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'We want it cancelled': Palestinians protest social security law

Workers argue that the government is 'not listening' to their concerns but minister says special committee formed.



The law affects private sector employees, around 53 percent of the workforce in the occupied Palestinian territory. [Abbas Momani/AFP]

By **Jaclynn Ashly**

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Ramallah, occupied West Bank – Palestinians in the occupied [West Bank](#) have continued to protest against a controversial social security law, which came into effect at the start of the month.

The latest of several demonstrations against the law was held in the city of Ramallah on Monday, where thousands of workers staged a sit-in outside the Palestinian government headquarters.

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“The government is not listening to our concerns,” said Jack Syriani, a worker at the Jerusalem School of Bethlehem and member of the National Social Security movement (NSSM), which has headed opposition to the law.

“We wanted to modify this law, but the government has refused to hear our concerns. Now we want it cancelled completely,” he said.

Others have called for the law to be frozen temporarily to allow for negotiations with the government.

Opposition to the law ranges from concerns that monthly employee deductions will be unmanageable for workers, to fears over the long-term security of their contributions and the viability of the system under a military occupation.



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Social security coverage for private sector

The social security law was first signed by Palestinian President [Mahmoud Abbas](#) in 2016 by presidential decree, but its implementation was delayed for two years to allow companies and workers time to prepare.

Its aim is to provide social security coverage to private sector employees, who make up around 53 percent of the workforce in the occupied Palestinian territory.

The first phase of the law took effect on November 1 and consists of monthly employee and employer contributions to the newly established Palestinian Social Security Corporation (PSSC), for the management of retirement pensions, insurance for work-related injuries and maternity leave.

The PSSC also receives funding in the form of grants, donations and loans.

Employees who work more than 16 days a month are expected to contribute seven percent of their monthly salaries to the PSSC, while employers will contribute nine percent of salaries, plus an additional 1.6 percent to cover accident insurance.

According to the law, workers will be able to apply for a retirement pension at age 60.



Palestinian security forces form a human shield at Monday's demonstration [Abbas Momani/AFP]

Syriani told Al Jazeera that the seven percent deductions would make life difficult for Palestinians who are already burdened by personal debt.

“If a worker is making 2,000 (\$541) or 2,500 shekels (\$677) a month, he already has to pay half of that to the bank to pay off loans,” he said, adding that many Palestinians have become dependent on loans and often use the funds to purchase cars, homes, or other consumer goods.

“On top of the loan payments, then the social security company also takes from his salary. How can he live with the remaining money? He will not be able to afford to provide a good life for his family or children.”

Palestinian Labour Minister Mamoun Abu Shahla – who has become the focus of demonstrators' anger, with many calling for his resignation – told Al Jazeera that the workers have rejected the bill because “some of them are unable to understand the law properly.”

He added that although the law will not be delayed, a “special committee” consisting of eight government ministers has been formed in order to “open a dialogue with all the parties who are against the bill”.

Employees and employers who do not register will not be penalised until negotiations are complete, which could take anywhere from a few weeks to six months, Abu Shahla said.

At that point, the law will become compulsory for all of society, he added.

‘Nothing is ever guaranteed in Palestine’

Fadi Arouri, a journalist who also works at an international humanitarian NGO, told Al Jazeera that the economic and political situation in the occupied territory makes the national social security system unviable.

“We are not stable,” he said. “We are not controlling our own exports and imports. We don’t have our own currency. Our government is financed by [international] aid.

“If something happens, no one is going to save the people, and the national security law will not be valued in a country under debt,” he added. “We don’t even control our own economy. How can we be sure that our money will be secure?”

For Syriani, the main concern for Palestinians is the lack of a guarantee that the money will still be there when workers reach retirement age.

He said workers are demanding that a “special court” be established to provide workers with legal recourse that can guarantee that their contributions to the social security fund are not lost.

Palestinians have also lived under an Israeli military occupation for more than half a century, which limits the independence and control that the Palestinian

Authority (PA) practically exercises over its territory, which consists of about 18 percent of the West Bank known as Area A.

“What if something happens with the political situation? Who is responsible for ensuring that we don’t lose our money? Nothing is ever guaranteed in Palestine,” Syriani told Al Jazeera.

Are the workers represented?

A major demand among protesters is the restructure of the PSSC board to include more representation of workers, in order to ensure the funds are being invested for their benefit. Currently, only five of 18 board members represent their interests.

“There are some board members who are investors and businessmen. How can we know, as workers, that they would not be directly or indirectly benefited from the investments of the funds?” Arouri said.

Jabril Saadah, the head researcher at the Ramallah-based Bisan Center for Research and Development, told Al Jazeera that these suspicions arise from a history of widespread [corruption](#) and nepotism practised by Palestinian leaders, many of whom have ties to some of the largest companies in [Palestine](#).

Abu Shahla has been accused by protesters of personal involvement in the selection of Bank of Palestine as the financial body to manage the social security funds, owing to his own personal ties with the bank, where he has previously served on the board of directors and continues to own stock.

However, Abu Shahla has denied this accusation, telling Al Jazeera that the bank was chosen by a “special committee” and the PSSC board because it is the largest bank in Palestine and has branches in the besieged [Gaza Strip](#).

“I am only a minister now and I am only here to help my people,” he said.

In an apparent concession to the protesters' demands, Abu Shahla told Al Jazeera that discussions are underway to establish a "general assembly" made up of 50 Palestinian citizens that would oversee the activities of the board.

Workers, meanwhile, told Al Jazeera that the first phase of the law should also cover other aspects of the society's needs, such as the implementation of unemployment insurance and [healthcare](#).

While Abu Shahla said these benefits would come at later stages, he noted that there was no set timeframe for their future implementation, and that it would depend on the economic and political situation.

However, Palestinian workers believe these issues and reforms should have been addressed and implemented before the law went into effect, in order to build confidence in the system among employees in the occupied territory. Instead, they say that the new law leaves them facing an uncertain future.

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