Palestinian Central Bureau of Statistics

Survey on the Perception of the Owners/Managers of the Industrial Establishments Towards the Economic Conditions, February 2005

The press conference of the survey results

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Survey on the Perception of the Owners/Managers of the Industrial Establishments Towards the Economic Conditions, February 2005

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Press Release
On the Main Findings of the Survey on the Perception of the Owners/Managers of the Industrial Establishments Towards the Economic Conditions, February 2005

About 66.5% expected a better situation during the next sex months
While the situation of 28.1% of the establishments is worse in Februray 2005 compared with January 2005.

Industrial Activity is one of the bases of the economy, and in the Palestinian situation this activity comprises a share of 10.2% of the Gross Domestic Product at constant prices for the year 2003, while its share was 15.7% before the outbreak of Al-Aqsa Intifada. This survey conducted to give an overview on the perception of the owners/managers of the Industrial establishments about the economic conditions. Data collection took place during the period 2/3/2005-23/3/2005 on a sample composed of 261 establishments, of which 211 in Remaining West Bank and 50 in Gaza Strip. Large Industrial Establishment was choosen, in which it comprises 70% of the total industrial output.

The Current Situation:
About 28.1% of the owners/managers of the industrial establishments in the Remaining West Bank and Gaza Strip reported that their current economic situation is worse during February 2005 compared with January (28.9% in Remaining West Bank and 25.0% in Gaza Strip), against 26.5% reported better situation (29.5% in Remaining West Bank and 13.9% in Gaza strip).

Concerning problems faced the industrial establishment during February 2005, 39.5% of the owners/managers of the Industrial establishments reported that there was no real difficulties in general during February, and 48.4% reported that they faced difficulties in transporting finished goods to market.
There was significant differences between the perceptions in Remaining West Bank and Gaza Strip, as 47.0% of them in Remaining West Bank reported that there were no difficulties faced their establishments in February, as for Gaza Strip; 8.3% reported that there were no difficulties.

Mid-Term Expectations shows 66.5% of the owners/ mangers expect better situation for their establishments
As for the expectation in the mid term (in the next six months), 67.7% of the owners/managers of the Industrial establishments in Remaining West Bank expect a better situation for their establishment compared with today, against 61.1% in Gaza Strip. Meanwhile, 4.7% expected a worse situation in Remaining West Bank against 5.6% in Gaza Strip, while 27.5% and 33.3% expected no changes in Remaining West Bank and Gaza Strip consequently.

The expectations of the owners/managers of the Industrial establishments in Gaza Strip were optimistic, 2.8% expected decline in employment level, while 72.2% expected increasing, and 25.0% expected the same level. In Remaining West Bank, people were less optimistic as 40.3% expected increasing employment level and 57.7% expected the same level, and 2.0% expected decreasing.

Data reveal that 69.8% of the owners/managers of the Industrial establishments reported that the sales volume would increase in the coming six months (69.1% in Remaining West Bank, and 72.3% in Gaza Strip), while 7.0% of them expect a decline in sales Volume (6.7% in Remaining West Bank and 8.3% in Gaza Strip).

Problems and obstacles facing the establishments:
The owners/managers of the industrial establishments reported facing major problems in their work as a result of the Israeli measures, some of them on obtaining raw materials and inputs (41.3% of the respondents), others in shipping goods and marketing (48.4%), and problems related to the ability of laboures to reach place of work (42.2%). In addition 44.0% of the owners/managers indicated that they were suffering from financial problems, and 12.1% from other problems.

Summary
First: The expectations of the owners/ mangers of the industrial establishments were optimistic during the mid term period compared to the short-term expectations, which can appear from the following:
- As for the establishment situation, 42.7% of the owners/ mangers of the industrial establishments expect better situation during the next month while this percentage was 66.5% within the mid term expectations.
- 27.0% of the owners were optimistic in their expectations about the level of employment for the next month, meanwhile this percent increased to 46.4% during the next six months.
- 48.1% expect increases in the volume of sales within the short-term expectation, while this percentage was 69.7% for the next six months.

Second: The expectations of the owners/ mangers of the industrial establishments were more optimistic for Gaza Strip compared to the expectations of the owners in Remaining West Bank, which can appear from the following:
- As for the establishment situation, 44.5% of the owners/ mangers of the industrial establishments in Gaza Strip expect better situation while this percentage was 42.3% within the Remaining West Bank expectations.
- 41.7% of the owners were optimistic in their expectations about increasing the level of employment in Gaza Strip, meanwhile this percent was 23.5% in Remaining West Bank.
- 72.3% expect increases in the volume of sales within the short-term expectation in Gaza Strip compared with 69.1% in Remaining West Bank and Gaza Strip.

Third: The expectations of the owners/ mangers of the industrial establishments about the expected sales level stability or decline were different between Gaza Strip compared to the expectations of the owners in Remaining West Bank, which can appear from the following:
- 45.2% % of the owners/ mangers of the industrial establishments in Remaining West Bank expect the decline in the consumer purchasing power as the main reason for the sales level stability or decline compared with 10.0% in Gaza Strip expect it as the main reason.
- 45.0% of the owners in Gaza Strip refer that the main reason for that stability or decline in the level of sales come from the appearance of competitive goods, while 14.3% recognize it as the main reason in Remaining West Bank.
- 30.0% of the owners/ managers of the industrial establishments in Gaza Strip expect that the difficulties in obtaining needed raw materials or inputs as the main reason for the stability or decline in the level of sales, compared with 1.2% in Remaining West Bank.

جدول 1: التغيرات التي طرأت على توقعات أصحاب/مدراء المنشآت الصناعية حول أهم المؤشرات في باقي الضفة الغربية وقطاع غزة

Table 1: Changes in Expectations of Owners/ Managers of the Industrial Establishments about the Main Indicators in Remaining West Bank and Gaza Strip

Indicator	*February 2005 شباط %		*January 2005 كانون ثاني %		المؤشر
	الستة شهور القادمة Next six Months	آذار March	الستة شهور القادمة Next six Months	شباط February	
Percentage of who are expecting better Establishment situation	66.5	42.7	77.2	46.7	نسبة المتفائلين بتحسن وضع المنشأة
Percentage of who are expecting higher employment level	46.4	27.0	59.8	37.5	نسبة المتفائلين بارتفاع مستوى التشغيل
Percentage of who are expecting higher sales volume	69.7	48.1	77.7	45.6	نسبة المتفائلين بارتفاع حجم المبيعات

*Data collection for January took place during 4/2/2005-6/3/2005.

* نفذ العمل الميداني لدورة شهر كانون ثاني خلال الفترة 2005/2/4-2005/3/6.

*Data collection for February took place during 2-23/3/2005.

* نفذ العمل الميداني لدورة شهر شباط خلال الفترة 2-2005/3/23.

جدول 2: التغيرات التي طرأت على توقعات أصحاب/مدراء المنشآت الصناعية حول أهم المؤشرات في باقي الضفة الغربية

Table 2: Changes in Expectations of Owners/ Managers of the Industrial Establishments about the Main Indicators in Remaining West Bank

Indicator	*February 2005 شباط %		*January 2005 كانون ثاني %		المؤشر
	الستة شهور القادمة Next six Months	آذار March	الستة شهور القادمة Next six Months	شباط February	
Percentage of who are expecting better Establishment situation	67.7	42.3	74.5	46.0	نسبة المتفائلين بتحسن وضع المنشأة
Percentage of who are expecting higher employment level	40.3	23.5	42.7	33.8	نسبة المتفائلين بارتفاع مستوى التشغيل
Percentage of who are expecting higher sales volume	69.1	49.0	73.0	41.9	نسبة المتفائلين بارتفاع حجم المبيعات

*Data collection for January took place during 4/2/2005-6/3/2005.

* نفذ العمل الميداني لدورة شهر كانون ثاني خلال الفترة 2005/2/4–3/6/2005.

*Data collection for February took place during 2-23/3/2005.

* نفذ العمل الميداني لدورة شهر شباط خلال الفترة 2–2005/3/23.

جدول3: توقعات أصحاب/مدراء المنشآت الصناعية حول أهم المؤشرات في قطاع غزة

Table 3: Changes in Expectations of Owners/ Managers of the Industrial Establishments about the Main Indicators in Gaza Strip

Indicator	***February 2005 شباط** %		***January 2005 كانون ثاني** %		**المؤشر**
	الستة شهور القادمة Next six Months	آذار March	الستة شهور القادمة Next six Months	شباط February	
Percentage of who are expecting better Establishment situation	61.2	44.5	88.9	50.0	نسبة المتفائلين بتحسن وضع المنشأة
Percentage of who are expecting higher employment level	72.2	41.7	88.9	42.8	نسبة المتفائلين بارتفاع مستوى التشغيل
Percentage of who are expecting higher sales volume	72.2	44.5	97.2	61.1	نسبة المتفائلين بارتفاع حجم المبيعات

*Data collection for January took place during 4/2/2005-6/3/2005.

*Data collection for February took place during 2-23/3/2005.

* نفذ العمل الميداني لدورة شهر كانون ثاني خلال الفترة 4/2/2005–6/3/2005.

* نفذ العمل الميداني لدورة شهر شباط خلال الفترة 2–23/3/2005.

جدول 4: التوزيع النسبي لآراء أصحاب/مدراء المنشآت الصناعية حول أداء المنشآت من حيث الانتاج خلال شهر شباط 2005 بالمقارنة مع شهر كانون ثاني 2005 حسب المنطقة

Table4: Percent Distribution of Owners/Managers of the Industrial Establishments According to their Opinions about Establishments Production During February 2005 Compared with January 2005 by Region

Attitude	قطاع غزة Gaza Strip %	باقي الضفة الغربية Remaining West Bank %	باقي الضفة الغربية وقطاع غزة Remaining West Bank and Gaza Strip %	الاتجاه
A lot better	0.0	2.0	1.6	أفضل بكثير
Somewhat better	13.9	27.5	24.9	أفضل إلى حد ما
About the same/ Unchanged	61.1	41.6	45.4	نفس الشيء/ لم يطرأ تغير يذكر
Somewhat worse	25.0	24.2	24.3	أسوأ إلى حد ما
A lot worse	0.0	4.7	3.8	أسوأ بكثير
Total	**100.0**	**100.0**	**100.0**	**المجموع**

جدول 5: التوزيع النسبي لآراء أصحاب/مدراء المنشآت الصناعية حسب توقعاتهم بشأن وضع إنتاج المنشآت خلال شهر آذار 2005 والشهور الستة القادمة حسب المنطقة

Table 5: Percent Distribution of Owners/Managers of the Industrial Establishments According to their Expectation about Establishments Production in March 2005 and Next Six Months by Region

Attitude	Time Period and Region				المنطقة والفترة الزمنية		الاتجاه
	قطاع غزة Gaza Strip		باقي الضفة الغربية Remaining West Bank		باقي الضفة الغربية وقطاع غزة Remaining West Bank and Gaza Strip		
	خلال الشهور الستة القادمة Next Six Months %	خلال شهر آذار March %	خلال الشهور الستة القادمة Next Six Months %	خلال شهر آذار March %	خلال الشهور الستة القادمة Next Six Months %	خلال شهر آذار March %	
A lot better	5.6	2.8	15.4	2.7	13.6	2.7	افضل بكثير
Somewhat better	55.5	41.7	52.4	39.6	53.0	40.0	افضل الى حد ما
About the same/ Unchanged	33.3	44.4	27.5	52.4	28.6	50.8	تقريبا نفس الشيء
Somewhat worse	5.6	11.1	4.0	4.0	4.3	5.4	أسوء الى حد ما
A lot worse	0.0	0.0	0.7	1.3	0.5	1.1	أسوء بكثير
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**المجموع**

جدول 6: توزيع آراء أصحاب/مدراء المنشآت الصناعية حول المشاكل التي واجهت المنشآت خلال شهري شباط وآذار لباقي الضفة الغربية قطاع غزة

Table 6: Distribution of Owners/Managers of the Industrial Establishments According to their Views about the Problems Faced the Establishment During February and March by Region

Problem	Time period and Opinion الوصف والفترة الزمنية										المشكلة
	أسوء بكثير Much Worse		أسوء الى حد ما Worse		تقريبا نفس الشيء/ لم يطرأ تغيير يذكر Same/without change		افضل الى حد ما Better		افضل بكثير Much better		
	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	
Business did not suffer	0.5	0.0	6.5	8.1	51.9	52.4	30.3	29.2	10.8	10.3	أداء المؤسسة بشكل عام
Difficulties in obtaining needed raw materials or inputs	0.0	0.0	3.8	6.5	39.1	41.3	46.2	41.3	10.9	10.9	الحصول على المواد الأولية اللازمة ومدخلات الإنتاج
Problems of employees reaching place of work	0.0	0.0	0.0	0.0	41.6	42.2	46.0	45.4	12.4	12.4	وصول العاملين إلى مكان العمل
Unable to open/operate/work	0.5	0.0	0.5	0.5	42.2	42.2	42.2	42.7	14.6	14.6	تمكن المنشاة من فتح باب/تشغيل/العمل بشكل منتظم.
Difficulties in transporting finished goods to market	0.5	0.5	6.5	9.2	46.8	48.5	44.0	40.2	2.2	1.6	صعوبات في شحن المنتجات الجاهزة للسوق
Financial problems or unable to obtain bank loans	4.3	4.3	13.0	13.6	44.7	44.0	36.4	35.9	1.6	2.2	الأوضاع المالية الخاصة، و التسهيلات من البنوك
Others	0.0	0.0	0.0	0.0	12.1	12.1	66.7	66.7	21.2	21.2	غير ذلك (حدد) ....

جدول 7: توزيع آراء أصحاب/مدراء المنشآت الصناعية حول المشاكل التي واجهت المنشآت خلال شهري شباط وآذار لباقي الضفة الغربية

Table 7: Distribution of Owners/Managers of the Industrial Establishments According to their Views about the Problems Faced the Establishment During February and March by Region

Problem	Time period and Opinion									الوصف والفترة الزمنية	المشكلة
	أسوء بكثير Much Worse		أسوء الى حد ما Worse		تقريبا نفس الشيء/ لم يطرأ تغيير يذكر Same/without change		افضل الى حد ما Better		افضل بكثير Much better		
	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	
Business did not suffer	0.7	0.0	5.4	7.4	45.0	45.6	35.5	34.2	13.4	12.8	أداء المؤسسة بشكل عام
Difficulties in obtaining needed raw materials or inputs	0.0	0.0	2.0	4.0	44.6	47.3	44.6	39.9	8.8	8.8	الحصول على المواد الأولية اللازمة ومدخلات الإنتاج
Problems of employees reaching place of work	0.0	0.0	0.0	0..0	51.6	52.3	43.0	42.3	5.4	5.4	وصول العاملين إلى مكان العمل
Unable to open/operate/work	0.6	0.0	0.7	0.7	51.7	52.3	43.6	43.6	3.4	3.4	تمكن المنشاة من فتح باب/تشغيل/العمل بشكل منتظم.
Difficulties in transporting finished goods to market	0.6	0.7	4.1	6.8	44.6	45.9	48.0	44.6	2.7	2.0	صعوبات في شحن المنتجات الجاهزة للسوق
Financial problems or unable to obtain bank loans	5.4	5.5	6.1	7.4	42.6	41.2	43.9	43.2	2.0	2.7	الأوضاع المالية الخاصة، و التسهيلات من البنوك
Others	0.0	0.0	0.0	0.0	12.1	12.1	66.7	66.7	21.2	21.2	غير ذلك (حدد) ....

جدول 8: توزيع آراء أصحاب/مدراء المنشآت الصناعية حول المشاكل التي واجهت المنشآت خلال شهري شباط وآذار في قطاع غزة

Table 8: Distribution of Owners/Managers of the Industrial Establishments According to their Views about the Problems Faced the Establishment During February and March by Region

Problem	Time period and Opinion الوصف والفترة الزمنية										المشكلة
	أسوء بكثير Much Worse		أسوء الى حد ما Worse		تقريبا نفس الشيء/ لم يطرأ تغيير يذكر Same/without change		افضل الى حد ما Better		افضل بكثير Much better		
	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	خلال شهر آذار March %	خلال شهر شباط February %	
Business did not suffer	0.0	0.0	11.1	11.1	80.6	80.6	8.3	8.3	0.0	0.0	أداء المؤسسة بشكل عام
Difficulties in obtaining needed raw materials or inputs	0.0	0.0	11.1	16.7	16.7	16.7	52.8	47.2	19.4	19.4	الحصول على المواد الأولية اللازمة ومدخلات الإنتاج
Problems of employees reaching place of work	0.0	0.0	0.0	0.0	0.0	0.0	58.3	58.3	41.7	41.7	وصول العاملين إلى مكان العمل
Unable to open/operate/work	0.0	0.0	0.0	0.0	2.8	0.0	36.1	38.9	61.1	61.1	تمكن المنشاة من فتح باب/تشغيل/العمل بشكل منتظم.
Difficulties in transporting finished goods to market	0.0	0.0	16.7	19.4	55.6	58.4	27.8	22.2	0.0	0.0	صعوبات في شحن المنتجات الجاهزة للسوق
Financial problems or unable to obtain bank loans	0.0	0.0	41.7	38.9	52.8	55.6	5.5	5.5	0.0	0.0	الأوضاع المالية الخاصة، و التسهيلات من البنوك
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	غير ذلك (حدد) ....

جدول 9: التوزيع النسبي لآراء أصحاب/مدراء المنشآت الصناعية حسب توقعاتهم بشأن مستوى التشغيل في المنشآت في المستقبل حسب المنطقة

Table 9: Percent Distribution of Owners/Managers of the Industrial Establishments According to their Expectation about Level of Employment in the Establishments in the Future by Region

Level of employment	Time Period and Region المنطقة والفترة الزمنية						مستوى التشغيل
	قطاع غزة Gaza Strip		باقي الضفة الغربية Remaining West Bank		باقي الضفة الغربية وقطاع غزة Remaining West Bank and Gaza Strip		
	الستة شهور القادمة Next Six Months %	آذار March %	الستة شهور القادمة Next Six Months %	آذار March %	الستة شهور القادمة Next Six Months %	آذار March %	
Significantly higher	8.3	2.8	5.4	0.7	5.9	1.1	أعلى بكثير
Somewhat higher	63.9	38.9	34.9	22.8	40.5	25.9	أعلى إلى حد ما
About the same	25.0	55.6	57.7	74.5	51.4	70.8	تقريبا نفس المستوى
Somewhat less	2.8	2.7	2.0	2.0	2.2	2.2	أقل بعض الشيء
Significantly less	0.0	0.0	0.0	0.0	0.0	0.0	أقل بكثير
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**المجموع**

جدول 10: التوزيع النسبي لآراء أصحاب/مدراء المنشآت الصناعية حسب توقعاتهم حول قيمة المبيعات للمنشآت في المستقبل حسب المنطقة

Table 10: Percent Distribution of Owners/Managers of the Industrial Establishments According to their Expectation about Value of Sales in the Establishments in the Future by Region

Value of sales	Time Period and Region المنطقة والفترة الزمنية						قيمة المبيعات
	قطاع غزة Gaza Strip		باقي الضفة الغربية Remaining West Bank		باقي الضفة الغربية وقطاع غزة Remaining West Bank and Gaza Strip		
	الستة شهور القادمة Next Six Months %	آذار March %	الستة شهور القادمة Next Six Months %	آذار March %	الستة شهور القادمة Next Six Months %	آذار March %	
Significantly higher	8.3	2.8	16.1	1.3	14.6	1.6	أعلى بكثير
Somewhat higher	64.0	41.6	53.0	47.7	55.2	46.5	أعلى إلى حد ما
About the same	19.4	50.0	24.2	42.3	23.2	43.8	تقريبا نفس المستوى
Somewhat less	8.3	5.6	6.7	8.7	7.0	8.1	أقل بعض الشيء
Significantly less	0.0	0.0	0.0	0.0	0.0	0.0	أقل بكثير
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**المجموع**

جدول 11: التوزيع النسبي لآراء أصحاب/مدراء المنشآت الصناعية حسب توقعاتهم بشأن أسباب تراجع أو ثبات المستوى المتوقع للمبيعات حسب المنطقة

Table 11: Percent Distribution of Owners/Managers of the Industrial Establishments According to their Expectation about the Expected Sales Level Stability or Decline by Region

Reason	قطاع غزة Gaza Strip %	باقي الضفة الغربية Remaining West Bank %	باقي الضفة الغربية وقطاع غزة Remaining West Bank and Gaza Strip %	السبب
Decrease in Demand	0.0	3.6	2.9	تراجع الطلب على منتجات المنشأة
Lack of credit/finance	5.0	0.0	1.0	نقص التمويل والقدرة على الاقتراض
Difficulties in Exporting Finished goods	5.0	3.6	3.8	صعوبات في التصدير
Difficulties in obtaining needed raw materials or inputs	30.0	1.2	6.7	صعوبات في وصول مستلزمات الانتاج للمنشأة
Employees unable reaching place of work	0.0	2.4	1.9	عدم تمكن العاملين من الوصول الى أماكن عملهم
Decline in the Consumer Purchasing Power	10.0	45.2	38.5	انخفاض القدرة الشرائية للمستهلكين
Obstacles in Marketing	5.0	6.0	5.8	صعوبة تسويق المنتجات
Competitive Goods	45.0	14.3	20.2	ظهور سلع منافسة
Other	0.0	23.7	19.2	أخرى
Total	**100.0**	**100.0**	**100.0**	**المجموع**