

C2. MADA AL-CARMEL, "THE ECONOMIC STATUS OF PALESTINIANS IN ISRAEL," HAIFA, 14 JULY 2012 (EXCERPTS).

This brief report, detailing the economic conditions faced by Palestinian citizens of Israel, was written by the economist Mtnes Shebadeh, a researcher at Mada al-Carmel-Arab Center for Applied Social Research, a Haifa institution that "generates and provides information, critical analysis, and diverse perspectives on the social and political life and history of Palestinians, with particular attention to Palestinians within Israel's 1948 boundaries." It was published as issue 14 of its information-paper series Jadal.

In 2010, the Arab population in Israel reached 1.3 million, or 17% of the total population of Israeli citizens (this does not include the Arab population in Jerusalem and the Golan). The number of Arab families reached about 280,000, or 15% of the total number of families in Israel. The Arab population's share in the Israeli Gross Domestic Product (GDP), however, stood at only 10%.

The Arab population's low share of Israeli GDP reflects their inferior economic status in comparison to Israel's Jewish population. According to the Central Bureau of Statistics, in 75% of Arab families, at least one "head of the household" is employed whereas in 25% of households, no head is employed.

Data on Arab families on persons participating in the labor market reflects a low participation rate overall for the Arab population, and especially for Arab women. In 2010, the percentage of the Arab population participating in the Israeli labor market reached only 41% (of this number, 92% were working, 8% were unemployed, 68.8% worked full-time, 19.5% worked part-time). The percentage of Arab men participating in the labor market reached 60%, of which 92.3% were working and 7.7% were unemployed. Conversely, the percentage of Arab women participating in the labor market reached just 23%, of which 90% were working and 9% were unemployed. Of the women participating in the labor force, 50% worked full-time and 43% worked part-time.

Living Standards and Income

In 2010, the average gross monthly income per family in Israel reached 14,400 ILS (about \$3,800). Jewish families earned an average of 15,300 ILS, while Arab families earned an average of 8,716 ILS (only 57% of that of Jewish families). The average gross income for families in which the "head of household" is an employee reached 16,700 ILS: 18,000 ILS for such Jewish families and 9,830 ILS for such Arab families (55% of that of Jewish families). The average net income of families in which "the head of household" is an employee reached 13,900 ILS: 14,830 ILS for Jewish families, and 8,895 ILS for Arab families (60% of that of Jewish families).

In 2010, the average gross monthly income for individual employees reached 8,100 ILS, or 8,577 ILS for Jewish workers in comparison with only 5,499 ILS for Arab workers. Male workers earned 9,720 ILS on average: 10,681 ILS for Jewish male workers and 5,851 ILS for Arab male workers (51% of that of Jewish male workers). Female workers earned 6,386 ILS on average: 6,600 ILS for Jewish female workers in comparison to 4,588 ILS for Arab women (70% of that of Jewish female workers).

Arab families (comprising 15% of families within Israel) are over-represented within the lowest range of the income scale and underrepresented in the highest range. In 2010, the Central Bureau of Statistics identified ten income brackets, with 1 being the lowest and 10 the highest. Arab families formed 22.2% of the households within the lowest decile, 30.4% of the total households in the second decile, and 21.6% in the third decile. From the median to highest deciles (6 through 10), Arab families occupied only 10% in the sixth decile, 7.8% in the seventh decile, and some 3% in the eighth and ninth deciles. No Arab families earned income at the level of the tenth and highest decile. . . .