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**GENDER LABOR STATISTICS IN ISRAEL**

Paper submitted by the Central Bureau of Statistics of Israel<sup>1</sup>

**I. INTRODUCTION**

1. In this paper I shall try to establish the well-being of women in the Israeli society according to labor indicators. The first part will be a description of the sources from which the statistic is produced. The second part will describe the extent of the phenomena, the difference in the behavior of men and women and will try to explain those differences.

2. The following indicators will be presented:

- (1) The participation rate in the labor force and the reasons for the difference in the participation rate between men and women.
- (2) Unemployment and the extent of unemployment for both genders.
- (3) Part-time employment and the reasons for taking part-time employment.
- (4) The difference in occupation for men and women.
- (5) Wages - monthly and per hour - and the different distribution of wages for men and women.
- (6) Working time (paid and unpaid) by gender.

3. It seems that there are different characteristics of men and women; women's participation in the labor force in 1996 was 45.7%, (53.7% for men) the unemployment rate of women was 7.8%, which was higher than of men - 5.8%.

4. About one third of the women works in occupations that are considered as feminine occupations (more than 80% of the employees in these occupations were women).

5. The average wage per hour for women was 80.2% of the wage per hour of men.

6. The differences, as reflected by the indicators mentioned above, can show the different attitudes toward work of men and women in the Israeli society.

**II. DATA SOURCES**

7. Estimates of employment, wages and other variables that describe the socio-economic status of the population are collected on a current basis in Israel. Some of these estimates are collected from

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individuals or related to individuals, thus enabling us to produce statistics by gender. Other are obtained as aggregates, requiring the presentation of the statistics for the whole population, according to the layers in which the aggregates were classified.

## **II.1 Surveys that are conducted by the Israeli Central Bureau of Statistics**

### **II.1.1 Labor Force Survey**

8. Labor force surveys have been conducted since 1954, although the methods and questionnaires have changed over the years. In the present format, four quarterly surveys are conducted each year, the interviewing for each quarterly survey being spread over the entire quarter. In each survey, approximately 12,000 households are sampled and about 23,000 different households are interviewed each year. Each household is investigated during two consecutive quarters and after a break of two consecutive quarters there are two additional investigations during two more quarters.

9. The population includes the permanent population of Israel aged 15 and over and does not include tourists and temporary residents, unless they have been living in Israel continuously for more than a year.

10. For each household, one questionnaire is completed, containing information pertaining to the entire household and to each member aged 15 and over.

11. The questionnaire for an individual includes questions on: work, number of work hours, reasons for absence from work, place of work and type of work. Additional information is obtained on seeking work, method and length of time of search, reasons for unemployment, etc.

12. Apart from details about work, demographic information is also collected: age, sex, marital status, level of education, etc.

13. The detailed estimates are published as annual averages. Quarterly averages are published for large groups only.

### **II.1.2 Income Survey**

14. The income survey is conducted simultaneously with the current labor force survey.

15. In the last investigation quarter, the enumerators include an additional questionnaire about gross money income (e.g., before deductions and taxes). The income is from all work places of every employee member of the household in the three months prior to the enumerator's visit.

16. The population of this survey covers urban localities with 2,000 or more inhabitants. Estimates from this survey are presented as annual averages.

### **II.1.3 Time Budget Survey (activities survey).**

17. The purpose of this survey was to obtain information on time allocation for various activities, such as work, studies, home activities and family affairs.

18. The survey estimates related to November 1991 April - 1992, when the survey was actually conducted.

19. The population did not include new immigrants who had been less than a year in Israel, Bedouins and residents of institutions.

20. Every household in the sample had to answer three types of questionnaires, as follows:

The first was a diary for each member of the household aged 14 and over, in which every member had to describe the main activity he or she was engaged in every 15 minutes during the day and every 30 minutes during the night.

The second one concerned leisure activities and their frequency, types of other personal activities, education and work.

The third was for data on leisure typical for the whole household.

## **II.2 Administrative Data**

21. The law in Israel requires that the employers report about their employees on a yearly basis to the income tax authorities and the National Insurance Institute.

22. The data include wages, the number of months the individual worked for the employer and the deduction of income tax and the national insurance tax.

23. The purpose of this report is to check the deduction of income tax and national insurance tax in order to ascertain the right of insurance for that period for each and every employee.

24. All forms are processed so that for every individual there is the total amount of wages earned during the year from all employers and the number of months the person worked.

## **III. Main Findings**

### **III.1 Findings from Labor Force Surveys**

25. Work is a major source of income and wages. Therefore, differences in rates of employment, unemployment and in participation rate in the labor force are indicators for the economic well-being of women and their ability of being economically independent.

### **Participation in the Labor Force**

26. The participation rate in labor force in Israel rose from 51.5% in 1990 to 53.7% in 1996; for men it declined from 62.3% to 62.1% and for women it rose from 41.1% to 45.7%.

27. For the Jewish population, the data show the same trend. Jewish women's participation rose from 46.4% in 1990 to 50.6% in 1996, while for Jewish men it stood at 61.2% at the beginning and the end of the period.

28. For all "Arabs and Others" the participation rate rose from 40.1% in 1990 to 42.1% in 1996; for men it fell from 67.9% to 66.6%; the participation rate in the labor force of women females rose during that time from 11% to 17.7%. Participation in labor force of the "Arab and Other" female population is quite low, about 17.7%, and they represent about 6% percent of the female labor force. Therefore, the findings in this paper are based on the total female population and the Jewish female population in Israel.

### **By Marital Status**

29. The participation rate in the labor force by age and marital status shows that the main difference is among married people. Only 59.7% of married women participate in comparison to 73.8% of married men.

30. The participation rate in the labor force of *single women* is higher than of men (46% vs. 40.3%). In the age group 18-24 it was 48.8% in 1996 and for single men 34.2%. One of the reasons for this might be the different length of compulsory military service for men (3 years) and for women (2 years).

31. In the age group of 35 to 54 the participation rate of single persons is almost the same. In the higher age groups, the participation rate of single women is lower, due to the possibility of early retirement at the age of 60, compared to 65 for men.

### **By Education**

32. The participation rate rises with higher education: for persons who studied 5-8 years it was 31.6% and for persons with 16 and more years of schooling it was 75.7%; for men the participation rate rose from 43.9% to 73.9% and for women - from 21.2% to 78.4%.

33. It appears that women who studied more than 16 years participate more than men in the labor force and this is consistent in most of the age groups: in the age group 55 and over the participation rate of women is lower than the participation rate of men, and in the age group 55-64 the participation rate of women declines to 63.3% (81.4% for men).

34. For less educated persons with 13-15 years of schooling, the participation rate declined to 67.5%; for Jewish women it was 65.3% and for men 70%. For 9-10 years of schooling it drops to 43.4% for the whole Jewish population and is 32.2% for women and 54.2% for men.

35. The effect of education on participation rate of women is much stronger - double that on the participation rate of man.

36. The participation rate of the "Arabs and Others" female population is strongly related to education levels and rises with the increase in years of schooling.

37. Among "Arabs and Others", the participation rate of women who studied 11-12 years was 24% and for 16 or more years of schooling it was 64%. Therefore, the effect of education on these women is much stronger than for Jewish women.

### **Participation Rate of Women with Children**

38. Data on this variable is available only for non-single women.

39. Having young children at home affects the participation rate of women considerably; the participation rate of non-single women with children whose youngest child is under the age of 15 declines, as the age of the youngest child decreases and as the number of children increases.

40. The participation rate of Jewish women whose youngest child is under a year old is 59% while for women whose youngest child age is aged 10-14 it is 78.9%.

41. The number of children affects the participation rate of women. The participation rate of women with one child is 75.2%, decreasing to 47.1% for women with four or more children.

42. Having young children affects the participation rate of women in all education levels; it is stronger for low education level and decreases as the education level increases.

43. The participation rate of women who studied 16 years and more whose youngest child is aged 10-14, reaches 91.9%, whereas the participation rate of women, whose youngest child is under one year of age, is 77.7%.

44. For less educated women (with 13-15 years of schooling) the decline is steeper, from 86.5% when the youngest child's age is 10-14, to 53.9% when the age of the youngest child is under one year.

### **Unemployment**

45. In the last decade, the unemployment rate and number of unemployed women is higher than that of men, this difference being between 2%-3%.

46. The difference is even greater if we consider underemployment of women (women who work part-time but want to work more).

47. In 1996, the number of unemployed women was 73.9 thousand and of men it was 70.8 thousand; 50.2% of the women worked in the last year before being unemployed (58.6% for men).

48. One third of the women who were unemployed and did not work in the year before, explained that they were taking care of the children and doing other housework. That may indicate that women leave the labor force in order to care for their children and reenter it when the children have grown up.

### **Part-Time Employment**

49. The extent of work is another indicator for economic well-being. 37.3% of the women worked on part-time jobs while only 10% men worked part-time. Reasons for undertaking part-time work on a regular basis are different for men and for women. 14.8% of the women who usually work part-time could not find an additional job (8% of men); 21% of the women did not want full-time job, because they had to take care of the children or do other housework (0.1% for men). The main reason for men to undertake part-time jobs is studies - 24.9% (12.8% for women).

### **Temporary Absence from Work**

50. Women are absent from work more than men (8.4% vs. 5.7%). 15.6% of the women were absent from work because of maternity leave, 64.5% were absent due to vacation (only half of the men). Possible explanation for the larger proportion of women absent from work due to vacation is related to their occupation (teaching) and the labor agreements prevalent in those occupations.

### **Employment by Occupation**

51. Many differences can be found relating to the occupations of women and men. 30% of women are clerical workers (less than 10% of men), 8% of the women are working in Industry, Construction and Other Skilled Labor (30% of men). Only 2% of women are managers (7% of man).

52. About one third of the women are employed in occupations related to social well-being; 16% are teachers (4.5% of men), 5% working in medical and paramedical professions (2% for men) and 10% of the women are personal care workers.

53. There are occupations in which most of the employees are women, such as secretaries (96%), personal care workers (94%), medical laboratory's workers and other paramedical professions (88%) and teachers in primary schools (83%). These four occupations account for one third of the women employees.

54. The occupations in which women work give partial explanation to the larger proportion of women's temporary absence from work, as teachers have longer vacations than workers in other occupations.

## **III.2 Wages and income**

### **Income Survey**

55. The average monthly wage of women in 1996 was 3,372 NIS (\$1,050). For men it was 5,596 NIS (\$1,745). Since women worked 35 hours per week (46.4 for men), the difference in the wages of women and men is reduced when comparing wage per hour.

56. The average wage per hour for women was 23.4 NIS (\$7.29), and for men 29.2 NIS (\$9.1). The wage per hour for women was only 80.2% of the wage per hour for men.

### **Education**

57. Even when women have the same level of education as men, their wages per hour are considerably lower.

58. Women with 16 years of schooling and more earn only 73.3% of the wages per hour of men in the same education group; women who had 13-15 years of schooling earn 78.2%, accordingly.

### **Major Occupation Groups**

59. The occupation in which women get the highest percentage of wages per hour compared to that of men is "Associate Professionals and Technicians"- 88.2%; in this occupation the women are more than 60% of the employees.

60. The occupations, in which women get the lowest percentage of wage per hour of that of men is "Agents, Sales Workers and Service Workers"- only 63.8%.

61. A possible explanation for this low rate of wages can be that men and women work in different minor occupation in this major occupation group.

62. 45% of the women in this group are personal care workers (less than 4% of men); 25% of both genders are salespersons and models, 25% of men are wholesalers and trade dealers and another 25% are protective workers. Needless to say that the personal care workers usually have lower wages than the other groups. Only 15% of the occupation group "managers" are women, and they earn 72.9% of the wage per hour of men.

### **Administrative Sources**

63. Data from administrative sources lead to the same result as the estimates from the Income Survey.

64. Women earn about 52% of the average monthly wage of men. Breaking down the wages by economic branch does not change the results much; in Construction, women earn about 68% of the average monthly wage of men, in Electricity 62% and in Agriculture 66%. However, it should be stated, that the number of women working in these branches is very small.

65. The number of working-months during the year does not change the results much; women who worked a month or two earn about 63% of the monthly wages of men who worked for the same time. Women who worked 12 months earned only 56% percent from the men's wage.

### **Gini Index**

66. The Gini Index of Inequality for all employees is 0.45, for women it is 0.4017 and for men - 0.446.

67. The Gini Index is usually higher when the number months of work is lower. The lowest index is for 11 months of work: 0.3525 for all employees, 0.3361 for women and 0.3379 for men.

68. The equality in wages for women is not a positive indicator but a result of the monthly wages of 54% of the women being less than half of the average monthly wage in Israel (31.1% for men), and only 0.9% of women who earn more than three times the average wage (6% for men).

### **III.3 Time Budgeting**

69. From the Time Budget Survey we learn how much time of the day is spent working (this includes unpaid work); it appears that men work only 2 minutes more a day than women.

70. There is a difference in working time by marital status, as single women work less than single men: 190 minutes for women and 377 for men; married women work 470 minutes and married men 454 minutes a day.

71. Women employed full-time work 549 minutes per day (548 minutes for men); unemployed women work 399 minutes (277 minutes for men).

72. When there is a baby at home, the working time increases, 522 working minutes for women and 475 minutes for men.

73. Women spend most of their working time doing unpaid work (265 minutes per day vs. 97 minutes for men). Full-time employed women spend 336 minutes in paid work (men 460 minutes).

### **Conclusions**

74. The indicators presented in this work show that women in Israel have a major part in the economy; they do a lot of unpaid work (especially married women). More than half the women in Israel earn less than half the average monthly wage in the country; the wage per hour is only 80.2% of the wage per hour of men.

75. Women in Israel constitute about 44% of the whole labor force. Education affects their participation rate in the labor force and its effect is double on women than on men. Educated women participate in the labor force more than men.

76. Children, babies and very small children keep women at home to take care of them (or because the expense of hiring nannies or fees to day care institutes might be even or higher than their income). Women leave the labor force for periods as long as they must take care of their children and reenter the labor force after that period.

77. For that reason they may lose experience and human capital related to on-the-job-training; they also lose their seniority benefits and they have to start gathering them with each reentry to the labor force.

78. The unemployment rate among women is higher than among men, women are looking for and taking on more part-time jobs than men so that they can manage working *and* looking after their children.

79. Part-time employment of women shows that about 5% of the women employed are underemployed. After correcting unemployment rates by underemployment, the difference between men and women is between 5% to 6%.

80. One third of the women employees is concentrated in four minor occupation groups that are considered feminine occupations. About one third of the women are employed in occupations that are related to social well-being.

81. Reasons for women's taking on teaching jobs might be clear, because labor agreements in this occupation are convenient for women: longer vacations and less weekly hours of work; time of work is usually correlated with their children's time spent in schools.

82. The wages of women are lower in comparison with men, this is clear from both sources, the main reason for lower monthly wages being less input of working hours for women. This does not explain the lower wage per hour (80.2%): losing experience and seniority related fringe benefits due to leaving

temporary the labor force might be a partial explanation. Another explanation might be the occupational segregation of women and their inability to bargain for better wage and labor agreements.

83. More than half of the women earned less than half the average monthly wage in Israel (29% for men) and only 0.9% earned more than threefold the average wage (6% for men).

84. Women work every day as much as men, a quarter from this time being unpaid work.

85. Working women in Israel have a double job - working out of home and taking proper care of their children and home.

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