investments and factories close down, move their workers from production jobs to a service position in the same company. An example of the move from producing products to marketing or importing them is the Fridman factory in Jerusalem, which stopped producing heaters and started importing and marketing them. Secondly, the move from industry to services, as it is manifested by the flow of young workers into the market, into certain sectors: this flow can be shown by studying the age groups of workers in the various occupations. In the construction industry, for instance, most of the Jewish workers are relatively old - over 35. In other words, the number of young Jews turning to construction for their livelihood is on the decline. Most of the Jewish construction workers have been at it a long time, having established themselves by receiving perks which assist them in remaining in this particular line of work. Therefore there are tens of thousands of Jewish employees in construction, but many of them are on staff, mainly dealing with administration and office work. This figure includes some 4,000 building contractors as well. On the other hand, the young labour force, which comprises the bulk of the construction industry, is mostly made up, as we shall see, of Arabs.

It is known, for instance, that the regular staff of the 'Sollet Boneh' company, which is a construction company, is made up mainly of Jews. This staff is engaged in maintenance, administration and office work and has no direct contact with the companies' building sites. They depend very little on the seasonal or economic fluctuations of the construction industry. The temporary, daily workers in 'Sollet Boneh', on the other hand, are mostly Arabs working on the sites as labourers and foremen. Since 'Sollet Boneh' is a public company, with a responsibility that goes beyond making a profit, it regards the situation as abnormal - one of crisis. The company feels that Jews should be working on the building sites and the fact that young Jews are not coming to the construction industry for employment denotes a crisis, which worries 'The Construction Workers Union Committee', which incidentally is completely dominated by Jews, although more than half the construction workers in Israel are Arabs. Mr. Amster, the secretary of the committee warned that 'many Jewish skilled workers are leaving the profession (as a result of the recession) and even if there is to be a recovery, they would not return. The younger generation tends not to work in construction and the (Jewish) reserve is dwindling annually.'<sup>27</sup>

Let's examine the age distribution according to occupations. We'll see that Mr. Amster is not unduly worried. The figures in the following table indicate a flow of young Arabs into production and productive services (i.e. hotels, restaurants), while the Jewish workers in these sectors are much older. The economy pushes young Jewish workers in another direction: the public services, office work, finance, etc. 70 per cent, for example, of Arab industrial and construction workers are in the 14-34 age bracket whereas 65 per cent of the Jewish workers are over 34. The same goes for workers employed by private service business, big or small: here too young Arab workers are over represented, whereas among the Jews the situation is the opposite. Young Jewish workers can be found in this table to be in financial business and public services in far greater numbers than proportional representation would allow.

#### DISTRIBUTION INTO SECTORS (ACCORDING TO AGE GROUPS) - 1975 28 (PERCENTAGES)

	AGES	TOTAL	AGRI- CULTURE	INDUSTRY	CON- STRUCTION	BUSINESS SERVICES	PUBLIC SERVICES	PERSONAL SERVICES
A R A B S	14-24	30	26	40	30	20	19	34
	24-34	30	26	30	34	27	32	29
	34-50	28	30	22	26	31	30	25
J E W S	14-24	20	23	22	15	26	17	13
	24-34	22	20	23	21	26	26	10
	34-50	30	25	27	34	24	30	10

Note: The total is not 100% because the higher ages are not quoted, since they do not represent common trends in the last twenty years.

In order to get the right idea one has to compare age distribution with the total (in the first column). Whereas the distribution of Jewish workers is almost identical with total distribution, the total distribution of Arab workers though almost constant - 30 - 30 - 28 -, tends to decline sharply in the age bracket - 40 - 30 - 22 -, which proves, again, the increasing flow of young Arabs into industry.

The sociologists Matras and Wientraub from the Brookdale Institute in Jerusalem sum up the differences between the flow of Arab and Jewish youths into various occupations in a survey completed in 1977: 'The basic and obvious difference in the patterns of professional and educational progress in Israel is between Jews and non-Jews. We cannot fully deal with this very important subject in this survey. For Jewish men, patterns of different occupations between father and son, reflect a process of penetrating a wider range of modern economy occupations and a break-away from the tendency to continue in the same line as one's parent. This process includes a move upwards - into academic occupations, specialised jobs and management jobs as

well as into the lower 'white collar' jobs and downward to skilled and semiskilled work. For non-Jewish men the patterns of change from one generation to the next, reflect almost exclusively a move away from agriculture to 'blue collar' jobs (i.e. skilled and semi-skilled labouring jobs), with a limited move towards 'white collar' occupations.<sup>29</sup> This concise summary of the difference between the two nationalities is based on surveys examined by the writers in their work.

#### OVERALL CONTRIBUTION TO PRODUCTION IN ISRAEL

Because of the high concentration of Arab workers in production and services and because of their relatively low wages, their overall contribution to the surplus value and the absolute value of goods in Israel is particularly high. Almost as high, in fact, as the overall contribution of the Jewish workers, although there are 5 times more Jewish workers in Israel than Arabs.

In measuring their overall contribution, it is best to concentrate on production, i.e. the construction industry, factories and agriculture, presuming that manufactured products are included throughout. This, of course, is not completely accurate, since it does not take into account the hotel industry, the tourist industry, transport, etc. But there is no doubt that even if we add other productive ventures, the picture will remain more or less the same, since there are as many Arab workers in the services as there are in the basic production lines. Any measure of the overall contribution must be seen as a preliminary one, not as a totally accurate one, for several reasons: there exists in Israel, for instance, a 'black' market, which does not exist in any official document, except, perhaps the Shinon report on an organised crime and in Baruch Nadel's book 'The Nadel Report'<sup>30</sup>. The 'black' market does not refrain from employing Arab workers. On the contrary: there are few doubts that many of the 'underground' factories do employ Arabs, who have no privileges, who are not organised in trade unions and in the case of workers from the territories occupied in 1967, do not even have work permits. All the above points to the fact the real contribution of the Arab workers is much larger than anything disclosed by official statistics. Moreover, it is politically difficult for factories to fire Jewish workers, even during prolonged economic recession. Small factories do not face such problems, but with large factories upon which the economy of most development towns tend to depend, the dismissal of several hundreds of workers is always accompanied by political and public pressure to refer the dismissals and invest in the old factories in order to avoid having to dismiss Jewish workers. Many factories do not like firing Jewish workers, since Jewish workers are so rare on the Israeli economic market. Many armament and metal factories prefer keeping their workers even during recession periods - though there might not be any work for them - in order not to lose skilled manpower, which cannot be replaced by hiring Arabs, since such factories produce mainly arms, ammunition and military equipment.

Every Arab worker, on the other hand, is presumably necessary. He has not got a political defence system. The newspapers would not protest if 'Friedman' fired 100 workers from the West Bank. He can always be re-hired. This is particularly true of unskilled workers, i.e. the majority of the workers from the West Bank and the Gaza Strip. Comparing the overall number of Jewish workers in industry, construction, agriculture and the mines to the overall number of Arab workers - we shall find that the first figure is on the decline, both absolutely and proportionally, whereas the second is continually increasing, both figures approaching each other quickly, particularly in the last few years of economic recession.

The following is a table of workers according to nationality in the above mentioned productive occupations.<sup>31</sup>

NATIONALITY/ YEAR	1971	1973	1975	1976
Total - Jewish workers in productive occupations (Thousands)	392	394	365	364
Total - Arab workers in productive occupations (Thousands)	117	135	144	159
Percentage of Arab workers in total number of workers	23%	25%	28%	30%

According to these figures the proportion of Jewish to Arab workers in productive occupations is approximately 5 : 2, i.e. Arabs constitute half the number of Jews and about 30 per cent of the overall number of Israeli workers in these occupations. This figure increases year by year but it is still low in relation to what may be expected in the near future, keeping in mind that the Arab population is particularly young, (see chapter 2). This trend has been on the increase over the past few years - whereas 90 per cent of new Arab manpower tends to work in productive occupations, i.e. industry and construction, all new Jewish manpower tends to work in the services, in administration, finance and office work, apart from the change over from production to the services as a result of the recession, whose end is not in sight.

The above mentioned proportion, 5 : 2, coupled with the high concentration of Arab workers in specific occupations (as seen above), results in an absolute majority of Arabs in certain sectors. This can be more or less accurately measured for 1972, basing the figures on the census, on which we based the detailed occupation table shown above, (p. 20). The following is a table of the salaried workers of each nationality in three occupations in which there was a large proportion of Arab workers in 1972. There is, as mentioned above, a growing tendency on the part of Arabs to concentrate in those occupations since 1973.

#### SALARIED WORKERS, BROKEN DOWN INTO NATIONALITIES AND OCCUPATION - based on the population census.<sup>32</sup>

OCCUPATION / NATIONALITY	JEWISH WORKERS	ARAB WORKERS	ARAB WORKERS RESIDENT IN ISRAEL	ARAB WORKERS OCCUPIED TERRITORIES
Unskilled - industry and construction	16.000	36.000	10.000	26.000
Builders, skilled construction workers	20.000	26.000	6.200	20.000
Agricultural workers	32.500	24.000	5.500	18.500

#### CONCLUSIONS:

1. Out of about 52.000 unskilled workers in industry and construction, only 16.000 are Jewish.
2. Out of 46.000 skilled construction workers, less than half, i.e. 20.000 are Jewish.

This table is based on official data for 1972 and is of course the most reliable source for that year, being based on the census and not on statistical estimates.

As seen above, the number of Arab workers in industrial productive occupations has been increasing since 1972, therefore in 1978, their overall contribution, both proportionally and absolutely, is larger than their contribution in 1972 and 1976, as shown in the above tables.

#### CHAPTER 3 - MOBILITY

One of the determinants of the Arab work force is its mobility. This mobility is multi-faceted and is part of their living conditions in Israel. The Arab labour force consists of workers who can easily be dismissed. They are employed mainly in the private sector, enabling it to adjust itself to market conditions, to crises and to quick increases in production when necessary. There are two reasons why these workers can be so easily fired: firstly, they are employed on a daily basis and secondly, they lack any form of political protection or representation. Economically speaking, this mobility is two-fold: geographic mobility and inter-factory mobility. Most of the Jewish work-force is employed on a permanent basis, by one particular employer and receive a monthly salary. The decision to fire a Jewish worker, although legally in the hands of the employer, is tied up with political pressures, with compensation, with the Histadrut and sometimes even with a whole structure designed to find alternative

employment for unemployed Jewish workers. The Arab workers, on the other hand, are absolutely mobile.

One of the ways to measure mobility is by checking the number of times an employee changes his place of work and how many years Arabs tend to stay in a specific occupation as opposed to Jews.

Since 1967 there has been only one survey on the number of job changes that workers make. The results of this survey (dating from 1971) are shown here. They denote, in percentages, the number of workers who didn't change their place of work over the five years preceding the survey and the number of workers who had changed once, twice, three times or more.

THE DISTRIBUTION OF SALARIED WORKERS ACCORDING TO THE NUMBER OF TIMES THEY CHANGED THEIR PLACE OF WORK IN THE YEARS 1966-71, THEIR NATIONALITIES AND THEIR AGES. 33

(All figures are given in round percentages).

	ARABS SALARIED WORKERS		JEWISH SALARIED WORKERS	
	TOTAL	20-34 years olds	TOTAL	20-34 years olds
TOTAL	100%	100%	100%	100%
NO CHANGE	59	53	72.5	61.5
ONE CHANGE	18.5	13.5	19.5	27
TWO CHANGES	6	6.5	4.5	6
THREE OR MORE	20.5	25	3.5	5

This table shows us two important things: firstly, Arab workers change their place of work more frequently than Jewish workers. For example, 20 per cent of Arab salaried workers changed their place of work three times or more in the period covered by the table as opposed to only 3.5 per cent of the Jewish salaried workers. Within the 20-34 age group, 25 per cent of the Arab salaried workers changed their place of work more than three times as opposed to a mere 5 per cent of the Jews.

Secondly, according to the table the older Jewish salaried workers tend to be more stable than the younger Jews, whereas the Arabs remain mobile even later in life and the difference between the overall mobility among Arab workers and the mobility of the 20-34 group is much smaller than among Jews.

The Arab worker tends to work outside his village. There are very few factories in the Arab villages and towns and most villages do not even have a workshop employing more than 2-3 workers, let alone a factory. Moreover, the small bit of land in Arab hands, after the massive confiscations of the fifties, cannot provide employment for young villagers living in town to work in their own villages. That is why the percentage of Arab workers living in Israel working away from home is very high and will probably continue to rise with more and more youngsters joining the labour force. They constitute, in fact, 50 per cent of the overall workforce.<sup>34</sup> Together with the workers from the occupied territories about 75 per cent of the Arab workers working in Israel, are working away from home. This is a very high percentage. We won't attempt to fully analyse it and will say only this: in addition to the reasons given above (i.e. the lack of employment in Arab villages and towns) there are certain obstacles which prevent Arabs from moving closer to their place of work. It is difficult to find accommodation, it is even difficult to get a permit to live permanently in a Jewish settlement, since many Jewish villages and moshavim do not admit Arabs as do many towns, like Tsefat, Karmiel, Arad, to name a few. Even in Tel-Aviv and Haifa there are many problems, since there are only a few quarters in which people are willing to let Arabs in and many local residents oppose the sale or the lease of flats to Arabs. The lack of permanence and the need to move from one place of work to another, according to the demands of the economy - make a permanent urban dwelling less attractive to the Arab worker.

Whatever the reasons, this geographical mobility enables the Israeli economy to exploit the Arab work force. When there is a large construction project in Jerusalem or Kiriath Shmona, say, the Jewish workers tied to their own permanent employment are, for the most part, reluctant to uproot themselves. The obvious choice for temporary, though urgently needed labour, falls to the Arab villagers from the Galilee, the Triangle, the West Bank and

the Gaza Strip.

Another type of mobility is the mobility between places of work. A worker who has to travel to his place of work anyway, can switch jobs more easily from a factory situated 40 km north of his village to a factory situated 30 km west of his village, than a worker living close to his place of work.

This inter-factory mobility and the ease with these workers can be fired, grants the Israeli economy, particularly in private sector, its flexibility. For example: 'Sollel Boneh' announced the dismissal of 150 workers in the Afilah area because of a sharp decline in production demands. A promise was made to try and keep a 'skilled nucleus' in the region. Senior sources informed me that the assumed responsibility for employment, etc. and Ministry of Housing will have to see to it that the Jewish construction workers in the Jezre'el valley find work.<sup>35</sup>

It is well known that the permanent skilled nucleus of 'Sollel Boneh' workers including administrators, engineers and technicians is almost totally Jewish. Exactly a month earlier another report in the same paper quoted another example, connected with the elevator factory 'Herut': 'As a result of a recession in the construction industry, there will be a controlled lay off of a number of workers. The first to go will be workers from the occupied territories. An effort will be made to transfer engineers and technicians to work abroad.'<sup>36</sup> Another example demonstrating the relation between the mobility of Arab workers and the mobility of Jewish workers: In 1976/77 there was a sharp recession in the construction industry in Israel. As a result, thousands, i.e. 1,500 Jewish workers and some 10,000 Arab workers, had to be fired. In other words, for every Jew, six Arabs were fired.<sup>37</sup> On the whole, 30,000 Arabs were fired in the construction industry alone in 1974-77. On the other hand, a total of 10,000 Jewish workers were fired throughout the economy in 1976, as a result of the recession.<sup>38</sup>

Every employer in Israel knows that it is best, in times of crisis, to fire Arabs first. Even the kibbutz industries are aware of this: 'Our work force is divided to three groups: temporary, i.e. Arab workers, unskilled labourers, i.e. Jewish hired hands and skilled managers, i.e. members of kibbutzim.'<sup>39</sup>

With regards to the occupied territories, Aryeh Bergman reports in his survey that a third of the workers stay with one employer two years or more and only 16 per cent stay more than 4 years. These figures indicate a high degree of mobility on the one hand and on the other hand a growing dependence on the part of many businessmen and farm owners on Arabs from the occupied territories. In Gaza, according to the Ministry of Labour out of 6000 workers working in 27 factories in the region, some 430 left their place of work during their first 3 years of employment.<sup>40</sup>

Arab workers, together with 25,000 Jewish workers from the development towns are the only ones to do seasonal and mobile jobs, like harvesting, picking, weeding, etc., as well as packing and jobs in food factories.

Such agricultural workers almost never get a permanent job or a regular salary. According to kibbutz regulations, an agricultural worker is considered permanent only after 12 consecutive years with the same employer. Employers prefer, of course, to fire workers, even temporarily, so they won't be considered permanent.

As this is more easily done with Arabs than with Jews, employers prefer to employ Arabs. In a week of the dismissals in 'Sollel Boneh', mentioned above, the redundant Jewish workers asked some 70 kibbutzim and moshavim in the region to stop using Arab labour on building sites and hire Jews in their place. The kibbutzim and moshavim refused, knowing full well the heavy commitments they would have to undertake if they hired Jewish workers, i.e. perks, demands for permanence and the difficulty of firing them. When an Arab finishes a job - he goes. Not so a Jewish worker. The different type of work done by Arabs and Jews, as explained in chapter 2, may cause the dismissal of a Jewish worker occasionally, for two reasons: firstly because of the preference given to Arab workers, since they lack any rights whatsoever, as explained above, and secondly, because Arabs are employed only in absolutely vital production jobs and rarely in less vital service jobs.

This is what happened in October 1977, when some 200 workers, men and women, were fired from 'Kittan Dimona'. Hundreds of families were left without an income as a result of temporary difficulties in the factory upon which their livelihood depends. The owners of the factory - the 'Klial' company, paid little heed to them and went ahead with their plans. Throughout the negotiations, the management kept suggesting that they fire Arab production workers instead of Jewish services workers, if the latter agreed to replace the Arabs at the machines, where work conditions involved tremendous noise and tension. Nobody agreed, certainly not for the salaries offered.

'Mr. Steigard, the director-general of 'Kittan Dimona', where about 400 workers from the occupied territories (a third of the workers) were employed, since there were not enough Jewish workers, prepared to work at the looms, the spindles, the finishing machines, etc.' said

that any Jewish worker, prepared to do so, would get a job immediately.<sup>1</sup> The work-conditions in the spinning rooms, at terribly noisy machines, which demand constant concentration and attention, are most demanding. The daily wage was 70-80 IL per day for Jewish workers and 50 IL for Arabs. In some sectors, as we saw in chapter 2, the Arabs play a key role in the supply of manpower. It seems that in spite of the fact that the workers from the occupied territories constitute only 7-10 per cent of the overall number of workers employed by the Israeli economy, their immediate response to demand in the above key occupations is very high indeed. This manifests itself in their response to vacancies in the official labour exchanges - through which only half of the workers are employed.

THE PROPORTION OF WORKERS FROM THE OCCUPIED TERRITORIES IN JOBS FILLED THROUGH THE LABOUR EXCHANGES (monthly average for the years 1973-75).<sup>41</sup>

	TOTAL NUMBER OF FILLED VACANCIES	VACANCIES FILLED BY WORKERS FROM OCCUPIED TERRITORIES	PERCENTAGE OF VACANCIES FILLED BY WORKERS FROM OCCUPIED TERRITORIES
TOTAL NUMBER OF WORKERS			
1973	23,500	5,500	23%
1974	19,000	4,600	24%
1975	17,500	4,000	23%

	CONSTRUCTION WORKERS		
1973	1,200	650	54%
1974	900	570	63%
1975	1,000	600	60%

	UNSKILLED LABOURERS		
1973	17,500	4,800	27%
1974	13,600	4,000	29%
1975	12,600	3,800	30%

Although the above table deals only with part of the overall movement every month, we can conclude from the trends reflected in it several things. In the construction industry the proportion of workers from the occupied territories is decisive. Moreover, it is probable that most of the workers not hired through the labour exchange are also Arabs, both from Israel and from the occupied territories.

The proportion of workers from the occupied territories working as unskilled labourers, is also very high. Their proportion in all sectors rises annually, even during recession years. In 1975 it was 26 per cent of the overall number of workers - a high percentage considering that it refers to all salaried workers in Israel, including clerks, managers, salesmen, etc. The fact that the Arab work force is the reserve force of the Israeli economy is reflected in the growth of this work force, throughout the recession of 1973-78. Unlike the 1965-65

recession, the present crisis has not brought on Jewish unemployment but instead has caused a decline in investments and in the size of the Arab work force. The following table shows that although in 1973-77 there was an overall increase in manpower in Israel, the number of Arab workers resident in Israel remained static and even decreased during the recession years. (All figures are in thousands).

YEAR	TOTAL NO OF EMPLOYEES	ARAB (ISRAELI RESIDENT) EMPLOYEES	ARAB EMPLOYEES-MEN
1973	1094	107	94
1974	1096	101	90.5
1975	1112	105	94.8
1976	1126	108	97.3

As stated above in chapter 2, even the Bank of Israel claims that the proportion of Arabs employed by the Israeli economy depends solely upon the demand for the Arab work force. This work force lacks any political protection and is employed for purely economic reasons, i.e. only when the employer gains directly by employing them.

#### CHAPTER FOUR

##### WAGES AND WORKING CONDITIONS

In view of increasing consumption in Arab villages both within the green line and in the occupied territories and in view of the prosperous construction industry, one has the impression that the Arab worker earns a good living in Israel, sometimes even more than his Israeli-Jewish counterpart. It is true that as a result of the enormous increase in the number of Arabs employed in the Israeli economy since 1967 there has been a general increase in the income of the Arab worker. But if we examine the daily wages of every worker separately, i.e. the wages and the working conditions of the average Arab worker, the picture would look quite different.

When analysing wages, we have to bear a few things in mind. All the workers from the occupied territories work, in fact, on a temporary, daily basis. Therefore they do not receive a monthly salary. Their salary depends on the number of days worked per month. The average number of working days for workers from the occupied territories, due to Saturdays, holidays, sick leave and rainy days, as well as personal problems, is 21 days per month.<sup>42</sup> Tax is taken off their basic wage, as well as other deductions, although they usually receive few benefits since it is beyond the ability of the administration to see to it that workers who change their place of work twice a year receive their benefits. This on top of bus fares, which are rather expensive - 20 IL (60p) per day - in 1977. Gideon Kessler describes the deduction rates in his survey 'A Minority Community in Israel': 'One of the cases I examined in the spring of 1971, was of an agricultural contractor from Jlu'arish, near Ramleh, who paid 21.60 IL per day to a worker he employed pruning orange groves. He had to receive the worker's wages from the employer first - 23.40 IL. Then the labour exchange gave the worker his wages, after the various deductions, through Bank Le'umi in Gaza, where the worker received his daily salary of 11.33 IL.'<sup>43</sup> In other words, the labour exchange deducted 50 per cent from the salary. This rate of deduction - 50 per cent - by the labour exchange or by the 'Ra'is' is the usual rate. These workers do not receive any benefits whatsoever in exchange for the high taxes they pay. The following is the official wage table published by the Ministry of Labour (before tax): (This table refers to wages paid by Israeli factories in the Gaza Strip.)<sup>44</sup>

ISRAELI EMPLOYERS	MONTHLY WAGES (IL)	
	DAILY WAGES (L)	(1975)
BANKS (BANK LE'UMI & BANK HA'POALIM)	50	1000
MOSHAV SADOT	20	420
BEN-BASSAT CARPENTRY WORKSHOP	20	420
PIONEER (CIMENT FACTORY)	40	840
AVI EREZ (METAL FACTORY)	30	630

According to the publications of the Central Statistics Office, the Quarterly on the Occupied Territories, volumes 7-1 and 7-2, the average daily wage for workers from the occupied territories working in Israel, was approximately 54 IL in 1976 and 41 IL in 1975. In other words, an increase of 25 per cent, with the prices rising some 40 per cent that year, together with the average wage of the Jewish workers. And indeed, in 1970-75, the decrease in salaries of Gaza workers was approximately 17 per cent. <sup>45</sup> The average monthly wages (a more significant figure) was 1134 IL in 1976 and 924 IL in 1975 as opposed to the overall average wage in Israel, which stood at 2920 IL in 1976. <sup>46</sup> After tax and travel expenses, the Arab worker receives a minimum wage for which no Jewish worker would work. In fact, a welfare allowance, paid to an 'army veteran' is higher than the net wage of an Arab worker from the occupied territories, as stated in the Bank of Israel Report, quoted above. Net salaries paid to workers employed in the occupied territories (50 IL) in 1976, were higher than those paid to Arabs working in Israel, since there are less deductions made and the fares are lower. Wages paid to industrial workers are lower again, i.e., about 10 IL per day for work inside Israel, before tax deductions.

The above are only averages and official figures received through the labour exchanges. The employers and the workers themselves. There are thousands who are not employed through the labour exchanges and whose salaries are sometimes higher. Those workers, however, do not receive even the few benefits which the workers employed through the exchanges receive, like compensation payment or accident pay. They are mostly employed in seasonal agricultural jobs which do not offer any security whatsoever. In this free labour market a salary of 100 IL a day is considered high.

Many of these workers are paid without tax deductions. Their net wage, then, is 100 IL minus 20 IL for fares, i.e. 80 IL per day, or 1680 IL per month, for an average, 21 days a month. A simple comparison with the Israeli worker, can easily explain the preference given to cheap Arab labour over Jewish labour. In most sectors, perks make up to 40 per cent of the salary. These perks, part of the wages. In every modern economy and particularly in the Israeli economy, include sick leave, annual leave, premium and gifts as well as a 13th and a 14th monthly salary per year. The vast majority of Arab workers do not get any of these perks. The average salary, including the above perks, paid to Jewish workers was 3500 IL per month in 1977, twice or three times higher than the average salary paid to Arab workers from the occupied territories. The number of sick leave days, annual days of leave and the amount of compensation money recorded by the Ministry of Labour <sup>47</sup>, indicate clearly that the Arab worker from the West Bank and the Gaza Strip does not get anything beyond his actual salary. Salaries of Arab workers living in Israel, though generally higher than those of workers from the occupied territories, are still much lower than the salaries of Jewish workers. Work done by women in the villages - usually sub-contracted jobs in local sewing workshops and in agriculture - are the lowest paid jobs, similar to the average wage paid to workers from the occupied territories. Construction and skilled workers, on the other hand, get what they can on the open market. But here, too, a daily wage of 100-120 IL (i.e. 2200 IL per month) is considered good. These workers, too, are mostly daily workers and therefore they do not get the usual perks and benefits the permanent, monthly workers receive, and they, too, spend a considerable amount of money on their travel fares.

On the subject of Arab workers living in Israel we possess reliable and detailed information. Fortunately, the sections of the 1972 population census published so far, include data on the wages paid to the two national groups in Israel. If we examine, first of all, the distribution

of salaried workers into income groups, i.e. under 4000 IL per year, between 4000 and 8000 IL per year etc., we shall see immediately the enormous difference between Arab and Jewish salary workers:

THE DISTRIBUTION OF SALARIED WORKERS ACCORDING TO INCOME GROUPS  
(Figures denoting percentages of salaried workers of each nationality) <sup>48</sup>

NATIONALITY / INCOME GROUP	TOTAL %	up to			
		4000	4000-8000	8000-12000	12000 +
JEMS	100%	20	28.5	24	27.6
ARABS	100%	32	40	18.2	9.8

Whereas 72 per cent of the Arabs earned less than 8000 IL per year in 1972, only 48.2 per cent of the Jews were in the same income group; and 52 per cent of the Jews, but only 28 per cent of the Arabs earned over 8000 IL per year. But the huge difference in salaries is not the result of the Arabs working mainly at manual labour and the Jews in more lucrative jobs, as seen by the detailed table of occupations (p.26), which leads us to a very significant conclusion: With one exception, an Arab worker receives a lower salary than a Jewish worker doing the very same job. A primary school teacher receives 5.9 IL per hour if he is Arab and 7.1 IL if he happens to be a Jew (This is a government salary). The same applies to the private sector - an Arab tinsmith - 3.2 IL per hour, a Jewish tinsmith - 4.1 IL per hour, an Arab construction worker - 3.5 IL per hour, a Jewish construction worker - 4.7 IL per hour and of course, an Arab unskilled labourer - 3 IL per hour and a Jewish unskilled labourer - 3.4 IL per hour. (All these figures refer to 1972).

The same table shows us that the average wage of a salaried Jewish worker was, in 1972, 4.6 IL per hour whereas the Arab worker earned 3.6 IL per hour on the average, i.e. a Jewish salaried worker earns on the average 40 per cent more than an Arab salaried worker, with differences of 20-25 per cent in each occupation.

The Jewish income per capita, including children's allowances, with Jews receiving twice as much as Arabs, was 130 per cent larger than the income per capita for Arab salaried workers in 1972.

It is difficult to find equally reliable figures for the last few years. Less reliable surveys reveal the gap narrowing between Jewish and Arab workers in the last few years: the reasons for this are twofold: firstly, the general fall in salaries during the recession of 1975, in terms of buying power - i.e. the gap narrowing as a result of the drop in the salaries of the Jewish workers, not as a result of real increases in the salaries of Arab workers. The second reason, perhaps less important, is the tendency of Arab workers to move to more skilled jobs, as pointed out in chapter 2. This narrowing of the gap is reflected in the following table, showing the wages of salaried workers according to their nationalities:

GROSS YEARLY INCOME, IN THOUSANDS OF LIRAS, FROM SALARY, ACCORDING TO NATIONALITY. <sup>49</sup>

NATIONALITY / YEAR	1967	1970	1972	1974
JEMS	9.4	11.9	15.5	17.6
ARABS	7.0	8.1	11.2	14.9
THE DIFFERENCE IN PERCENTS	34%	47%	38%	18%

The constant difference, of 40 per cent, between the salary of the Arab and the Jewish worker, has fallen over the last few years to 18 per cent. This data expresses only the difference in direct gross income. The difference in net income is larger, for a variety of reasons:

1. As shown above, in chapter 3, there are more Arabs working on a daily basis in small factories than Jews; in such factories there are few perks.
2. In many regions - namely development towns, the south and the north - Jewish workers enjoy large tax allowances, which Arab workers do not receive.
3. Jewish workers receive, 'on top of children's allowance paid out by the National Insurance company (Bituah Le'umi), an army veterans' allowance (which is another name for a 'Jewish' allowance).

There are two reasons, apparently, for the difference in the salaries: a 20-25 per cent difference each occupation and the large concentration of Arabs in production jobs and manual labour - 'wood splitters and water boys'. The second reason actually clouds the issue rather than explains it, since it is not at all axiomatic to presume that production workers should earn so little. In the United States, factory workers and construction workers, earn, on the average, more than office workers. The truth is, probably, that one of the reasons behind the low wages in 'Arab' jobs, is the high number of Arabs in such occupations: i.e. in the occupations where the penetration of Arabs was made politically and socially possible, a large supply of manpower was created. This manpower is unorganised and has no political protection, therefore it does not constitute a political pressure group within Israeli society. That, on top of normal competition among workers, enables the employers to keep low wage levels. Thus, as confirmed by the Bank of Israel Report, 1975, both the absolute and the relative value of the wages in those areas of employment fall, compared to the other salaries in the Israeli economy. This fall brings about a further decrease in the number of Jews applying for those jobs, since the government welfare allowance for Jews is usually higher than the salaries paid in those particular sectors. Thus we find a growing concentration of Arabs in seven sectors: carpenters, construction workers, industrial unskilled labourers - are all examples of this process. As shown above, 50 per cent of the Arab workers tend to concentrate in seven occupations, five of which are particularly badly paid: agricultural workers, tin-smiths, carpenters and unskilled workers in industry and construction (see p.27).

As shown above in chapter 2, Arab workers tend to work not only in specific sectors but also in a specific type of factory: about 50 per cent of the Israeli work force is employed in large factories, employing more than 100 workers and constituting only 2 per cent of all the factories in Israel. These factories, i.e. government concerns, like the Chemical Industries, the Dead Sea Industries, and Aviation Industry, the large Histadrut Corporations like Kur, or private factories connected to the military industry like Tadiran or other large electronics factories, employ only a small number of Arabs. The Arab workers tend to concentrate in small factories, producing goods for local consumption: food, leather, rubber, textiles, fashion etc. Most of them are employed on a daily basis, like most of the workers (including Jews) in such factories. Not only are the salaries lower, but there are fewer perks than those paid by the large corporations. The following table demonstrates the wide gap between salaries in large and small factories:

DISTRIBUTION OF SALARIES, ACCORDING TO SIZE OF FACTORY.<sup>50</sup>

NUMBER OF EMPLOYERS	MONTHLY SALARY (GROSS) IN LIRAS, 1976
100+	3300
50-99	2600
20-49	2500
5-19	2200
1-4	1800

This table points out another reason for the low salaries paid to Arab workers: they tend to work in factories employing less than 20 workers, where the average salary is 40 per cent lower than the average salary in larger factories. Likewise, salaries paid of privately owned factories are lower than those paid by publicly owned ones - 2500 IL per month in the private sector as opposed to 4500 IL in the public sector.

The salary differences manifest themselves in differences in the standard of living of the Arab population as opposed to that of the Jewish population. For instance, whereas the Arabs

constitute 17 per cent of the population, they only own 5 per cent of the private cars in Israel, i.e. a third of their share in the population. Though this is the result of other factors, too, like the size of the average Arab family, it is undoubtedly linked to their lower income level.

On the top of the large difference in direct remuneration paid to the Arab and Jewish worker, the Jew is entitled to many other indirect sources of income. Workers in the Megev towns or in development towns receive significant tax allowances. No Arab village is considered a development settlement, All Jews are entitled to special loans in order to purchase 'young couples' flats or to improve their homes. Arabs are rarely entitled to such loans, unless the municipality is interested in evacuating them for some reason. The grants paid by the Ministry of the Interior to the local authorities are 7 IL per year per Arab and 120 IL per year per Jew.

The conclusion, then, is that salaries paid to Arabs, especially to those residing in the West Bank and the Gaza Strip, are much lower than those paid to Jews, particularly in the food industry, in textiles, in packing, agriculture and in the mining industry. The huge demand for manpower in the Israeli economy during the boom years, created a situation in which skilled Arab workers could command higher remuneration for their work. These workers, though, are very dependent on the market, much more than their Jewish counterparts. Thus, skilled construction workers could have easily made quite a lot of money in 1972-74, though in 1977 this was much more difficult.

Yedi'ot Aharonot, 16. 3. 1976

WORKERS FROM OCCUPIED TERRITORIES LOCKED IN AT NIGHT IN ORDER TO PREVENT VAGRANCY.

The disaster, which took the lives of three workers the day before yesterday in a mattress factory in Tel-Aviv, has uncovered the jail-like 'hotels' that exist in many factories.

PERHAPS

- \*...one of the three Palestinian workers burnt alive in the small mattress factory during a fire which started while they were locked in, was called Ali (or Yusuf, or Ahmed)
- \*...he was born in the Abu-Kabir village, a part of which is still standing, now criss-crossed by Herzl- and Kibbutz-Galuyot streets... (or in Kafar Salamah, Kfar Shalem now, or in Sumal - upon which the offices of the central committee of the Histadrut in Tel-Aviv were built, or in Sheikh Munis - now the University of Tel-Aviv)
- \*...in 1946, at the age of 18, he was employed as a post office worker by the Mandate Government (or as a construction worker by a Jewish contractor in Tel-Aviv or as an assistant chemist in a Jaffa Pharmacy)
- \*...in 1948, eighteen months after his wedding and two months after his first son was born, he escaped, with his family, to Majdal (today Migdal Ashkelon) with only a few belongings, hoping to return home after the fighting (or was driven away with his family a few days after the Israelis occupied his village)
- \*...when Majdal was occupied by the Israeli army, he continued to live there for about a year, until August 1950, when he was driven beyond the cease-fire lines to the Gaza Strip (or ran away, again in the hope of returning after the fighting died down)
- \*...since then he has been living in a refugee camp in Jabelieh (or Shatti, or in Gaza itself)
- \*...in 1956, when his refugee camp was occupied by the Israelis, along with the rest of the Gaza Strip, he lost his job in an Egyptian army camp (or continued his work as a street-cleaner in the city of Gaza)
- \*...after the June 1967 war, when the second Israeli occupation settled in, he went looking for work beyond the green line, the State of Israel, in order to make a better living for his large family (or, continued his work in the Gaza Strip)
- \*...after he found work in Tel-Aviv, the spot where he was born, he agreed to stay on during the week in Tel-Aviv, in order to save the fare home and gain a few more hours of sleep (or, had to stay on, under pressure from his employer, who demanded over-time), sleeping in the factory, in a small stuffy room, locked from the outside.
- \*...when the fire broke out, he died instantly (or managed to bang on the door, calling for help, trying, in vain, to open it, mumbling curses and dying in the flames)

Perhaps the above details don't fit any of the three Palestinians burnt alive. We'll never know. No details were given, their photographs were not published, their families and friends were not interviewed, no memorial monument was built to commemorate them, they did not even attain martyrdom.

They lived anonymously and died anonymously.

Just ordinary Palestinian workers.

But there are hundreds, thousands, hundred of thousands like them, driven from their homes;

their lands confiscated, exiled from their homeland. They are doubly exploited: class

exploitation - as workers; national exploitation - as Palestinians.

Let us struggle against such exploitation.

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