



**The Haredi
Institute**
for Public
Affairs

State of Haredi Society Annual Report

Eitan Regev | Yehudit Miletzky

2023

State of
Haredi
Society
Annual
Report
2023

Editing: Inbal Gafni

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Message from the Chairman

Dear colleagues and friends,

With the publication of the State of Haredi Society Annual Report, I am filled with a deep sense of pride and achievement. This document not only attests to our Institute staff's dedication and hard work but also offers a ray of hope for a better future for Israeli society.

Over the past three years, the Institute has diligently engaged in setting up a broad, comprehensive, and well-established knowledge infrastructure specifically aimed at facilitating an in-depth understanding of Haredi society's unique characteristics and sensitivities. We spent countless hours researching, creating databases, and developing sophisticated algorithms to provide a comprehensive view of this unique community. The creation of this infrastructure was made possible thanks to the unwavering support of the Wohl Foundation, which, from the first moment, shared the vision and understanding of the great importance of creating a comprehensive, reliable, and first-of-its-kind information infrastructure on ultra-Orthodox society in Israel.

Uniquely, this document not only makes data from the Central Bureau of Statistics databases accessible but also creates a groundbreaking integration of multiple databases. Our mission has always been clear: to go beyond macro-level insights and gain a broad perspective on this diverse society, segmented by communities, geography, age, and gender.

This publication attests to our Institute's unwavering commitment to excellence. It demonstrates our technical ability and unique approach to working together, combining the professionalism of data experts, policy leaders, and colleagues from Haredi society.

I sincerely thank Dr. Shai Stern, Deputy Chairman of the Institute, Dr. Eitan Regev, Yehudit Miletsky, and the entire team whose dedication made the project happen. Their tireless efforts, along with the generous support of the Wohl Foundation, laid the groundwork for a new era of data-driven policymaking in Israel. This document is the product of dedication to purpose and a sense of responsibility. It is not merely a data document but a testament to our ongoing commitment to the prosperity of ultra-Orthodox society and the entire Israeli society. We are committed to updating this report annually to ensure that it remains an essential tool for shaping influential policies that promote equality and to make it accessible in English for the benefit of international research organizations, philanthropic foundations, and other parties interested in issues related to ultra-Orthodox society in Israel.

I am happy to celebrate this milestone with you, knowing that we have made a significant step toward a more inclusive and prosperous future for Israeli society.

Warm regards,

Eli Paley

Chairman of the Haredi Institute for Public Affairs

Message from the Deputy Chairman

The State of Haredi Society Annual Report presented here was born out of a deep belief in the importance of data as accurate as possible and a thorough sociological understanding as a necessary condition for designing appropriate and effective policy regarding citizens in general and Haredi society in particular. For decades, the State of Israel has faced significant challenges in making policy for Haredi society and its various communities. Some of these challenges stem from substantial gaps in worldviews. However, the source of other challenges is a need for an in-depth understanding of Haredi society, especially its characteristics and needs. The State of Haredi Society Annual Report for 2023, prepared at the Haredi Institute for Public Affairs by Dr. Eitan Regev and Yehudit Miletsky, is groundbreaking in that it facilitates, for the first time, a transition to data-based policy planning. The report lays out precise statistics on Haredi society in many areas: demography, housing, education, higher education, employment, consumerism, and digitization. This is the most comprehensive and statistically accurate report currently presented to decision-makers, researchers in academia, and anyone in Israeli society and beyond who wishes to deepen their knowledge of Haredi society, its characteristics, and needs.

Data-based planning and execution is one of the cornerstones of the Haredi Institute for Public Affairs, which, in recent years, has been involved in the design of several strategic and national plans for Haredi society in Israel. The State of Haredi Society Annual Report for 2023 is the first product of the data center established by the Institute, with the generous support of the Wohl Foundation, which compiles the most up-to-date and accurate statistics available on Haredi society in Israel. The establishment of the Wohl Data Centre and its accessibility to decision-makers, academic researchers, and the general public is the fulfillment of one of the goals of the Haredi Institute for Public Affairs and its founder, Eli Paley: to overcome all challenges, especially those stemming from lack of understanding or familiarity, to reach a coexistence that is as harmonious as possible between the various societies in Israel. Creating an up-to-date and accurate database on Haredi society is a significant step toward increasing familiarity with the characteristics of this society and its needs, and it enables policymakers to plan and implement tailored and applicable plans for the Haredi public.

Dr. Shai Stern

Deputy Chairman of the Institute

Introduction

The State of Israel is at the beginning of its fourth quarter-century of existence. The previous three quarters saw dramatic social, economic, and security changes. The next 25 years are expected to present Israeli society with equally significant challenges. Precise and clear thinking about current socioeconomic trends is required to plan the near future in the best and most beneficial way for the successful continued existence of Israeli society.

Haredi society is among the most prominent groups in the complex Israeli mosaic. It currently consists of about 1.21 million people, concentrated in some 235,000 households, which translates to about 12.3% of the country's population and about 15.6% of the Jewish population in Israel. The unique lifestyle of Haredi society stems from its religious and ideological principles, alongside its characteristic social and cultural norms and values. These characteristics affect all aspects of its life: housing, education, health, economy, employment, and more.

Due to the unique characteristics of the Haredi population and its rapid growth rate in recent decades, trends within it have strategic implications for all the core issues concerning Israel. These implications require custom-tailored preparation and planning for Israel's continued existence as a diverse and prosperous society.

This report lays the foundation for the most accurate and comprehensive data on Haredi society in Israel to enable the creation of a well-founded and professional discussion aimed at informed strategic preparation and planning. The report presents up-to-date data and trends over time on essential issues concerning daily life—housing, education, employment, digitization, and more. Based on the findings, the report paints a comprehensive picture of the face of Haredi society today and enables us to speculate about where it is headed. We believe that such familiarity is essential for planning policies that benefit the Haredi population in particular and Israeli society as a whole.

Methodology

Unlike similar reports on Haredi society, which are usually based on pooling existing data and indices from various sources, the data presented in this report expand the knowledge base about Haredi society and are based mainly on the original and innovative research work conducted by the staff of the Haredi Institute for Public Affairs, using primarily administrative data files. These files were compiled by the Unit for Accessibility of Information for Research in the Central Bureau of Statistics, and they combine data from a large number of government sources, including the Population Registry, the Tax Authority, the Ministry of Education, academic institutions, the Council for Higher Education, real estate registry, and more. Using the cluster of administrative datasets makes it possible to reach higher resolutions and levels of accuracy than in regular surveys, for example, by assessing the rates of degree holders in the population and following trends over time on issues such as fertility rates.

The identification of the Haredi population in these files was carried out using an improved algorithm developed at the Haredi Institute for Public Affairs, which combines identification according to variables known as predictors of “Harediness” (such as place of residence) with machine learning, which is based on cross-referencing a large number of relevant information sources, and assists in identifying Haredi characteristics with a very high level of accuracy. The algorithm also identifies the different streams within the Haredi society (Hasidic, Litvak, Sephardic, or Habad)—a highly significant division because of the fundamental differences between these streams. The identification of the streams is based on comprehensive and thorough mapping work of thousands of educational institutions that exist today or have existed in the past decade under State-religious and Haredi supervision (for more information, see Yakin and Regev, 2024).

Using new methodologies and an integrated database from multiple sources yields new and surprising insights on key policy issues concerning the Haredi population and Israeli society as a whole.

For example, the precise identification of the Haredi population using a machine learning-based algorithm indicates that the share of Haredi society in the general population in Israel is about 10% lower than the currently accepted figure, as is the growth rate of the Haredi population. This means that the future size of the Haredi population in 2065 will be much lower than expected, even based on the lower scenarios of current CBS forecasts. Additional discoveries of this type, in other policy areas, such as higher education, housing, fertility, employment, and income, are presented here for the first time.

Haredi Society in 2023:

Main trends

The Haredi society is one of the largest population groups in Israel. It advocates a devout religious lifestyle and has cultural characteristics that differ from those of the non-Haredi Jewish population. Haredi society lives in light of three main principles: subordination to Torah law, spatial and cultural segregation, and ascribing great importance to Torah studies by men (the "scholar society" model). At the same time, the Haredi population is heterogeneous. It consists of many communities that differ from each other in their ideology and lifestyle - from education to places of residence and the level of integration into the Israeli economy. The report examines the data divided into the three main Haredi streams: Litvaks, Sephardim, and Hasidim, as well as Habad Hasidim, which is a much smaller group than the three main streams but has unique characteristics that differ from the others.

The data presented in this report serve not only as a basis for thinking about the challenges posed by Haredi society to the environment, economy, and society but also provide a glimpse into the values of Haredi society. They attest, for example, to the centrality of the family institution in Haredi society. The age of marriage in Haredi society is the youngest of all population groups in Israel, and in all age groups, the share of Haredi marriages is the highest. Other data, such as the large average family size and high fertility, also attest to the high value the Haredi society attaches to family values and size.

Education also plays a central role in Haredi values, as reflected, among other things, in the large number of pupils (which has remained stable over the years) in institutions belonging to the older education networks and in the fact that, despite the budgetary challenges of the Haredi household, education is the only item of expenditure in which the average Haredi family spends more than families belonging to other population groups.

Another prominent feature of the Haredi lifestyle is the importance of purchasing an apartment. Despite the relatively low household income in Haredi society and the rising cost of living and housing prices, the share of homeowners in Haredi society is still higher than among non-Haredi Jews. To cope with the growing difficulty of purchasing an apartment, the Haredi buy smaller, cheaper apartments and migrate to the periphery, especially the northern Negev, Haifa, and the north of Israel. This results in a broader geographic distribution of Haredi society throughout the country. In the past two decades, there has been a considerable rise in the share of Haredi pupils in non-Haredi localities, such as Beit Shemesh, Arad, Ashdod, and Ofakim—which requires local authorities to adjust and prepare for.

The traditional tendency toward large families has led to rapid demographic growth of the Haredi population, and its share in the general population—particularly in the education system—is expected to continue expanding in the coming years. At the same time, the trends presented in this report for the

first time point to significant social and economic changes taking place in Haredi society. Perhaps the most important of these is the finding that the size of the average Haredi family has been declining in recent years, alongside a continued decline in fertility in all Haredi communities and localities. These trends lead for the first time to a much lower forecast than currently accepted of the future share of the Haredi public in the country's population.

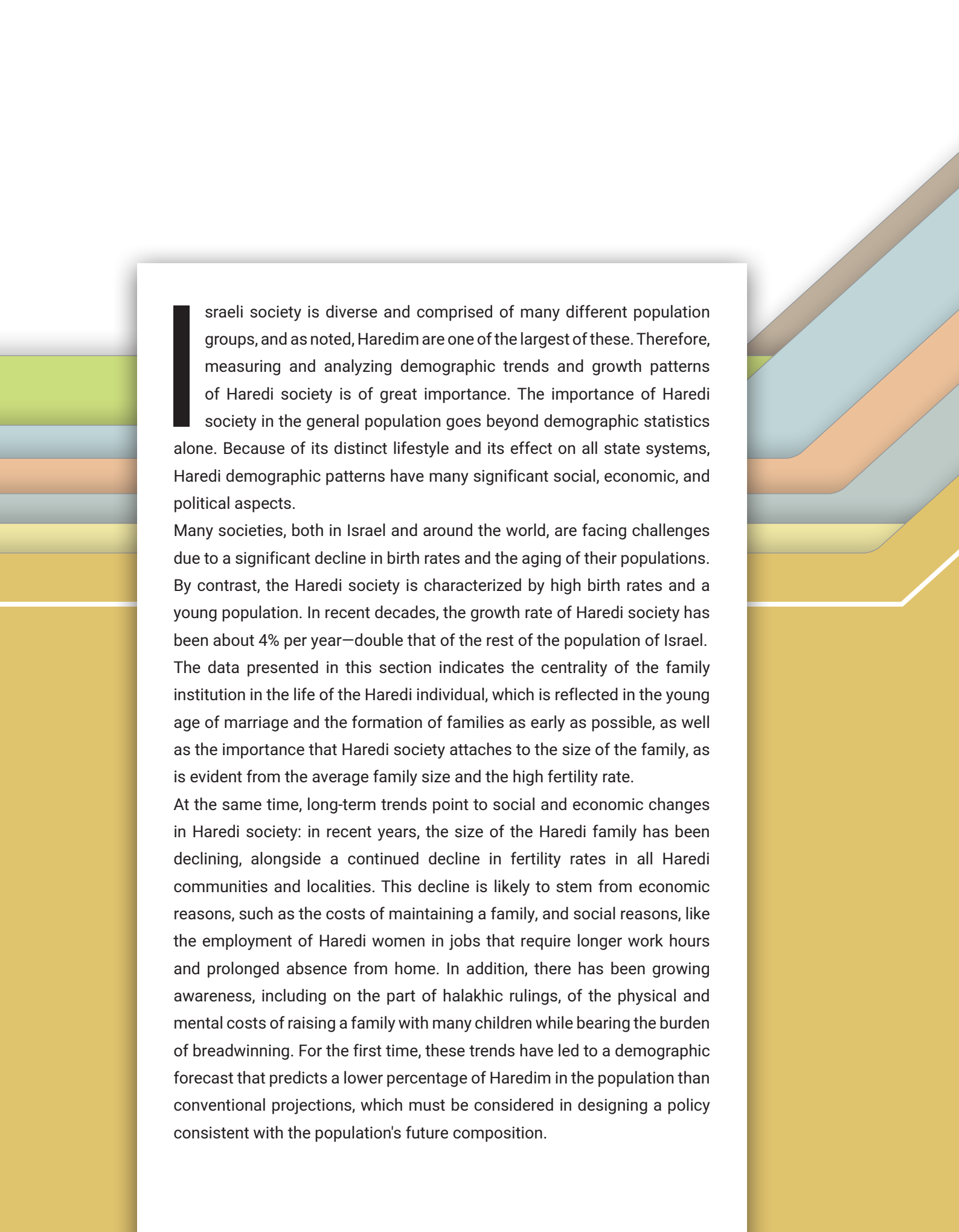
The upward trend in Haredi employment rates continues, mainly among women but also among Haredi men. Nevertheless, the wage gaps between non-Haredi Jewish women and Haredi women remain large, and the wage gaps between non-Haredi Jewish men and Haredi men are widening. These data indicate that Haredi integration into the labor market still requires improvement in scope, and even more so in quality.

The growing trend of integration of the Haredi society into the Israeli economy is also reflected in the marked increase in income from work and the lower amount of mandatory payments made by Haredi families relative to other groups. The nominal increase in government subsidies has also been much smaller than for other groups. Poverty rates in Haredi society are declining due to changes in the scope of employment, but they are still markedly higher than the rate in the general public.

There have also been changes in the Haredi education system, indicating a certain willingness of the community to integrate into the job market and the Israeli economy: the share of matriculation certificate recipients among Haredi pupils has risen over the past decade and doubled among boys, alongside the growth of Haredi state educational institutions and a steady increase in the share of Haredi pupils studying in them (although their share of the population remains low).

Another inseparable part of the trend of Haredi society integrating into the economy is the growing legitimacy of controlled use of the Internet. The expansion of integration into the labor market and formal education, together with appropriate responses that have emerged within Haredi society to filter and control virtual content, has resulted in most Haredi households being connected to the Internet and a high rate of computer use. Nevertheless, in some aspects, Haredi society chooses to be left behind. For example, the percentage of smartphone owners is much lower than in other sectors (only about one-third of Haredim), and Internet use is usually limited to basic needs such as e-mail and information searches.

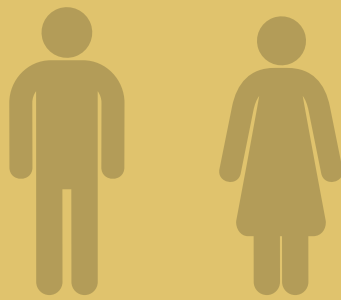
The data presented in this report show that Haredi society is undergoing significant changes in a wide range of aspects of life and point to the necessity of formulating appropriate policies for dealing with the unique challenges and opportunities created by these changes.



Israeli society is diverse and comprised of many different population groups, and as noted, Haredim are one of the largest of these. Therefore, measuring and analyzing demographic trends and growth patterns of Haredi society is of great importance. The importance of Haredi society in the general population goes beyond demographic statistics alone. Because of its distinct lifestyle and its effect on all state systems, Haredi demographic patterns have many significant social, economic, and political aspects.

Many societies, both in Israel and around the world, are facing challenges due to a significant decline in birth rates and the aging of their populations. By contrast, the Haredi society is characterized by high birth rates and a young population. In recent decades, the growth rate of Haredi society has been about 4% per year—double that of the rest of the population of Israel. The data presented in this section indicates the centrality of the family institution in the life of the Haredi individual, which is reflected in the young age of marriage and the formation of families as early as possible, as well as the importance that Haredi society attaches to the size of the family, as is evident from the average family size and the high fertility rate.

At the same time, long-term trends point to social and economic changes in Haredi society: in recent years, the size of the Haredi family has been declining, alongside a continued decline in fertility rates in all Haredi communities and localities. This decline is likely to stem from economic reasons, such as the costs of maintaining a family, and social reasons, like the employment of Haredi women in jobs that require longer work hours and prolonged absence from home. In addition, there has been growing awareness, including on the part of halakhic rulings, of the physical and mental costs of raising a family with many children while bearing the burden of breadwinning. For the first time, these trends have led to a demographic forecast that predicts a lower percentage of Haredim in the population than conventional projections, which must be considered in designing a policy consistent with the population's future composition.



Demographics

Key Findings

1.2
million Haredi Jews

live in Israel in 2023

Haredim constitute 12.3% of the total population and 15.6% of the Jewish population in Israel

56%

of the Haredi population is under the age of 19, compared to 30% of the non-Haredi Jewish population

375,000

Haredim are of working age (25-64), compared to 3.1 million non-Haredi Jews, i.e. Haredim constitute 11% of the Jewish workforce

415,000

people in the Litvak stream
(34% of all Haredim)

390,000

people in the Sephardic stream
(33% of all Haredim)

355,000

people in the Hasidic stream (excluding Chabad)
(29% of all Haredim)

5.15

persons in an average Haredi family. The Haredi family is the largest, with a non-Haredi Jewish family having 2.8 members and an Arab family having 4.15 members

36%

of Haredim aged 18-24 are married. Many Haredim marry at a young age, compared to 9% in Arab society and 4% in non-Haredi Jewish society

6.2

The Fertility Rate in Haredi society

In Haredi society, fertility is the highest. Among Arab Israelis, the average fertility rate is 2.6, and among non-Haredi Jews, 2.3

7.1

The Fertility Rate in the Hasidic stream

Within Haredi society, the highest fertility rate was recorded among the Hasidic stream. In the Litvak stream, the fertility rate is 6.6, and in the Sephardic stream – 5.2

Key Trends

Growth Rate



Currently, the growth rate of the Haredi population stands at about 3.9% a year, a pace consistent with the low forecasts of the Central Bureau of Statistics. According to these forecasts, the growth rate is expected to decline gradually over the next decade to 3% per year and later to 2% per year.

Number of Haredim



Given its current size (lower than previous estimates) and the expected growth rate, by 2065 the Haredi population is expected to number about 4 million people, while the rest of the population in Israel will number about 12 million people, so the predicted share of the Haredi population will be only about 25% of the country's population.

Age of Marriage



The age of marriage in Haredi society has been rising: since 2014, the share of married women in the 18-24 age group has declined from 46% to 36%.

Family Size



The average Haredi household size has risen slightly in the past decade, probably because of later marriage, which leads single young Haredi women to reside for more extended periods in their parents' homes.

Fertility Rate



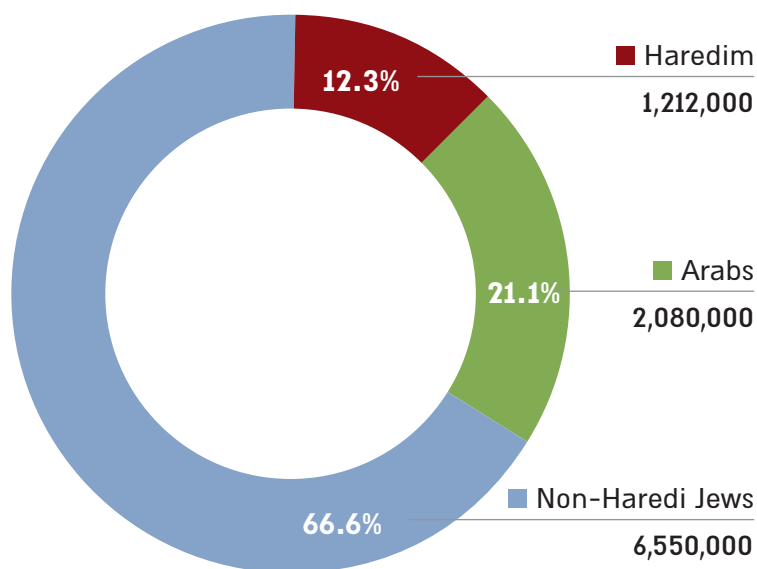
Fertility rates in Haredi society have been declining since 2004, reaching a 40-year low of 6.2 children per family in 2020.

Population Distribution in Israel

In 2023, Israel's population numbered 9,842,000: about 6.5 million non-Haredi Jews (and others), constituting about 67% of the total population; about 2.1 million Arabs, about 21% of the total population; and about 1.2 million Haredi, constituting about 12.3% of the total population and about 15.6% of the Jewish population. Based on a machine learning algorithm and administrative database, this figure is about 125,000 persons lower than the currently accepted figure.

Figure 1

Distribution of Israeli residents by population groups, 2023



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Between 1979-2023, the Haredi population of Israel has grown from about 200,000 to about 1.2 million people, meaning that the number of Haredim has increased sixfold. During this period, the rest of the country's population grew from about 3.6 million to 8.6 million people, i.e., 2.4-fold.

The actual growth rate of the Haredi population in recent years (3.9%) matches the low scenario of Central Bureau of Statistics forecasts. Thus, the estimates of the size of the Haredi population between 2023 and 2065 were calculated according to the updated estimate of the number of Haredim, which, as noted, is lower than the accepted number.

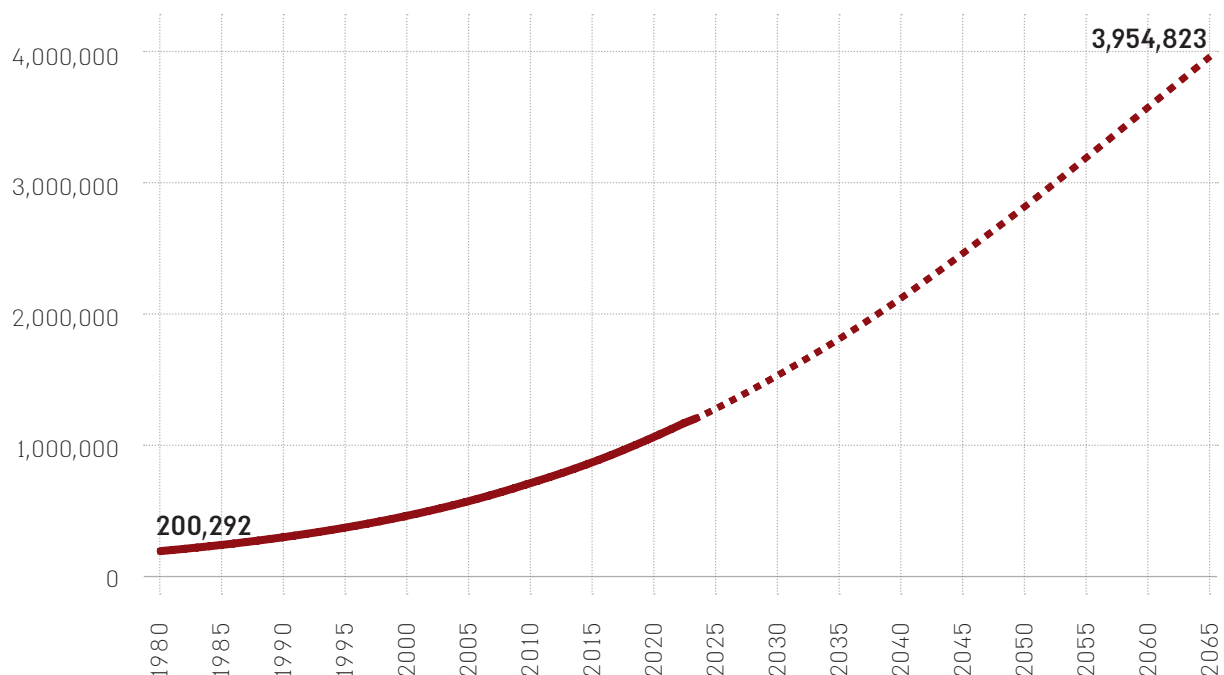
According to the low scenario of Central Bureau of Statistics forecasts (which, as noted, is in line with the current growth rate), in the coming decade, the growth rate of the Haredi population is expected to decline gradually to 3% per year, and later to 2%. At the same time, the growth rate of the rest of the population in Israel is expected to decline to about 1% per year. By 2030, the Haredi population is

expected to number about 1.5 million people, and the rest of the population in Israel will number about 9.35 million people. In other words, the share of the Haredi population will be about 14% of the Country's population.

By 2050, the Haredi population is expected to number about 2.8 million people, and the rest of the population in Israel is expected to number about 11 million people. This indicates that the Haredi population will consist of 20% of the population. By 2065, the Haredi population is expected to grow to about 4 million people, and the rest of the population in Israel is expected to be about 12 million people, so the share of the Haredi population will be about 25% of the country's population.

Figure 2

Estimated number of Haredim in Israel, 1979-2065

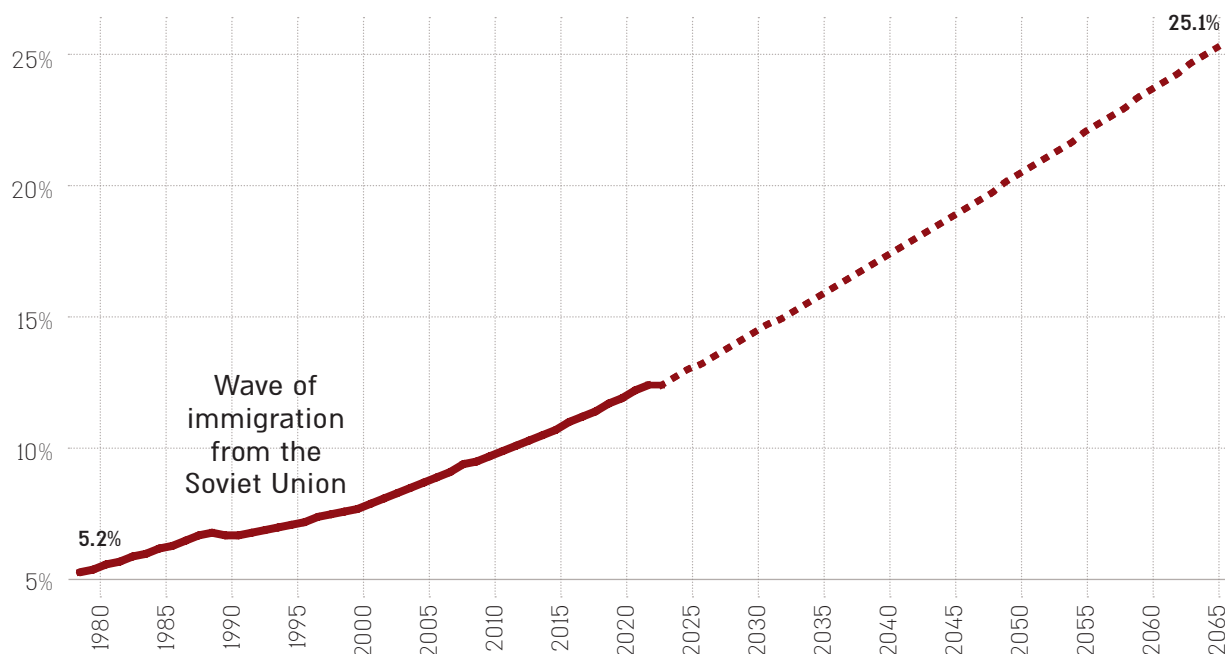


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

These data indicate that the currently accepted estimate (the middle forecast of the Central Bureau of Statistics), which predicts that by 2065, the share of Haredim in the Israeli population will be 32%, is not expected to be realized. Current demographic trends are consistent with the low forecast and reinforce the need to monitor fertility and birth trends among the various populations.

Figure 3

Percentage of Haredim in the population of Israel, 1979-2065



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

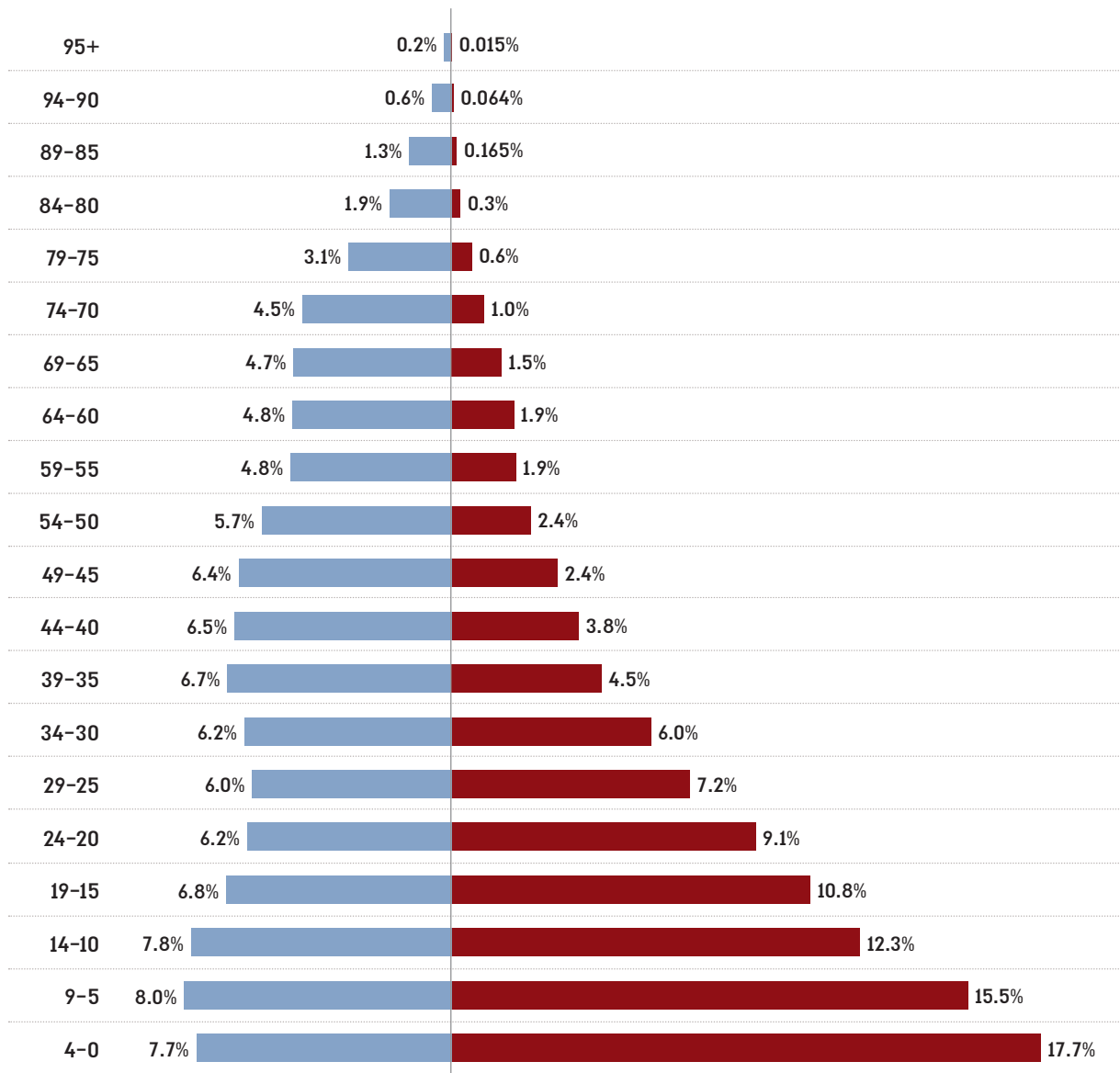
The growth rate of the Haredi population also creates a unique age composition: about 56% of the population is under 19, compared to about 30% of the non-Haredi Jewish population. The trend is the opposite in the primary working ages (25-64): about 47% of the non-Haredi Jewish population is in this age group, compared to only about 31% of the Haredi population. As of 2023, about 375,000 Haredim are of working age, compared to about 3.1 million non-Haredi Jews.

As noted, Haredi society is comprised of different streams and communities, including four main ones. The Litvak stream is the largest, accounting for about 34% of Haredi society—about 415,000 people. The Sephardic stream is the second largest, with about 390,000 residents, constituting about 33% of the Haredi population. The Hasidic stream (excluding Chabad) is slightly smaller, about 355,000 people, and its share is about 29% of Haredi society. Chabad Hasidim comprise about 4% of all Haredim, with about 48,000 members.

Figure 4

Age distribution by sector, 2022

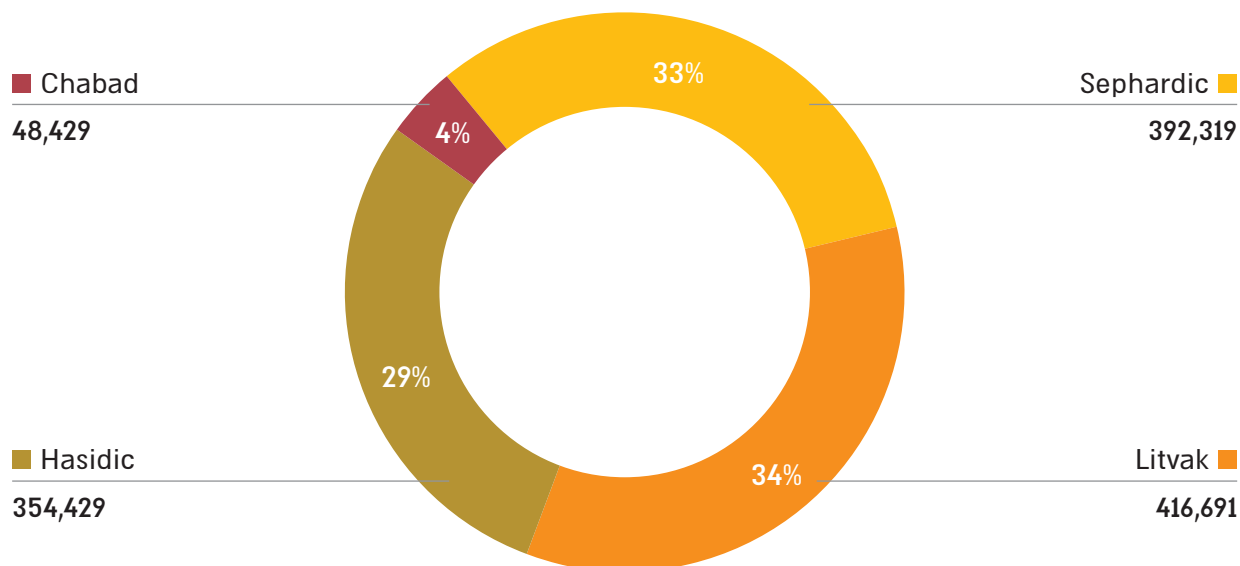
■ Haredim ■ Non-Haredi Jews



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 5

Distribution of streams in Haredi society, 2023



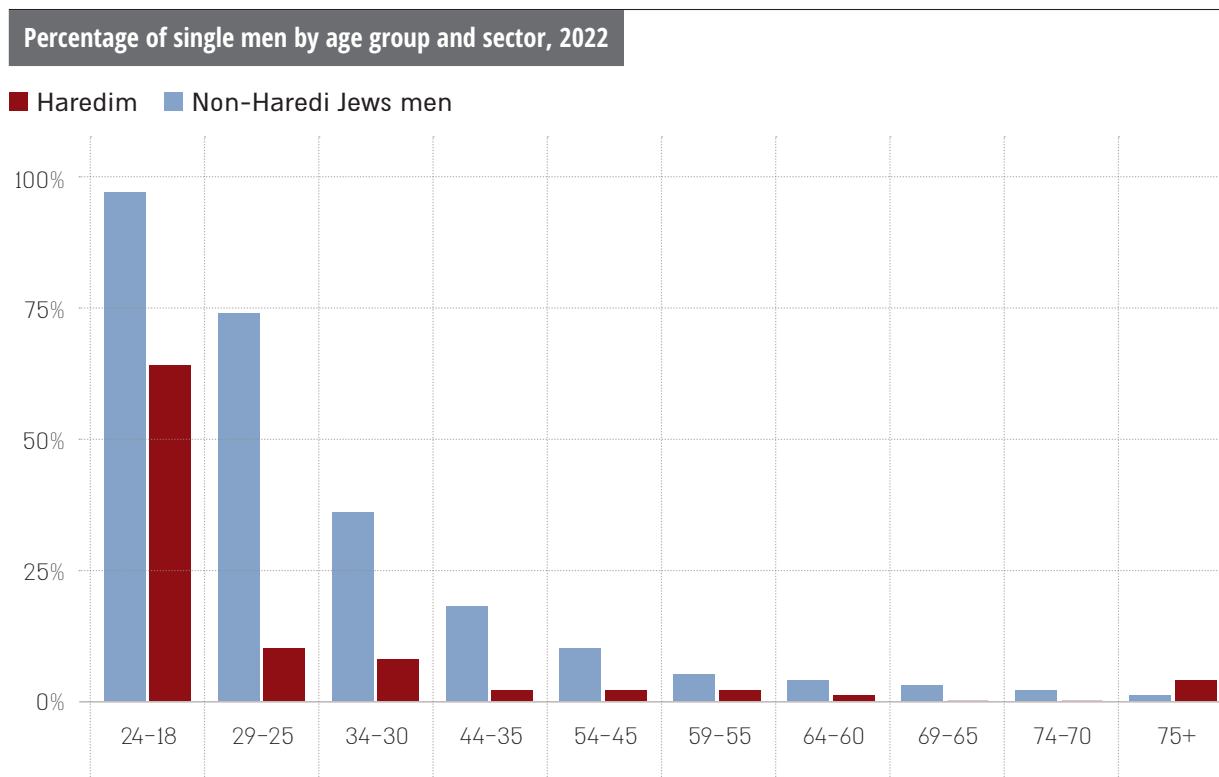
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Marital Status

Haredi society attaches great importance to the institution of the family and considers it important to establish it at a relatively young age. Thus, from age 18, the percentage of singles in Haredi society is much lower than their share in non-Haredi Jewish society.

In the younger groups, the gap among men is large: of 18-24-year-olds, only 64% of Haredim are single, compared to 97% of non-Haredi Jews. In the 25-29 age group, the share of singles in Haredi society drops to 10%, compared to 74% of non-Haredi Jews. In the older age groups, the gaps between the population groups narrow: the share of singles in Haredi society in the 30-34 age group is 8%, and among the 35-44 age group only 2%. In the non-Haredi Jewish society, the share of singles in these age groups drops to 36% and 18%, respectively.

Figure 6



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

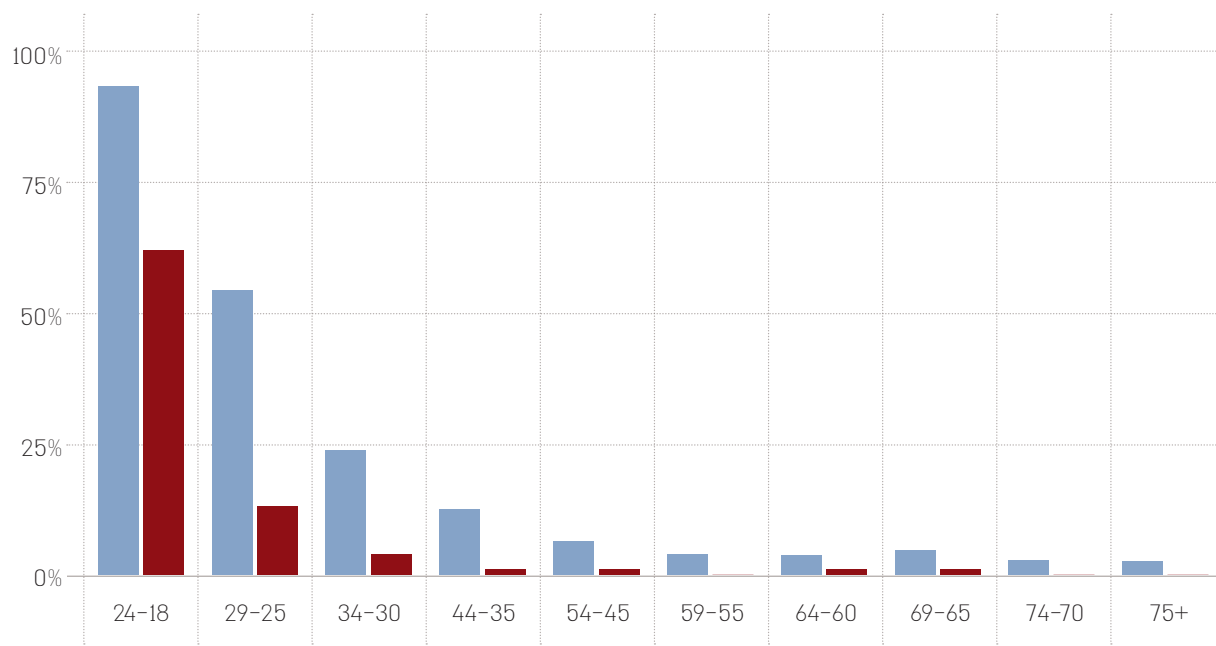
A similar trend is apparent among women. In the 18-24 age group, the rate of single women in Haredi society stands at 62%, and in non-Haredi Jewish society at 93%. In the 25-29 age group, the share of single women in Haredi society drops to 13%, compared to 54% of non-Haredi Jewish women. These data indicate that in both societies, women marry at a younger age than men, but Haredi women marry at a much younger age than non-Haredi Jewish women.

In the older age groups, the gaps between the population groups continue to narrow: the share of single women in the Haredi community drops to 4% in the 30-34 age group and 1% in the 35-44 age group. In non-Haredi Jewish society, the percentage of single women in these age groups stands at 24% and 12%, respectively.

Figure 7

Percentage of single women by age group and sector, 2022

■ Haredim ■ Non-Haredi Jewish women



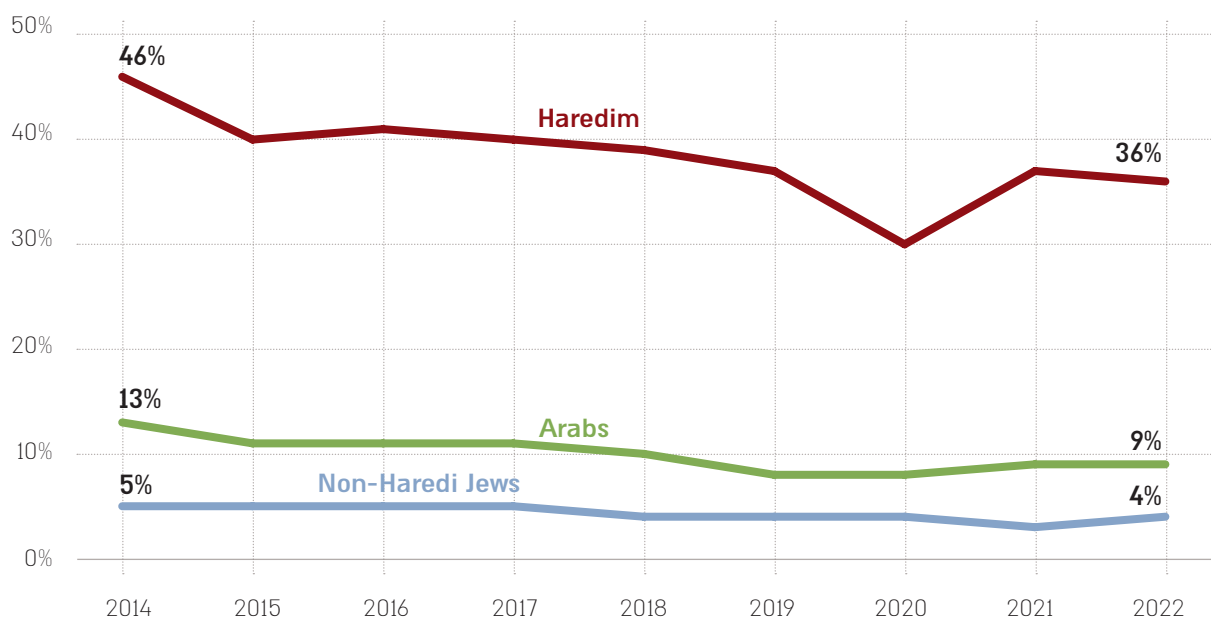
Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

Correspondingly, the marriage rate in Haredi society (men and women) is much higher than in other population groups. In 2022, the marriage rate among Haredim aged 18-24 was 36%, compared to 9% in Arab society and only 4% in non-Haredi Jewish society. Over the years, however, there has been a downward trend in the share of married women in the younger age group. In 2014, the marriage rate in Haredi society in this age group was 46%, and it has declined gradually over the years, reaching about 36% in 2022. Note that in 2020, there was a temporary and sharp drop in this rate, presumably due to COVID-19 restrictions.

In non-Haredi Jewish society, no notable trend was observed in the rate of early marriages, and throughout the measured period, the figure ranged between 4% and 5%. A similar downward trend is evident in Arab Israeli society: the share of married people in this age group has gradually declined from 13% in 2014 to about 9% today.

Figure 8

Percentage of married people by sector, 2014-2022, ages 18-24



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

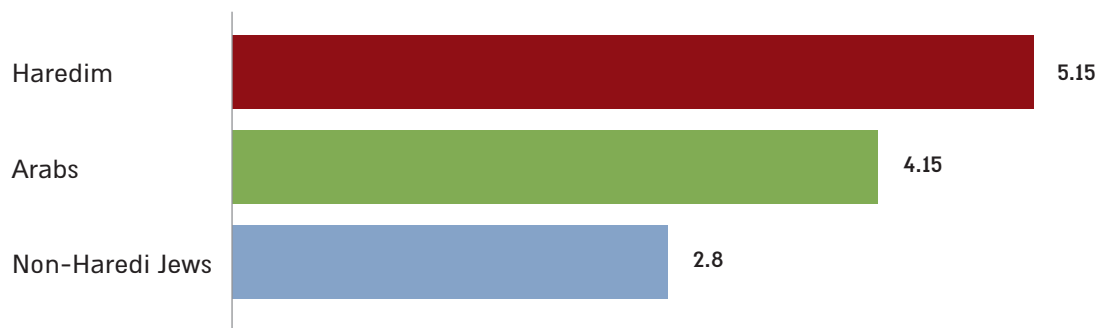
Average Family Size

The importance that Haredi society attaches to the family institution is also reflected in large families with many children. The average Haredi household is the largest of the various population groups. In 2022, its average size was 5.15 persons, compared to 2.8 among non-Haredi Jews and 4.15 in Arab society.

* The average Haredi family is relatively young, and some children have not yet been born.

Figure 9

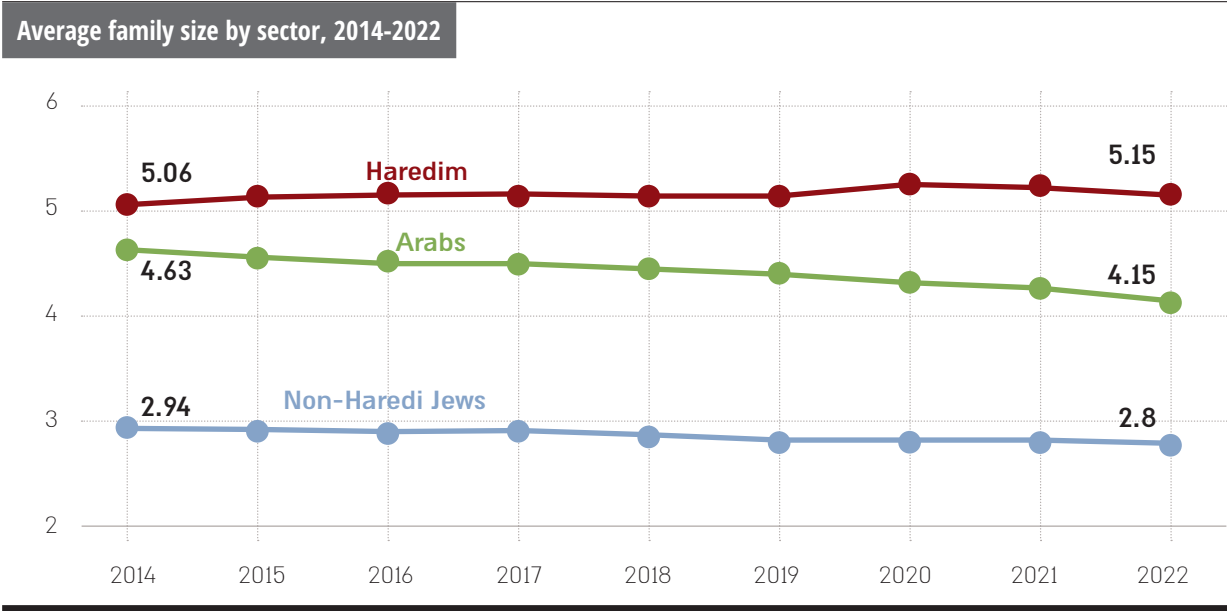
Average family size by sector, 2022



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

Over the years, there have been changes in the size of households of the various population groups. Since 2014, there has been a continuous decline in the size of families of non-Haredi Jews (from 2.94 to 2.8 persons per family on average) and of Arab Israelis (from 4.63 to 4.15). By contrast, in Haredi society, a moderate increase in average family size was observed during these years, from 5.06 persons in 2014 to 5.15 in 2022. This increase may be explained by the rise in the phenomenon of relatively late singleness in Haredi society. As young Haredi women marry relatively later, they live longer in their parents' homes, increasing the average number of persons per household and reducing the number of households.

Figure 10

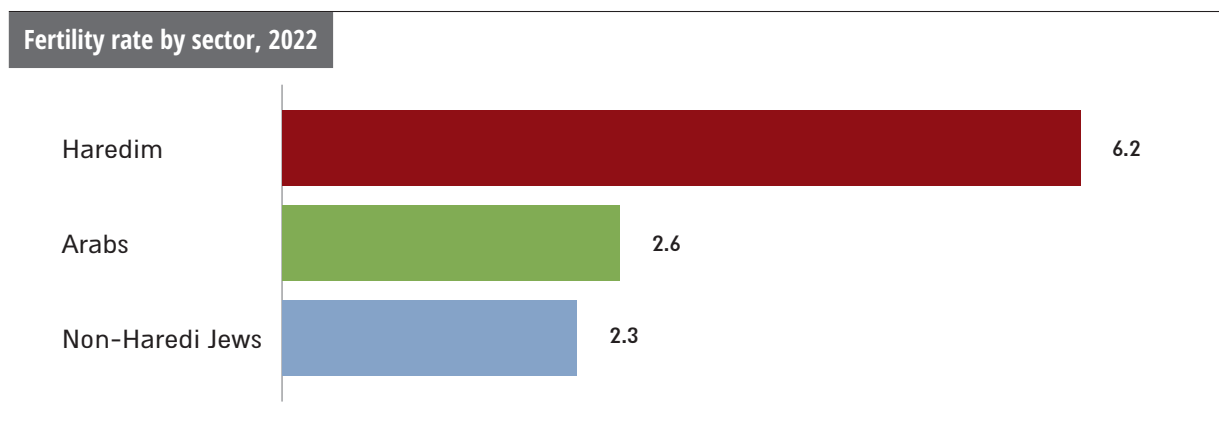


Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

Fertility

The average family size depends, naturally, on women's fertility rates. In Haredi society, fertility is the highest, at an average of 6.2 births per woman. Among non-Haredi Jews, the average fertility rate is much lower, at 2.3 births per woman. In Arab society, the fertility pattern relatively similar to that of the non-Haredi Jewish population, standing at an average of 2.6 births per woman.

Figure 11



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

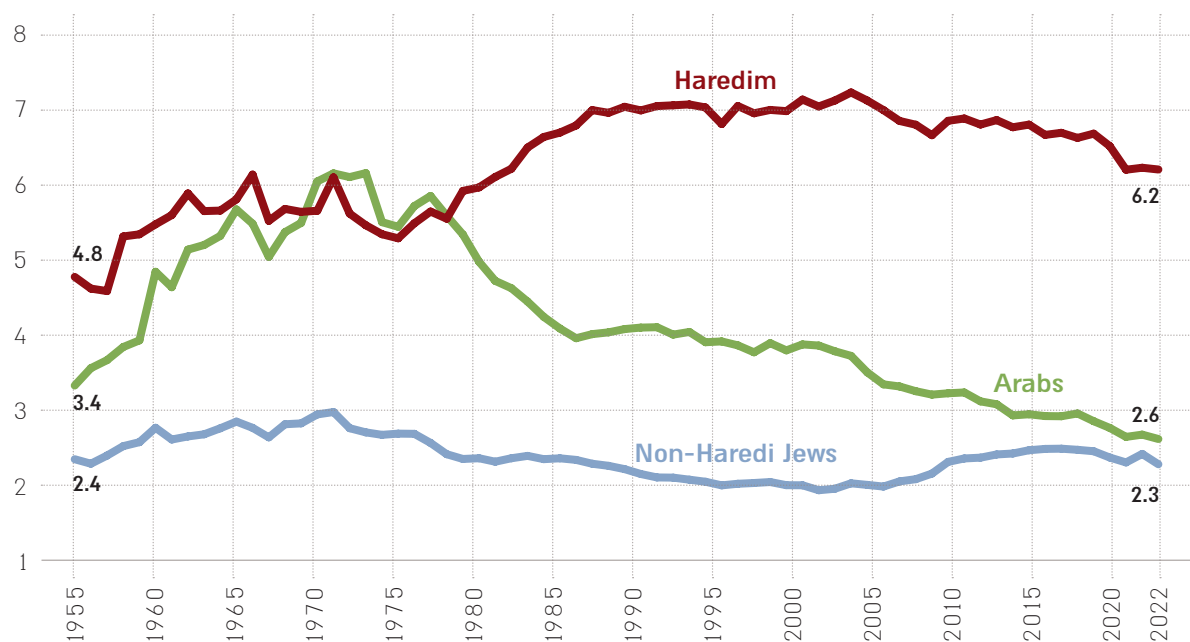
Similarly to average family size, fertility rates in various population groups have also changed over the years. Among Haredi women, there has been a gradual increase in average fertility, from 4.8 in 1955 (the lowest fertility rate ever recorded in Haredi society to 7.3 in 2003. This upward trend was evident in all years, except for the 1966-1975 decade. In the late 1970s, there was an acceleration in the growth rate of fertility in Haredi society, rising from 5.7 in 1978 to 7.0 in 1987.

The peak fertility of Haredi women was in 2003, at an average of 7.3 births. Since then, there has been a continuous decline. A relatively sharp decline between 2019 and 2020 led to the lowest fertility rate in Haredi society in the last 40 years: an average of 6.2 children.

Among non-Haredi Jewish women, average fertility has not changed much in the past 70 years. In 1955, the fertility rate in this group was 2.4, very similar to the number today (2.3). Between these years, there were some ups and downs: in 1971, the fertility rate of non-Haredi Jewish women peaked at 3.0, and between 1999-2005, the lowest fertility rate was registered at 2.0. Since then, fertility has risen slightly to 2.3.

Figure 12

Fertility rate by sector, 1955-2022



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

An intriguing trend appears in Arab society: a marked increase in fertility between 1955-1973, from 3.4 to 6.2 (between 1970-1978, the fertility rate in Arab society was even higher than in Haredi society), followed by a continuous downward trend. In 2022, the fertility rate in Arab society reached a low of 2.6.

Intra-sectoral View

As noted, Haredi society is comprised of different streams that differ widely, among others, in fertility. As of 2022, the highest fertility rate was recorded in the Hasidic stream: 7.1. In the Litvak stream, the average fertility rate has been slightly lower, at 6.6. The lowest fertility rate in Haredi society is found in the Sephardic stream: 5.2 on average.

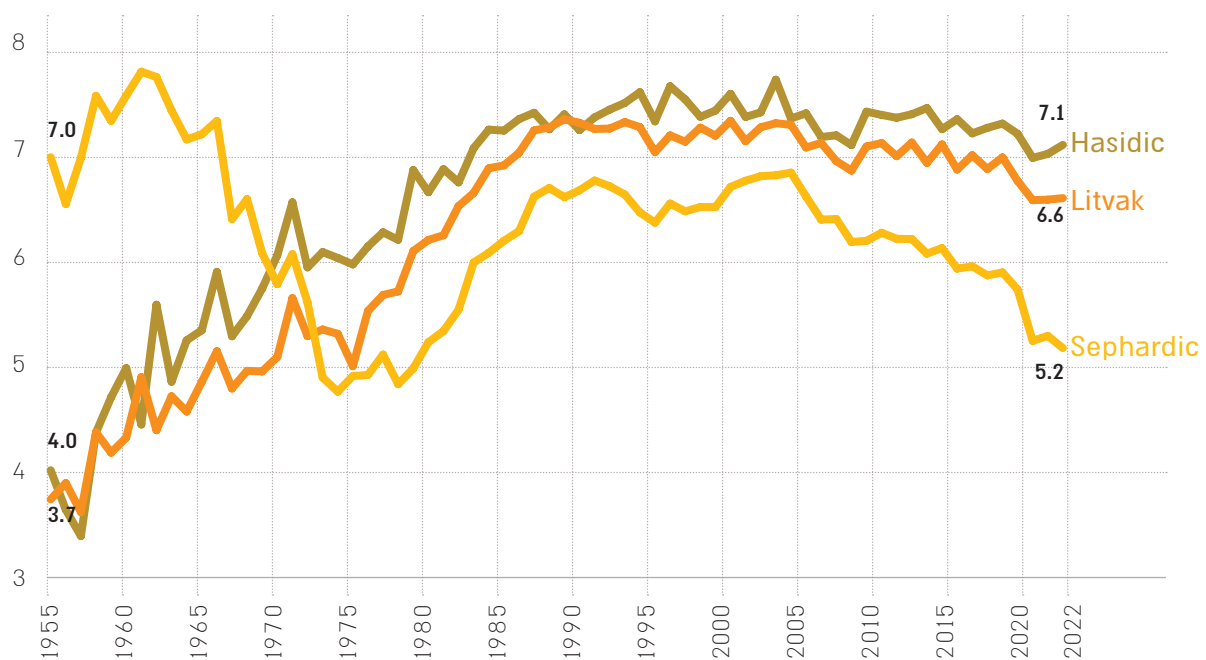
Over the years, various trends in fertility have also been evident within Haredi society. In the 1950s and early 1960s, fertility in the Sephardic stream was the highest, at an average of about seven births per woman. Later, in the 1960s and 1970s, there was a dramatic decline in fertility in this stream, dropping to 4.9 (a trend consistent with the overall decrease in fertility in the Mizrahi communities). In subsequent years, there was a renewed increase and then another decline, eventually stabilizing at about 5.2 births in 2020.

In the other streams of Haredi society, there was a continuous upward trend in fertility until the beginning of the 2000s. In the Litvak stream, fertility rates rose from 3.7 in 1955 to a peak of 7.4 in 2000. After that, a slow downward trend began, stabilizing at 6.6 births in 2020. A similar trend is observed in the Hasidic

stream: in 1955, the average fertility rate was 4.0, which gradually rose and peaked at 7.6 in 2000, when a slow downward trend began, as in the Litvak stream, stabilizing at about 7 births on average in 2020. Thus, beginning in the late 1970s, with the expansion of the scope of the Torato Omanuto ("Torah study is his job") Law, somewhat similar trends were observed in the three Haredi streams: a rapid increase in the birth rate until the beginning of the 2000s, and from 2004 onwards (apparently due to the cuts in child stipends) a gradual and consistent decline in the birth rate to this day. It appears that in the past two decades, the rate of decline in fertility in the Sephardic stream has been faster, and the gap between it and the other streams has been widening.

Figure 13

Fertility rate by Haredi stream, 1955-2022



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

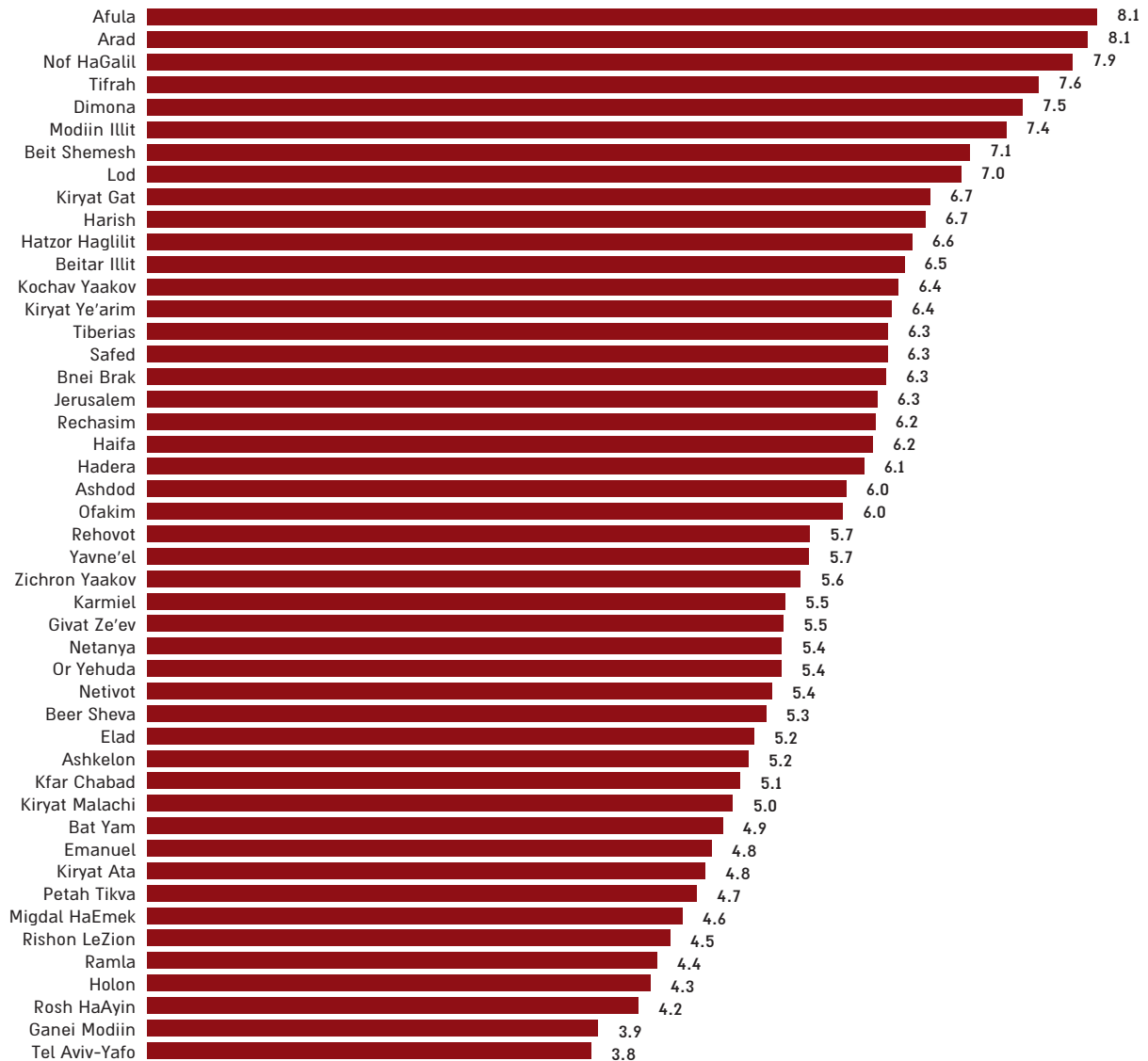
Belonging to a Haredi stream is also related to the choice of place of residence. Therefore, the average fertility rate in the Haredi population varies greatly between localities. Peak fertility rates are found among Haredim living in Afula and Arad, with an average of 8.1. Arad has a large Hasidic community (mainly Gur Hasidim and a few Chabad). Therefore, this percentage is consistent with the data in the previous figure, which indicates a relatively high average fertility rate in the Hasidic stream. Other leading localities in fertility rates in the Haredi sector are Modi'in Illit (7.4), a city with a predominantly Litvak population; Beit Shemesh (7.1), which consists of a diverse population, including conservative Hasidic

communities alongside modern ones; and localities with a high Hasidic presence such as Lod (7.0), Kiryat Gat (6.7) and Hatzor HaGlilit (6.6).

At the bottom of figure 12 regarding fertility are localities in central Israel, such as Ramat Gan (3.4), Tel Aviv (3.8), Rosh HaAyin (4.2), Holon (4.3), Rishon LeZion (4.5) and Petah Tikva (4.7). These localities, particularly Petah Tikva, are home to relatively young Haredi groups with an open and liberal character compared to the main Haredi stream, traits associated with lower-than-average fertility rates.

Figure 14

Fertility rate in the Haredi sector by locality, 2022



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

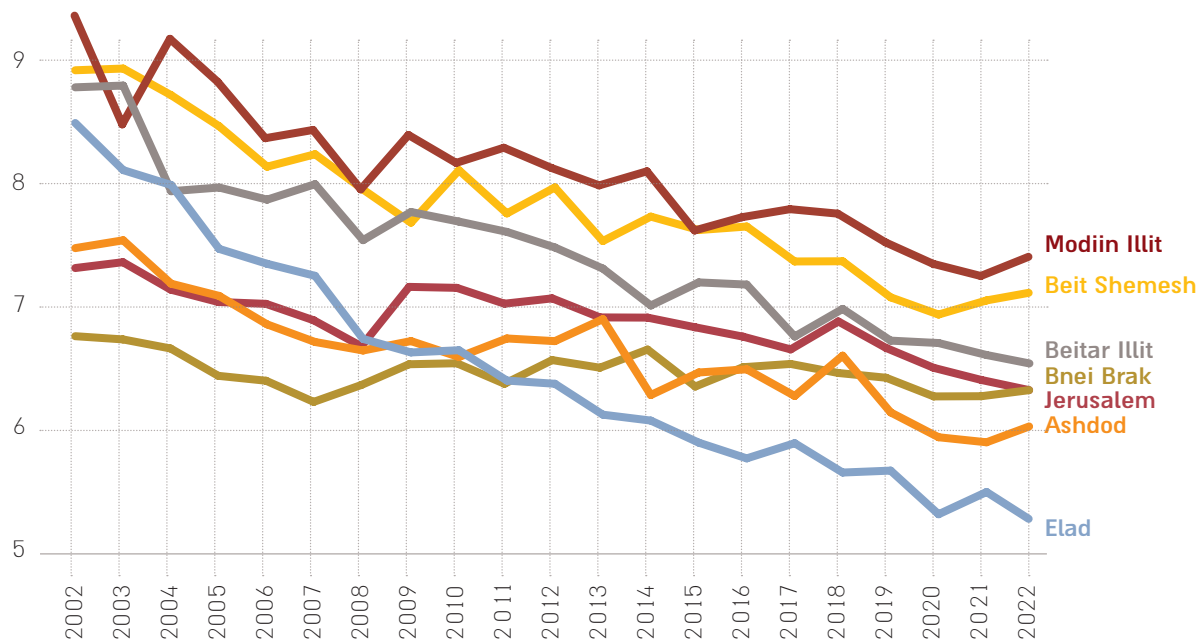
The Haredi cities of Jerusalem and Bnei Brak, which have the largest and oldest Haredi concentrations and a mix of all streams in Haredi society, are located in the middle of the table. Their fertility rates are similar to the average for the general Haredi population (6.3).

Even in long-term trends, the main Haredi cities are not identical. Between 2002-2022, there has been a slow but consistent downward trend in average fertility in all cities, but to a different degree. In Bnei Brak, the city with the second largest Haredi concentration, the average fertility rate changed very little, from 6.7 at the beginning of the period to 6.3 at the end. This moderate trend is consistent with the relatively conservative nature of the city's population. In Jerusalem as well, the average fertility rate declined relatively moderately, from 7.3 in 2002 to 6.3 in 2022. By contrast, Elad saw the sharpest decline, from 8.5 in 2002 to 5.3 in 2022. In Ashdod, Beitar Illit, Beit Shemesh, and Modi'in Illit, a downward trend of similar magnitude, between 1.5-2 on average, was observed.

The differences in fertility trends in various cities may be due to factors such as the age composition of city residents (some cities have a larger share of older residents); geographical location in the center or periphery; and as noted, the Haredi streams living in the city.

Figure 15

Fertility rate in the Haredi sector in selected cities, 2002-2022

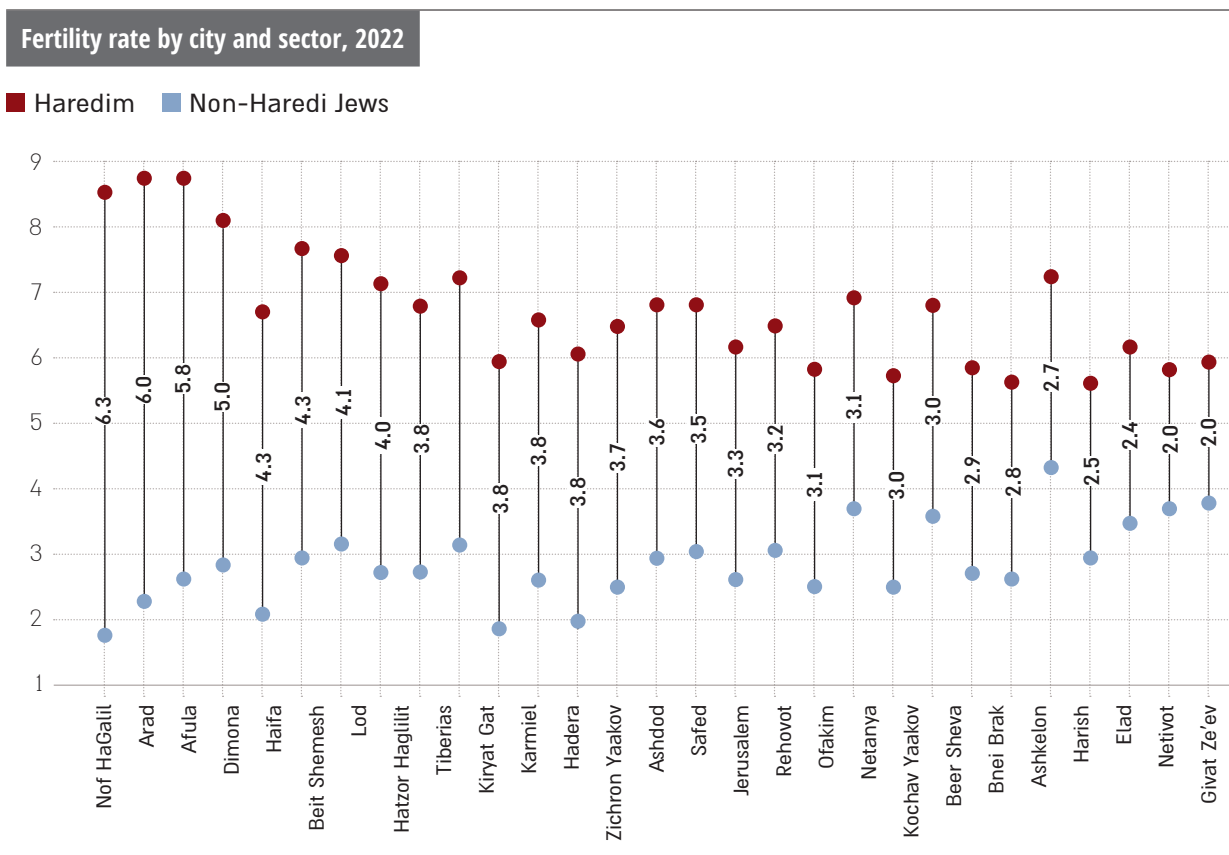


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

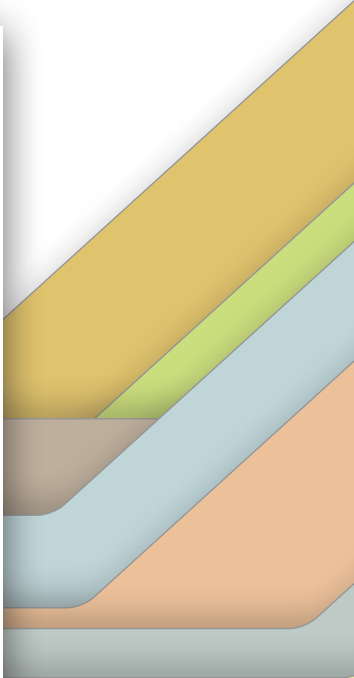
Note the gaps in fertility between the Haredi population and the non-Haredi Jewish population in the same locality. In all cities, the average fertility rate of Haredim is much higher, but in some cities, the gaps are particularly large. In Arad, Afula, and Dimona, fertility gaps reach 5-6 children, whereas Givat Ze'ev, Netivot, and Elad stand at 2-2.5 children.

The differences between the localities in the size of the fertility gaps may derive, among other things, from the composition of the non-Haredi population in the various localities and the nature of the Haredi population in the locality. Where a large percentage of the non-Haredi population is religious or a large percentage of Haredim belong to the Sephardic stream (for example, in Netivot), the fertility gaps between Haredim and non-Haredi Jews are expected to be smaller.

Figure 16



Source: Haredi Institute for Public Affairs Analysis of Administrative Data



Housing is one of Israeli society's most pressing and significant socioeconomic issues. The increase in housing prices and the shortage of available housing units in high-demand areas have created a ripple effect, forcing various populations in Israeli society, including the Haredi, to migrate to neighborhoods and localities near high-demand areas in search of available and affordable housing.

Haredi society attaches great importance to the place of residence and its location. The purchase of an apartment is usually made at the time of marriage or relatively early stages of the couple's life. Buying an apartment for the young couple with assistance from the family is part of standard social conventions in Haredi society. This explains the high rate of homeowners in Haredi society relative to the non-Haredi Jewish population and the lower average age of home buyers in Haredi society compared to the general society.

Due to the socioeconomic situation of many Haredim, they are willing to purchase older, smaller apartments than those purchased by the general public. As noted, the housing shortage has also affected the housing characteristics in Haredi society. In recent years, there has been a broader trend of purchasing apartments for young Haredi couples in the periphery, especially in Haifa and northern Israel. Nevertheless, moving away from Haredi localities and their satellite cities depends on the presence of social and community institutions compatible with Haredi society and the particular stream to which the buyers of the residence belong. For this reason, Haredi housing purchases in the periphery are concentrated in Haifa, Afula, and Nof HaGalil, where Haredi community infrastructure has been established in recent years.

The development of Haredi institutions and public places in new areas of Israel may provoke social tensions between the Haredi community and the existing populations in those regions. Given the ongoing housing shortage in Israel in general, and in Haredi society in particular, preparations should be made for the expansion of the trend of the geographic spread of Haredi society. It is important to plan and prepare for creating public spaces adapted to shared life in such areas as educational institutions, community services, and more.



Housing

Key Findings

68%
of Haredim own apartments

Compared to 62% among non-Haredi Jews and 73% among Arabs

40%
of Haredi households took out a mortgage

Haredim take more mortgages than non-Haredi Jews. Only 28% of non-Haredi Jews have a mortgage

80
square meters

Median area of apartments purchased by Haredim. Haredim buy smaller apartments: The median area of apartments purchased by non-Haredi Jews is 97 square meters

NIS 1.39 million

Average apartment cost among Haredim. Haredim purchase cheaper apartments: The price of an apartment among Haredim is about 75% on average of the cost among the non-Haredi Jewish population (NIS 1.85 million). This ratio has remained relatively stable over the years

29 years

the median apartment age purchased by Haredim

The apartments bought by Haredim are older: the median apartment age purchased by non-Haredi Jews was only 15 years

NIS 3,340

Average rent of Haredim. Haredim pay lower rent than non-Haredi Jews. Non-Haredi Jews pay an average of NIS 3,550

NIS 3,455

Average mortgage for Haredim.

Haredim pay a lower average mortgage than non-Haredi Jews. The average mortgage for non-Haredi Jews is NIS 4,158

29.2
The median age of Haredi home buyers

Haredim buy apartments at a younger age: The median age of non-Haredi Jewish buyers was 41.4

Number of apartments bought by Haredim in 2018-2021:
Beit Shemesh 8,602 apartments; Jerusalem 8,414 apartments; Bnei Brak 5,663 apartments; Ashdod 2,777 apartments; Haifa 1,825 apartments

Key Trends

Homeownership



In recent years, there has been a slight decline in the share of homeowners in Haredi society, from about 69% in 2014 to about 68% in 2021.

Mortgages



In the past five years, there has been a slight decline in the share of Haredi households taking out a mortgage, from 45% to about 40%—a level similar to that observed in 2014. Among non-Haredi Jewish households, the share of households taking out mortgages declined gradually from 33% in 2014 to about 28% in 2021.

Purchases in the Center of Israel



In recent decades, the share of home purchases by Haredim in the central district has dropped from 35% to 20%. In the southern, northern, and Haifa districts, the combined rate increased from 20% to 40%, and in the Jerusalem district it remained about 30%.

Geographic Distribution

Most of the Haredi public is concentrated in seven localities. Jerusalem has the largest Haredi population: about 293,000 Haredim live there, about 24% of all Haredim residing in Israel and 29% of the city's residents.

Bnei Brak is the second-largest Haredi community in Israel, home to about 210,000 Haredim, about 17% of all Haredim living in Israel, and 95% of the city's residents.

Beit Shemesh is the third-largest Haredi community in Israel. About 108,000 Haredim live there, constituting 9% of all Haredim in Israel and 73% of the city's residents.

Modi'in Illit is home to about 87,000 Haredim, or about 7% of all Haredim living in Israel, and 99% of the city's residents.

Beitar Illit has about 67,000 Haredi residents, constituting about 5.5% of all Haredim living in Israel and 98% of the city's residents.

Ashdod and Elad have about 50,000 residents each, constituting about 4% of all Haredim living in Israel. In Ashdod, the percentage of Haredim is 22% of the city's residents, and in Elad, it is 94%.

Table 1

Population distribution by sector and locality, 2023						
Locality	Haredim	Non-Haredi Jews and others	Arabs	Total population	Percentage of Haredim in the locality	Percentage of all Haredim
Total	1,211,668	6,550,331	2,080,000	9,842,000	12.3	100.0
Jerusalem	292,634	330,875	389,230	1,012,740	28.9	24.2
Bnei Brak	209,710	18,535	112	221,134	94.8	17.3
Beit Shemesh	108,054	42,990	106	147,597	73.2	8.9
Modi'in Illit	86,601	746	-	87,347	99.1	7.1
Beitar Illit	67,147	1,010	-	68,157	98.5	5.5
Ashdod	52,587	183,173	425	235,273	22.4	4.3
Elad	48,733	4,578	-	51,634	94.4	4.0
Petah Tikva	23,571	238,159	542	262,650	9.0	1.9
Netivot	18,585	25,647	56	43,769	42.5	1.5
Safed	18,280	20,458	807	39,014	46.9	1.5
Haifa	17,521	240,560	35,627	294,469	6.0	1.4
Netanya	15,968	216,196	589	233,285	6.8	1.3
Rehovot	13,616	139,734	383	153,962	8.8	1.1
Rehasim	13,269	1,488	-	14,301	92.8	1.1
Ofakim	11,611	23,838	233	35,398	32.8	1.0

Locality	Haredim	Non-Haredi Jews and others	Arabs	Total population	Percentage of Haredim in the locality	Percentage of all Haredim
Givat Ze'ev	11,391	9,792	25	20,858	54.6	0.9
Tiberias	11,327	36,756	743	48,619	23.3	0.9
Kiryat Gat	11,005	52,113	79	63,075	17.4	0.9
Tel Aviv	10,960	451,181	22,996	487,126	2.3	0.9
Lod	9,577	50,886	25,527	86,029	11.1	0.8
Arad	9,509	18,464	978	28,717	33.1	0.8
Kochav Yaakov	7,079	3,068	-	9,916	71.4	0.6
Kfar Chabad	6,935	381	-	7,077	98.0	0.6
Kiryat Ya'arim	6,474	486	-	6,737	96.1	0.5
Kiryat Malachi	6,341	19,743	88	26,052	24.3	0.5
Afula	6,077	54,714	649	61,506	9.9	0.5
Holon	5,335	199,098	341	205,589	2.6	0.4
Beer Sheva	5,150	207,503	6,398	219,943	2.3	0.4
Ashkelon	5,084	149,236	403	155,297	3.3	0.4
Hadera	4,510	98,940	975	104,771	4.3	0.4
Rosh HaAyin	4,468	69,881	54	74,599	6.0	0.4
Rishon Lezion	4,280	261,983	277	267,708	1.6	0.4
Emanuel	4,205	492	-	4,552	92.4	0.3
Harish	4,048	23,681	409	28,117	14.4	0.3
Migdal HaEmek	3,687	23,410	12	27,100	13.6	0.3
Kiryat Ata	3,619	58,647	140	62,575	5.8	0.3
Bat Yam	3,524	126,404	1,041	131,486	2.7	0.3
Hatzor Haglilit	2,618	7,554	46	10,166	25.8	0.2
Ramat Gan	2,615	172,275	1,020	176,689	1.5	0.2
Zichron Yaakov	2,558	22,196	62	24,839	10.3	0.2
Nof HaGalil	2,441	27,783	14,070	44,412	5.5	0.2
Tifrah	2,284	119	-	2,323	98.3	0.2
Yavne'el	2,235	2,459	-	4,631	48.3	0.2
Karmiel	2,231	44,000	1,834	48,216	4.6	0.2
Or Yehuda	1,674	36,454	77	38,330	4.4	0.1
Ganei Modiin	1,547	1,298	-	2,799	55.3	0.1
Beit Hilкия	1,544	17	-	1,561	98.9	0.1
Ramla	1,329	59,504	19,822	80,999	1.6	0.1

Locality	Haredim	Non-Haredi Jews and others	Arabs	Total population	Percentage of Haredim in the locality	Percentage of all Haredim
Beer Yaakov	1,299	29,577	99	31,080	4.2	0.1
Yeruham	1,281	9,838	359	11,485	11.1	0.1
Ra'anana	1,247	80,128	60	81,794	1.5	0.1
Geva Binyamin	1,246	4,852	19	6,098	20.4	0.1
Ganei Tikva	1,126	22,416	12	23,628	4.8	0.1
Yesodot	1,074	22	-	1,096	98.0	0.1
Yavne	1,035	54,452	76	55,800	1.9	0.1
Beit She'an	1,023	18,422	174	19,678	5.2	0.1
Ma'ale Adumim	1,013	37,876	56	39,100	2.6	0.1
Other localities	35,774	2,514,244	1,552,968	4,109,099	0.9	3.0

Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The geographic distribution of Haredim in the various localities shows a tendency to congregate by Haredi streams. This results from the history of the settlement of communities from certain streams in specific localities, the organized movement of communities to particular localities, the suitability of the educational and community institutions available to the stream, and more.

Table 2

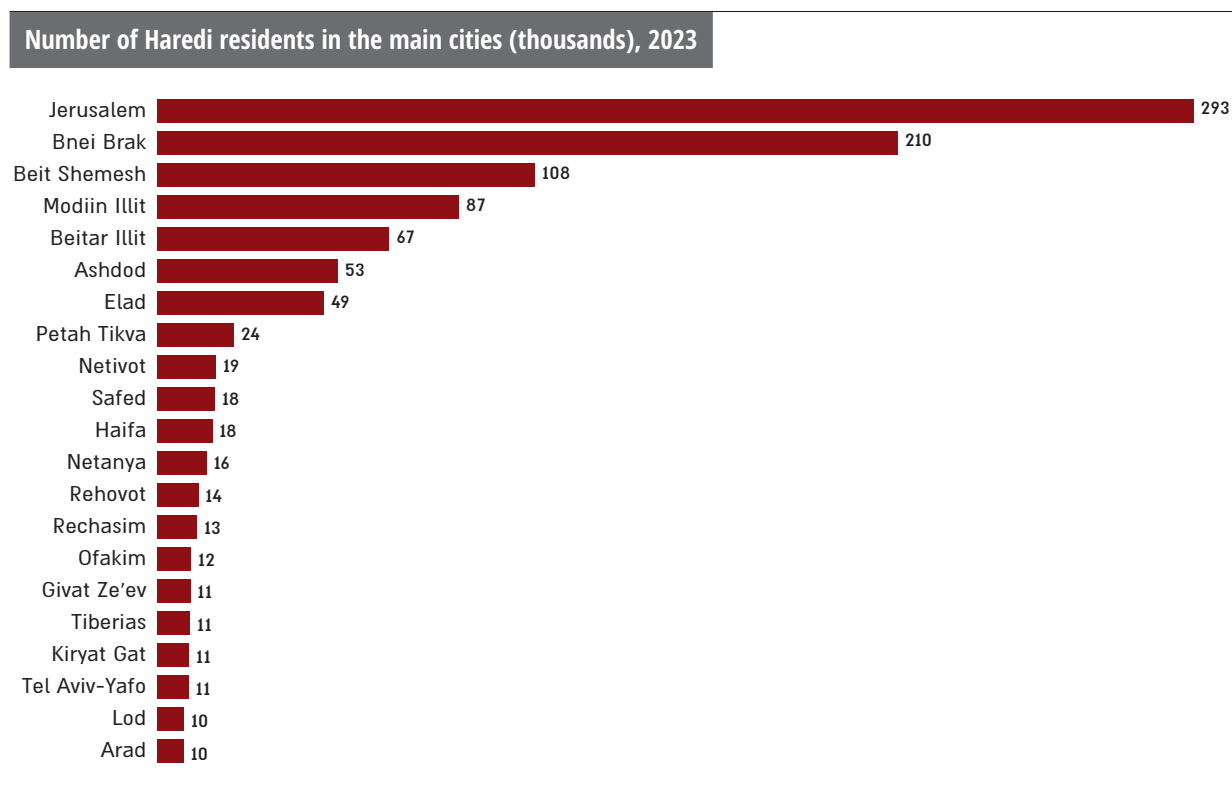
Distribution of the Haredi population by stream and locality, 2023					
Settlement	Number of Haredim	Share of the Haredi stream in the locality (%)			
		Sephardim	Litvaks	Hasidim	Chabad
Total	1,211,668	32.4	34.4	29.3	4.0
Jerusalem	292,634	27.6	42.5	27.6	2.2
Bnei Brak	209,710	28.8	40.3	30.1	0.8
Beit Shemesh	108,054	16.9	37.9	42.9	2.3
Modi'in Illit	86,601	18.3	64.6	16.8	0.4
Beitar Illit	67,147	21.2	22.3	52.5	4.0
Ashdod	52,587	28.4	9.2	61.1	1.2
Elad	48,733	44.0	24.9	29.3	1.9
Petah Tikva	23,571	42.4	42.0	12.6	3.0
Netivot	18,585	80.0	11.2	7.2	1.6
Safed	18,280	38.7	12.8	33.5	15.0
Haifa	17,521	22.0	29.0	43.9	5.1

Settlement	Number of Haredim	Share of the Haredi stream in the locality (%)			
		Sephardim	Litvaks	Hasidim	Chabad
Netanya	15,968	43.4	12.3	37.2	7.1
Rehovot	13,616	52.4	21.7	16.6	9.4
Rehasim	13,269	56.2	39.9	3.6	0.4
Ofakim	11,611	52.4	40.2	6.1	1.3
Givat Ze'ev	11,391	35.0	36.2	26.3	2.5
Tiberias	11,327	54.1	12.4	31.4	2.1
Kiryat Gat	11,005	26.9	4.4	59.1	9.6
Tel Aviv	10,960	51.4	25.9	8.4	14.3
Lod	9,577	31.2	40.0	3.4	25.5
Arad	9,509	2.9	5.8	89.2	2.0
Kochav Yaakov	7,079	52.3	33.3	10.4	3.9
Kfar Chabad	6,935	1.1	0.9	0.7	97.4
Kiryat Ya'arim	6,474	22.5	69.9	7.0	0.6
Kiryat Malachi	6,341	36.7	7.0	2.8	53.5
Afula	6,077	34.4	35.1	27.5	3.0
Holon	5,335	74.5	9.2	7.6	8.7
Beer Sheva	5,150	79.1	5.1	7.0	8.9
Ashkelon	5,084	81.9	6.9	4.5	6.7
Hadera	4,510	57.7	30.1	5.2	7.0
Rosh HaAyin	4,468	86.7	5.1	7.1	1.1
Rishon Lezion	4,280	52.0	22.5	11.2	14.2
Emanuel	4,205	46.7	7.3	37.9	8.1
Harish	4,048	60.6	22.0	11.8	5.5
Migdal HaEmek	3,687	63.3	6.2	3.9	26.6
Kiryat Ata	3,619	61.9	19.2	11.7	7.2
Bat Yam	3,524	70.5	6.5	19.5	3.5
Hatzor Haglilit	2,618	21.6	6.2	72.2	-
Ramat Gan	2,615	49.3	34.8	9.6	6.2
Zichron Yaakov	2,558	51.6	42.6	4.5	1.3
Nof HaGalil	2,441	19.6	22.1	44.2	14.1
Tifrah	2,284	32.6	62.3	5.1	-
Yavne'el	2,235	57.7	9.2	29.3	3.8
Karmiel	2,231	22.4	72.2	3.7	1.6

Settlement	Number of Haredim	Share of the Haredi stream in the locality (%)			
		Sephardim	Litvaks	Hasidim	Chabad
Or Yehuda	1,674	48.8	12.7	4.5	34.0
Ganei Modiin	1,547	68.0	19.2	9.5	3.3
Beit Hilкия	1,544	7.5	71.7	20.8	-
Ramla	1,329	69.3	10.9	7.9	11.9
Beer Yaakov	1,299	48.7	42.6	2.5	6.3
Yeruham	1,281	64.3	28.5	7.2	-
Ra'anana	1,247	49.3	36.2	10.3	4.2
Geva Binyamin	1,246	62.0	17.0	13.9	7.2
Ganei Tikva	1,126	68.8	18.0	9.6	3.6
Yesodot	1,074	27.2	62.7	10.0	-
Yavne	1,035	85.1	3.3	5.4	6.2
Beit She'an	1,023	85.6	2.2	7.2	4.9
Ma'ale Adumim	1,013	69.6	20.0	6.0	4.4
Other localities	35,774	65.4	14.9	10.0	9.7

Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 17



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

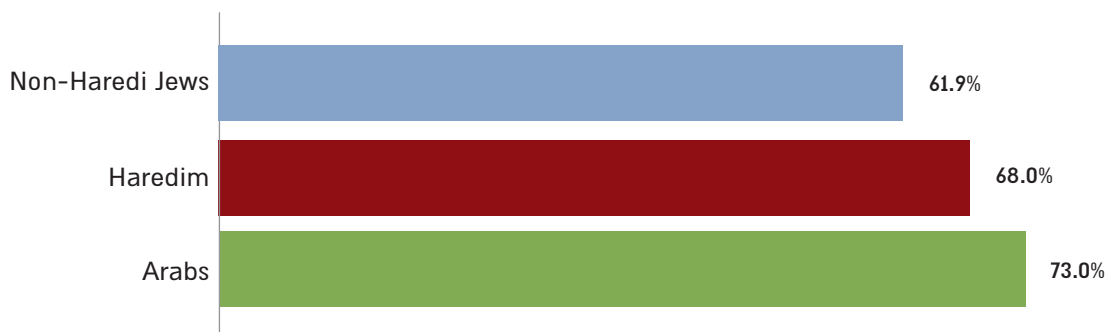
Rates of Homeownership

As noted, in Haredi society, ownership of a residential apartment is of great social importance. Therefore, the share of homeowners in Haredi society is relatively high: 68%, compared to about 63% among non-Haredi Jews. In Arab society, the share of homeowners is highest, at 73%.

Between 2014-2021, the share of homeowners in Haredi society was slightly higher than that in non-Haredi Jewish society and much lower than in Arab society. In these years, there have been almost no changes in the share of homeowners in Haredi society. By contrast, the homeownership rate in non-Haredi Jewish society declined during this period, from 67% in 2014-2015 to 63% in 2020-2021.

Figure 18

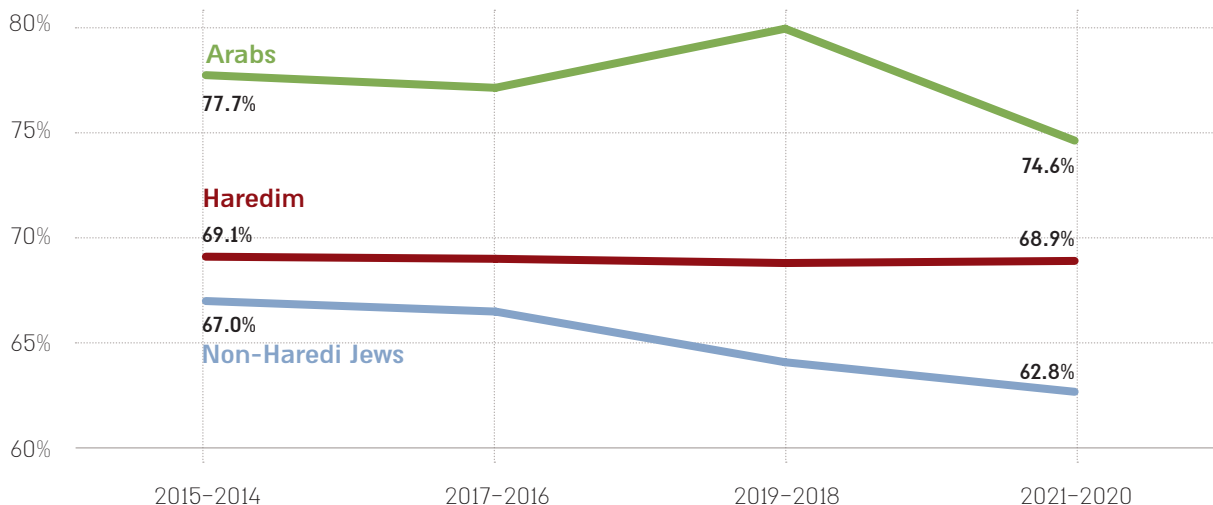
Rate of homeownership by sector, 2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey Data

Figure 19

Homeownership by sector, 2014-2021



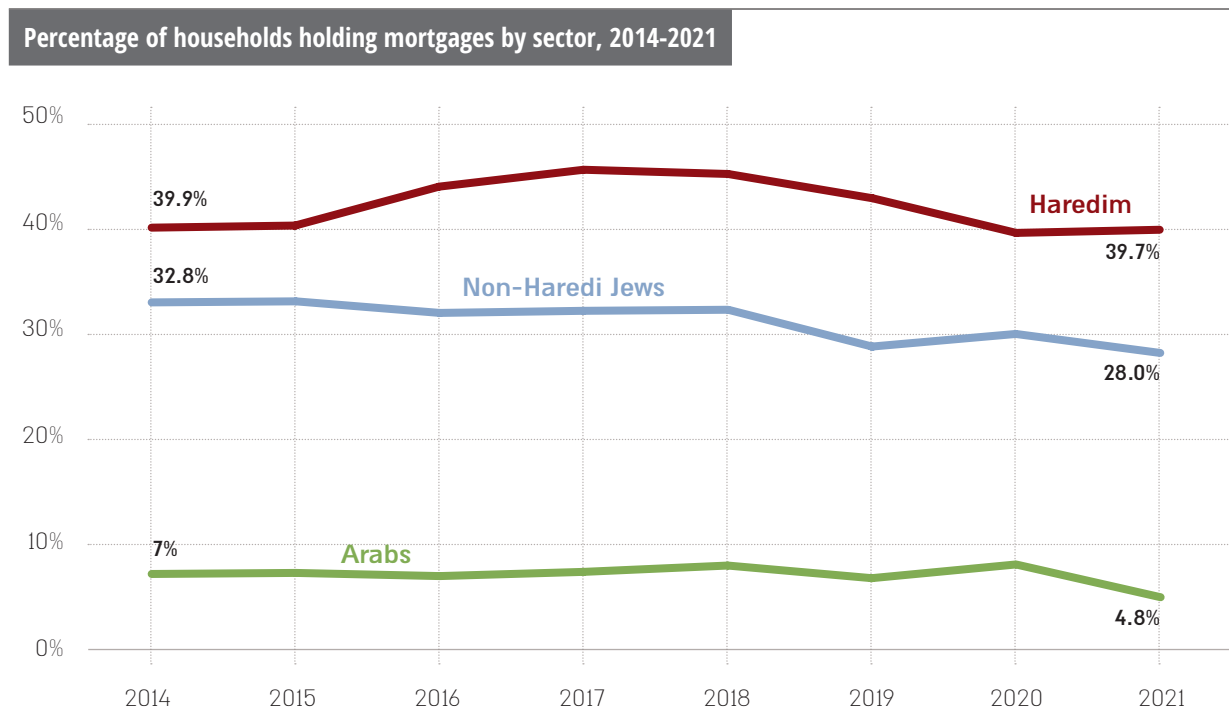
Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey Data

Rate of Mortgage Holders

Usually, the purchase of an apartment involves taking out a mortgage. Consistent with the higher share of homeowners in Haredi society, the share of Haredi households holding mortgages is also higher than that of non-Haredi Jewish households. In 2021, about 40% of Haredi households had a mortgage, compared to 28% of non-Haredi Jewish households. In Arab society, housing characteristics are entirely different. Although the share of homeowners is high relative to other groups in Israeli society, the share of households that take out mortgages is very low and stands at about 5%.

Over the years, there have been changes in the share of households taking out mortgages in the various groups. Although the share of Haredi households holding mortgages was 40% in 2014 and 2021, between 2015 and 2018, this rate increased to about 45% and, in subsequent years, returned to about 40%. Among non-Haredi Jewish households, the share of households holding mortgages declined gradually from 32% in 2014 to about 28% in 2019, and since then, it remained stable. In Arab society, the rate was stable between 2014 and 2020 at about 7% and declined to about 5% in 2021.

Figure 20



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey Data

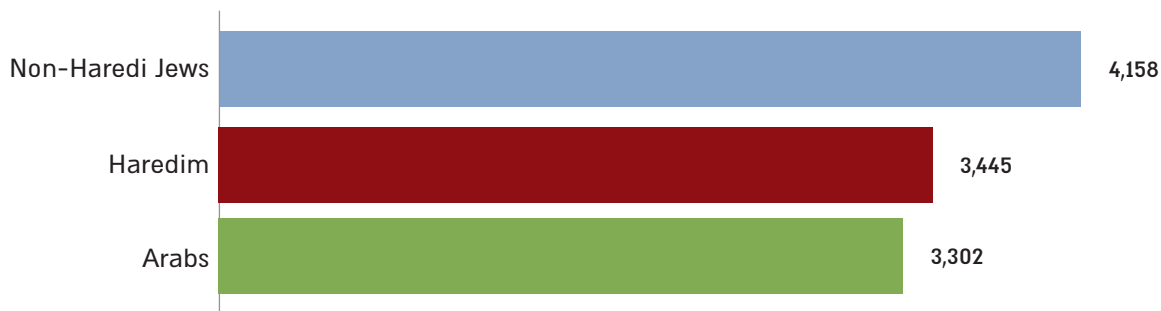
Average Mortgage Payments

Many Haredim pay a mortgage, but their monthly repayment of the loan is slightly lower than that of the non-Haredi Jewish population: Haredim pay an average monthly mortgage of NIS 3,445, compared to NIS 4,158 on average paid by non-Haredi Jews. The monthly mortgage repayment among Arab Israelis is the lowest, at NIS 3,302.

In the seven years between 2014-2021, the average mortgage payments of non-Haredi Jews were higher than those of Haredim, but the gaps between the groups have narrowed over the years. In 2014, the mortgage gap between Haredim and non-Haredi Jews was about NIS 1,000, and between Haredim and Arabs about NIS 500. By 2021, the mortgage gap between Haredim and non-Haredi Jews had narrowed by about 40% to approximately NIS 600, and the gap between Haredim and Arabs almost closed and stood at NIS 100.

Figure 21

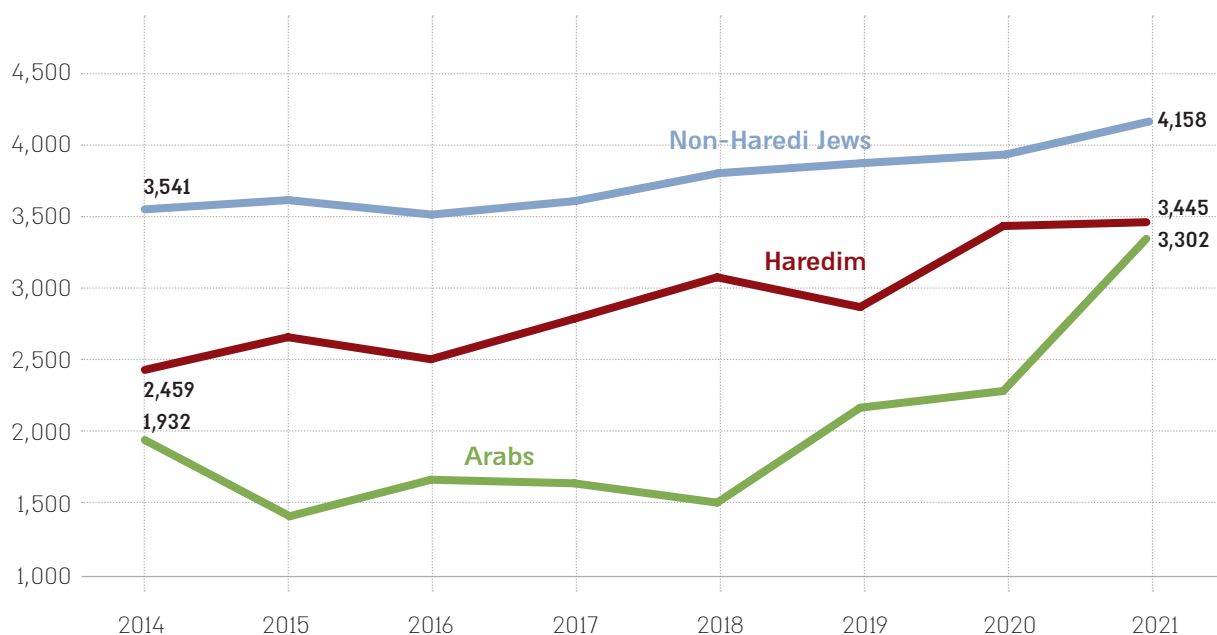
Average monthly mortgage payment by sector, in NIS, 2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey Data

Figure 22

Average mortgage payment by sector, in NIS, 2014-2021



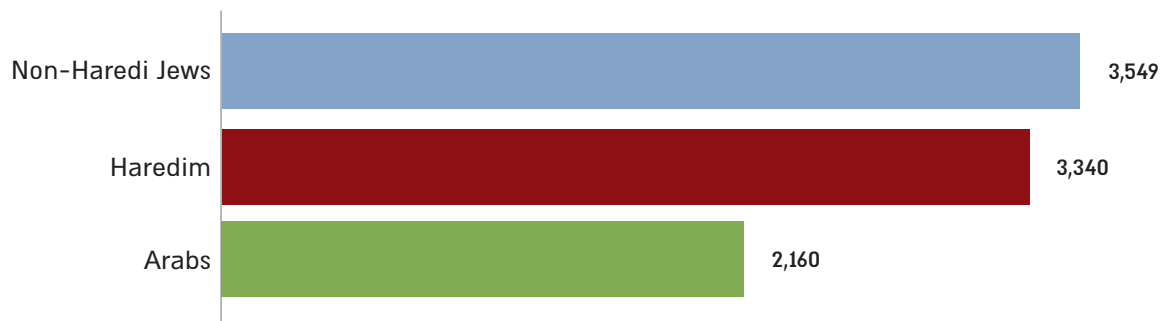
Source: Haredi Institute for Public Affairs Analysis of Expenditure Survey

Average Rent Payments

Many of Israel's population, including some apartment owners, live in rented apartments. The average rent in Haredi society is slightly lower than among non-Haredi Jews: Haredim pay an average rent of NIS 3,340, and non-Haredi Jews pay NIS 3,549 on average. Rent in Arab society is the lowest, at NIS 2,160.

Figure 23

Average monthly rent by sector, in NIS, 2021

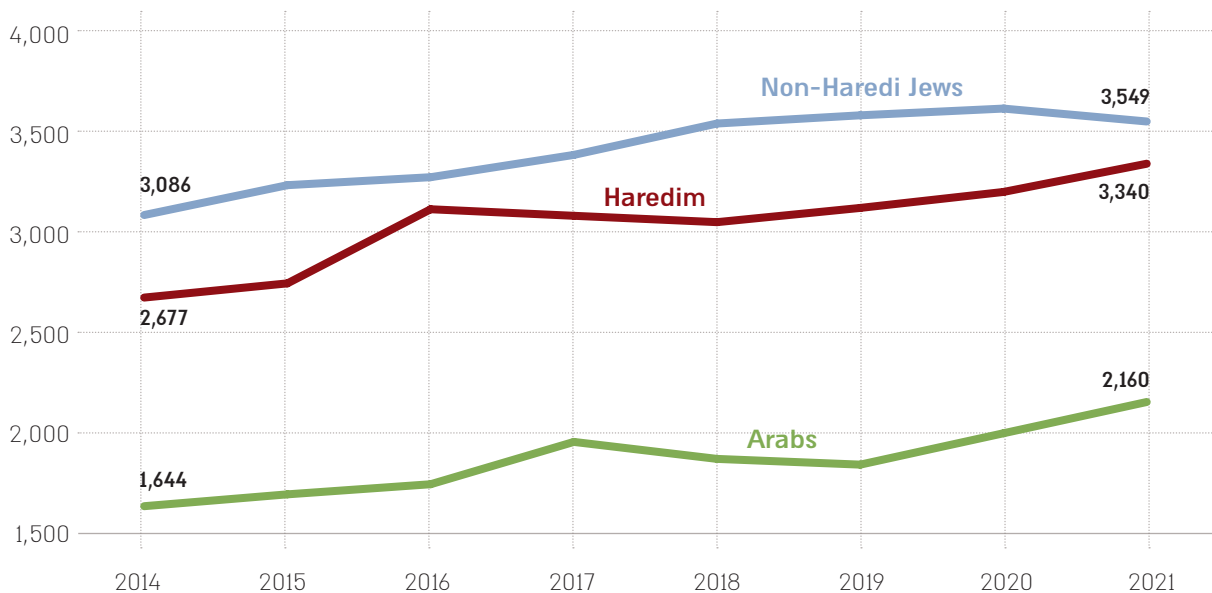


Source: Haredi Institute for Public Affairs Analysis of Expenditure Survey Data

The gaps in average rent between population groups have remained similar since 2014. During that year, the average rent paid by non-Haredi Jews was NIS 3,086, by Haredim NIS 2,677, and by Arabs NIS 1,644. In other words, between 2014 and 2021, the gaps in rent paid by Haredim and non-Haredi Jews narrowed only slightly.

Figure 24

Average monthly rent by sector, in NIS, 2014-2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey Data

Characteristics of Purchased Apartments

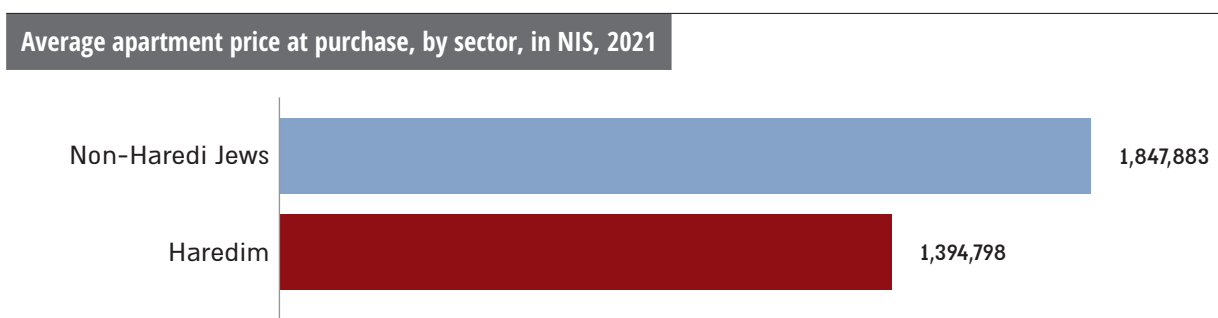
Behind the data regarding homeownership rates are many differences between the characteristics of apartments purchased in each sector:

Apartment Prices

Haredi families that purchased apartments in 2021 paid an average of NIS 1.39 million, compared to non-Haredi Jewish families that paid an average of NIS 1.85 million. In other words, the average price of apartments purchased by Haredim was about 75% of the cost of an apartment bought by non-Haredi Jews.

* This section does not include the characteristics of apartments purchased by Arabs because they constitute a negligible percentage of all purchases (about 2%).

Figure 25



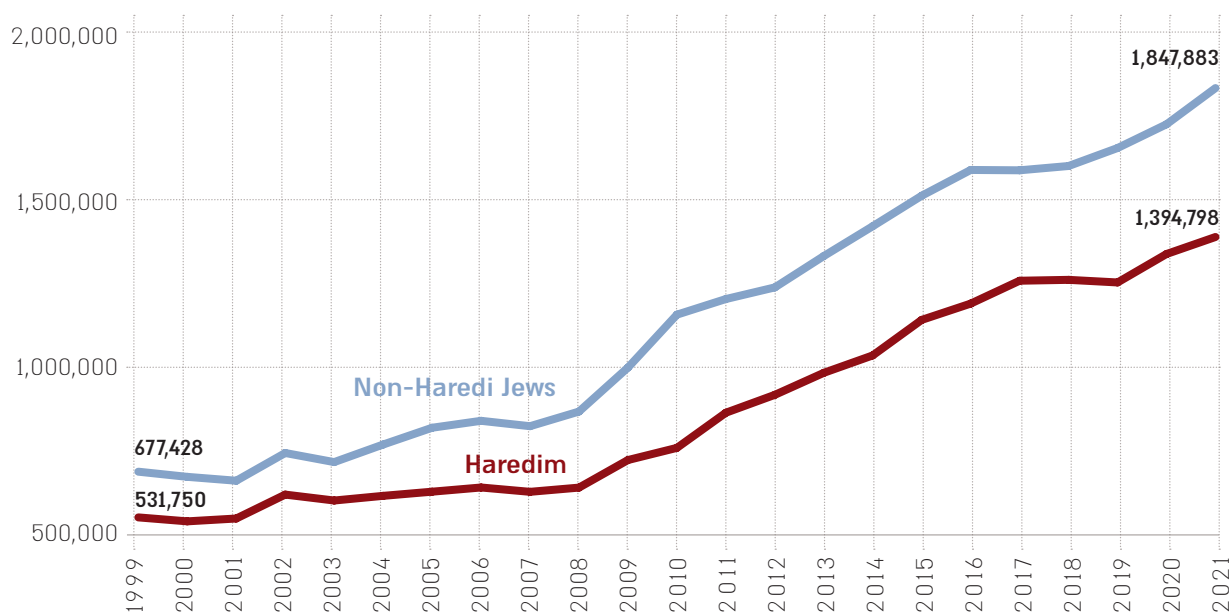
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

As noted, there has been a steep increase in home prices in Israel over the years. Among both Haredim and non-Haredi Jews, average home prices have soared since 1999 and even more so since 2008. The average price of an apartment purchased by Haredim in 1999 was NIS 531,000. By 2008, the price rose to NIS 623,000, and between 2008-2021 there was an increase of NIS 60,000 per year on average. Between 2017 and 2018, there was only a negligible increase in the prices of homes purchased by Haredim, and between 2018 and 2019, there was even a slight decline. This decline may have been influenced by the growing preference for residences in the periphery, where home prices are substantially lower.

In the past two decades, the price gaps between homes purchased by Haredim and non-Haredi Jews have widened. Still, the ratio between the average prices in these two groups has remained relatively stable over the years (except for slight fluctuations): about 75%. Thus, the rates of change in home prices in the two groups were similar. Between 1999-2021, the average home price of Haredim rose by 160%, and among non-Haredi Jews the increase was only slightly higher, approximately 170%. In other words, the average apartment price in both groups almost tripled.

Figure 26

Average apartment price at purchase, by sector, in NIS, 1999-2021



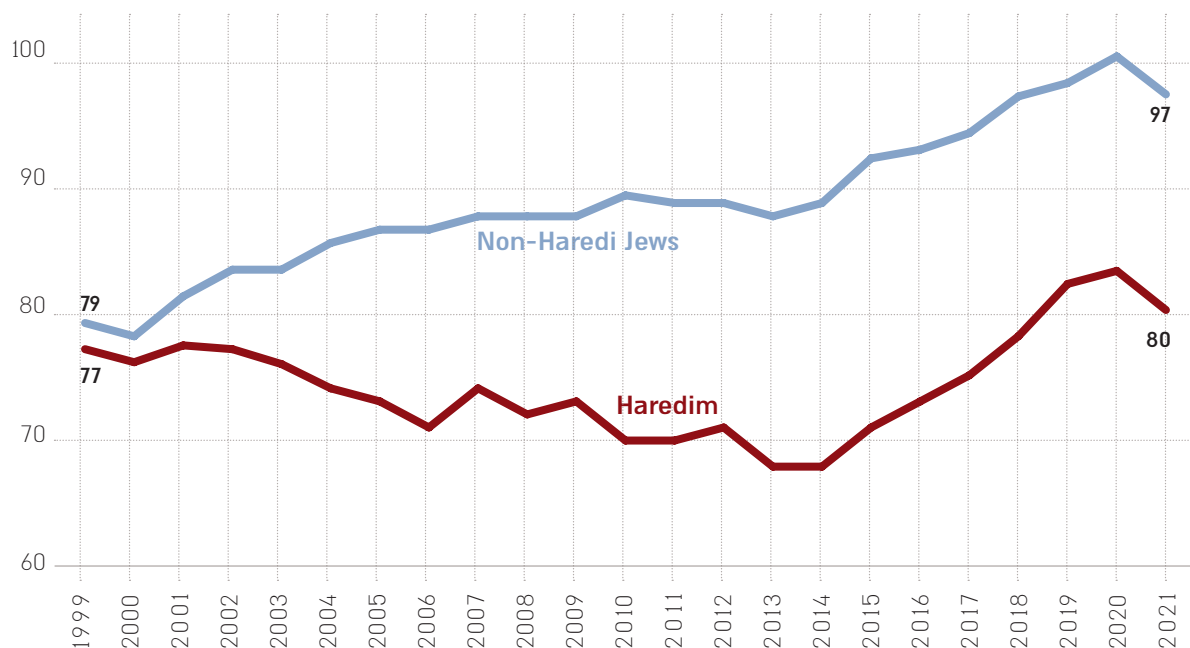
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Apartment size

The apartment size is one of the main factors contributing to the gaps in home prices between population groups. The median size of apartments purchased by Haredim in 2021 was 80 square meters, much smaller than that of apartments purchased by non-Haredi Jews, which was 97 square meters. Thus, throughout the period under study, the size of apartments purchased by non-Haredi Jews was larger than that of apartments purchased by Haredim. Although between 1999-2000 the gap was much smaller than now: 79 vs. 77 square meters, the gap between average home prices in each sector remained about 75%.

Figure 27

Median apartment size by sector, in square meters, purchased between 1999-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

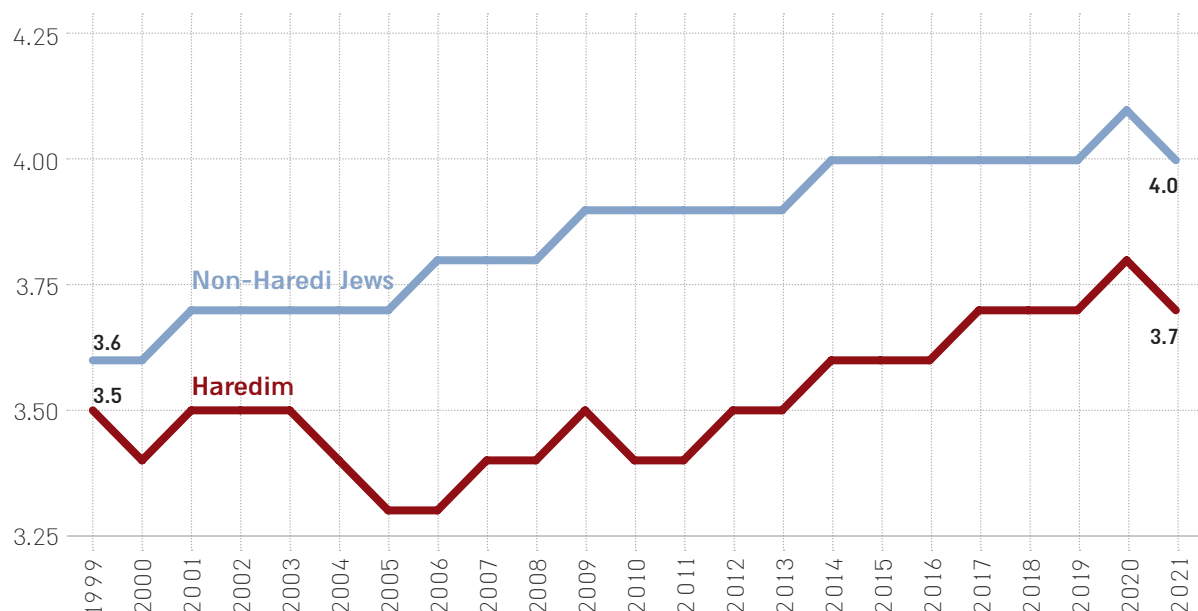
Number of Rooms

The average number of rooms in apartments purchased by Haredim is also smaller than in apartments purchased by non-Haredi Jews. In 2021, the average number of rooms in apartments purchased by Haredim was 3.7, compared to 4.0 among non-Haredi Jews. This gap is not very large, but given the average size of the Haredi household, which is much larger than that of the non-Haredi Jewish household, the Haredim live in significantly higher density.

The gap in the number of rooms was slightly smaller in the early 2000s. It then grew over the years but shrank again between 2017 and 2018 and has remained unchanged since.

Figure 28

Average number of rooms per apartment, by sector, purchased between 1999-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

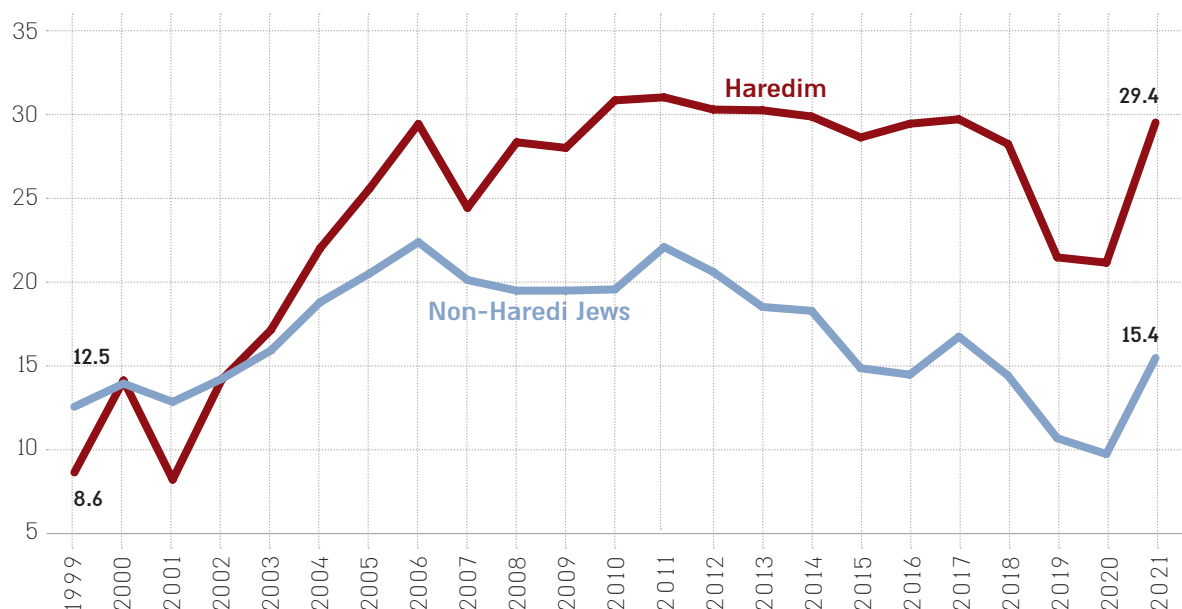
Age of Apartments

Another statistic that can help explain the gaps between home prices purchased by Haredim and non-Haredi Jews is the age of the apartments purchased. In 2021, the median age of apartments purchased by Haredim was 29 years, compared to only 15 years for apartments purchased by non-Haredi Jews. In other words, in 2021, the apartments purchased by Haredim were twice as old as those purchased by non-Haredi Jews.

These gaps did not exist at the turn of the century. Between 1999-2004, the ages of homes purchased were similar in both groups. Therefore, one way for the Haredi population to cope with rising housing prices is to purchase older apartments.

Figure 29

Median apartment age, by sector, purchased between 1999-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Location of the Apartment

Another key feature that affects the prices of purchased apartments is their location in the country. One way for the Haredi population to cope with the rapid increase in housing prices is to buy apartments in cheaper residential areas. At the beginning of the 2000s (1998-2001), apartment purchases by Haredim were concentrated in the central district and the Tel Aviv district (where the city of Bnei Brak is located), which amounted to about 35% of all apartments purchased. In the last two decades, the share of purchases in these areas has dropped to about 20%, apparently owing to a significant increase in home prices, alongside a supply of cheaper apartments elsewhere.

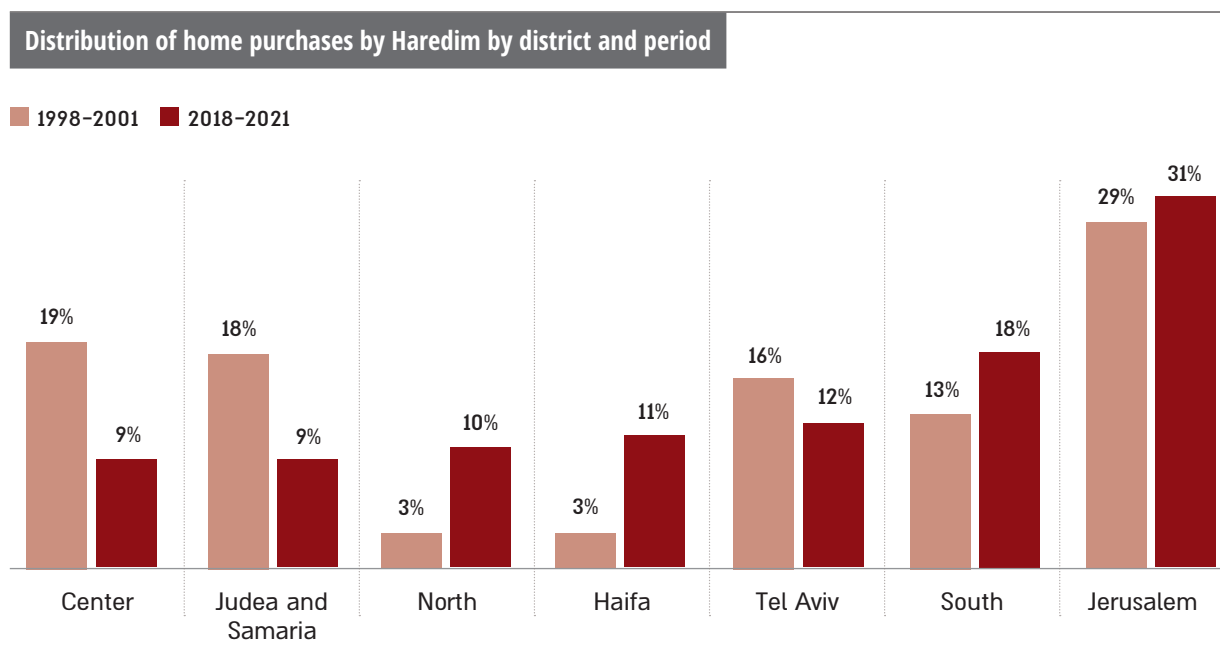
At the same time, during these years, Haredi buyers have moved away from the central region to the southern and northern periphery.

Between 1998-2001, about 20% of all apartments purchased by Haredim were in the southern, northern, and Haifa districts. Twenty years later, purchases in these areas doubled, and about 40% of homes purchased by Haredim between 2018-2021 were in these districts.

Unlike the other districts, the Jerusalem district remained stable during both periods, and the share of homes purchased there stands at about 30% of total Haredi purchases. This is because Jerusalem is the spiritual and cultural center of the Haredi population; therefore, despite the increase in apartment prices, it remained an attractive location for residence. Moreover, many foreign Haredim, who have

much higher economic ability than other groups in Haredi society, purchase homes in Jerusalem. At the same time, the Jerusalem district also includes the city of Beit Shemesh and its suburbs. These have become an attractive destination for Haredim from Jerusalem and the central region wishing to improve their housing conditions, thanks to the construction boom and because the prices of apartments in the city's emerging suburbs were much lower than in Beit Shemesh. Thus, the stability in the volume of apartment purchases in the Jerusalem district may stem from changes within the district; that is, Haredim, who purchased apartments in Jerusalem in the past, switched to buying apartments in nearby satellite communities, together with buyers who came from other areas, therefore the district's share of total home purchases remained similar.

Figure 30

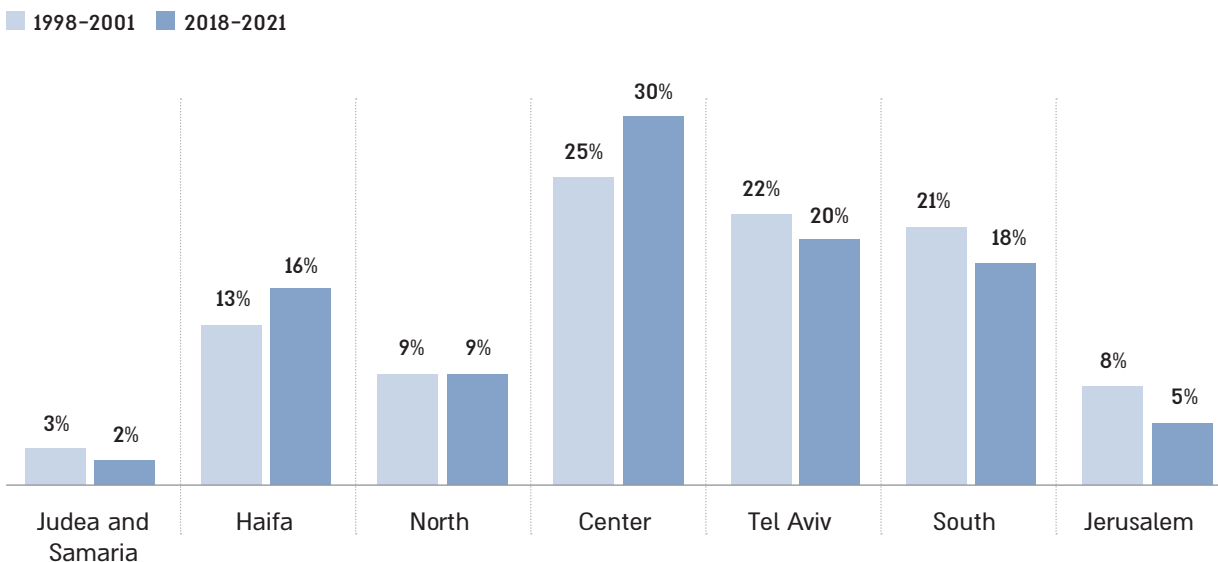


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Among non-Haredi Jews, the trends in the distribution of purchased apartments were different. First, between 1998-2021, there were no widespread changes in the distribution between the various regions. Throughout the period, the central district led home purchases in the non-Haredi sector, with a slight increase from about 25% at the beginning of the period to about 30% at the end. By contrast, the share of apartments purchased in the southern and Jerusalem districts declined slightly: in the southern district, from 21% in 1998-2001 to 18% in 2018-2021, and in the Jerusalem district, from 8% to 5% in the same years.

Figure 31

Distribution of home purchases by Non-Haredi Jews by district and period



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

As noted, the Haredi population is concentrated in a relatively limited number of localities because of the demand for housing in areas with large Haredi communities and the availability of educational, religious, and cultural services. A closer look at the top five cities where the Haredi population buys homes completes the picture presented in the figures above.

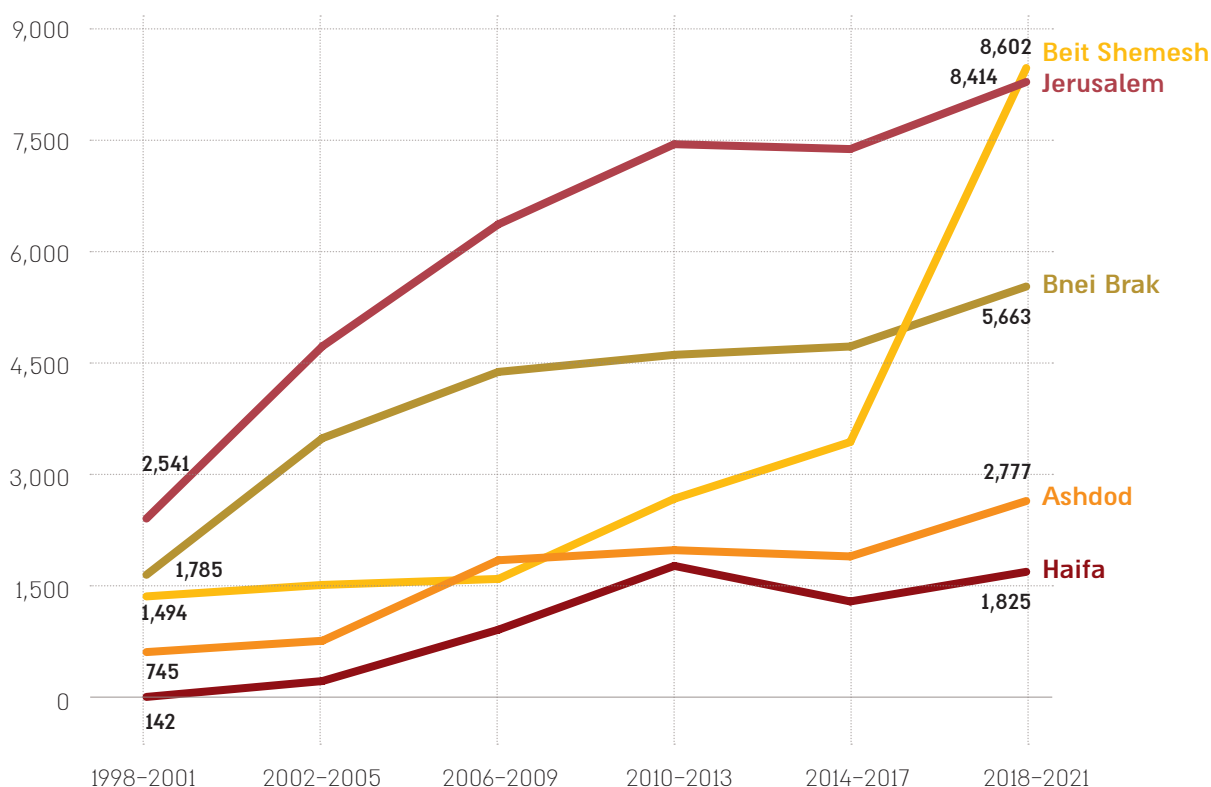
Jerusalem leads in the number of apartments purchased by Haredim over the past two decades: about 2,500 apartments at the beginning of the period and 8,400 in 2018-2021. Home purchases in Beit Shemesh also rose sharply in 2018-2021. About 8,600 apartments were purchased during this period, slightly more than in Jerusalem. This can explain the stable trend in Haredi apartment purchases in this district.

The most significant increase in the number of homes purchased by Haredim between 1998-2021 was recorded in Beit Shemesh, Jerusalem, Bnei Brak, and Ashdod. In each of these cities, purchases increased by more than 300%. In Jerusalem and Bnei Brak, most of the increase was concentrated in the years leading up to 2005, whereas in Ashdod and Beit Shemesh, the increase was after 2005, possibly due to the rise in housing prices in other cities.

A surprising finding regarding the preferred purchase destinations of the Haredim is that Haifa was the fifth destination in the index of the number of apartments purchased by Haredim in 2018-2021: 1,825 purchases, compared with only 142 in 1998-2001. This finding is consistent with the figure presented above regarding the increase in the share of Haredim purchasing apartments in the Haifa district. A significant portion of the apartments are purchased as investments and rented to the non-Haredi public, but there is also an upward trend in the share of Haredim living in the city.

Figure 32

Number of apartments purchased by Haredim in the 5 top target areas, 1998-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Age of Home Buyers

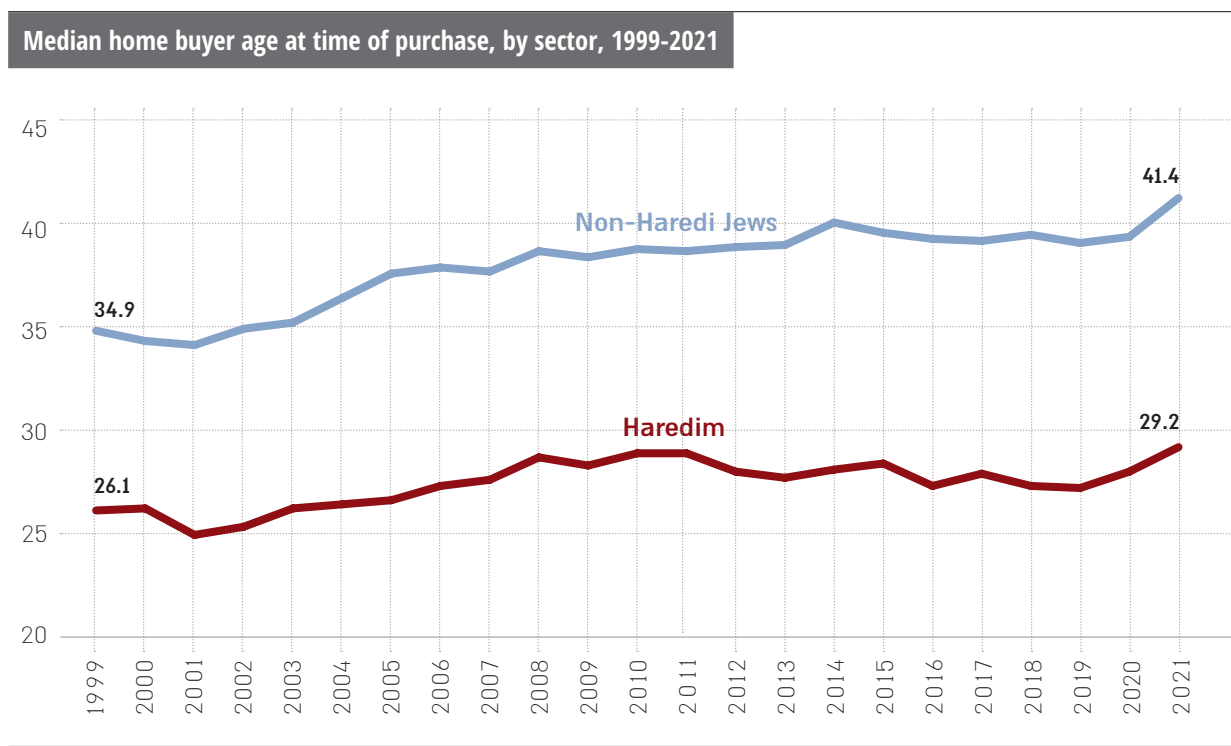
It is also important to understand the characteristics of home buyers. In 2021, the median age of Haredim purchasing apartments (whether it was a first apartment or one intended to improve living conditions) was 29.2 years, compared to 41.4 among non-Haredi Jewish buyers. This figure is consistent with the characteristics of home purchases in the Haredi society mentioned above, which are close to the time of marriage and are part of accepted social arrangements.

The median age of Haredi home buyers has risen only slightly in the past 20 years: in 1999, it was 26.1 years. These data indicate that despite the sharp increase in home prices, the importance of purchasing an apartment for young couples in Haredi society remains high, and there is a willingness to meet rising prices. At the same time, the slight increase in the median age of the buyers may indicate that young Haredi couples take upon themselves some of the payments of the purchased apartments, unlike in the past. Therefore, the purchase of a home for the young couple is slightly delayed until the couple stabilizes financially in the first years after marriage.

The rise in housing prices had a slightly greater effect on the age of home buyers among non-Haredi Jews: in 1999, the median age of the non-Haredi Jewish buyer was 34.9, about six years less than in 2021.

The characteristics of apartments and home buyers in localities where more than 100 apartments were purchased by Haredim between 2018-2021 are summarized in the table below. The highest average price of apartments bought by Haredim in localities with large Haredi communities was recorded in Jerusalem (about NIS 1,900,000) and the lowest in Netivot (about NIS 900,000). The average price of an apartment in Bnei Brak during these years was about NIS 1,600,000, Ashdod about NIS 1,400,000, and Beit Shemesh about NIS 1,350,000. In general, the increase in housing prices has led Haredim to the northern and southern peripheries, which are much cheaper than the high-demand areas in the center, and cities in these areas have become leading destinations for home purchases by Haredim.

Figure 33



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The average number of rooms in apartments purchased by Haredim during this period has been around 3.5, and the differences between localities are not very large: Givat Ze'ev has the highest average number of rooms, at 4.5, and Haifa has the lowest, at 3. By contrast, there are considerable differences between localities regarding the size of apartments purchased. The apartments in Beit Shemesh are relatively large, with a median size of 94 square meters. In Jerusalem and Ashdod, the median size of apartments purchased by Haredim is about 75 square meters. In Bnei Brak, the median size is lower, at 66 square

meters, and in Haifa, the apartments are the smallest, with a median size of 61 square meters.

The age of apartments purchased in leading cities also varies greatly. In Beit Shemesh, a city that has experienced a construction boom in recent years, the average age of apartments at purchase is only five years. In Ashdod, the average age of apartments purchased is 28 years. In Bnei Brak and Jerusalem, the apartments are older, with an average age of 39 and 34, respectively. The apartments purchased in Haifa are the oldest, with an average age of 59 years.

The data regarding the small size and relatively old age of apartments purchased by Haredim in Haifa reinforce the conclusion that although Haifa has become a key destination for Haredi buyers, these purchases appear to be mainly for investment rather than residence.

The average age of the buyers in the five main cities (Beit Shemesh, Jerusalem, Bnei Brak, Ashdod, and Haifa) is about 27. Home buyers in Haifa are the youngest, on average 25 years old, and in Jerusalem the oldest, on average 31.

Table 3

Characteristics of Haredi apartments by locality, 2018-2021, at the time of purchase							
City	Number of apartments purchased	Average price	Median size	Average number of rooms	Median size	Median age	Average age of the apartment
Beit Shemesh	8,602	1,346,703	1,296,000	3.9	94	27	5
Jerusalem	8,414	1,878,970	1,710,000	3.7	75	31	34
Bnei Brak	5,663	1,629,071	1,575,000	3.5	66	28	39
Ashdod	2,777	1,425,483	1,324,500	3.7	74	26	28
Haifa	1,825	765,672	700,000	3	61	25	59
Modiin Illit	1,804	1,423,189	1,380,000	3.6	85	27	13
Beitar Illit	1,629	1,664,032	1,610,000	4.5	106	29	10
Netivot	1,556	906,120	852,168	4	102	28	11
Petah Tikva	1,535	1,539,099	1,430,000	3.7	74	30	43
Tiberias	1,373	741,116	740,000	3.6	78	25	30
Safed	1,263	796,345	685,000	3.6	66	27	42
Beer Sheva	1,230	775,665	700,000	3.5	73	28	40
Afula	1,183	685,401	635,000	3.7	78	25	31
Kiryat Gat	1,067	975,083	887,811	3.6	80	26	23
Ashkelon	1,025	917,189	830,000	3.6	76	30	32
Kiryat Ata	969	712,669	620,000	3.5	66	28	45
Harish	959	1,039,395	1,031,608	4.3	104	27	1
Elad	853	1,681,685	1,580,000	3.9	80	32	17

City	Number of apartments purchased	Average price	Median size	Average number of rooms	Median size	Median age	Average age of the apartment
Arad	775	680,206	522,500	3.9	69	25	41
Okafim	753	859,946	764,053	3.9	85	27	24
Netanya	584	1,659,574	1,400,000	3.8	87	31	31
Nof HaGalil	567	757,209	786,617	3.6	82	23	11
Kiryat Yam	567	676,157	650,000	3	57	30	48
Givat Ze'ev	488	1,991,263	1,875,000	4.5	120	31	13
Kiryat Malachi	460	1,042,156	887,000	3.8	84	30	27
Emanuel	430	740,457	690,000	3.6	90	25	13
Rehovot	398	1,539,835	1,444,800	4	86	32	37
Lod	381	1,247,644	1,170,000	3.8	74	31	33
Rehasim	360	1,110,095	1,057,315	4	82	28	23
Dimona	341	462,836	400,000	3.5	68	27	43
Kiryat Bialik	322	667,745	640,000	3.2	60	28	48
Karmiel	294	748,231	660,000	3.4	67	25	44
Kiryat Motzkin	287	714,734	670,000	3	64	28	46
Migdal HaEmek	276	743,438	634,230	3.8	77	30	31
Ramat Gan	252	2,033,924	1,960,000	3.8	88	34	27
Hadera	246	1,194,775	1,080,000	3.9	86	31	42
Rosh HaAyin	206	1,429,344	1,319,232	4.4	119	31	9
Rishon Lezion	205	1,567,087	1,460,117	3.9	85	32	15
Ramla	200	1,150,907	1,094,000	3.7	77	30	24
Kiryat Ya'arim	197	1,794,611	1,647,500	4.3	100	30	12
Kochav Yaakov	176	1,253,684	1,200,000	3.7	88	26	15
Holon	175	1,407,306	1,400,000	3.6	70	29	46
Hatzor Haglilit	165	613,637	555,000	3.7	80	26	42
Modiin-Maccabim-Reut	153	1,469,550	1,369,238	3.7	88	31	1
Bat Yam	146	1,445,373	1,350,000	3.3	66	35	41
Tirat Carmel	141	1,099,576	1,180,000	4.3	103	25	18
Tel Aviv	139	1,762,599	1,610,000	3.5	79	37	42
Nahariya	104	948,267	919,503	4.1	105	27	12

Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The unique social model of Haredi society, the "Society of Learners," in which men devote themselves to Torah studies and women bear the burden of earning a living, manifests in various aspects of life. One is the characteristics of the Haredi education system (as described in the Education section); another concerns the employment characteristics of the Haredi public.

In recent decades, the low employment rate in the Haredi sector has been at the center of the socioeconomic discourse. Policy measures taken to encourage Haredi employment, alongside social processes and economic pressures, have led to many Haredi women joining the labor market. Haredi women have entered new employment outlets in the fields of high-tech, finance, health, and more. These changes also triggered changes in Haredi society's training and education systems (as detailed in the Education section). Nevertheless, there are still non-negligible wage gaps between them and non-Haredi Jewish women.

The effect of these processes on the employment of Haredi men was relatively limited compared to the women. Between 2004-2015, the employment rate of Haredi men increased gradually, but at the same time, the wage gaps between them and non-Haredi Jewish men widened. After a six-year stagnation (between 2015-2021), there has been a large increase in the employment rate of Haredi men in the past two years, and in the last quarter of 2023, it reached a peak of 57% (and an annual average of 55%).

The unique employment characteristics of the Haredi public present both challenges and opportunities. The wide wage gaps between Haredim and non-Haredi Jews require thorough consideration to enable the proper integration of young Haredim into the labor market and drive economic growth. For the first time, intra-sectoral gaps in employment rates and wage levels highlight the need for micro-policies and interventions tailored to the community, age, and place of residence Haredi individuals, which will enable a more focused and effective intervention.



Employment

Key Findings

55%

The employment rate of Haredi men is significantly lower than the employment rate of Arab Israeli men (78%) and non-Haredi Jewish men (87%)

NIS 9,936

Average wage of Haredi men.
A Haredi man earns about 50% of the salary of a non-Haredi Jewish man: the average salary of a non-Haredi Jewish man is NIS 19,973, and that of an Arab man is NIS 11,543

81%

The employment rate of Haredi women is very similar to that of non-Haredi Jewish women (83%) and much higher than the employment rate of Arab Israeli women (45%)

NIS 9,059

The average salary of Haredi women.
A Haredi woman earns about 71% of the salary of a non-Haredi Jewish woman: the average salary of a non-Haredi Jewish woman was NIS 12,771, and the average salary of an Arab woman was NIS 7,398

A Haredi man earns less per hour than a Haredi woman: the average hourly wage of a Haredi man is NIS 67, the average wage of a Haredi woman is NIS 70 per hour

60% of the wages of non-Haredi Jews.
In most industries, Haredi men earn on average less than 60% of the wages of non-Haredi Jewish men, including in the "information and communication" industry, which includes high-tech services

70% of the wages of non-Haredi Jewish women. In most industries, Haredi women earn an average of 70% or less than non-Haredi Jewish women, including the "information and communication" industry

62% of the hourly wage of non-Haredi Jewish men.

Non-Haredi Jewish men earn an average of NIS 106 per hour, compared with an average of NIS 67 among Haredim

86% of the hourly wage of non-Haredi Jewish women.

Non-Haredi Jewish women earn an average of NIS 81 per hour, compared with an average of NIS 70 among Haredi women

Ramat Gan has the highest average wage of Haredi employees:
NIS 16,054 among men and NIS 12,243 among women

Key Trends



Men's Employment

After six years of stagnation, the employment rate of Haredi men has shown a marked upward trend in the past two years, rising from 51% to 55% between 2021-2023.



Women's Employment

In the past decade, Haredi women have narrowed the gap in employment rates between themselves and non-Haredi Jewish women from 10 to 2 percentage points.



Wage Gaps among Men

The wage gap between Haredi and non-Haredi Jews has widened over the years. In 2005, the average salary of a Haredi man was about 70% of that of a non-Haredi Jewish man, whereas today, it stands at only 50%.



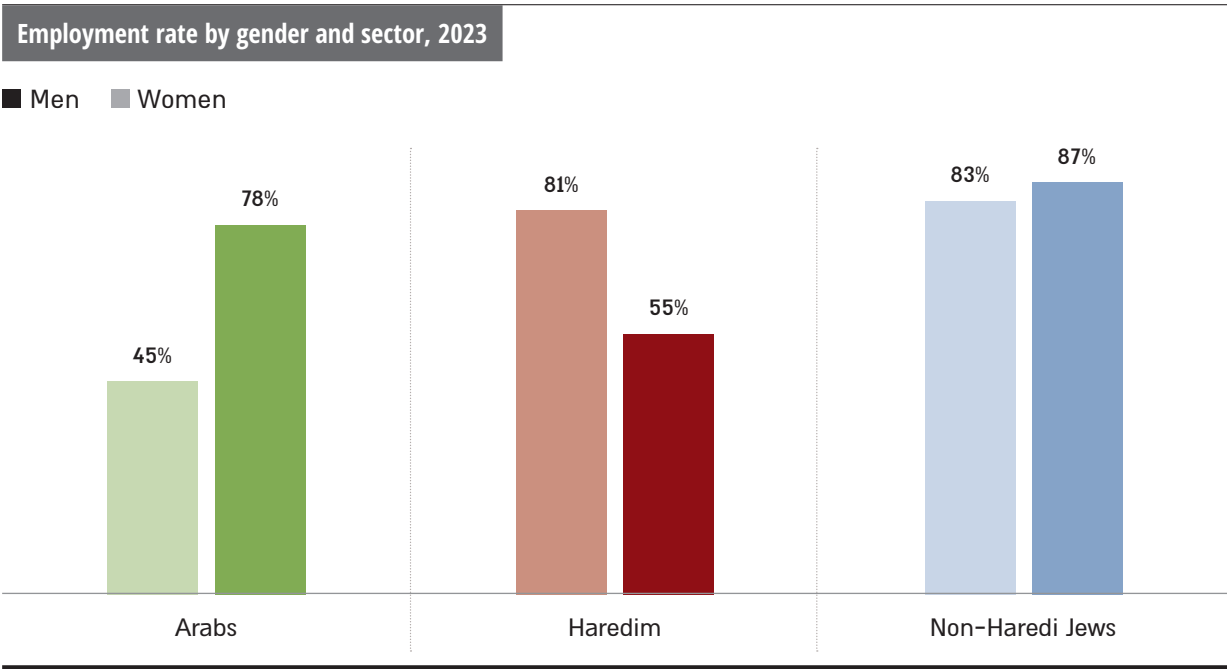
Wage Gaps among Women

Wage gaps between Haredi women and non-Haredi Jewish women have remained stable over the years.

Employment Rate

The employment rates of the various population groups in Israel differ significantly. As of 2023, the employment rate of Haredi men stands at 55%, much lower than that of Arab Israeli men (78%) and non-Haredi Jewish men (87%). By contrast, the employment rate of Haredi women stands at 81%, similar to that of non-Haredi Jewish women (83%) and much higher than that of Arab Israeli women (45%¹).

Figure 34



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

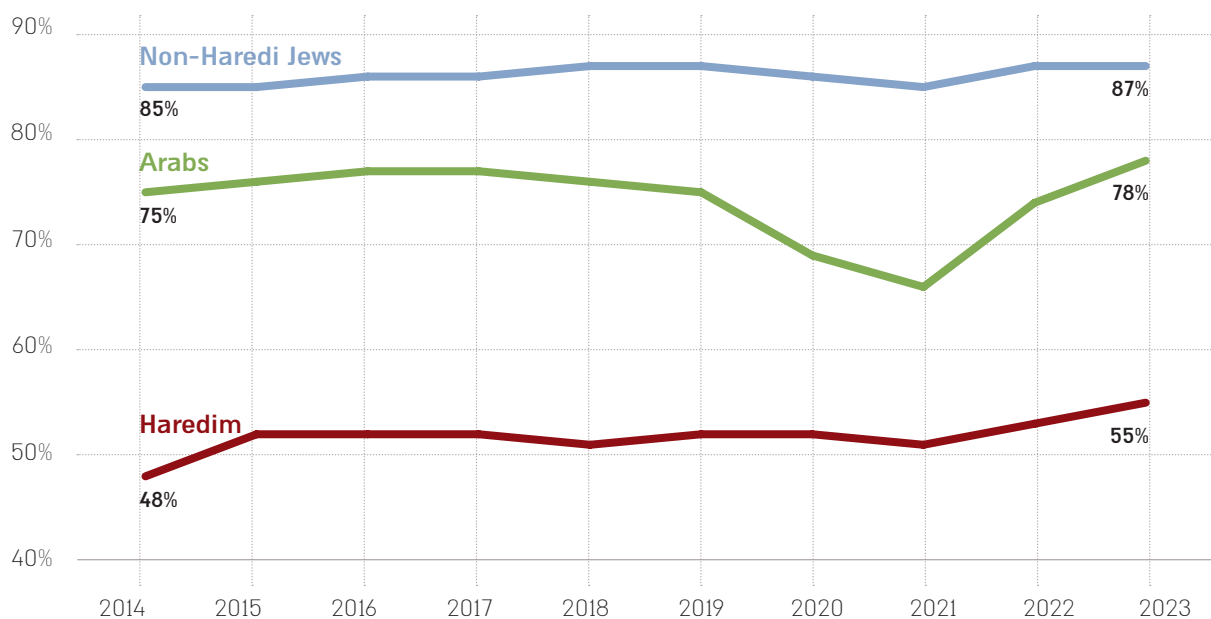
In recent years, social processes and economic pressures have led to changes in the employment rates of certain groups. In 2014, the employment rate of Haredi men was 48%, and in 2015, it climbed to 52% and remained stable until 2022. In the past two years, this rate has risen, reaching about 55%, partly owing to the increase in interest rates, which has created heavy economic pressures for many Haredi families.

There have been only slight changes among non-Haredi Jews in recent years, and their employment rate has ranged between 85% and 87% since 2014. Among Arab Israeli men, there was a dramatic drop to an employment rate of 66% between 2020 and 2021 because of the COVID-19 crisis, followed by a rise to the highest employment rate measured among Arab Israeli men in the past decade: 78%.

¹ According to a study By Regev and Yakin (2024), Arab women's actual employment rates are much higher than those reported by them in the Central Bureau of Statistics' surveys – reaching 54% in 2021.

Figure 35

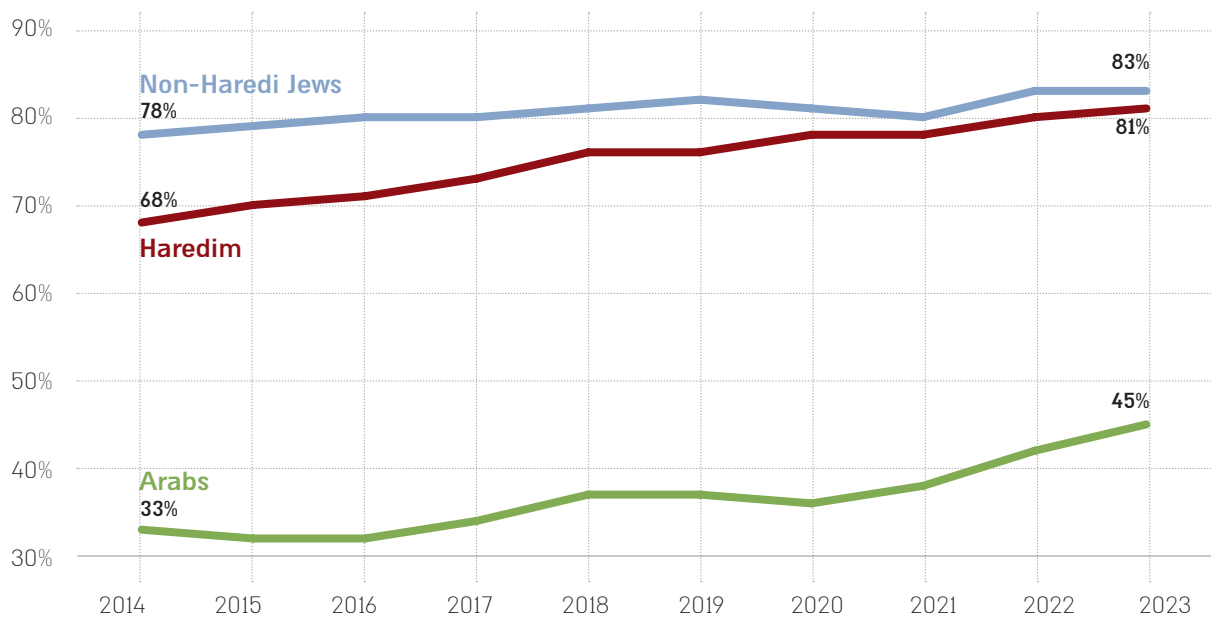
Men's employment rate by sector, 2014-2023



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

Figure 36

Women's employment rate by sector, 2014-2023



Source: Haredi Institute for Public Affairs Analysis of Labor Force Survey Data

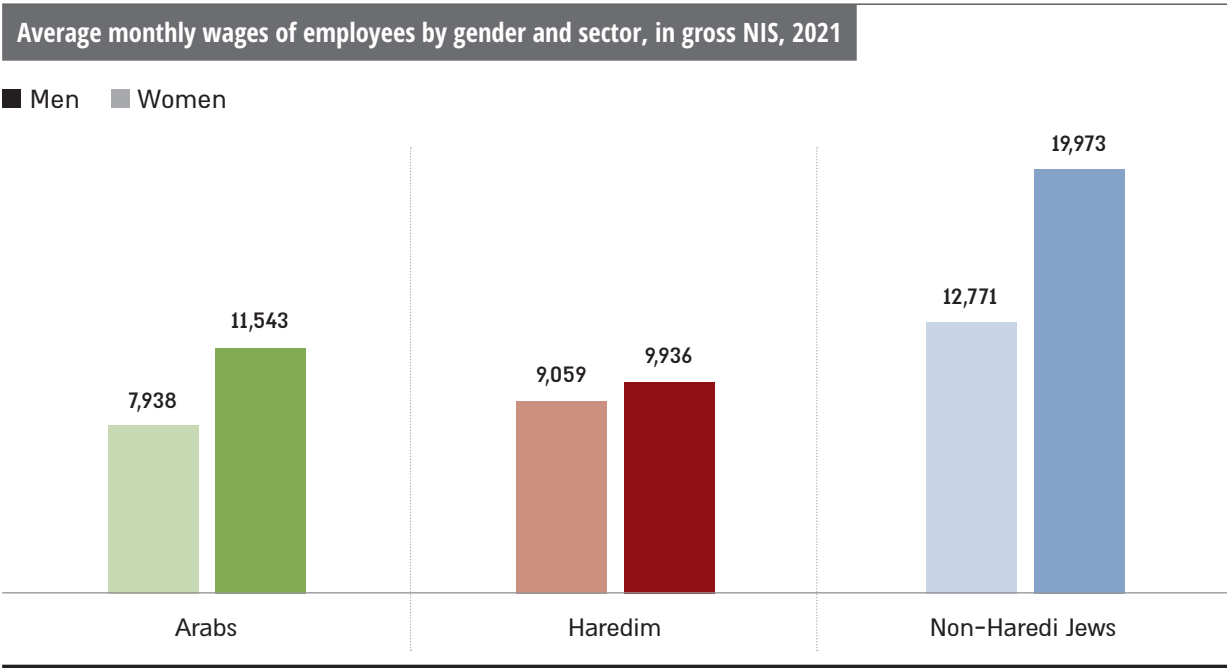
Employment trends among women are slightly different. The employment rate of Haredi women has risen steadily from 68% in 2014 to 81% in 2023. Since 2020, the employment rate of Haredi women has been similar to that of non-Haredi Jewish women, and in the past decade, they narrowed the gap in employment rates between them from 10 to about 2 percentage points. Among Arab Israeli women as well, there has been a significant increase in the employment rate in recent years, from 33% in 2014 to 45% in 2023.

Average Wages

The gaps in average wages between women and men from various sectors are even larger than the gaps in employment rates. In 2021, the average salary of Haredi men was NIS 9,936, about 50% of the average salary of non-Haredi Jewish men (NIS 19,973 on average) and about 85% of the average wage of Arab men (NIS 11,543).

Wage gaps, though smaller, also exist among women. The average salary of Haredi women is NIS 9,059, about 71% of the average wage of non-Haredi Jewish women (NIS 12,771) and about 22% higher than the average salary of Arab women (NIS 7,398).

Figure 37



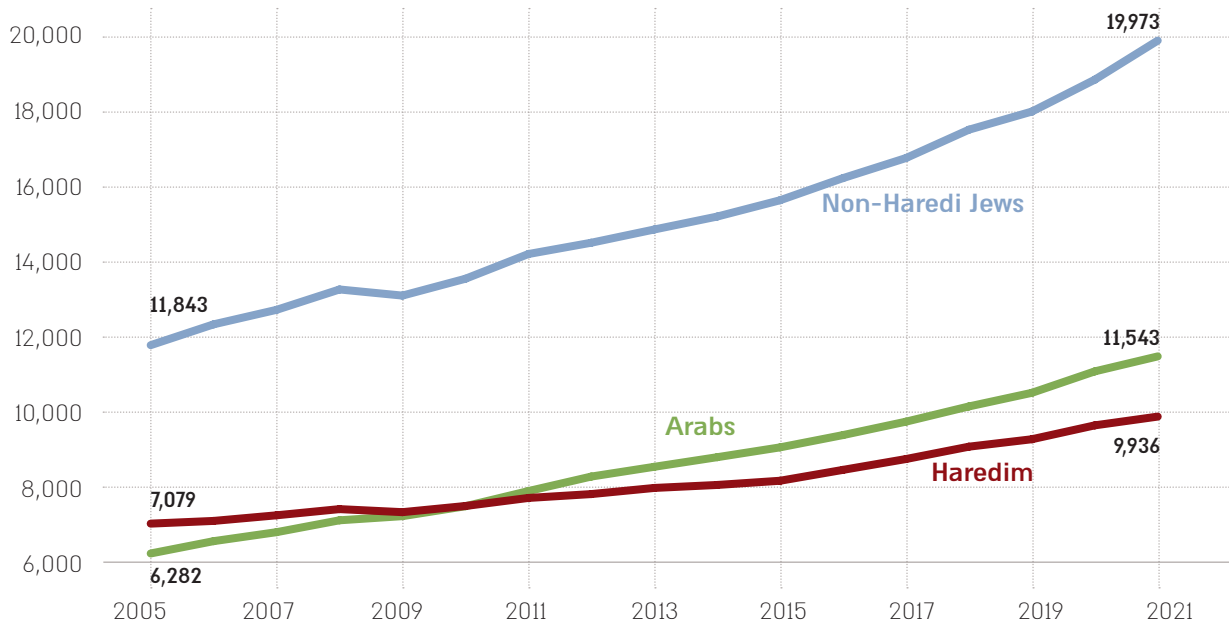
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

In 2005, the average salary of Haredi men was NIS 7,079, which has risen by about 40% (nominally) over the past 15 years. By contrast, the wages of non-Haredi Jewish men increased by about 70% during this period. The wages of Arab Israeli men were lower than those of Haredi men in 2005 (NIS 6,282), but an

85% increase in their average wage led Arab Israeli men to earn more than Haredi men in 2021. In other words, the wages of Haredi men increased at the slowest rate in the past decade and a half. As a result, the wage gaps between them and non-Haredi Jewish men and Arab Israeli men widened.

Figure 38

Average monthly wages of male employees by sector, in gross NIS, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

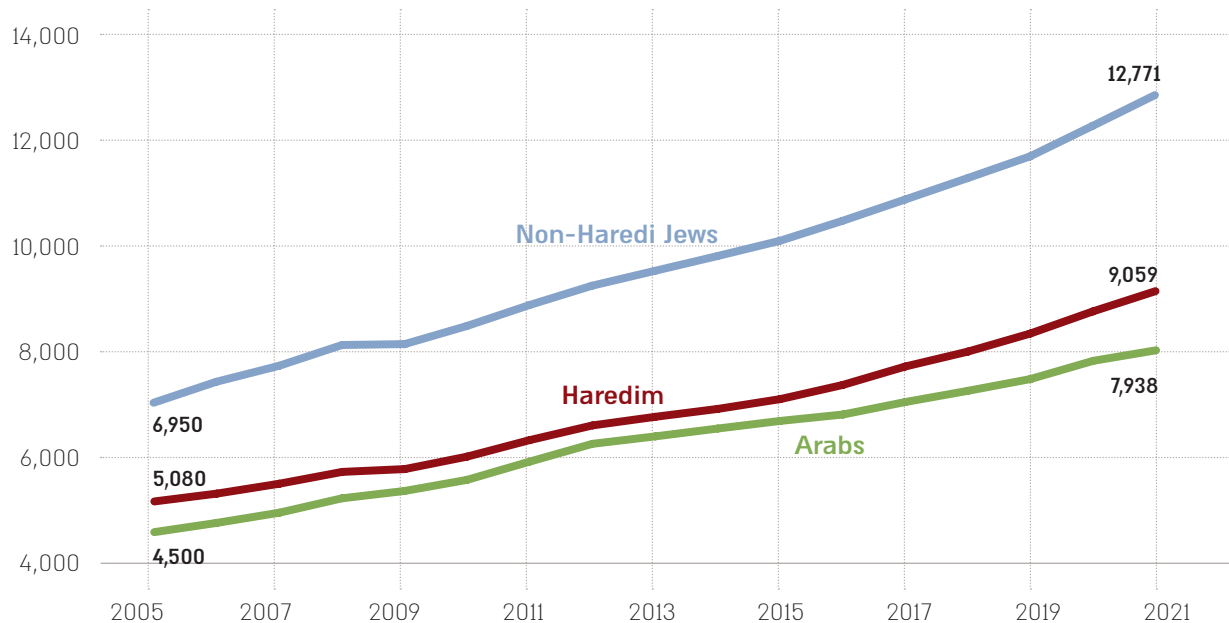
Wage trends among women from different groups are more similar to each other. In 2005, the average salary of Haredi women was NIS 5,080, that of non-Haredi Jewish women was NIS 6,950, and that of Arab women was NIS 4,500. Since then, the rate of wage growth has been similar in all three sectors. By 2021, the salary of Haredi women increased by 78%, of Arab women by about 76%, and of non-Haredi Jewish women by 84%. As a result, the wage gap between Haredi and non-Haredi Jewish women has widened only slightly. In 2005, the average salary of Haredi women was about 73% of that of non-Haredi Jewish women, and in 2021, about 70%.

There are also large gaps in hourly wages between the various population groups, as well as gender wage gaps within the groups. In 2021, the hourly wage of Haredi men was NIS 67, lower than the average wage of Haredi women, which was NIS 70. This characteristic is unique to Haredi society, and in other population groups, men's hourly wages are higher than women's. This can be attributed, among other things, to the substantial increase in the share of Haredi women with academic education in recent years.

Among non-Haredi Jews, the average hourly wage is NIS 106 for men and NIS 81 for women. Among Arab Israelis, the average hourly wage is NIS 63 for men and NIS 54 for women. Comparing the groups, the hourly wage of Haredi men amounts to 62% of the hourly wage of non-Haredi Jewish men and is about 5% higher than that of Arab Israeli men. The hourly wage of Haredi women amounts to 86% of the hourly wage of non-Haredi Jewish women and is about 30% higher than the hourly wage of Arab Israeli women.

Figure 39

Average monthly wages of female employees by sector, in gross NIS, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

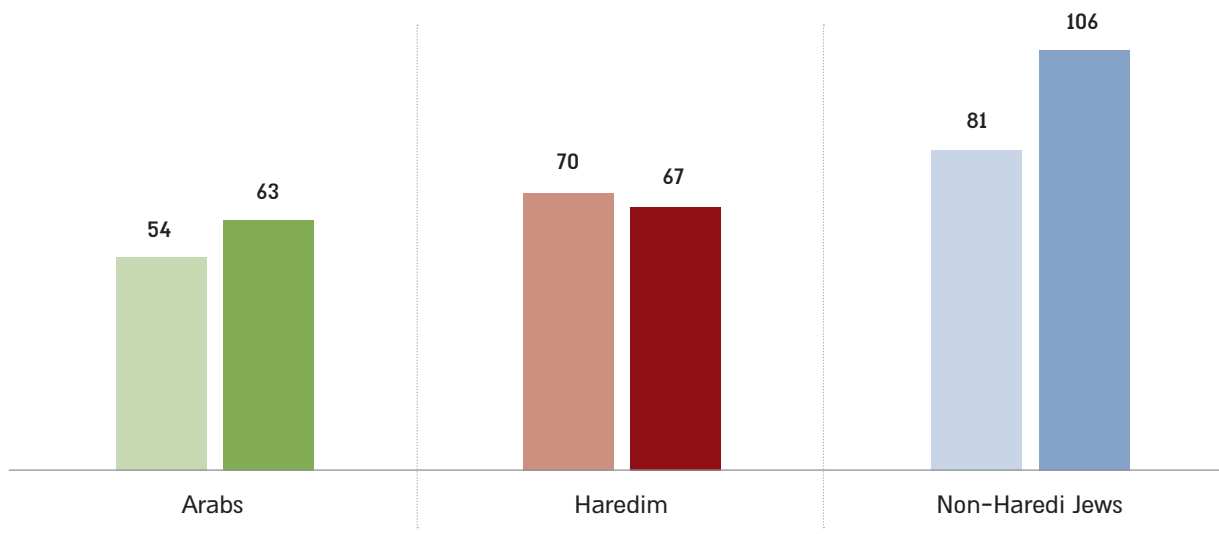
The widening wage gaps between Haredi and non-Haredi Jewish men can also be seen in hourly wage trends between 2012-2021. There was an increase of about 39% among non-Haredi Jewish men during this period, from about NIS 76 to NIS 106. Among Arab men, there was a more moderate increase of about 34%, from about NIS 47 to NIS 63. During the same period, the average hourly wage of Haredi men rose by only 31%, from NIS 51 to NIS 67.

The slow increase in the hourly wages of Haredi men reflects, among other things, the gaps in human capital, which make it difficult for them to integrate into high-wage jobs and industries.

Figure 40

Average hourly wages of employees by gender and sector, in gross NIS, 2021

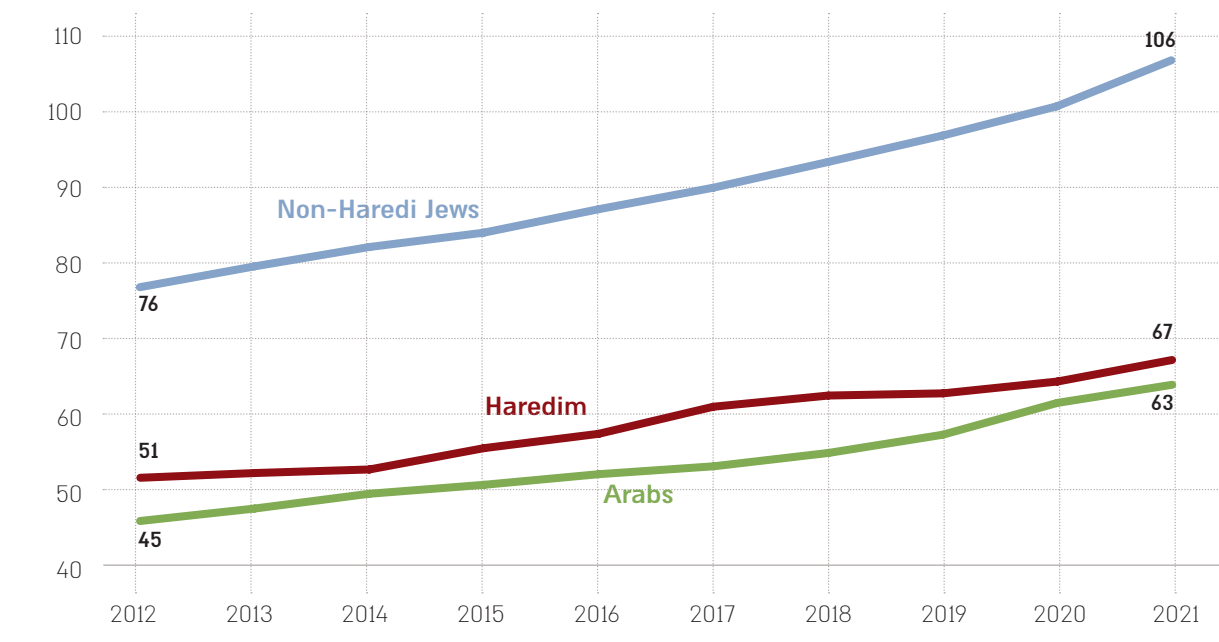
■ Men ■ Women



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 41

Average hourly wages of male employees by sector, in gross NIS, 2012-2021

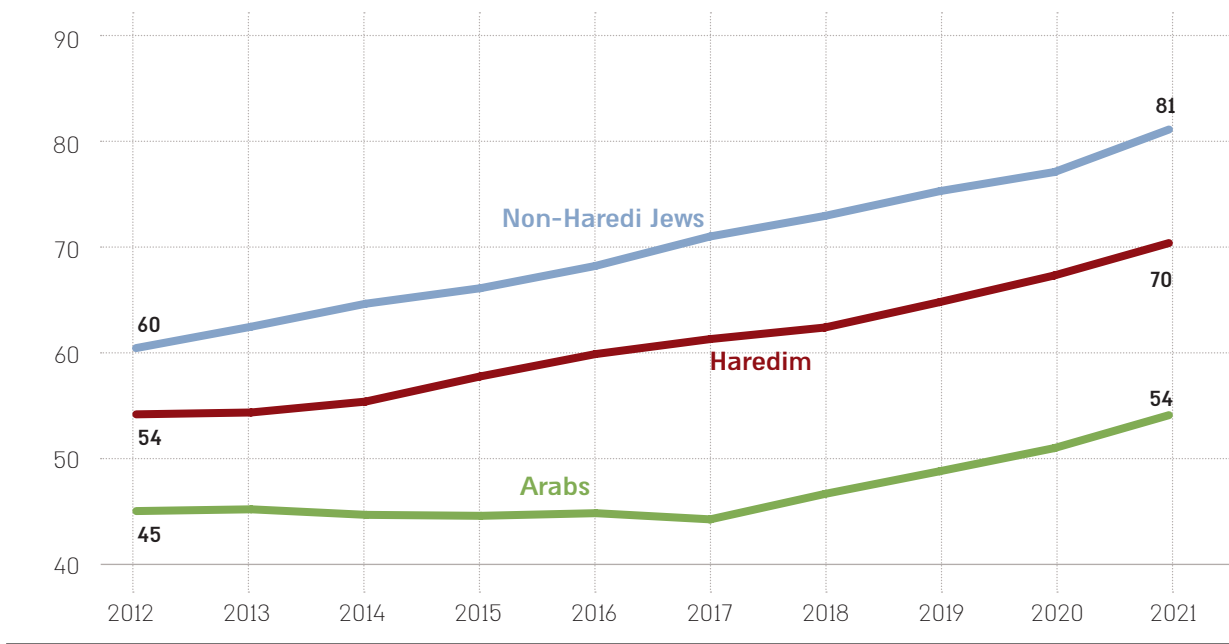


Source: Haredi Institute for Public Affairs Analysis of Administrative Data and Labor Force Surveys

Hourly wage trends among women are similar to those observed in monthly wages. Among Haredi women, there has been an increase of about 30% between 2012-2021 in hourly wages, from about NIS 54 to NIS 70. During the same period, the average hourly wage of non-Haredi Jewish women rose at a slightly higher rate: from about NIS 60 to NIS 80, an increase of 33%. Among Arab Israeli women, the increase in hourly wages was the smallest, 20%, from NIS 45 to NIS 54.

Figure 42

Average hourly wages of female employees by sector, in gross NIS, 2012-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data and Labor Force Surveys

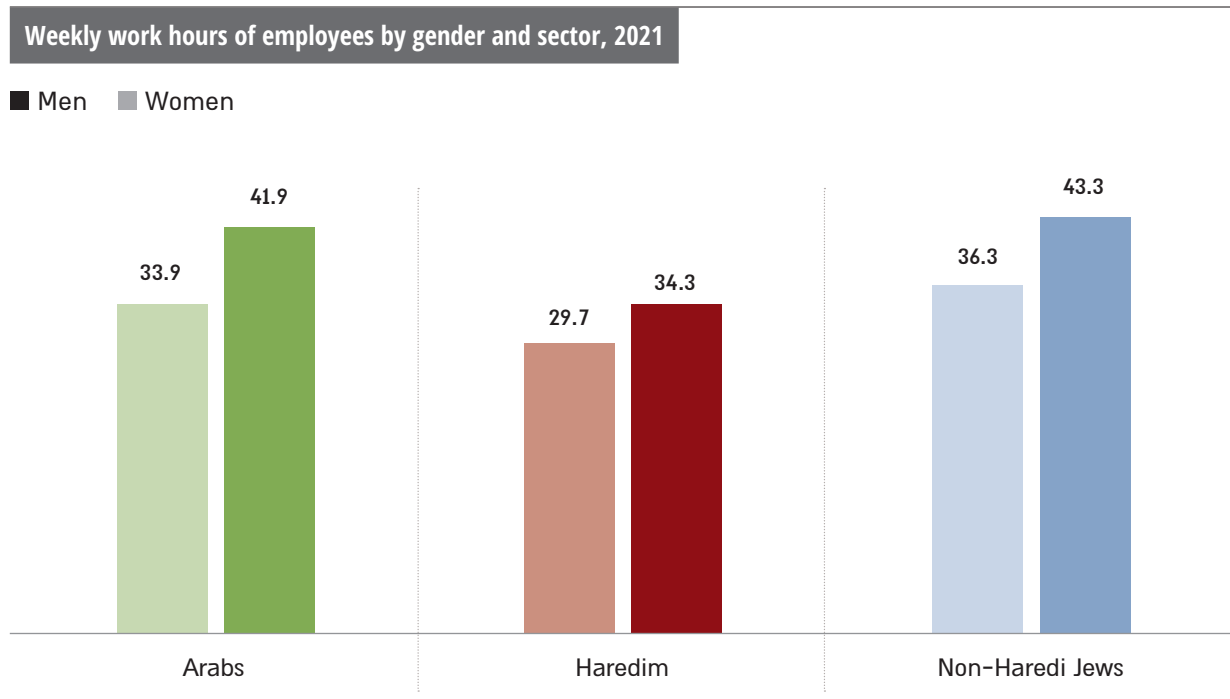
Work Hours

The rate of part-time employment in the Haredi sector is the highest among the sectors examined. Salaried Haredi women work an average of about 30 hours a week, compared to about 34 hours among Arab Israeli women and about 37 hours among non-Haredi Jewish women. For men, the gaps are even larger: Haredi employees work an average of about 34 hours a week, compared to about 42 hours among Arab Israelis and 43 hours among non-Haredi Jews. The gaps in the number of weekly work hours account for a significant portion of the monthly wage gap between non-Haredi Jews and Haredim, especially among women.

Over time, the number of weekly work hours of Haredi workers has changed. Between 2012-2014, the average number of weekly work hours of Haredi men was about 35. Between 2014-2017, there was a decline of about two hours in the average number of hours worked to 33 hours per week. Between 2018-

2020 (when there was no increase in the employment rates of Haredi men), there was an increase in the number of weekly work hours of Haredi employees. The increase may have stemmed from a slowdown in the entry of young Haredim into the labor market in entry-level positions, alongside increased integration of veteran workers and a gradual increase in the scope of their jobs. During this period, the average number of weekly work hours of non-Haredi Jewish men ranged between 43 and 44, and of Arab Israeli men between 42 and 43.

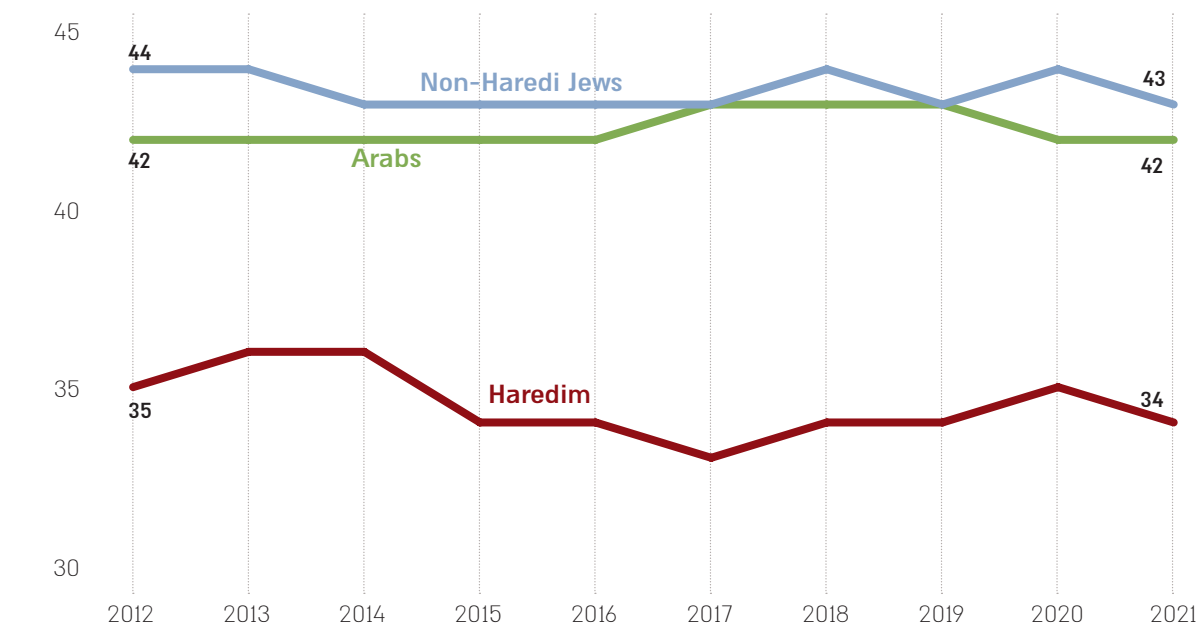
Figure 43



Source: Haredi Institute for Public Affairs Analysis of the Labor Force Survey

Figure 44

Weekly work hours of male employees by sector, 2012-2021



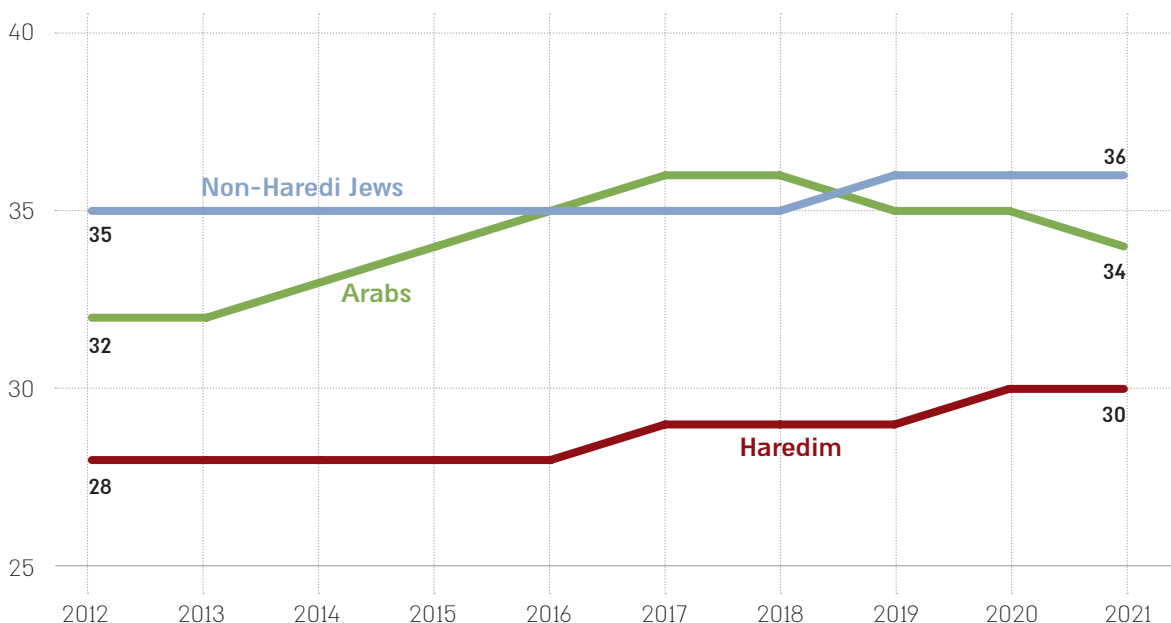
Source: Haredi Institute for Public Affairs for Labor Force Surveys

By contrast, weekly work hours among Haredi women have increased slowly but steadily in the past decade, from about 28 hours in 2012 to about 30 hours in 2021. Among non-Haredi Jewish women, the average weekly work hours were stable between 2012 and 2017, at about 35 hours. Since 2017, however, there has been a gradual increase from 35 to 36 hours of work per week.

In the past three years, Arab Israeli women have reversed their trend, with weekly work hours declining from 36 to about 34 hours after years of gradual increase. This decline may result from the gradual entry of many Arab Israeli women into the labor market, initially in part-time jobs and later on a larger scale.

Figure 45

Weekly work hours of female employees by sector, 2012-2021



Source: Haredi Institute for Public Affairs for Labor Force Surveys

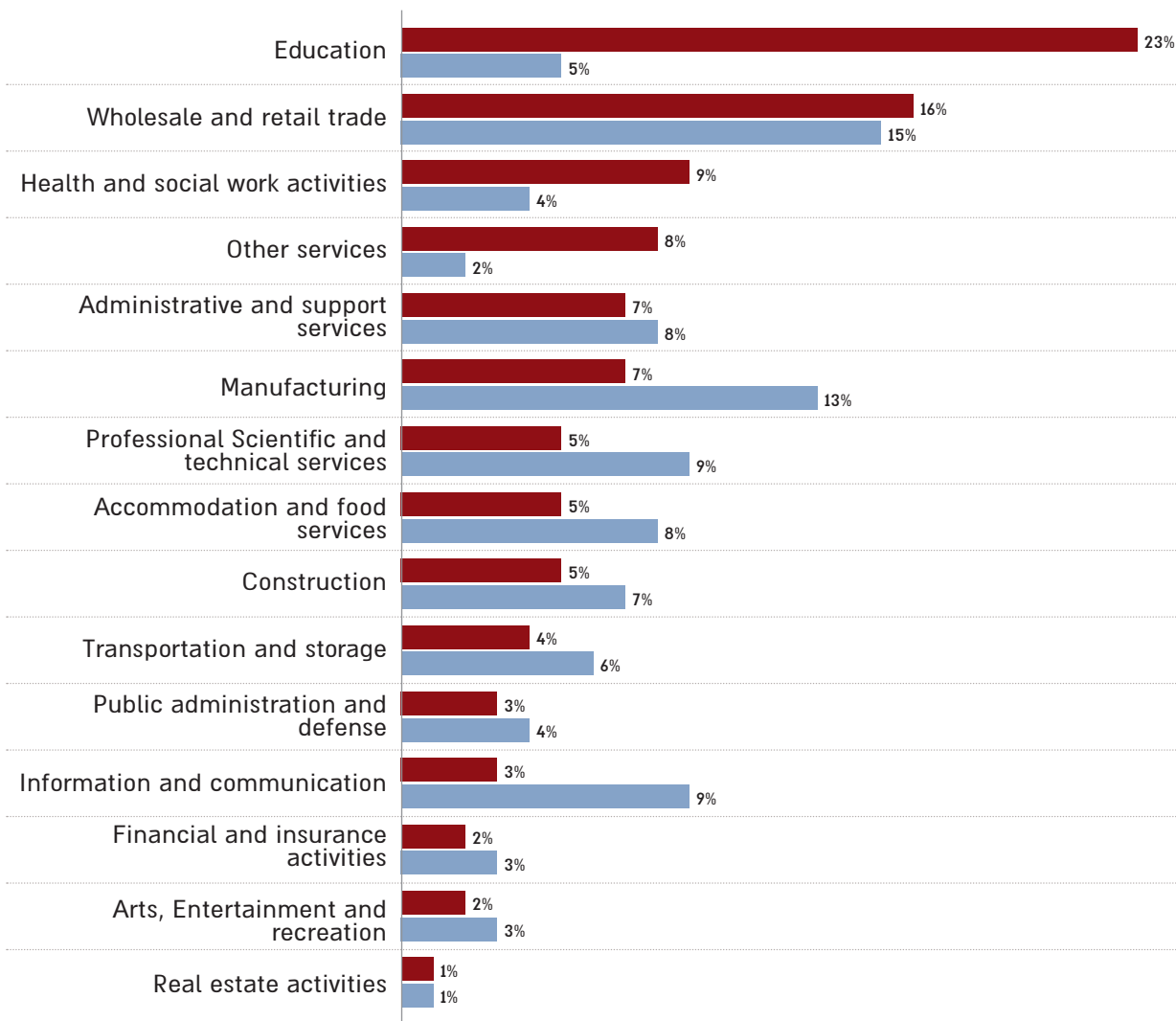
Employment by Industries

The typical industries in which each group is employed have a decisive effect on wages. A comparison of employment industries among men shows that Haredi workers are significantly overrepresented in the education industry: 23%, compared to only 5% among non-Haredi Jews. At the same time, Haredi men are underrepresented in industries characterized by high wages, such as manufacturing, where 13% of non-Haredi Jewish men are employed, compared to 7% of Haredim. The same is true in the information and communication industries (9% vs. 3%, respectively), in professional, scientific, and technical activities (9% vs. 5%, respectively), and in accommodation and food service activities (8% vs. 5%, respectively).

Figure 46

Industry distribution of male employees by sector, 2021

■ Haredim ■ Non-Haredi Jews

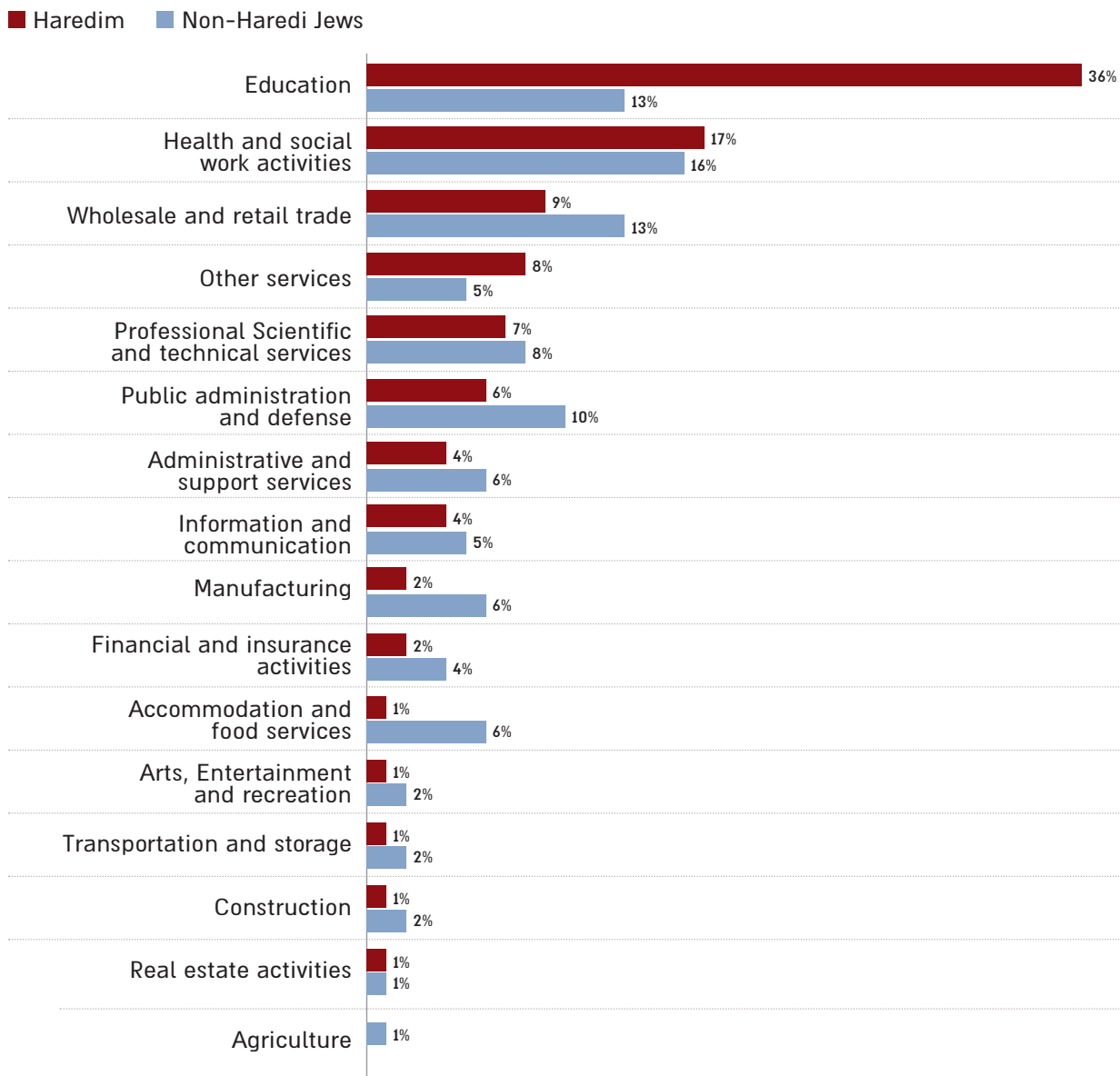


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Haredi women are also overrepresented in the education industry: 36% of Haredi women are employed in education, compared to 13% of non-Haredi Jewish women. The industries in which Haredi women are underrepresented include wholesale and retail trade, which provides employment to 13% of non-Haredi Jewish women compared to 9% of Haredi women; public administration and defense (10% vs. 6%, respectively); manufacturing (6% vs. 2%, respectively); accommodation and food service activities (6% vs. 1%, respectively).

Figure 47

Industry distribution of female employees by sector, 2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

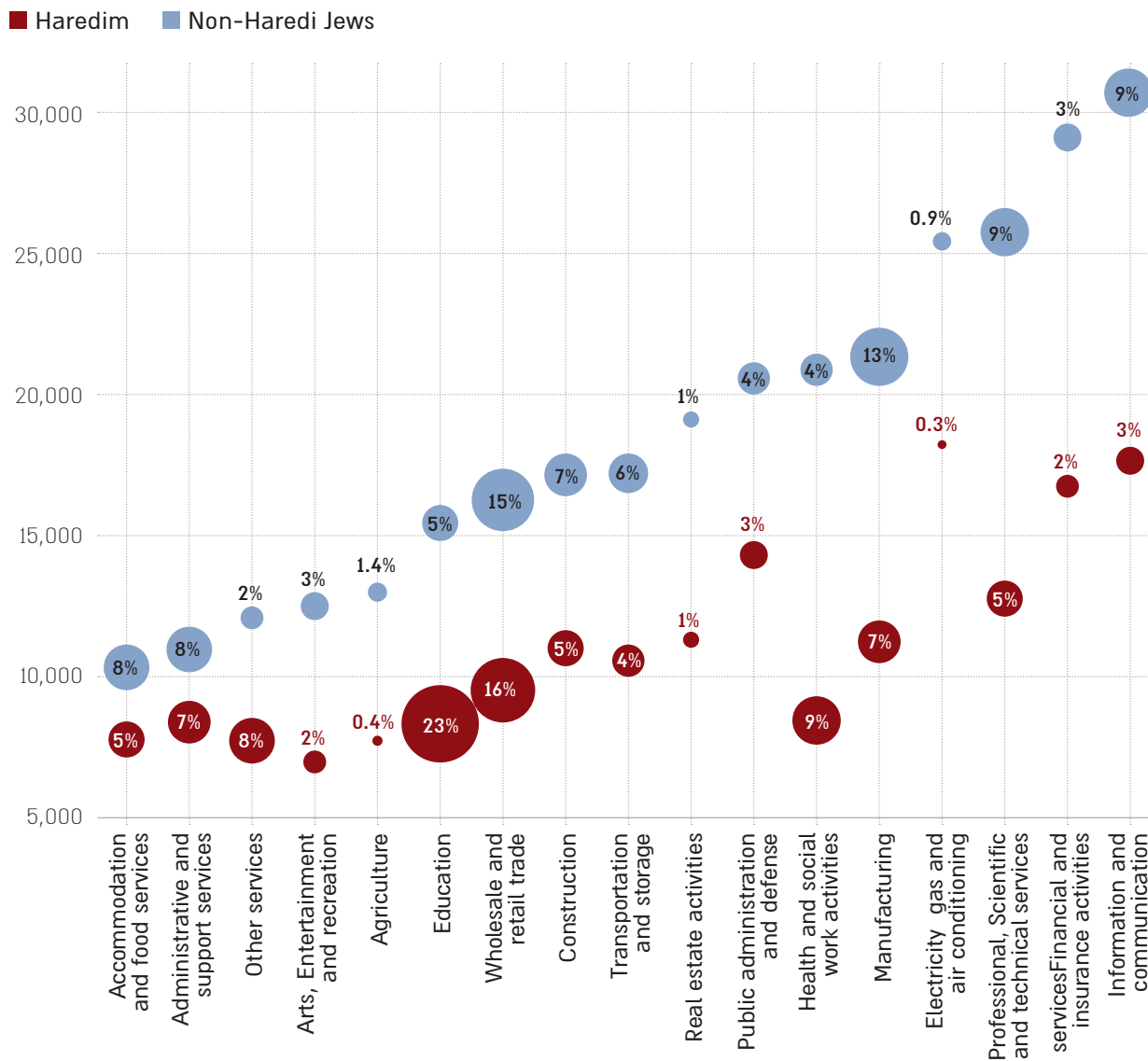
Average Wages by Industry

In addition to wage gaps between Haredi and non-Haredi Jewish employees stemming from the differences in employment industries, there are also gaps between those employed in the same industry. In most industries, Haredi men earn an average of up to 60% of the wages of non-Haredi Jewish men. The largest wage gap is in human health and social work activities, where Haredi men earn only about 40% of the wages of non-Haredi Jewish men. In the accommodation and food service activities industries and administrative and support service activities, wage gaps were the lowest: Haredi men in these industries earn about 75% of the wages of non-Haredi Jewish men. In the high-tech sectors (information and communication and professional, scientific, and technical activities), Haredi men earn about 57% and 50%, respectively, of the wages of non-Haredi Jewish men.

The wage gaps within the various industries reflect, among other things, the complex challenges faced by Haredi men integrating into the labor market, particularly the education gaps and the lack of professional knowledge and skills required in high-productivity industries. These barriers make it difficult for young Haredim to integrate into high-demand jobs at higher wages.

Figure 48

Industry distribution and wages of male employees by sector, 2021

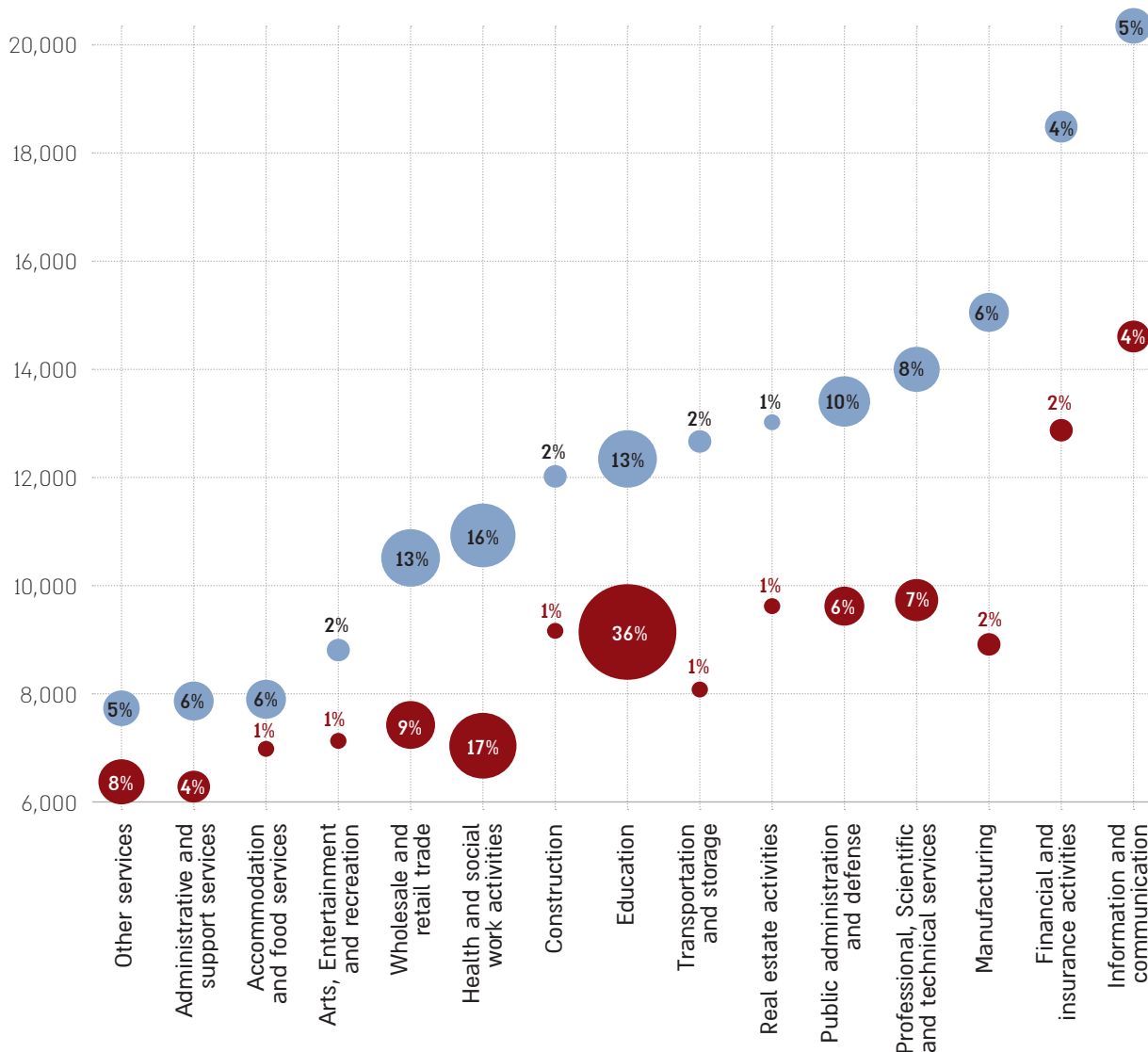


* The size of the bubble represents the percentage of persons from each group employed in the industry
 Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 49

Industry distribution and wages of female employees by sector, 2021,

■ Haredim ■ Non-Haredi Jews



* The size of the bubble represents the percentage of persons from each group employed in the industry sector

Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Large differences were found between the wages of Haredi and non-Haredi female employees within each industry. In all industries, Haredi women earn an average monthly wage that is considerably lower than that of non-Haredi Jewish women. In most industries, the gap reaches about 30%; that is, Haredi women earn an average of about 70% of the salary of non-Haredi Jewish women.

In manufacturing, the wage gap between the two groups is the largest: Haredi women working in this industry earn only about 60% of the wages of non-Haredi Jewish women. The lowest wage gap is found in accommodation and food service activities, where Haredi women earn close to 90% of the wages of non-Haredi Jewish women. In the high-tech industries (information and communications, and professional, scientific, and technical services), Haredi women earn about 70% of the wages of non-Haredi Jewish women.

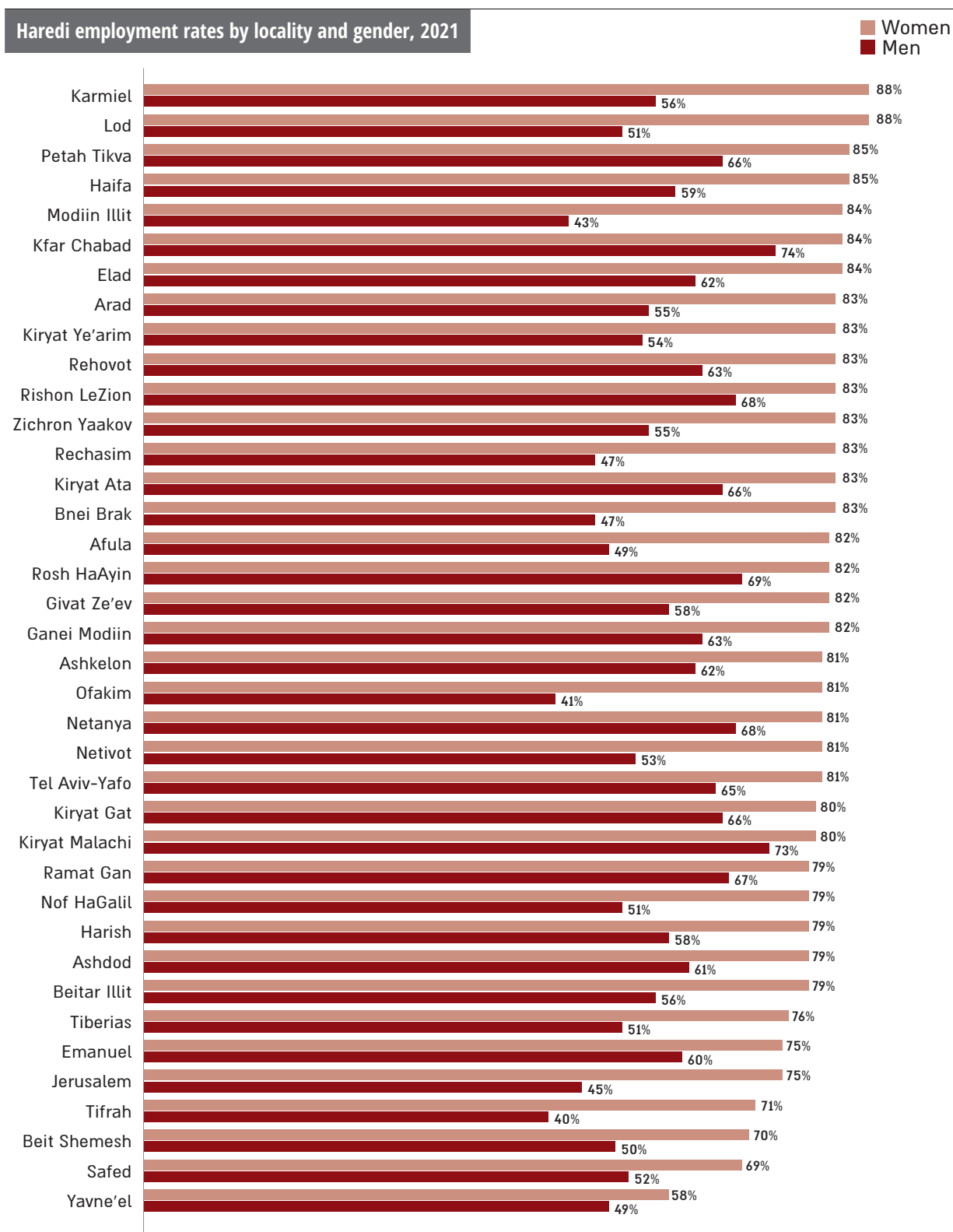
Employment Rates by Locality

The large differences between the characteristics of the Haredi communities in the various localities are also reflected in the differences in the patterns of integration into the labor market.

In cities with a Haredi population of prime working ages (25-64) larger than 500 people, the highest employment rates among Haredi women were recorded in Karmiel and Lod (88%) and the lowest in Yavne'el, Safed, and Beit Shemesh (58%, 69%, and 70%, respectively). In most localities, the employment rate of Haredi women is quite similar, ranging from 79% to 83%.

Among Haredi men, the variance in employment rates between localities is greater. The lowest employment rates were recorded in Tifrah, Ofakim, and Modi'in Illit (40%, 41%, and 43%, respectively), and the highest rates in Kfar Chabad and Kiryat Malachi (74% and 73%, respectively).

Figure 50

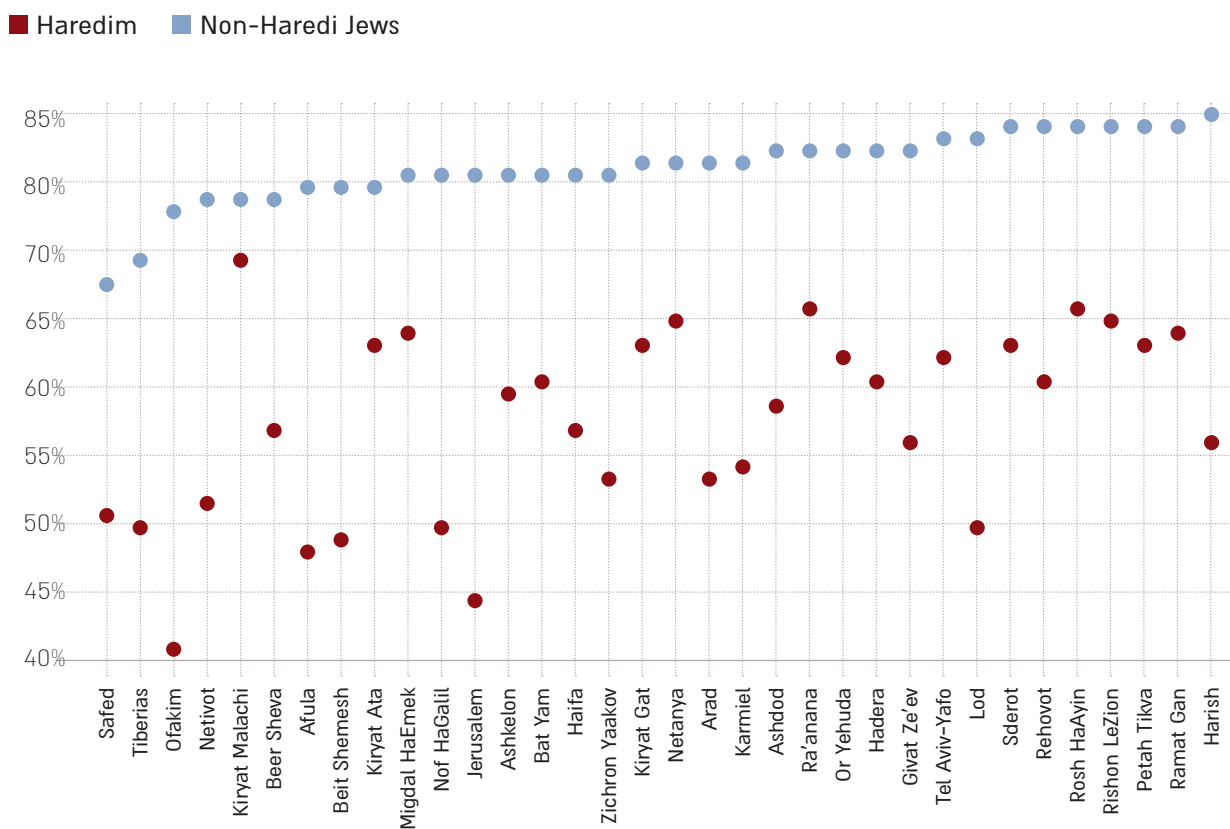


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Because employment rates are also influenced by environmental factors, such as location in the periphery vs. the center or proximity to employment centers, it is important to compare the employment rates of Haredim to those of non-Haredi Jews living in the same locality. The comparison shows gaps within the same locality in favor of non-Haredi Jews in all the mixed cities examined. Furthermore, no particular city characteristic leads to low employment rates of men in a given locality except for Safed and Tiberias, where employment rates are low relative to other mixed cities for both Haredi and non-Haredi Jewish men.

Figure 51

Men's employment rates in mixed cities by sector and locality, 2021



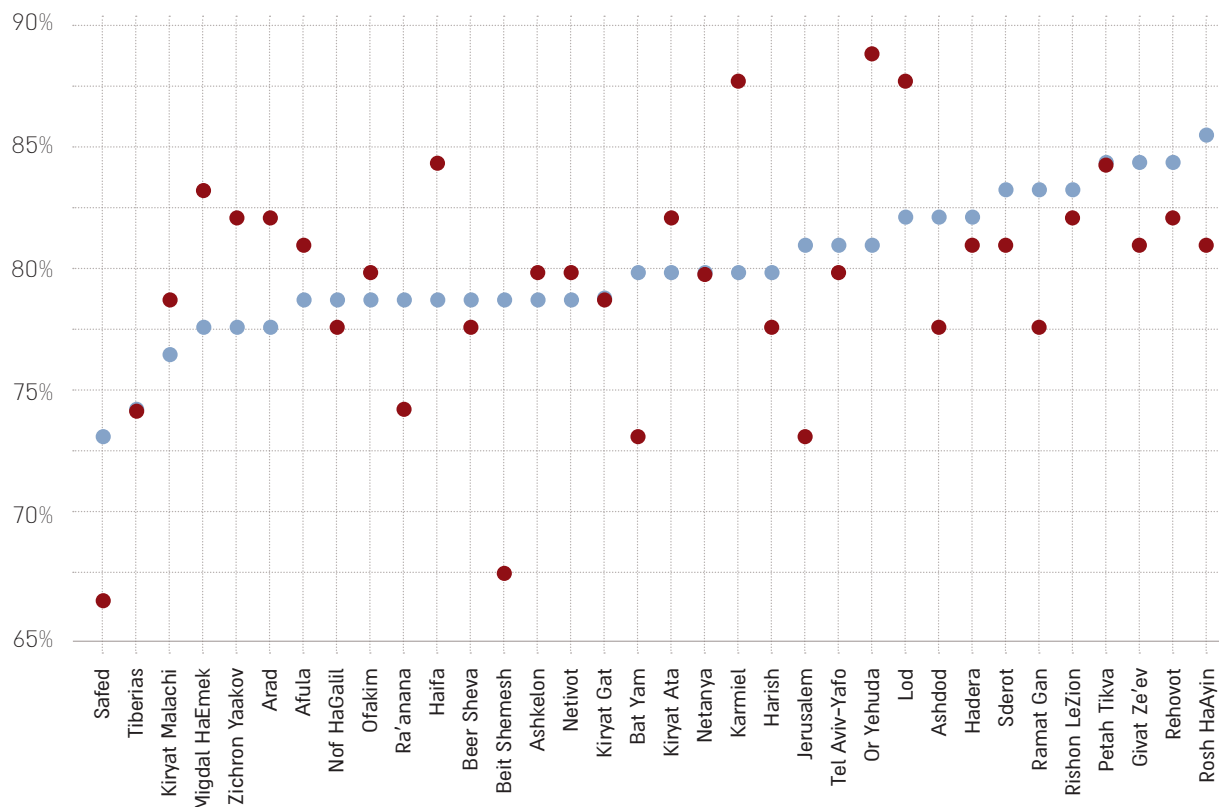
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

For women, the picture is more complex: in some localities, the employment rates of Haredi women are higher than those of non-Haredi Jewish women, and in others, the trend is reversed. But in the case of women as well, there is no particular characteristic that leads to low employment rates of Haredi women in a given locality except in the cities of Safed and Tiberias, where the employment rates of all women are also lower than the average of other mixed localities.

Figure 52

Women's employment rates in mixed cities by sector and locality, 2021

■ Haredim ■ Non-Haredi Jews



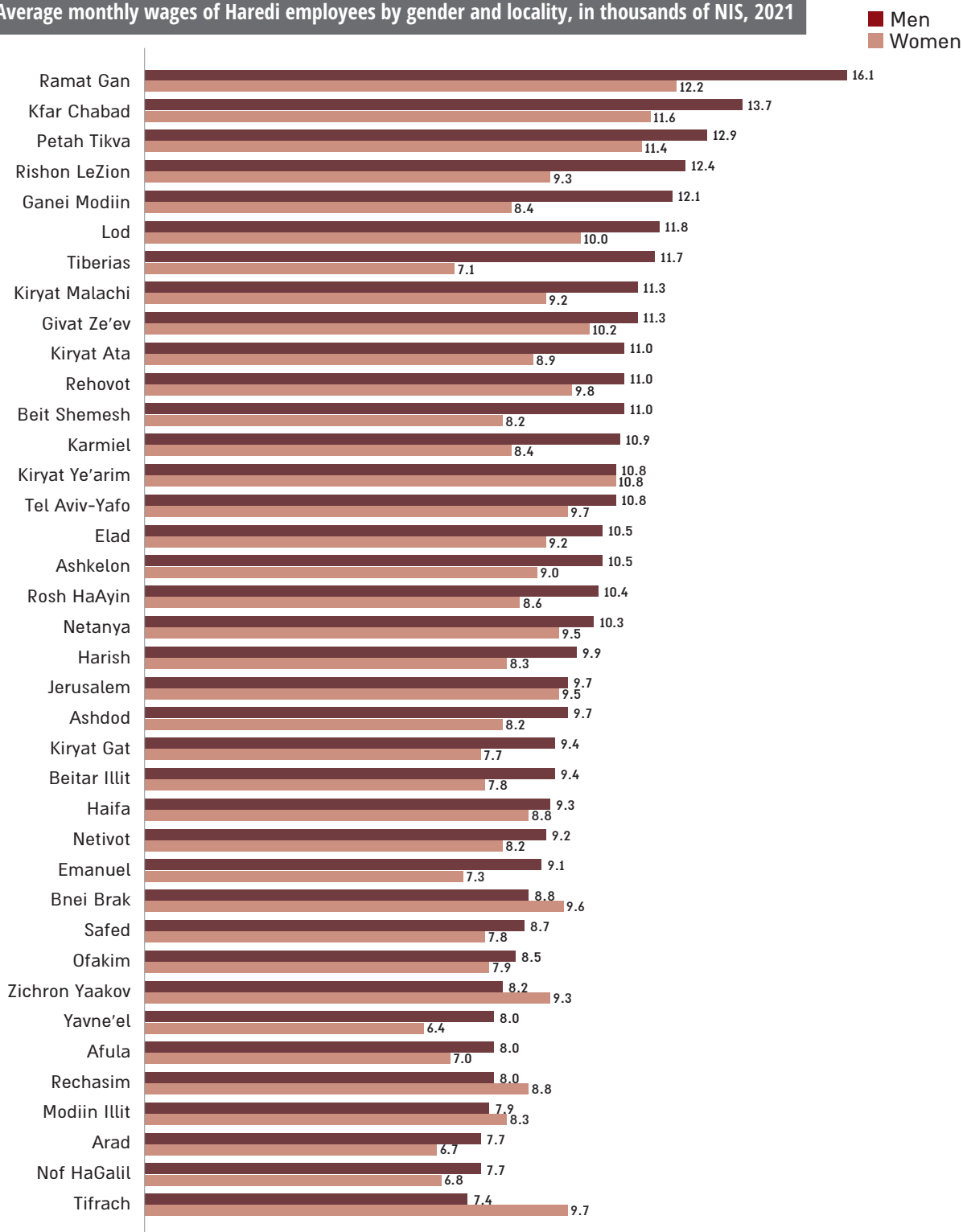
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Wages by Locality

A comparison of the wages of Haredim living in different localities yields some instructive findings. First, in most localities, Haredi men earn an average monthly wage higher than the average wage of Haredi women in the locality. In the cities of Rishon LeZion, Ganei Modi'in, and Tiberias, the wages of Haredi women in the locality are lower by the largest margin than those of Haredi men. Women's monthly wages are higher several cities, such as Zichron Yaakov, Bnei Brak, Modi'in Illit, and Rehassim. In Ramat Gan, where the employment rate of Haredi men is much higher than average, the monthly wage of Haredi men is also the highest, standing at NIS 16,054. The average wage of Haredi women living in Ramat Gan is also the highest, at NIS 12,243. The lowest average wage of Haredi men is in Tifrah (NIS 7,353) and Nof Hagalil (NIS 7,692), and of Haredi women in Yavne'el (NIS 6,379) and Arad (NIS 6,664).

Figure 53

Average monthly wages of Haredi employees by gender and locality, in thousands of NIS, 2021



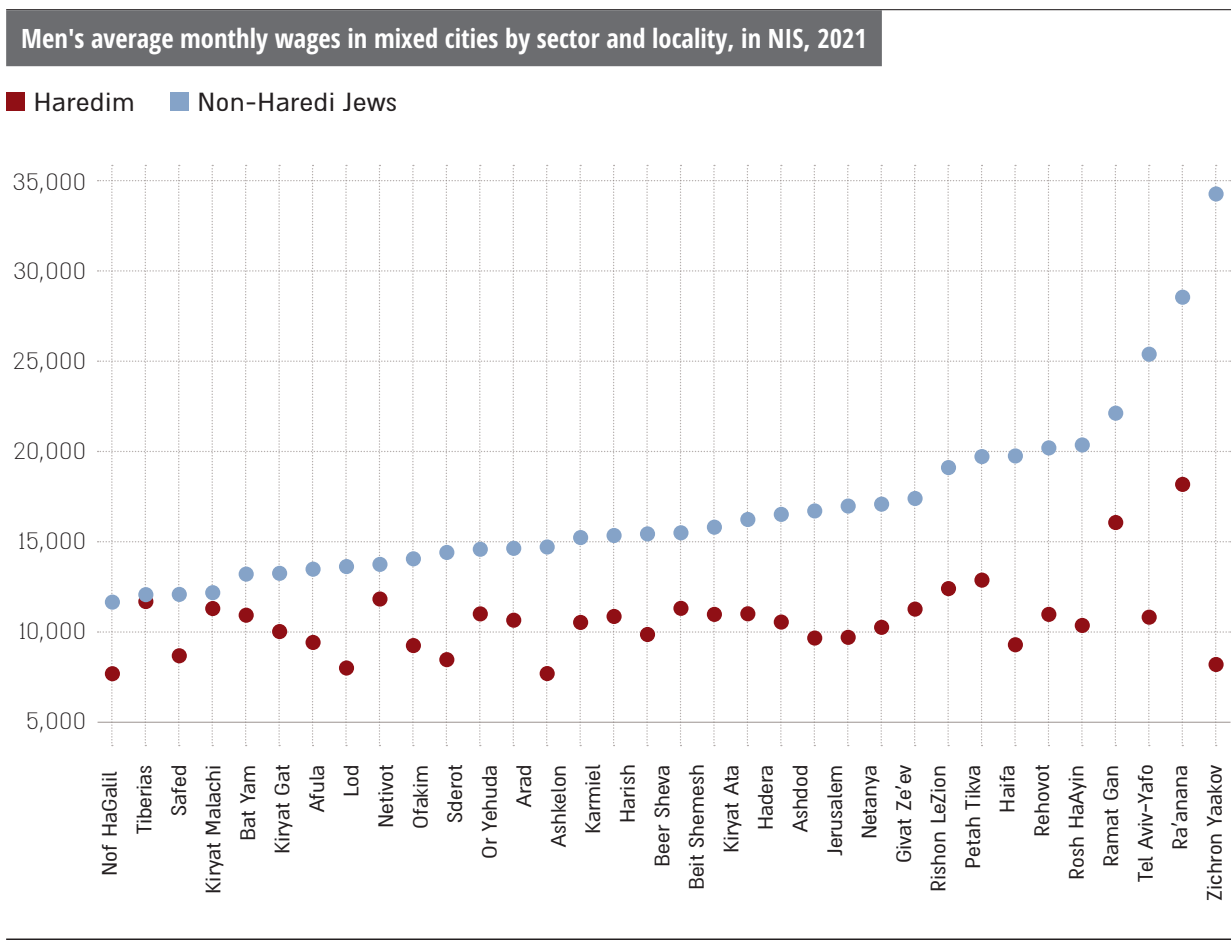
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Comparison of the average wage of employed Haredi men to that of non-Haredi Jewish men living in the same locality shows that Haredim earn less in all localities. Still, the size of the gap varies greatly from one locality to another.

Zichron Yaakov has the largest wage gap between Haredi men and non-Haredi Jewish men: Haredim in the community earn about a quarter of what non-Haredi Jewish men do. The gap may be explained by the average wage of non-Haredi Jewish men in the locality, which is the highest of the localities examined and much higher than the national average. In Tel Aviv as well, large gaps were found between Haredi men, who earn about 45% of the average salary of non-Haredi Jewish men.

Tiberias has the smallest wage gap between Haredi men and non-Haredi Jewish men: Haredi men earn an average of 97% of the salary of non-Haredi Jewish men, but the average wage of non-Haredi Jewish men from Tiberias is significantly lower than the national average.

Figure 54

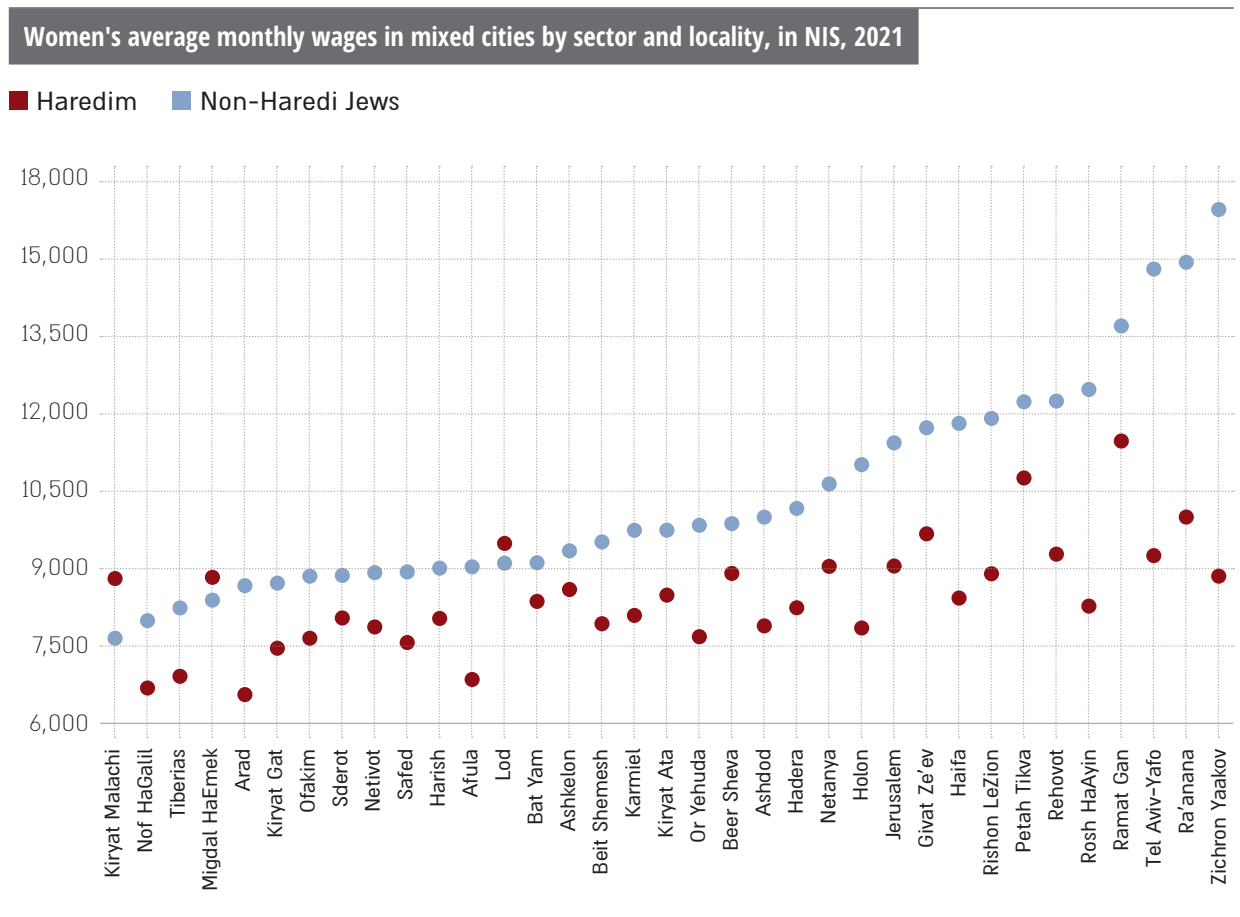


Source: Haredi Institute for Public Affairs Analysis of Administrative Data, 2021

When comparing the average wage of Haredi women to the wages of non-Haredi Jewish women in the same cities, no clear pattern emerges regarding the size of the gaps. As in the case of men, the largest wage gaps were found in Zichron Yaakov: the average wage of Haredi women is 53% of that of non-Haredi Jewish women. And again, as in the case of men, the average wage of non-Haredi Jewish women in Zichron Yaakov is much higher than that of women in other localities and relative to the national average.

Unlike in the case of men, there are some localities in which the average wage of Haredi women is higher than that of non-Haredi Jewish women. For example, in Kiryat Malachi, the average salary of Haredi women in 2021 was about 17% higher than that of non-Haredi Jewish women. Still, the average wage of non-Haredi Jewish women is much lower than that of women in the other localities examined and also lower than the national average. In the cities of Lod and Migdal HaEmek, the average wage of Haredi women is also about 5% higher than that of non-Haredi Jewish women.

Figure 55



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Employment Rate by Haredi Streams

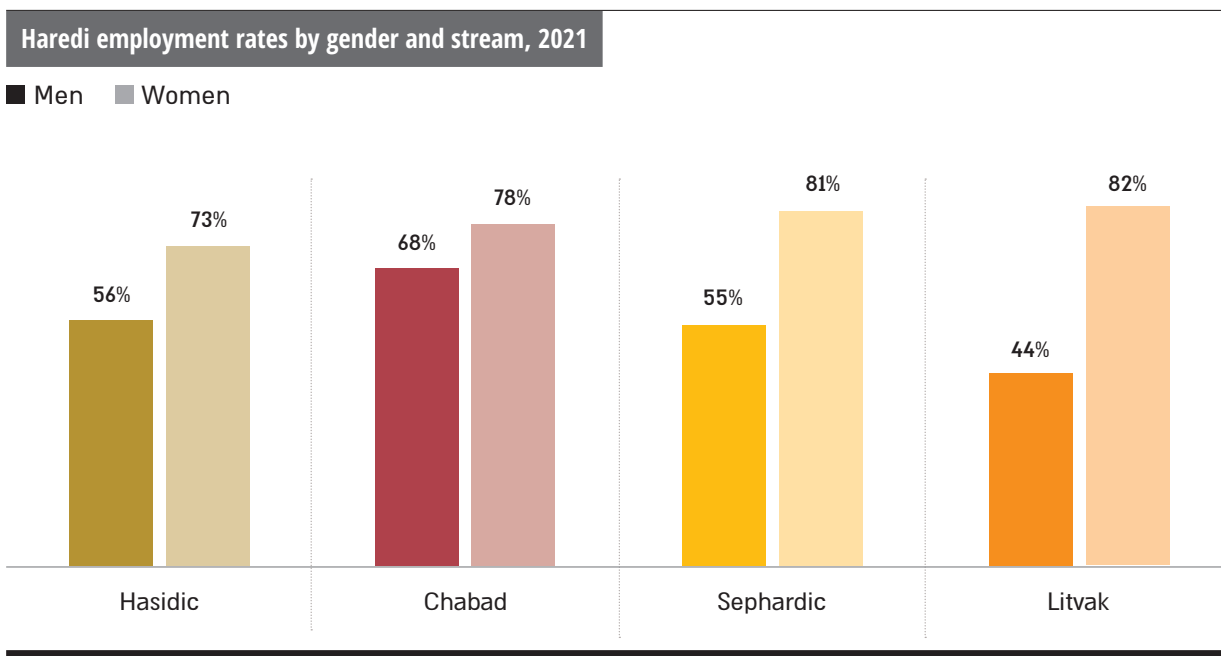
As noted, Haredi society is comprised of three main streams: Litvaks, Hasidim, and Sephardim, and it is customary to distinguish Chabad Hasidim (who have unique characteristics) from the rest of the Hasidic movement. The differences between the various communities are also reflected in how they integrate into the labor market.

In 2021, the employment rate of Haredi women was higher than that of Haredi men in all streams, but in the Litvak community, the employment gaps between men and women are the largest. The employment rate of Litvak women is the highest among Haredi women, standing at 82%, and the employment rate of Litvak men is the lowest among Haredi men, standing at 44%. This reflects the fact that Litvak society upholds the principle of the "society of learners," resulting in a pronounced disparity between men and women in carrying the burden of providing for the family.

Among Sephardim, the employment rate of women is similar to that of Litvak women, standing at 81%, but the employment rate of the men is higher than that of Litvak men, at 55%. In the Hasidic community, the employment gaps between men and women are the smallest among the three large streams, with the employment rate of Hasidic men the highest, at 56%, and the employment rate of Hasidic women the lowest, at 73%.

The ratio between the employment of women and men in each Haredi stream appears to reflect the perception that employment is a shared burden of the household and not of each individual: the higher the employment rate of women, the lower the employment rate of men.

Figure 56

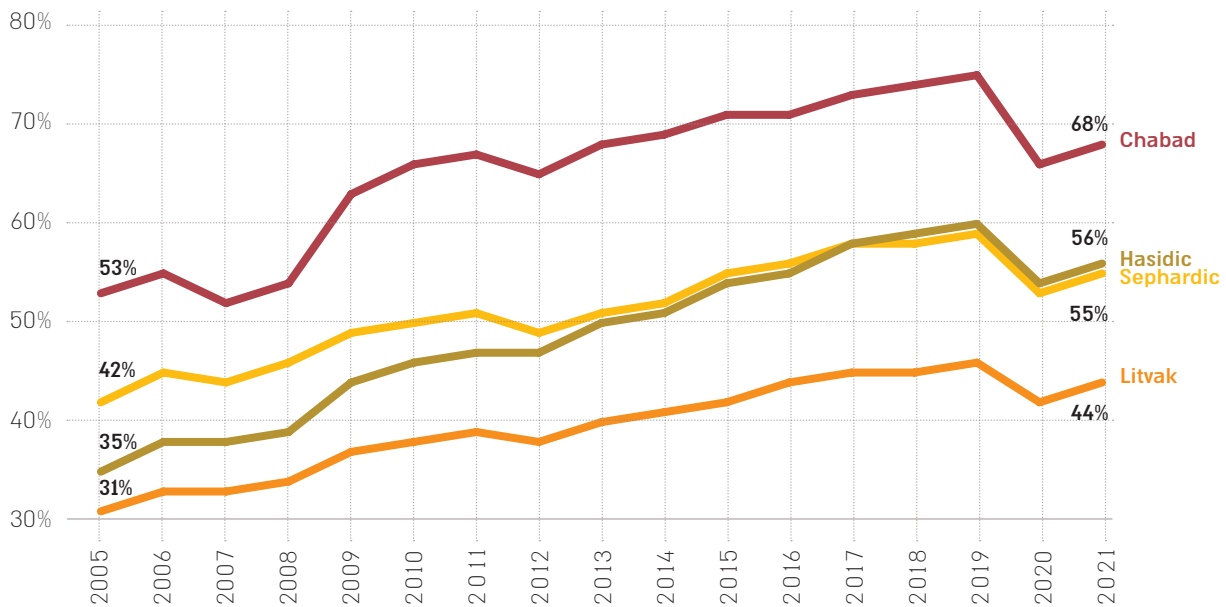


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

A comparison between Haredi men from the various streams reveals that Litvak men's employment rate was consistently the lowest. In 2005, the employment rate of Litvaks was 31%, gradually climbing to 44% in 2021. The largest increase in employment rates was among Hasidic men: in 2005, their employment rate was lower than that of Sephardim (35% vs. 42%, respectively), but by 2021 the gaps narrowed, and today the employment rate of Hasidim slightly exceeds that of Sephardim: 56% vs. 55%, respectively. Between 2020-2021, there was a decline in the employment rates of Haredi men of all streams due to the effects of COVID-19 on the labor market.

Figure 57

Haredi men's employment rates by stream, 2005-2021, Ages 25-64

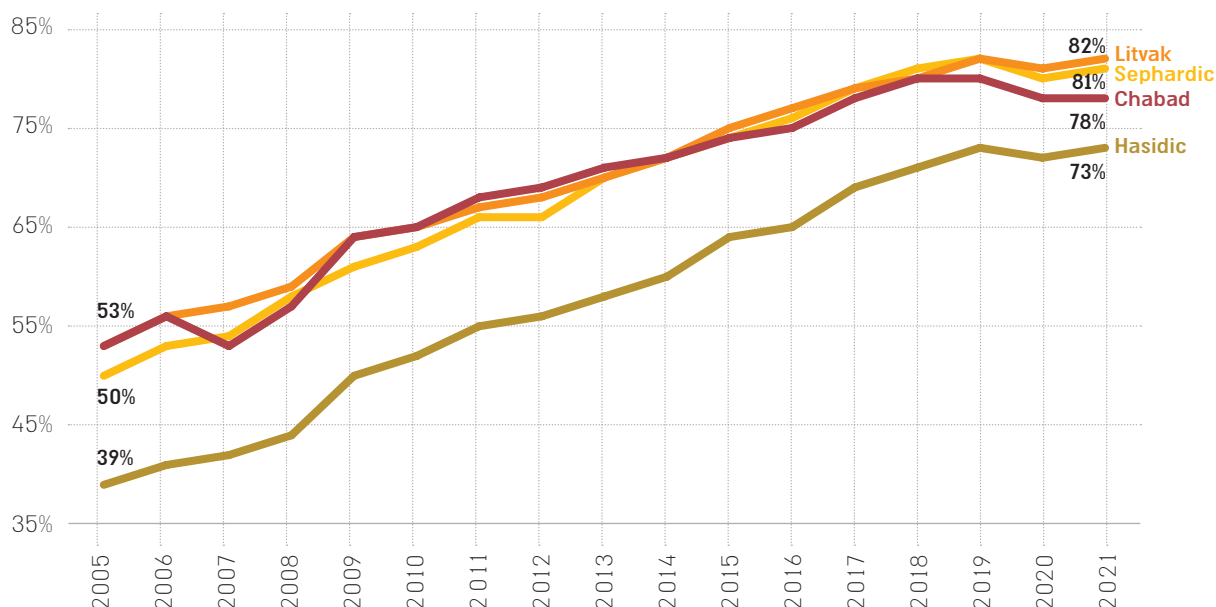


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Among Haredi women of all streams, employment rates increased substantially between 2005-2021, but there are differences between the streams in the growth rate. The employment rate of Hasidic women was 39% in 2005, significantly lower than that of Sephardic and Litvak women (about 50%). By 2021, the employment rate of Hasidic women had nearly doubled to 73%, and that of Sephardic and Litvak women reached 82%. Thus, the gap between Hasidic women and women from other streams has narrowed, but their employment rates remain the lowest by a considerable margin.

Figure 58

Haredi women's employment rates by stream, 2005-2021, Ages 25-64



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Wages by Haredi Streams

The differences between the employment characteristics of the various streams in Haredi society are also reflected in gaps in average monthly wages. In all streams, the average monthly salary of men is higher than that of women, but in Hasidic society, the wage gaps are the largest. In addition, the wages of both Hasidic men and women are the lowest of the Haredi streams: the average salary of a Hasidic woman is NIS 8,009 per month, and of a Hasidic man is NIS 9,302.

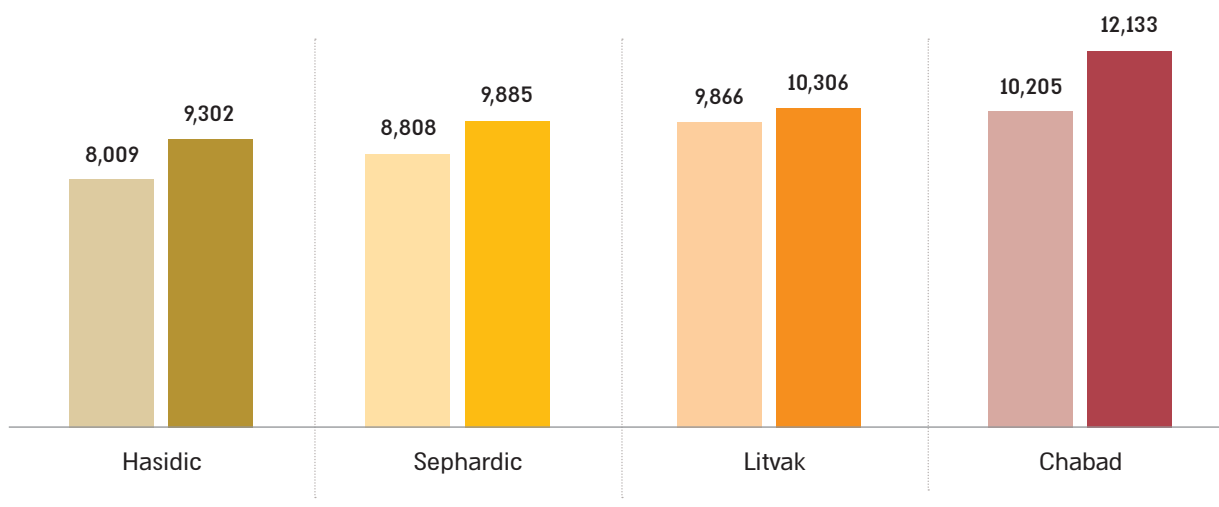
The average salary of Sephardim is slightly higher: the average salary of a Sephardic woman is NIS 8,808, and that of a Sephardic man is NIS 9,885. In the Litvak community, the average salary is the highest of the large streams, and the wage gaps between women and men are the smallest: the average salary of a Litvak woman is NIS 9,866, and that of a Litvak man is NIS 10,306.

The average wage of Chabad men is significantly higher than that of men from the three largest streams, possibly because of the relatively high percentage of individuals with academic degrees.

Figure 59

Average monthly wages of Haredi employees by gender and stream, in NIS, 2021, Ages 25-64

■ Men ■ Women



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

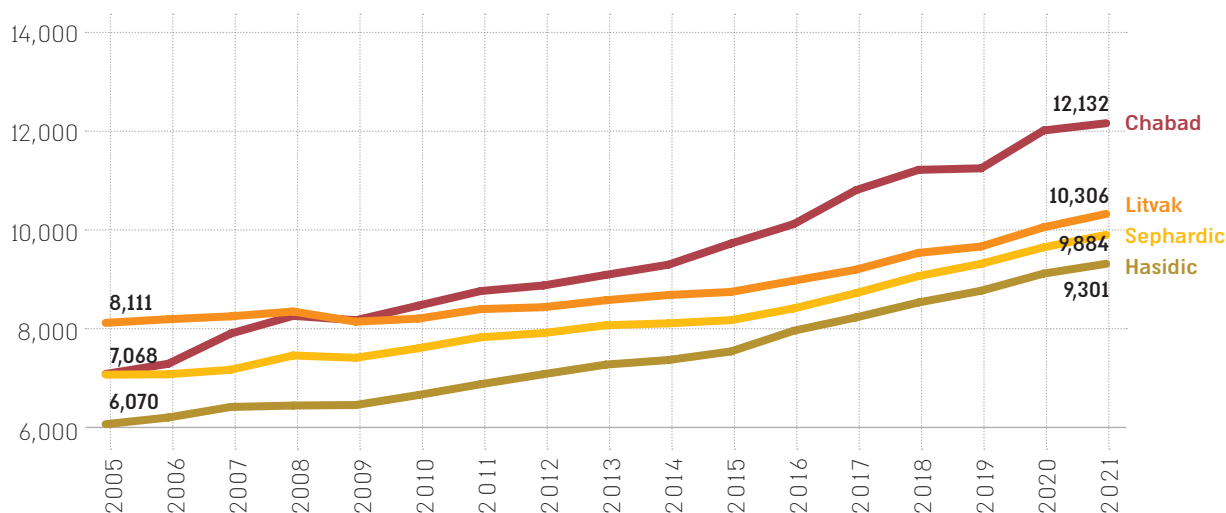
Between 2005-2021, wage gaps between Haredi men of the three largest streams gradually narrowed, although the ranking remained the same. Throughout the period, the average wages of Hasidic men were the lowest. In 2005, their average salary was NIS 6,070, compared to Sephardic men, who earned NIS 7,068 on average (16% more than Hasidic men), and Litvak men, who earned NIS 8,111 on average (34% more than Hasidim and 15% more than Sephardic men).

In 2021, the average salary of Sephardic men was NIS 9,885, and that of Hasidic men was NIS 9,302; thus, the wage gap between them narrowed from 16% to 6%. The average salary of Litvak men was NIS 10,306 that year. Thus, the wage gap between Litvak men and Hasidic men narrowed to 11%, and the gap between Litvaks and Sephardim to 4%. In other words, among Litvak men, the rate of wage increase was slower: between 2005-2021, there was a 36% increase in the wages of Sephardic men, 50% in the wages of Hasidic men, and 24% in the wages of Litvak men.

Wage trends also show the impressive increase in the wages of Chabad Hasidim, who have opened a large gap in the past decade relative to the other streams. As shown in the Higher Education section below, this rapid increase corresponds mainly to the surge in the share of individuals with academic degrees in this community over the past decade.

Figure 60

Average monthly wages of male Haredi employees by stream, in NIS, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

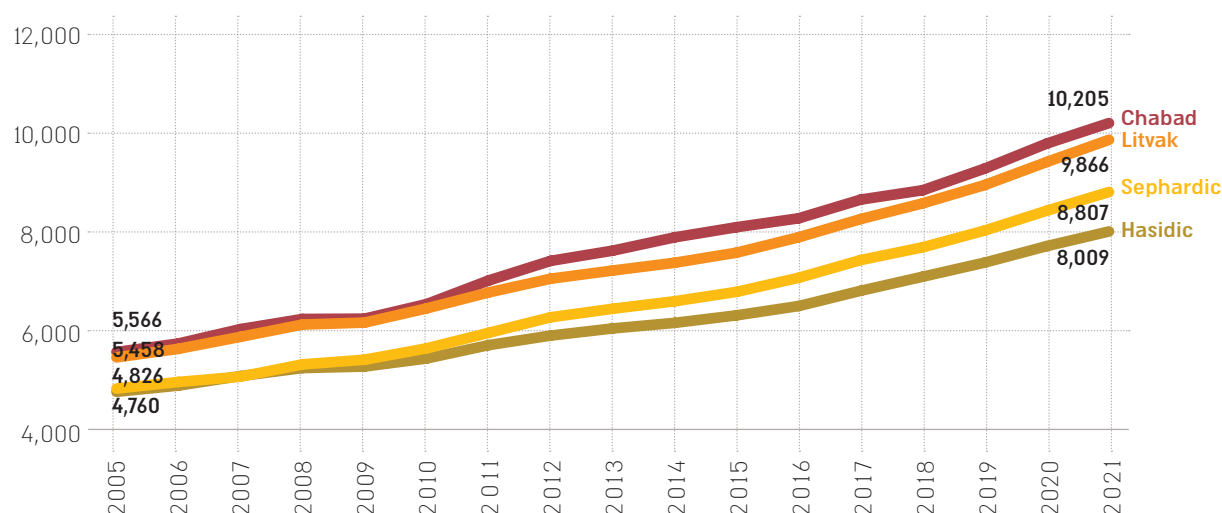
Throughout the period (2005-2021), Litvak and Chabad women were the highest earners, with Hasidic and Sephardic women earning much less on average. In 2005, Sephardic women earned an average of NIS 4,826 a month, Hasidic women NIS 4,760, and Litvak women NIS 5,458, that is, 15% more than Hasidic women and 13% more than Sephardic women.

In the past decade and a half, there has been a large increase in the average wage of Haredi women of all streams, but in some streams, the rate of increase has been faster than in others. The largest increase was among Sephardic women, at 83%, bringing their average salary to NIS 8,808 in 2021. The wages of Litvak and Chabad women increased during this period by a similar rate, 81%, and 82%, respectively, to NIS 9,866 and NIS 10,205, respectively, in 2021.

At the bottom of the list are Hasidic women, whose average salary rose by only 68% during this period, to NIS 8,009 a month in 2021. As a result, the wage gap between Litvak and Chabad women and between Hasidic women widened gradually over the period, from 15% to 23%, while the wage gap between Litvak and Chabad women and Sephardic women remained stable, at 12% in 2021. As shown below in the Higher Education section, the share of Hasidic women with academic degrees is much lower than that of women in other streams, which is reflected in their low wages.

Figure 61

Average monthly wages of female Haredi employees by stream, in NIS, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Employment Rates by Age Group

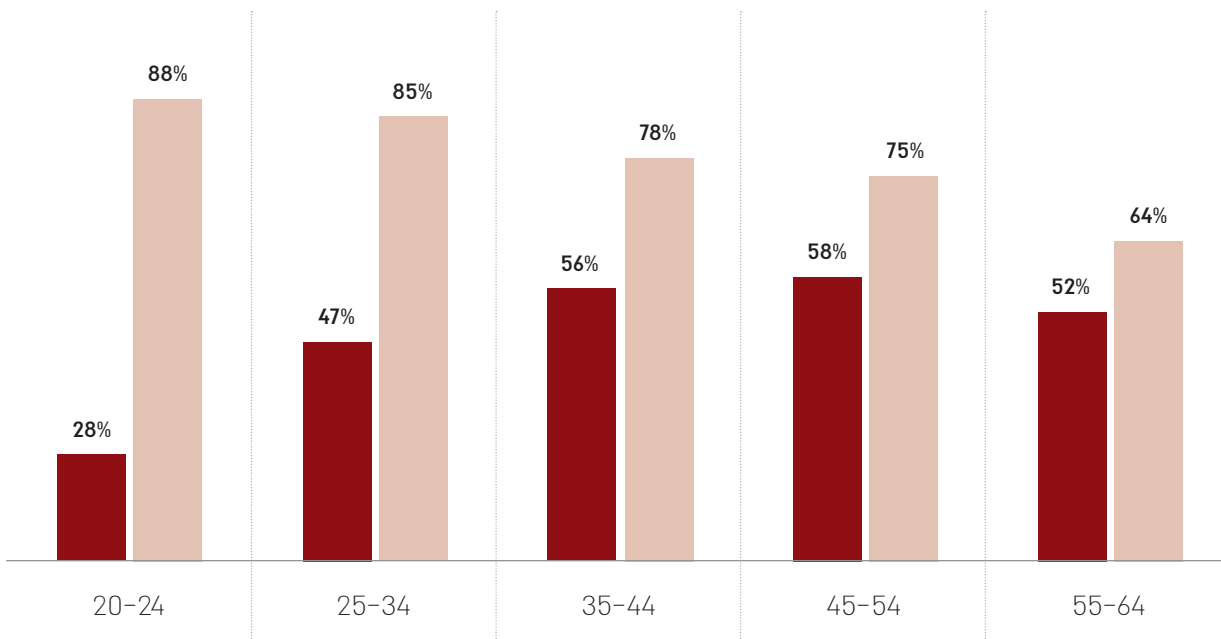
The unique employment track of Haredim leads to large differences in the employment characteristics of the various age groups. There is an inverse relationship between the employment rate of Haredi women and Haredi men: the employment rate of Haredi women declines with age and of Haredi men increases. This trend can be explained by the fact that Haredi men study in yeshivas in their youth, while Haredi women bear the burden of supporting the household; later, when men retire from the yeshiva and enter the workforce, they compensate for the gradual decline in women's employment as the family expands.

In accordance with this principle, the highest employment rate of Haredi women is measured in the youngest age group (20-24) and stands at 88%. In this age group, the employment rate of Haredi men is the lowest, at 28%. Among those aged 25-34, the employment rate of Haredi men rises to 47%, and of Haredi women drops slightly to 85%. At ages 35-44, the employment rate of Haredi men rises again to 56%, and of Haredi women drops to 78%. In the 45-54 age group, the employment rate of Haredi men peaks at 58%, and that of Haredi women drops to 75%. Among those aged 55-64, the employment rates of both men and women decline: among Haredi women of this age the rate is 64%, and among Haredi men 52%.

Figure 62

Haredi employment rates by gender and age group, 2021

■ Men ■ Women

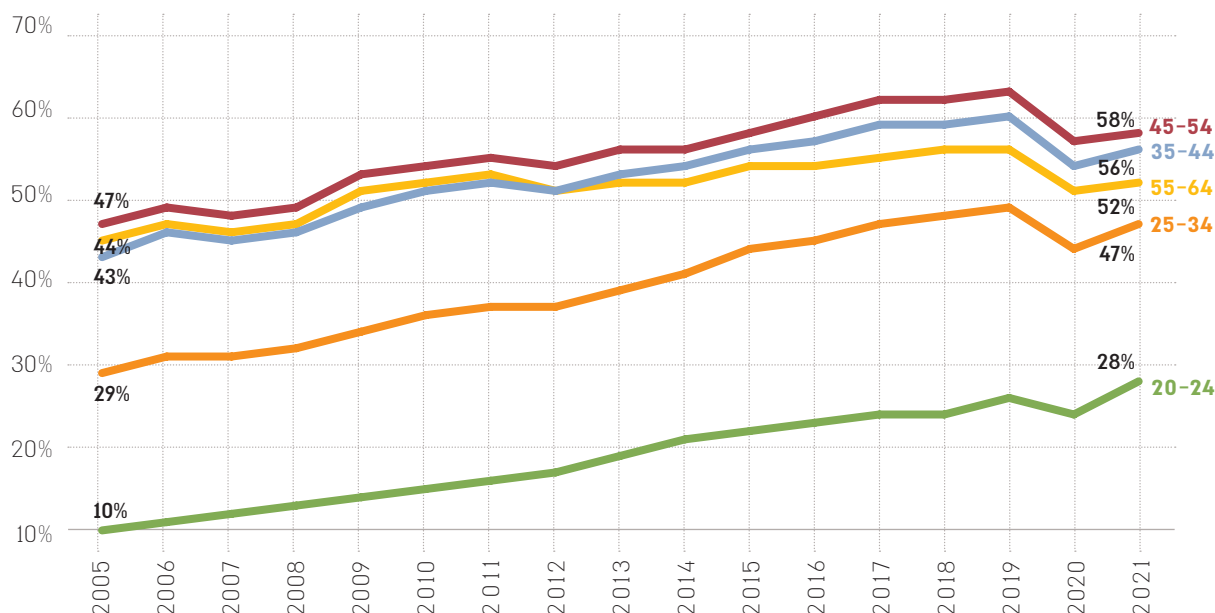


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The employment trends of Haredi men in the past two decades show that an increase began in each age group around 2006. The largest increase occurred among young people: the employment rate of 20-24-year-olds rose from 10% in 2005 to 28% in 2021, and those aged 25-34 from 29% to 47%. The rapid increase in the employment rate of young Haredim shows that this Haredi generation works at higher rates than the generation that preceded it. Thus, the upward trend in employment of Haredi men will likely continue in the coming years, given the change of generations.

Figure 63

Haredi men's employment rates by age group, 2005-2021



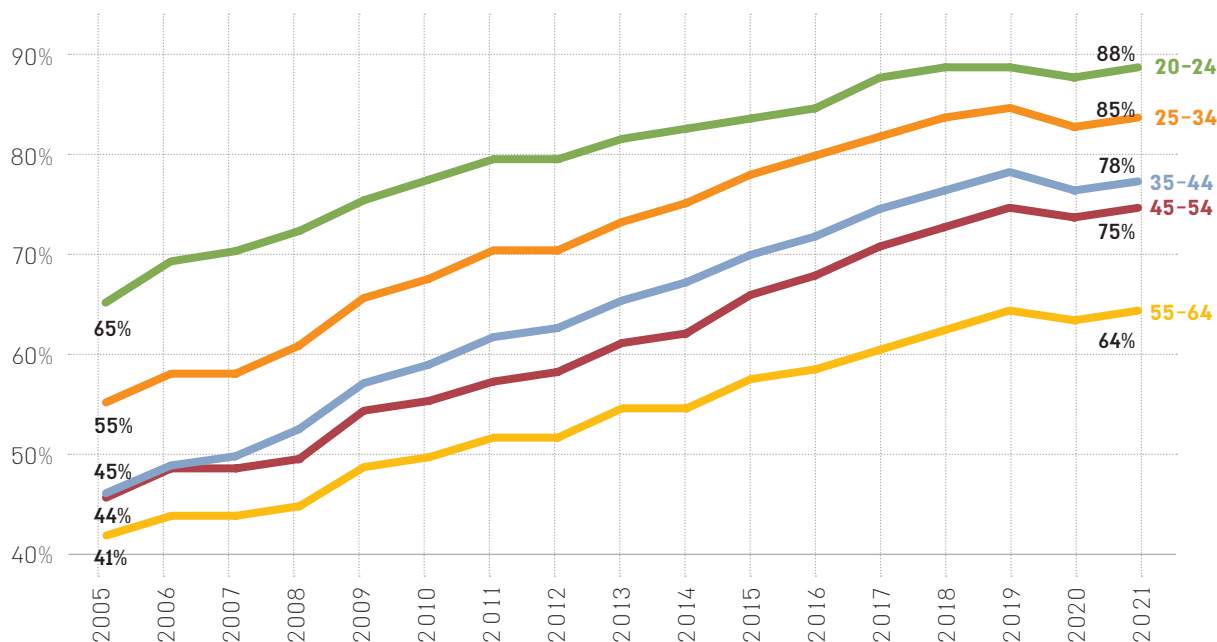
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Haredi women also began an upward trend in employment around 2006, with a faster rate of increase than that of men. The largest increase was recorded in the 35-44 age group, from 44% in 2005 to 78% in 2021. There was a similar increase among young women aged 25-34, from 55% to 85%, and among women aged 45-54, the employment rate increased from 45% to 75%.

The employment rate of 20-24-year-olds increased from 65% to 88% during this period. This age group is not included in the CBS's definition of the prime working ages (25-64); if it were, the employment gap between non-Haredi Jewish women and Haredi women would be completely closed. In other words, in practice, the employment rate of adult Haredi women is already identical to that of non-Haredi Jewish women.

Figure 64

Haredi women's employment rates by age group, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

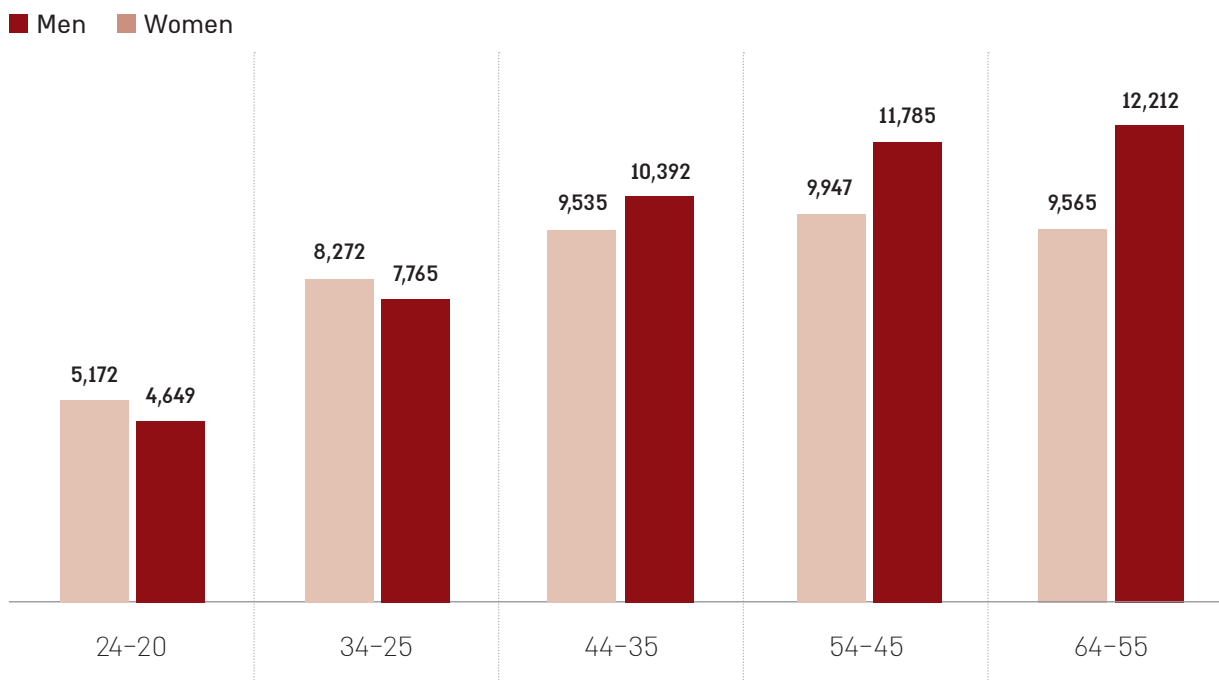
Salary by Age Groups

In addition to employment rates, there are differences in average wages in the various age groups. However, unlike employment rates, men's and women's average wage increases with age. The average wage of Haredi women is rising gradually from NIS 5,172 at ages 20-24 to NIS 8,272 at ages 25-34, then again to NIS 9,535 at ages 35-44, and finally peaking at NIS 9,947 in the 45-54 age group. In the oldest age group, 55 to 64, wages decline slightly, probably due to a decline in the scope of employment.

Among Haredi men, the average wage rises from NIS 4,649 for those aged 20-24 to NIS 7,765 for those aged 25-34. It continues to increase to NIS 10,392 for those aged 35-44 and NIS 11,785 for those aged 45-54. In contrast to women, Haredi men's highest wages are earned by the oldest age group: those aged 55-64 earn an average of NIS 12,212.

Figure 65

Average monthly wages of Haredi employees by gender and age group, in NIS, 2021

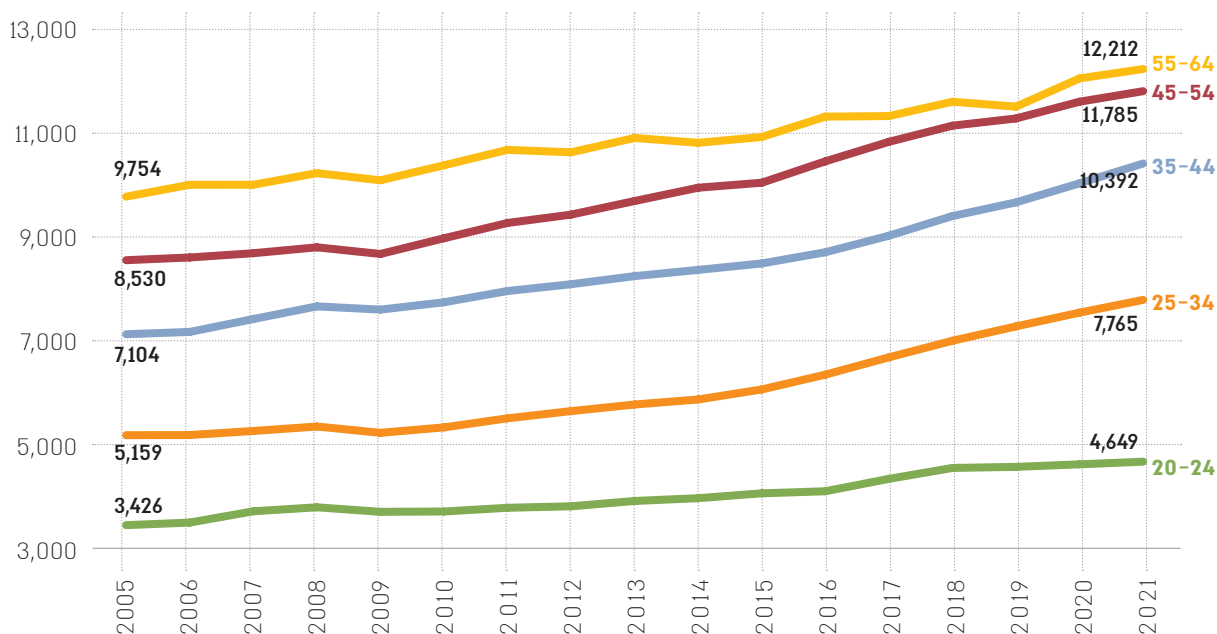


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Between 2005- 2021, the average wages of Haredi men rose in all age groups, but at a different rate. The average wage of 25-34-year-olds increased by 50%, from NIS 5,159 in 2005 to NIS 7,765 in 2021. The wages of 35-44-year-olds increased by 46%, from NIS 7,104 in 2005 to NIS 10,392 in 2021. The wages of 20-24-year-olds and 45-54-year-olds increased by about 37% during this period, whereas 55-64-year-olds' wages increased by only 25%.

Figure 66

Average monthly wages of male haredi employees by age group, in NIS, 2005-2021



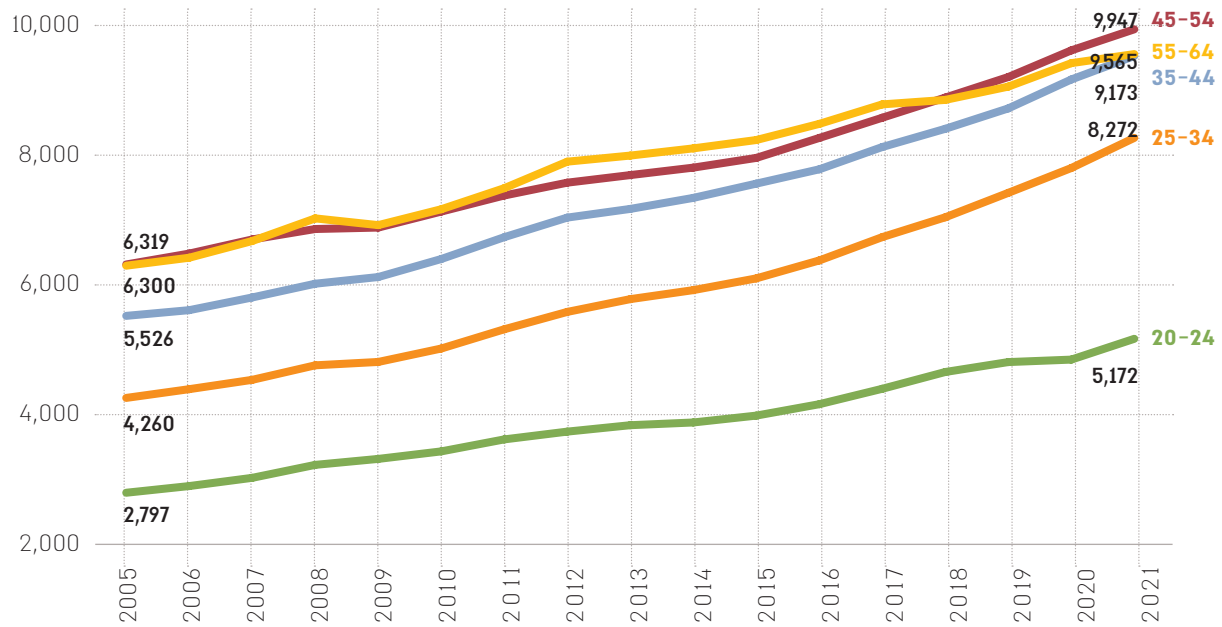
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The wage trends of Haredi women differ from those of men. First, the average wages of all age groups increased more than that of men. Men's wages increased by about 40% during this period, whereas women's increased by about 70%. Second, the gaps between age groups are larger. Women aged 25-34 showed the highest wage increases: between 2005-2021, their wages increased by 94%, from NIS 4,260 in 2005 to NIS 8,272 in 2021. The wages of younger women aged 20-24 increased by 85% during this period, from NIS 2,797 in 2005 to NIS 5,172 in 2021. The wages of women aged 35-44 increased by 73% during this period, from NIS 5,526 in 2005 to NIS 9,535 in 2021. The wages of the oldest age groups, aged 45-54 and 55-64, increased by about 55% during this period.

These differences in the wage trends of Haredi women of different age groups may reflect the effects of new training in Haredi seminaries for girls and the accessibility of higher education, which enable young Haredi women to enter industries and professions with higher productivity early in life. By contrast, men, who enter the labor market at a later stage and acquire their training or education later (as described in the Higher Education section), reach higher wage levels at a much older age. As a result, and because of the age distribution of the Haredi sector, the average wage of Haredi men is expected to continue to rise at a much slower rate than that of Haredi women, who are expected to surpass men's monthly wages in a few years.

Figure 67

Average monthly wages of female haredi employees by age group, in NIS, 2005-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

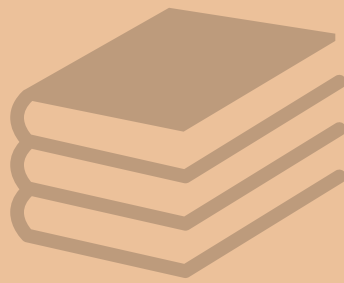
The education system is one of the main axes around which Haredi society organizes and operates. It serves as a central tool of education for Haredi values and identity and prepares young Haredi men and women for integration as adults into Haredi society and maintaining its continuity in its current form. As a result, in many respects, it operates independently and very differently from the rest of the Israeli education system.

In Haredi education, there is complete gender segregation; thus, in practice, there are two different education systems, one for boys and one for girls. Gender segregation also implies large differences in the nature of education. The main goal of the boys' education system is to impart Torah knowledge and skills and to prepare boys for high-level Torah studies. By contrast, the girls' education system is intended, among other things, to provide graduates with tools for integrating into the labor market and maintaining their central place in the Haredi household.

The rapid growth rate of the Haredi population is reflected even more strongly in the increasing share of Haredi students in the overall education system in Israel. In the past 20 years, their share has grown from 13% to about 20% and is expected to continue to grow rapidly in the coming years.

The geographic spread of Haredi society beyond Haredi cities, described in the housing section, is also reflected in the presence of Haredi pupils in non-Haredi localities. In cities such as Beit Shemesh, Arad, Ofakim, and others, the share of Haredi pupils has risen substantially in recent decades.

The Haredi education system has been relatively stable over the past decade, and the veteran educational frameworks have maintained their size and presence. An in-depth look, however, reveals that despite its tendency toward conservatism, over the years, there have been changes in the ability of the system to prepare young Haredi men and women for integration into the labor market and the Israeli economy. The share of bagrut recipients among students has risen in the past decade and almost doubled among Haredi boys, alongside the growth of the state-Haredi education system.



Education

Key Findings

390,000

Pupils in the Haredi education system.

This is about 20% of all Israeli students and about 26% of Jewish students in Israel

40%

study in the independent education network

A significant portion of Haredi pupils in primary education study in the independent education system: 64% of all Haredi girls and 16% of all Haredi boys

10,000

Pupils in the State-Haredi education system.

which is about 4% of Haredi primary education

22%

study in exempt institutions

Exempt institutions constitute a significant portion of primary education – 43% of all Haredi boys and 2% of all Haredi girls

16%

of Haredi pupils are eligible for a matriculation certificate

Compared to 60% in the Arab education system, 84% in the state education system, and 85% in the state religious education system

20%

study in the Maayan Hachinuch HaTorani Education Network

This education network is also a significant part of primary education: 22% of all Haredi boys and 17% of all Haredi girls

23%

of Haredim study in Jerusalem

15%

study in Bnei Brak

8%

study in Modi'in Illit

8%

study in Beit Shemesh

Key Trends

Haredi Pupils

The share of Haredi pupils in the overall education system rose from 13% in 2000 to 20% in 2023 and continues to grow. The share of Haredi pupils enrolled in the state-Haredi education system has grown from about 1% in 2014 to about 5% in 2023.

Pupils in State-Haredi Institutions

The share of Haredi pupils studying in State-Haredi institutions grew from 1% in 2014 to 4% in 2023

Educational Frameworks

The oldest educational frameworks in the Haredi sector—independent education, Maayan Hachinuch Hatorani, and exempted institutions—have maintained stability in their share of pupils in the past decade.

Haredi Pupils in Mixed Cities

The share of Haredi pupils in several mixed cities rose sharply between 2000 and 2023: in Beit Shemesh, the share of Haredi pupils rose from 27% to 75% of all pupils in the city; in Arad, from 10% to 51%; in Ofakim, from 24% to 50%; and in Kiryat Gat, from 9% to 32%.

Eligibility to a Matriculation Certificate

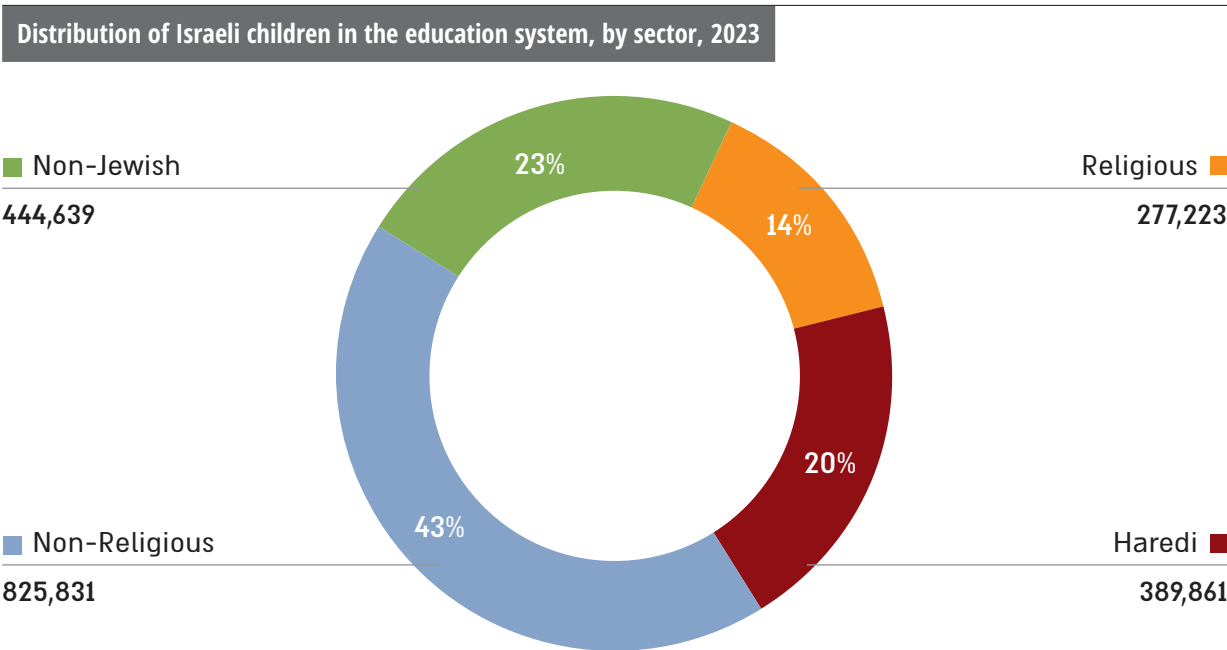
The share of Haredi pupils eligible for a matriculation certificate increased between 2015 and 2022 from 21% to 25%, and among boys, the rate almost doubled, from 2.6% to about 4.7%.

Student Distribution by Sector

Most educational institutions in Israel belong to one of two systems: Hebrew-speaking and Arabic-speaking. There are three separate supervision systems in Hebrew education: state, state-religious, and state-Haredi.

As of 2023, there are about 1,940,000 pupils enrolled in the Israeli education system (grades 1-12), of whom about 1,490,000 are part of the Hebrew education system. There are about 390,000 pupils in Haredi schools, thus Haredi students make up about 20% of all pupils in the entire education system and about 26% of the Jewish education system. The share of the state education system is 43% of the overall Israeli education system, the share of the state-religious education system is 14%, and the share of the non-Jewish state education system is 23%.

Figure 68

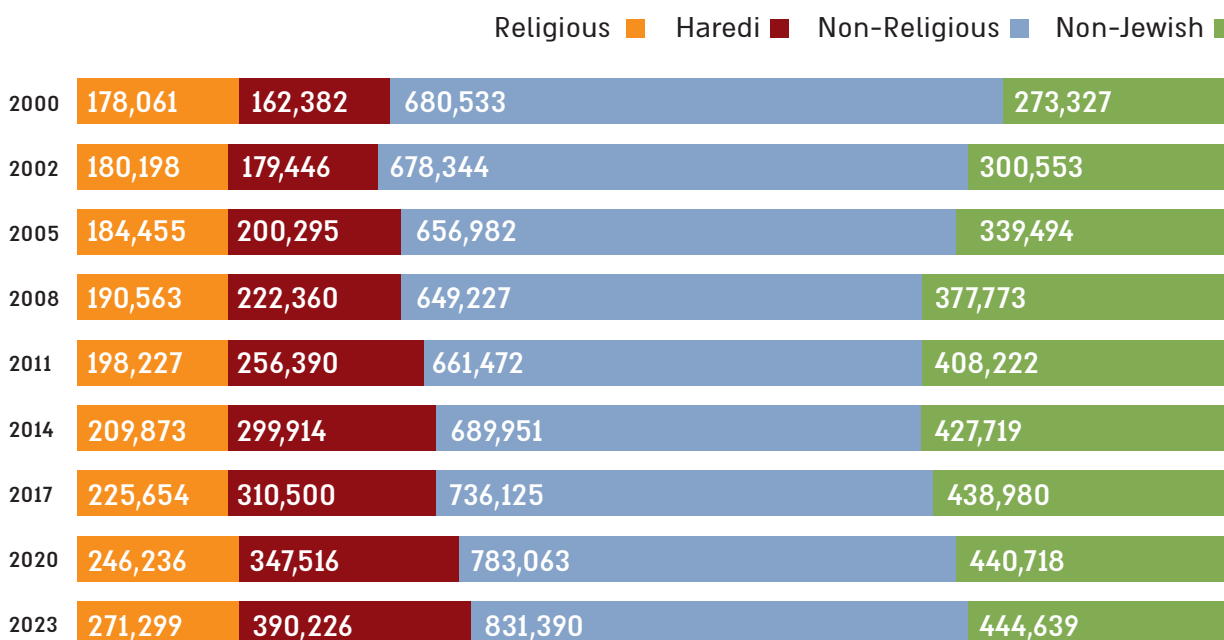


Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Over the years, there have been changes in the distribution of pupils between the various education systems. The share of Haredi pupils has risen from 13% of all students in 2000 to 20% in 2023. The share of pupils in educational institutions under state-religious supervision remained stable throughout the period under study (14%), and the share of state supervision declined from 53% of all pupils in 2000 to 43% in 2023. The share of Arab education increased from 21% in 2000 to 27% in 2011, but since 2012, its share has declined, reaching 23% of all pupils in 2023.

Figure 69

Distribution of Israeli pupils in the education system, by Sector, 2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Legal Status in Primary Education

The Haredi education system follows laws and directives that differ in many respects from the constitutional framework of state education. This status affects the scope of supervision by the Ministry of Education, the nature of the curriculum, and the degree of funding to which institutions are entitled. At the primary education stages, five main legal arrangements operate in the Haredi education system: (a) the educational networks of independent education and Maayan Hachinuch Hatorani; (b) institutions with recognized non-official status that are not part of networks; (c) exempted institutions; (d) state-Haredi education; and (e) Haredim who study in schools belonging to the state-religious education system.

The independent education network is the oldest and the leading Haredi education network. In 2023, it had about 111,500 pupils, constituting about 40% of all Haredi pupils. This network serves several target populations: girls' institutions (including schools of the Beit Yaakov movement) of the Hasidic and Litvak streams, and a minority of Sephardic Haredim; and institutions for boys intended mainly for the Hasidic and Litvak streams.

80% of the pupils in the independent education network are girls: about 89,000 girls study in educational frameworks belonging to the network, constituting about 64% of all female pupils in Haredi elementary

schools. The number of boys in the network is much lower: about 22,000 pupils, constituting about 16% of all male pupils in the Haredi education system.

Exempted institutions form the second largest group in Haredi education. This framework includes institutions that meet the conditions of the Compulsory Education Law but are only partially supervised by the Ministry of Education. These institutions are entitled to state funding at a rate of 55%, which is also the share of the core curriculum that they are obligated to include in the curricula (English is not being taught).

In 2023, about 61,000 pupils studied in exempted institutions, constituting about 22% of all Haredi pupils. Within these frameworks, the gender distribution is the opposite of that in independent education: 95% of pupils (about 58,500 pupils) are boys, and their share is about 43% of all male pupils in the Haredi education system. A small percentage of girls study in exempt institutions: about 2,700 girls, constituting about 2% of all female pupils in the Haredi education system.

The Maayan Hachinuch Hatorani network, which is affiliated with the Sephardic stream, is the third largest educational framework in the Haredi education system. It has nearly 55,000 pupils, constituting about 20% of all Haredi pupils. Of these, about 31,000 are boys (22% of all boys in the Haredi education system) and about 24,000 girls (about 17% of all female pupils in the Haredi education system).

Approximately 21,600 pupils study in educational frameworks with recognized unofficial status that do not belong to the independent education network, constituting about 8% of Haredi pupils. Of these, 12,700 are boys (9% of all boys in the Haredi education system) and about 8,800 girls (about 6% of all female pupils in the Haredi education system).

Schools under state-religious supervision have about 17,200 Haredi pupils, constituting about 6% of all Haredi pupils. Of these, about 6,800 are boys (about 5% of all boys in the Haredi education system) and about 10,300 girls (about 7% of all female pupils in the Haredi education system). Most of the Haredi institutions under state-religious supervision belong to the Chabad network.

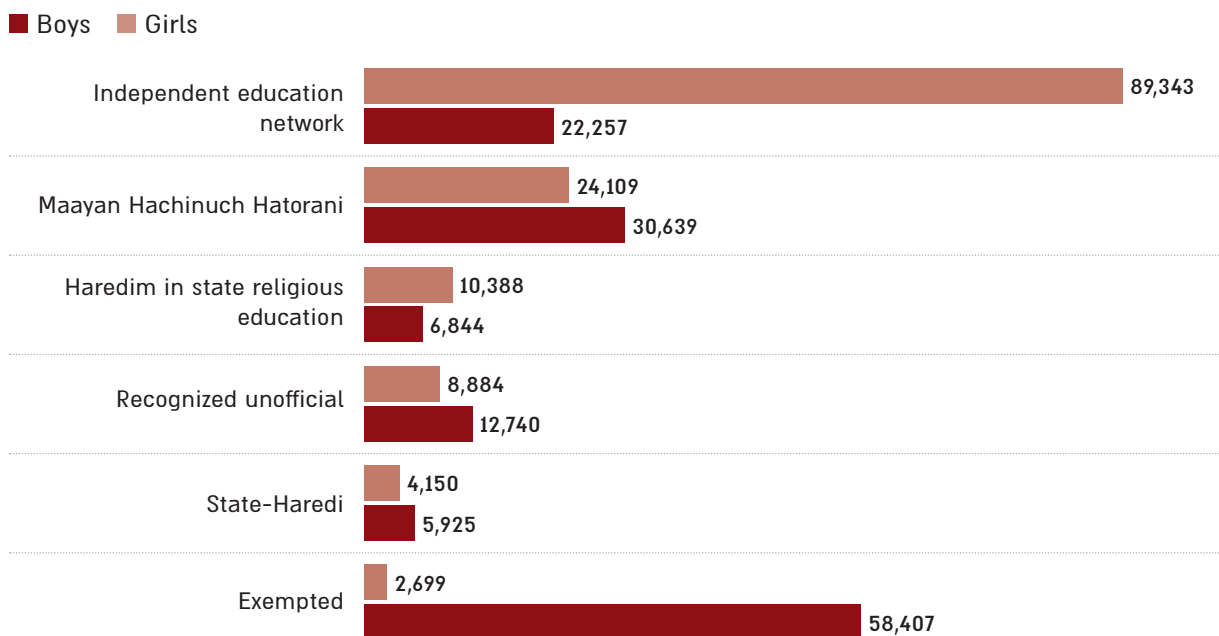
The state-Haredi education system is the smallest in the Haredi education system, with a total of about 10,000 pupils, constituting about 4% of Haredi pupils: about 6,000 boys (4% of all boys in the Haredi education system) and about 4,100 girls (3% of all girls).

Over the years, there have been slight changes in the distribution of Haredi boys between the various types of supervision. Exempted institutions have always been the most common for boys in Haredi education. Between 2014-2023, the number of pupils in these institutions grew from 46,700 to 58,400, but their share of Haredi pupils remained stable, hovering around 43%-44% throughout the period.

The share of boys in the independent education and Maayan Hachinuch Hatorani networks has also changed little. The number of Haredi pupils in the independent education system has risen from 17,500 in 2014 to 22,200 in 2023, and their share of Haredi boys in the education system remained stable (about 16%). The number of pupils in the Maayan Hachinuch Hatorani also increased during these years, from 23,700 to 31,000, but their share of all boys remained stable (around 22%).

Figure 70

Number of Haredi pupils in primary education by gender and legal status, 2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

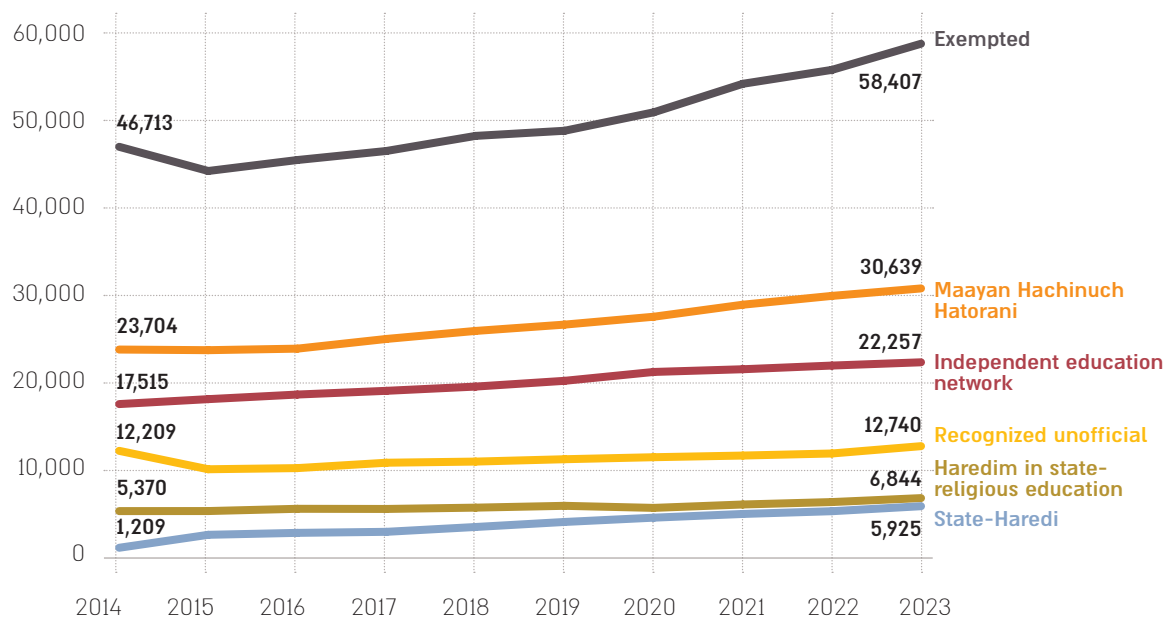
The state-Haredi education system (MAMACH) was established in 2014 and has had significant achievements by 2023: the number of boys enrolled in it has risen from 1,200 to about 6,000 pupils, and their share increased from 1% to 5% of all male Haredi pupils.

Because of the stability in the share of Haredi boys in exempt institutions and independent education networks, it appears that the educational institutions of the state-Haredi stream do not draw most of their pupils from these frameworks. Moreover, it seems that the educational institutions of the state-Haredi stream do not draw pupils from Haredi frameworks under state-religious supervision either: in the years under study, the number of Haredi pupils enrolled in these schools rose from 5,300 to 6,800 pupils, and their share remained about 5% of all Haredi boys.

By contrast, the share of recognized unofficial educational institutions that do not belong to the networks declined between 2014-2023. The number of boys enrolled in these frameworks increased by only a few hundred, from 12,200 boys to 12,700, and their share dropped from 11% to 9% of all male pupils in Haredi primary schools.

Figure 71

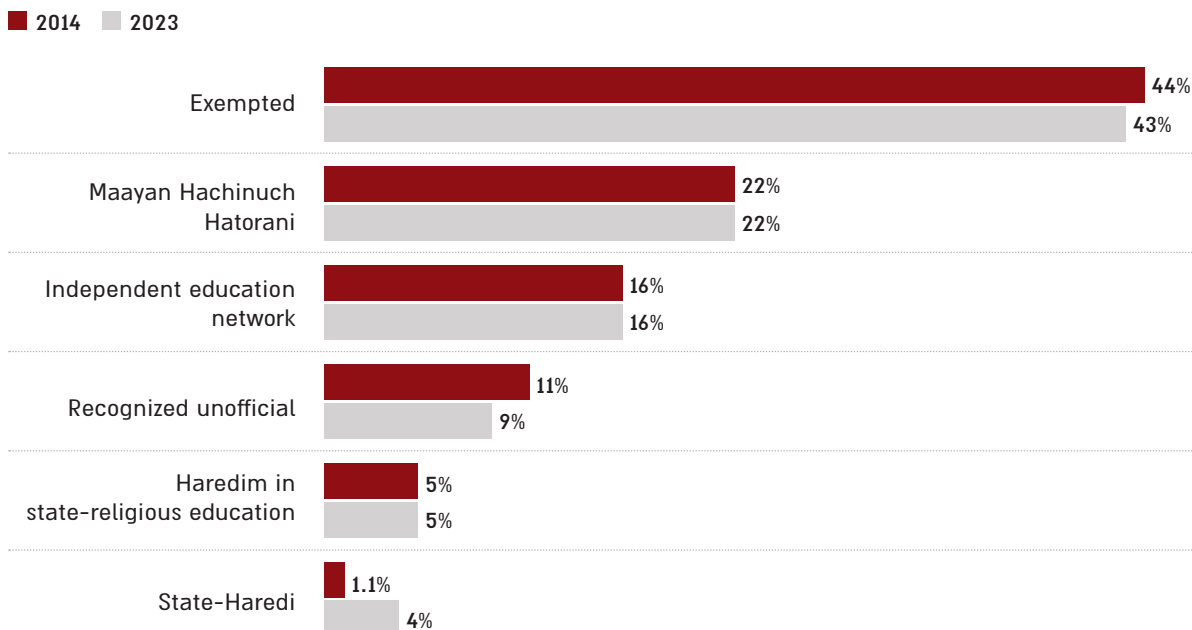
Number of Haredi pupils in primary education by gender and legal status, 2014-2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Figure 72

Distribution of male Haredi pupils in primary education by legal status, 2014 vs. 2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Similar trends were observed in the Haredi education system for girls. Between 2014-2023, the Independent Education Network maintained its position as a leader in Haredi education for girls. The number of Haredi pupils rose from 67,000 to 89,000, and their share of all female pupils in the Haredi education system remained at 64%.

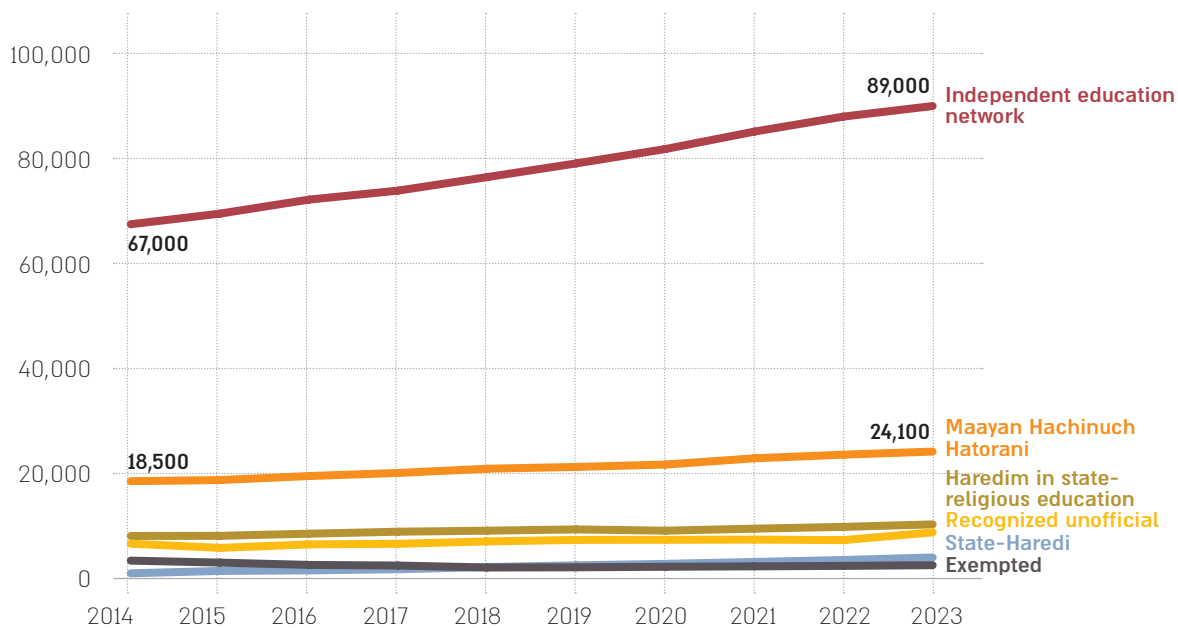
The Maayan Hachinuch Hatorani network also maintained stability. During these years, the number of female pupils rose from 18,500 to 24,100, and their share of all female Haredi pupils remained stable at about 17%.

In recognized informal education frameworks that do not belong to independent education, the number of female pupils has risen from 6,700 in 2014 to 8,800 pupils in 2023, amounting to about 6% of all female Haredi pupils.

In the state-Haredi education system for girls, as in the frameworks for boys, there was a slight increase between 2014-2023: the number of female pupils under this supervision increased from 1,170 to 4,150, and their share of all Haredi pupils increased from 1% to 3%. As with boys, the growth of the state-Haredi stream has minimal influence on existing educational frameworks and does not account for large-scale transfers of female pupils from other frameworks.

Figure 73

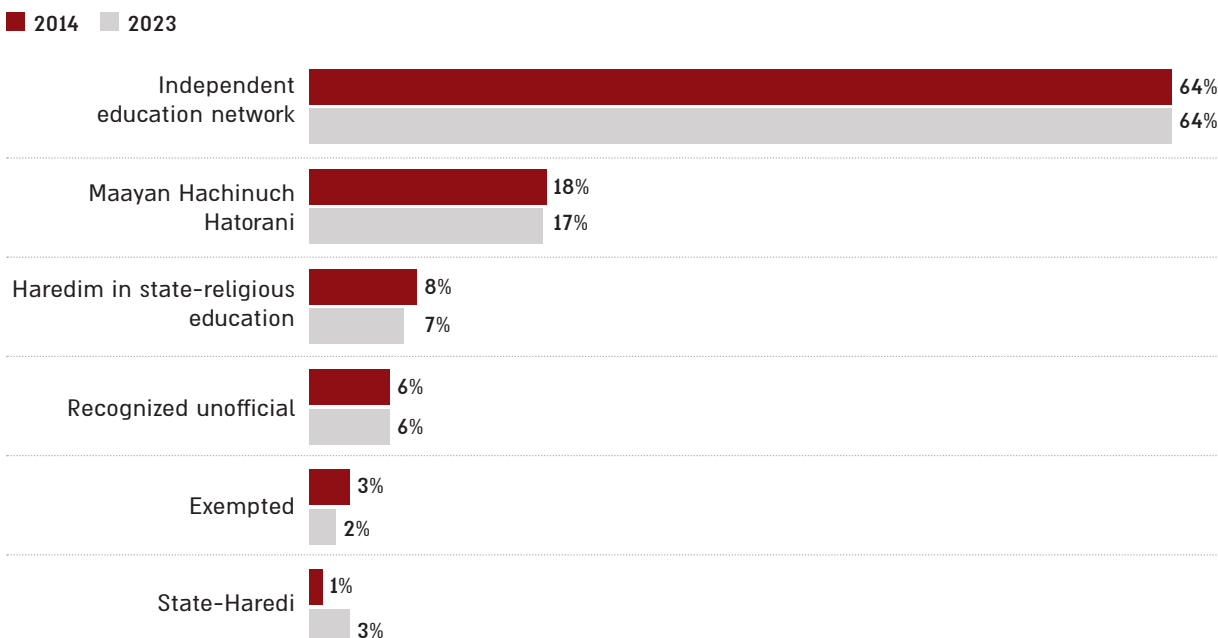
Number of female Haredi pupils in primary education by legal status, 2014-2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Figure 74

Distribution of female Haredi pupils in primary education by legal status, 2014 vs. 2023



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

Distribution of pupils in the education system by place of residence

As noted in the demographics section, children make up the lion's share of Haredi society: about 56% of the total Haredi population are young people aged 19 and under. Therefore, much can be learned about the characteristics of the Haredi population in each locality by the distribution of Haredi pupils there.

In 2023, about 85,600 Haredi pupils studied in Jerusalem, constituting about 23% of Haredi pupils in Israel and about 38% of all pupils in Jerusalem. During this year, about 57,600 Haredi pupils studied in Bnei Brak, accounting for 15% of all Haredi pupils and 95% of all pupils in the city.

In 2023, a similar number of Haredi pupils studied in Modi'in Illit and Beit Shemesh, about 28,600 and 27,400, respectively. Thus, about 8% of all Haredi pupils study in each city, but in Modi'in Illit, 100% are Haredi, and in Beit Shemesh, 75%.

Other cities with many Haredi pupils are Beitar Illit (about 22,500 Haredi pupils, constituting 6% of Haredi pupils and 99% of pupils in the city); Ashdod (about 18,100 pupils, constituting 5% of Haredi pupils and 40% of the pupils in the city); and Elad (about 15,600 pupils, constituting 4% of Haredi pupils and 92% of the pupils in the city).

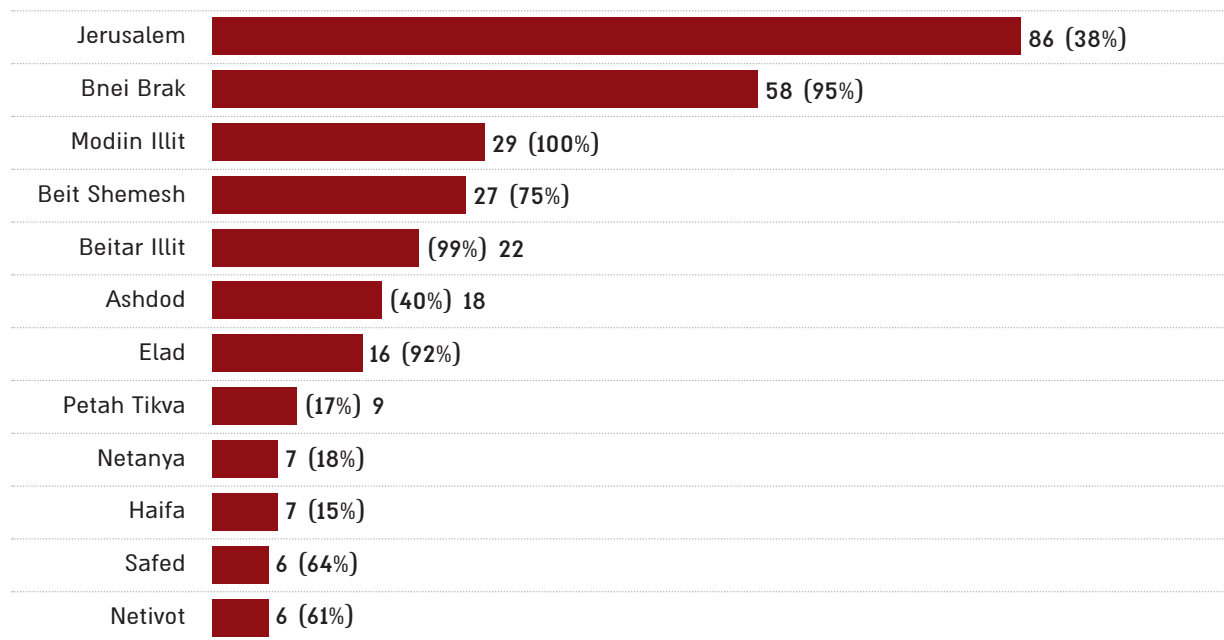
About 2% of all Haredi pupils study in each of the cities: Petah Tikva, Netanya, and Haifa. Their share is 15%-18% of the pupils in these cities. Haredi pupils in Safed and Netivot also account for about 2% of all

Haredi pupils, and they make up 64% and 61%, respectively, of the pupils in the cities.

Figure 75

Number of Haredi pupils in large Haredi communities, in thousands, 2023

In brackets: Percentage of Haredi students by city



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

As extensively reviewed in the section on housing, home purchase trends in Haredi society have changed significantly since the beginning of the century, and considerable movement between localities has occurred during this period. This phenomenon is also reflected in the geographic distribution of pupils in the Haredi education system between 2000-2023.

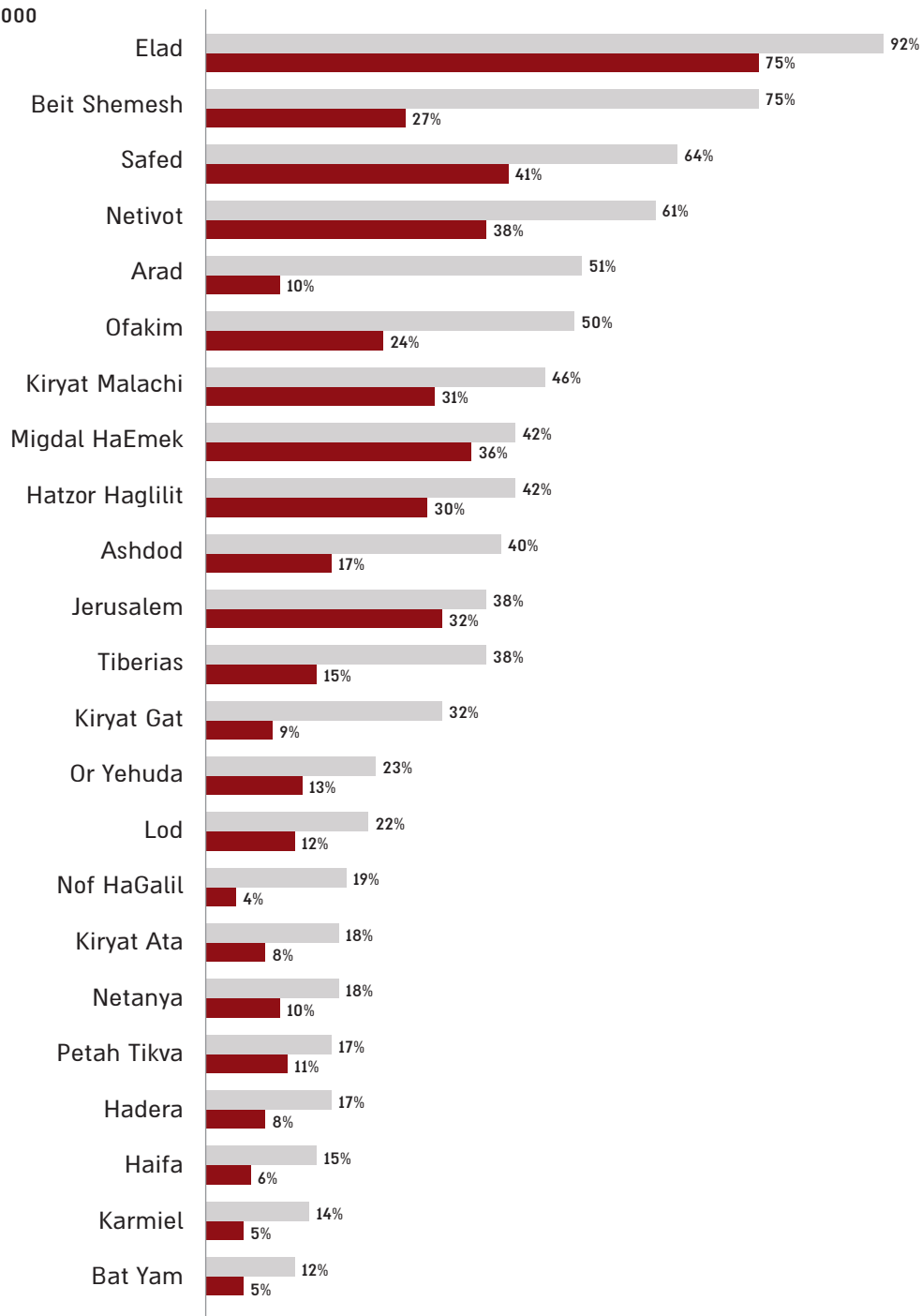
The data show that there has been a sharp increase in the number of Haredi pupils in several cities in Israel. In Beit Shemesh, the share of Haredi pupils rose sharply from 27% of all pupils in the city in 2000 to 75% in 2023. In Arad, the share of Haredi pupils grew from 10% in 2000 to 51% in 2023; in Ofakim, from 24% to 50%; and in Kiryat Gat, from only 9% to 32%. A substantial increase in the share of Haredi pupils was also observed in other cities such as Safed, Tiberias, and Netivot.

The substantial increase in the number of pupils in the Haredi education system in Ashdod has led to the fact that as of 2023, the share of Haredi pupils in the locality is higher than in Jerusalem (40% vs. 38%, respectively). An instructive trend was also observed in the city of Elad. In 2000, about 25% of the pupils in the community were not Haredi, whereas in 2023, the share of non-Haredi pupils dropped to 8%. This trend indicates that the national-religious population that resided in the city in its early years is becoming a marginal population (similar data were presented in the demographics section).

Figure 76

Share of Haredi pupils by city, 2000 vs. 2023

2023
2000



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

The picture that emerges from the trends of change in the share of Haredi pupils in the various localities also indicates the demographic future of these localities. In particular, in many non-Haredi localities where there has been a surge in the share of Haredi pupils, the share of the Haredi population is expected to continue to grow rapidly both due to natural growth and as a result of the establishment of significant Haredi communities in these localities, making them a more attractive destination for additional Haredi families. This means that the Haredi community will become the majority in many of these localities within a few years.

The surge in the number of Haredi pupils in several cities in Israel illustrates the change taking place in the country in recent decades. Beyond evidence of the demographic growth and geographic distribution of the Haredi population, it points to complex and significant social dynamics that require preparation, including an adequate solution to educational challenges, both locally and nationally.

Percentage of Pupils Eligible for a Matriculation Certificate

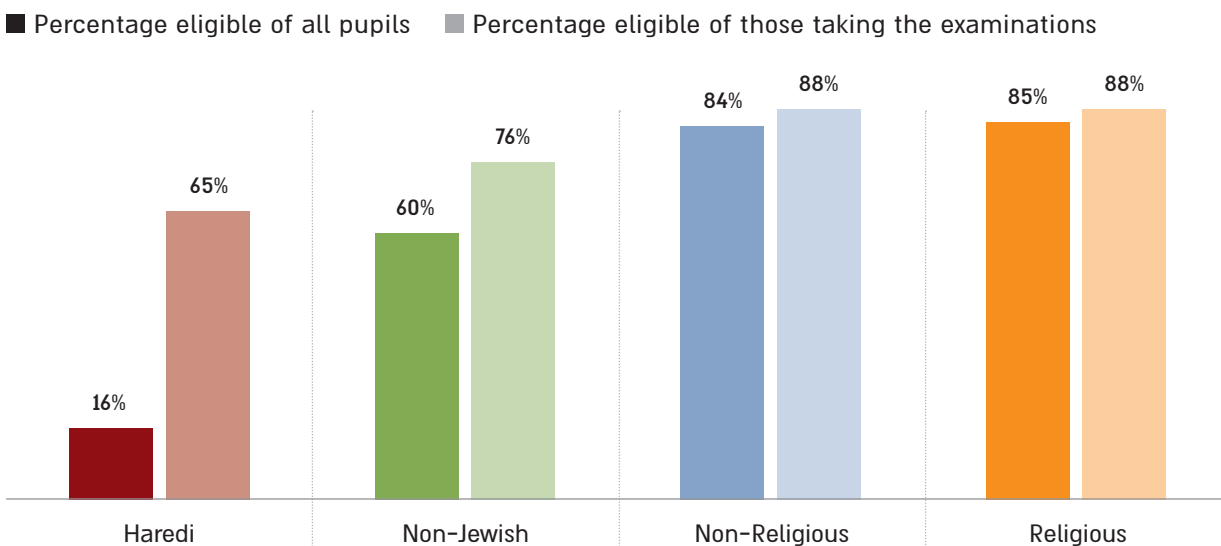
The matriculation certificate is one of the main tools the Israeli education system provides its graduates. It greatly influences access to higher education and the nature of integration into the labor market. The test also serves as a primary means for evaluating pupils, schools, and the entire education system.

In the Haredi education system, most educational institutions do not prepare to submit pupils for matriculation exams. Girls' educational institutions usually administer alternative tests known as Szold exams. As a result, in 2022, only 16% of all pupils in the Haredi education system were eligible for a matriculation certificate, compared to 60% of pupils in the non-Jewish education system, 71% in the non-religious education system, and 82% in the state-religious education system.

The differences are also evident in the percentage of those eligible out of those who take the exams: only 65% of Haredim who take the matriculation exams are eligible for a matriculation certificate, compared to 76% in the non-Jewish education system, 88% in the state and state-religious education systems. The particularly low rate apparently stems from the fact that some educational institutions submit their pupils to a limited number of matriculation exams, so even those who take these exams are not entitled to a full matriculation certificate.

Figure 77

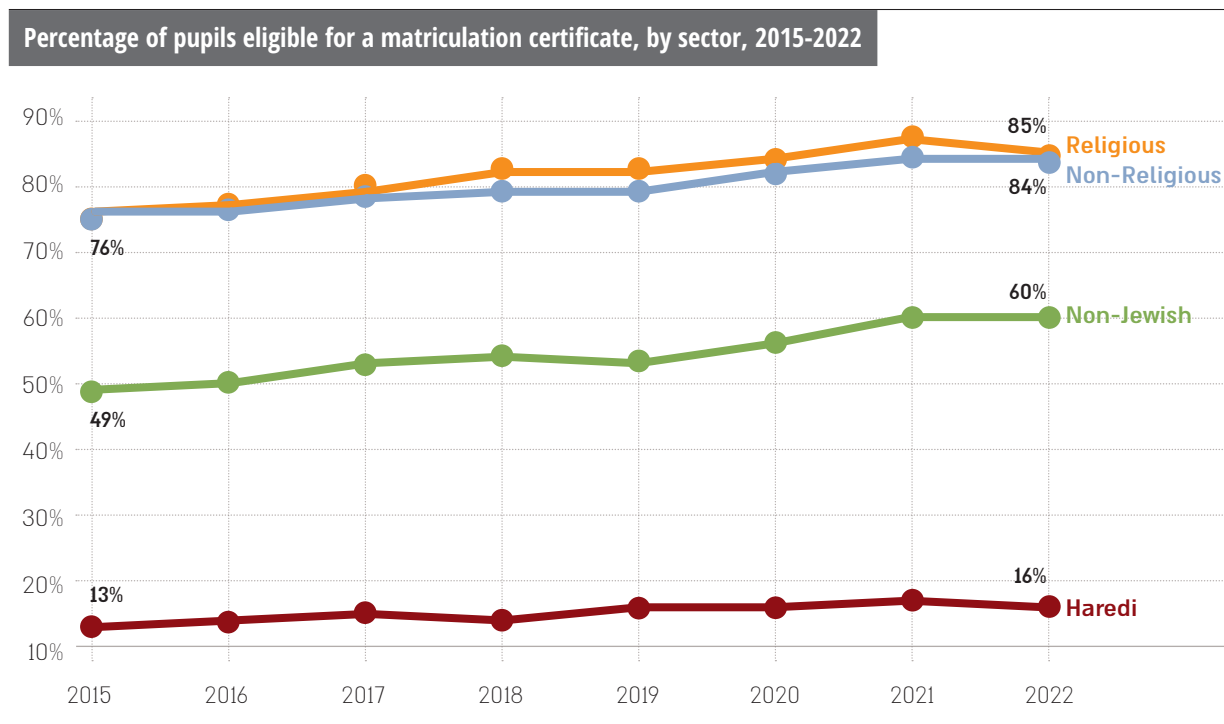
Percentage of pupils eligible for a matriculation certificate by sector, 2022



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

In recent years, there have been changes in the percentage of those eligible for a matriculation certificate in all sectors, including Haredi education. Between 2015-2022, there was an increase in the share of Haredim who qualified for a matriculation certificate, from 12% to 16%. In the other sectors as well, there was a consistent and sustained increase in the share of those eligible for a matriculation certificate, but it was much larger: in the state-religious education system, the percentage of those eligible rose from 76% in 2015 to 85% in 2022; in the state education system, from 76% to 84%; and in Arabic education, from 49% to 60%.

Figure 78



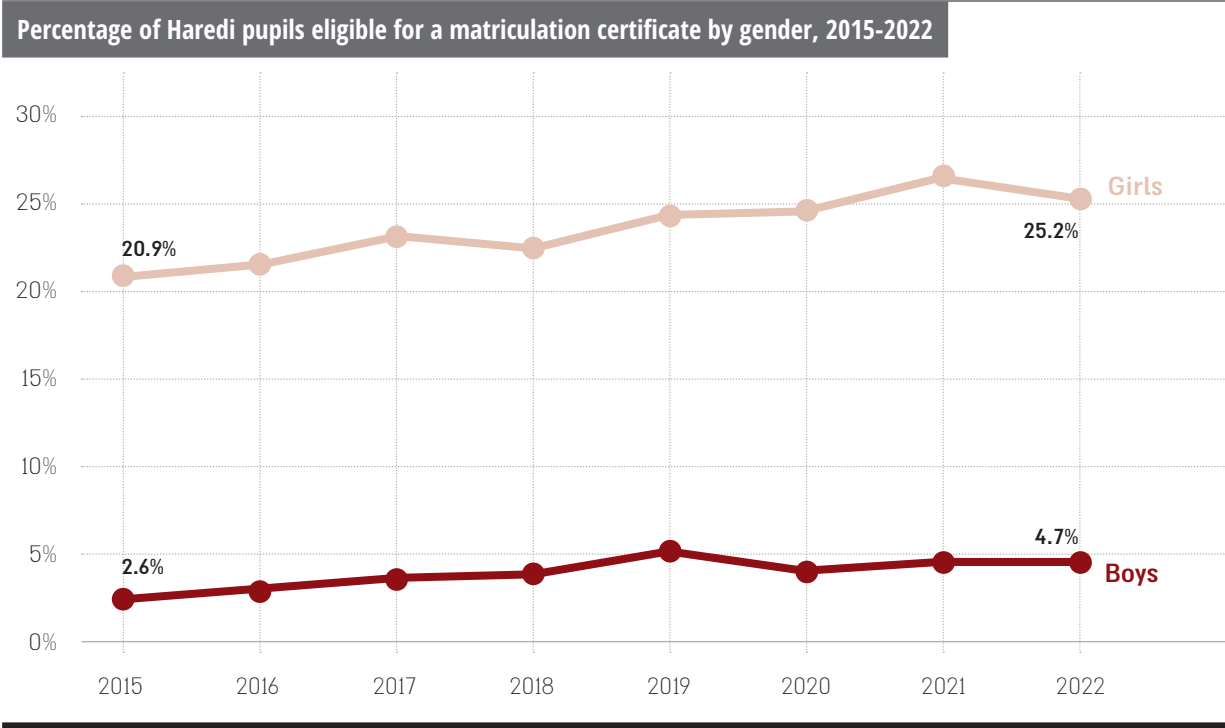
Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

An analysis of the data by gender reveals that the percentage of Haredi girls eligible for a matriculation certificate in 2022 was much higher than the rate of eligible boys: 25% of girls compared to only 5% of boys.

Between 2015-2022, the share of Haredi girls eligible for a matriculation certificate rose from 21% to about 25%, and among Haredi boys from 2.5% to about 5%. The number of Haredi girls eligible for a matriculation certificate increased during these years by about 54%, from about 1,940 to about 3,000, and the number of eligible Haredi boys increased by 134%, from about 205 to about 480.

The increase in the share of Haredim who qualify for a matriculation certificate may suggest the beginning of processes related to the orientation of the Haredi education system in general and of boys in particular. However, as noted, these rates are still very low, and 95% of Haredi boys are not eligible for a matriculation certificate at the end of their studies. As noted in the sections on employment and education, this is also reflected in their low wages and the stagnation in the share of Haredi men with an academic degree.

Figure 79



Source: Haredi Institute for Public Affairs Analysis of Ministry of Education Data

In recent years, the issue of Haredi integration into academic studies has been a bone of contention in both the Haredi community and the general population. On the Haredi side, Haredi women undertaking academic studies have become more common and accepted by most of the Haredi public. Still, positions regarding Haredi men undertaking these studies remain reserved. Haredim are concerned that these trends will lead to a fundamental change in the nature of Haredi society. At the same time, the general public is ambivalent about the degree of flexibility and adjustments that should be made to make it easier for Haredim to integrate into academic studies, especially on the issue of gender segregation in studies.

This complexity is reflected in a relatively low percentage of Haredi students, which is much lower than the percentage of students among non-Haredi Jews, especially among men. The share of Haredi men with degrees has remained low for many years and has risen only negligibly in the past two decades. At the same time, over the years, several developments have been indicative of change, such as an increase in the share of young Haredi women with academic degrees. According to estimates presented in this section, this figure is expected to continue to rise. At the same time, in technological education, there has been a relatively large increase in the number of male and female students pursuing computer studies, which may open the door to high-productivity jobs in fields in demand in the labor market.

The increased integration of Haredim into academic studies was and remains an important goal of the state. Its achievement can lead to a great improvement in the labor productivity of Haredi workers. Therefore, in the past decade and a half, considerable public resources have been invested in an attempt to increase the number of Haredi students and degree holders, among others, through designated five-year plans formulated by the Council for Higher Education. These efforts have borne fruit, increasing the number of Haredi students, which tripled between 2009-2014 (Regev, 2016). But as noted, these numbers are still very low, and more focused policies should be adopted to increase the rate of those applying for higher education. In particular, consideration should be given to the large differences between the Haredi streams, as described in this section; Hasidim, for example, undertake higher education at a particularly low rate relative to other streams.



Higher Education

Key Findings

4.1%

of Haredi men hold an academic degree

The share of academic degree holders among Haredi men aged 25-49 is only 4.1%, compared to 30.9% among non-Haredi Jews

32%

of Haredi women from the Chabad stream hold degrees - The highest share of academics. Among Hasidic women, the share of degree holders is the lowest – only about 5%

7%

of Haredi men aged 45-54 have an academic degree – This age group has the highest rate of degree holders among Haredi men

13.2%

of Haredi women hold an academic degree

The share of academic degree holders among Haredi women aged 25-49 is 13.2%, compared to 44.2% among non-Haredi Jews

14%

of Haredi women aged 25-34 have an academic degree – this age group has the highest rate of degree holders among Haredi women

28%

of Haredi male students at technological colleges study computer science, compared to about 10% of non-Haredi Jewish male students

62%

of Haredi female students in technological colleges study computer science, compared to about 9% of non-Haredi Jewish female students

42%

of Haredi male students at technological colleges study structural engineering, compared to about 26% of non-Haredi Jewish students

Key Trends



Share of Male Degree Holders

The share of degree holders among Haredi men aged 25-49 has risen by only 1.5 percentage points in recent decades.



Share of Female Degree Holders

The share of degree holders among Haredi women aged 25-49 has risen by about 9 percentage points in the past two decades.



Degree Holders by Streams

In recent years, the share of academic degree holders among Haredi men from the Chabad stream has surged, currently standing at about 9%. By contrast, among Hasidic men, the share of academic degree holders is only about 2%.



Male Students in Technological Colleges

The number of male Haredi students in technological colleges has increased fivefold in the past decade and currently stands at about 1,100.



Female Students in Technological Colleges

The number of female Haredi students in technological colleges has increased 2.5-fold in the past decade and stands at about 3,700.

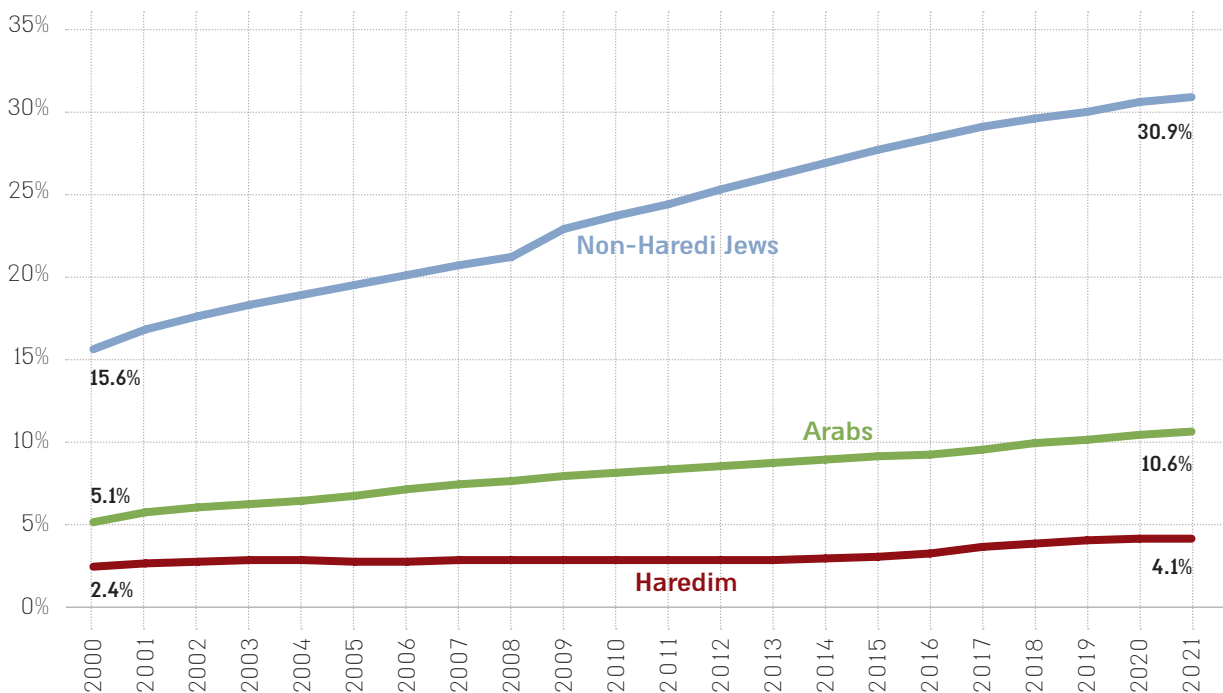
Percentage of Haredim with Higher Education

In the past decade, considerable resources and efforts have been invested in integrating Haredim into academic studies and increasing the share of degree holders. Nevertheless, it appears that for Haredi men, the efforts have yielded only a modest increase in the share of holders of an academic degree, which remains very low compared to other sectors. As of 2021, only 4.1% of Haredi men aged 25-49 had an academic degree, an increase of only 1.5 percentage points over the past 20 years.

This figure reflects the difficulty encountered by Haredi men attempting to integrate into academic studies, which stems from large deficits in their formal education (compared to the general population). These deficiencies make it difficult for them to meet admission requirements for academic studies and complete them successfully. The stagnation in the share of Haredi academic degree holders is particularly striking in light of the jump in the share of non-Haredi Jewish degree holders, from about 15.5% to about 31%.

Figure 80

Share of men with an academic degree by sector, 2000-2021, Ages 25-49



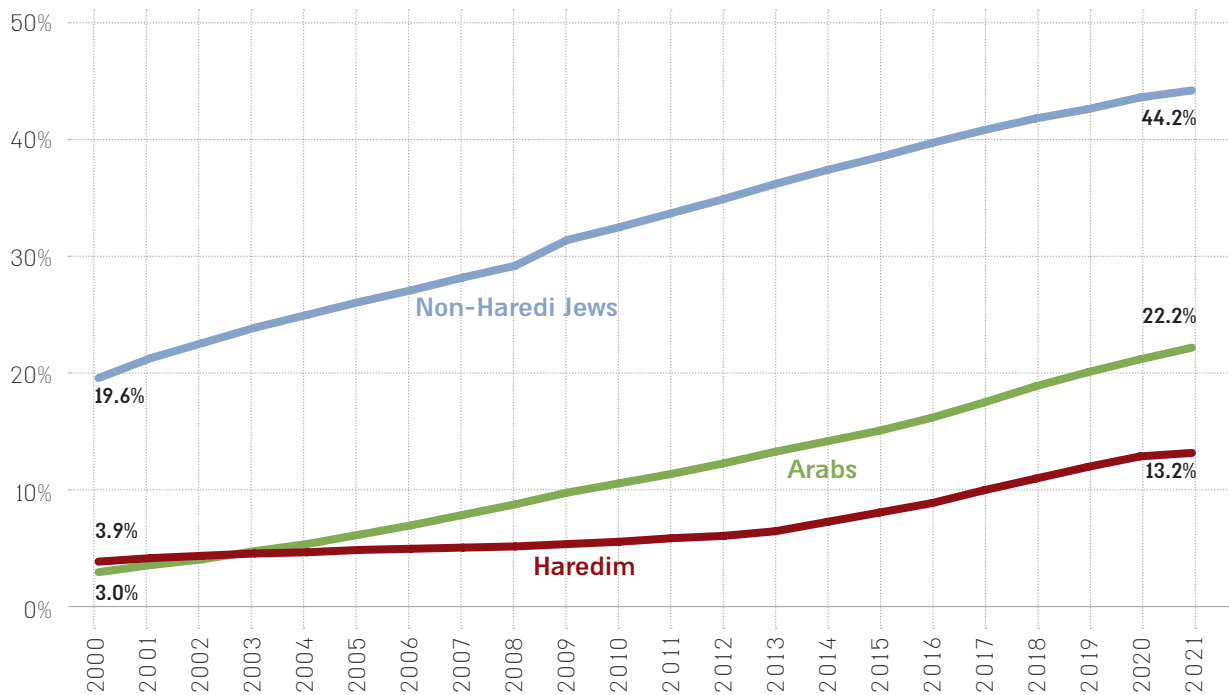
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The situation is slightly better among Haredi women. The share of female academic degree holders aged 25-49 stands at about 13.2%, an increase of about 9 percentage points over the past two decades.

Most of the increase has occurred in the past eight years, during which this ratio has doubled. Yet, higher education rates among Arab Israeli women and non-Haredi Jewish women (22.2% and 42.2%, respectively) remain markedly higher than among Haredi women.

Figure 81

Share of women with an academic degree, by sector, 2000-2021, Ages 25-49

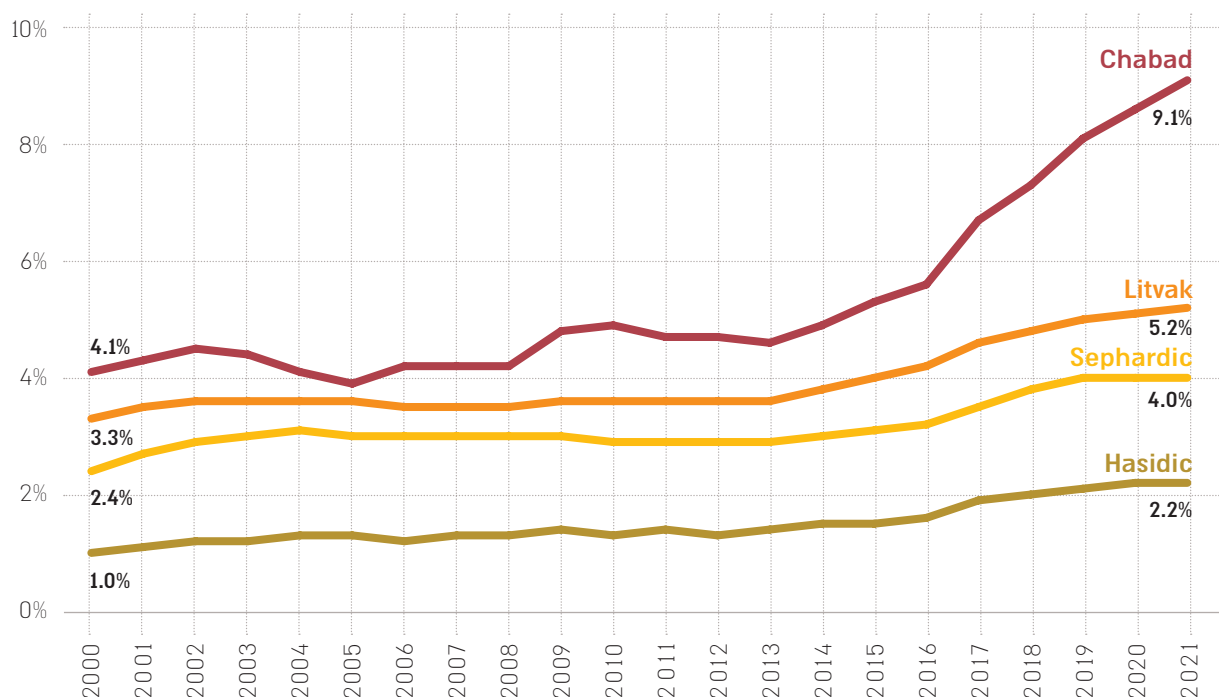


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Examination of the trends by Haredi stream reveals the uniqueness of Chabad Hasidim. In the three largest streams (Hasidim, Litvaks, and Sephardim), there has been only a modest increase in the share of men with academic degrees in the last two decades (ranging from 1 to 2 percentage points). By contrast, in the Chabad stream, there has been an increase of 5 percentage points in the share of degree holders, most of it in the last eight years. Given that the share of academic degree holders among Chabad Hasidim was higher to begin with, by the end of the period, a large gap opened up between the streams: in particular, in the Hasidic stream, the share of male academic degree holders remains almost negligible, at 2%.

Figure 82

Share of Haredi men with an academic degree by stream, 2000-2021, Ages 25-49



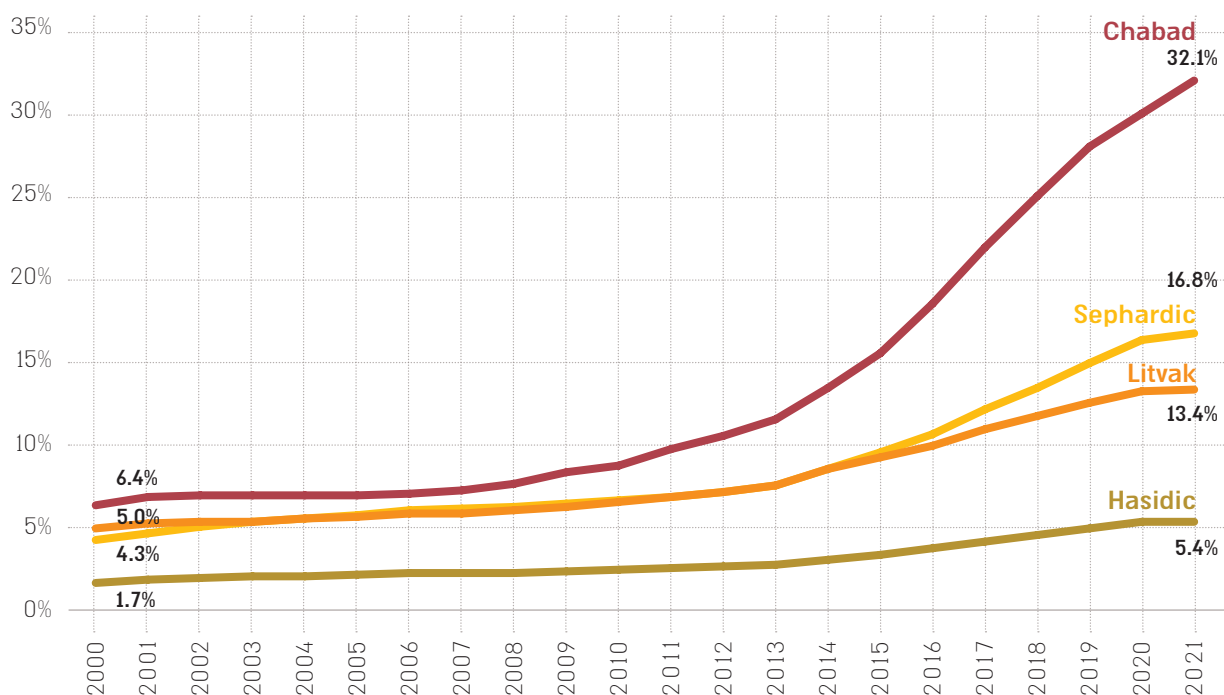
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Among Haredi women, the differences between the share of female academic degree holders in the various streams are much greater. Among Hasidic women, the share of female academic degree holders remains low (about 5.4%), although it has doubled in the last eight years. Among Sephardic and Litvak women, the share of female graduates with academic degrees was similar for many years. Still, it has risen faster among Sephardic women in recent years, opening a gap of about 3.5 percentage points in their favor.

The most impressive increase in the share of Haredi women with an academic degree was recorded among Chabad women, rising from 6.4% in 2000 to 32.1% in 2021. In other words, the share of female academic degree holders of the Chabad stream has increased fivefold over the past two decades, surpassing even the share of academic degree holders among non-Haredi Jewish men. Most of the increase, about 22 percentage points, was recorded over the last decade.

Figure 83

Share of Haredi women with an academic degree by stream, 2000-2021 Ages 25-49



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

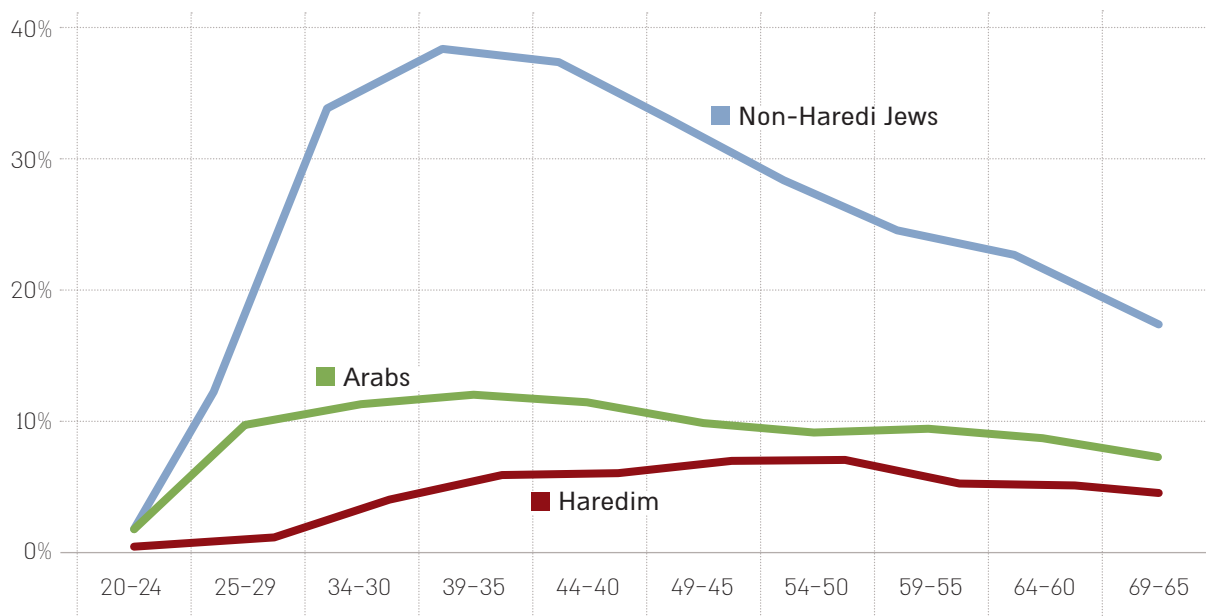
Examining the share of men with an academic degree by age group reveals that in 2021, among Haredim, the highest share of academic degree holders was among those aged 45-49 (about 7%). By contrast, among Arabs and non-Haredi Jews, the highest share was among those aged 35-39 (11.8% and 38.2%, respectively). The fact that among Haredi men the share of academic degree holders peaks in an older age group may indicate a certain decline in the share of those pursuing academic studies in the younger age groups. Alternatively, it is possible that a non-negligible percentage of Haredi men complete a bachelor's degree at a somewhat late age, at the end of their fifth decade.

Although recent data published by the Council for Higher Education suggest a significant increase in the share of Haredi degree recipients in 2022, it is necessary to examine what percentage of these are indeed Haredi and what their average age was when they received their degrees.

As noted, among non-Haredi Jews and Arab Israelis, the share of academic degree holders peaked in a younger age group, indicating an increase in the younger cohorts.

Figure 84

Share of men with an academic degree by sector and age group, 2021

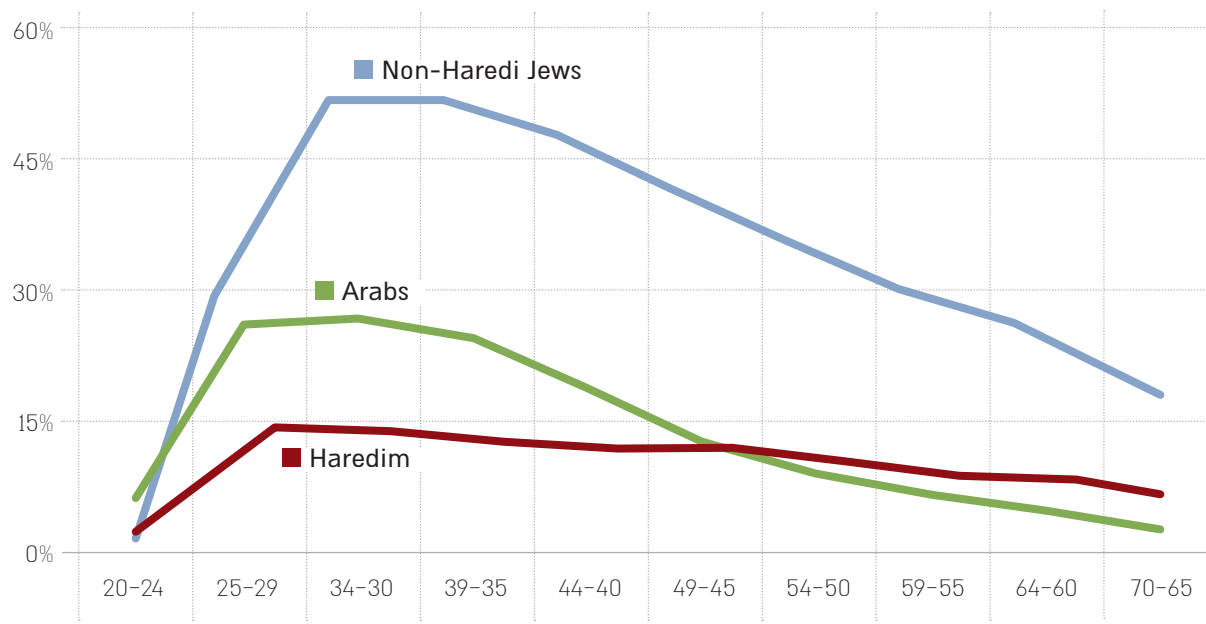


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Among Haredi women, the highest percentage of female academic degree holders (14.3%) was found in the young age group of 25-29-year-olds. By contrast, Arab Israeli and non-Haredi Jewish women had the highest share of female academic degree holders in the 30-34 age group (26.6% and 51.2%, respectively). The fact that among Haredi women the peak rate was recorded at a younger age is evidence that more young Haredi women undertake academic studies at the start of adult life and graduate successfully. Examination of the trends in the shares of Haredi men with an academic degree by age group may explain why the peak rate of academic degree holders is found at a relatively old age. The sharpest increase in the share of academic degree holders over the years occurred in the oldest age group (50-54), from about 2% in 2001 to about 7% in 2021. By contrast, among those aged 30-34, there was only a modest increase from about 3% to about 4%. In the younger age group of 25-29, there was a slight decline in the share of academic degree holders during this period, from about 1.5% to about 1%.

Figure 85

Share of women with an academic degree by sector and age group, 2021



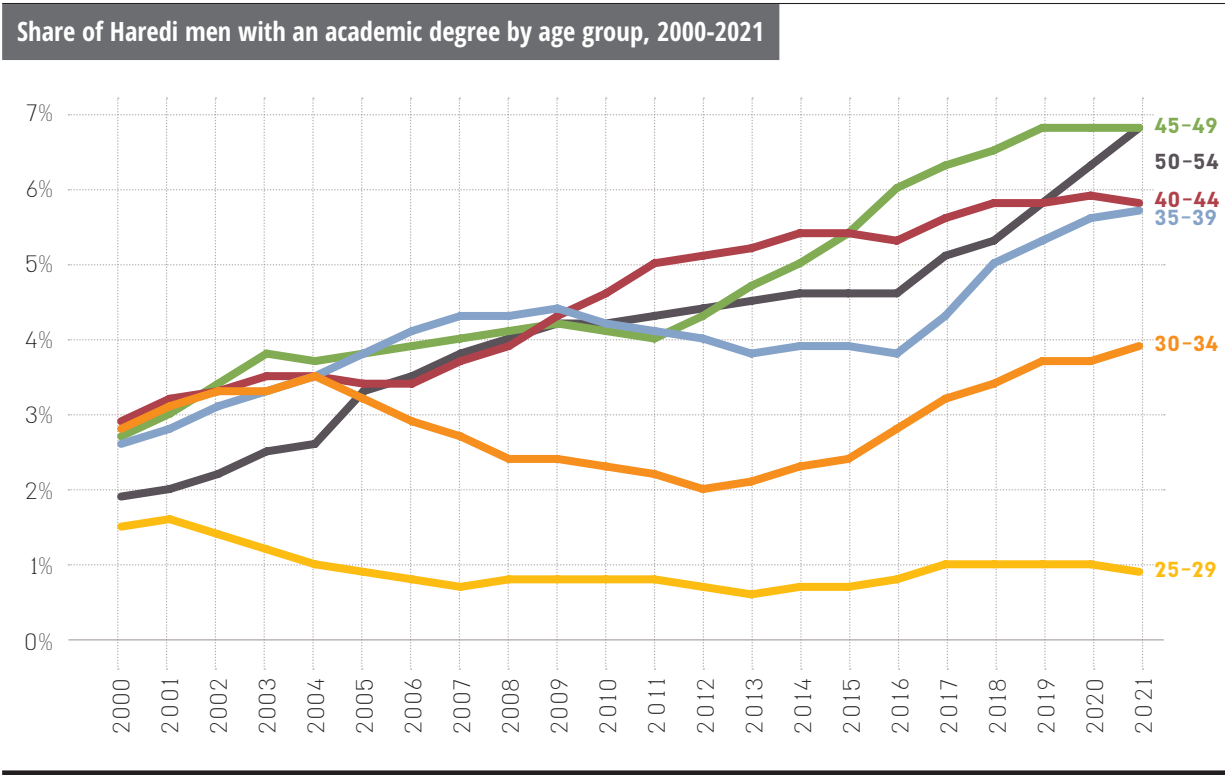
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The findings indicate that most Haredi academic degree holders receive their degrees quite late in life, which reduces the return on their education in the labor market after graduation.

Among Haredi women, the largest increase in the share of female academic degree holders occurred in the younger age group (25-29), from about 3% in 2000 to about 15% in 2021. Most of the increase (about 10 percentage points) occurred between 2013-2021.

The increase in the share of young Haredi women with an academic degree is consistent with their early entry into the labor market, usually as the primary breadwinners of the household during the first years of marriage. The relatively late age at which Haredi men acquire an academic degree coincides with their relatively late entry into the labor market, usually to compensate for the gradual decline in their wives' employment at this age.

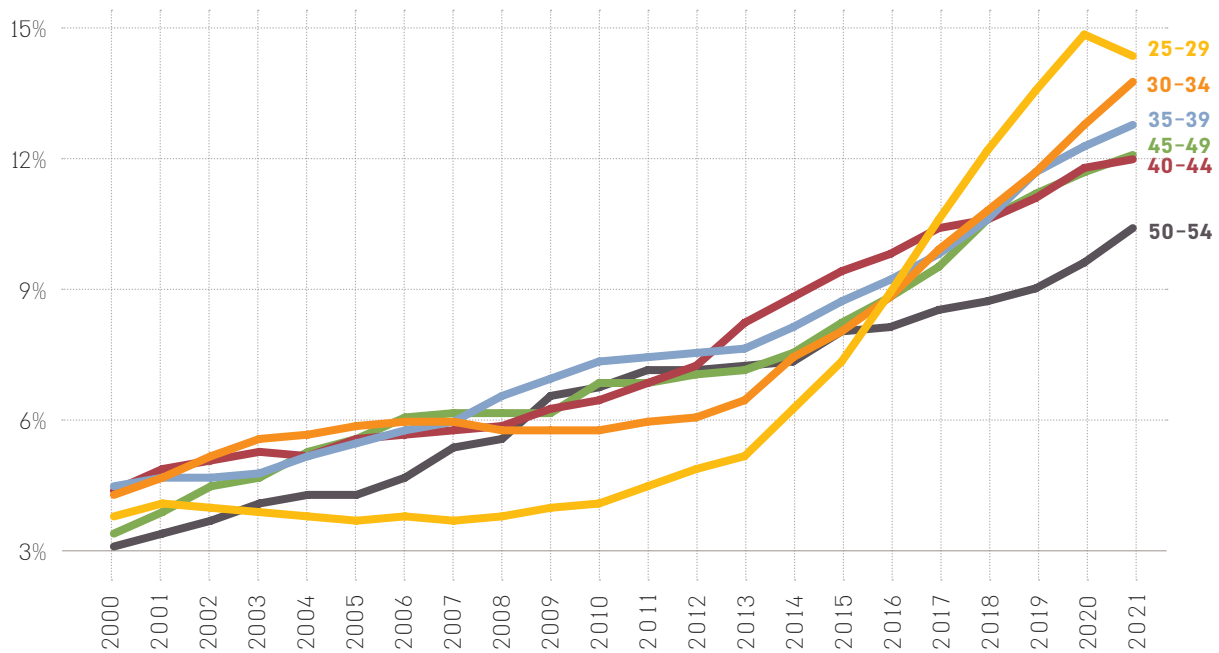
Figure 86



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 87

Share of Haredi women with an academic degree by age group, 2000-2021

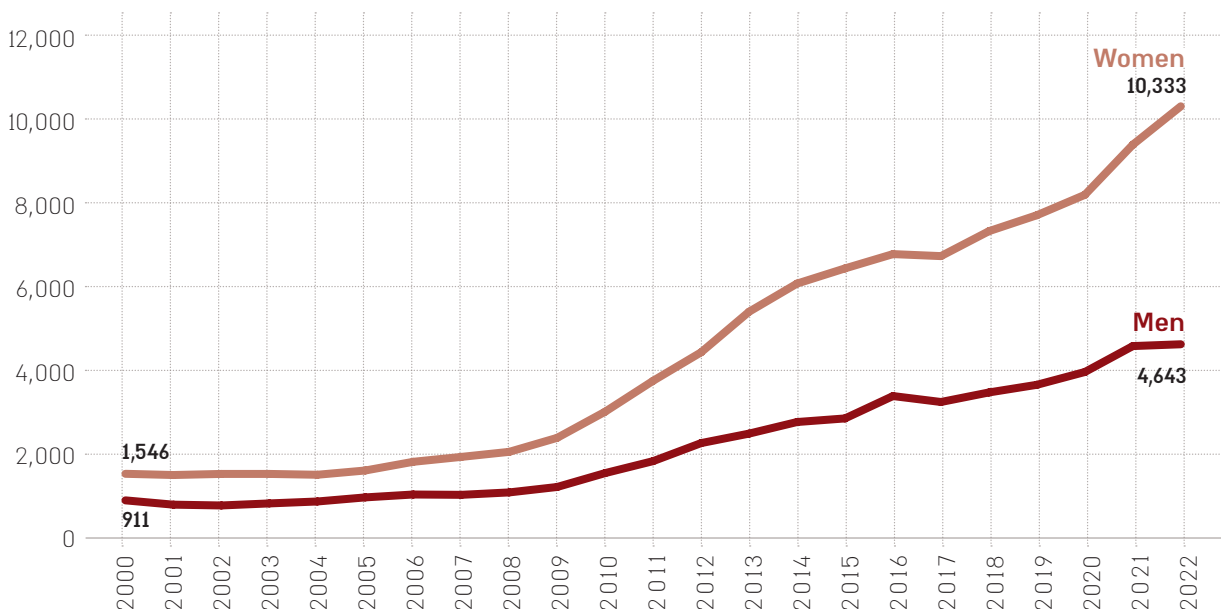


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The relatively rapid upward trend in the number of Haredi students began in 2005, and the growth rate accelerated greatly from 2009 onward. The growth rate among women was much faster than among men, and thus, the gap between the number of female Haredi students and male Haredi students increased and reached about 6,000 in 2022.

Figure 88

Number of Haredi students by gender, 2000-2022



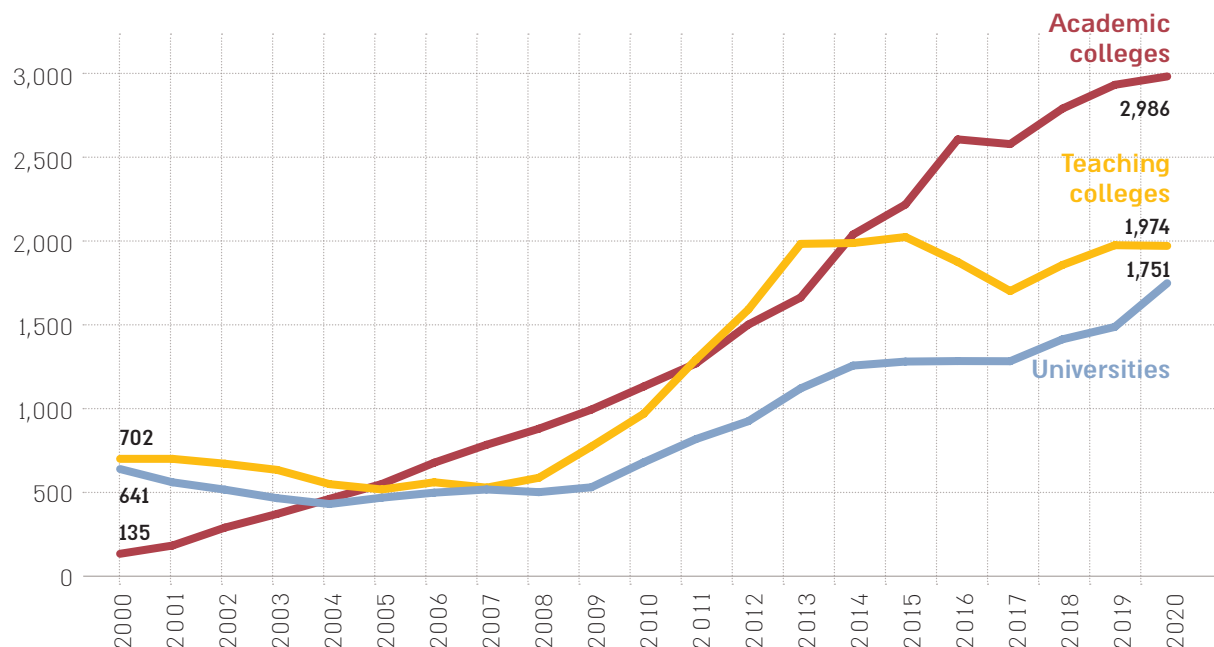
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Alongside the increase in the number of students since the beginning of the century, during this period, there have been great changes in the mix of fields of study and academic institutions that Haredi students typically engage with. Particularly in the case of women, demand for the field of education—which in the early days was the engine of growth in the number of applicants to higher education—has decreased in the last decade. The number of Haredi undergraduate students in teaching colleges quadrupled between 2007 and 2013, but since then, there has been a halt in their growth and even a slight decline. At the same time, the increase in the number of female students studying at academic colleges and universities (including the Open University) has continued, and the pace has accelerated in recent years.

These trends reflect the deliberate preference of Haredi students for professions with higher earning potential. Nevertheless, the increase in the number of female Haredi graduate students in teaching colleges continued until 2019. In contrast, in academic colleges, there has been almost no change in their numbers in the past decade. In other words, in recent years, academic colleges have been responsible for most of the increase in female Haredi undergraduate students, while teaching colleges and universities are responsible for the increase in female Haredi students pursuing advanced degrees.

Figure 89

Distribution of female Haredi undergraduate students by type of institution, 2000-2020

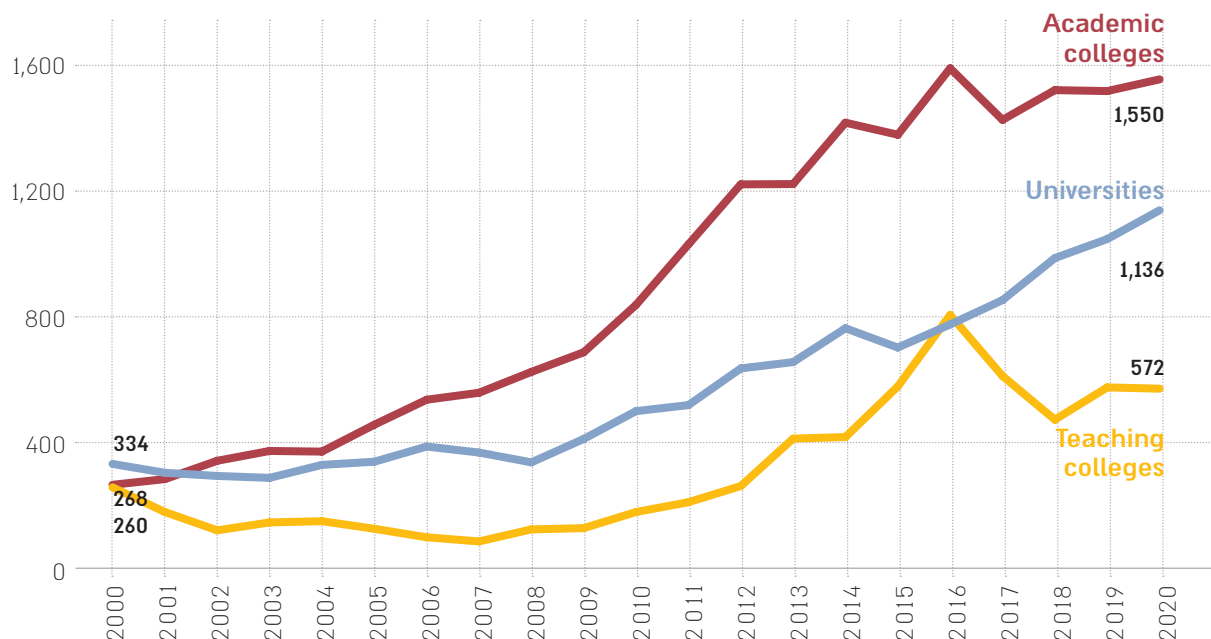


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Among male Haredi undergraduate students, the growth in the number of students enrolled in teaching colleges halted in 2016, and there has even been a non-negligible decline in their number in recent years. By contrast, in academic colleges and universities, the upward trend in the number of Haredi students continued, and in recent years, university students have been responsible for most of the increase in the share of students in the Haredi sector.

Figure 90

Distribution of male Haredi undergraduate students by type of institution, 2000-2020

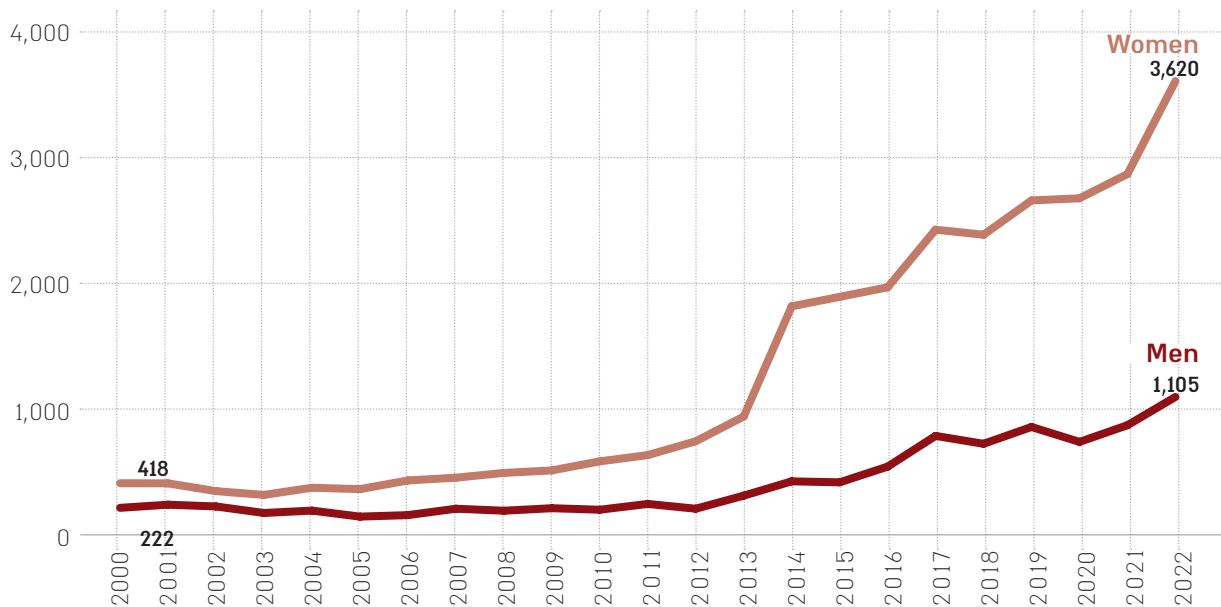


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The surge in young Haredi women pursuing academic studies in recent years is also reflected in the number of annual degree recipients, which has increased fivefold over the past decade and reached about 3,600 in 2022. Haredi men have also seen a significant increase in degree recipients in recent years, reaching about 1,100 in 2022. But as noted, this number is still very low, and the gap between the number of female and male Haredi degree recipients has only widened over the years.

Figure 91

Number of Haredi degree recipients by gender, 2000-2022



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

To better understand the potential increase in the share of Haredi academic degree holders in the near future, the ratio between the number of Haredim who received a bachelor's degree each year and the average size of the birth cohort of all degree recipients was calculated. For example, in 2022, there were 3,620 female degree recipients born in different cohorts. An approximate average of the number of Haredi women born in each of these cohorts was computed for the calculation. Among Haredi women who are eligible for a degree, the average cohort each year (for the calculation) was much larger than the average cohort of Haredi men who qualify for a degree because women receive the degree at a much younger age than the average age at which men receive a degree, and as noted, in Haredi society the younger cohorts are larger. This means that the large gap in favor of women in the number of annual degree recipients stems not only from the fact that the percentage of women who apply for academic studies and complete their degrees is higher than the corresponding percentage of men but also from the fact that men apply for academic studies at an older age, in which the cohorts (and hence the number of potential applicants) are smaller.

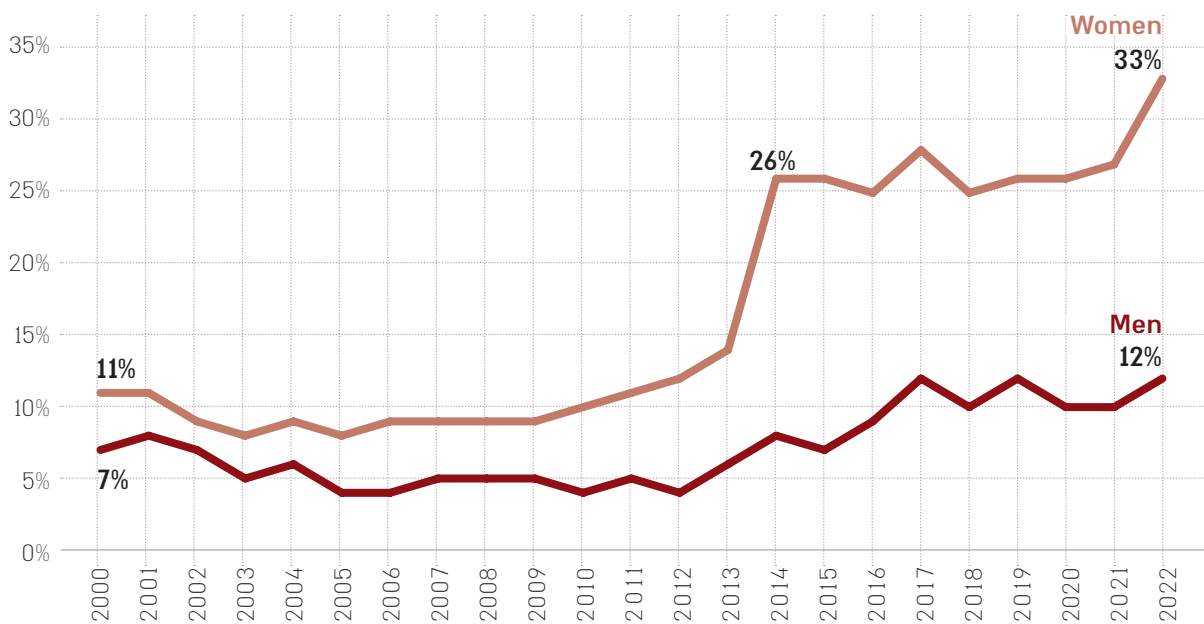
When examining the ratio between the number of Haredi women receiving bachelor's degrees and the average size of the cohort of female degree recipients over time, it is clear that there was a dramatic increase in 2014, from about 14% to about 26%, and another large increase in 2022, from about 27% to about 33%. At this stage, it is still too early to determine whether this ratio will remain stable or increase, but if the trend continues and the number of degree recipients remains high relative to the size of the

cohort, we will see a significant increase in the number of degree holders and the share of Haredi women holding academic degrees in the coming years, which may double over the next decade.

By contrast, among Haredi men, the upward trend is much more modest. The ratio between the number of bachelor's degree recipients and the average size of the cohort of degree recipients has risen by only 5 percentage points over the last two decades and currently stands at about 12%. Moreover, as noted, because men receive degrees at a relatively older average age, the increase in this share has a relatively small effect on the share of Haredi academics of prime working age because the relative share of young adults (those of an earlier than average age for acquiring a degree) in this group is much larger than the share of older adults (those of average age for acquiring a degree or older). Therefore, if these trends continue, the share of Haredi men with an academic degree is expected to rise modestly over the next decade, reaching only about 6%-7%.

Figure 92

Haredi bachelor's degree recipients as a share of all Haredim in their average age cohort, by gender, 2000-2022



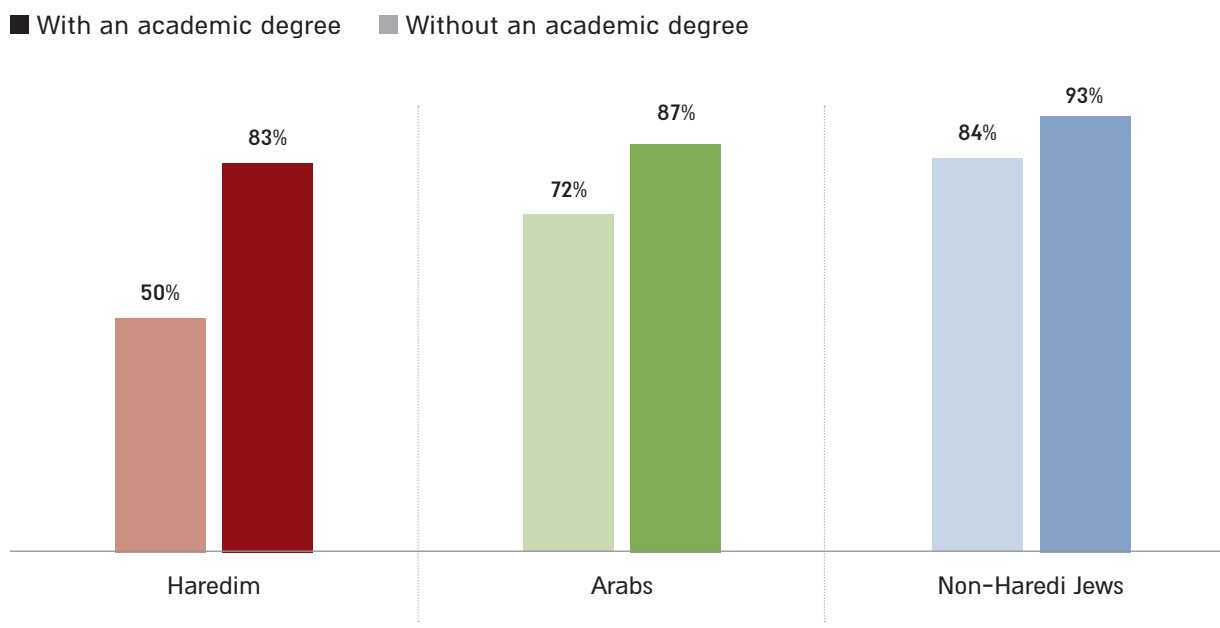
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Academic Education: Employment and Wages

Given the relative stagnation in the share of Haredi men with an academic degree on one hand and the rapid rise in the share of Haredi women with an academic degree on the other, the role academic education plays in employment, and the earning of wages becomes increasingly important. Among men and women from all sectors, there is a large gap between the employment rates of those with and without academic degrees. Among Haredi men, the gap stands at 33 percentage points, and among Haredi women at 13 percentage points. The largest gap between the employment rates of women with and without an academic degree was found among Arab Israeli women, at 40 percentage points.

Figure 93

Men's employment rates by sector and level of education, 2022, Ages 25-64

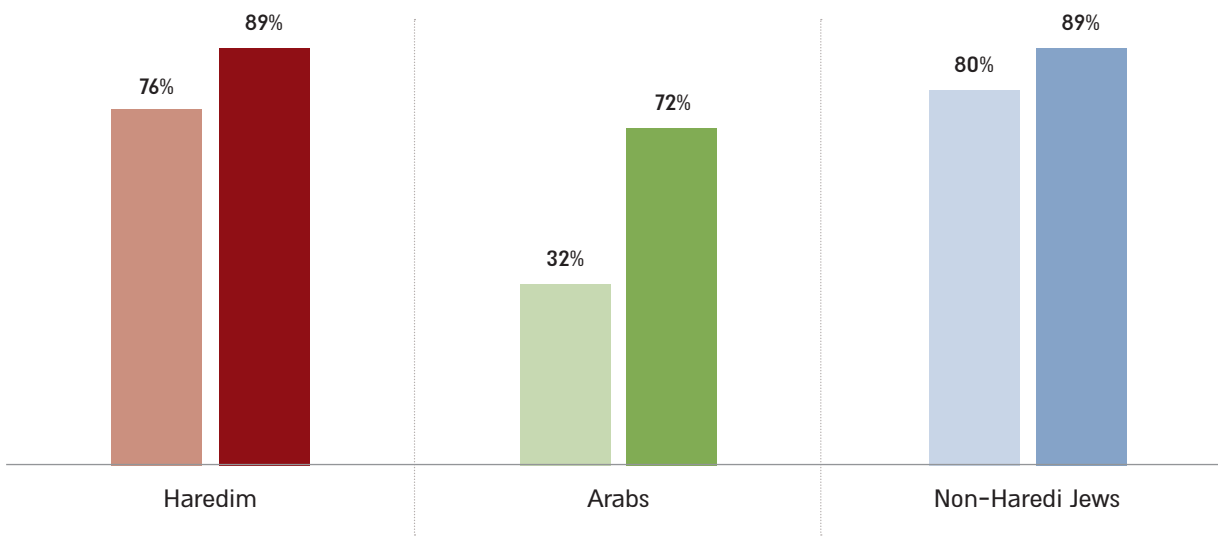


Source: Adaptations by the Haredi Institute for Public Affairs to the Labor Force Survey

Figure 94

Women's employment rates by sector and level of education, 2022, Ages 25-64

■ With an academic degree ■ Without an academic degree



Source: Adaptations by the Haredi Institute for Public Affairs to the Labor Force Survey

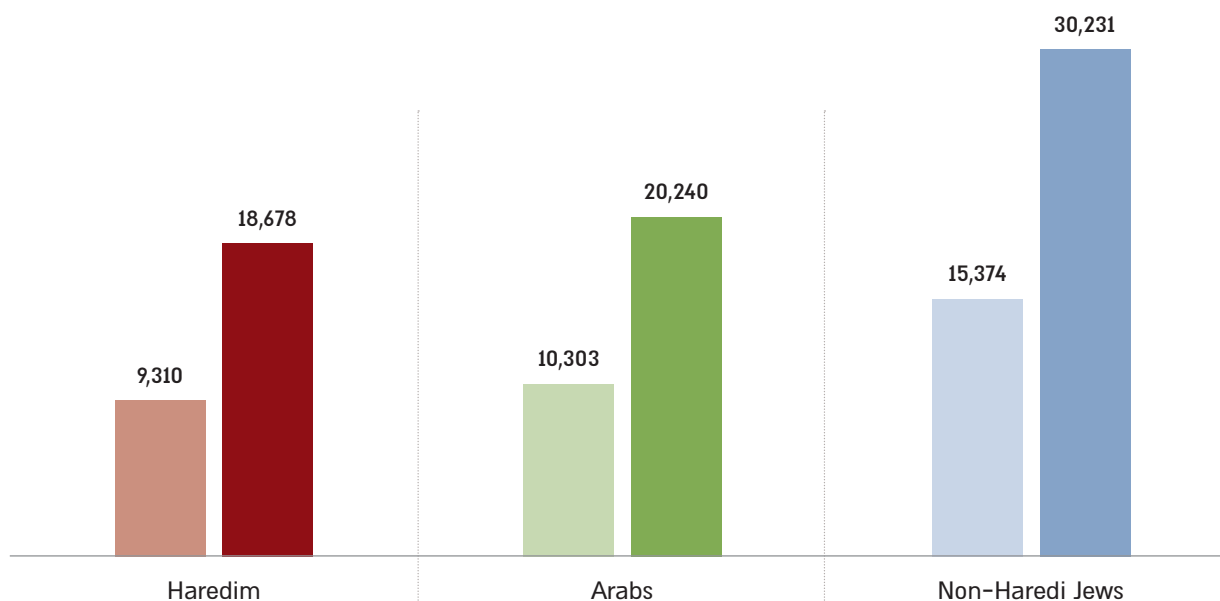
There are also very large wage gaps between workers with and without degrees, among men and women, in all sectors. Among men from all sectors, the monthly salary of employees with an academic degree is (approximately) double that of employees without a degree. The wage gap among women with and without a degree ranges from about 57% for female Haredi employees to 110% for female Arab employees.

Given the rapid increase in the share of Haredi women with an academic degree and the relative stagnation in the share of Haredi men with academic degrees, it is reasonable to assume that the average monthly wage of Haredi women will soon exceed that of Haredi men, as has already happened in hourly wages.

Figure 95

Average wages of male employees by sector and level of education, in NIS, 2021, Ages 25-64

■ With an academic degree ■ Without an academic degree

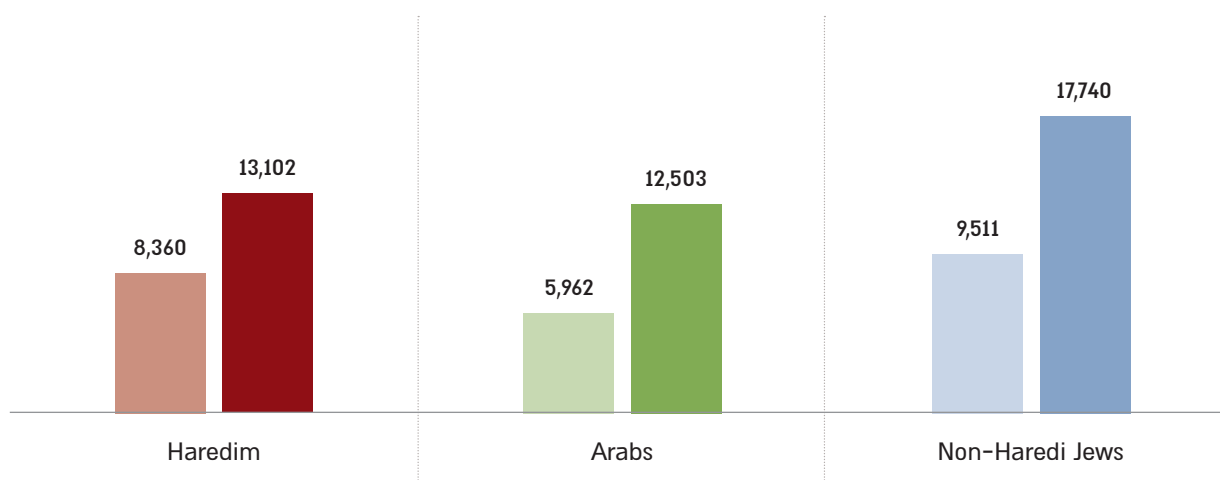


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 96

Average wages of female employees by sector and level of education, in NIS, 2021, Ages 25-64

■ With an academic degree ■ Without an academic degree



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

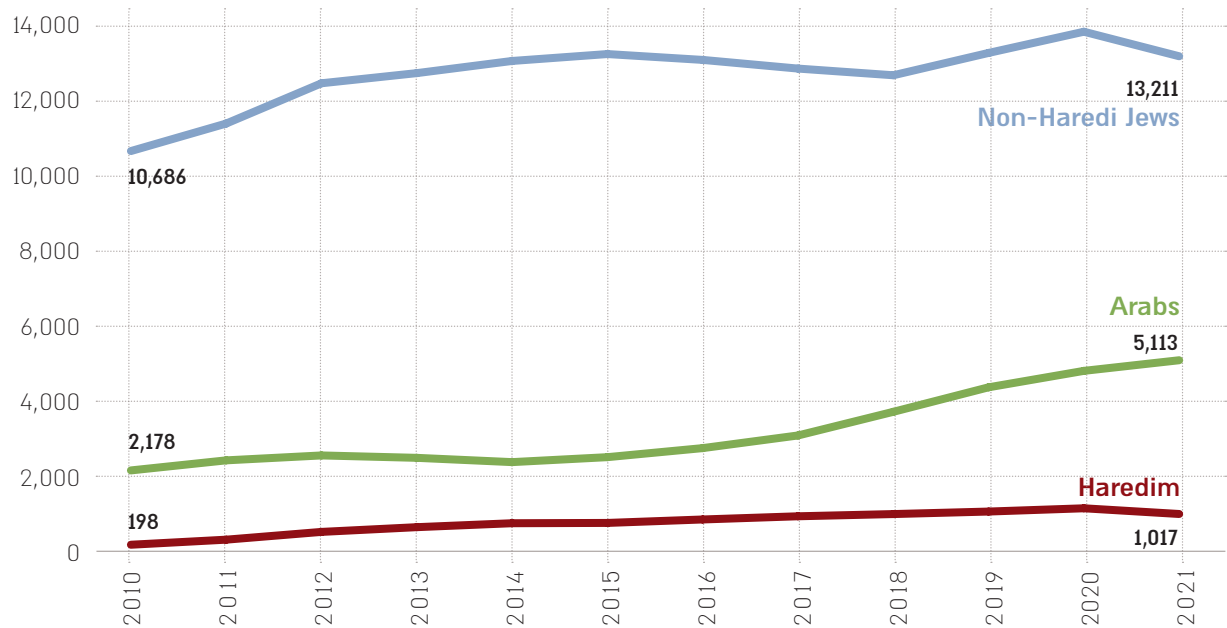
Technological Education

In recent years, for both the general public and Haredim, technological education has emerged as a good option for vocational education that endows graduates with professions with high earning potential. Recent studies by the Ministry of Finance have shown that the return on technological education is similar to the return on academic studies and, in some areas, even higher. Thus, some regard technological colleges as optimal channels for increasing labor productivity among the Haredim, both because of the applied and market orientation of the professions they teach and because of the relatively low resistance in the Haredi sector to integration into these tracks because they are "non-academic." Therefore, the trends in the integration of Haredim into technological education can tell us a great deal about the changes taking place in recent years in the Haredi labor market and about what can be expected in the coming years.

The number of Haredi students in technological colleges has increased fivefold in the past 11 years, from about 200 students in 2010 to about 1,000 in 2021. During the same period, the number of Arab students at these colleges increased 2.5-fold, from about 2,200 to about 5,100. The number of non-Haredi Jewish students in these colleges increased by about 25%, from about 10,700 to about 13,200.

Figure 97

Number of male students in technological colleges by sector, 2010-2021

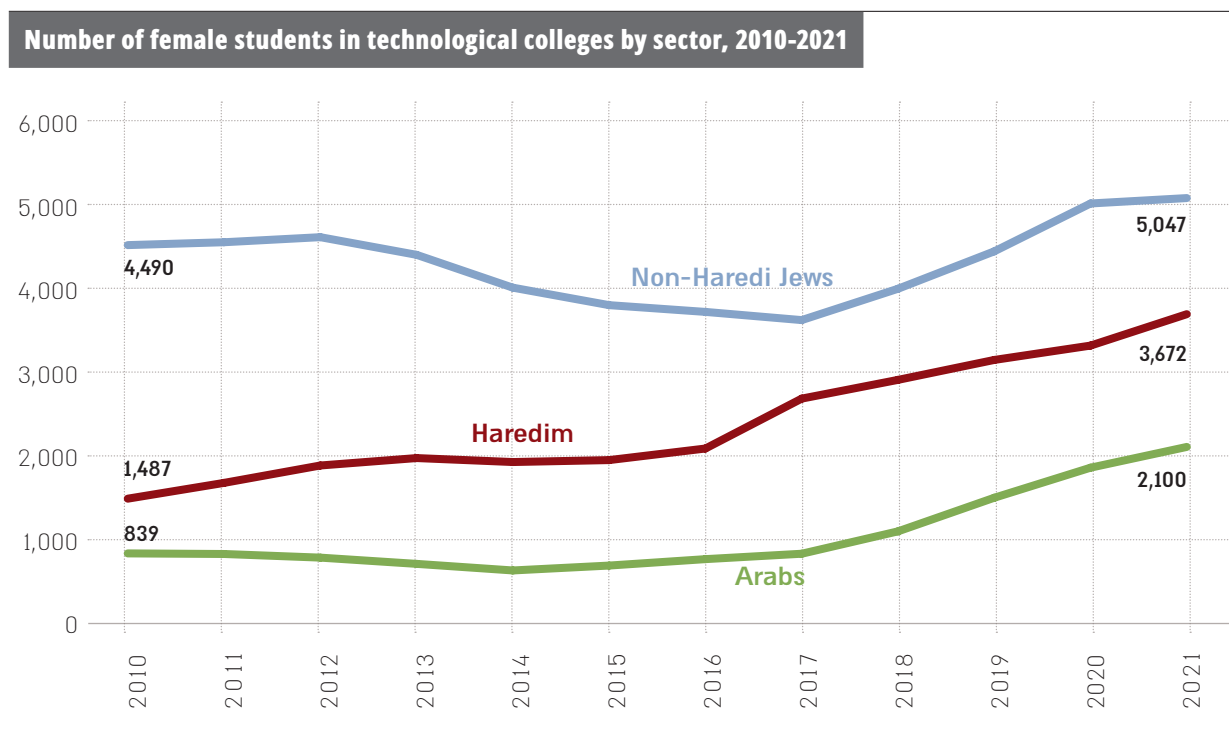


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The sharp increase in the number of Haredi students in technological colleges is an encouraging sign, but it should be remembered that the numbers are still quite low. To see a significant improvement in the labor productivity of Haredi men, it is necessary to continue these trends over time and reach much higher numbers, as in the case of Haredi women.

Among women, trends of integration into technological education look different. The number of female Haredi students at these colleges has increased 2.5-fold in the past decade, from about 1,500 to about 3,700, and the number of female Arab Israeli students has increased at a similar rate: from about 840 to about 2,100. By contrast, the number of non-Haredi female Jewish students at technological colleges dropped between 2010 and 2017 from about 4,500 to about 3,600 but then gradually rose again, reaching about 5,000 students in 2021.

Figure 98



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

There has been a significant increase in the share of computer science students among Haredi students at technological colleges in recent years, from about 4% in 2015 to 28% in 2021. Most of the increase occurred between 2020-2021. By contrast, among Arab and non-Haredi Jewish students at the same colleges, there was only a modest increase in the share of computer science students, which currently stands at about 10%.

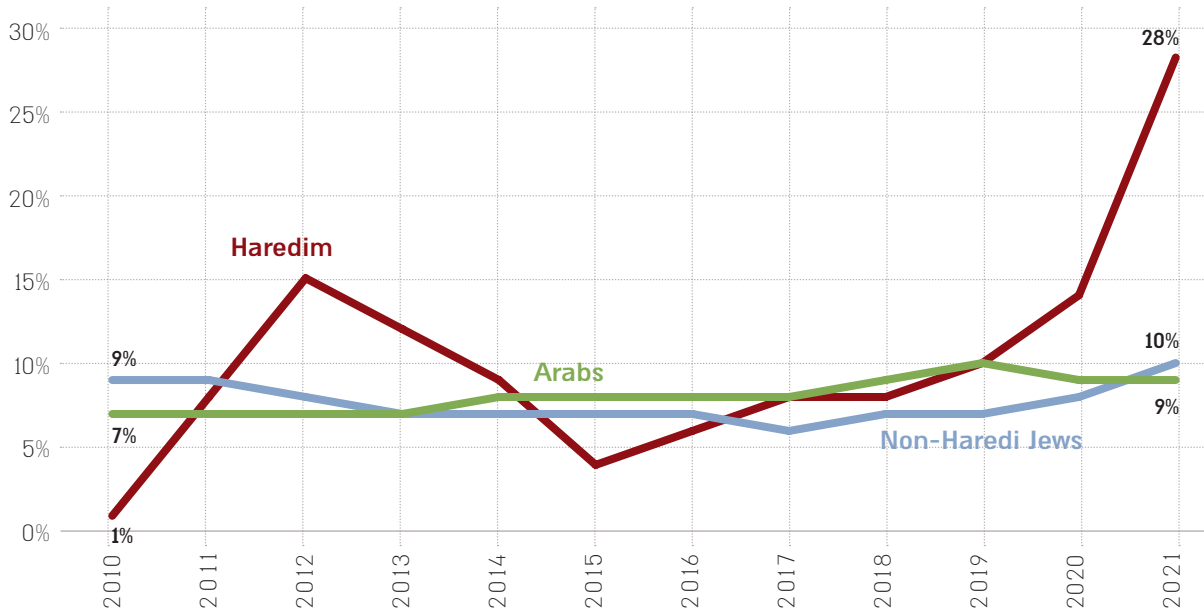
It may be cautiously conjectured that the increase in the share of computer science students among Haredi students indicates a growing demand for more lucrative jobs, among other things, due to the

increasing economic pressures facing young Haredim, which worsened during the COVID-19 crisis (2020-2021).

Alongside the increase in the share of computer science students between 2019-2021, construction engineering was the most sought-after profession among Haredi male students at technological colleges. This is an intriguing finding because, in the public consciousness, the field is not perceived as typical of Haredi workers. Still, the distribution of employment sectors of Haredi workers reveals that 5% are employed in the construction industry (see also the section on employment). It is possible that this field, characterized by high wages on the one hand and a severe shortage of workers on the other, could develop as a significant channel for increasing labor productivity among Haredi men while simultaneously providing a solution to a great shortage in the Israeli economy.

Figure 99

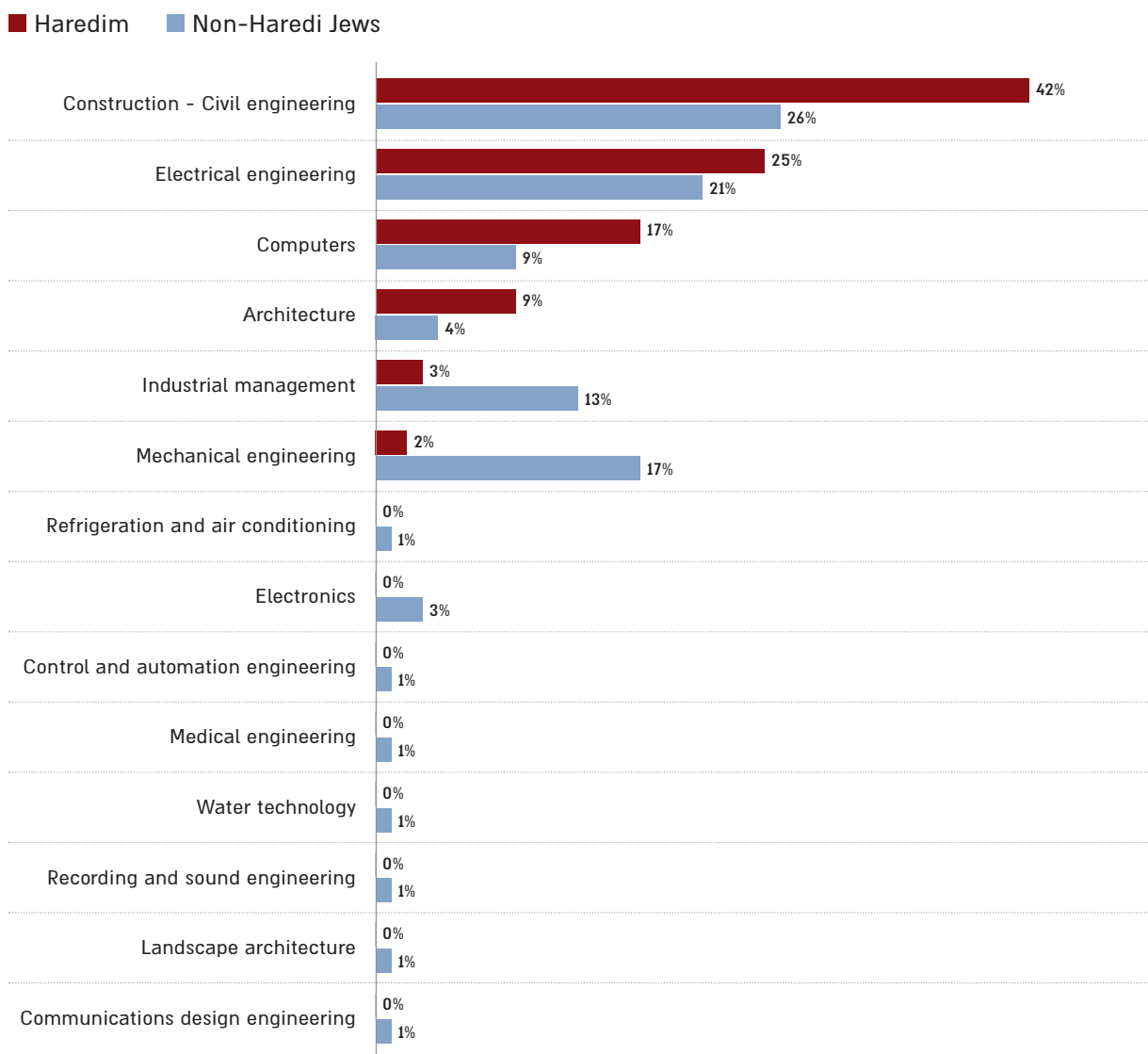
Share of male computer science students out of all male students in technological colleges by sector, 2010-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Figure 100

Distribution of professions studied by male students in technological colleges by sector, 2019-2021

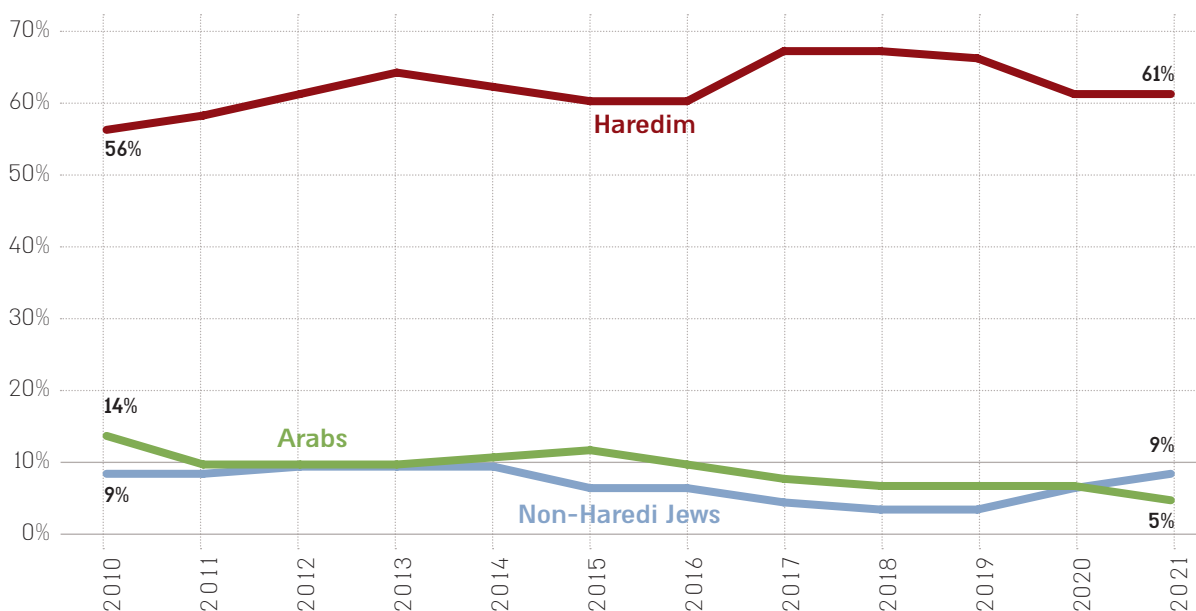


Source: Haredi Institute for Public Affairs Analysis of Administrative Data

The share of female Haredi computer science students in technological colleges has remained stable and very high over the past decade, at about 62%, with a large gap between it and the second most studied subject, architecture (21% of Haredi students). By contrast, the share of Arab Israeli and non-Haredi Jewish female programming students in technological colleges was and remains low (5% and 9%, respectively).

Figure 101

Share of computer science students among female students in technological colleges by sector, 2010-2021



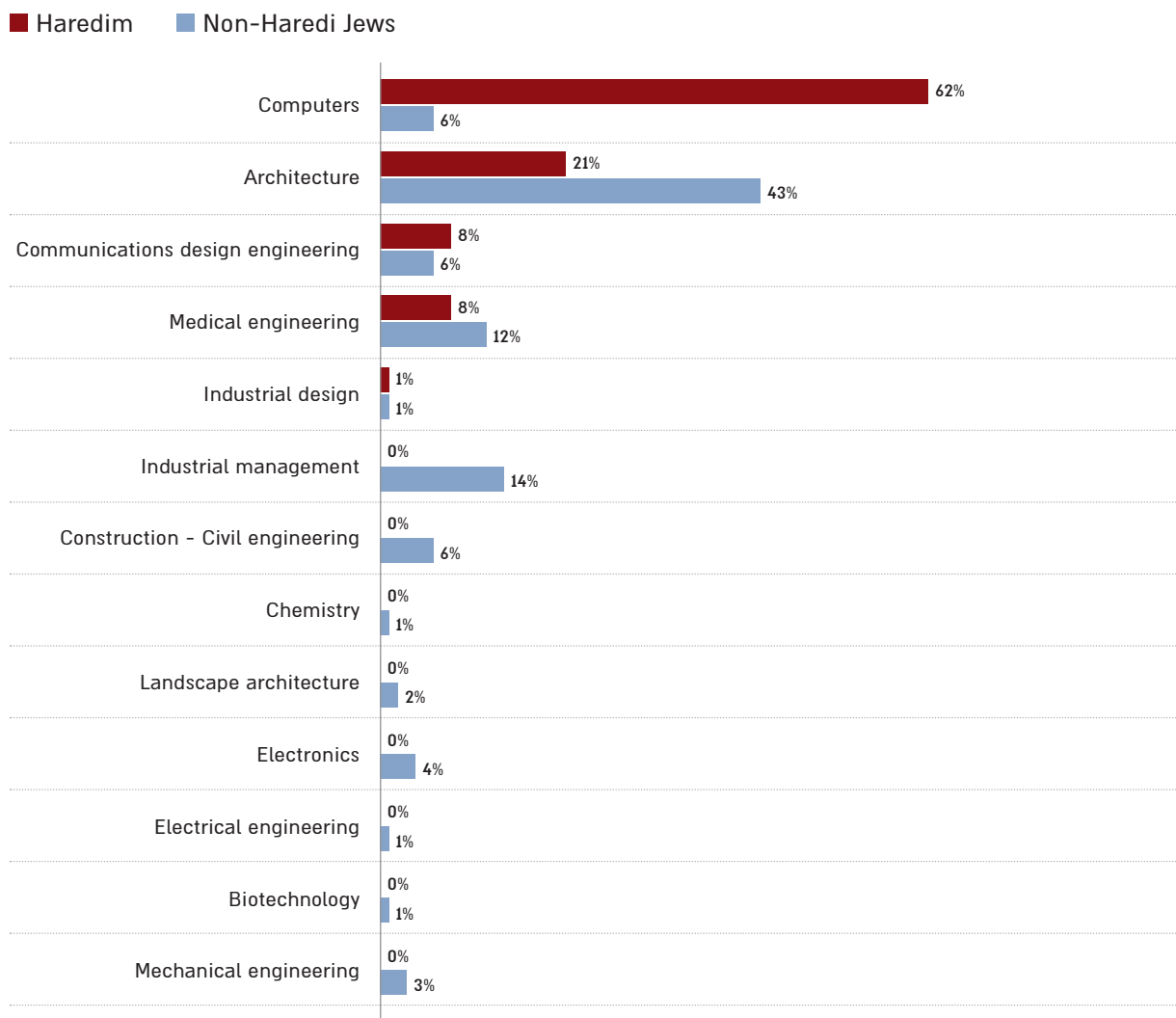
Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Thus, most Haredi women undertaking technological education aspire to integrate into the high-tech industries and earn higher than average wages. The recent increase in their number (which has almost doubled in the last five years) also attests to the growing need of Haredi women to find more profitable income avenues than in the past to cope with the increasing economic pressures, as they are often the primary breadwinners in their families.

The second most common profession among female Haredi students at technological colleges is architecture, a field also related to the construction industry. Among women, these numbers are not negligible (about 700 architecture students in 2021). Although only a small number of Haredi women are employed in the field, the expected increase in female graduates may develop as a new and significant path for increasing the earning capacity of female Haredi workers.

Figure 102

Distribution of professions studied by female students in technological colleges by sector, 2019-2021



Source: Haredi Institute for Public Affairs Analysis of Administrative Data

Because of Haredi society's unique characteristics, Haredi households cope with relatively low incomes from labor (as described in the section on employment) - alongside a higher-than-average number of persons per household (as shown in the section on demographics).

The Haredi household displays a typical economic behavior and unique expenditure composition, which forms an essential aspect of the financial resilience of Haredi society and reflects its priorities. In particular, the centrality of education is reflected in relatively high expenditures for this budgetary item, which forces Haredi households to reduce spending in other consumption categories, for example, housing (as illustrated in the relevant section), to cope with economic constraints.

Another tool that enables the Haredi household to balance its low income with the need for multiple expenses is the subsidies and allowances, the portion of the total income of which is twice that of non-Haredi Jewish households.

The changes that Haredi society is undergoing, among others with regard to increased integration into the labor market and the Israeli economy, are reflected in the substantial increase in income from work and the amount of tax payments made by Haredim today relative to the past. At the same time, in recent years, the increase in allowances and subsidies received by Haredim has been more moderate than in other population groups.

These changes are also reflected in a decline in poverty rates in Haredi society. Nevertheless, poverty rates in the Haredi community are still much higher than in the general public. To reduce these gaps, a policy focused on increasing the labor productivity of Haredi workers is needed, which will enable balance and independence in the economic conduct of Haredi households in the long term.



Household Economy

Key Findings

NIS **14,978**

Haredi household income:
68% of the income of a non-Haredi Jewish household, which is NIS 22,047

NIS **9,995**

net income from work of a Haredi household. About 60% of the income from work of a non-Haredi Jewish household, which stands at NIS 16,021

68%

The relative share of net income from work in a Haredi household, compared to 73% in a non-Haredi Jewish household and 78% in an Arab household

In almost all expenditure categories (except education), Haredi household expenditure is lower than in other sectors, despite the larger size of Haredi families

NIS **13,970**

the average consumption expenditure of a Haredi household. In a non-Haredi Jewish household – NIS 15,610, and in an Arab household – NIS 14,260

NIS **404**

per month – average donation in a Haredi household. Haredim contribute a much higher sum of money than others: NIS 86 in a non-Haredi Jewish household and NIS 6 in an Arab household

48% of children in Haredi society are poor. 48% in Arab society and 9% in non-Haredi Jewish society

14% of Haredi household consumption expenditures are for education and culture, compared to 11% for non-Haredi Jewish households and 10% for Arab households

40%

of Haredi households are below the poverty line

43%

of Arab households

11%

of non-Haredi Jewish households

Key Trends

Subsidies and Allowances



The average income from allowances and government subsidies of Haredi households grew at the lowest rate among population groups, an increase of 38% between 2014 and 2021, compared to 55% for non-Haredi Jewish households and 56% for Arab households.

Average Net Income



During these years, the average net income from work of the Haredi household grew by the largest rate: 24%, compared with an increase of 13% in the income from work of Arab households and only 2% of non-Haredi Jewish households.

Household Tax Payments



Tax payments by Haredi households increased at the highest rate of all sectors: 30% between 2014 and 2021, compared with 5% by non-Haredi Jewish households and 4% by Arab households.

Household Income Composition

The net monthly income of a Haredi household in 2021 averaged NIS 14,978, about 68% of the income of a non-Haredi Jewish household, which was NIS 22,047. The average income of Arab households was NIS 13,276.

Households have four primary sources of income: (a) work; (b) subsidies and allowances (e.g., child allowances or income support); (c) capital gains; (d) income from pensions, study funds, and provident funds. There are differences between the average households in each population group in terms of both the distribution of income and its amounts.

The income from work of Haredi households is about 60% of that of non-Haredi Jewish households: about NIS 10,000 on average vs. about NIS 16,000 on average, respectively. The income from work of Haredi households is also slightly lower than that of Arab households, which stands at an average of about NIS 10,300 per month.

The share of labor income in total household income is lower among Haredim than in other sectors: in Haredi households, income from work constitutes 68% of total income; in non-Haredi Jewish households, 73% of total income, and in Arab households, 78% of total income.

By contrast, household income from allowances and subsidies, as well as their share in total household income, is higher in Haredi households: the subsidies amount to NIS 3,998, which makes up 27% of the total income of Haredi households, whereas in non-Haredi Jewish households, the income from this source is NIS 3,191 on average (14% of total income), and in Arab households NIS 2,595 on average (20% of total income). In other words, the weight of income from allowances and subsidies in the budget of Haredi households is double that of non-Haredi Jewish households.

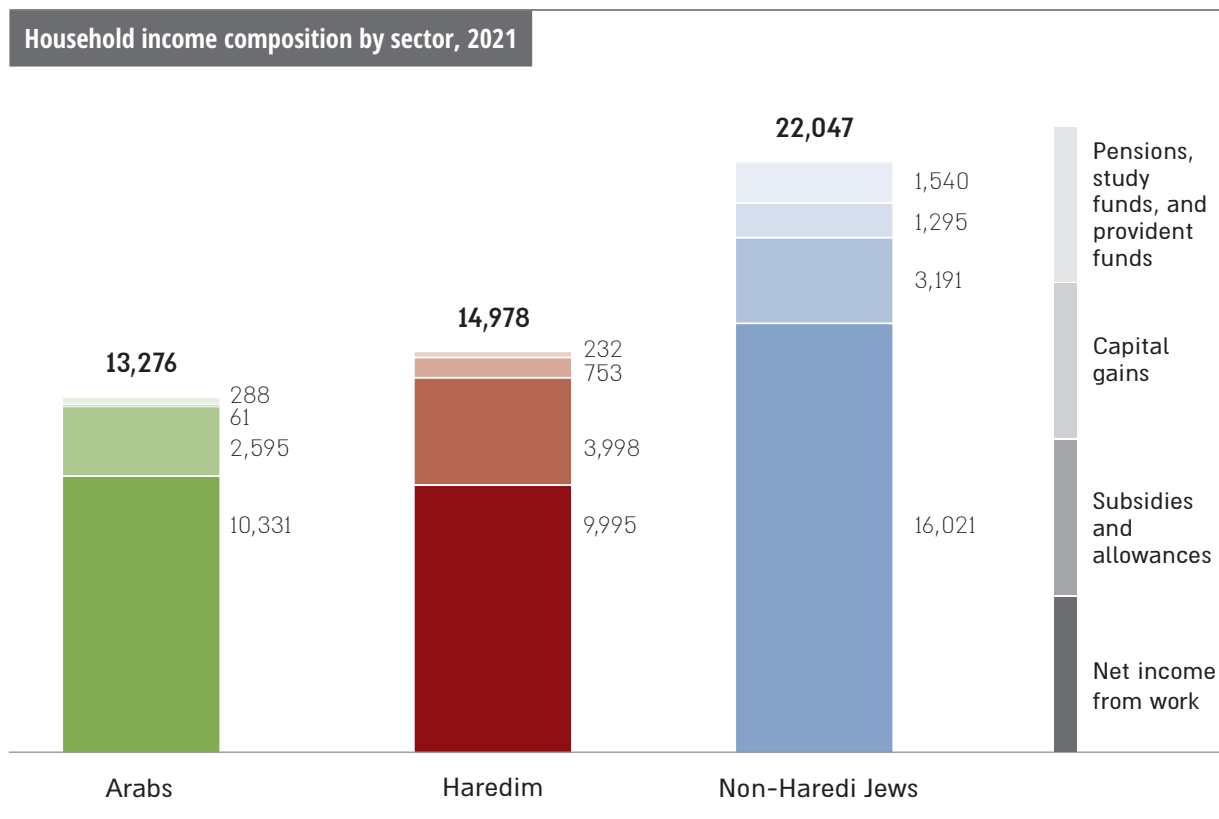
The income of Haredi households from the other categories (capital gains, pensions, study funds, and provident funds) is far lower than that of non-Haredi Jewish households. In Haredi households, income from capital is about NIS 750 on average, compared to NIS 1,300 in non-Haredi Jewish households, and income from pensions, study funds, and provident funds is about NIS 230 on average, whereas in non-Haredi Jewish households, it is more than six times higher: NIS 1,540.

The scope of subsidies and allowances granted to households has changed over the years because of changes in policy and various social and economic processes, and as a result of the automatic revision of amounts due to inflation. Between 2014-2019, there was a moderate increase in the income of Haredi households from allowances and subsidies, while among non-Haredi Jews and Arab Israelis, the income level from this source was stable during this period (in real terms).

In 2020, following the COVID-19 crisis, there was a sharp increase in government support in all sectors. In Haredi households, the average income from allowances and subsidies rose during these years from NIS 3,700 to NIS 4,400; in non-Haredi Jewish households, from about NIS 2,400 to about NIS 3,300; and in Arab households, from about NIS 1,900 to NIS 3,000. Mainly, this increase was derived from grants and allowances distributed to employees on unpaid leave and the self-employed who suffered a

significant decline in income due to COVID-19-related restrictions. In 2021, there was a slight decline in average income from allowances and subsidies in all households, following the return to work of many employees placed on unpaid leave in 2020.

Figure 103



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

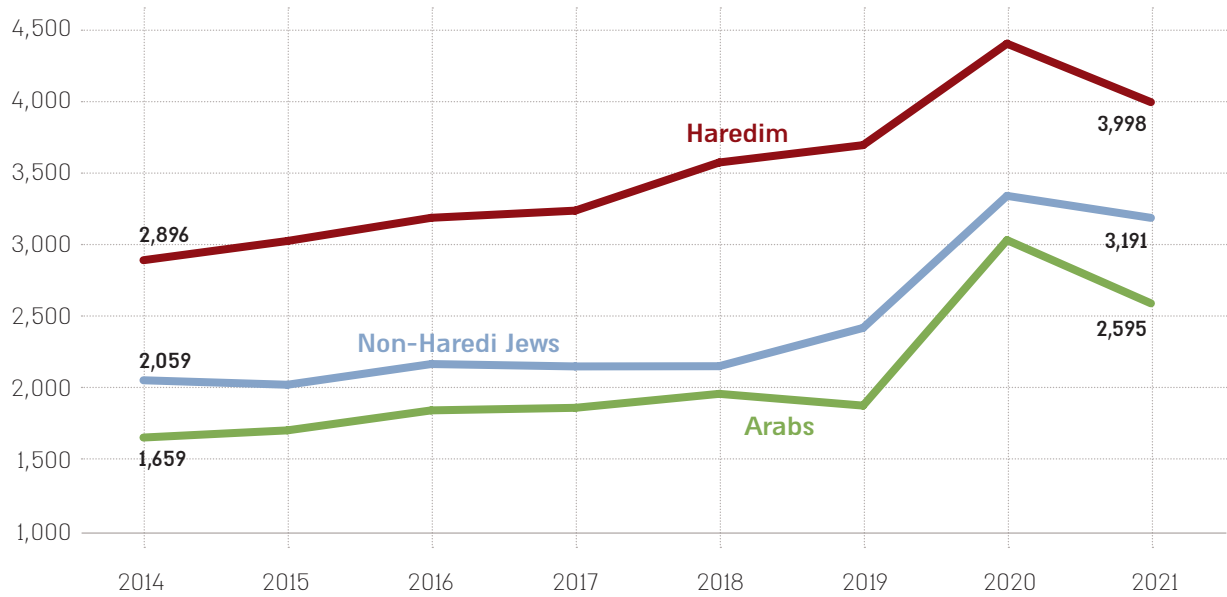
Although during the entire period under study, the average income of Haredi households from allowances and subsidies was the highest, the gap between Haredim and other population groups in Israel narrowed. Between 2014-2021, the average (nominal) income from allowances and subsidies of Haredi households increased by 38%, non-Haredi Jewish households by 55%, and Arab households by 56%.

Did the income from work of various households also change during this period? The data show that the income from work of Haredi households rose gradually from about NIS 8,100 on average in 2014 to about NIS 10,700 in 2017—the highest income in the period under study. Subsequently, the income declined to about NIS 8,300 in 2020, and in 2021, the income of Haredi households from work increased, for the first time in four years, to about NIS 10,000.

A similar trend occurred in non-Haredi Jewish households during these years. Between 2014-2018, the average income from work rose from about NIS 15,600 to about NIS 18,200. In subsequent years, a

downward trend in net income from labor began, and it stood at about NIS 15,400 in 2020, probably owing to the COVID-19 pandemic, after which it rose slightly to about NIS 16,000 in 2021. In Arab Israeli households, income from work peaked in 2019 at about NIS 11,500 on average, and in 2020 and 2021, the income gradually declined to about NIS 10,300. In general, between 2014-2021, the average (net) income from work in Haredi households increased by the highest rate, 24%, compared to 13% in Arab households and only 2% in non-Haredi Jewish households.

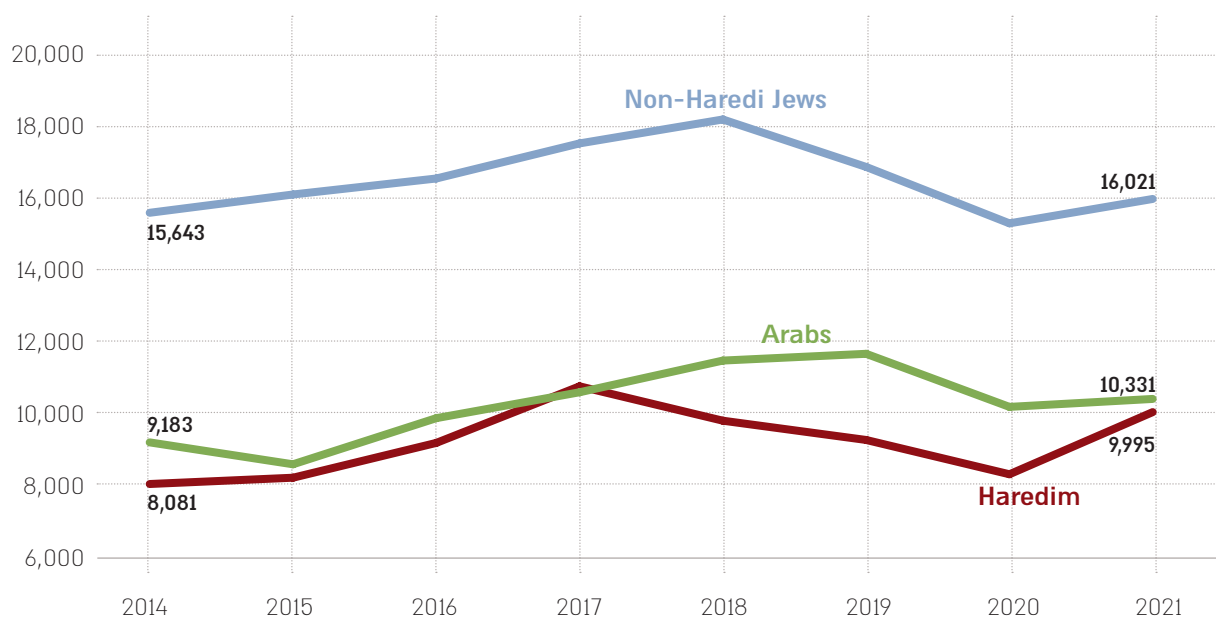
Figure 104
Monthly income from state benefits and subsidies by sector, 2014-2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Figure 105

Net monthly income from work by sector 2014-2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

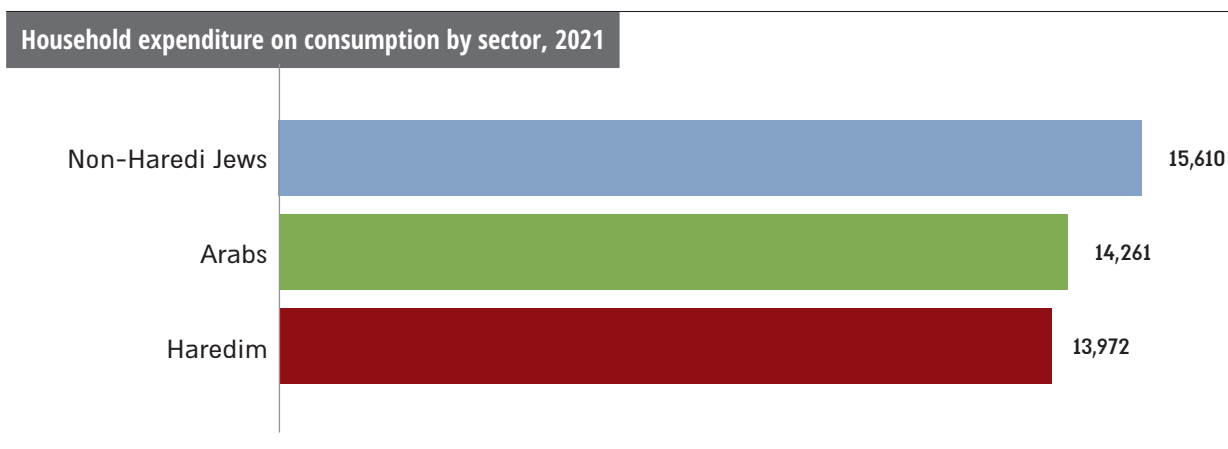
Household Expenditure Structure

The budget for financing expenses is derived from household income. Like income, expenses in Haredi households are much lower than in non-Haredi Jewish households. In 2021, the average expenditure of Haredi households on consumption was about NIS 14,000, of non-Haredi Jewish households about NIS 15,600, and of Arab households about NIS 14,300.

There is a large difference between the sectors in the ratio between household expenditures and income: Haredi households spend about NIS 1,000 less per month on average than their net income, while Arab Israeli households spend about NIS 1,000 more than their net income on consumption, but this result may stem from the Arab Israelis' underreporting of their employment and income in Central Bureau of Statistics surveys, as also indicated by Regev and Yakin's study (2024). By contrast, the average consumption expenditure in non-Haredi Jewish households is NIS 6,400, lower than the average net income.

Note that average consumption expenditure does not include mortgage payments, defined as savings in the Household Expenditure Survey (on which the analysis is based). In practice, however, only the principal payment component of the mortgage (the original loan amount) is indeed savings, whereas interest payments are actually expenses. Therefore, in practice, the gap between the income and expenditure of households with a mortgage is smaller than reflected in consumption expenditures alone, especially when interest rates are high, as they are at present.

Figure 106



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Household Tax Payments

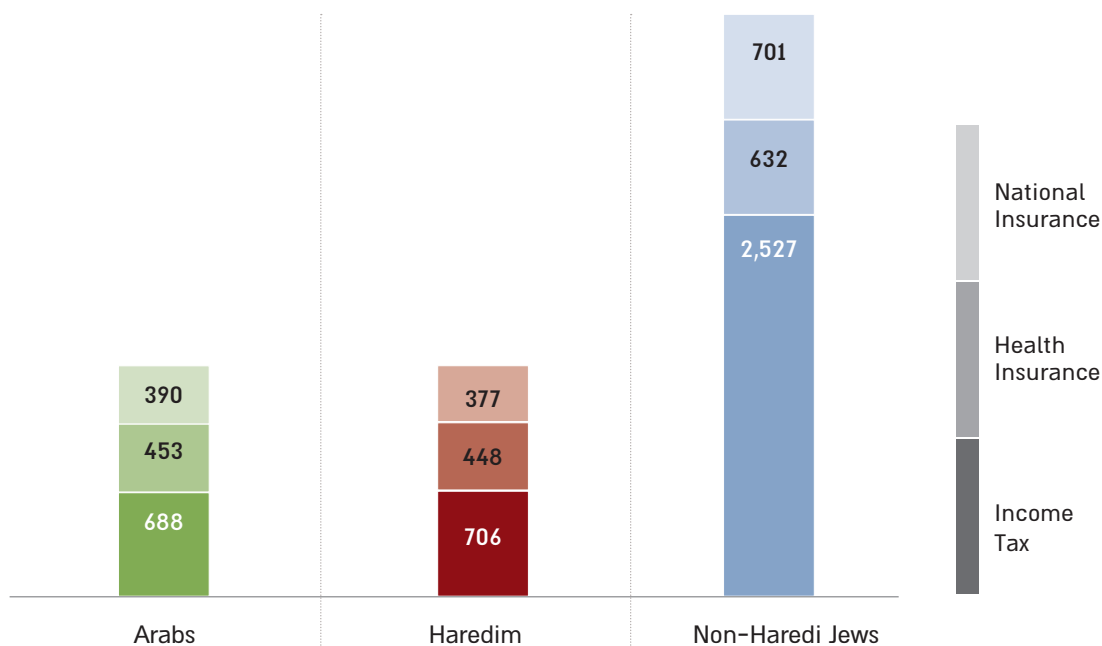
Mandatory payments are another household expenditure in addition to consumption. The average monthly income tax payment in Haredi households is NIS 706, compared to NIS 688 in Arab households and NIS 2,527 in non-Haredi Jewish households. In other words, Haredi households pay income tax at a rate of only about 30% of that of non-Haredi Jewish households but more than Arab households.

The large gaps between the amounts paid in income tax by non-Haredi Jews and those paid by Haredim and Arabs stem from employment gaps and even more so from the gross wage gaps that exist between these sectors. The income of many workers from the Haredi and Arab sectors does not reach the tax threshold or is in a low tax bracket. Tax benefits, such as credit points for every child under the age of 12, also reduce the tax liability of Haredi and Arab families to a greater extent than that of non-Haredi Jewish families.

The average expenditure on health insurance is NIS 448 for Haredi households, NIS 453 for Arab households, and NIS 632 for non-Haredi Jewish households. The spending on National Insurance payments in Haredi households (NIS 377, on average) is also similar to that of Arab households (NIS 390) and much lower than that of non-Haredi Jewish households (NIS 701). On these items, the expenditure gaps between the sectors are smaller because the rate of withholding from the wages of employed persons is fixed (unlike income tax, where the tax rate is progressive) and because the unemployed are not exempt from paying health tax and making National Insurance contributions.

Figure 107

Average household tax payments by type and sector, 2021

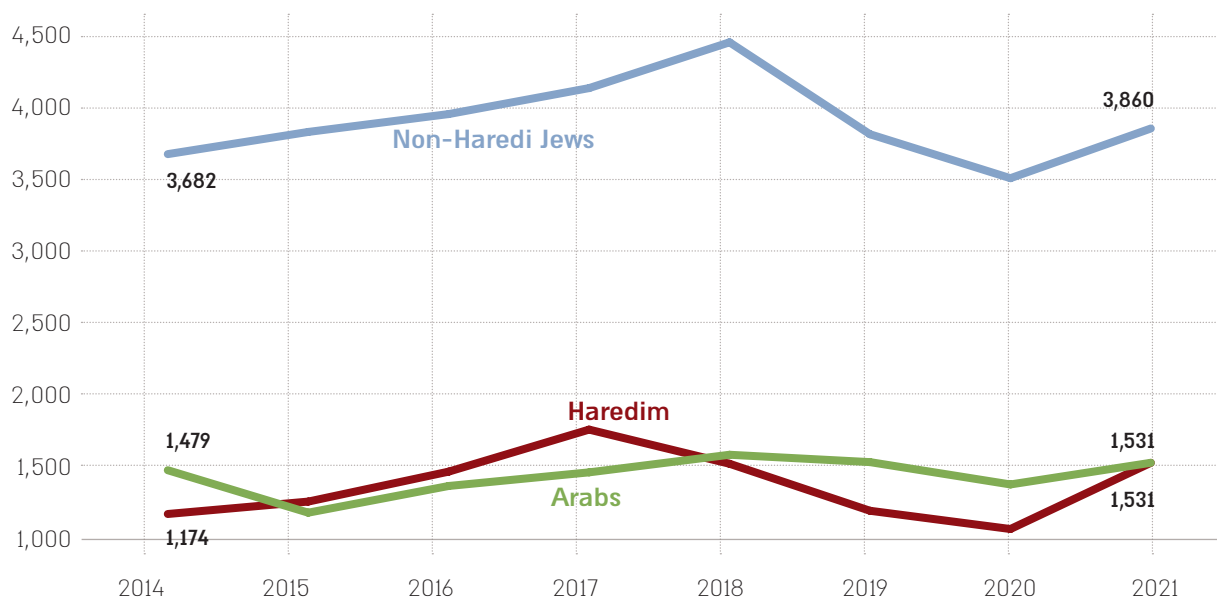


Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Although the expenditure of Haredi households on mandatory payments is relatively low, over the years, it has risen at the highest rate, from NIS 1,174 in 2014 to NIS 1,531 in 2021, an increase of 30%. During these years, mandatory payments by Arab households rose from NIS 1,479 to NIS 1,531, an increase of only 4%. Payments by non-Haredi Jewish households also increased slightly, from NIS 3,682 to NIS 3,860, a rise of 5%. The faster increase in mandatory payments by Haredi families can be attributed to increased employment rates and average wages, particularly among Haredi women.

Figure 108

Average household tax payments by sector, 2014-2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Composition of Consumption Expenditures

Haredi households are, on average, the largest of all population groups, with 5.15 members, compared to 4.15 members in Arab families and 2.8 in non-Haredi Jewish families. Nevertheless, Haredi households' consumption expenditures are the lowest in most categories, except for education, which is actually the highest.

Housing expenditure is the highest of all household consumption expenditures of all sectors. This expenditure also incorporates an expenditure in kind for home ownership, so that in expenditure surveys of the CBS, households that own a home are attributed a hypothetical expense (approximately) equal to the rent they would be required to pay if they had to rent the apartment they own (as stated, mortgage payments are not considered an expense but rather savings). Therefore, Haredi households, whose homeownership rate is relatively high, spend (in kind) a relatively high sum on housing: about NIS 4,200 on average. Non-Haredi Jewish households spend about NIS 4,500 on housing and Arab Israeli households about NIS 2,300.

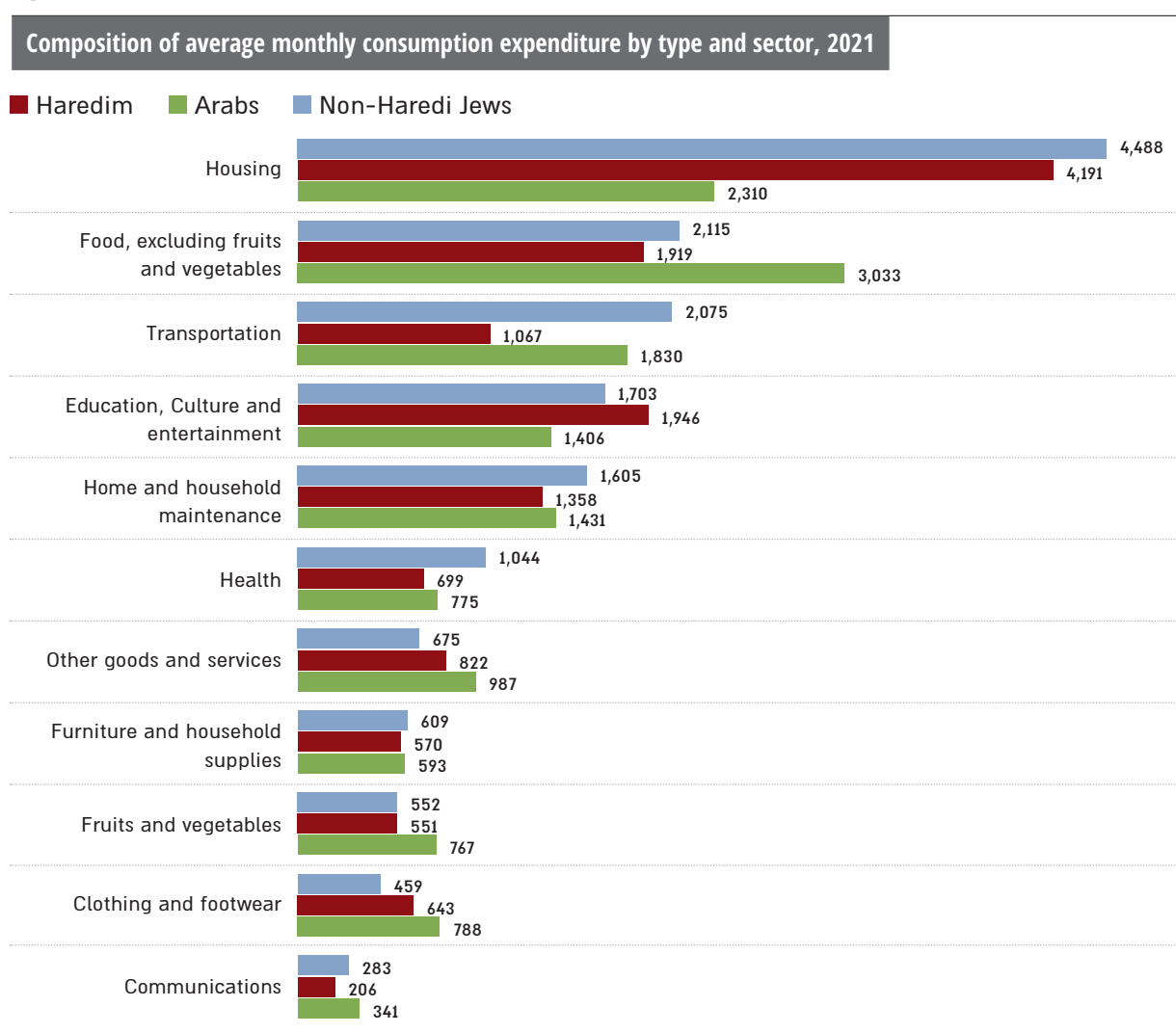
Other high expenses of the Haredi household are in the areas of education and culture: about NIS 1,950 on average, which is 14% of their total consumption expenses, compared to about NIS 1,700 spent by non-Haredi Jewish households (11% of its total expenses), and about NIS 1,400 by Arab households on education and culture (10% of its total expenses).

A similar amount of expenditure by Haredi households is devoted to food (excluding fruits and

vegetables). The expenditure on this item is about NIS 1,900 on average, 14% of the total expenses of Haredi households. A non-Haredi Jewish household spends a similar amount (14%) of its total expenses on this item, which amounts to about NIS 2,150 per month. Arab households spend much more on this item every month: about NIS 3,000, 21% of their total consumption expenditure.

Another large expenditure item for most Israeli households is transportation, but for Haredi households, the expenditure is considerably lower: about NIS 1,100, or 8% of its total expenses, compared with NIS 2,700 for non-Haredi Jewish households (13% of total expenses) and NIS 1,850 for Arab households (also 13% of expenses). The relatively low expenditure on transportation in Haredi households apparently stems from a low percentage of car owners and greater reliance on public transportation, which is much cheaper than owning a car.

Figure 109



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Donations

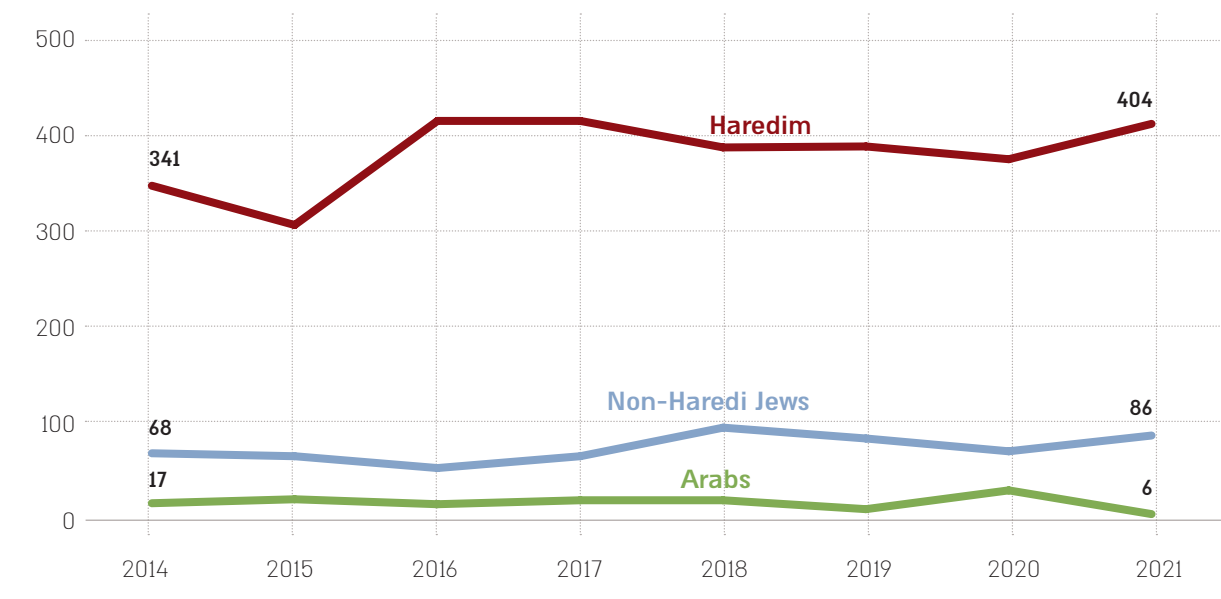
Donations and support for others are a significant part of the Haredi lifestyle. In some cases, the donation is made on a personal basis as part of a religious and communal imperative; in other cases, donations are transferred to institutions that facilitate the maintenance of the Haredi lifestyle. Therefore, it is unsurprising that Haredi households spend more of their income on donations than other population groups.

In 2021, Haredi households donated an average of NIS 404 per month, compared with NIS 86 donated by non-Haredi Jewish households and NIS 6 donated by Arab households.

When examining changes in donation rates over time, a slightly different picture emerges. The average amount of donations in Haredi households was consistently the highest since 2014 (NIS 341 at the time) but increased by 19% to NIS 404 in 2021, compared with a 27% increase in the average amount of donations of non-Haredi Jewish households (from NIS 68 in 2014 to NIS 86 in 2021). Only Arab Israeli households saw a decline in the average donation amount, which stood at NIS 17 in 2014.

Figure 110

Average monthly donation per household by sector, 2014-2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Distribution of Households by Income Deciles

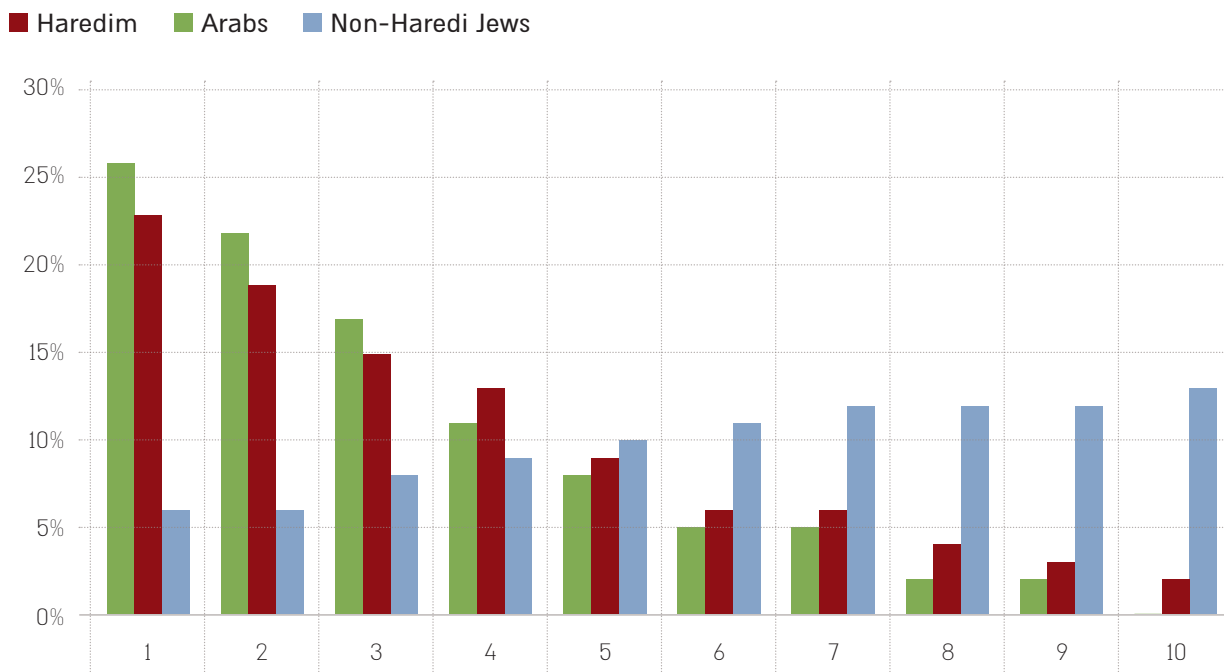
The income deciles method, accepted in Israel and worldwide, ranks households according to ten economic strata: in decile 1 (bottom), households with the lowest income, and in decile 10 (top), households with the highest income.

The representation of households from the various sectors in each decile is unequal. Haredi households are concentrated mainly in the lower deciles, and their representation declines as we move up the deciles. Most Haredi households (58%) are in the bottom three deciles: in decile 1, 23%; in decile 2, 19%; and in decile 3, 15%. Only 20% of Haredi households are located in deciles 6 and higher. In the Arab Israeli sector, the distribution is even more extreme: 65% of households are in the bottom three deciles, and only 15% in the 6th decile and above.

The picture is the opposite in non-Haredi Jewish households: only 19% of households are in deciles 1-3, and most households (61%) are in deciles 6 and above. These differences reflect the large income and employment gaps between non-Haredi Jewish families and Haredi and Arab families.

Figure 111

Distribution of households by income decile and sector, 2021



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

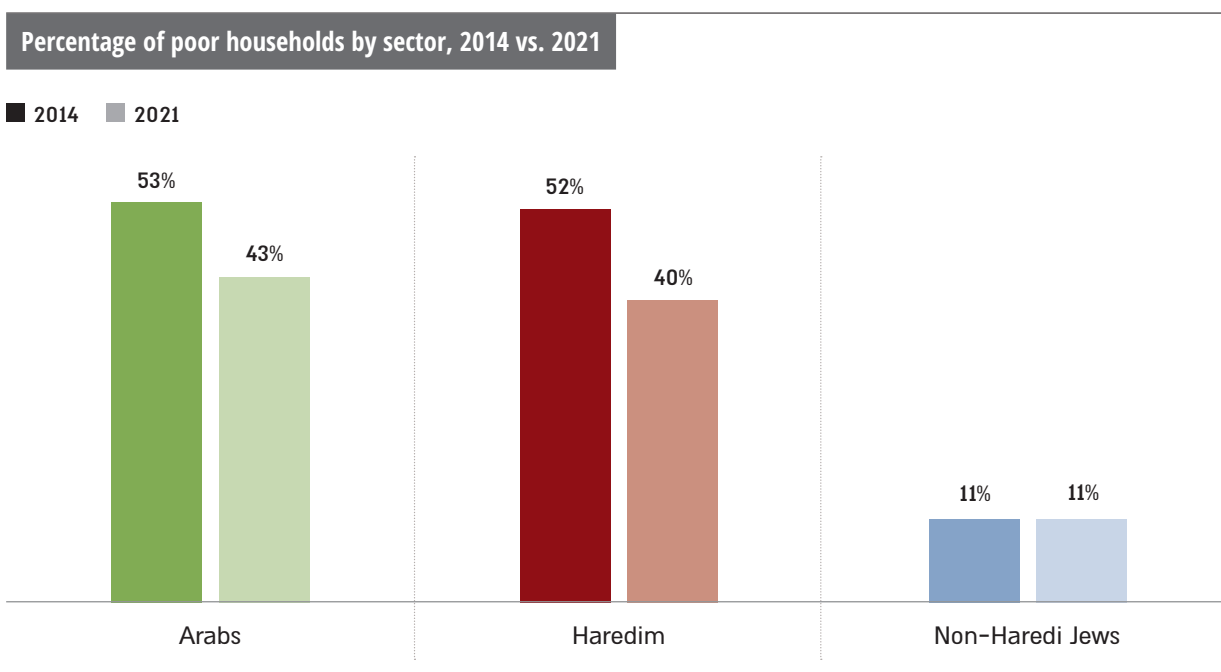
Poverty Rates

Poverty rates in the various sectors complete the picture presented in the distribution of households by income deciles. About 40% of Haredi households and 43% of Arab Israeli households are below the poverty line, compared to 11% of non-Haredi Jewish households. Comparing poverty rates in 2021 to 2014 shows that they have declined significantly among Haredim and Arabs in recent years, while in non-Haredi Jewish society, there has been no change.

The poverty rate among children in Haredi and Arab Israeli society remains very high. In 2021, this rate stood at 48% in Haredi and Arab Israeli society, compared to only 9% in non-Haredi Jewish society. But the downward trend in poverty rates is also evident among children: in 2014, the poverty rate in Arab society was 64% and in Haredi society 65%, meaning that in the last seven years, it has declined by about 17 percentage points.

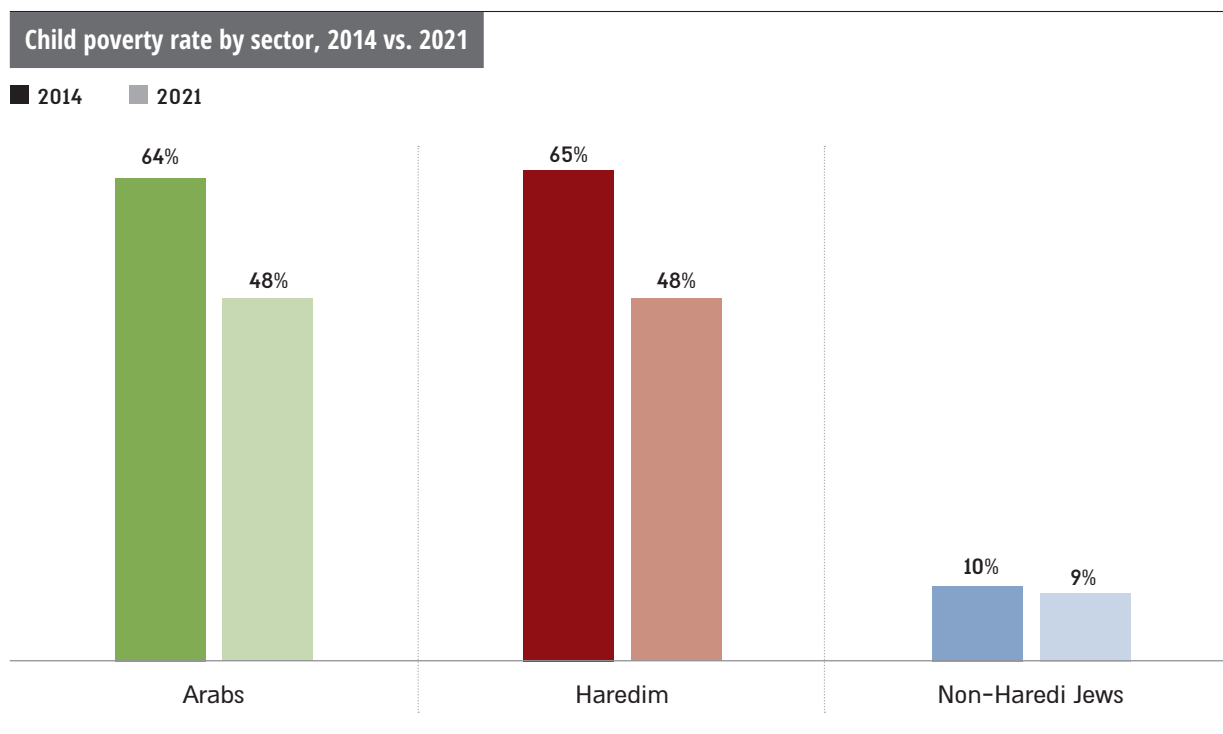
As noted, the decline in poverty rates in these two sectors is mainly due to the increased participation of Haredim and Arabs in the labor market and the increase in the share of households with two earners. For these trends to continue and poverty rates to continue to decline, a great improvement in the labor productivity of Haredi and Arab Israeli workers is needed.

Figure 112



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Figure 113



Source: Haredi Institute for Public Affairs Analysis of Household Expenditure Survey

Haredi society, being generally conservative and segregated, has in the past formulated a position that opposes the use of the Internet outright, aiming to replicate its successful struggle against television viewing. Yet, over the years, the importance of Internet use and its great necessity, especially in the labor market, became more evident, and the changes led to the moderation of the Haredi establishment and the development of digital solutions tailored to the Haredi public.

This trend was reinforced by the lockdown and social distancing imposed during the COVID-19 crisis. Under these circumstances, the Haredi community had to deal with the need to use the Internet, increasing the scope of Internet use and the limited legitimacy of controlled use. The tailored responses that were developed (for example, an Internet provider that filters content based on user choice) have enabled most Haredi households to be connected to the Internet and to use computers at higher rates than in the past. Nevertheless, in some aspects, Haredi society still chooses to be left behind. For example, the rate of smartphone use is much lower than in the general public (only about a third of Haredim), and many Haredim's Internet use is still limited to basic needs, such as e-mail and information search.

Today, digitization is a significant tool in improving the quality of life and it is required both in employment and in areas such as leisure and security. Therefore, it is of great importance to promote digitization processes that are adapted to the needs and characteristics of Haredi users.



Digitization

Key Findings

69%

of Haredi households are connected to the Internet, a low rate relative to other sectors: 88% of Arab Israeli households and 95% of non-Haredi Jewish households

70%

of those aged 40-44 in Haredi society use computers

The highest rate of computer usage in Haredi society is among this age group, compared to 90% in the equivalent age group in non-Haredi Jewish society

36%

of Haredim own a smartphone, compared to 87% of Arabs and 94% of non-Haredi Jews

The most common uses of the Internet among Haredim

61%

Use e-mail

53%

Search Information

The rarest uses of the Internet among Haredim

17%

Social networks

6%

Online games

Key Trends



Internet Connection

The share of Haredi households connected to the Internet rose from 39% in 2014 to 69% in 2022.



Smartphone Ownership

The share of Haredim who own a smartphone has doubled in the past eight years, from 18% in 2014 to 36% in 2022.



WhatsApp Usage

The share of Haredim who use WhatsApp rose from 29% in 2020 to 37% in 2022.

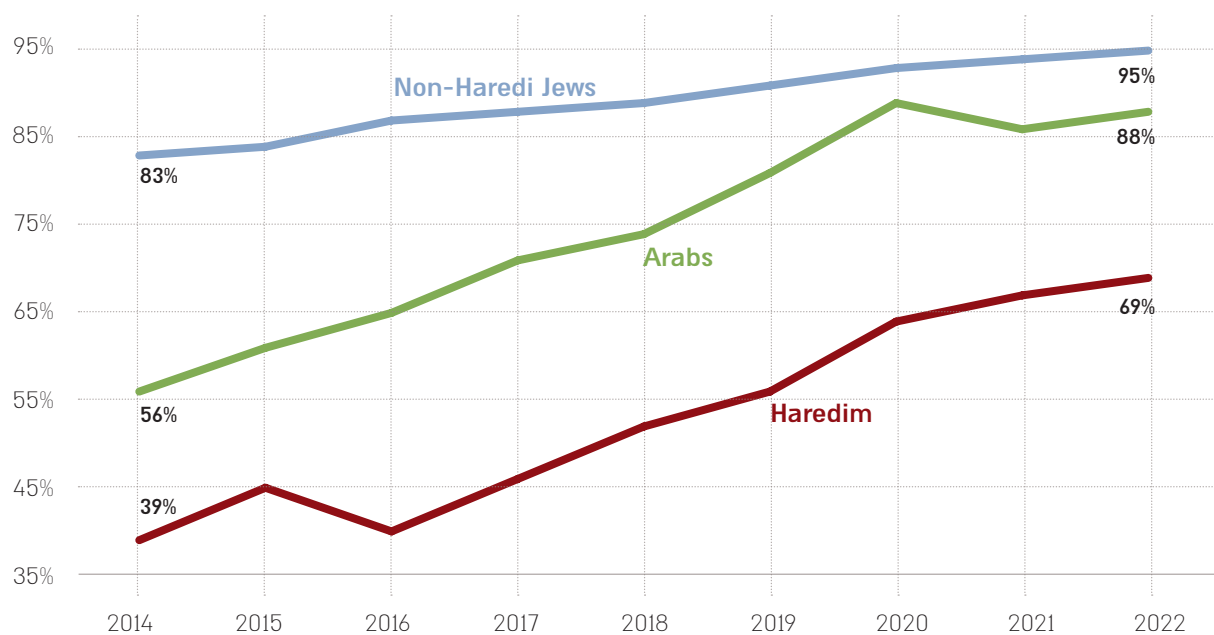
Internet Connection at Home

A home internet connection is a key tool for using various digital services. In 2022, most Israeli households were connected to the Internet: 69% of Haredi households, 88% of Arab households, and 95% of non-Haredi Jewish households.

The increase in home Internet connections is evident in all sectors. Still, the increase is particularly large among Haredim: in 2014, only 39% of Haredi households and 56% of Arab Israeli households were connected to the Internet, compared to 83% of non-Haredi Jewish households. Over the last eight years, the gaps between Haredim and non-Haredi Jews have narrowed by half.

Figure 114

Percentage of homes connected to the Internet by sector, 2014-2022



Source: Haredi Institute for Public Affairs Analysis of Social Survey Data

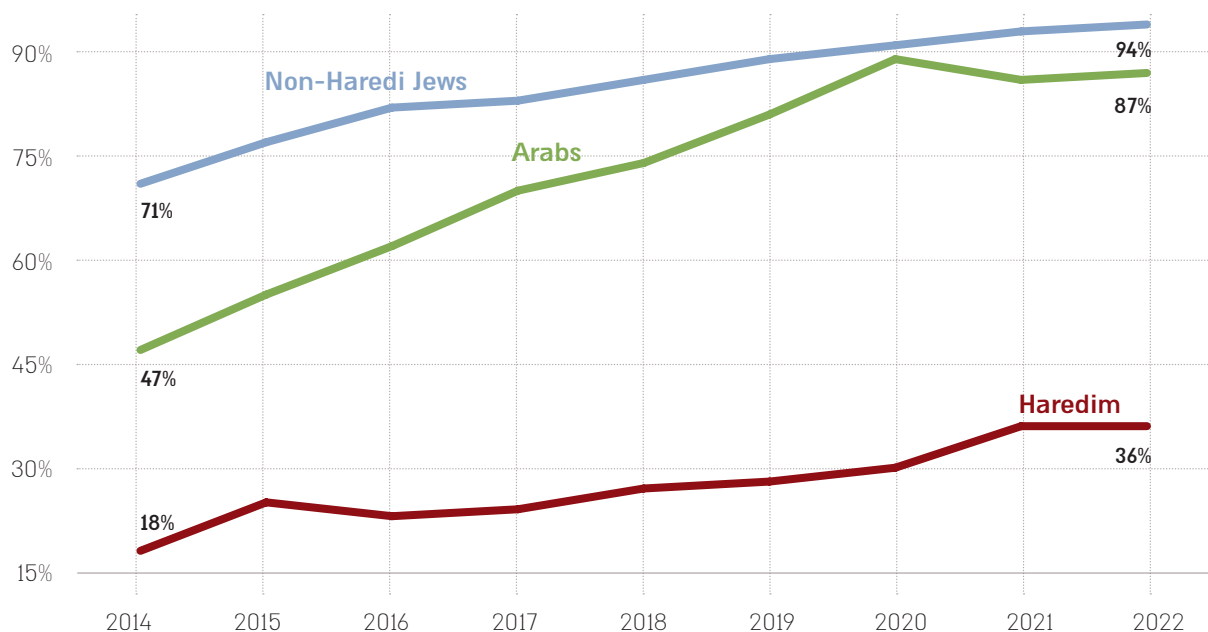
Smartphone Ownership

In contrast to home connection to the Internet, smartphone ownership rates in Haredi society are much lower than in non-Haredi Jewish society. In 2022, only 36% of Haredim owned a smartphone, compared to 87% of Arabs and 94% of non-Haredi Jews.

Despite the low rate, a comparison of trends over time shows that willingness to own a smartphone is on the rise: in 2014, only 18% of Haredim owned a smartphone, compared to 47% of Arabs and 71% of non-Haredi Jews. In other words, in Haredi and Arab societies, the share of smartphone owners has doubled in less than a decade.

Figure 115

Percentage of smartphone owners by sector 2014-2022



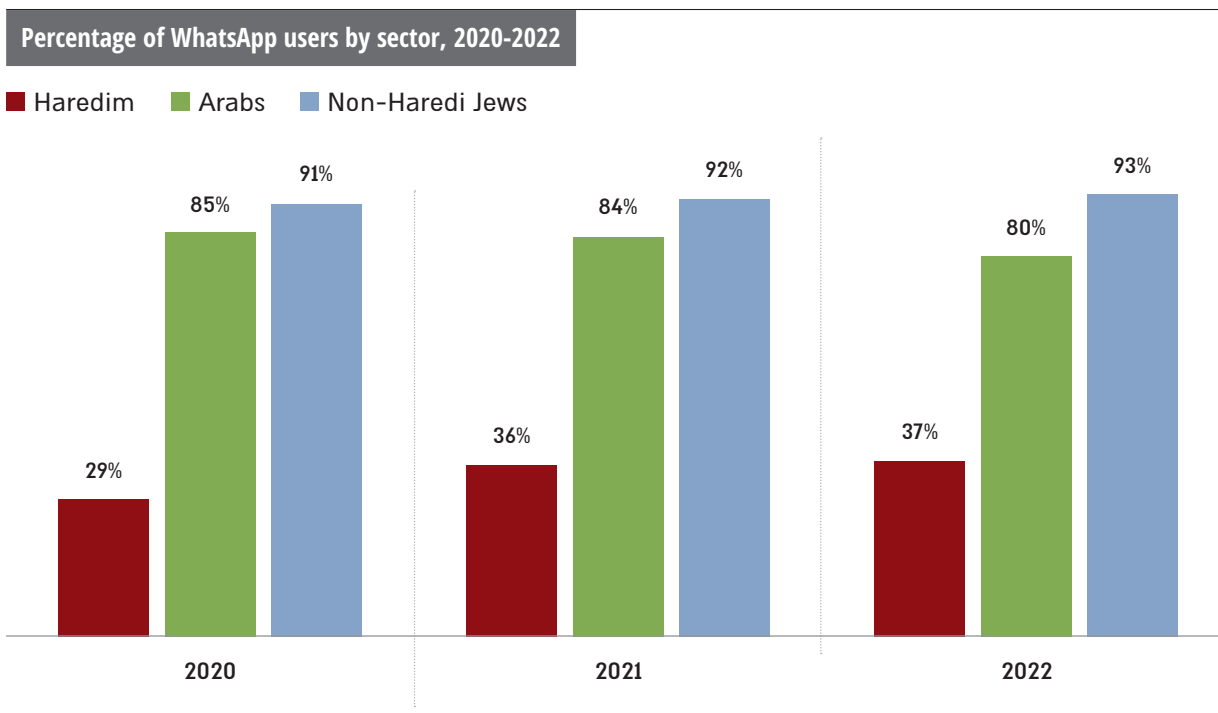
Source: Haredi Institute for Public Affairs Analysis of Social Survey Data

WhatsApp Usage

Consistent with the low rates of smartphone ownership in Haredi society, the use of the WhatsApp messaging app is also the lowest. In 2022, 37% of Haredim reported using WhatsApp, a ratio similar to that of smartphone holders. In Arab society, the ratio of WhatsApp use stands at 80%, and in non-Haredi Jewish society, it stands at 93%.

In 2021, there was a sharp rise in the usage rate of this app among Haredim, from 29% in 2020 to 36%. This increase may also be related to the COVID-19 crisis and to employment and social constraints that the Haredi society faced during that period. In Arab society, there was a decline in the share of WhatsApp users during these years, from 85% to 80%, while in non-Haredi Jewish society, the rate increased only slightly, from 91% in 2020 to 93% in 2022.

Figure 116



Source: Haredi Institute for Public Affairs Analysis of Social Survey Data

Computer Usage by Age Groups

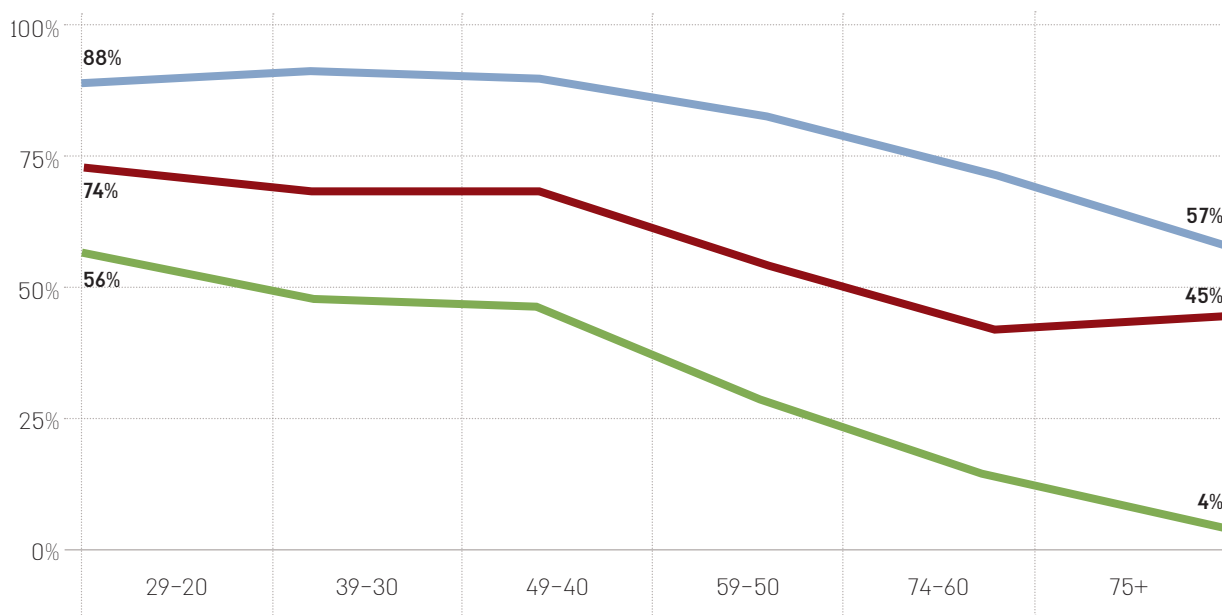
Computers are required for many daily activities, from employment to government and educational services. But not all sectors use computers to the same extent. In all age groups, the lowest use of computers is in Arab society, unlike the Internet, smartphones, and WhatsApp, where the lowest use rates are in Haredi society.

As expected, in all sectors the highest rates of computer use are at younger ages. In Arab society, the highest percentage of computer users is in the youngest group (20-29): 56%. In Haredi society, the highest rate of computer use was recorded among those aged 20-29 (74%) as well, while among non-Haredi Jews, the highest usage rate was recorded in the 30-39 age group (91%). Among non-Haredi Jews, the average usage rate is around 90%, and among Haredim around 70%. In all groups, there is a sharp decline in the rate of computer use after age 50.

Figure 117

Percentage of computer users by sector and age group, 2022

■ Haredim ■ Arabs ■ Non-Haredi Jews



Source: Haredi Institute for Public Affairs Analysis of Social Survey Data

Types of Internet Usage

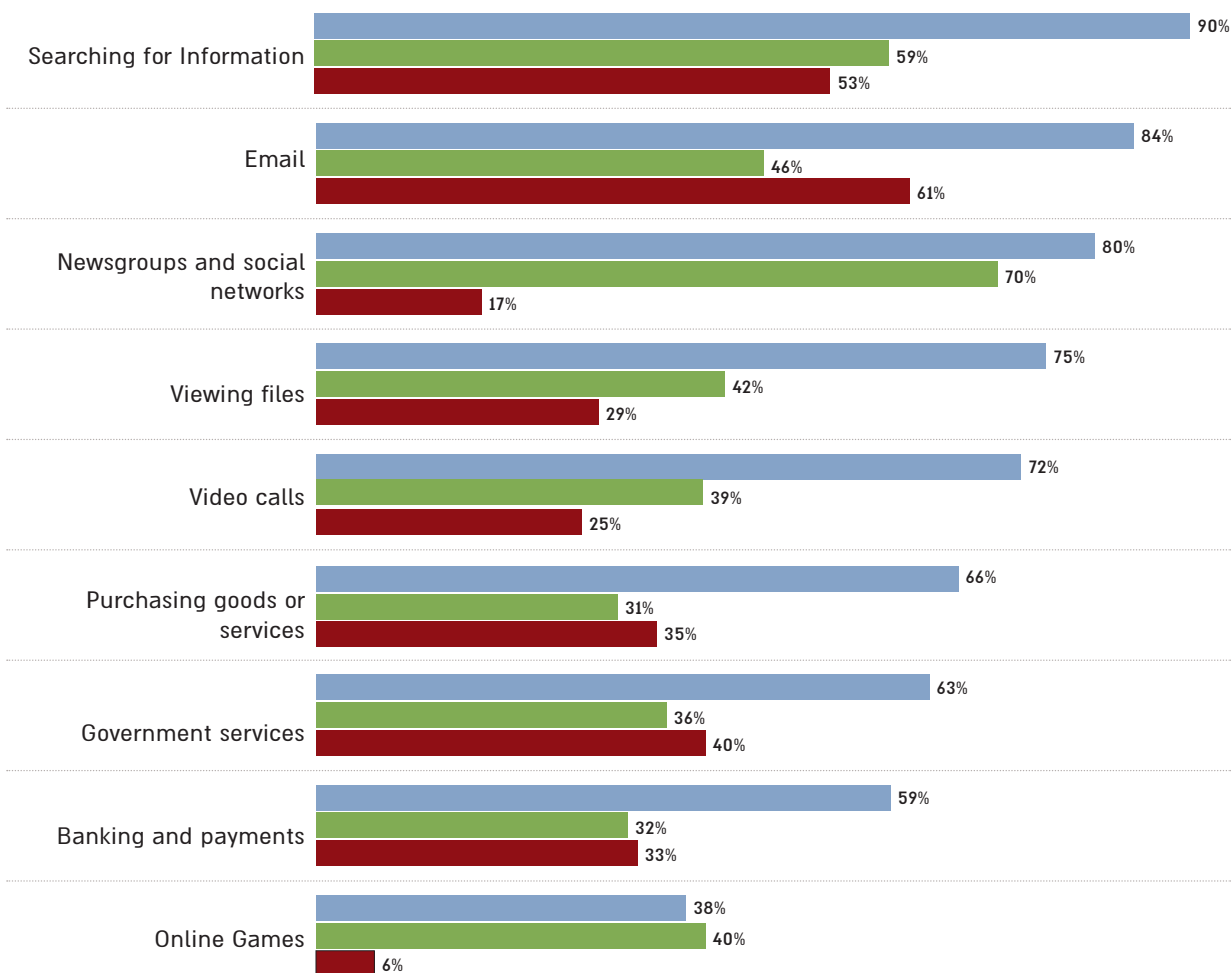
As noted, the Internet is a broad platform for various uses, and its main uses differ in each sector. In Haredi society, the most common uses of the Internet are e-mail (61%) and information search (53%), and the least common uses are games (only 6%) and social networks or newsgroups (17%).

As shown in the previous section, Internet use is much higher among non-Haredi Jews and among Arabs. Yet, segmentation by type of use indicates that certain services, such as e-mail, online shopping, and government services, have higher usage rates among Haredim than among Arab Israelis. By contrast, in areas such as social networks, online games, and video conferencing, the usage rates of the Haredim are the lowest by a large margin: 80% of non-Haredi Jews and 70% of Arabs are active users of social networks, compared to only 17% of Haredim. As with the Haredim, the most common uses among non-Haredi Jews are e-mail and information search, but at much higher rates (84% and 90%, respectively). By contrast, among Arab Israelis, the highest rates of use are in discussion groups and social networks.

Figure 118

Percentage of Internet users by type of use and sector, 2022

■ Haredim ■ Arabs ■ Non-Haredi Jews



Source: Haredi Institute for Public Affairs Analysis of Social Survey Data

Sources

Administrative Database: Compiled by the Unit for Accessibility to Information for Research at the Central Bureau of Statistics, consisting of a consolidation of the following files:

Population Registry 1990–2022

Students File (Ministry of Education) 1990-2021

Revenue File (Tax Authority) 2000-2021

Jobs File (Tax Authority) 2000-2021

Real Estate Transactions File (Tax Authority) 1997-2021

Degree Recipients File (Council of Higher Education) 1980-2022

Students File (Academic Institutions) 2000-2022

List of Haredi Schools by Stream (Haredi Institute for Public Affairs) 2012-2022

File identifying the Haredi population based on machine learning algorithm (Haredi Institute for Public Affairs) 2023

Labor Force Surveys (CBS) 2012-2021

Household Expenditure and Income Surveys (CBS) 2014-2022

The Social Survey (CBS) 2014-2022

Government Targets File (CBS) 2023

Students in Technological Colleges (MEHT) 2010-2021

Ministry of Education data – Broad View website 2014-2023

Ministry of Education data – Transparency in Education website 2014-2022

Yakin, Elia and Eitan Regev (forthcoming), "**Identification of the Haredi Population in Administrative Files Using Machine Learning**," Haredi Institute for Public Affairs

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State of
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Annual
Report
2023

