



**Palestinian National Authority
Palestinian Central Bureau of Statistics**

**Demographic and Socioeconomic Status of the
Palestinian People at the end of 2006**

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1. Demography

1-1 Projection of Palestinians worldwide

10.1 million Palestinians at the end of 2006

Population projections reveal that the total number of Palestinian people at the end of 2006 is estimated to 10.1 million, of which 3.95 million have usual residence in the Palestinian Territory, Gaza Strip and West Bank including Jerusalem, (39.2%), 1.1 million (11.2%) live in Israel, 2.8 million (27.7%) in Jordan, 1.6 million (16.2%) in other Arab states, and 573 (5.7%) thousands live in other countries.

2010 is expected to witness population dichotomy. The estimated number of the Palestinian population in historic Palestine (Palestinian territory and Israel) was estimated to 5.1 million at end of 2006 compared with 5.4 million Jews according to the Israeli Central Bureau of Statistics. The Palestinian population is projected to 5.3 million at end 2007 against 5.5 million Jews. Population dichotomy at 5.7 million is expected at the end of 2010.

1-2 Palestinian Population in the Palestinian Territory

About 4 million are living in the Palestinian Territory at end of 2006

The population of the Palestinian Territory is estimated to about 4 million at the end of 2006 thereof 2.5 million (63%) in the West Bank and 1.5 million (37%) in Gaza Strip. According to the distribution of the population by Governorates, Hebron Governorate has the largest population size where 14% of the total population live in Hebron. Gaza Governorate hosts 13%; Jerusalem Governorate comes third at 10.5%. On the other hand, Jericho and Al-aghwar Governorate has the lowest rate of population at the end of 2006 at 1.1%.

45.7% of the Population in the Palestinian Territory are under 15 years

According to the most recent estimates, 45.7% of the population in the Palestinian Territory are under 15 years; 43.9% in the West Bank and 48.8% in Gaza Strip. The percentage of Palestinians who are above 65 years in the Palestinian Territory is 3.0%; this figure reached 3.3% in the West Bank and 2.6% in Gaza Strip.

High Dependency ratio in the Palestinian Territory

Population statistics indicate that dependency ratio in the Palestinian Territory dropped from 101.3 in 1997 to 94.2 in 2006 where it declined from 94.7 in 1997 to 88.5 in 2006 in the West Bank and from 114.5 in 1997 to 104.7 in Gaza Strip in 2006.

Declining crude birth rate

The crude birth rate in the Palestinian Territory dropped from 42.7 births per 1000 population in 1997 to 36.7 in 2006. .

Declining crude death rate

The crude death rate in the Palestinian Territory declined from 4.9 deaths per 1000 population in 1997 to 3.9 in 2006.

Population natural increase rate is 3.3% in 2006

Population natural increase rate is 3.3% in the Palestinian Territory in 2006. This rate reach 3.0% in the West Bank and 3.8% in Gaza Strip. The declining mortality rate and increasing

fertility rate would lead to a high rate of natural increase in the population. Subsequently, proper economic and social policies are required to cope with such increase.

Fertility rate is still high

The total fertility rate in 2003 was 4.6 births; 4.1 births in the West Bank and 5.8 births in Gaza Strip, according to Demographic and Health Survey 2004. The average number of children ever born to ever married women in the Palestinian Territory in 2004 was 4.5 ; 4.3 in the West Bank and 4.9 in Gaza Strip.

Life expectancy in 2006 is 71.7 years for males and 73.0 years for females

The decline in the mortality rate in the Palestinian Territory led to longer life expectancy to reach 71.7 years for males and 73.2 years for females in 2006. There are regional discrepancies; life expectancy in the West Bank is 71.9 years for males and 73.6 years for females compared with 71.4 years for males and 72.5 years for females in Gaza Strip.

2. Socioeconomic indicators by the end of 2006

The Palestinian economy was affected by two main factors during the year 2006. Firstly, continues deterioration of the social and economic situation due to the Israeli measures in the Palestinian Territory erupted at the outbreak of the second Intifada late September 2000. The second factor is the changes in the policy of the donor community took place after the legislative elections of January 25th 2006, and the forming of the new government. As of the beginning of the second quarter 2006, three main measures (actions) affected the Palestinian economy:

- 1- Stopping the transfer of tax revenues that Israel collects in behalf of the Palestinian National Authority (PNA), which forms about 60% of the PNA revenues.
- 2- Decline in the budgetary financial supports provided by the donors (As budget support, relief ...), which estimated by \$US 13 million per month.
- 3- Inability to transfer financial assistance from other Arab countries to the Palestinian government.

The following summarizes main changes on the socioeconomic situation in the Palestinian Territory during 2006.

Macroeconomic indicators

1. The decrease in total government revenues was estimated by 71% during 2006 compared with 2005.
2. The decrease in total government expenses in 2006 is 36% compared with 2005.
3. The decline in the GDP during the first three quarters of 2006 compared with the first three quarters 2005 is estimated to 3.6%, and the decline in the third quarter 2006 compared with 3rd quarter 2005 by 15.3%.
4. Prices increased during 2006. CPI increased by 1.0% in the first quarter of 2006 compared with the fourth quarter of 2005. It increased also in the second quarter by 0.7% compared with the first quarter, and increased by the same percentage in the third quarter with respect to the second quarter.
5. The tourism sector witnesses an improvement in the first two quarters of 2006, where the number of guests in the hotels increase by 2.3% in the first quarter compared with the fourth quarter of 2005, and increase by 29.9% during the second quarter 2006, also the number of nights increase by 10.1% and 21.9% during the first and the second quarters of this year, but during the third quarter the

performance of the tourism sector decreased compared with the second quarter of this year (27.2% the percentage of decrease of the number of guests, and 30.4% the decrease in number of nights in the hotels), and also it decreased in comparison with the same quarter of the previous year (5.5% the decrease in number of the guests and 9.2% the decrease in number of nights).

6. Unemployment rate increased during the 3rd quarter 2006 to reach 24.2% of total increment of 5.7% compared with the second quarter 2006. This rate is higher the 3rd quarter 2005 of 6.7%. The striking results in the unemployment rate in 2006 is the fact that it increased rapidly among youth 20-24 years where it reach 38.7% (32.3% in the West Bank and 53.7% in Gaza Strip).
7. The trend of increase in the unemployment rate assumes accelerated pattern when comparing the first three quarters of 2006 with the counterpart quarters of 2005. In fact the increment in unemployment rate in the first quarter 2006 compared with the first quarter 2005 was 0.2% while in the second quarter it was 12.7% and 25.2% in the third quarter 2006 compared with the 3rd quarter 2005.

Poverty

1. Total number of poor people in the Palestinian territory at the end of the second quarter 2006 reached 2.1 million persons compared with 1.3 million at the end of 2005.
2. Gini coefficient increased by 73% between 2005 and mid 2006. In fact it was 0.37 in 2005 and increased at the end of the second quarter 2006 to 0.64.
3. The income distribution in 2006 was reshaped in favor to rich households on the expense of the middle class. In fact, the share of income earned by the richest 10% of households increased by 24% during 2006 (it stood at 30.6% at the end of the second quarter 2006 compared with 25.1% in 2005). On the other hand, the share of income earned by the middle class declined by 12%, while the share of income earned by poorest 20% of household did not change.

Development indices

1. During 2006, the Human Development Index (HDI) was estimated to decline by 1%.
2. Gender Development Index (GDI) declined during 2006 by 5%.
3. GDP per capita declined by 10%.

Health and education sectors

1. According to MoH, two hospitals were opened in 2006, both in Gaza Strip.
2. Number of hospital beds increased in 2006 by 2% in comparison with 2005, the corresponding figure for 2005 was 3%.
3. Three primary health care centers were opened in 2005 while none in 2006.
4. Number of physicians increased in 2006 by 6.4% compared with 7.2% in 2005.
5. Number of nurses increased in the West Bank hospitals in 2006 by 11.8% compared with 5.3% in 2005.
6. Number of referral abroad decreased by 47% in 2006 in the West Bank compared with 2005. and the expenditure of medical transfer by MoH decreased by 74% in the West Bank.

7. Total working hours lost due to sanctions and resulting strike in the public sector is estimated to more than 16 million working hours in 2006.
8. Total classroom lessons lost due to teachers strike caused by the sanctions is estimated to 5 million class lessons in 2006.

Social safety

1. More than 300 persons were killed due to lack of internal Palestinian security.
2. According to Police department statistics in the third quarter 2006, theft events increased by 40%, kidnapping increased by more than 100%, suicide or suicide attempts increased by 30%, and registered killing or killing attempts were doubled.