

Topic: **Employment**

Updated: **June 2014**

## **Participation in Labor Force**

- Among Arabs ages 15 years and over, 40.8% were included in the civilian workforce in 2011 (408,800) compared to 60.7% among their Jewish counterparts (2,705,900).<sup>2</sup>
- This disparity is primarily attributable to the low rate of participation of Arab women in the labor force (21.9%) compared to Jewish women (58.9%). Arab and Jewish men had similar rates of participation (59.6% and 62.5%, respectively).<sup>3</sup>
- The participation in the labor market by Arabs of both sexes is lower than the participation rate of their Jewish counterparts in each age group. In 2007, the greatest disparity was recorded in the 55-64 year old age group: 61.3% of Jews were employed and 21.3% of Arabs.<sup>4</sup>
- Findings from a 2012 report issued by the Prime Minister's Office show that the employment rate among Arab university graduates stood at about 81%, compared to 90% in the Jewish sector. Arab university graduates earn an average monthly income of NIS 7,255, as compared to NIS 12,120 for Jewish graduates.<sup>5</sup>

## **Employment by Profession**

- In 2011, the Arab sector was significantly over-represented in two occupation categories, compared to the Jewish sector, both of which yield low incomes compared to other jobs: unskilled workers (Arabs 12.3%, Jews 6.3%) and skilled workers in manufacturing and construction (Arabs 37.9%, Jews 12.8%).<sup>6</sup>
- Arabs were under-represented in almost all other categories, particularly in academic professions (Arabs 10.0%, Jews 16.1%), clerical occupations (Arabs 8.1%, Jews 17.5%), and

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<sup>2</sup> CBS, *Statistical Abstract of Israel, 2012*, Table 12.1.

<sup>3</sup> *Ibid.*

<sup>4</sup> Ali Haidar (editor), *The Sikkuy Report 2008: The Equality Index of Jewish and Arab Citizens in Israel* (Jerusalem and Haifa: Sikkuy – The Association for the Advancement of Civic Equality, August 2009), p. 51. (Hebrew)

<sup>5</sup> *Ynetnews.com, June 12, 2012.*

<sup>6</sup> CBS, *Statistical Abstract of Israel, 2012*, Table 12.18.

manager positions (Arabs 1.9%, Jews 8.1%).<sup>7</sup>

- The distribution of occupations has implications for the average salary levels of the Arab population. For example, in 2011, the average salary in the construction industry (where 19.6% of all working Arabs were employed, compared to 3.2% of Jews) was NIS 7,816 a month, while the average salary in the banking, insurance and other financial occupations (where 1.1% of all employed Arabs and 4.5% of Jews had jobs) was NIS 15,704.<sup>8</sup>
- As reported in 2012, many Arab university graduates are not employed in their fields of expertise. Only 1.3% who studied computer science or related technological subjects are employed in the high-tech industry, while 50% are employed in teaching.<sup>9</sup>

### **Employment of Women**

- In academic and public discourse, there are three types of explanations for the low participation rate in the labor market among Arab women:
  - (1) Characteristics of the women themselves, chiefly the barriers that impede their integration into employment, such as a low level of education, lack of occupations suited to a modern economy, lack of employment experience, poor command of Hebrew (which limits their ability to work in the Jewish sector), and a relatively large number of children;
  - (2) The culture and social norms of traditional Arab society regarding gender roles, which emphasize the role of women in the household and the family and impose restrictions on what they can do outside the home and the local community;
  - (3) The structure of opportunities for the Arab minority, particularly Arab women, in the labor market as influenced by the limited local-ethnic labor market open to them, attitudes of employers (discrimination and stereotypes), government policies toward the Arab population with respect to infrastructure, education, training and employment assistance, including childcare arrangements.<sup>10</sup>
- Between 2005 and 2010, 38,000 women joined the workforce. This represents an average of 7,800 per year, compared to an average of 3,100 between 2000 and 2005.<sup>11</sup>
- As noted earlier, only 21.9% of all working-age Arab women participated in the labor force in 2011, compared to 58.9% of Jewish women. This statistic is related to the low funding for childcare services in Arab communities. Only 10% of Arab children aged 0-2 receive formal care, compared with 45% for the rest of the population.
- This low rate of participation has persisted for many years, despite improvements in the level of

<sup>7</sup> *Ibid.*

<sup>8</sup> CBS, *Statistical Abstract of Israel*, 2012, table 12.12, 12.38.

<sup>9</sup> *Yedioth Ahronoth*, June 10, 2012.

<sup>10</sup> Judith King, Denise Naon, Abraham Wolde-Tsadick and Jack Habib, *Employment of Arab Women Aged 18-64: Research Report* (Jerusalem: Myers-JDC-Brookdale Institute, Center for Research on Disabilities and Special Populations, March 2009). See: <http://brookdale.jdc.org.il/files/PDF/527-09-ArabWomensEmployment-ES- ENG.pdf>.

<sup>11</sup> Israel Prime Minister's Office, Authority for the Economic Development of the Arab, Druze and Circassian Sectors, Second Annual Conference, March 20, 2012, p. 14 [in Hebrew].

education and vocational skills among Arab women. The low percentage of Arab women in the Israeli workforce is in both the private and public sectors.<sup>12</sup>

- Arab women gravitate to three occupational categories: teaching (43.4%), healthcare and welfare services (16.8%), and commerce (11.6%). They are under-represented in areas such as public administration (2.5%) and banking (0.6%).<sup>13</sup>

### **Employment in the Civil Service**

- According to findings of a Knesset Committee which had investigated Arab employment in civil service, the percentage of Arabs employed in the Israeli civil service in 2010 constituted 7.52% (or 4,717).<sup>14</sup> In 2011 the percentage rose to 7.78%.<sup>15</sup>
- The disproportionately low number of Arabs employed in government service has been a frequent target of criticism. For example, in a March 2008 debate in the Knesset, MK Ahmad Tibi pointed to the Bank of Israel, which does not have a single Arab among its 870 employees,<sup>16</sup> and to the Israel Electric Corporation, where there are only 110 Arabs among its 12,000 employees.<sup>17</sup>
- In 2000, an amendment to the Civil Service Law was introduced in the Knesset that would institutionalize fair representation of Arabs in government ministries. The Cabinet mandated that Arab employees should constitute at least 6% of all employees in government agencies, organizations, and ministerial offices by 2006, and 8% by 2008. In 2007, the Government passed decision no. 2579 which stipulated that by 2012 Arab and Druze employees should make up 10% of all civil service employees.<sup>18</sup>
- Even though Arab employment in these positions increased from 4.8% to 5.9% between 2000 and 2008, and to 7.8% in 2011, targets have not yet been met.
- According to a June 2012 report from the Israeli Civil Service Commission, only 8% of government corporation directors are Arab, 5% being Arab men and 3% Arab women. In contrast, 41% are by Jewish women. The report also noted that 35% of government-owned company directorships were vacant.<sup>19</sup>
- Civil Service Commission representatives claim that one of the reasons for the lack of a more effective integration in employment is the fact that the Arab population is concentrated in the hinterland, while most civil service jobs are available in the center of the

<sup>12</sup> *The Mossawa Report*, October 2008, p. 17.

<sup>13</sup> CBS, *Manpower Survey, 2008* (Jerusalem, October 2009, no. 1377), Table 8.3.

<sup>14</sup> See: [http://www.knesset.gov.il/protocols/data/rtf/arab\\_workers/2011-07-12.rtf](http://www.knesset.gov.il/protocols/data/rtf/arab_workers/2011-07-12.rtf) (in Hebrew).

<sup>15</sup> See: <http://www.dukium.org/heb/wp-content/uploads/2012/03/Racism20131.pdf> (in Hebrew).

<sup>16</sup> *The Jerusalem Post*, March 26, 2008.

<sup>17</sup> *Ha'aretz*, March 30, 2008.

<sup>18</sup> Israeli Civil Service Commission, *Annual Report 2008* (July 2009), p. 146.

<sup>19</sup> *Ha'aretz*, August 16, 2012.

country.<sup>20</sup>

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<sup>20</sup> *The Jerusalem Post*, March 26, 2008.

- In June 2008, the Director-General of the Ministry of Justice announced that “30% of the vacancies to be filled in the civil service will be set aside for Arabs.”<sup>21</sup> According to the Israeli Civil Service Commission’s report for 2008, between 2006 and 2008 the proportion of Arab candidates who commenced work at the Civil Service almost doubled: from 5.7% (180 out of 3,161) to 10.4% (517 out of 4,955).<sup>22</sup>

### **Unemployment**

- As reported by the Israeli Employment Service, in April 2012, the overall unemployment rate was 6.5%. According to the Statistical Abstract of Israel, in 2011, the Arab and Jewish populations had similar rates of unemployment (5.5% and 5.6%, respectively). Unemployment of Arab men was lower than their Jewish counterparts (5.1% and 5.7%, respectively), while the rate for Arab women was higher than for Jewish women (6.5% and 5.5%, respectively).<sup>23</sup>
- According to the April 2012 Israeli Employment Service data, the list of “unemployment hubs” in Israel (defined as localities with an unemployment rate over 10%) included 26 Arab villages and townships, such as Tamra (22.9%), Umm al-Fahm (30.1%), Rahat (29.2%) Sakhnin (23.4%) and Tayibe (20.6%).<sup>24</sup>
- Conclusion: Low employment rates in the Arab sector are attributed to relatively low levels of education compared to the Jewish population; insufficient employment opportunities in the vicinity of Arab towns; discrimination of Jewish employers, and competition with foreign workers in fields such as construction and agriculture. A major factor contributing to the high rate of unemployment in the Arab sector is the low rate of participation of Arab women in the labor force.<sup>25</sup>

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<sup>21</sup> *Makor Rishon*, June 10, 2008.

<sup>22</sup> Israeli Civil Service Commission, *Annual Report 2008* (July 2009), p. 147.

<sup>23</sup> Israeli Employment Service, April 2012, <http://www.taasuka.gov.il> [in Hebrew]. CBS, *Statistical Abstract of Israel*, 2012, table 12.1.

[As of 2011, the CBS adopted OECD reporting guidelines. As such, 2011 unemployment data is not comparable to previous reports.]

<sup>24</sup> Israeli Employment Service, April 2012.

<sup>25</sup> Moshe Semyonov, Noah Lewin Epstein and Iris Brahm, “Changing Labor Force Participation and Occupational Status: Arab Women in the Israeli Labor Force.” *Work, Employment and Society*, vol. 13, no. 1 (March 1999), pp. 117-131.