The Institute for Strategy and Haredi Policy

State of Haredi Society Annual Report

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2024

State of Haredi Society Annual Report

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The establishment of the Wohl Data Center and the publication of the State of Haredi Society annual report for 2023 was made possible through the generous support of the Wohl Foundation.

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Message from Eli Paley, Haredi Institute Founder and Paley Foundation President

Dear colleagues and friends,

I am proud to present the 2024 State of the Haredi Society in Israel Report, which serves as part of our ongoing commitment to bring about strategy and policy tailored to the Haredi community in Israel and to promote its prosperity in Israeli society as a whole. This annual report, the second in a series, is the result of the hard work of the Institute's staff. These pages present original findings that attest to significant shifts in the Haredi community.

The Haredi Institute for Public Affairs has invested considerable effort and resources to establish a research infrastructure that is groundbreaking in its scope and accuracy through the innovative integration of diverse databases, including those of the Israel Central Bureau of Statistics. This document demonstrates the unique data and research capabilities of the Wohl Data Center, capabilities that are developing every year and setting a new standard in data research.

In addition to presenting critical data on Israel's Haredi population, we also place a central emphasis in this document on sociological explanations, providing readers with an in-depth understanding of the characteristics, values, and cultural contexts that underlie the observable trends. This understanding is essential for formulating effective and accurate solutions for the unique needs of the Haredi community within the broad diversity that makes up Israeli society.

Since the publication of the previous year's report, the Institute's *State of Haredi Society Annual Report* has become a central tool among various organizations and has received strong appreciation for its contribution to public discourse and informed policymaking. We are also pleased to see that our research model, based on analyzing administrative data, has been recognized by the Central Bureau of Statistics, and its adoption by government officials attests to the impact of our research and our work.

This year's *State of Haredi Society Annual Report* clearly shows how increasing economic pressures are beginning to affect the patterns of life and conduct of the Haredi community. The data attest to profound changes – a tectonic shift requiring us, as a society, to observe and understand emerging developments.

We believe that, precisely because of the changes and challenges we see, Haredi society holds great potential for growth and prosperity. This report is intended to serve as an essential tool for policymakers, academics, civil society organizations, and anyone interested in promoting a more equal and prosperous society. All of this is doubly important in light of the complex social and economic challenges we expect to face in the coming decade as a result of the Swords of Iron War. The need for precise solutions and a continuous examination of trends in the relevant issues has become more critical than ever.

The State of Israel's social and economic challenges have led the Institute to develop various programs that seek to address the challenges by harnessing the Haredi community. Among other things, the Institute is currently working to re-examine the employment challenges of the Haredi community and is trying to formulate solutions that are compatible with the security challenges of Israel. The advancement of these programs and initiatives is made possible by a unique database in the Institute's research center, some of the fruits of which are presented in this document.

I would like to thank, from the bottom of my heart, the Institute's dedicated staff, led by Prof. Shai Stern, the Institute's Deputy Chairman, and Dr. Eitan Regev and Yehudit Miletsky, whose tireless efforts brought us to this moment.

We look forward with anticipation and optimism in the belief that intelligent use of the data presented in this report will lead to the formulation of optimal policies that will support the economic and social prosperity of the Haredi population and strengthen Israeli society as a whole. We are committed to updating the report every year and publishing it in English as well to enable the broadest possible access to these findings.

I invite you to join us on this important journey, knowing that together, we can shape a better future for all of us.

Sincerely,

Eli Paley

President of the Paley Foundation and founder of the Haredi Institute for Public Affairs

Message from Prof. Shai Stern, Chairman

Dear readers,

The 2024 *State of Haredi Society Annual Report* presented here is to continue providing as accurate data as possible on Haredi society in Israel. This report lays out a long list of statistics alongside sociological analyses, providing readers with a broad picture of the state of Haredi society in a wide range of areas: demography, employment, education, higher education, consumerism, and digitization. As we understand it, this data is necessary to create a complete and comprehensive portrait of Haredi society, its characteristics, and the challenges it currently faces. This portrait is also essential as a reliable basis for policy-making, especially given that Israel is currently at an important crossroads regarding its relations with the Haredi community.

The past year's events have made the social and economic challenges facing the State of Israel more pressing and present than ever. The *State of Haredi Society Annual Report* enables decision-makers, as well as the entire Israeli public, to base their positions and programs on reliable and accurate data. This is the most comprehensive and statistically accurate report currently available to decision-makers, researchers and academics, civil society organizations, and, in fact, any Israeli or non-Israeli interested in deepening their knowledge of Haredi society, its characteristics, and needs.

In the decade since it was founded by Mr. Eli Paley, The Haredi Institute for Public Affairs has made it its mission to spearhead changing the perception around policy design and public planning in Israel. The Institute has partnered in designing several strategic and national plans for Israel's Haredi community. In recent years, the Institute has consistently worked to adopt innovative methodologies that will enable it to provide accurate data on Israel's Haredi community. Among other innovations, the Institute inaugurated the Wohl Data Center last year and made it accessible to decision-makers, academic researchers, and the general public.

The methodologies developed at the Institute, including our use of administrative data, which enables great accuracy in identifying changes in Haredi society, have been recognized by the Israel Central Bureau of Statistics and have become, in a broad sense, an extremely reliable basis for formulating strategic and professional programs. I would like to take this opportunity to express the Institute's gratitude to the report's authors, Dr. Eitan Regev and Ms. Yehudit Miletsky, for their hard work and constant insistence on thorough research at the highest professional standards. My thanks also go to Mr. Eli Paley, Institute founder and President of the Paley Foundation, for his dedication to the Institute's vision of fighting for a prosperous Haredi society part-and-parcel with Israel as a whole, investing his personal and financial resources towards its realization.

We at The Haredi Institute for Public Affairs believe that numbers can change reality and, no less importantly, do so properly and efficiently. These days, when Israeli society is on the cusp of reshaping its characteristics and perceptions, the importance of in-depth familiarity with all parts of the Israeli population – including Haredi society – has become more necessary than ever. The journey to a prosperous Israeli society begins with getting to know all the communities from which it is made and recognizing their importance. The situation report presented to you here and the data center developed by the Haredi Institute with the generous support of the Wohl Foundation are the first necessary steps in getting to know the Israeli Haredi community and recognizing its enormous potential.

Sincerely,

Prof. Shai Stern

Chairman

Introduction

The State of Israel is over three-quarters of a century old. In the previous three quarters, it underwent dramatic transformations in its society, economy, and security. The next 25 years will likely present Israeli society with no less significant challenges, demanding precise and clear thinking about current socioeconomic developments to plan for Israel's near future in a way that will best ensure its continued existence.

Haredi society is one of the most prominent groups in Israel's complex mosaic. It is currently about 12.3% of Israel's population and about 15.6% of its Jewish population. The Haredi community has a population of about 1.21 million, concentrated in about 235,000 households. The community's unique way of life stems from its religious and ideological principles, along with its distinct social and cultural norms and values. These characteristics affect all aspects of life: housing, education, health, economics, employment, and more.

Due to the Haredi community's unique traits and rapid growth rate in recent decades, developments in Haredi society have strategic implications for all of Israel's core issues. These implications require appropriate preparation and planning for the country's continued existence as a diverse and prosperous society.

This report seeks to lay a foundation of the most accurate and comprehensive data on the Haredi community in Israel to enable the creation of well-founded and professional discussions for informed strategic preparation and policymaking. The report presents up-to-date data and trends over time on essential issues in daily life – housing, education, employment, digitization, and more. Based on our findings, this report paints a comprehensive portrait of Haredi society today and allows us to speculate where it is headed. We believe that this detailed familiarity is necessary to plan policy that will benefit the Haredi population in particular and Israeli society as a whole.

Methodology

Unlike similar reports on Haredi society, which are usually based on collecting already-existing data and indices from various sources, the data presented in this report is almost entirely original. This originality was achieved by Haredi Institute researchers using in-house innovations to adapt a vast amount of government administrative data for research, data which was compiled by the Information Accessibility Unit at the Israel Central Bureau of Statistics (CBS). The data stems from a number of rich sources, such as the Israeli Tax Authority, the Population Registry, the Ministry of Education, academic institutions, the Council for Higher Education, the Carmen (Real Estate) files, and more. The result is a direct and substantial increase in information on Haredi society. Administrative data collection makes it possible to achieve a higher resolution and greater accuracy than regular surveys in measuring, for example, the rate of college degree holders in Israel or trends over time on topics such as Israel's fertility rate.

The identification of the Haredi population in such files was achieved by an improved algorithm developed by the Haredi Institute, which combines machine learning and variables that are known predictors of "Haredi-ness" (e.g., place of residence) based on cross-checking between a large number of sources of information. This algorithm helps identify "Haredi-ness" with an unprecedented level of accuracy. The algorithm also identifies an individual's affiliation with Haredi society's streams (Hasidic, Litvak, Sephardic, or Chabad). This division is significant due to the fundamental differences between the streams. Stream identification is based on a comprehensive and thorough mapping 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 Yachin and Regev, 2024).

The use of new methodologies and a database that integrates multiple sources has yielded new and surprising insights into key policy issues concerning the Haredi population and Israeli society as a whole. For example, our machine-learning-based identification of the Haredi population indicates that the proportion of the Haredi community in Israel's total population is about 10% lower than the accepted estimate, as is the community's growth rate. This means that the future size of the Haredi community in 2065 will be much lower than that estimated by even the most conservative forecasts existing today. New disclosures of this type will appear in this document in other policy areas, such as higher education, housing, reproductive productivity, employment, and wages.

Haredi Society in 2024:
An Overview of the Situation and Core Trends

The Haredi community is one of the largest population groups in Israel. It promotes a devoutly religious lifestyle and has many cultural traits that differ from those of the non-Haredi Jewish population. Haredi society adheres to three main principles: fully embracing the authority and wisdom of the Torah, spatial and cultural isolation, and placing great importance on Torah study for men (what has been called a "society of learners"). At the same time, Haredi society is heterogenous, consisting of many communities that differ from each other in their ideology and lifestyles, from core and higher education to places of residence to level of integration into Israel's labor market and economy.

This report presents data and trends that describe the state of Haredi society in comparison to general Israeli society—non-Haredi Jews and Arabs—in the areas of demography, housing, education, higher education, employment, household economy, and digitization. In addition, the report enables an in-depth examination of internal differences in Haredi society. On selected issues, the data is presented as a breakdown of the three main Haredi streams, Litvaks, Sephardim, and Hasidim, as well as Chabad Hasidism, a much smaller group than the others, yet with significant distinguishing traits.

This report serves two important strategic purposes. One goal is to provide a comprehensive, up-to-date database that is as accurate as possible about Haredi society in areas essential for Haredi and Israeli socio-economic prosperity. The second goal is to provide readers and the general public with a more comprehensive understanding of Haredi society and its streams and to deepen their understanding and knowledge of the unique sociological traits behind the dry data. The information presented in this report provides a glimpse into the values of Haredi society and how these values are manifested in its unique traits and choices.

This research attests, among other things, to the centrality of the family institution in Haredi society and its role as a keystone in the life of Haredi individuals, providing stability and a strong communal framework. Since Haredi society places great value on starting a family at a relatively young age, Haredim have the youngest average age of marriage out of all Israeli population groups, as well as the highest rate of marriage in every age group. Another statistic that lends support to this observation is the size of Haredi families. The average Haredi family is the largest of any Israeli sector, averaging 5.11 people, compared to 2.8 among non-Haredi Jews and 4.13 among Arabs. The high Haredi fertility rate, at an average of 6.1 children per woman (compared to 2.3 among non-Haredi Jews and 2.6 among Arabs), similarly attests to the great value Haredi society places on the family, as well as the value placed on family size. The family serves as a core means for transmitting religious and cultural values to future generations in order to ensure the continued existence of Haredi society in its current character. Education also has a central place in Haredi values, as reflected, among other things, the high and stable percentage of students in established Haredi education systems, including Exempted Institutions and large school networks (the Independent Education and Ma'ayan Hachinuch Hatorani networks). The centrality and importance of education in Haredi society are also reflected in the fairly high tuition paid by Haredi families despite the budgetary challenges they face. Education is the only expenditure on which the average Haredi family spends more than families belonging to other population groups. A Haredi household spends an average of NIS 2,283 on the "education, culture, and entertainment" category, about 15% of its total consumption expenditures. In comparison, a non-Haredi Jewish household spends an average of NIS 2,044, and an Arab household only NIS 1,398 (11% and 8% of total expenditures, respectively).

The education expenditure of Haredi households is higher than those of other households in Israel, in part because the number of children in the Haredi household is higher than average, but mainly because most Haredi students study in an informal system that relies on reasonably high tuition, especially in secondary education. Despite the much lower per-capita income level than other population groups, the high education expenditure of Haredi households illustrates the great importance of education for the Haredi family. A Haredi family is willing to spend large sums of money on independent education, even if it results in reducing other expenditures, in order to ensure education appropriate to Haredi values and perspectives.

Another prominent feature of the Haredi lifestyle is the importance placed on homeownership. Although the income level of Haredi households is quite low, and despite the increase in Israeli cost of living and housing prices, the share of homeowners in Haredi society is quite high, standing at about 65%, compared to about 61% among non-Haredi Jews. To cope with the growing difficulty in purchasing an apartment, Haredim are buying smaller, cheaper apartments and moving to the periphery, with an emphasis on the northern Negev, the Haifa area, and northern Israel. The consequence is a broader geographic distribution of the Haredi community throughout the country. Such a trend is reflected in the sharp jump that has occurred over the past two decades in the share of Haredi students in many communities in the periphery, including Kiryat Malachi, Arad, Ashdod, and Ofakim. This development requires appropriate preparation by local authorities.

Haredi society is organized around a "society of learners" model, in which many men devote their lives to Torah studies, and women usually bear the burden of making a living. This model finds its core manifestation in Haredi employment characteristics. The employment rate of Haredi men is 54%, significantly lower than the employment rate of Arab Israeli men (75%) and of non-Haredi Jewish men (87%). The employment rate of Haredi women is 80%, which is very similar to the employment rate of non-Haredi Jewish women (82%) and much higher than the employment rate of Arab Israeli women (46%).

In addition, there are significant wage gaps between Haredi and non-Haredi Jewish workers. A Haredi man earns about 49% of the wage of a non-Haredi Jewish man. The average wage of a Haredi man in 2022 was NIS 10,157, while the wage of a non-Haredi Jewish man was NIS 20,838, and that of an Arab man NIS 11,657. A Haredi woman earns about 71% of the wage of a non-Haredi Jewish woman. The average wage of a Haredi woman is NIS 9,496, compared to NIS 13,400 for a non-Haredi Jewish woman and NIS 8,032 for an Arab woman.

The employment characteristics of Haredi society are also reflected in the economy of Haredi households, and the data indicates significant income gaps between Haredim and other groups. The average income of a Haredi household is NIS 15,324—about 58% of the income of a non-Haredi Jewish household, which is NIS 26,532. The net income from work in a Haredi household is NIS 10,730 on average—about 52% of that of a non-Haredi Jewish household, NIS 20,670. Thus, in a Haredi household, the share of net income from work is 70% of total income, compared to 78% in a non-Haredi Jewish household and 80% in an Arab household. These Figures reflect very high poverty rates in Haredi society: about 40% of Haredi and Arab Israeli households are below the poverty line, compared to only 11% of non-Haredi Jewish households. The poverty rate of children in Haredi society is about 47%, and 49% in Arab society, compared to 13% in non-Haredi Jewish society.

Trends

Our findings attest to two main axes of activity driving change in the traits and practices of Haredi society, affecting many issues.

The first axis is increasing economic pressures, which are beginning to cause significant changes to the Haredi way of life. These pressures cause, among other things, a consistent decline in fertility and average family size; a movement of Haredi families from the non-formal Haredi education system to the state-Haredi education system; a decline in the Haredi homeownership rate, an increase in the share of Haredi households taking out mortgages; and increased immigration to peripheral communities due to the housing shortage. Intensifying economic pressure on many Haredi families demands a renewed discourse on needs and existing solutions in preparation for the trend’s continuation in the foreseeable future, as well as its possible ramifications.

The second axis is increasing integration into the Israeli economy. Haredi society is experiencing many changes, such as higher education and employment rates than ever before; changes in household income and expenditure structures; the growth of the state-Haredi education system, which is likely to cause changes in the educational and employment traits of its graduates; a higher reliance on income from work; an increase in taxes and mandatory bills paid by Haredi households; and a decrease in dependence on government welfare and subsidies.

At the same time, trends over the years point to real challenges facing the Haredi population regarding economics, education, and employment. The wage gaps between Haredim and non-Haredi Jews, for both men and women, are not narrowing or widening; the share of Haredi men with academic degrees has long stagnated, and the upward trend in the Haredi employment rate has also halted. Poverty rates in Haredi society have been declining in recent years, but the rate of decline is very slow.

An examination of the trends mentioned above indicates profound changes and gradual processes that have taken place in Haredi society in recent years, which have manifested in several ways. **From a demographic perspective,** it is evident that in recent years, Haredi society has experienced trends similar to those in general Israeli society. The data indicates an increase in Haredi society in the age of marriage and a continued decline in household size and fertility. This trend may stem from several possible factors, mostly from the growing economic and social challenges of raising large families, especially regarding the high cost of living in Israel. In addition, certain changes in Haredi lifestyle, such as the entry of more women into the workforce and more demanding jobs and careers, as well as a growing awareness of women's mental and physical well-being, may affect reproductive fertility and the average family size.

In **the field of education**, changes are taking place, attesting to increasing economic pressures on the Haredi household, as well as a certain willingness to integrate into the workforce, the economy, and Israeli society. In the past year, there have been significant developments in the State-Haredi education system. The share of Haredi students studying in these frameworks out of all students (boys) in the Haredi education system has jumped from 4% to 8%. This increase is due to the activities and initiatives of several Haredi groups and leaders. However, their support for the state system is based mainly on economic motives: the higher levels of funding for institutions that belong to the state-Haredi education system compared to those of recognized informal educational institutions, along with the difficulty experienced by many families in meeting the high tuition of the informal Haredi education system.

The implications of this trend are likely to be numerous and considerable. They might manifest in the coming years in, for example, the increase in the percentage of those taking the Bagrut (high school matriculation) exam when school graduates reach this stage. Obtaining a Bagrut certificate will enable Haredim to acquire more rewarding professions down the road and integrate into higher-quality employment. Today, the share of Haredi men with a college degree is very low: among Haredi men aged 25-49, the rate is currently only 4%, compared to 31% among non-Haredi Jews. The rate of female college-degree holders among Haredi women aged 25-49 is currently 14%, compared to 45% among non-Haredi Jewish women.

The findings and trends **in the field of housing** indicate significant changes in the patterns of home purchases in the Haredi community and in the means of financing such purchases. After seven years of stability in the ownership rates of Haredi families, there was a significant decline of 4% in the rates of homeownership in the Haredi community in 2022, from 69% to 65%. This is in addition to a significant increase in the share of Haredi families taking out a mortgage, from 39.7% in 2021 to 42.9% in 2022. These findings reflect the growing economic pressure on Haredim, which is creating difficulties that affect all Israeli society. This pressure was further exacerbated by the interest rate rise in 2022-2023, which made mortgages very expensive and intensified the decline in ownership rates.

In the field of employment, there are growing trends in the integration of Haredim into the Israeli economy. Over the past decade, Haredi women have narrowed the employment gap between them and non-Haredi Jewish women from 10% to only 2%. However, after six years of stagnation and two years of increase, the employment rate of Haredi men has declined again in the past year, from 55% to 54%. On the other hand, the growth rate in the employment rate of young Haredi men aged 20-24 is the highest among age groups— tripling in 17 years, from 10% in 2005 to 30% in 2022. This Figure indicates changes in the perceptions of young Haredim regarding integration into the labor market.

However, wage trends indicate large gaps between Haredi and non-Haredi Jews, and these gaps have been widening over the years. In 2005, the wage of a Haredi man was about 70% of that of a non-Haredi Jewish man, and today it is at less than 50%. In contrast, wage gaps between Haredi and non-Haredi Jewish women have not narrowed and have remained stable over the years, both on a monthly and hourly basis. In 2005, the wage of a Haredi woman was about 73% of the wage of a non-Haredi Jewish woman, and in 2022 it was about 71%. The widening wage gap between Haredi and non-Haredi Jewish men is apparently due to the growth of sectors in the Israeli economy that offer high-productivity employment, including technological, financial, and engineering professions. These professions require advanced skills and higher education. Haredi men, most of whom lack basic vocational training, find it difficult to integrate into these professions and, therefore, remain in low-productivity industries, causing wage gaps to widen.

The wage gaps between Haredi and non-Haredi Jewish women may stem both from the fact that Haredi women usually receive vocational job training rather than higher education and the fact that Haredi women tend to train for specific professions characterized by somewhat low wages, such as teaching, administration, and social work. Such wage gaps also stem from the tendency of Haredi women to pursue part-time work and work low amounts of weekly work hours, stemming from the centrality of family in Haredi society and the important role played by Haredi women in raising children and taking care of the household. Such data indicates that the integration of Haredim into Israel's labor market still requires improvement in its scope and, even more so, in its quality.

Data that supports this conclusion is reflected in trends in Haredi higher education, indicating that there are difficulties and large gaps between Haredim and non-Haredi Jews. The share of Haredi men aged 25-49 with college degrees has risen by only 1.5% in recent decades. By comparison, the rate of degree holders among Haredi women aged 25-49 has risen by about 10% over the past two decades. Regarding employment, the average real wage of Haredi women and men with a degree has hardly increased in the past decade compared to the average wage of non-Haredi Jewish women and men with a degree. The average wage of Haredi women with a degree has increased by about 8% over the past decade, and that of Haredi men with a degree by about 4%. The average wage of non-Haredi Jewish

women increased by about 33% during this period, and that of non-Haredi Jewish men by about 38%.
The growing trend of Haredi integration into the Israeli economy is also reflected in the **Haredi household economy**. In recent years, the average net income from work in a Haredi household has increased at a fairly high rate compared to other households: by 57% between 2014 and 2022, compared to a 46% increase in a non-Haredi Jewish household. During these years, the mandatory payments (such as taxes, social security, and health insurance) of a Haredi household also increased at a higher rate than in all sectors: by 65% between 2014 and 2022, compared to a 64% increase for non-Haredi Jewish households and 62% for Arab households.

Finally, Haredi households are becoming less reliant on government welfare and subsidies. Between 2014 and 2022, the average income from government welfare and subsidies of a Haredi household increased at the lowest rate among population groups, an increase of 26% between 2014 and 2022, compared to 32% for non-Haredi Jewish and Arab households. The changes that Haredi society is undergoing, such as increased integration into Israel's labor market and economy, are also reflected in a decline in the Haredi poverty rate. However, the Haredi poverty rate is still much higher than that of the general society.

An important part of Haredi society's integration into the economy is the growing legitimacy of controlled internet use. The expansion of employment and higher education, as well as tailored solutions developed in Haredi society for filtering and controlling virtual content, have led to a doubling of internet access in Haredi society over the past decade. This increase is reflected both in terms of internet connection and in the possession of smart mobile phones. In 2014, only 39% of Haredim used the internet, and in 2023, 71% of Haredim used the internet. However, this rate is still low compared to the rate of internet use in other groups in Israeli society—80% of Arabs and 91% of non-Haredi Jews. However, in some respects, Haredi society chooses to be left behind. For example, the share of Haredim who use WhatsApp is 39%, compared to 72% of Arabs and 88% of non-Haredi Jews. Internet use is often limited to basic needs such as email and information search.

The totality of the data presented in this report emphasizes that Haredi society is undergoing significant changes in a wide range of aspects of life. However, there are still gaps that are not narrowing despite the many efforts and resources allocated to this purpose. Together, these clarify the need to formulate a focused policy that will address the unique challenges and opportunities created by these changes, particularly the challenge of reducing gaps in human capital and labor productivity.

01 Demographics

Israeli society is diverse and composed of many sectors, and the Haredi community is one of the largest. Therefore, measuring and analyzing its demographic trends and growth patterns is very important. The impact of the Haredi community's size on Israel goes beyond demographic statistics alone: due to the community's distinct lifestyle and effect on public systems, its demographic trends have social, economic, and political impact on Israeli society.

Many countries worldwide are facing challenges related to dramatic declines in birth rates and aging populations. In contrast, Haredi society is characterized by high birth rates and a young age group. In recent decades, the growth rate of Haredi society has been about 4% per year—double the growth rate of the rest of Israel's population.

The data presented in this chapter demonstrates the centrality of the institution of family in the life of a Haredi individual, manifested in the young age of marriages and first children. Haredi society also values family size, as evidenced by the high average family size and fertility rate.

However, trends over time point to social and economic changes in Haredi society. One notable trend in recent years is the decreasing size of the Haredi family including a continued decline in fertility rates in all Haredi communities. This decline likely stems from both economic, the costs of maintaining a family, and social reasons. One social reason is the growth of Haredi women working in industries that require long work hours and prolonged absences from home. Another is the growing awareness of Haredi society in general, and Halachic authorities specifically, of the physical and mental costs associated with raising a large family and being the primary breadwinner. Such trends point to a first: a demographic forecast that predicts the share of Haredim in Israel's population as lower than that of conventional forecasts. That finding has many implications in terms of long-term policy affected by future population composition.

Key Findings

1.26
million Haredi Jews

live in Israel in 2024

Haredim constitute 12.5% of the total population and 16% 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

390,000

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

433,000
people in the Litvak stream
(34% of all Haredim)

408,000
people in the Sephardic stream
(33% of all Haredim)

369,000
people in the Hasidic stream (excluding Chabad)
(29% of all Haredim)

5.11

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 4.13 members

34% **of Haredim aged 18-24 are married.** Many Haredim marry at a young age, compared to 6% in Arab society and 4% in non-Haredi Jewish society

6.1
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
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 6.4, and in the Sephardic stream – 5.2

Key Trends

Growth Rate

The natural growth rate (births minus mortality) of the Haredi population is currently around 3.85% per year. However, after accounting for net departures (those leaving minus those joining the sector), the effective growth rate stands at approximately 3.45%.

Number of Haredim

Based on birth trends and net departure rates, the Haredi population is expected to make up about 22% of Israel's total population by 2065.

Age of Marriage

The percentage of Haredim marrying between the ages of 18 and 24 has declined from 46% in 2014 to 34% in recent years, indicating a shift toward later marriages.

Family Size

The average Haredi household has grown slightly over the past decade, likely due to later marriages, which result in young single women remaining in their parents' homes for longer periods.

Fertility Rate

Fertility in Haredi society has been on a downward trend since 2004, reaching a 43-year low in 2023, with an average of 6.1 children per family.

Jerusalem

Over the past decade, approximately 74,000 Haredim have left Jerusalem, a number equivalent to about a quarter of the city's current Haredi population.

Beit Shemesh

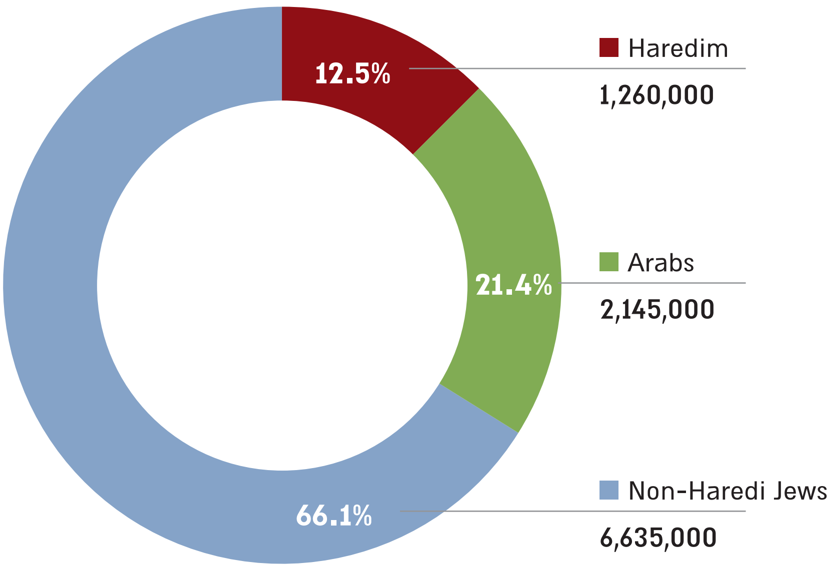
Over the same period, approximately 39,000 Haredim have moved to Beit Shemesh, now comprising about 37% of the city's Haredi population.

Population Distribution in Israel

At the end of 2024, Israel's population will be about 10,040,000 people: about 6.63 million non-Haredi Jews (and others), which is about 66.1% of the total population; about 2.1 million Arabs, which is about 21.4% of the total population; and about 1.3 million Haredim, which is about 12.5% of the total population and about 16% of the Jewish Israeli population. This figure is based on Israel Central Bureau of Statistics (CBS) estimates of the size of the Jewish and Arab populations at the end of 2024 and on the Haredi Institute's estimates of the current size of the Haredi population based on its growth rate over the past three years.

Figure 1

Distribution of Israeli residents by population groups, 2024



Source: The Haredi Institute for Public Affairs' adaptations of administrative data and Central Bureau of Statistics publications

In the first years of the State of Israel, the Haredi population numbered tens of thousands. However, its growth rate was particularly rapid at 7% per year, partly due to high fertility and partly due to the immigration of Orthodox communities, mainly from Europe. Thus, the number of Haredim increased sixfold in just two decades, and by the end of the 1960s, the Haredi population numbered about 130,000. From the 1970s until the beginning of the twenty-first century, the growth rate of the Haredi population was about 4.3% per year. However, the fertility trend in the Haredi community, which has been declining over the past two decades, has caused a gradual slowdown in the growth rate of the Haredi population. Projections of the size of the Haredi population, presented below in Figure 2, describe four possible scenarios for 2065. The first scenario, in which the growth rate of the Haredi population is the highest, presents a (hypothetical) situation in which the fertility rate of the Haredi community remains stable at 6.2 children, as it was as of 2022. In this scenario, and according to the current rates of departure (leaving the community) and entrance (joining the community), the average growth rate of the Haredi population over the next 40 years will be about 3.45% per year. By 2065, the Haredi population will number about 5 million people, and it will be about 22.6% of the total Israeli population.

The estimate of the future size of Arab and non-Haredi Jewish society is also based on their current growth rate (2.34% and 1.49%, respectively) and the current (net) rate of transitions between Haredi and non-Haredi Jewish society. In other words, in a “business as usual” scenario, without a change in the growth rates of the various groups over the next 40 years, in 2065, Haredi society will be less than 23% of Israel’s population. In this context, it should be noted that the growth rate of non-Haredi Jewish society has not slowed over the past three decades and has even increased slightly over the past two decades.

The second scenario assumes that the decline in average fertility in the Haredi population will continue to about 5.8 children on a multi-year average (with no change in the assumptions regarding the other groups). In this case, by 2065, the Haredi population will number about 4.5 million people, and it will be about 21% of the total Israeli population.

The third scenario assumes that the average fertility rate in the Haredi population in 2024-2065 will be about 5.4 children (with no change in the assumptions regarding the other groups). In this case, the Haredi population in 2065 will be about 3,980,000 people, and it will be about 19% of the total Israeli population.

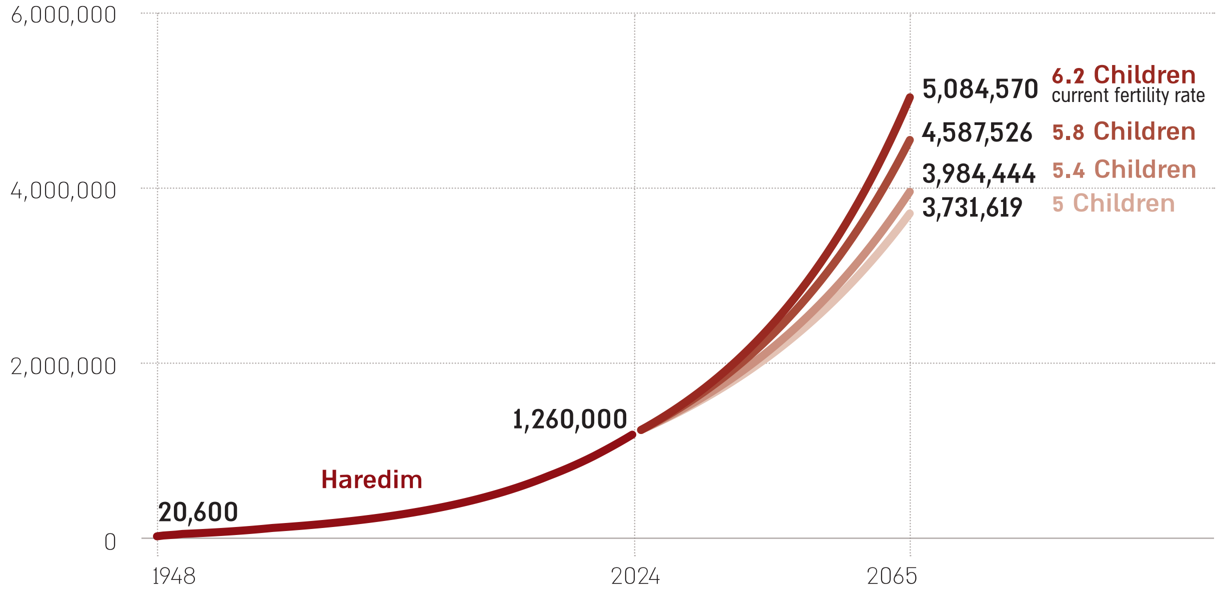
In a scenario in which the Haredi population grows the least, its fertility rate is expected to decline to an average of about 5 children between 2024 and 2065 (with no change in the assumptions regarding the other groups). In this case, the Haredi population in 2065 will be about 3,730,000 people, and by 2065, it is expected to be 18% of the total Israeli population.

These data show that the recently accepted estimate, based on the Central Bureau of Statistics’ medium-term forecast, which predicts that in 2065, Haredim will be 32% of the total population in Israel, and it is not expected to materialize. The current demographic trends align with lower forecasts, emphasizing the need to monitor fertility trends in various groups and update population distribution forecasts according to this tracking.

Figure 2

Estimated number of Haredim in Israel, 1948-2065

Predictions according to birth fertility scenarios (multi-year average), accounting for people leaving the haredi sector (13.5% of young Haredim), and joining it (1.5% of young Non-Haredi Jews)

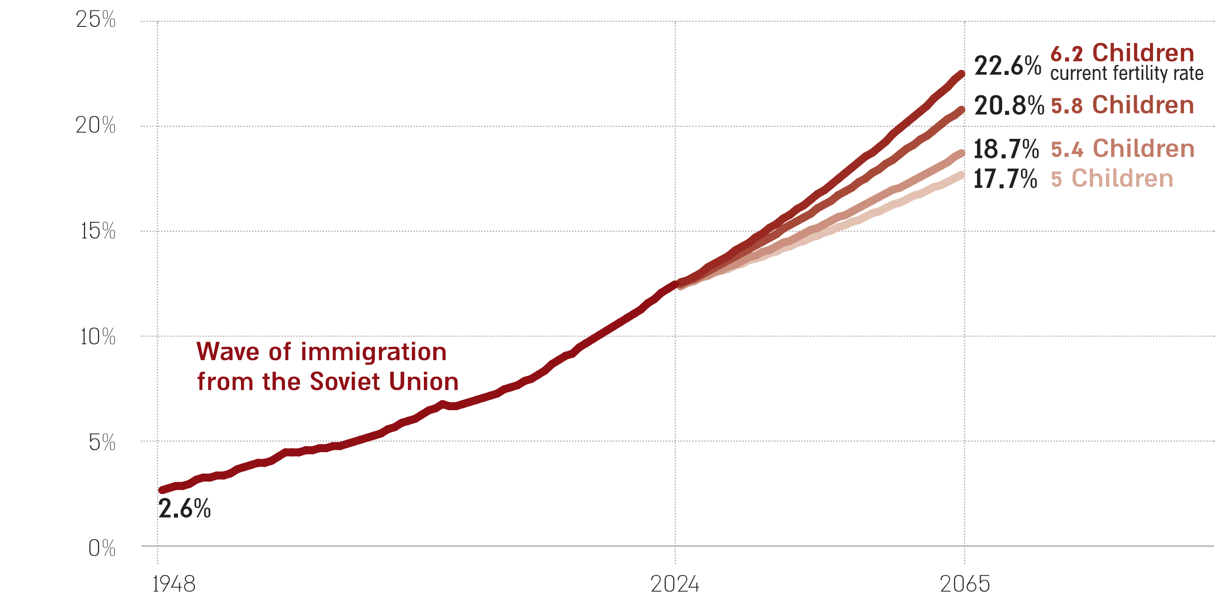


Source: Haredi Institute for Public Affairs' adaptations of administrative data

Figure 3

Percentage of Haredim in the population of Israel, 1948-2065

Predictions according to birth fertility scenarios (multi-year average), accounting for people leaving the haredi sector (13.5% of young Haredim), and joining it (1.5% of young Non-Haredi Jews)

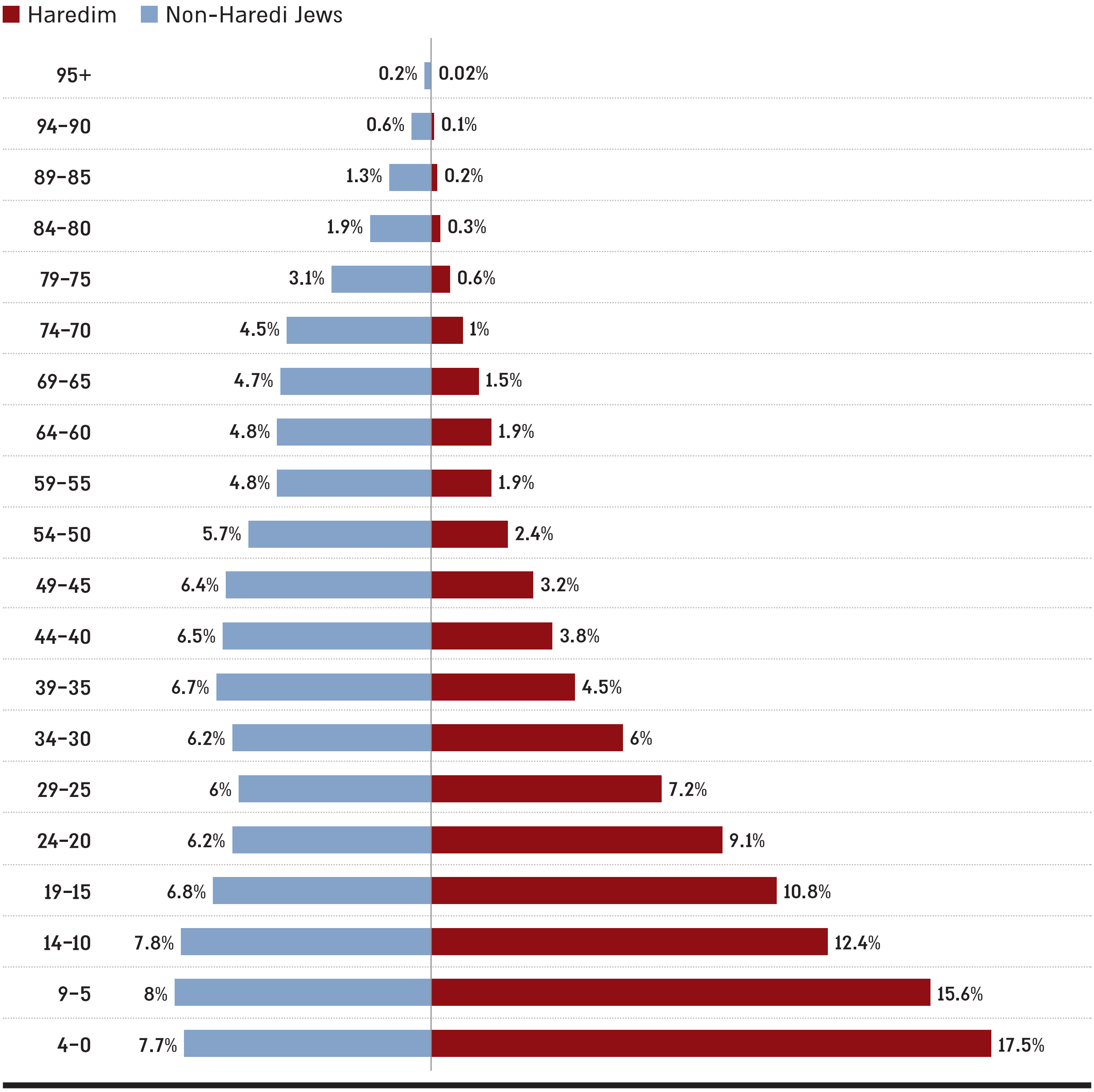


Source: Haredi Institute for Public Affairs' adaptations of administrative data

The growth rate of the Haredi population also creates a unique age structure: about 56% of the population is under 19, compared to about 30% of the non-Haredi Jewish population. The trend is the opposite among the working-age population (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 2024, there are about 390,000 Haredim of working age, compared to about 3.1 million Jews who are not Haredi.

Figure 4

Age distribution by sector, 2023



Source: Haredi Institute for Public Affairs' adaptations of administrative data

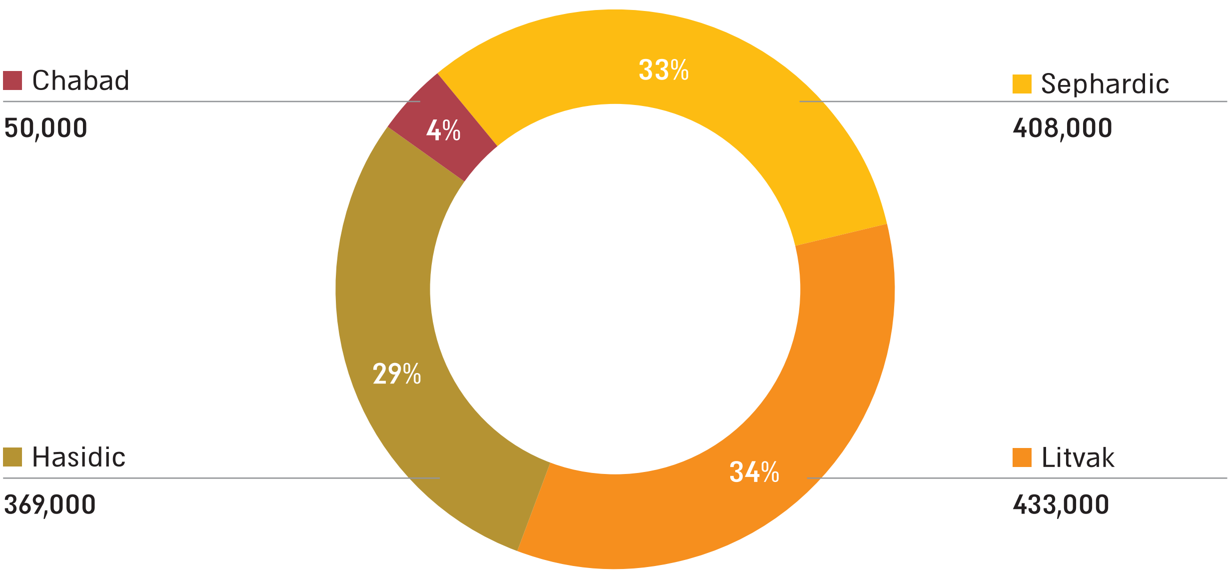
Haredi society in Israel is composed of three main streams—Litvaks, Hasidim, and Sephardim— each of which has unique historical, social, and cultural characteristics. The Litvak stream, which was formed in Eastern Europe in the eighteenth and nineteenth centuries, emphasizes Torah study and intellectual values and is characterized by a uniform hierarchical communal structure common to all Litvak Haredim. The Hasidic stream, also originating in eighteenth-century Eastern Europe, emphasizes serving God and having a strong community life. The Hasidic stream has many Hasidic "courts," each led by a "Rebbe," and each with unique characteristics. The Sephardic stream brings together diverse groups of Jews from North African and Middle Eastern countries and is characterized by a traditional approach to observing mitzvot (i.e., commandments, good deeds, and practice of Judaism) according to each Sephardic community's unique tradition.

The three main Haredi streams share similar core values, including mitzvot observance. Still, each stream has unique cultural and social characteristics generating unique ways of life and influencing perceptions and practices related to, among other things, education, employment, and interaction with wider Israeli society.

Of the three streams, the Litvak stream is the largest, with about 433,000 people, about 34% of the Haredi community. The Sephardic stream is the second largest, with about 408,000 people, about 33% of the Haredi community. The Hasidic stream (excluding Chabad) is slightly smaller, with about 369,000 people, or about 29% of the Haredi community. Chabad Hasidism has about 50,000 people, about 4% of all Haredim.

Figure 5

Distribution of streams in Haredi society, 2024



Source: Haredi Institute for Public Affairs' adaptations of administrative data

Geographical Distribution of the Haredi Population

The geographical distribution of the Haredi community reflects its unique characteristics and mirrors the social, demographic, and economic changes it is undergoing. The traditional Haredi population centers were concentrated in the Haredi cities of Jerusalem and Bnei Brak. Still, in recent decades, there has been a trend of expansion to additional cities and areas in Israel's periphery. This trend stems from a combination of several factors. One is that the rapid growth of the Haredi population and the increase in housing costs in high-demand areas encourage Haredi families to establish new communities in cities with lower costs of living. This continued expansion creates opportunities and challenges both for Haredi society, which is more than ever required to adapt to life in mixed cities and neighborhoods, and local authorities, which need to adapt infrastructure and services to unique Haredi needs.

Due to the large number of civilians who were or are still being evacuated from their homes due to the Swords of Iron War, it is difficult to accurately estimate the size of permanent populations and their sectoral distribution per municipality in 2024. Therefore, the following are the estimates for 2023 (before the events of October 7).

The majority of the Haredi public is concentrated in seven main municipalities:

Jerusalem is the largest concentration of Haredim: as of 2023, about 293,000 Haredim lived there, about 24% of all Haredim living in Israel and about 29% of Jerusalem's residents.

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

Beit Shemesh is the third-largest Haredi community in Israel. It is home to about 108,000 Haredi Jews, 9% of all Haredim living in Israel, and 73% of the city's residents.

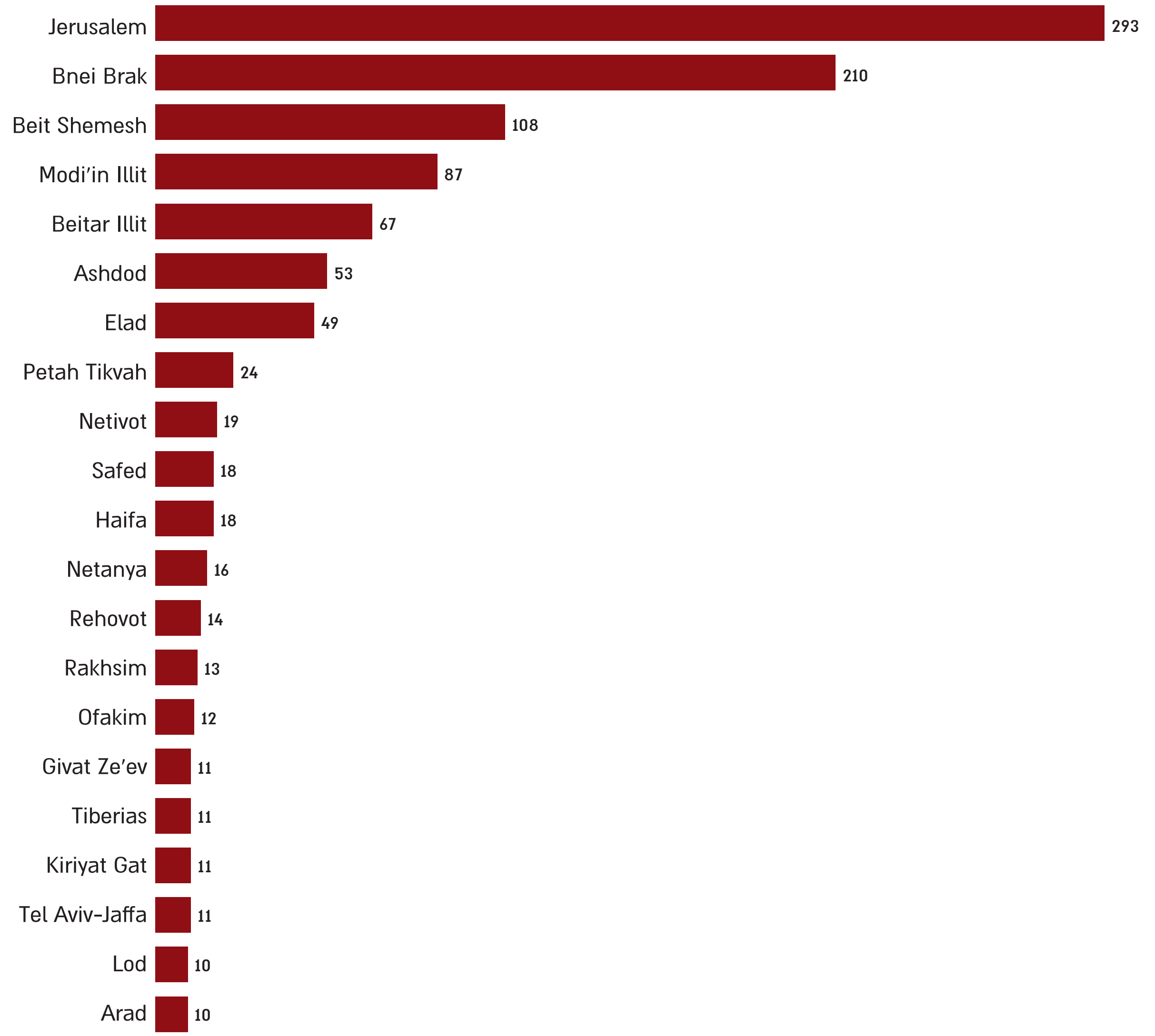
Modiin Illit is home to about 87,000 Haredi Jews, about 7% of all Haredim living in Israel and 100% of the city's residents.

There are about 67,000 Haredi residents in Beitar Illit, about 5.5% of all Haredim living in Israel and 100% of the city's residents.

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

Figure 6

Number of Haredi residents in the main cities (thousands), 2023



Source: Haredi Institute for Public Affairs' adaptations of administrative data

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
Modiin 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
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
Be’er Sheva	5,150	207,503	6,398	219,943	2.3	0.4

Locality	Haredim	Non-Haredi Jews and others	Arabs	Total population	Percentage of Haredim in the locality	Percentage of all Haredim
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 Hilkia	1,544	17	-	1,561	98.9	0.1
Ramla	1,329	59,504	19,822	80,999	1.6	0.1
Be’er 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: The Haredi Institute for Public Affairs’ adaptations of administrative data

In Haredi geographical distribution, there is a tendency to group according to stream. This tendency stems from the history of settling communities of certain streams in different municipalities, the organized movement of communities to certain municipalities, the degree of suitability to the stream of the educational and community institutions in the municipality, and other influences. Table 2 shows the distribution of the four Haredi streams in 2023 in municipalities with a Haredi population of more than 1,000 people.

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
Modiin 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
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
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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

Settlement	Number of Haredim	Share of the Haredi stream in the locality (%)			
		Sephardim	Litvaks	Hasidim	Chabad
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Afula	6,077	34.4	35.1	27.5	3.0
Holon	5,335	74.5	9.2	7.6	8.7
Be'er 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
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 Hilkia	1,544	7.5	71.7	20.8	-
Ramla	1,329	69.3	10.9	7.9	11.9
Be'er 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
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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: The Haredi Institute for Public Affairs' adaptations of administrative data

The rapid growth rate of the Haredi population, along with a steep rise in the cost of living in Israel in general, in particular, real estate prices in the sector's high-demand areas—Bnei Brak and Jerusalem—have created a situation in which many Haredi families find it increasingly difficult to purchase apartments in these areas. Therefore, in recent decades, there have been trends in internal migration and increasing geographic spread of the Haredi population throughout the country. This report presents new and accurate data that shows, for the first time, the size and historical, geographical spread of Haredi society in each decade since the 1970s and reflects its growth and gradual spread throughout the country.

An examination of the geographical distribution of the Haredi population in 1972 shows that during this period, the Haredi communities were concentrated mainly in Jerusalem and the central region of Bnei Brak and nearby cities. Relatively small communities were scattered in the north, mainly in Safed and Haifa, and in the south, mainly in Netivot and Be'er Sheva. In 1983, the demographic growth of the Haredi population and the expansion of its presence in various cities was evident, but there was no trend of geographical spread to new municipalities.

An examination of the geographical distribution of Haredi society in 1995 shows the growth of the Haredi population, mainly in Jerusalem, Bnei Brak, Ashdod, and Beit Shemesh. The main Haredi cities were consolidated and expanded, and the city of Beitar Illit was established on the outskirts of Jerusalem.

In 2005, the presence of the Haredi population throughout the country became more widespread with the establishment of the cities of Modi'in Illit and Elad between Jerusalem and Bnei Brak. The communities in Jerusalem, Bnei Brak, Ashdod, and Beit Shemesh became increasingly visible.

An examination of the data for 2015 shows that the center of the country, the area between Jerusalem and Bnei Brak, is filling up with Haredi residents as the communities in Jerusalem, Beitar Illit, Modi'in Illit, Elad, Beit Shemesh, and Bnei Brak continue to grow. This year, the growth of the Haredi population in the northern region, in the cities of Safed and Haifa, was also evident as part of the movement of Haredi families to cheaper housing areas.

In 2023, the demographic presence of the Haredi population in the cities of Jerusalem and Bnei Brak reached record numbers despite a significant increase in housing prices in such high-demand areas. The communities in Beit Shemesh and Ashdod are growing significantly, and the number of Haredim living in the Haredi cities of Modi'in Illit, Elad, and Beitar Illit has stabilized due to the maximum utilization of land and construction reserves in these municipalities.

Geographical distribution of the Haredi population

Legend

Size of Haredi population

1,500-1

1,501-4,000

4,001-8,000

8,001-25,000

25,001-50,000

50,001-100,000

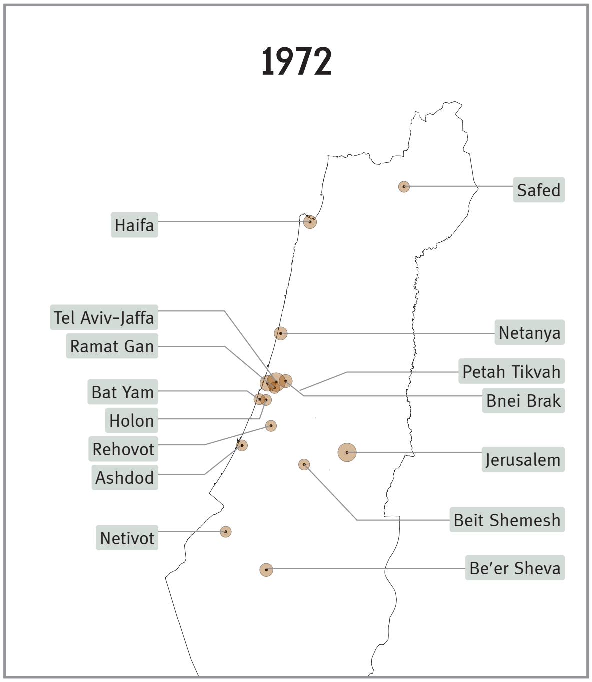
100,001-150,000

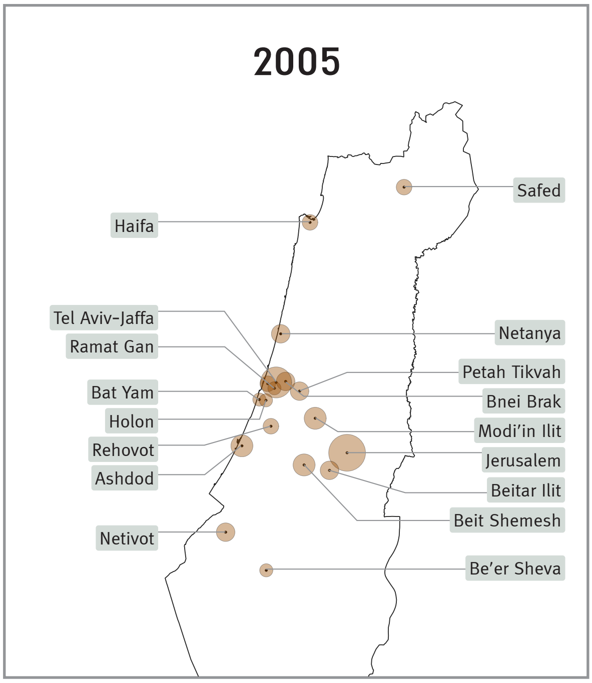
150,001-200,000

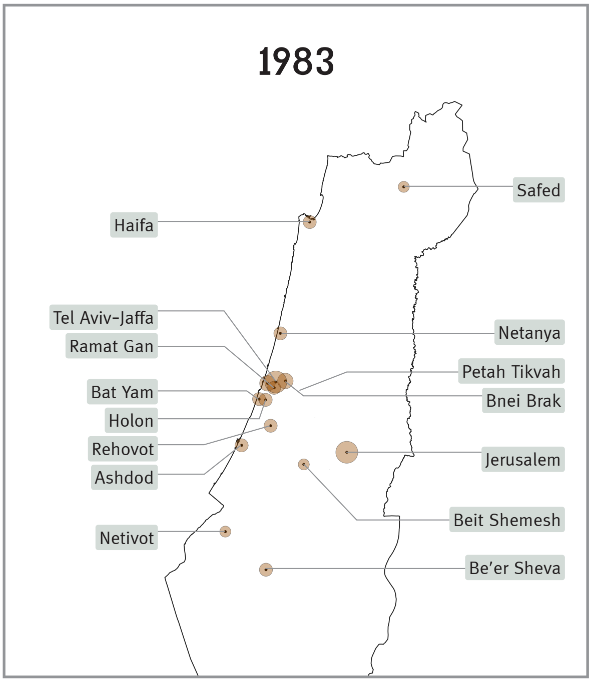
200,001-250,000

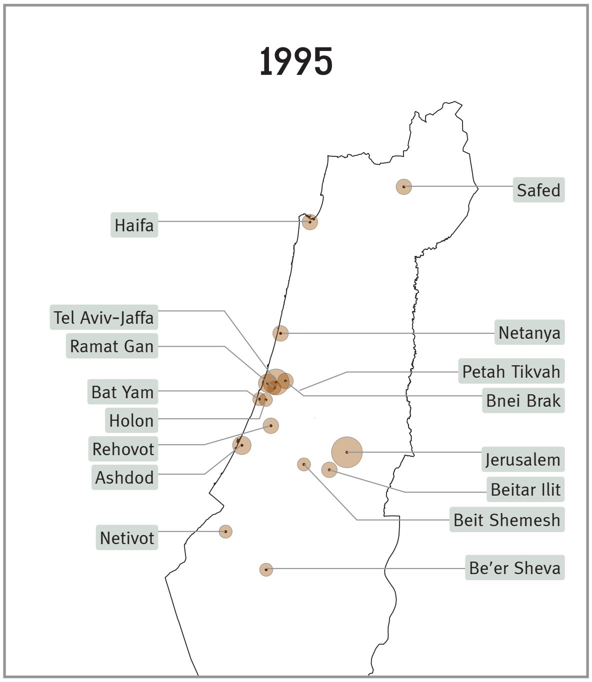
more than **250,000**

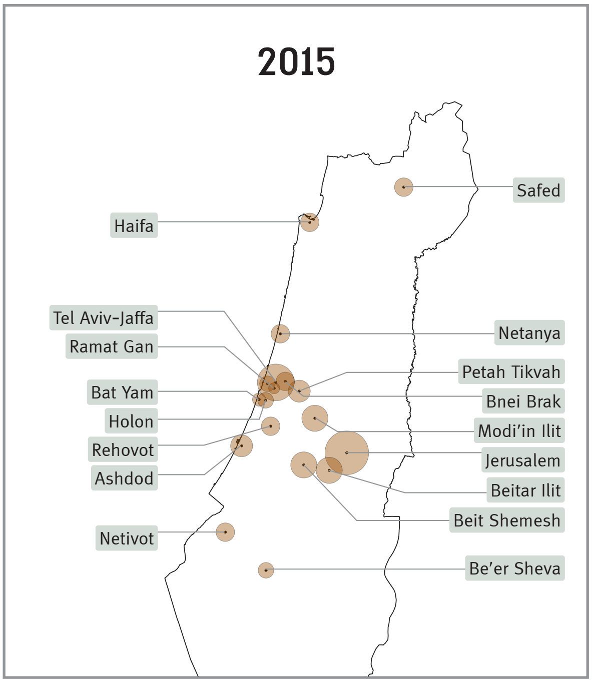
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

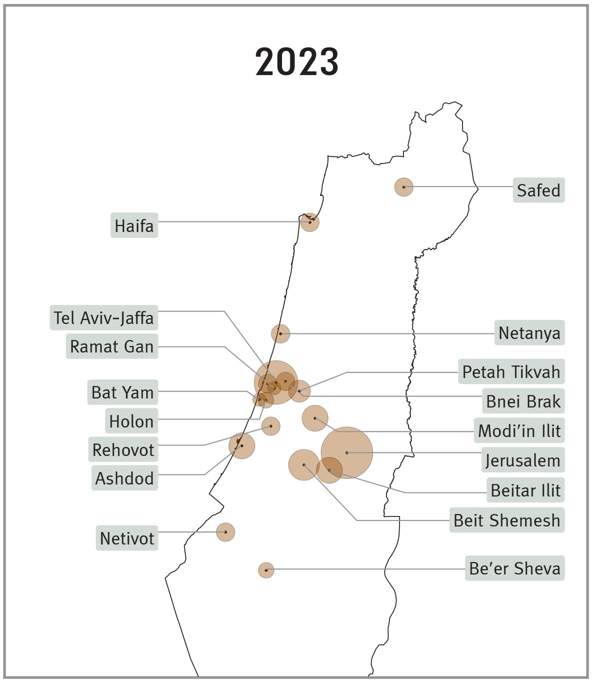





1983
Safed
Haifa
Tel Aviv-Jaffa
Ramat Gan
Netanya
Petah Tikvah
Bat Yam
Bnei Brak
Holon
Rehovot
Jerusalem
Ashdod
Beit Shemesh
Netivot
Be'er Sheva


1995
Safed
Haifa
Tel Aviv-Jaffa
Ramat Gan
Netanya
Petah Tikvah
Bat Yam
Bnei Brak
Holon
Rehovot
Jerusalem
Ashdod
Beitar Ilit
Beit Shemesh
Netivot
Be'er Sheva

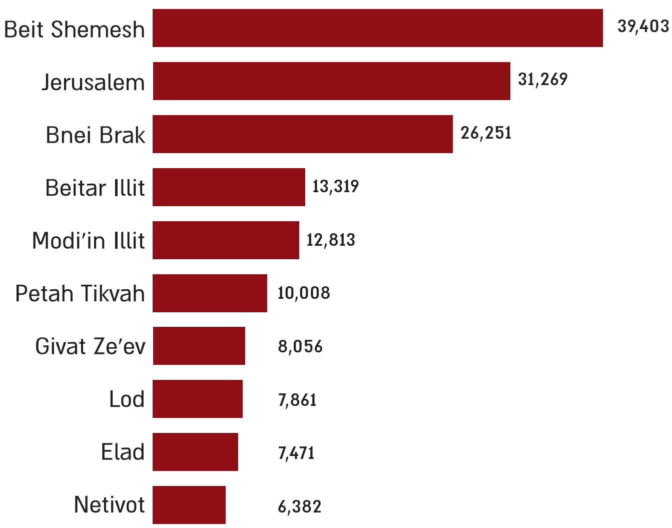

2015
Safed
Haifa
Tel Aviv-Jaffa
Ramat Gan
Netanya
Petah Tikvah
Bat Yam
Bnei Brak
Holon
Modi'in Ilit
Rehovot
Jerusalem
Ashdod
Beitar Ilit
Beit Shemesh
Netivot
Be'er Sheva


2023
Safed
Haifa
Tel Aviv-Jaffa
Ramat Gan
Netanya
Petah Tikvah
Bat Yam
Bnei Brak
Holon
Modi'in Ilit
Rehovot
Jerusalem
Ashdod
Beitar Ilit
Beit Shemesh
Netivot
Be'er Sheva

Capping the portrait of historical Haredi geographical distribution is data on the current Haredi migration within Israel. The top five migration destinations of the Haredi public in the past decade are Beit Shemesh, to which about 40,000 Haredim have migrated in the past decade; Jerusalem, to which some 31,000 Haredim migrated; Bnei Brak, to which about 26,000 Haredim migrated, and Beitar Illit and Modi'in Illit, to which about 13,000 Haredim migrated between 2012 and 2022.

Figure 7

Top Haredi migration destinations, 2012-2022



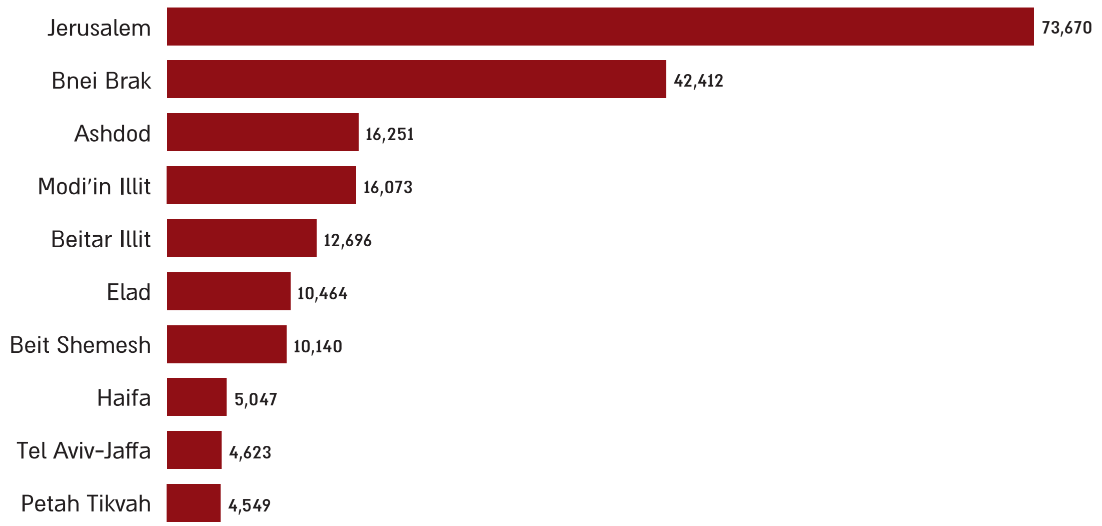
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Alongside the migration to the Haredi cities, there is also negative migration from Haredi cities, led by Jerusalem, which has recorded a negative migration of about 74,000 Haredim in the past decade (a quarter of the number of Haredim in the city today), apparently due to a steep increase in prices in the city in general and in the Haredi neighborhoods in particular. For similar reasons, the second largest center of negative migration is the city of Bnei Brak, which has recorded a negative migration of about 42,500 Haredim in the past decade.

One of the most popular destinations for Haredi migrants leaving negative migration centers is Beit Shemesh, which had a net growth of about 30,000 Haredi residents between 2012 and 2022. This Figure indicates the significant expansion of the city's Haredi communities, made possible by the city's construction boom in recent years and its convenient location in the center of the country, between Jerusalem and Bnei Brak.

Figure 8

Centers of negative Haredi imigration, 2012-2022

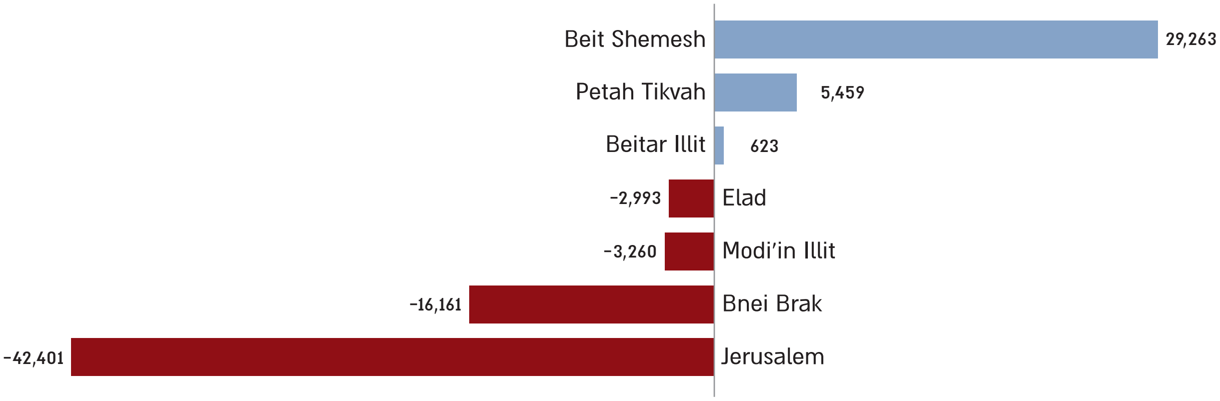


Source: The Haredi Institute for Public Affairs' adaptations of administrative data

In contrast, Jerusalem and Bnei Brak have experienced net negative Haredi migration in the past decade, reaching a loss of 42,000 Haredim in Jerusalem. However, the number of Haredim in the city continues to grow yearly due to the birth rate and the expansion of Haredi families living there.

Figure 9

Imigration balance of the large Haredi communities, 2012-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

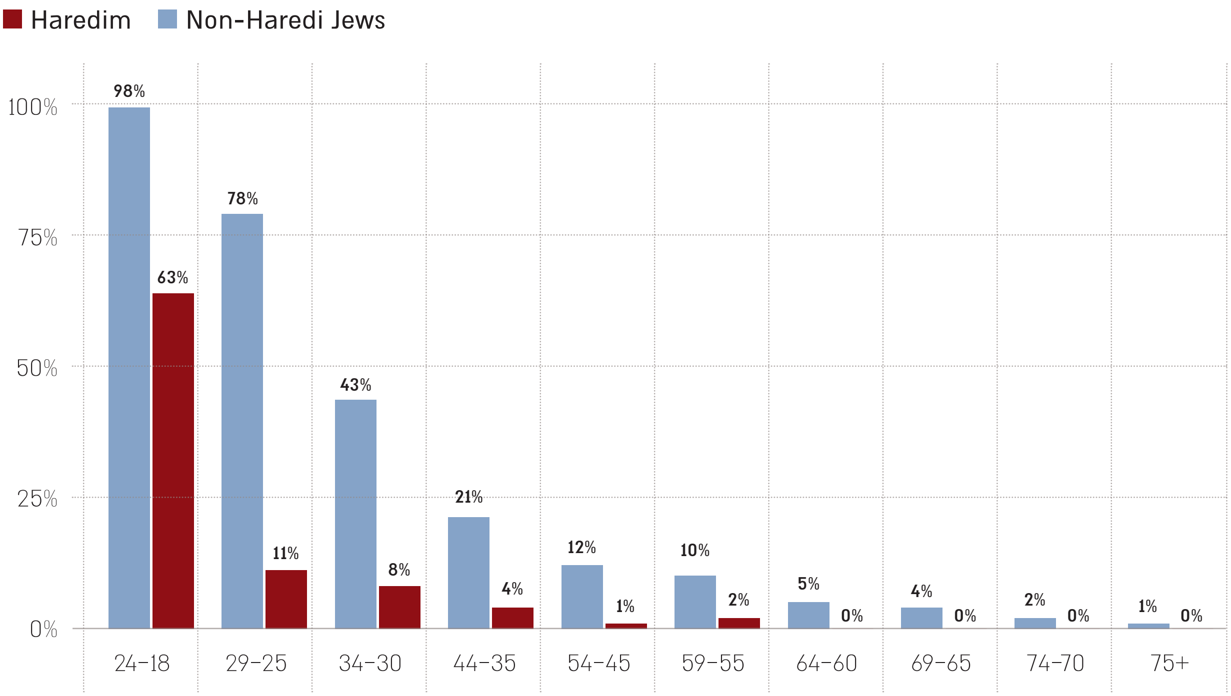
Marital Status

Haredi society attaches great importance to the institution of family and sees it as a central cornerstone of individual life. In particular, a high value is placed on starting a family at a relatively young age. For Haredim, this is a social norm and is strongly expected by both extended family and the larger community since family provides stability, a framework for life, and strong community affiliation. In addition, Haredi society sees the family as a central mechanism for transmitting religious and cultural values to future generations, ensuring the society's continued existence and retaining its present character.

Accordingly, the percentage of singles in Haredi society is much lower than in non-Haredi Jewish society. Among men in young age groups, the gap is very large: among those aged 18-24, only 63% of Haredim are single, compared to 98% of non-Haredi Jews. Among those aged 25-29, singles in Haredi society drops to 11%, compared to 78% of non-Haredi Jews. In other words, the vast majority of Haredi men marry before the age of 30. In older age groups, gaps between sectors are narrowing. The proportion of singles in Haredi society among those aged 30-34 is 8%, and among those aged 35-44 only 4%. In non-Haredi Jewish society, singles in these age groups drop to 43% and 21%, respectively.

Figure 10

Percentage of single men by age group and sector, 2023



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

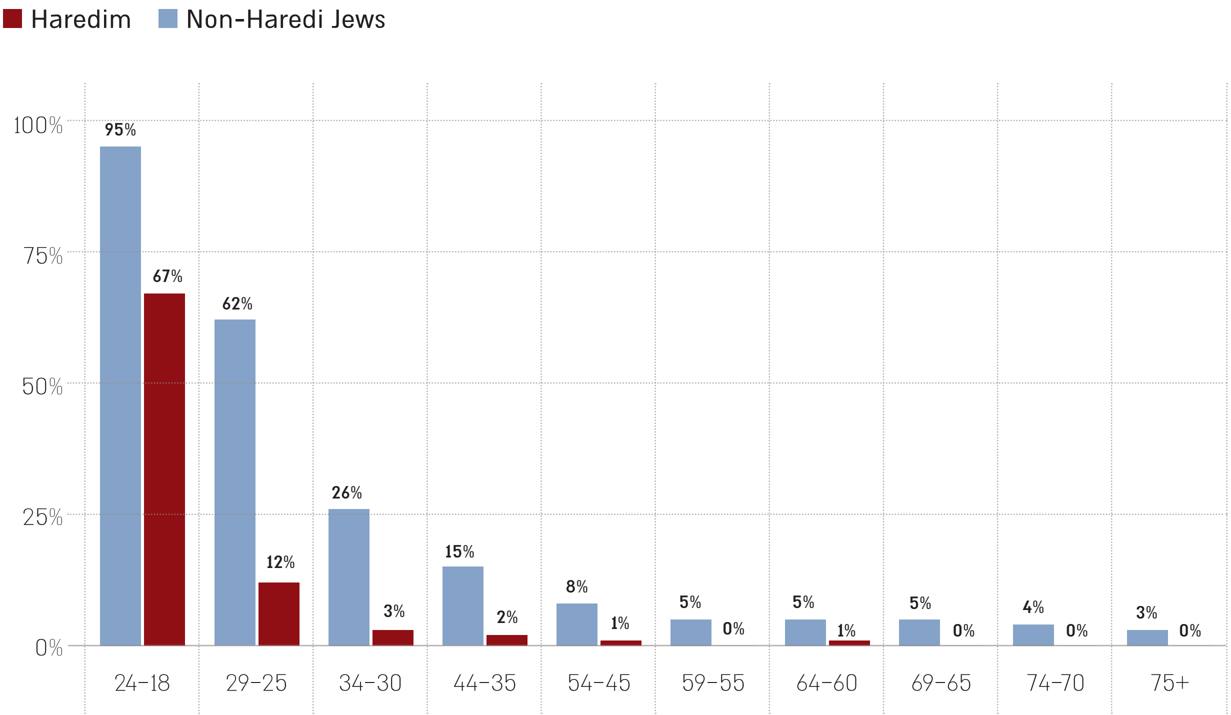
A similar trend is reflected among women. In the 18-24 age group, the percentage of single women in

Haredi society is 67%, and in non-Haredi Jewish society 95%. Among women aged 25-29, single women in Haredi society drops to 12%, compared to 62% of non-Haredi Jewish women. These Figures indicate that in both societies, women marry at a younger age than men, but Haredi women marry at a younger age than many non-Haredi Jewish women.

In older age groups, the gaps between the sectors continue to narrow: the proportion of single women in Haredi society drops to 3% in the 30-34 age group and 2% among women aged 35-44. In non-Haredi Jewish society, the proportion of single women in these age groups is 26% and 15%, respectively.

Figure 11

Percentage of single women by age group and sector, 2023



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

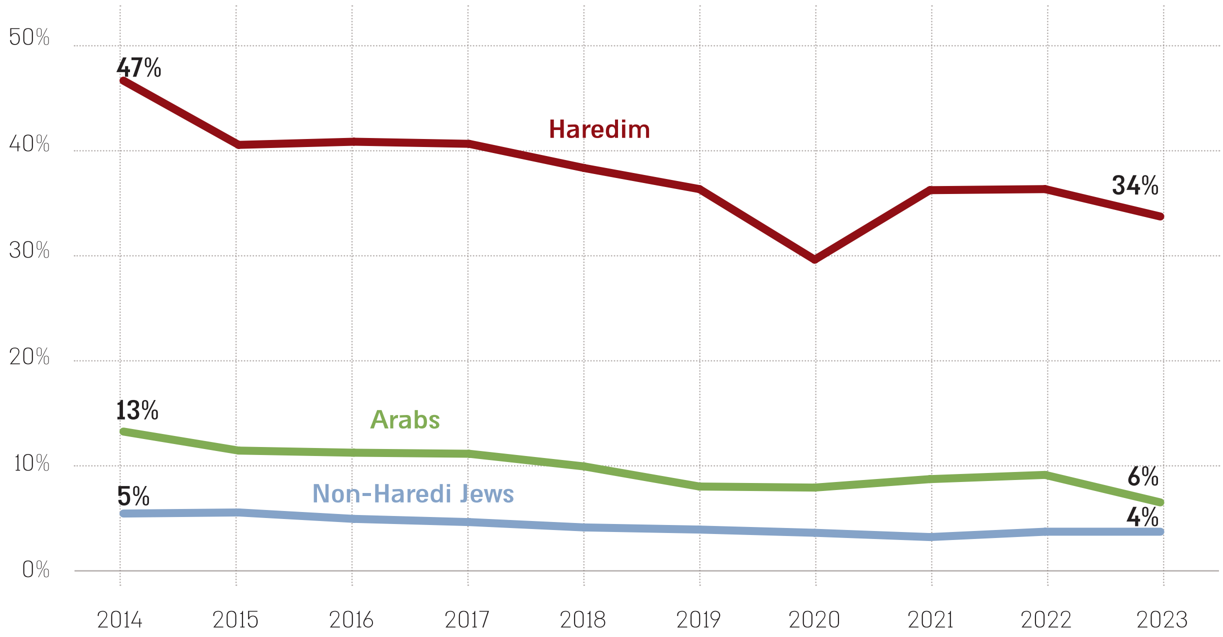
Thus, the marriage rate in Haredi society (for both men and women) is much higher than the marriage rate in other sectors. In 2023, the marriage rate among Haredim aged 18-24 was 34%, compared to 6% in Arab society and only 4% in non-Haredi Jewish society.

However, over the years, there has been a downward trend in the marriage rate in this age group in all sectors. In 2014, the rate of marriage in Haredi society among those aged 18-24 was about 74%, and it gradually declined over the years, reaching about 34% in 2023. Interestingly, in 2020, there was a temporary and sharp drop, apparently due to COVID-19 restrictions. The downward trend in marriage rate in Haredi society within this age group does not indicate a decline in the general marriage rate but rather a growing trend to establish families at older ages, usually for fiscal reasons. Haredim are experiencing a growing need for financial stability in recent years, especially women, who typically bear the burden of earning a living in a family's early years. These women complete their training at ages 18-24. In the past, young Haredi women tended to marry during their professional studies. Still, the demands of the advanced training required today to enter high-quality positions and professions in industries characterized by high productivity is creating a trend in which Haredi women tend to marry only towards the end of their training and the beginning of their career.

In non-Haredi Jewish society, there was no significant change in the rate of young marriages, and throughout the measured period, the Figure ranged between 5% and 4%. In Arab society, there is a downward trend similar to that in Haredi society: the marriage rate in this age group has gradually declined from 13% in 2014 to about 6% today, similar to their proportion in non-Haredi Jewish society.

Figure 12

Percentage of married people by sector, 2014-2023, ages 18-24



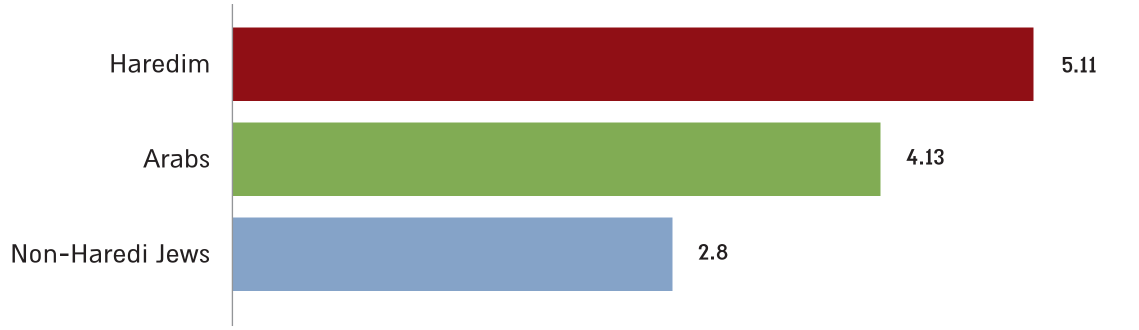
Source: adaptations by the Haredi Institute for Public Affairs to Labor Force Survey Data

Average Family Size

The importance that Haredi society attaches to the institution of family is also manifested in the establishment of large families with many children. This principle stems from the Torah's commandment to be fruitful and multiply and from a perception that large families are an extension and consolidation of family and community life. Large Haredi families tend to face significant financial challenges due to multiple needs and limited income, as discussed in the chapter on employment. However, the value of large families remains an important element of Haredi identity and represents religious and communal commitment. Therefore, the average Haredi family is the largest of the various sectors. Since the average Haredi family is quite young and has not yet had all of its expected children, its average size in 2023 was 5.11 people, compared to 2.8 among non-Haredi Jews and 4.13 among Arabs.

Figure 13

Average family size by sector, 2023



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

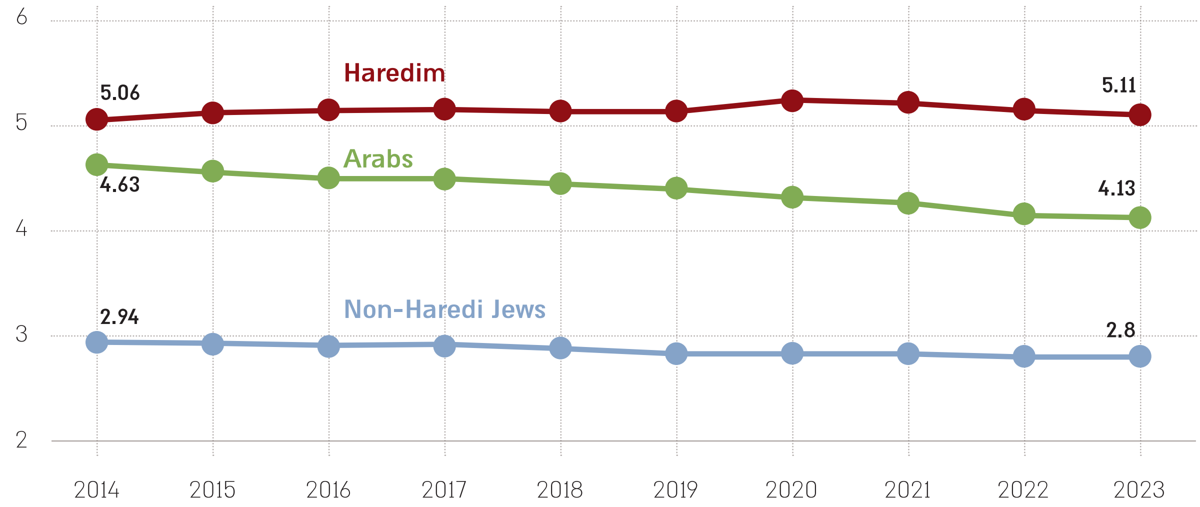
Over the years, due to many social and economic trends, all sectors of Israeli society have experienced changes in family size. Since 2014, there has been a continuous but moderate decline in the family size of non-Haredi Jews (from 2.94 to 2.8 members per family on average) and of Arabs (from 4.63 to 4.13). In contrast, in the Haredi community there was a moderate increase in the average family size during these years, from 5.06 people in 2014 to 5.25 in 2020. Since 2020, there has been a moderate decline in the size of Haredi families, reaching an average of 5.11 people per family.

Thus, in recent years, it has become evident that the Haredi community has joined the existing trend in general Israeli society of the declining size of families. This downward trend in the average Haredi family size may stem from a number of possible factors, mainly from the growing economic and social challenges involved in raising large families, especially in light of the high cost of living in Israel. In addition, changes in the Haredi lifestyle, such as the entry of more women into the workforce and more demanding positions and professions, may affect the average family size.

Despite the moderate decline, the average number of people per family in Haredi society remains much higher than in other sectors and continues to be a unique feature of Haredi society. The Figure below illustrates the community's core commitment to the value of the family as well as the need to deal with the accompanying challenges in the economies of large households.

Figure 14

Average family size by sector, 2014-2023



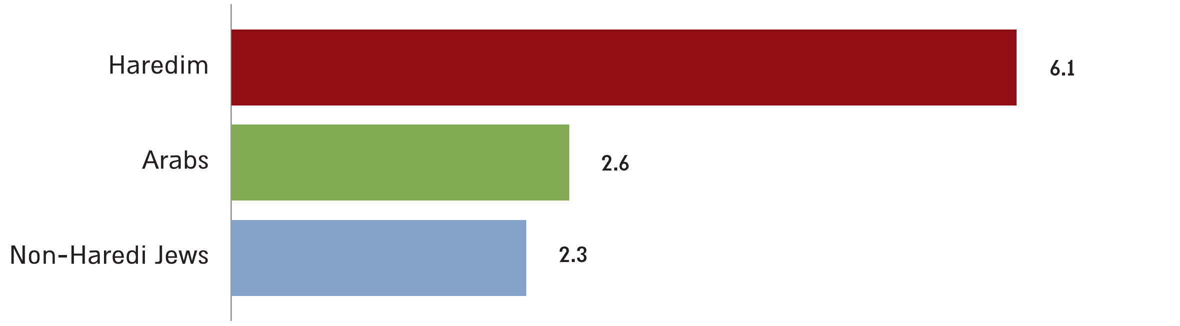
Source: adaptations by the Haredi Institute for Public Affairs to Labor Force Survey Data

Reproductive Fertility

The average family size, of course, depends on female fertility. In the Haredi sector, fertility is the highest, at an average of 6.1 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 picture is quite similar to that of the non-Haredi Jewish population, at an average of 2.6 births per woman.

Figure 15

Fertility rate by sector, 2023



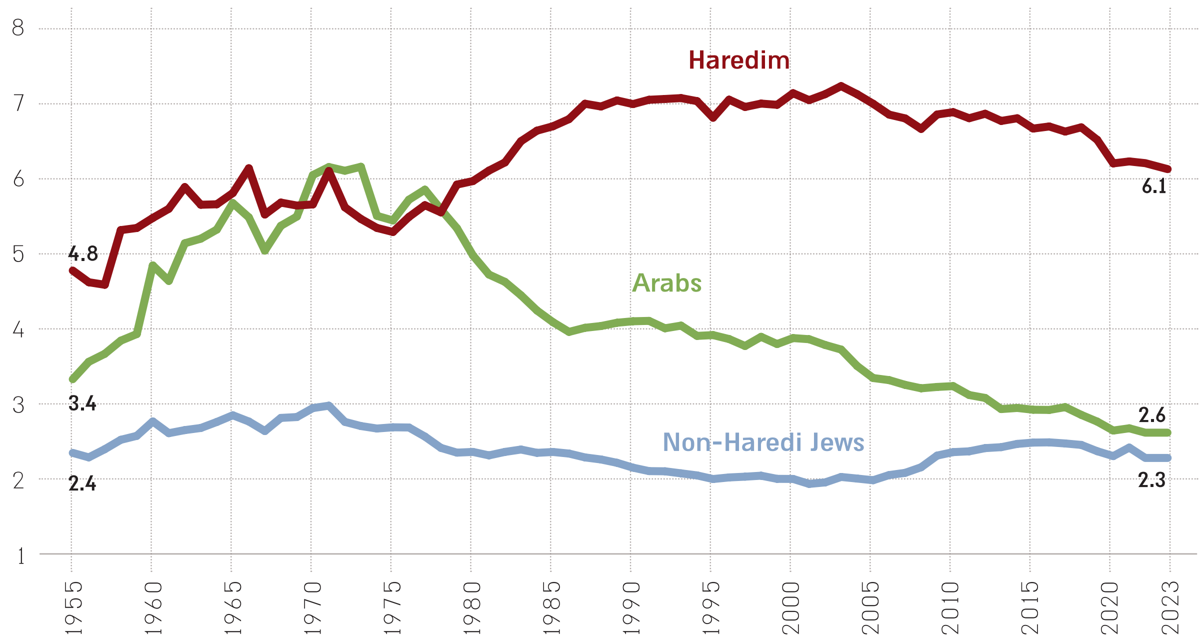
Source: Haredi Institute for Public Affairs adaptations of administrative data

Like the average family size, reproductive fertility among the sectors has also changed over the years. Among Haredi women, there has been a gradual increase in the average fertility, from 4.8 in 1955—the lowest fertility rate measured in Haredi society during these years—to 7.3 in 2003—the year in which the peak fertility of Haredi women was measured. Beginning in 2003, there was a continuous downward trend in the fertility of Haredi women, and in 2023, the lowest fertility rate in the Haredi population in 43 years was measured—6.1 children on average. As mentioned earlier, the decline in fertility and in the average Haredi family size may stem from socioeconomic factors, including the cost of living and the difficulty of supporting large families, as well as employment trends and the entry of Haredi women into high-productivity industries and integration into demanding positions and professions.

The average fertility rate among non-Haredi Jewish women has not changed much over the past 70 years. In 1955, non-Haredi Jewish fertility rate was 2.4, similar to its current number (2.3). Between these years, there were ups and downs: 1971 saw the fertility peak of non-Haredi Jewish women at 3 children, and from 1999 to 2005 the fertility lowest fertility rate was 2.3 children. Since then, this sector's fertility rate has risen slightly to 2.3.

Figure 16

Fertility rate by sector, 1955-2023



Source: Haredi Institute for Public Affairs' adaptations of administrative data

In Arab society, there is an interesting trend: a significant increase in fertility between 1955 and 1973, from 3.4 to 6.2 (In the years 1970-1978, the fertility rate in Arab society was even higher than in Haredi society), and thereafter, there was a continuous downward trend. In 2023, fertility in Arab society reached a low of an average of 2.6 children.

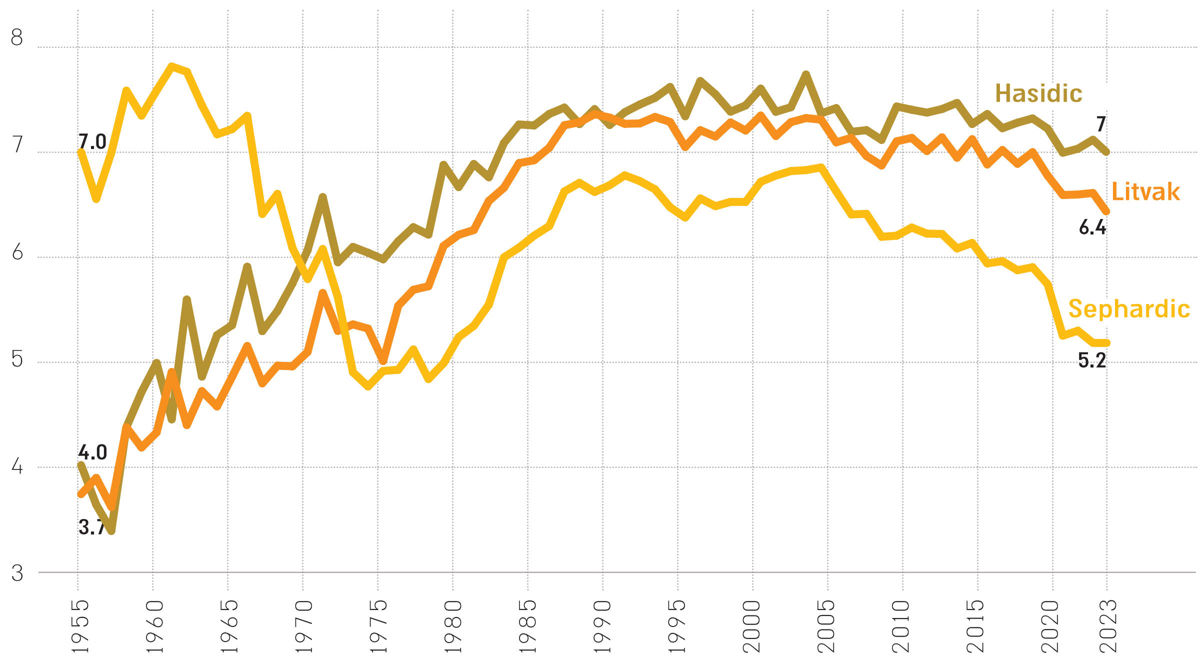
An Intra-Sectoral Perspective

As mentioned, Haredi society is comprised of several streams, and there are large differences in fertility rates between them. As of 2023, the highest fertility rate was recorded in the Hasidic stream, with an average of 7 children. In the Litvak stream, the average fertility rate is slightly lower, at 6.4. The lowest fertility rate in the Haredi community is found in the Sephardic stream, at 5.2 children on average.

Over the years, there have been several trends in fertility within the Haredi community as well. Interestingly, in the 1950s and early 1960s the fertility rate in the Sephardic stream was the highest, with an average of about 7 children. Later, in the 1960s and 1970s there was a dramatic decline in Sephardic Haredi fertility, which fell to only 4.9 (a trend consistent with the overall decline in fertility among Mizrahi, Middle Eastern, and North African communities). There was a renewed increase from the 1980s to the early 2000s, and fertility reached about 6.9 children in 2003. In the past two decades, there has been a sharp decline in the fertility rate of the Sephardic stream, and it currently is only 5.2 children.

Figure 17

Fertility rate by Haredi stream, 1955-2023



Source: Haredi Institute for Public Affairs' adaptations of administrative data

In the other streams of Haredi society, a continuous upward trend continued until the early 2000s. In the Litvak stream, there was an increase from 3.7 children in 1955 to a peak of 7.4 children on average in 2000. After that, a slow downward trend began, stabilizing at about 6.6 children from 2020. A similar trend can be observed in the Hasidic stream: in 1955, the average fertility rate was 4 children and gradually rose to 7.8 in 2003. As in the Litvak stream, a slow downward trend began after that, stabilizing at an average of about 7 children since 2020.

Thus, beginning in the late 1970s, with the establishment of the “society of learners” model, quite similar trends were observed in the three Haredi streams: a rapid increase in births until the early 2000s, and from 2004 onwards, apparently due to the cuts in child welfare, a gradual and consistent decline in births continuing today. Over the past two decades, the rate of decline in the Sephardic stream has been the fastest, and the gap between it and the other streams has increased.

02

Housing

Housing is one of the most pressing and contentious socioeconomic issues in Israeli society. A persistent rise in housing prices and a shortage of available homes in high-demand areas have triggered widespread migration across various demographic groups, including Haredim, as they seek more affordable housing options.

In Haredi society, homeownership is both a cultural norm and a financial priority. Most Haredi couples purchase an apartment early in their marriage, often receiving the property or financial support toward its purchase as a wedding gift—a long-standing social convention within the community. As a result, Haredim have higher homeownership rates and a lower average age of home purchase compared to non-Haredi Jews.

Due to economic constraints, Haredi families tend to buy smaller and more affordable apartments than the general population. Additionally, the ongoing housing shortage has influenced the geographic distribution of Haredi communities. Increasingly, young Haredi couples are purchasing homes in Israel's peripheral regions, particularly in the north, with a noticeable shift toward the Haifa area. However, Haredim will only relocate from their core and satellite cities if the destination offers a well-established Haredi communal infrastructure, including religious institutions, schools, and community services tailored to their specific sects. As a result, Haredi real estate purchases in the periphery are concentrated in or near cities such as Haifa, Afula, and Nof HaGalil, where Haredi communities have expanded in recent years.

The expansion of Haredi neighborhoods into new areas has, at times, led to cultural and social tensions with long-standing local populations. Given the likelihood of continued housing shortages, further Haredi migration beyond traditional core cities appears inevitable. This trend underscores the need for proactive urban planning, ensuring that public spaces, educational institutions, and community services can accommodate an increasingly diverse population and promote coexistence.

Data from this chapter points to significant shifts in Haredi homeownership and housing finance. In 2022, Haredi homeownership rates declined sharply, disrupting a period of stability that lasted seven years. At the same time, there has been a notable rise in mortgage rates among Haredi homebuyers, indicating mounting economic pressure within the community. Additional indicators of financial strain include the growing number of Haredi men entering the labor market, a shift that reflects increasing economic necessity.

The financial challenges facing many Haredi families call for a renewed discussion on housing needs and existing policy solutions, as well as preparation for the potential consequences of further economic strain in the coming years. However, it is important to recognize that these trends may shift significantly due to the long-term economic, social, and security consequences of the events of October 7. Factors such as a construction labor shortage and broader economic uncertainty are expected to impact housing affordability and availability for all Israelis, including the Haredi sector.

This evolving landscape underscores the importance of forward-thinking policies and adaptable solutions to ensure that the housing market can support the growing Haredi population while fostering sustainable development and social cohesion.

Key Findings

65%
of Haredim own apartments

Compared to 61% among non-Haredi Jews and 76% among Arabs

83
square meters

Median area of apartments purchased by Haredim. Haredim buy smaller apartments: The median area of apartments purchased by non-Haredi Jews is 94 square meters

27 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 13 years

29
The median age of Haredi home buyers

Haredim buy apartments at a younger age: The median age of non-Haredi Jewish buyers was 41

43%
of Haredi households took out a mortgage

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

NIS 1.6 million

Average apartment cost among Haredim. Haredim purchase cheaper apartments: The price of an apartment among Haredim is about 85% on average of the cost among the non-Haredi Jewish population (NIS 1.95 million).

NIS 3,688

Average rent of Haredim. Haredim pay lower rent than non-Haredi Jews. Non-Haredi Jews pay an average of NIS 3,978

NIS 3,836

Average mortgage for Haredim. Haredim pay a lower average mortgage than non-Haredi Jews. The average mortgage for non-Haredi Jews is NIS 5,130

Number of apartments bought by Haredim in 2019-2022:	Haifa	Ashdod	Bnei Brak	Jerusalem	Beit Shemesh
	2,007	2,909	5,736	8,338	8,997

Key Trends

Homeownership

Decline in homeownership among Haredim – In 2021 and 2022, the share of Haredi homeowners saw its first recorded decline, dropping by 4 percentage points from 68.8% to 64.8%.

Mortgages

Increase in Haredi households taking out mortgages – In 2022, for the first time in five years, the percentage of Haredi households with mortgages rose, climbing from 39.7% in 2021 to 42.9% in 2022.

Monthly Mortgage Payments

Rise in monthly mortgage payments – In 2022, the average monthly mortgage payment among Haredi households increased by 11%, rising from NIS 3,445 in 2021 to NIS 3,836 in 2022. By comparison, among non-Haredi Jewish households, mortgage payments rose by 23%, from an average of NIS 4,158 in 2021 to NIS 5,130 in 2022.

Homeownership Rate

Haredi families attach great importance to their homes. For young Haredi families, the home is not only a place to live but also represents social and economic security and stability. It is a deeply-rooted social convention in Haredi society for young married couples to purchase an apartment and is seen as a necessary foundation for family life.

The social and economic importance attached to homeownership in Haredi society leads couples to purchase apartments fairly early in their marriage. Due to this perception of homeownership and the rather limited financial resources of young couples, it is a social convention in Haredi society for both pairs of parents, and sometimes even grandparents, to provide considerable financial assistance in the purchase.

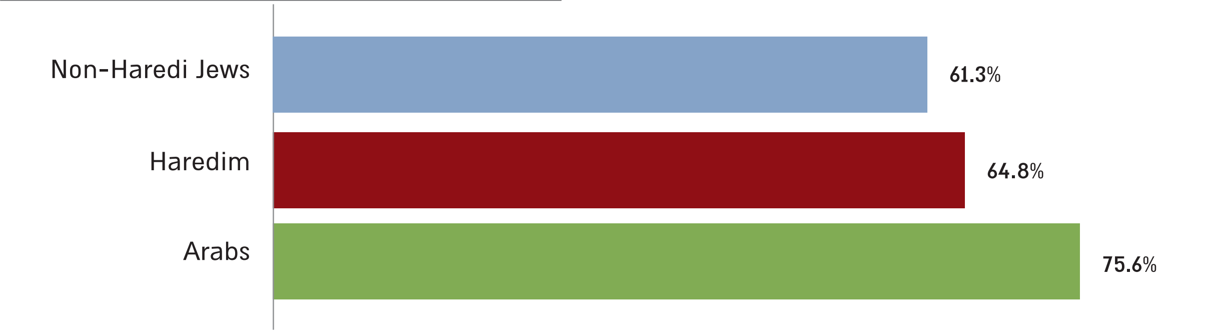
In addition to familial support, Haredi society contains various financial institutions that support the homeownership convention and assist in initial apartment purchases in various ways. For example, Haredi communities have "Gemachs"—interest-free loan organizations that finance a variety of community member expenses, such as apartment purchases. Gemachs are financed by donations from the community and private individuals and offer loans on favorable terms. In addition to Gemachs, there are charities and even private foundations that assist couples in purchasing apartments through loans, grants, and other financial support.

This social convention for early homeownership creates differences in the homeownership rates of Haredi and non-Haredi Jewish sectors.

Today, the homeownership rate in Haredi society is quite high, at about 65%, compared to about 61% among non-Haredi Jews. However, in Arab society, the homeownership rate is the highest, at about 76%, mainly due to private construction on existing family estates.

Figure 18

Rate of homeownership by sector, 2022



Source: Adaptations by the Haredi Institute for Public Affairs to Household Expenses Survey Data

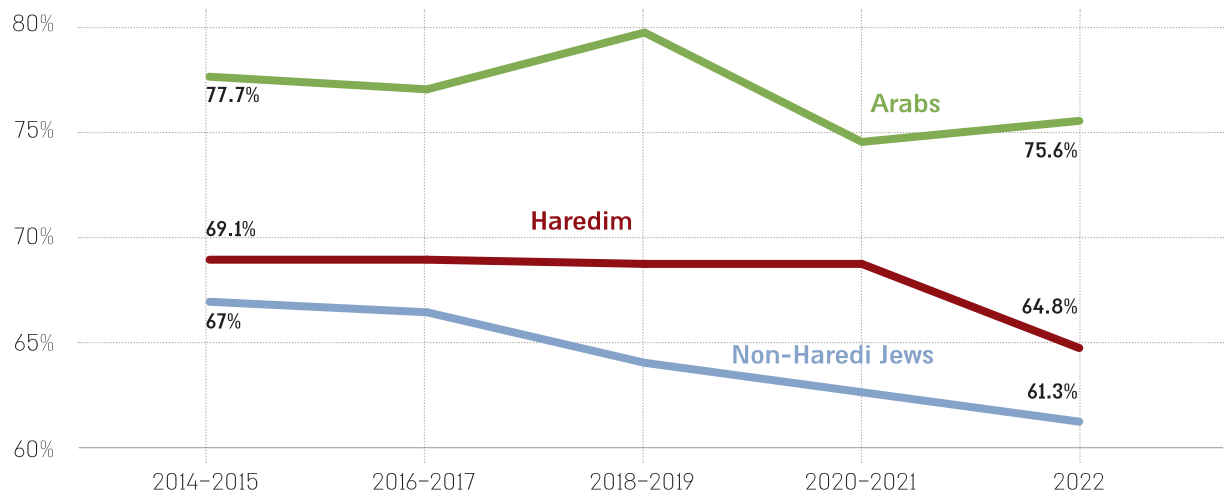
Between 2014 and 2022, the gaps in homeownership between the Haredi, non-Haredi Jewish, and Arab sectors were stable. During these years, the Haredi homeownership rate was slightly higher than that of non-Haredi Jews and much lower than that of Arabs. Until 2021, there were few changes in the Haredi homeownership rate, while non-Haredi Jewish society experienced a continuous decline, from 67% to 62% in the relevant years.

In 2022, there was a profound turnaround, and alongside the continued decline in homeownership among non-Haredi Jews, there was an initial and significant decline of 4% in Haredi homeownership, from 68.8% to 64.8%. Thus, for the first time, the Haredi sector is experiencing the same trend of declining homeownership as Israel's general population. However, due to the sample's relatively small size (about 600 Haredi families), it is too early to determine whether the trend is clear or stable.[1]

Such a decline, which is the first instance of decline in the past decade apparent in the Haredi sector, likely stems from a significant increase in housing prices in Israel, as well as from increasing interest rates. This finding may be preliminary evidence of the growing financial pressure experienced by many Haredi families, which may significantly impact other socioeconomic aspects, such as employment, education, consumerism, and more.

Figure 19

Rate of homeownership by sector, 2014-2022



Source: Adaptations by the Haredi Institute for Public Affairs to Household Expenses Survey Data

Rate of Mortgage Holders

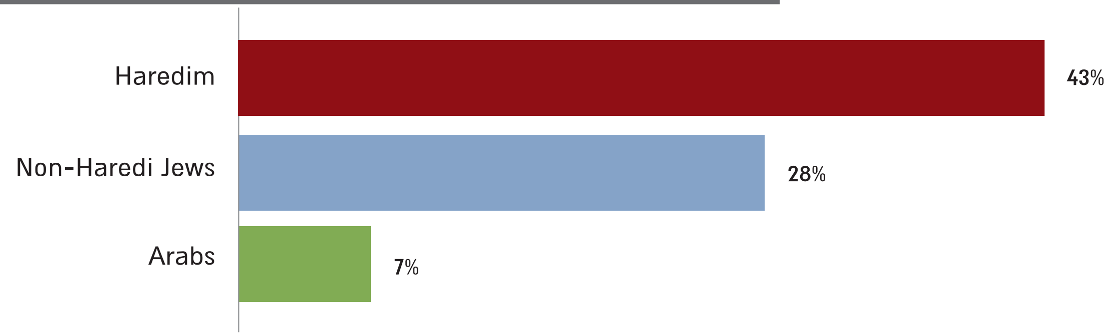
In many cases, an apartment is purchased by taking out a mortgage-backed loan on the purchased property. Since the homeownership rate in Haredi society is higher than in non-Haredi Jewish society, the rate of Haredi households that take out a mortgage is also higher than the rate among non-Haredi Jews. In 2022, about 43% of Haredi households paid out a mortgage, compared to only 28% of non-Haredi Jews. In contrast, in the Arab sector the housing picture is quite different: despite the high

1 The decline in ownership rates in Haredi society is evident at a 94% confidence level, but not at a 95% confidence level.

homeownership rate, the rate of households taking out a mortgage is very low, at only about 7%.
The high rate of Haredi mortgage holders reflects the Haredi norm of purchasing apartments, alongside fairly limited financial ability and a greater reliance on mortgages.
The process of taking out a mortgage is very different for Haredim than for general Israeli Jewish society. Due to the great importance Haredi society attaches to homeownership and due to its perception as providing financial stability, several factors affect the Haredi mortgage process. As mentioned, the couple's parents and sometimes even grandparents are involved in financing the apartment, whether through early savings from a young age or through ongoing assistance in meeting monthly mortgage payments. As one might expect, such support plays a significant role in financing an apartment.
Due to the per-capita income levels relative to general society, Haredim experience difficulty in raising high equity, and many Haredi families use mortgage tracks that allow for a high financing rate. Sometimes, families even turn to raising money from community sources or use interest-free family loans to increase their initial capital.
In addition, many Haredim turn to Haredi mortgage consultants who are well-known in the community, familiar with its culture, and understand the unique needs of families. Such consultants help design a loan combination that suits the family's financial capabilities, usually on more favorable terms than those granted to apartment buyers in general society. For example, it is common in Haredi society to extend mortgage payment periods as much as possible in order to lower the monthly payment. This practice allows compliance with the monthly payments but also greatly increases the total amount paid until the mortgage is discharged.

Figure 20

Percentage of households with mortgages by sector, 2022



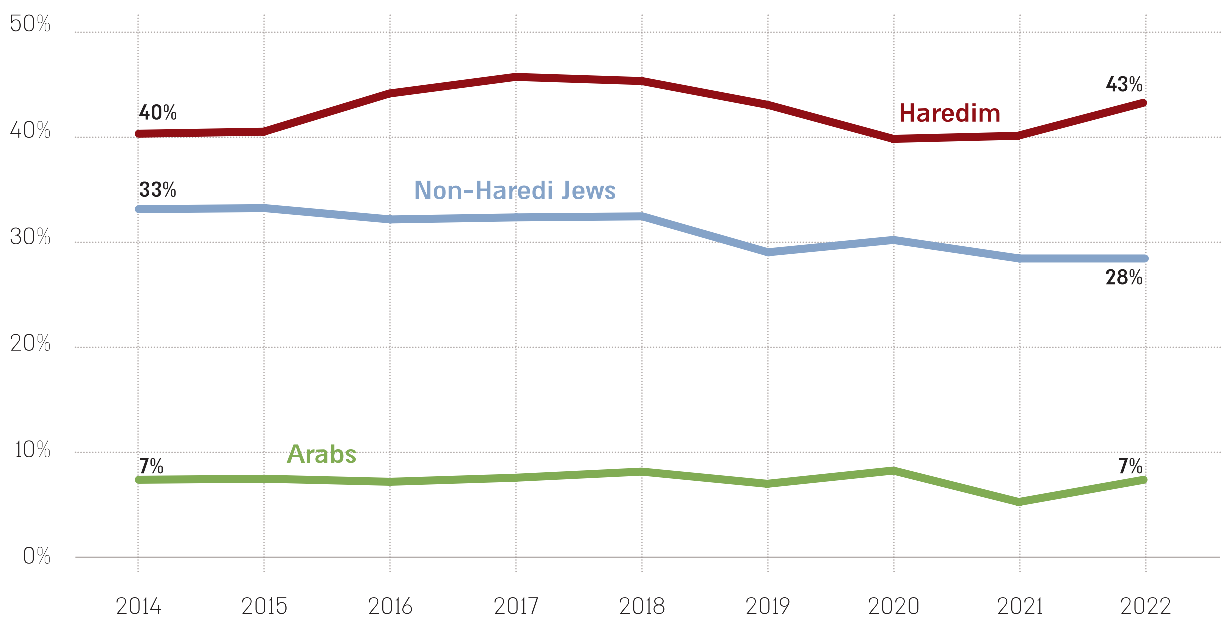
The mortgage rates have changed over time for all Sectors. Between 2014 and 2017, the Haredi mortgage rate increased from 40% of households to 45%. During the same period, the rate for non-Haredi Jews remained stable at 32%. From 2018 to 2021, Haredim experienced a trend reversal, with their mortgage rate declining to 39%. A similar trend was observed among non-Haredi Jews, with their rate dropping to 28%.

In 2022, the trend shifted again, and after five years, the Haredi mortgage rate jumped from 39.7% in 2021 to 42.9% in 2022. It should be noted that in 2022, the non-Haredi Jewish mortgage rate experienced no change, remaining stable at 28%. However, due to the small sample size, the findings are not statistically significant, and therefore, even in this case, it is too early to determine whether this shift represents the beginning of a trend.

The increase in the Haredi mortgage rate and the decline in the Haredi homeownership rate likely reflect two significant economic forces operating in the home purchase market in Israel. One economic force is the rise in home prices, and the other is the rise in the interest rates of mortgage loans. Due to these forces, fewer families are able to purchase an apartment than in the past, and families who do manage to purchase an apartment are forced to take out larger mortgages. Even the more affluent families, who were previously able to finance the purchase of an apartment without a mortgage, are now taking out a mortgage. Although the number is quite low, these families are still joining the mortgage market. This finding strengthens the hypothesis that the Haredi society is experiencing a growing financial difficulty as assistance in financing apartments is shrinking, and many households are forced to take out a mortgage in order to finance their home purchase.

Figure 21

Percentage of households with mortgages by sector, 2014-2022



Source: Adaptations by the Haredi Institute for Public Affairs to Household Expenses Survey Data

In contrast, the Arab mortgage rate remained stable between 2014 and 2022 and currently is only about

7%. Only in 2021 was there a temporary decline to about 5% (which can be attributed to the relatively small sample size). As noted, this low rate is a result of the low rate of home buyers in Arab society (comprising only about 2% of all real estate transactions in Israel) and the prevailing phenomenon in the Arab sector of self-construction on an existing estate.

Average Monthly Mortgage Payment

The rate of Haredi homeowners and the Haredi mortgage rate are both higher than those of non-Haredi Jews, but the amount repaid monthly to the loan is slightly lower among Haredim than among non-Haredi Jews.

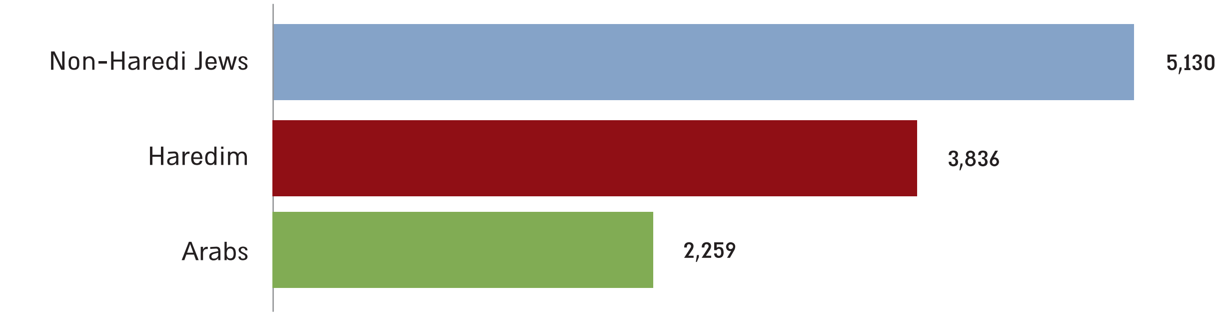
Haredim repay an average of NIS 3,836 for their mortgages, compared to NIS 5,130 paid by non-Haredi Jews. The monthly mortgage payment among Arabs is the lowest, at NIS 2,259.

The fairly low monthly payment by Haredim may be due to the total amount of the general loan taken, which may be lower than that of non-Haredi Jews. According to this explanation, Haredi families are likely to take out a lower mortgage than non-Haredi Jews due to the unique characteristics of Haredi house purchasing—Haredi households tend to purchase small, old, and cheap apartments (see charts later in this chapter). Monthly mortgage payments are also affected by the financial support Haredim receive for apartment purchases from their family and community.

Another explanation for the relatively low monthly Haredi payment rate lies in unique Haredi financial limitations, which stem from low employment rates and income levels relative to general society. Such restrictions encourage extending the mortgage repayment period as long as possible. Therefore, the amount of required monthly repayment is lower than that of general society and allows the payments to be met. However, it also increases the total amount paid until the mortgage is discharged.

Figure 22

Average monthly mortgage payment by sector, in NIS, 2022



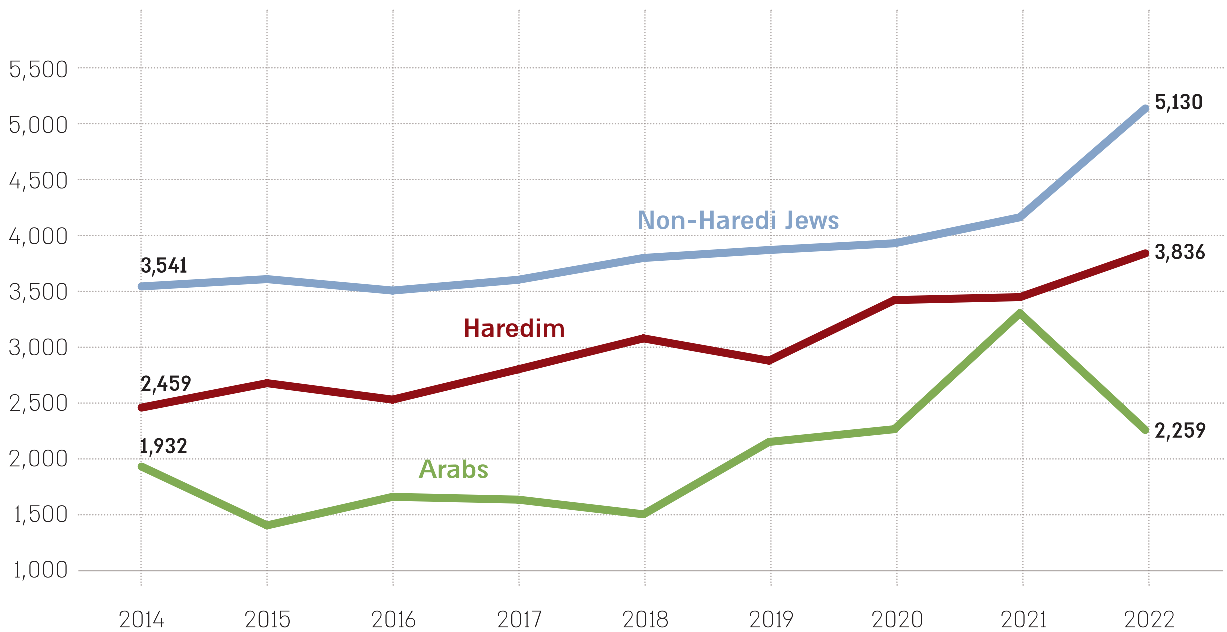
Source: Adaptations by the Haredi Institute for Public Affairs to Household Expenses Survey Data

In 2014-2022, the average mortgage taken out by non-Haredi Jews was higher than that of Haredi Jews. However, according to the data, alongside the general upward trend in monthly mortgage repayment, the gaps in monthly repayments between Jewish groups have narrowed. In 2014, the mortgage payment gap between Haredi and non-Haredi Jews was about NIS 1,000, and between Haredim and Arabs was about NIS 500. In 2021, the gap between Haredi and non-Haredi Jews narrowed by about 40% to about NIS 700, and the gap between Haredim and Arabs almost completely closed, at about only NIS 100.

The gradual increase in Israel's interest rates, beginning in 2022, led to a significant increase in the monthly repayment rate among most Israeli mortgage borrowers and widened the monthly payment gap between Haredi and non-Haredi Jewish households. The monthly repayment of Haredi households increased by 11%, from NIS 3,445 in 2021 to NIS 3,836 in 2022. In contrast, in non-Haredi Jewish households, the monthly repayment jumped by 23%, from NIS 4,158 in 2021 to NIS 5,130 in 2022. This increase almost doubled the monthly repayment gap between Haredi and non-Haredi Jewish households, from about NIS 700 per month to about NIS 1,300.

Figure 23

Average monthly mortgage payment by sector, in NIS, 2014-2022



Source: Haredi Institute for Public Affairs adaptation of Expenses Survey Data

The difference between the rate of increase in monthly mortgage repayments in Haredi households and that of non-Haredi Jewish households is likely due to several factors that moderate the increase in Haredi society. One possible factor stems from the difficulty most Haredi families face in meeting an increase of more than 20% in mortgage payments due to their low income level. This difficulty encourages mortgage refinancing, changing the loan mix, and even redeploying mortgages for many years. Another moderating factor may be the fairly flexible Haredi demand for property purchases. In many cases, Haredim purchase property for investment, not residential reasons. In a situation of rising

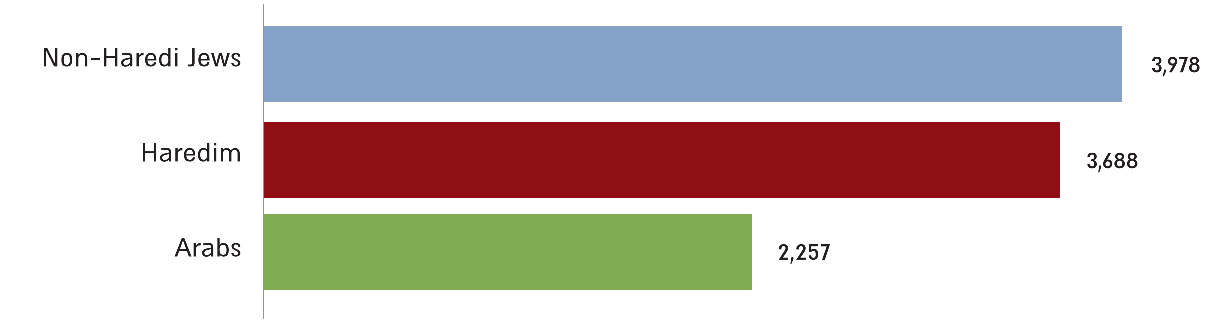
home prices and mortgage interest rates, it is likely that many Haredi families are turning to purchasing cheaper investment assets, thus moderating the average increase in monthly mortgage repayment.
Throughout the period under review, there is considerable fluctuation in the amount of monthly repayments in Arab-Israeli households. This volatility is mainly attributed to the fact that the rate of Arab households taking out mortgages is very low. Therefore, their recording in the Household Expenses Survey of the Central Bureau of Statistics is based on a particularly small sample.

Average Rent Payment

The rates of homeownership in Israeli society indicate that a significant portion of the population in Israel, including some apartment owners, live in rented apartments. The average rent payment in Haredi society is slightly lower than that of non-Haredi Jews: Haredim pay an average rent of NIS 3,688, while non-Haredi Jews pay an average of NIS 3,978. The average rent in Arab society is the lowest, at NIS 2,257.

Figure 24

Average monthly rent by sector, in NIS, 2022



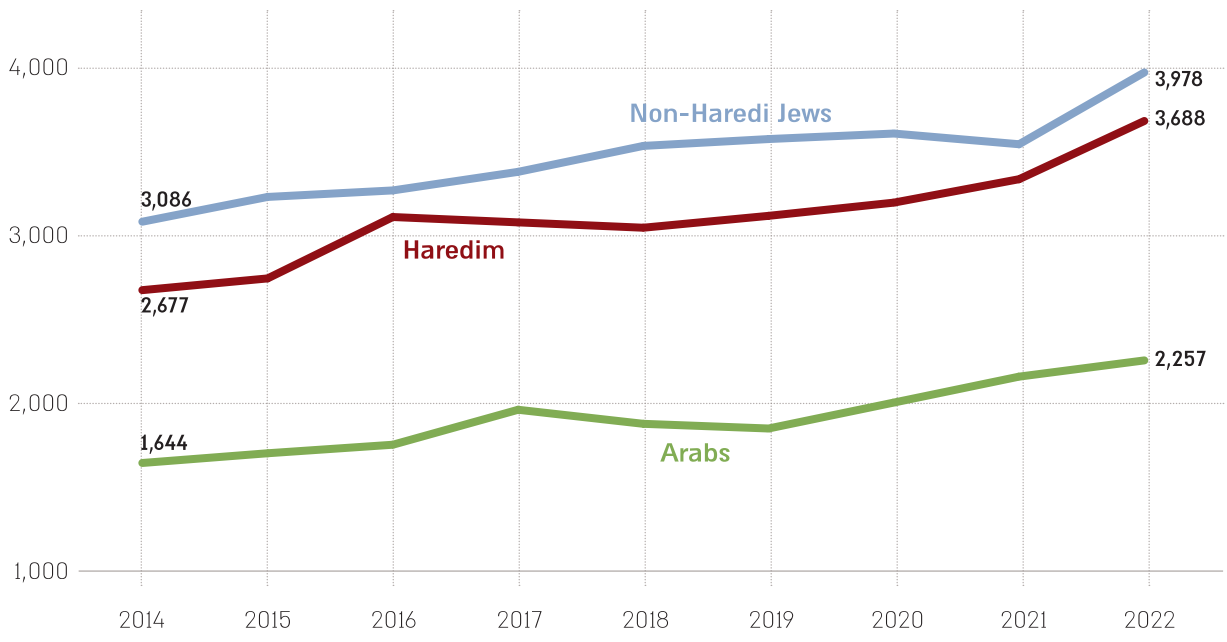
Source: Haredi Institute for Public Affairs adaptations of Expenses Survey Data

In 2014, the trend of rising home prices in Israel began to accelerate, reflected, among other things, in a faster increase in average rent than in the past. The interest rate increase has, of course, impacted the increase in rental prices due to the rise in the monthly mortgage repayments. It is reasonable to assume that apartment owners, who are required to meet high monthly mortgage payments, will accordingly raise rent.
Throughout the years, rent paid by non-Haredi Jews has been the highest, but trends indicate that rent paid by Haredim is growing the fastest: in 2014, the average Haredi rent was NIS 2,677, and by 2022 it had increased by nearly 40%, to NIS 3,688. During this period, the average non-Haredi Jewish rent increased by only 30%, from NIS 3,086 in 2014 to NIS 3,978 in 2022. In other words, between 2014 and 2022, the gap in the rent amount between Haredim and non-Haredi Jews narrowed.
Such a trend of narrowing gaps differs from what was observed in the mortgage payment amount, in

which the gap between the sectors has increased. The rent gap likely narrows because rent prices depend on real estate demand in the apartment's area. Most of the Haredi population lives in high-demand areas in Israel, similar to most of the general population, and therefore rents increased at a similar rate for both population groups. Also, unlike the amount of mortgage payments, which can be changed according to the loan mix period of repayment, there are no means to reclassify rent and no variety of rent payment methods, and apartment owners, not tenants, determine the form of rent payment.

Figure 25

Average monthly rent by sector, in NIS, 2014-2022



Source: Adaptations by the Haredi Institute for Public Affairs to Household Expenses Survey Data

Characteristics of Purchased Apartments

The high homeownership rate in Haredi society stems from, among other things, a cultural perception of the importance of private property ownership. The high rate often raises the question of how Haredi families manage to purchase apartments despite typical economic constraints, such as a lower income level and a lower labor force participation rate than that of non-Haredi Jews. The answer lies first and foremost in the mechanisms of purchasing an apartment in Haredi society, including reliance on considerable family and community support, as described at length above. In addition, such a rate is influenced by the characteristics of the apartments Haredim purchase.

Apartment Price

Apartment prices might be the core factor in explaining the differences in homeownership rates between Haredim and non-Haredi Jews. In 2022, the average price of an apartment purchased by a Haredi family was NIS 1.6 million, compared NIS 1.95 million for a non-Haredi Jewish family. Such figures indicate that Haredim are forced to purchase cheap apartments, at an average price of about 85% of that purchased by non-Haredi Jews.

Figure 26

Average apartment price at purchase, by sector, in NIS, 2022

Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Over time, there has been a steep and continuous increase in apartment prices in Israel. Since 1999, and even more so since 2008, the prices of apartments purchased by both Haredim and non-Haredi Jews have risen steadily. During these years, economic events impacted apartment prices, such as increasing land prices and construction costs, as well as bureaucratic developments, such as a reduction of mortgage interest rates. These developments contributed to widening the gap between the rates of apartment supply and apartment demand (both residential and investment), leading to a dramatic increase in Israeli apartment prices.

The average price of an apartment purchased by Haredim in 1999 was about NIS 532,000. By 2008, the price had risen to NIS 623,000, and between 2008 and 2021, there was an average price increase of about 7% each year. However, in 2022, a dramatic change occurred: the average price of an apartment purchased by Haredim jumped by about 15%, reaching NIS 1.6 million. During these years, apartments purchased by non-Haredi Jews similarly increased: the average price of an apartment purchased by a non-Haredi Jew in 1999 was about NIS 677,000, and since 2008, there has been an average price increase of about 6% each year. However, the jump observed in the prices of apartments purchased in Haredi society in 2022 is not noticeable in the non-Haredi Jewish society. A possible reason for this may stem from the deeply rooted Haredi convention of purchasing apartments, as described above, compared to the more flexible attitude towards homeownership in Israel's general population. Changes in the prices of housing materials and delays in the planning and construction processes of new apartments have caused informed investors in the general market to reconsider investments in the real estate market, and their hesitation has caused a relative halt in housing prices in general Israeli society.

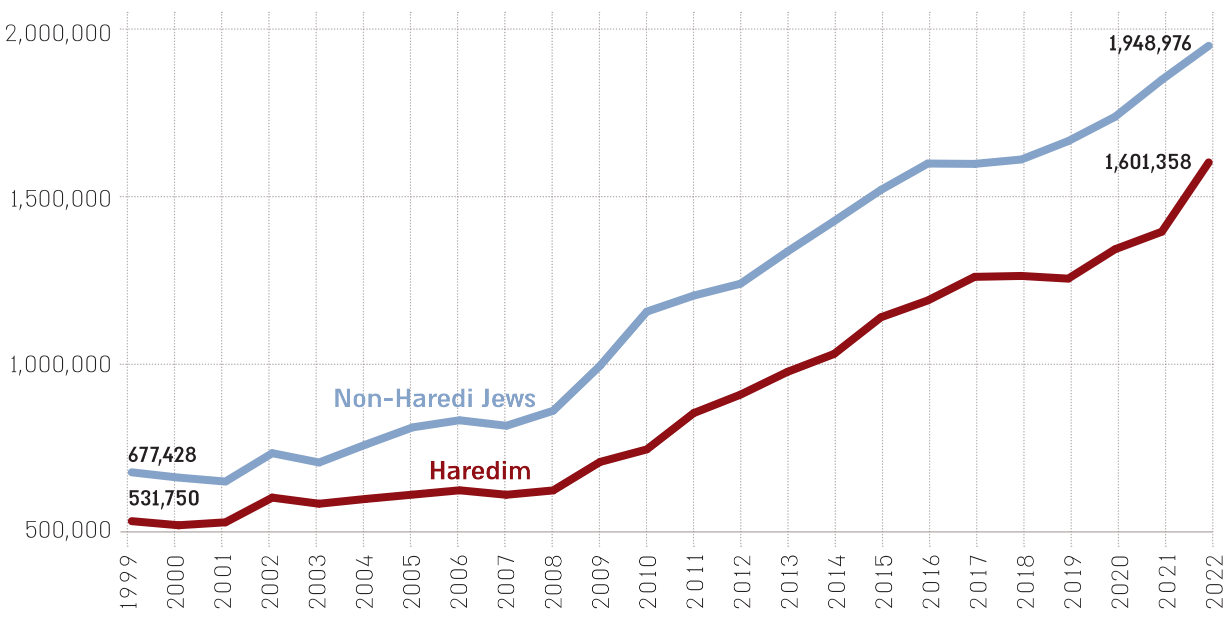
However, as a broad trend, it is evident that in the past two decades the price gaps between apartments purchased by Haredim and apartments purchased by non-Haredi Jews have widened. Yet the ratio between the average prices in each sector has remained relatively stable over time (with the exception of slight fluctuations), at about 75%. In the past year, this gap has narrowed for the first time in about a decade, and the ratio between the average prices of all apartments has risen to about 82%.

The fairly high increase in the prices of apartments purchased by Haredim is likely causing a decline in the Haredi homeownership rate, as observed in previous charts. This may stem from the growing difficulty for Haredim to find cheap apartments in their communities, which tend to be in high-demand areas.

An examination of long-term trends shows that between 1999 and 2022, the average price of a Haredi apartment increased by 201%, and among non-Haredi Jews, there was a slightly lower increase of about 190%. In other words, in both groups, the average price of an apartment has tripled over the past 23 years.

Figure 27

Average apartment price at purchase, by sector, in NIS, 1999-2022



Source: Haredi Institute for Public Affairs' Adaptations of Administrative Data

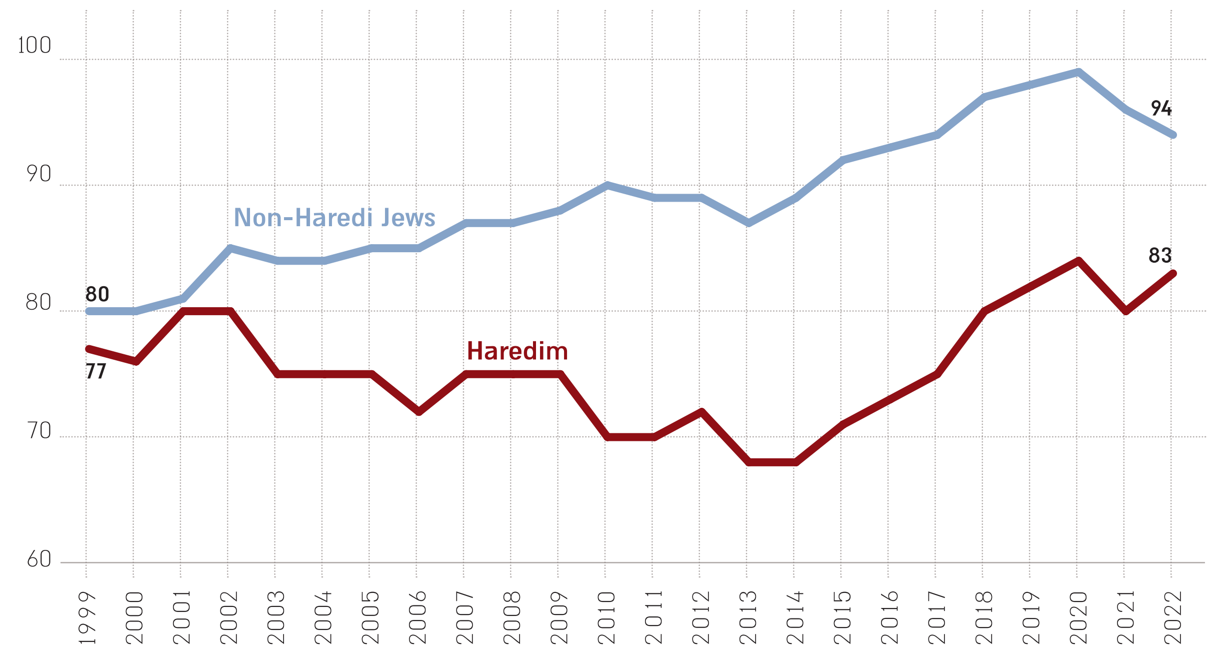
Apartment Size

The price of a purchased apartment is affected, among other things, by its size, therefore, the size of purchased apartments is another major factor in the gap between average home prices in different sectors. The median area of apartments purchased by Haredim in 2022 was eighty-three square meters, much lower than that of non-Haredi Jews, which was ninety-four square meters—an average difference of eleven square meters. However, the median gap in apartment area between these two groups was about sixteen square meters in 2021, and its narrowing may also explain the narrowing of the price gaps in 2022.

In the years 1999-2002, the areas of apartments purchased by non-Haredi Jews were larger than the areas purchased by Haredim. According to the data, until 2002 the gap was negligible, as sizes of purchased apartments were similar. Over time, the area of apartments purchased by non-Haredi Jews gradually increased, while the area of apartments purchased by Haredim gradually decreased from about eighty square meters in 2002 to about sixty-eight square meters in 2014. Beginning in 2015, there was an increase in the area of apartments purchased by Haredim. This caused the gap with non-Haredi Jews, which peaked at twenty-one square meters, to gradually narrow, and by 2022 stood at eleven square meters, bringing the gap in apartment sizes to a point similar to 2005.

Figure 28

Median apartment size by sector and year of purchase, in square meters, 1999-2022



Source: Haredi Institute for Public Affairs Adaptations of Administrative Data

Number of Rooms

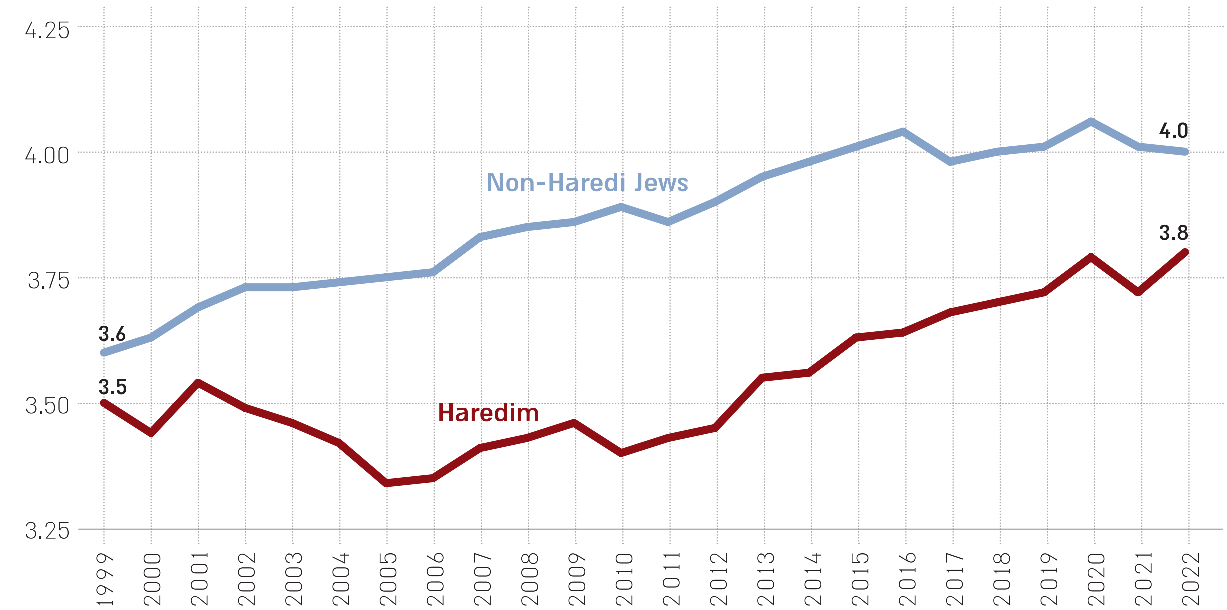
In accordance with the smaller apartment area for Haredi buyers, the average number of rooms in Haredi apartments is also smaller than the average number in non-Haredi Jewish apartments.

In 2022, the average number of rooms in apartments purchased by Haredim was 3.77, compared to 3.95 for non-Haredi Jews. Although it seems that this gap is not particularly large, considering the average number of people in the Haredi household, which is much higher than the average number of people in the non-Haredi Jewish household, it can be concluded that Haredim who live in apartments they purchased live more densely than non-Haredi Jews.

In the early 2000s, the gap in the number of rooms in purchased apartments was slightly smaller. Beginning in 2004, the gap widened slightly and remained stable until 2016. It began to narrow again in 2017–2018, and in 2022, the gap narrowed significantly and returned to a situation similar to the early 2000s.

Figure 29

Average number of rooms per apartment and year of purchase, by sector, 1999-2022



Source: Haredi Institute for Public Affairs Adaptations of Administrative Data

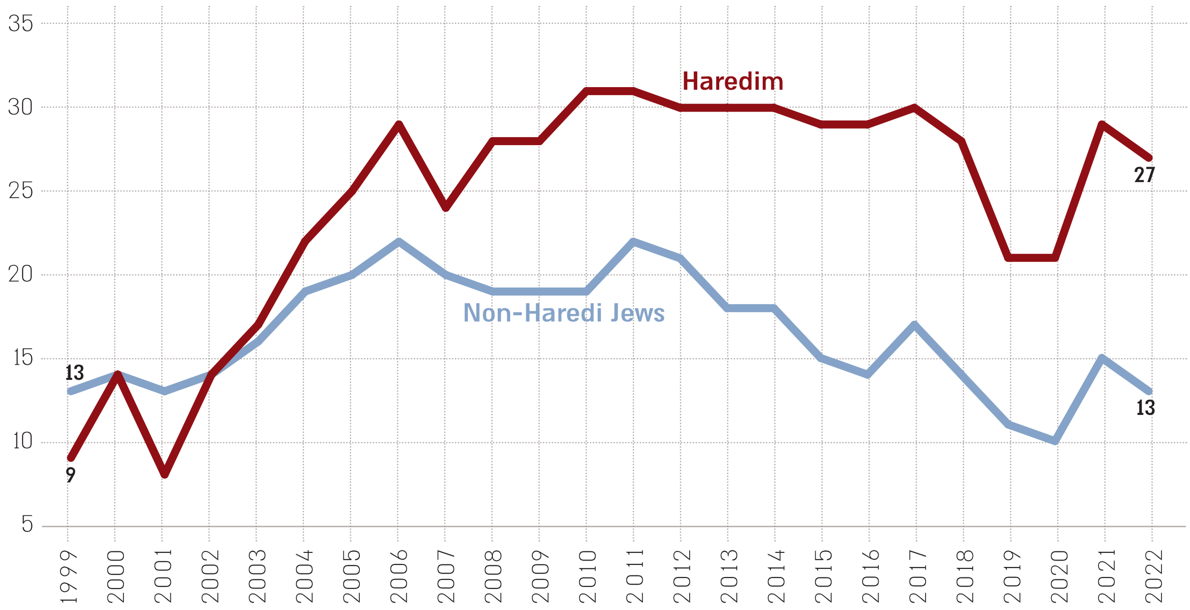
Apartment Age

Another factor that may help to understand the gap between the prices of apartments purchased by Haredi Jews and those purchased by non-Haredi Jews is the age of the apartments. The median age of an apartment purchased by Haredim in 2022 was twenty-seven years, as opposed to thirteen for non-Haredi Jews. In other words, in 2022 the apartments purchased by Haredim were twice as old as the apartments purchased by non-Haredi Jews.

Gaps were not observable at the beginning of this century. In the years 2002-2004, the ages of the purchased apartments were very similar between the two groups. Therefore, it seems that one of the ways for the Haredi population to deal with rising apartment prices is to purchase old apartments.

Figure 30

Median apartment age, by sector and year of purchase, 1999-2022



Source: Haredi Institute for Public Affairs Adaptations of Administrative Data

Location

Another core aspect affecting the price of purchased apartments is location. One of the ways Haredim cope with the rapid rise in housing prices, as well as their limited financial means, is to purchase apartments in low-demand areas. Figure 31 shows the changes in Haredi homeownership rates in several regions of Israel between 1999-2002 and 2019-2022. In some areas, there has been a decline in Haredi homeownership rates, while others experienced an increase.

The data indicates a decline in the rate of Haredim purchasing apartments in Israel's central region and Tel Aviv District. In the early 2000s (1999-2002), the most popular location of home purchases for Haredim was the central region and Tel Aviv district (where the Haredi population center of Bnei Brak is located), about 36% of all apartments purchased by Haredim. Over the past two decades, however, the rate of Haredi purchases in those regions has fallen to only 20%, likely due to a significant rise in prices there, as well as a growing supply of cheaper apartments elsewhere.

Coinciding with the decline in purchases by Haredim in the central region and Tel Aviv district is a marked movement of Haredi buyers from the central region to Israel's northern and southern periphery. Between 1999 and 2002, about 81% of apartments purchased by Haredim were in the northern, southern, and Haifa districts. Two decades later, between 2019-2022, the proportion was doubled to 41%.

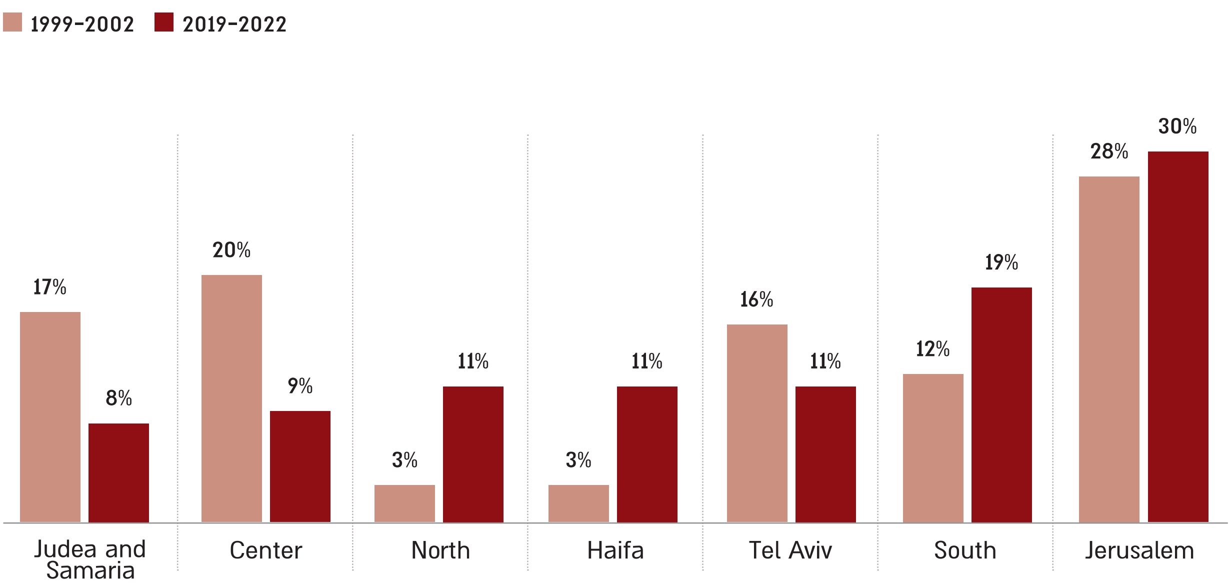
Haredi homeownership is also declining in the Judea and Samaria District. Between 1999 and 2002, they contained about 17% of apartments purchased by Haredim, dropping to 8% in 2019-2022. This decline is attributed to the utilization of land reserves in Haredi cities within the district, such as Modi'in Illit and Beitar Illit, and to their rapid increase in residents over the past decade.

Unlike in the other districts, the Haredi homeownership rate in the Jerusalem District remained fairly stable in the two measured periods and even increased slightly. The rate of apartments purchased in the Jerusalem District is about 30% of total purchases. This is due to the fact that the city is a spiritual and cultural center for the Haredi population. Despite the increase in apartment prices, its importance has kept it attractive for buying apartments. In addition, the population of Haredi apartment buyers in the city features a large number of foreign residents whose financial ability is much higher than that of other Haredi groups. Although Jerusalem has suffered from significant negative immigration of Haredi residents over the past decade, as presented in the demography chapter, many of those who left migrated to the nearby city of Beit Shemesh, still within the Jerusalem District.

The city of Beit Shemesh and its suburbs have become an attractive destination for housing developers from Jerusalem and even the central region due to a construction boom in the area, and because prices in Beit Shemesh's suburbs were much lower than those of Beit Shemesh itself. The Beit Shemesh boom explains the stability of Haredi housing purchases in the Jerusalem District, since Haredim who purchased apartments in Jerusalem in the past along with buyers from other areas moved to buying in nearby satellite towns, stabilizing the district's share of Haredi apartment buyers.

Figure 31

Distribution of home purchases by Haredim by district and period



Source: Haredi Institute for Public Affairs adaptations of Administrative Data

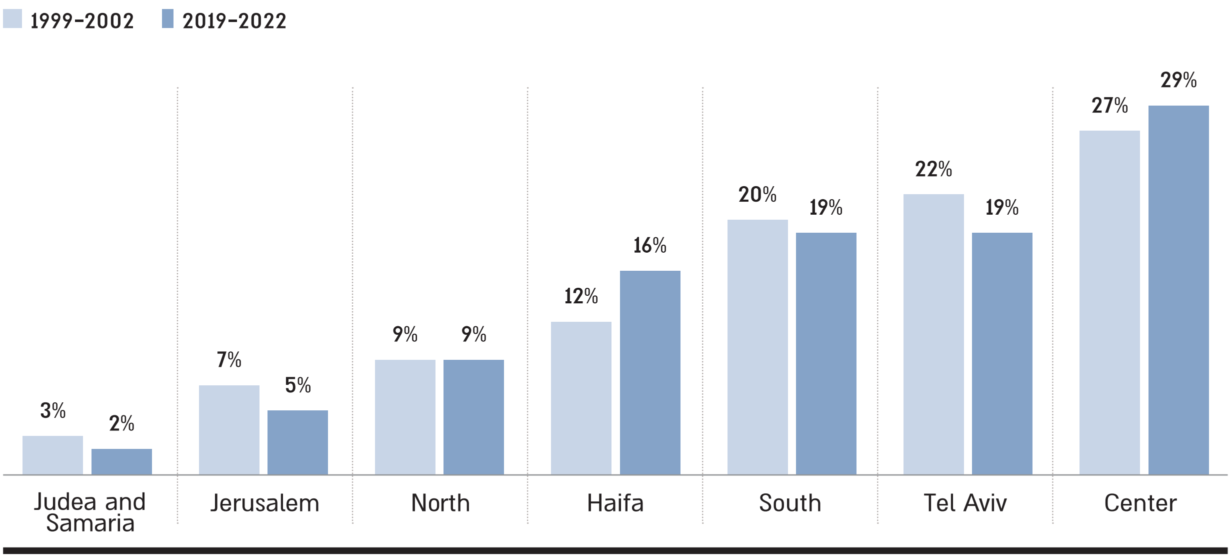
Trends in the distribution of purchased apartments among non-Haredi Jews have been completely different. First, between 1999 and 2022, there were no extensive changes in the distribution between the various districts. Throughout the period, the Central District was the most popular area for non-Haredi Jews to purchase apartments, and the rate even increased slightly: from 27% at the beginning of the period to 29% at its end.

In contrast, the rate of non-Haredi Jewish home buyers in the Tel Aviv, southern, and Jerusalem districts decreased slightly, while the Haifa District recorded an impressive increase: from 12% of all homes purchased by non-Haredi Jews in 1999-2002, to 16% in 2019-2022.

The relative stability in the geographical distribution of home purchases among non-Haredi Jews indicates that the housing choices of the general public have been less affected by economic constraints, which have led to rising home prices. It also indicates that, compared to Haredim, the general sector purchases apartments more for residential purposes and less for investment.

Figure 32

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



Source: Haredi Institute for Public Affairs adaptations of Administrative Data

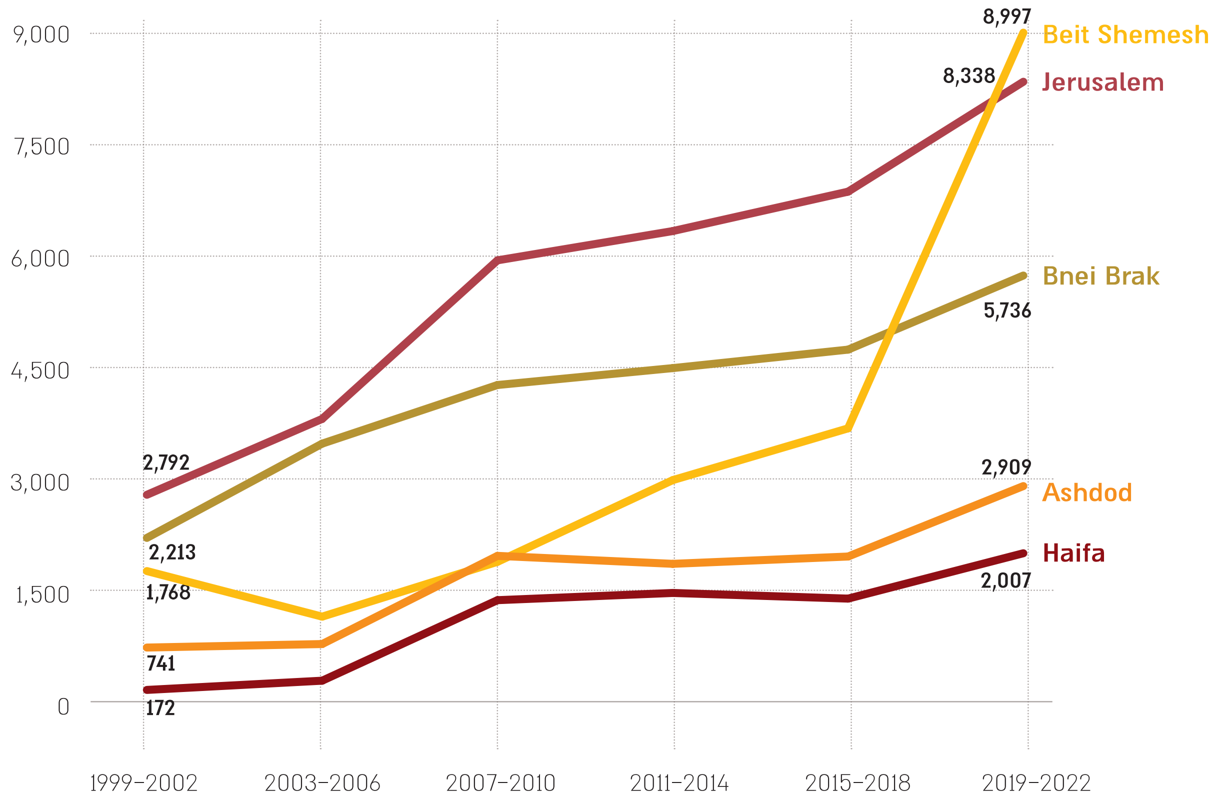
The Haredi population is concentrated in quite a limited number of localities, due to its desire to live in areas with large Haredi communities, and to benefit from existing Haredi educational, religious, and cultural services. A more focused look at the top five cities for Haredim buying apartments—Jerusalem, Beit Shemesh, Bnei Brak, Ashdod, and Haifa—completes the geographic picture presented in the previous charts.

Jerusalem tops the list of cities where Haredim bought apartments: about 2,800 apartments were purchased by Haredim between 1999 and 2002, and in 2019-2022, about 8,400. Beit Shemesh, another leader, experienced a sharp rise in apartments purchased during those years: in 2019-2022, about 9,000 apartments were purchased in Beit Shemesh, even more than in Jerusalem. Such a trend in Beit Shemesh purchases indicates changes in the characteristics of the population that currently lives in the city, and those that will live there in the coming years. This trend also suggests the importance of reviewing Beit Shemesh's planning processes for education, transportation, commerce, and more. Finally, the surge may be an important explanatory factor in several of the trends described in previous charts, such as the jumps in apartment prices and age of the apartments.

Bnei Brak has seen a more moderate, though still significant, increase over time in Haredi apartment purchases, from 2,200 in 1999-2002 to 5,700 in 2019-2022. Ashdod is also witnessing an upward trend, and ranks fourth in Haredi home purchases. Between 1999 and 2022, the number of Haredi home purchases in the city quadrupled: from 740 apartments in 1999-2002 to 2,900 in 2019-2022.

Figure 33

Number of apartments purchased by Haredim in the 5 top target areas, 1999-2022



Source: Haredi Institute for Public Affairs Adaptations of Administrative Data

The city of Haifa has a surprising element to its rate of Haredi home purchases. Haifa is the fifth most common location for Haredi apartment purchases in 2019-2022, with about 2,000 apartments. Compared to only 170 apartments in 1999-2002, this is an increase of over 1,000%, a finding which is consistent with the Figure above describing the rise in Haredi Haifa District purchases. A significant portion of recent Haredi apartment purchases in Haifa were intended as investments and rented out to the non-Haredi public. However, the rate of Haredim living in the city is also trending upward.

Buyer Age

Alongside the differences in apartment characteristics by sector, it is also important to examine the buyers' characteristics.

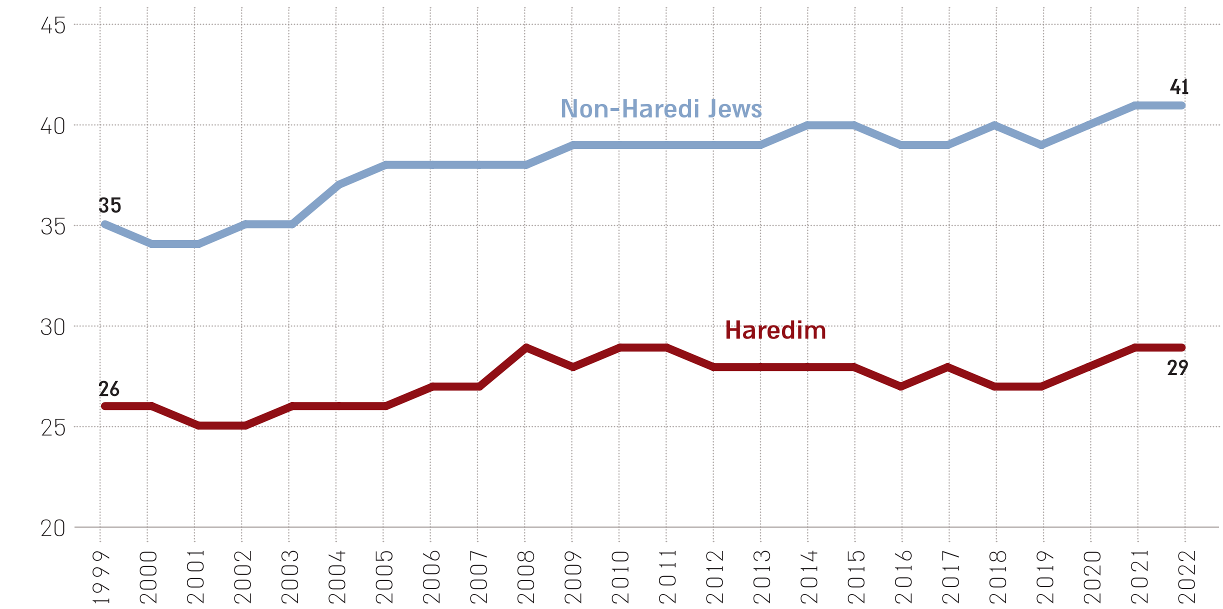
In 2022, the median age for purchasing an apartment among Haredim was 29, whether it was the first apartment or an upgrade, compared to 41 for non-Haredi Jews. This Figure reflects the purchasing patterns characteristic of Haredi society: apartments purchased at a relatively young age, as close as possible to the moment of marriage, in accordance with accepted social norms.

In recent decades, the median age of a Haredi apartment buyer has risen only slightly, from 26 in 1999 to 29 in 2022. Such data indicates that despite the sharp increase in home prices, Haredi society still highly values purchasing an apartment early on. However, the slight increase in purchase age may indicate that young Haredi couples now participate more in home payments than in the past. In this case, there is a certain delay in purchasing until the couple can achieve financial stability in the first few years of marriage.

Housing prices had a greater impact on the age of purchasing an apartment among non-Haredi Jews: the median age for purchasing an apartment was thirty-five years in 1999, compared to forty-one years in 2022—a difference of six years.

Figure 34

Median home buyer age at time of purchase, by sector, 1999-2022



Source: Haredi Institute for Public Affairs Adaptations of Administrative Data

The characteristics of apartments and apartment buyers in localities where Haredi Jews purchased more than 100 apartments in 2021-2022 are summarized in the table below. The highest average price of apartments bought by Haredim in these localities is in Ramat Gan (about NIS 2.3 million), and the lowest is in Dimona (about NIS 440,000). The average price of an apartment in Jerusalem during this period was NIS 2 million, in Bnei Brak about NIS 1.6 million, and in Ashdod and Beit Shemesh about NIS 1.55 million. In Haifa, the fifth most popular location for Haredi buyers, the average price of an apartment was much lower, only about NIS 750,000.

In general, it is once again evident that the rise in housing prices has caused Haredim to purchase in Israel's northern and southern periphery, which are much cheaper than the high-demand areas in the center. As a result, the cities in these areas have become popular locations for Haredi housing purchases. Therefore, the northern region cities of Haifa, Tiberias, Afula, and Safed are at the top of the table, followed by the southern region cities of Be'er Sheva, Ashkelon, and Netivot.

As presented above, the average number of rooms in apartments purchased by Haredim during this period is about 3.7. The differences between the localities are not large: the highest average number of rooms is 4.7 in Givat Ze'ev, and the lowest is three in Haifa.

On the other hand, very large differences between localities were found in the area of apartments. In Givat Ze'ev, about 300 apartments were purchased during this period, with a median area of 119 square meters. In the top five destinations for purchasing apartments in the Haredi sector, Beit Shemesh had the largest apartments, with a median area of ninety-one square meters. In Bnei Brak, the median area was lower at sixty-nine square meters, and in Haifa the smallest at only sixty-one square meters.

The age of apartments purchased in the leading cities is also very diverse. In Beit Shemesh, a city experiencing a very extensive construction boom in recent years, the average age of apartments at the time of purchase is only five years. In Ashdod, the average age of the apartments purchased is twenty-eight years. In Bnei Brak and Jerusalem, the apartments purchased are older, with an average age of thirty-nine and thirty-four years, respectively. The apartments purchased in Haifa are the oldest at fifty-nine years.

As for the age of the buyers, in the five most popular cities for purchasing apartments among Haredim—Beit Shemesh, Jerusalem, Bnei Brak, Ashdod, and Haifa—the median age is about twenty-eight. Apartment buyers in Haifa are the youngest at twenty-six on average and the oldest in Jerusalem at thirty-two on average.

Table 3

Characteristics of Haredi apartments by locality, 2021-2022, 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
Jerusalem	4,782	2,021,753	2,000,000	3.70	76	32	31
Beit Shemesh	3,668	1,540,747	1,529,950	3.76	91	28	5
Bnei Brak	3,238	1,616,674	1,710,000	3.52	69	29	35
Ashdod	1,678	1,554,860	1,520,000	3.73	77	27	25
Haifa	1,163	781,352	758,334	3.02	61	26	54
Afula	831	798,459	745,260	3.76	80	26	28
Modi'in Illit	844	1,622,019	1,695,000	3.70	85	27	12
Tiberias	859	803,328	820,000	3.84	84	27	27
Be'er Sheva	824	811,430	755,000	3.60	72	31	36
Safed	828	918,151	829,953	3.71	76	29	38
Petah Tikva	807	1,627,040	1,650,000	3.79	78	31	39
Beitar Illit	749	1,815,639	1,800,000	4.33	102	31	9
Ashkelon	753	942,785	905,903	3.57	77	30	29
Netivot	682	1,038,885	982,500	4.02	96	30	10
Harish	672	1,254,684	1,250,000	4.26	100	27	1
Kiryat Ata	648	814,118	720,000	3.54	67	30	41
Kiryat Gat	602	996,696	940,000	3.52	70	29	21
Nof HaGalil	471	804,328	820,000	3.52	82	24	10
Elad	469	1,822,869	1,800,000	3.99	81	33	15
Arad	481	710,926	595,000	3.77	68	26	37
Lod	458	1,469,717	1,550,000	3.95	97	28	30
Ofakim	475	810,279	780,000	3.79	83	28	22
Netanya	426	1,893,381	1,807,500	3.98	96	31	28
Kiryat Malachi	406	1,296,288	1,315,895	4.02	95	31	25
Kiryat Yam	375	794,361	777,500	3.09	61.5	31	44

City	Number of apartments purchased	Average price	Median size	Average number of rooms	Median size	Median age	Average age of the apartment
Rekhasim	339	1,229,074	1,300,000	3.82	85	30	21
Dimona	307	501,625	440,000	3.69	75	25	39
Givat Ze'ev	305	2,086,749	2,150,000	4.67	119	32	12
Emanuel	287	995,795	894,000	4.21	102.5	27	12
Carmiel	255	935,434	820,000	3.57	69	26	40
Migdal HaEmek	237	803,623	787,554	4.15	97	30	28
Kiryat Bialik	182	725,945	750,000	3.28	61	31	44
Rehovot	183	1,616,689	1,662,500	3.92	91	33	34
Kiryat Motzkin	147	628,557	705,000	2.90	64	31	42
Ramat Gan	149	2,044,335	2,300,000	3.97	90	36	25
Kochav Yaakov	130	1,393,521	1,350,000	3.97	95	26	14
Hadera	130	1,438,318	1,440,000	4.22	103	34	38
Bat Yam	118	1,891,916	1,690,000	3.24	72	32	37
Rosh HaAyin	117	1,428,528	1,348,324	4.61	120	31	8
Be'er Ya'akov	111	1,501,580	1,370,000	3.95	107	30	6
Holon	111	1,392,989	1,536,500	3.66	70	30	42

Source: The Haredi Institute for Public Affairs' processing of administrative data

03

Employment

Haredi society in Israel is shaped by a distinctive social model known as the "society of learners," in which Torah study is prioritized above all else. A core aspect of this structure is the unique division of roles between Haredi men and women: many men dedicate the majority of their time to Torah study, while women often bear the sole responsibility for financially supporting the family—especially in the early years of marriage and child-rearing.

This social framework has evolved over decades, driven by deeply rooted values and social norms. It is reflected in various aspects of Haredi life, most notably in the Haredi education system (see Education chapter). However, its most pronounced effect is seen in Haredi employment patterns, influencing employment rates, average wages, industry preferences, and other key labor market indicators.

The employment characteristics of Haredi society carry broad economic implications for Israel. Given the rapid growth of the Haredi population, Haredi employment has become one of the most pressing issues in 21st-century Israeli socioeconomic discourse. A combination of external policy measures and internal social and economic pressures has gradually shaped and altered employment patterns within the community.

Over the past few decades, there has been a significant rise in Haredi women's employment, bringing their participation rate close to that of non-Haredi Jewish women. Additionally, more Haredi women have entered diverse professional fields, including high-tech, finance, and healthcare. These changes have been supported by adjustments in the Haredi education and job-training systems. However, despite this progress, wage gaps remain significant between Haredi and non-Haredi Jewish women, both in terms of monthly earnings and hourly wages.

By contrast, these shifts have had a more limited impact on Haredi men. Between 2004 and 2015, the employment rate of Haredi men gradually increased, yet at the same time, the wage gap between Haredi and non-Haredi Jewish men widened. After a six-year period of stagnation (2015–2021), the employment rate of Haredi men began rising again. However, this trend has proven unstable, with a slight decline in the past year—a reflection of the complex challenges involved in integrating Haredi men into Israel's labor market. Meanwhile, wage disparities between Haredi and non-Haredi Jewish men have continued to grow, highlighting the need for a strategic reassessment of Haredi male employment.

This chapter also examines Haredi employment and wage disparities through the lens of geographic location, community affiliation, and age group. The data reveals distinct employment patterns shaped by social, cultural, and geographic factors, illustrating the diverse realities within different segments of Haredi society.

The unique nature of Haredi employment presents both challenges and opportunities. The wide wage gaps between Haredi and non-Haredi Jews require comprehensive and targeted solutions to facilitate the successful integration of young Haredim into the workforce and enhance Israel's economic growth. Moreover, the employment and wage disparities across different sectors of Israeli society call for more focused, data-driven micro-policies and interventions, tailored to the specific needs of Haredi communities, age groups, and geographic locations

Key Findings

54%

The employment rate of Haredi men is significantly lower than the employment rate of Arab Israeli men (75%) and non-Haredi Jewish men (87%)

NIS 10,157

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 20,838, and that of an Arab man is NIS 11,657

80%

The employment rate of Haredi women is very similar to that of non-Haredi Jewish women (82%) and much higher than the employment rate of Arab Israeli women (46%)

NIS 9,496

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 13,400, and the average salary of an Arab woman was NIS 8,032

A Haredi man earns less per hour than a Haredi woman: the average hourly wage of a Haredi man is NIS 66, the average wage of a Haredi woman is NIS 73 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

59%

of the hourly wage of non-Haredi Jewish men. Non-Haredi Jewish men earn an average of NIS 111 per hour, compared with an average of NIS 66 among Haredim

87%

of the hourly wage of non-Haredi Jewish women. Non-Haredi Jewish women earn an average of NIS 84 per hour, compared with an average of NIS 73 among Haredi women

Petach Tikva has the highest average wage of Haredi employees: NIS 12,824 among men and NIS 11,923 among women

Key Trends

Men's Employment

After six years of stagnation and two years of growth, the employment rate of Haredi men declined from 55% in 2023 to 54% in 2024.

Women's Employment

Over the past decade, Haredi women have significantly narrowed the employment gap with non-Haredi Jewish women, reducing it from 10% to just 2%.

Young Men's Employment

The employment growth rate among Haredi men aged 20–24 is the highest of all age groups, tripling from 10% in 2005 to 30% in 2022.

Wage Gaps among men

The wage gap between Haredi and non-Haredi Jewish men has widened over the years. In 2005, the average wage of a Haredi man was about 70% of that of a non-Haredi Jewish man; today, it has dropped to approximately 49%.

Wage Gaps among Women

The wage gap between Haredi and non-Haredi Jewish women has remained stable over the years, both in terms of monthly earnings and hourly wages.

Wage Gaps between Haredi Streams

Since 2005, the wages of Litvak men and women have been consistently higher than those of their Hasidic and Sephardic counterparts.

Employment Rate

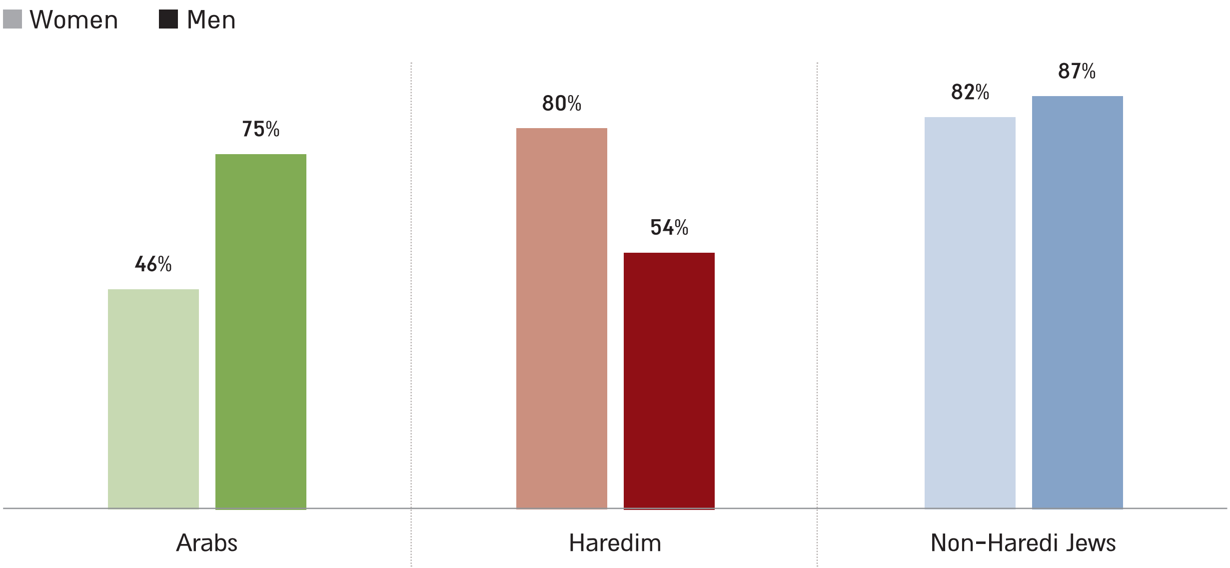
Israel's population consists of groups with diverse cultural, social, and economic backgrounds, and these backgrounds significantly impact patterns of participation in the labor market. Therefore, the employment rates differ between Sectors.

As of 2024, the employment rate of Haredi men is 54%, which is much lower than the employment rate of Arab men, which is 75%, and of non-Haredi Jewish men, which is 87%. In contrast, the employment rate of Haredi women is 80%—very similar to the employment rate of non-Haredi Jewish women, which is 82%, and much higher than the employment rate of Arab women, which is only 46%.

Thus, while the employment rates of men and women among non-Haredi Jews are very similar, among Haredim, the employment rate of women is much higher than that of men. Among Arabs, the gender picture is the opposite, the employment rate of men is much higher than that of women. However, as presented below, in an analysis based on recent administrative data, higher employment rates are apparent among Arab women, and the gaps between them and Arab men are narrowing.

Figure 35

Employment rate by gender and sector, 2024



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

In recent years, social developments and economic pressures have caused changes in the employment rates of certain sectors. The employment rates of Haredi men have remained much lower than those of men from other sectors over the past decade but have trended moderately upward, from 48% in 2014 to 54% in 2024. The gradual increase appears to result from a combination of two factors: A) efforts by government officials, philanthropists, and other organizations to foster Haredi employment and B) increasing economic pressure on Haredim due to the rise in interest rates, among other things. Compared to 2023, there was a slight decline in the employment rate of Haredi men, from 55% to 54%, likely due to two core factors in the past year.

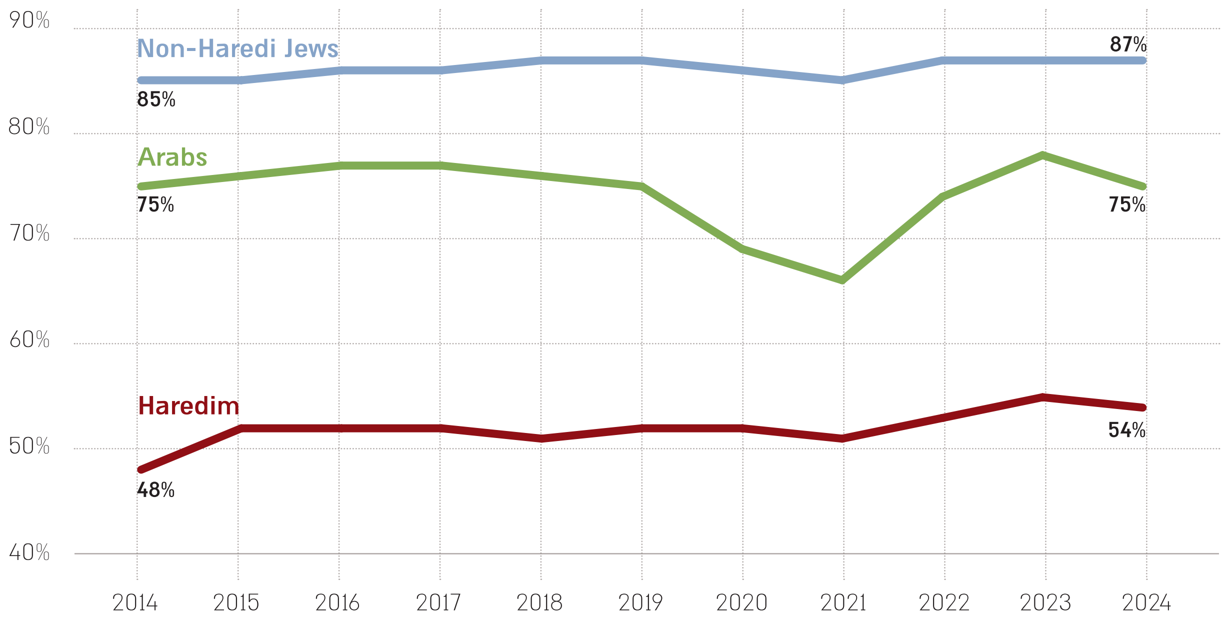
First is the economic effects of Israel's current security situation, and the Swords of Iron War: 2024 is shaping up to be one of the worst years for the economy in Israeli history, featuring a credit rating downgrade, negative economic growth, crisis in the high-tech industry, and more. Such an economic recession had an early and immediate impact on vulnerable populations, causing uneducated Haredim and those in junior positions to be excluded from the labor market.

The second factor is the draft law, a potential law that, if passed, will enforce drafting Haredim into Israel's army, something highly unpopular in the Haredi community. The law featured strongly in public discourse in 2024 due to the war, with many advocating for drafting Haredim from the workforce (Haredim have primarily avoided the draft through exemptions given to students studying Torah in religious institutions). Such a stipulation may have encouraged many young Haredim to avoid working and remain in Torah study over the last year to avoid being potentially drafted. Additionally, the focus on drafting the working population may have led some groups of employed Haredim to shift to unofficial or unreported employment.

Among non-Haredi Jews, the employment rate has remained fairly stable over the years, ranging between 85% and 87% since 2014. At the beginning of the decade, Arab men's employment rates ranged from 75% to 78% and dropped dramatically to 66% between 2020 and 2021 due to the COVID-19 crisis. This drop was followed by a renewed increase to the highest employment rate measured among Arab men in the past decade, 78%. In the past year, the employment rate of Arab men has begun to decline again, reaching 75%. This decline is apparently due to the effects of the security situation and the tension between Jewish and Arab society over the past year. In many industries where Arab men are employed, such as the construction industry, there has been an appreciable slowdown in the pace of work, resulting in a decline in employment rates.

Figure 36

Men's employment rate by sector, 2014-2024



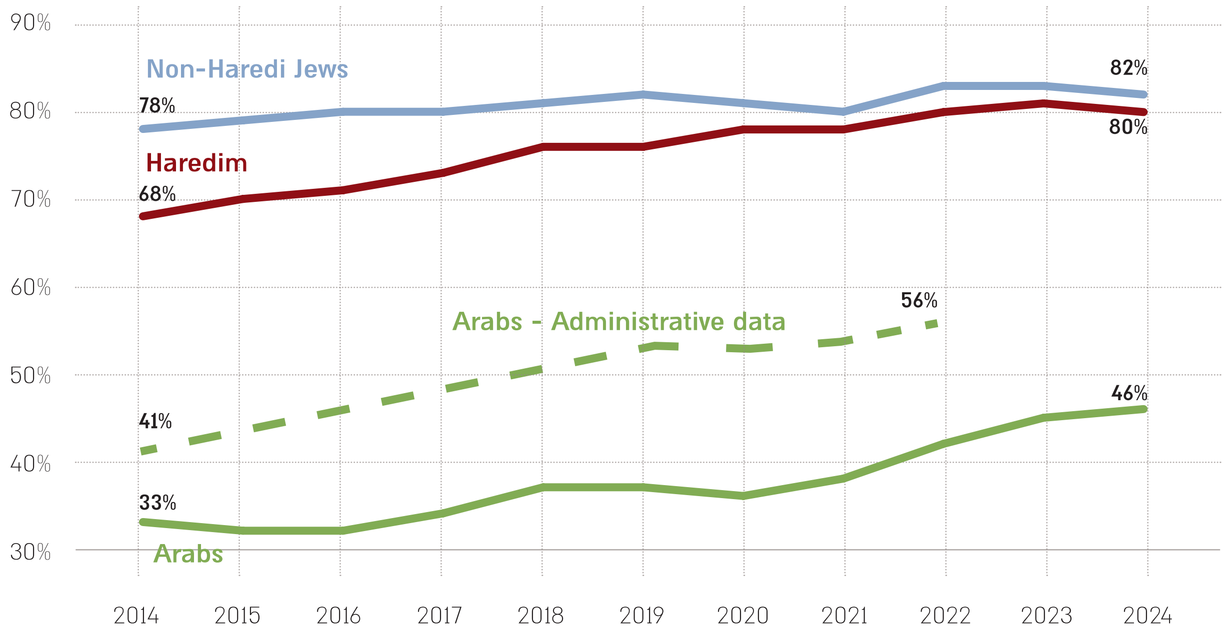
Source: adaptations by the Haredi Institute for Public Affairs to Labor Force Survey Data

Women's employment trends over the years have varied slightly. The employment rate of Haredi women has risen steadily from 68% in 2014 to 80% in 2024 due to ongoing government processes and increasing economic pressure on Haredim. Since 2020, the employment rate of Haredi women has become very similar to that of non-Haredi Jewish women. Over the past decade, the gap in employment rates between them has narrowed from 10% to only about 2%. Among Arab women, there has also been a significant increase in the employment rate in recent years, from 33% in 2014 to 45% in 2023.

In the past year, there has been a slight decline in the employment rate of Haredi women as well as of non-Haredi Jewish women, apparently due to the security situation and the Swords of Iron War. The enlistment of large amounts of Israeli men for long reserve duty tours and the security deterioration in Israel's north and south have caused instability in the education system in Israel's periphery and have made it challenging for women to maintain employment stability, especially mothers of young children.

Figure 37

Women's employment rate by sector, 2014-2024



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

Average Wage

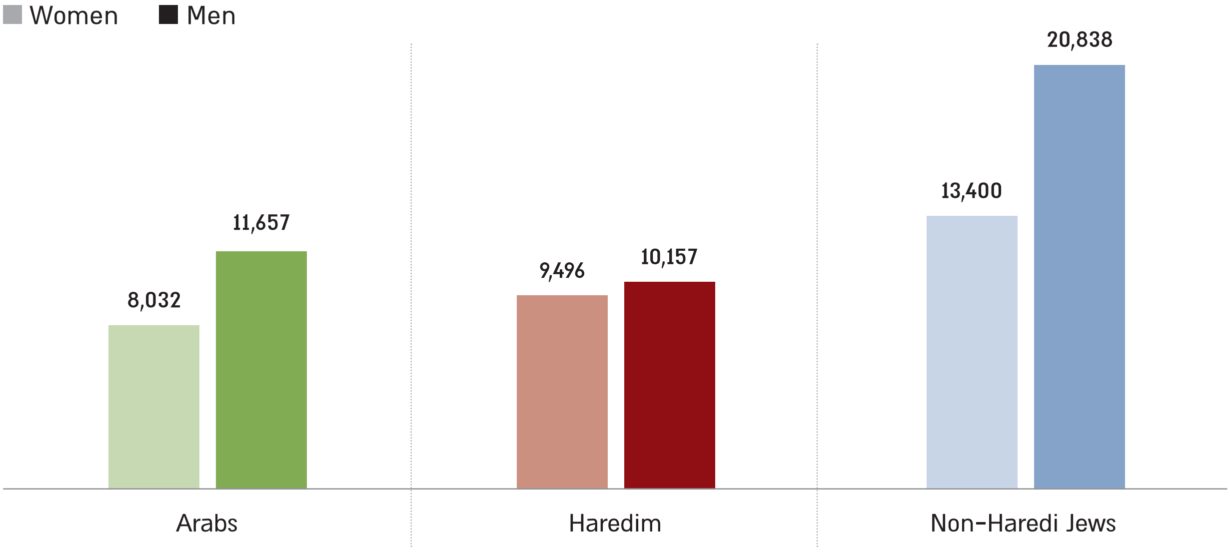
In addition to the differences in the employment rates between Israel's sectors, there are also differences in wage characteristics. The wage gaps between sectors are even larger than the employment gaps.

The average wage of a Haredi man in 2022 was NIS 10,157, which is only about 49% of the wage of a non-Haredi Jewish man (NIS 20,838 on average) and about 87% of the average wage of an Arab man (NIS 11,657). These wage gaps stem from several economic and social realities. First and foremost, most Haredi men do not hold vocational training certificates, nor do they have higher education. Such a lack is a barrier to entry for professions in high-productivity industries. It restricts Haredi men's employment opportunities, leading them to integrate into professions and positions with fairly low wages. In addition, due to the life trajectory of Haredi men, which is intended towards a life of Torah study exclusively, a significant proportion of Haredi men enter the labor market at a relatively late stage. This late entry harms their accumulation of work experience and earning potential. Finally, many Haredi men obtain employment that suits their lifestyle and skills, such as teaching and other educational jobs. Wages are often much lower in such roles than in more professional and fulfilling positions.

There are also gaps in women's wages, but they are smaller. The average wage of a Haredi woman is NIS 9,496, which is about 71% of the wage of a non-Haredi Jewish woman (NIS 13,400) and about 18% higher than the wage of an Arab woman (NIS 8,032). The wage gaps between women are smaller than the wage gaps between men, reflecting the smaller gaps in education and vocational training between Haredi women and non-Haredi Jewish women. Haredi women enter the labor market even earlier than non-Haredi Jewish women (due to their not being drafted upon reaching the age of compulsory service). However, there are wage gaps between Haredi and non-Haredi Jewish women, usually caused by the tendency among Haredi women towards part-time work and low numbers of weekly work hours, as detailed below. Such a wage gap also stems from the character of training received by Haredi women: most Haredi women acquire vocational training rather than higher education, and many of them acquire training in professions characterized by low wages, such as teaching, administration, social work, and nursing.

Figure 38

Average monthly wages of employees by gender and sector, in gross NIS, 2022



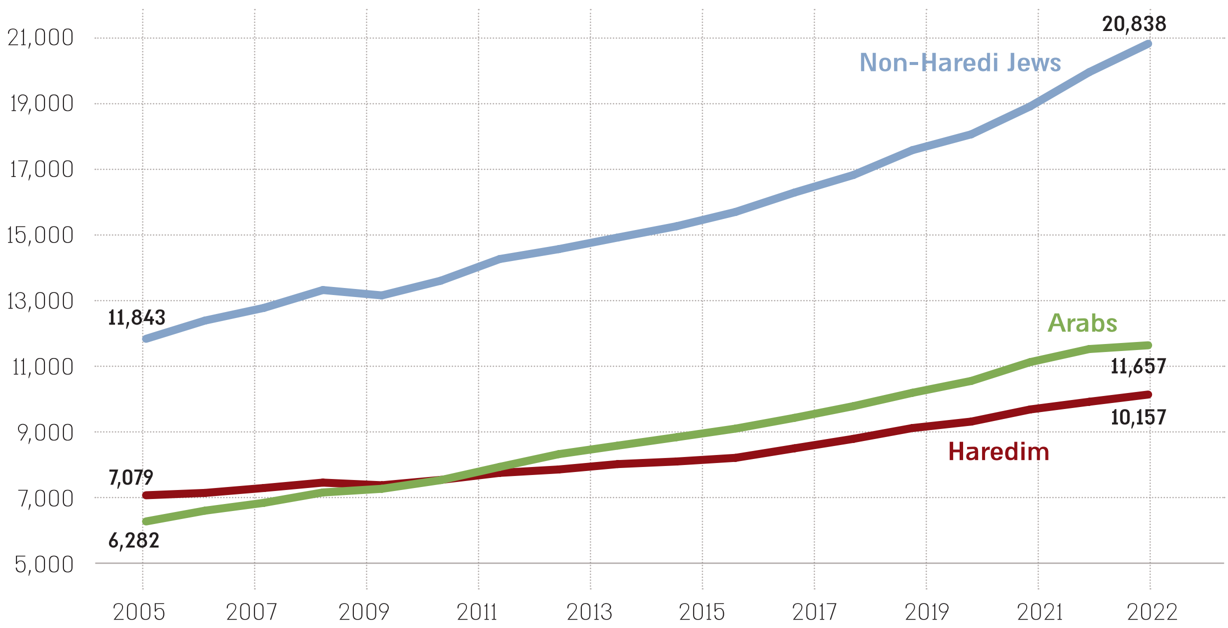
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Examining men's wage trends over the years shows growing gaps between Haredi men and non-Haredi Jewish men. In 2005, the wages of Haredi men were at NIS 7,079, and in the past decade and a half they have risen by about 43% (in nominal terms). In contrast, the wages of non-Haredi Jewish men increased by about 76% during this period. The wages of Arab men were lower than those of Haredi men in 2005 (NIS 6,282). However, a growth of about 86% caused the Arab average wage to overtake the Haredi wage starting in 2011. In other words, the wages of Haredi men have risen at the slowest pace in the past decade and a half, and therefore, wage gaps between them and non-Haredi Jewish men have widened, and wage gaps between them and Arab men have also grown.

The widening wage gap between Haredi and non-Haredi Jewish men is apparently due to the growth of Israeli industries and professions that offer high-productivity employment, including technological, financial, and engineering professions. Such professions require advanced skills and higher education. Haredi men, most of whom lack basic formal professional training, find it challenging to integrate into these professions and remain in low-productivity industries, causing wage gaps to grow.

Figure 39

Average monthly wages of male employees by sector, in gross NIS, 2005-2022



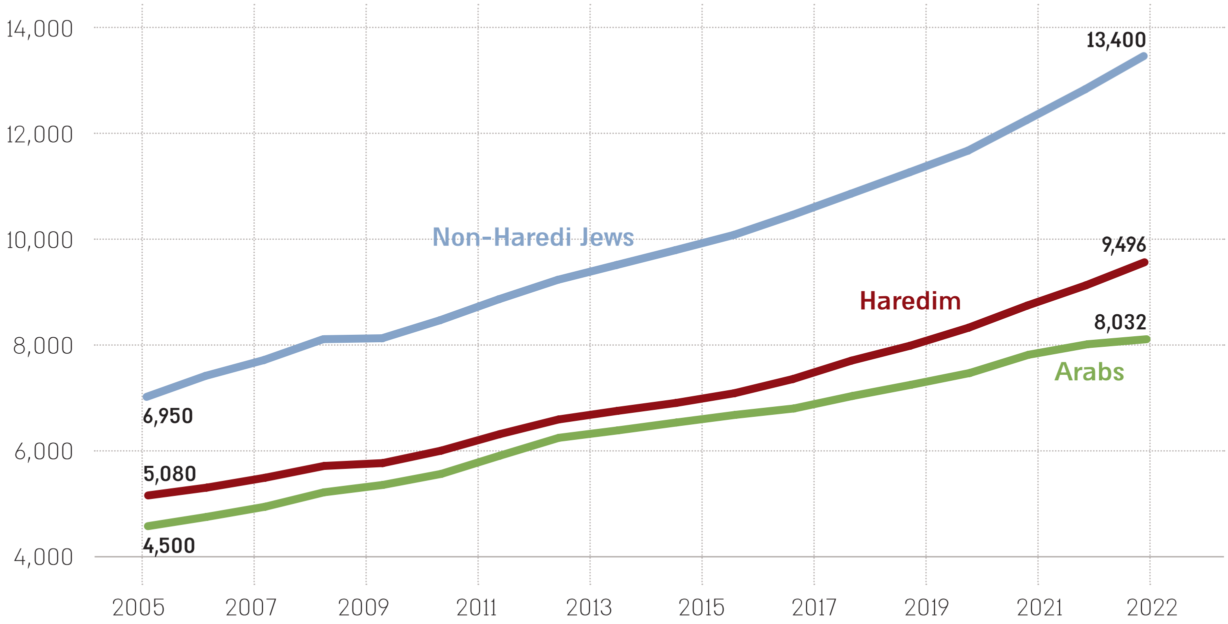
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

In contrast, wage trends between sectors are more similar among women. In 2005, the average wage of a Haredi woman was NIS 5,080, that of a non-Haredi Jewish woman was NIS 6,950, and that of an Arab woman was NIS 4,500. The rate of wage growth in 2005 has been quite similar in all three sectors: by 2022, the wage of a Haredi woman grew by about 87%, the wage of an Arab woman by about 79%, and the wage of a non-Haredi Jewish woman by 93%. As a result, the wage gap between Haredi and non-Haredi Jewish women has widened only slightly. In 2005, the wage of a Haredi woman was about 73% of the wage of a non-Haredi Jewish woman, and in 2022 it was about 71%.

The lack of a significant widening wage gap between Haredi and non-Haredi Jewish women is due to the introduction of high-quality vocational training for Haredi women, which enables them to integrate into more lucrative professions and positions in high-productivity industries, such as high-tech and finance. It is also affected by the growth of higher education among Haredi women. However, it is evident that these impactful developments still have not shrunk the wage gap.

Figure 40

Average monthly wages of female employees by sector, in gross NIS, 2005-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

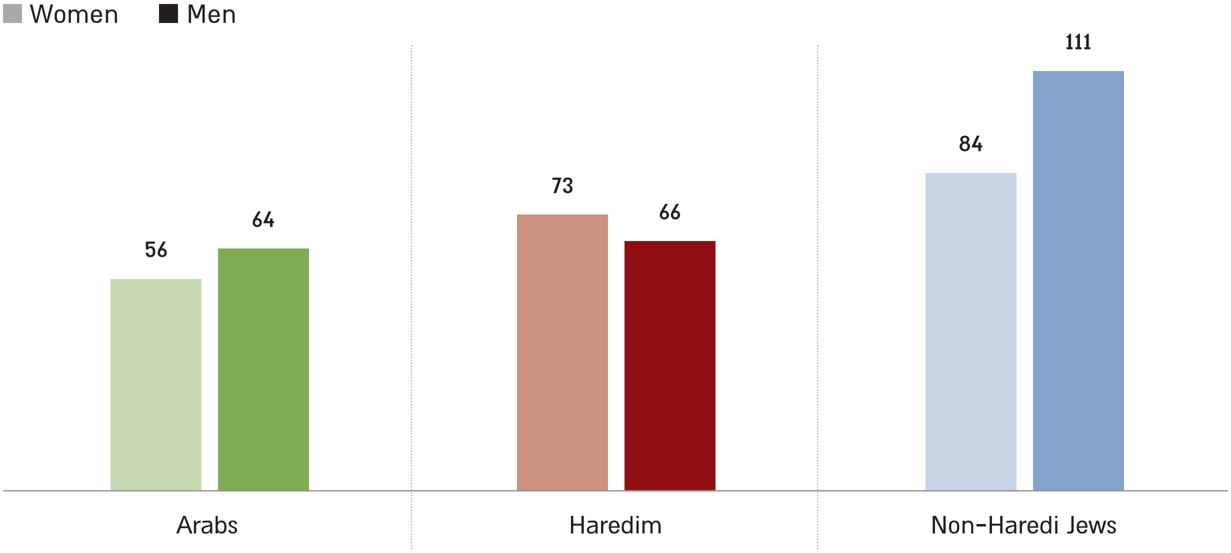
Similar to the monthly wage, there are large gaps between sectors and genders regarding hourly wages. In 2022, the hourly wage of a Haredi man was NIS 66, lower than the NIS 73 of a Haredi woman. This unique feature of the Haredi economy can be attributed, among other things, to the significant increase in the proportion of female Haredi college degree holders in recent years and the entry of many Haredi women into jobs in high-productivity industries.

However, there is still a gap in the hourly wage between Haredi and non-Haredi Jewish women: the hourly wage of Haredi women is about 86% of the NIS 84 earned per hour by non-Haredi Jewish women. For the most part, the monthly wage gap between Haredi women and non-Haredi Jewish women is explained by differences in working hours and by the fact that Haredi women work part-time. Such a claim is partially valid. However, the hourly wage gap indicates the existence of additional reasons for the monthly wage gap, including the human capital invested in Haredi women, their level of training, and their integration into industries and positions characterized by high wages. The hourly wage of Arab women is the lowest among employed women, at NIS 56 per hour, about 25% lower than the hourly wage of Haredi women.

The average hourly wage of non-Haredi Jewish men is NIS 111, 68% higher than that of Haredi men. Similar to the monthly wage gap, this figure highlights the gap in training and knowledge and the low ability of Haredi men to integrate into high-productivity industries and positions in the Israeli economy. The average hourly wage of Arab men is very similar to that of Haredi men, at NIS 64 (a gap of only about 3%).

Figure 41

Average hourly wages of employees by gender and sector, in gross NIS, 2022



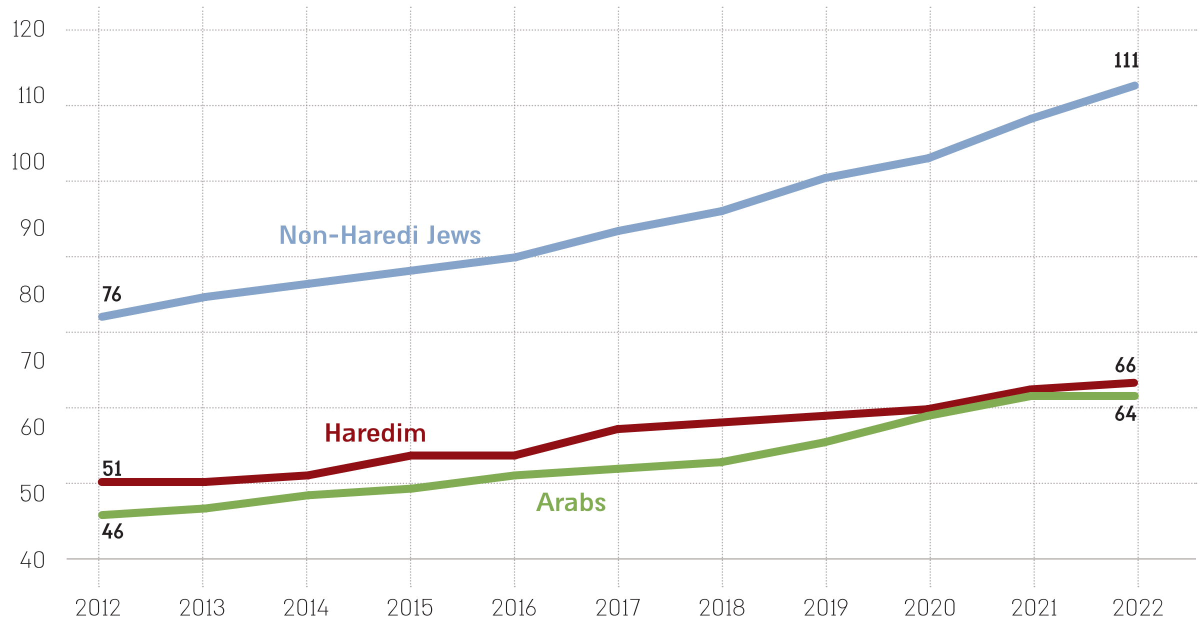
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

The widening wage gaps between Haredi and non-Haredi Jewish men are also evident in hourly wage trends between 2012 and 2022. There was an increase of about 46% in hourly wages among non-Haredi Jewish men during this period, from about NIS 76 to NIS 111. Among Arab men there was a more moderate increase of about 39%, from about NIS 47 to NIS 64. However, among Haredi men the average hourly wage rose by only 30% during the same period, from about NIS 51 to about NIS 66.

The slow increase in the hourly wages of Haredi men, similar to the slow increase in their monthly wages, also indicates a human capital gap, making it difficult for them to integrate into high-paying jobs and industries that have become increasingly sought-after in recent years and which require skills and higher education.

Figure 42

Average hourly wages of male employees by sector, in gross NIS, 2012-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data and Labor Force Surveys

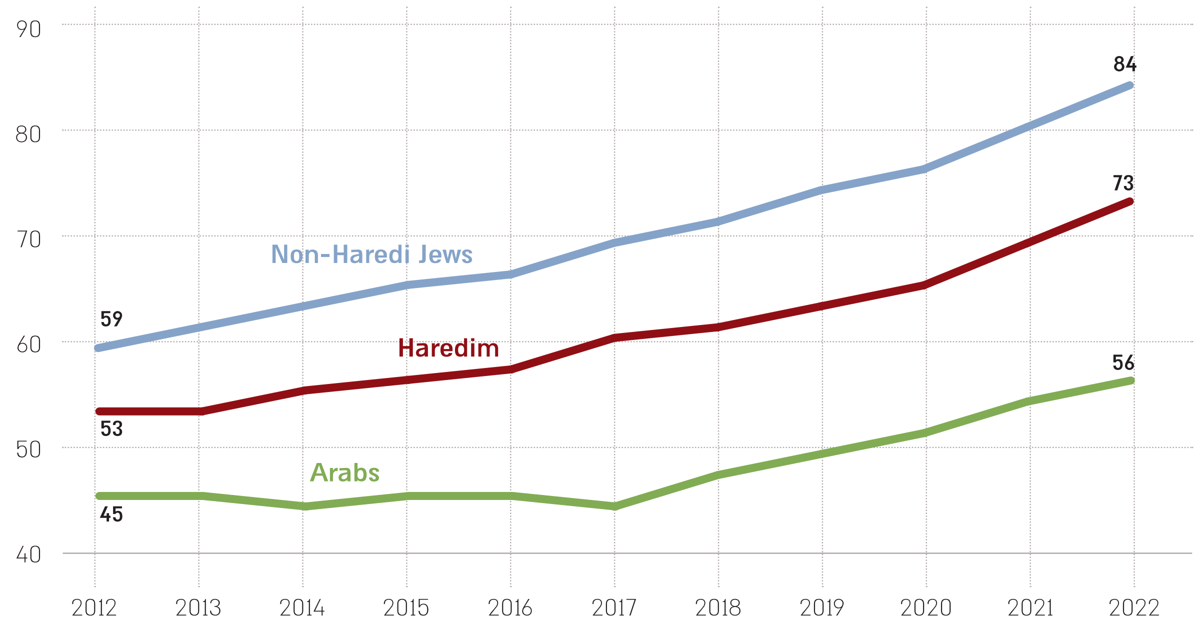
Hourly wage trends among women are similar to those observed in their monthly wages. Among Haredi women, there was an increase of about 37%, from about NIS 53 to about NIS 73. During the same period, the average hourly wage of non-Haredi Jewish women rose at a slightly higher rate, from about NIS 59 to about NIS 84, an increase of 43%. Arab women experienced the smallest increase in hourly wages, about 25%, from NIS 45 to NIS 56.

Due to similar trends in the rate of increase in the hourly wages of Haredi women and non-Haredi Jewish women, the wage gap between Haredi women and non-Haredi Jewish women has widened only slightly: in 2012, the wage of a Haredi woman was about 90% of that of a non-Haredi Jewish woman, and in 2022, it was about 86%.

Similar to monthly wage trends, it is evident that social and economic trends in Haredi society that allow access to advanced vocational training and higher education prevent a significant widening of the wage gap between the two groups, in contrast to the situation among men. However, the inability to narrow the hourly wage gap calls for consideration of additional tools to facilitate its reduction in the coming years.

Figure 43

Average hourly wages of female employees by sector, in gross NIS, 2012-2022



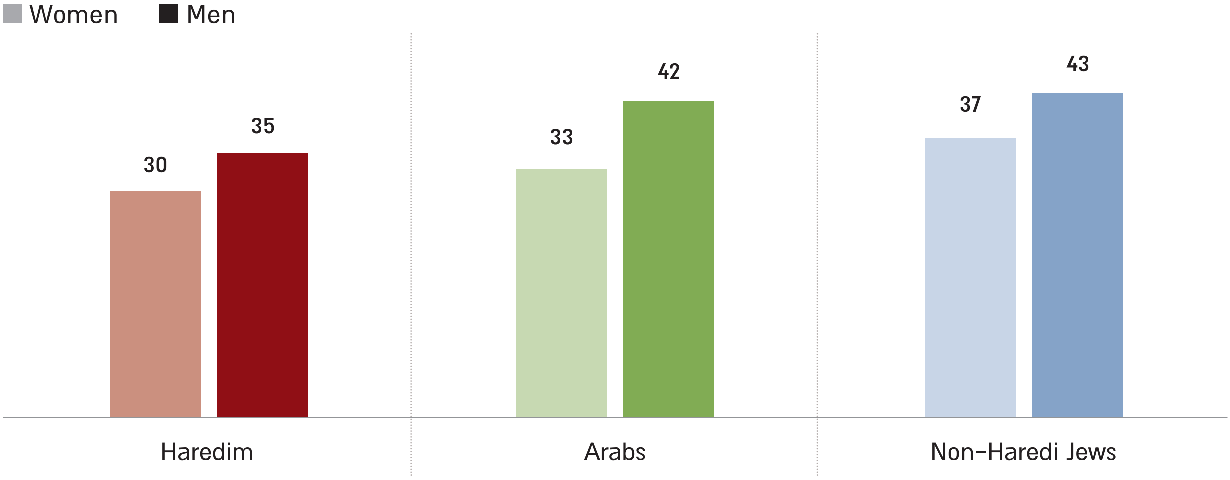
Source: The Haredi Institute for Public Affairs' adaptations of administrative data and Labor Force Surveys

Working Hours

The employment characteristics of sectors are also reflected in the scope of the weekly work hours per sector. The rate of part-time employment in the Haredi sector is the highest among the sectors examined: Haredi women work an average of about 30 hours a week, compared to about 33 hours among Arab women and about 37 hours among non-Haredi Jewish women. Among men, the gaps are even greater: Haredi men work an average of about 35 hours a week, compared to about 42 hours among Arab men and 43 hours among non-Haredi Jewish men. These gaps in the number of weekly working hours are responsible for a significant part of the monthly wage gap between non-Haredi Jews and Haredim, especially among women. Such gaps in hours worked stem from priorities in Haredi life, which compete with working and wage-earning—Torah study for Haredi men and raising a large family for both Haredi men and women.

Figure 44

Weekly work hours of employees by gender and sector, 2022

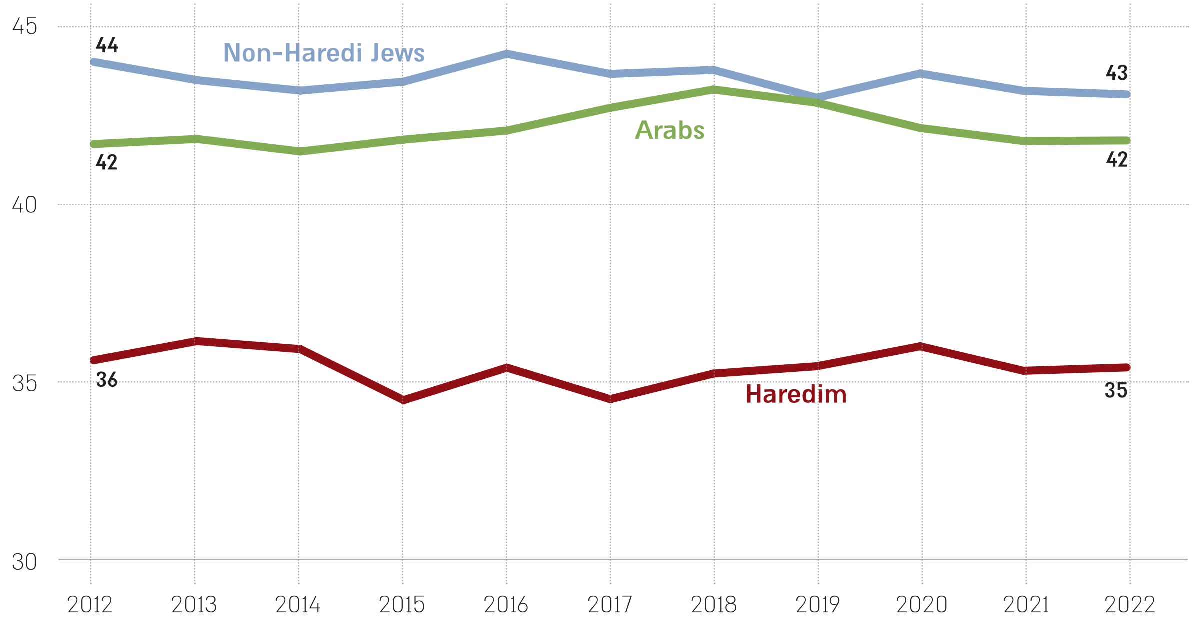


Source: adaptations of the Haredi Institute for Public Affairs for the Labor Force Survey

Over the years, there have been slight changes in the number of weekly work hours of Haredi workers. In 2012-2014, the average working hours of Haredi men were about 36 hours per week. Since 2015, there has been a slight decline in the average number of working hours, stabilizing at about 35 hours per week. During this period, the average working hours of non-Haredi Jewish men ranged from 43 to 44 and of Arab men from 42 to 43.

Figure 45

Weekly work hours of male employees by sector, 2012-2022



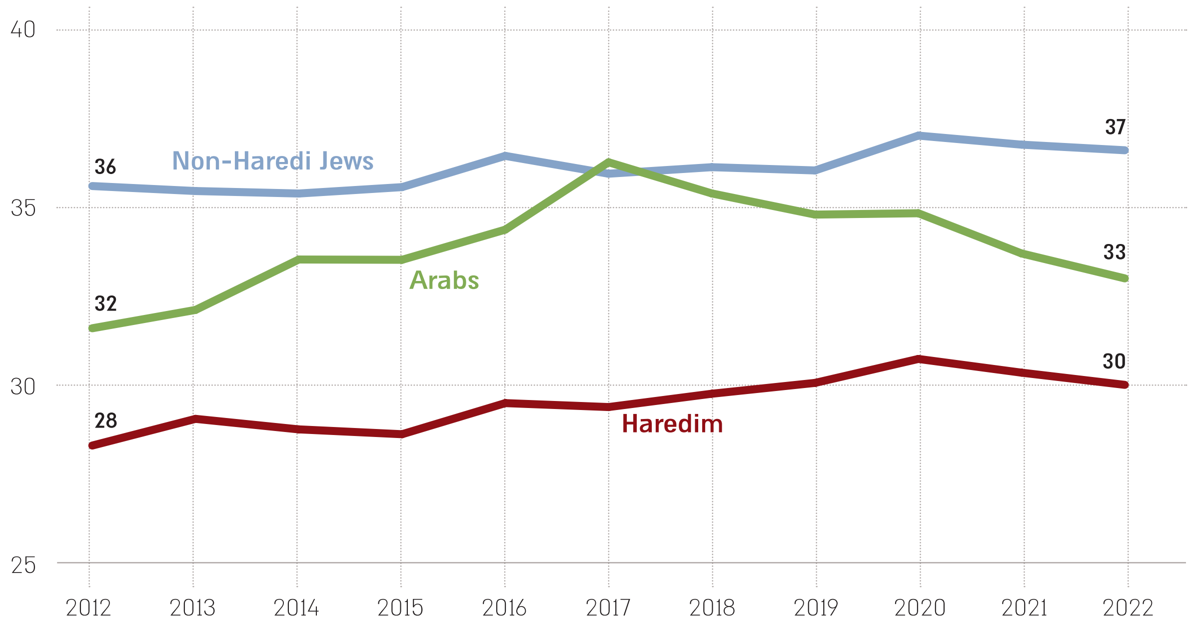
Source: adaptations of the Haredi Institute for Public Affairs to Labor Force Surveys

In contrast, among Haredi women, there has been a slow but consistent increase in weekly working hours over the past decade, from about 28 hours in 2012 to about 30 hours in 2022. Among non-Haredi Jewish women, the number of weekly work hours was stable between 2012 and 2019, averaging 36 hours. Since 2020, non-Haredi Jewish women's working hours have increased to an average of 37 hours per week.

Two opposite trends have been observed among Arab women over the past decade. First, there has been a gradual upward trend in the number of hours worked per week, from about 32 hours in 2012 to about 36 hours in 2017. This increase in the average number of hours worked may be due to the gradual entry of many Arab women into the labor market, initially in part-time jobs and later in more full-time positions.

Figure 46

Weekly work hours of female employees by sector, 2012-2022



Source: adaptations of the Haredi Institute for Public Affairs to Labor Force Surveys

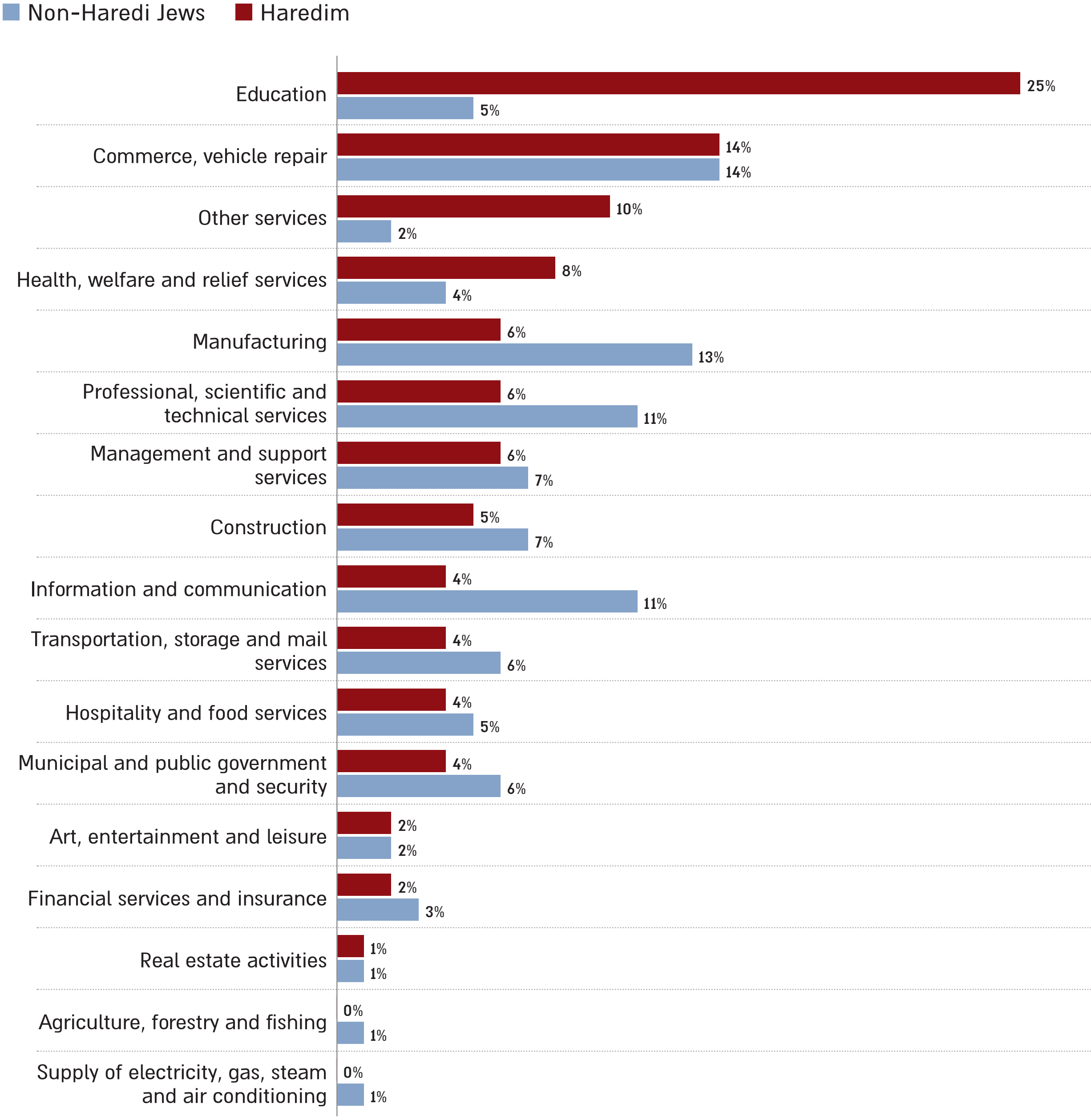
Industry Distribution

The labor market in Israel consists of various industries, each with unique characteristics regarding entry requirements, required skills, employment conditions, work environment, and, of course, the average wage in the sector. Due to these significant differences, the distribution of population groups across industries has a decisive impact on their employment features.

A comparison between industries among men shows that Haredi workers are significantly overrepresented in education: 23% of Haredi men are employed in education, compared to only 5% of non-Haredi Jews. This high representation stems mainly from various educational needs within the Haredi community due to its high birth rate and proportion of children in the society. The high percentage of men employed in this industry also stems from the structure of the Haredi education system, which is gender-segregated and requires men to fill many teaching positions in boys' schools, in contrast to the general education system, where teachers are required mostly regardless of teacher or student gender. On the other hand, Haredi men are underrepresented in occupations characterized by high wages, such as manufacturing, where 13% of non-Haredi Jewish men are employed, compared to 6% of Haredi men; the information and communications industry, where 11% of non-Haredi Jewish men are employed, compared to 4% of Haredi men, and professional, scientific, and technical services, in which 11% of non-Haredi Jewish men are employed, compared to 6% of Haredi men. These industries usually require advanced training and high skills, which men who graduate from the Haredi education system lack, most of whose education focuses on Torah skills and knowledge. Thus, the wage gaps between Haredi and non-Haredi Jewish men stem from, among other things, the difference in the industry distribution of men from each sector.

Figure 47

Industry distribution of male employees by sector, 2022



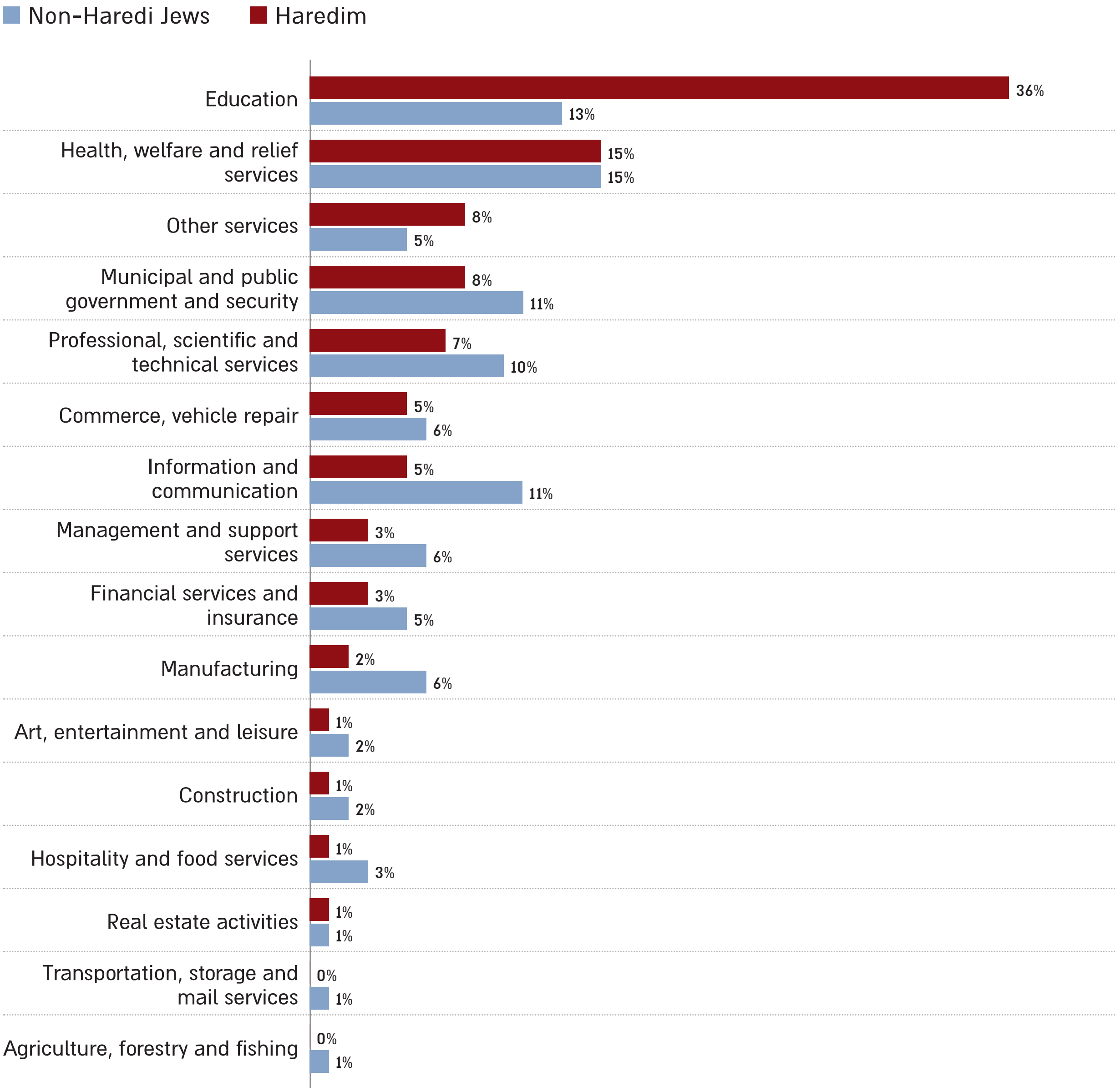
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Haredi women, like Haredi men, are greatly overrepresented in the education industry: 36% of Haredi women are employed in the education industry, compared to 13% of non-Haredi Jewish women. The over-representation of Haredi women in education stems from the higher birth rate in the Haredi population and the unique educational needs of the Haredi education system. In addition, for many years, Haredi society has greatly valued teaching as a career path for women, both because it allows them to work within their communities and because teaching jobs are well-suited for mothers with children in terms of working days and hours. For these reasons, for many decades the Haredi education institutions focused on providing Haredi women with teaching training. This leads to a high percentage of Haredi women being employed in education, even outside the Haredi system.

The industries in which Haredi women are underrepresented are commerce (11% of non-Haredi Jewish women compared to 7% of Haredi women), local and public administration (11% vs. 8%, respectively), and manufacturing (6% vs. 2%, respectively). The wage gaps between Haredi and non-Haredi Jewish women stem, among other things, from the difference in the industry distribution of women from each sector.

Figure 48

Industry distribution of female employees by sector, 2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Average Wage by Industries

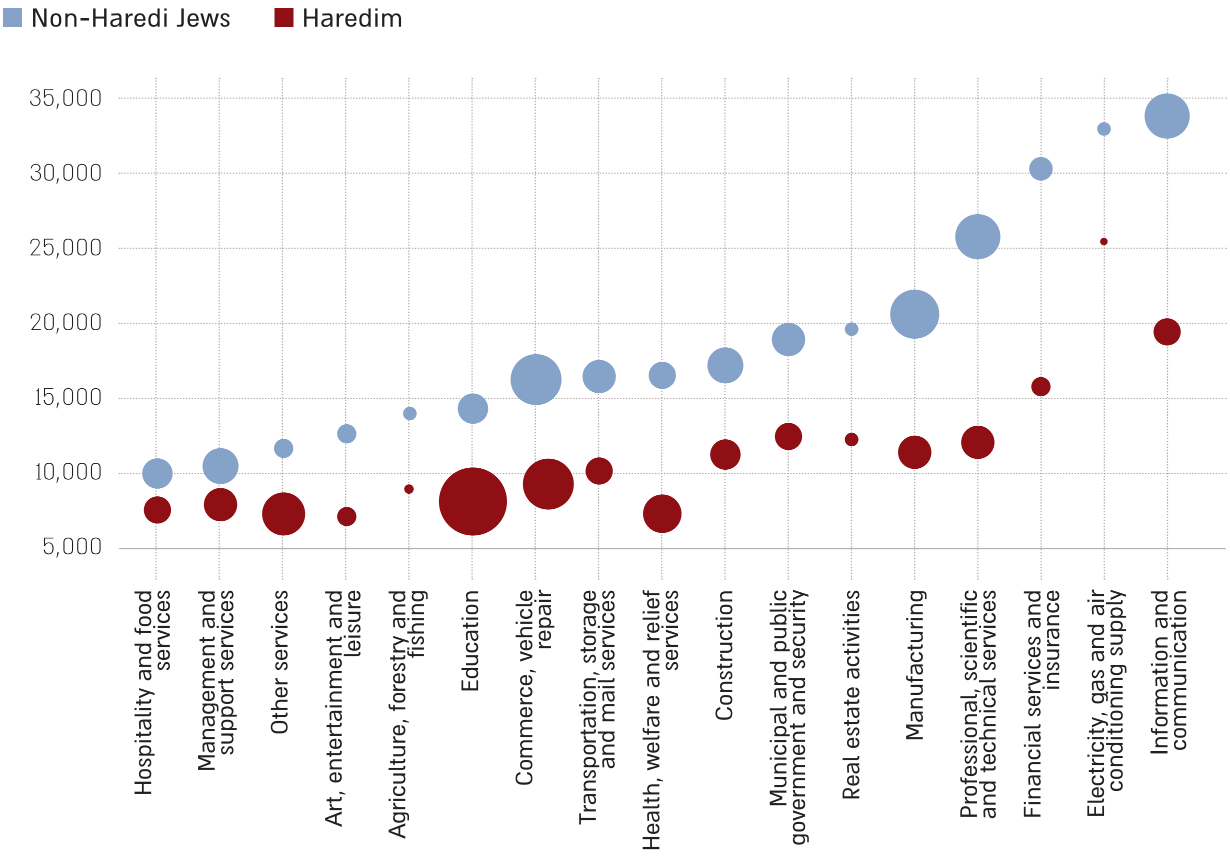
The wage gaps between Haredi and non-Haredi Jews are due, among other things, to the differences in the industries typical of each sector. However, there are also gaps in the average wage among those in the same industry.

In most industries, Haredi men earn an average of up to 60% of the wages of non-Haredi Jewish men. The health industry has the largest wage gap: Haredi men earn only about 44% of the wages of non-Haredi Jewish men employed in health. It is reasonable to assume that this wage gap stems from the positions held by Haredi men, which tend to be more junior—managerial positions or nursing—than those held by non-Haredi Jewish men—medical positions, in which wages are much higher. The food and hospitality industry and the management and support services industry had the lowest wage gaps: the wages of Haredi men in these industries are about 75% of the wages of non-Haredi Jewish men. In the high-tech related industries—the information and communication industry and the professional, scientific, and technical services industry—the wages of Haredi men are about 58% and about 47% (respectively) of non-Haredi Jewish men.

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

Figure 49

Industry distribution and wages of male employees by sector, 2022



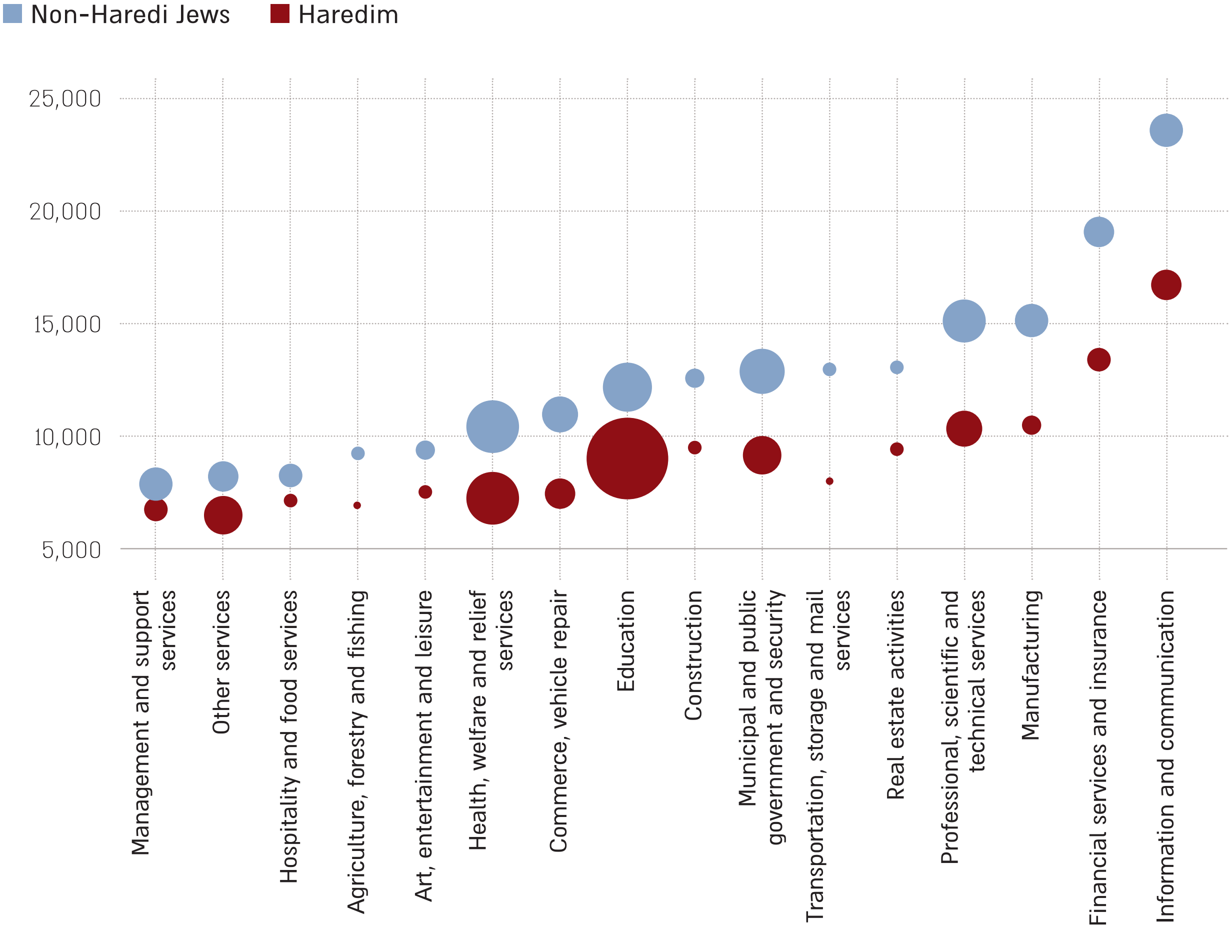
* The size of the circle represents the percentage of employees in the industry among all those employed in each sector.
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Among women, too, large intra-industry differences were found between the wages of Haredi women and non-Haredi women. In all industries, Haredi women earn an average monthly wage that is significantly lower than that of non-Haredi Jewish women. In most industries, the gap reaches about 30%, meaning that Haredi women earn an average of about 70% of the wages of non-Haredi Jewish women.

In the transportation, manufacturing, and commerce industries, the wage gap between the two groups is the largest: Haredi women working in these industries earn about 67% of the wages of non-Haredi Jewish women. The lowest wage gap is found in the hospitality and food services industry, where Haredi women earn close to 90% of the wages of non-Haredi Jewish women. In the high-tech related industries—the information and communications industry and the professional, scientific, and technical services industry—Haredi women earn about 70% of the wages of non-Haredi Jewish women. The sectoral wage gaps reflect existing gaps in human capital between Haredi and non-Haredi Jewish women since Haredi women often do not have the requisite level of training to access senior positions with higher wages. This is compounded by the gap in hours worked, given the female Haredi preference to take part-time or less demanding and rewarding positions to better care for their children and integrate family life.

Figure 50

Industry distribution and wages of female employees by sector, 2022



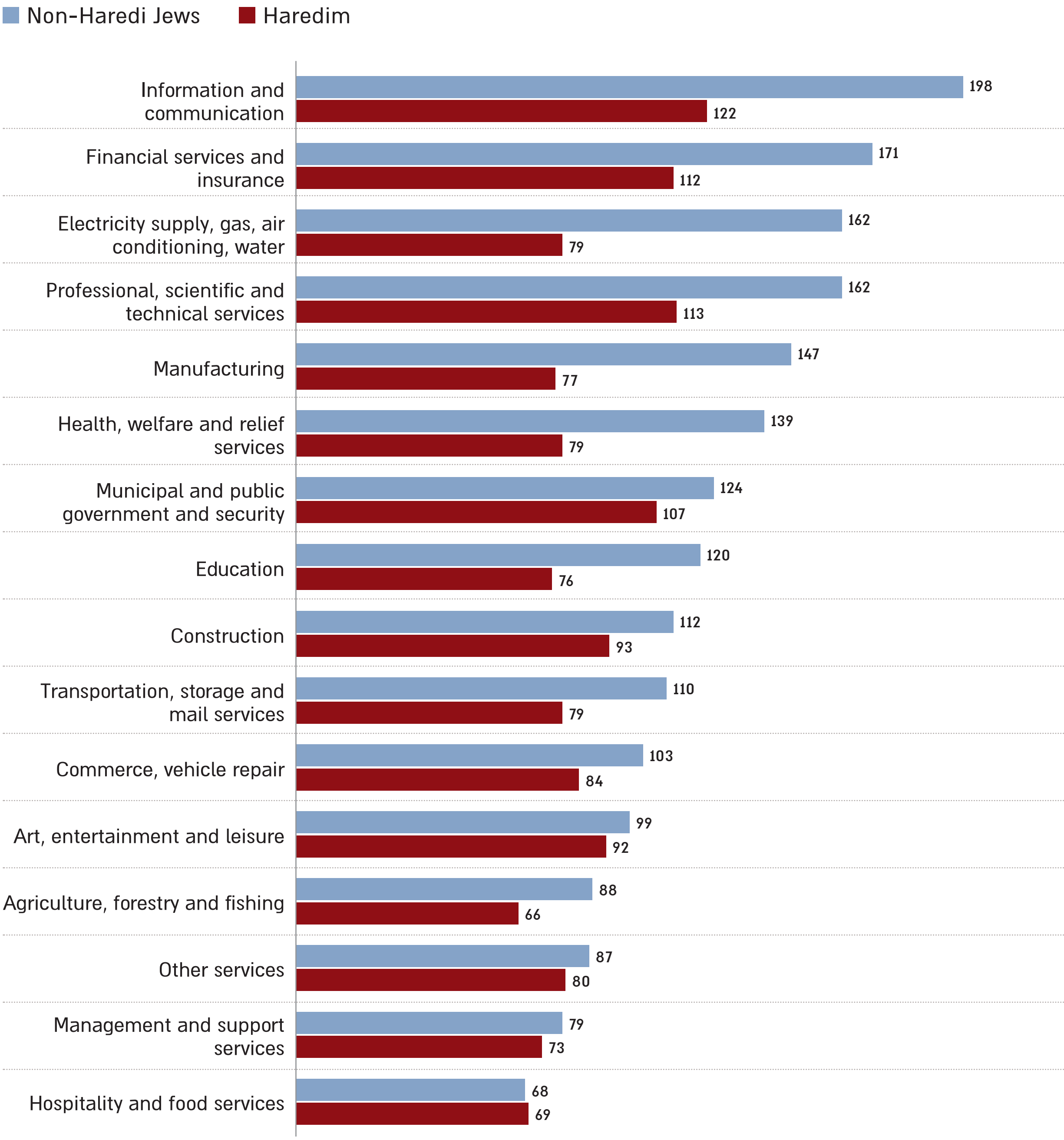
* The size of the circle represents the share of women in a sector employed in the industry.
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Hourly Wage by Industry

Examining the hourly wage gaps between non-Haredi Jews and Haredim in various industries further explains the reasons for the monthly wage gaps. It is evident that in industries characterized by low productivity, the hourly wages of Haredi workers are close to those of non-Haredi Jewish workers, while in industries characterized by high productivity, large gaps appear between the two groups. For example, in the information and communications industry, the hourly wage of non-Haredi Jewish men is about 63% higher than that of Haredi men. In contrast, in hospitality and food services industries, the hourly wage of Haredi men is about 1% higher than that of non-Haredi men. The differences between the (small) wage gaps in industries characterized by low productivity and the large gaps in industries characterized by high productivity are clear evidence of the human capital gaps between the two groups. In knowledge-intensive industries, which require high-quality education and training, Haredim are at a disadvantage, and this results in much lower wages than non-Haredi Jews. In contrast, in industries characterized by low productivity, the effect of training and education is smaller, and therefore, the wage gaps between the groups are smaller.

Figure 51

Average hourly wages of male employees by industry and sector, 2022



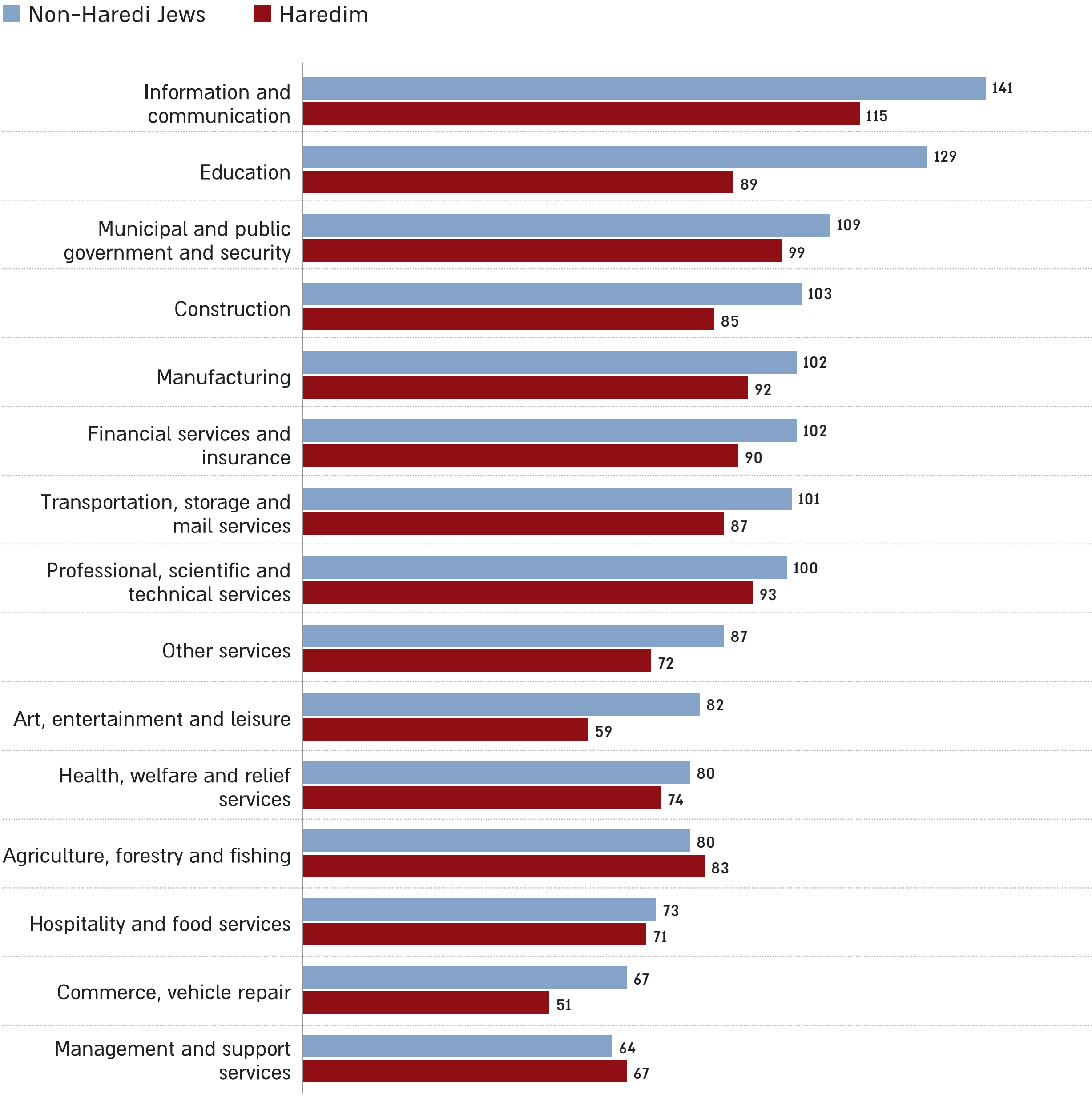
Source: the Haredi Institute for Public Affairs' adaptations to administrative data and the Labor Force Survey

Among women, on the other hand, the picture is quite different. In most industries, the hourly wages of Haredi women are close to those of non-Haredi Jewish women, and large gaps were measured only in the information and communications, financial services, and commerce industries. The fairly large gaps in the information and communications industry and financial services industry are partly explained by the gap in training quality for these professions. Another reason is the tendency of Haredi women to avoid advancing beyond mid-level positions in those industries due to the demanding nature and inflexible working hours of such high-level positions, limiting their ability to raise their families.

In the commerce industry, it is reasonable to assume that the gaps in hourly wages stem largely from the differences between the characteristics of Haredi and non-Haredi businesses. Haredi businesses (which engage in commerce) are usually smaller, employ fewer workers, and appeal to a smaller audience. About 75% of Haredi workers are employed in Haredi-owned businesses, in which the wages of workers are about half the wages of workers in businesses owned by non-Haredi Jews. In other words, most Haredi women in the commerce industry are employed in Haredi-owned businesses. Therefore, their hourly wages are much lower than those of non-Haredi Jewish women employed in this industry. However, it is clear from the graph that in most industries, the wage gap between non-Haredi Jewish women and Haredi women stems mainly from differences in hours worked and not from large gaps in hourly wages.

Figure 52

Average hourly wages of female employees by industry and sector, 2022



Source: adaptations by the Haredi Institute for Public Affairs to Administrative Data and the Labor Force Survey

Employment Rates by Municipality

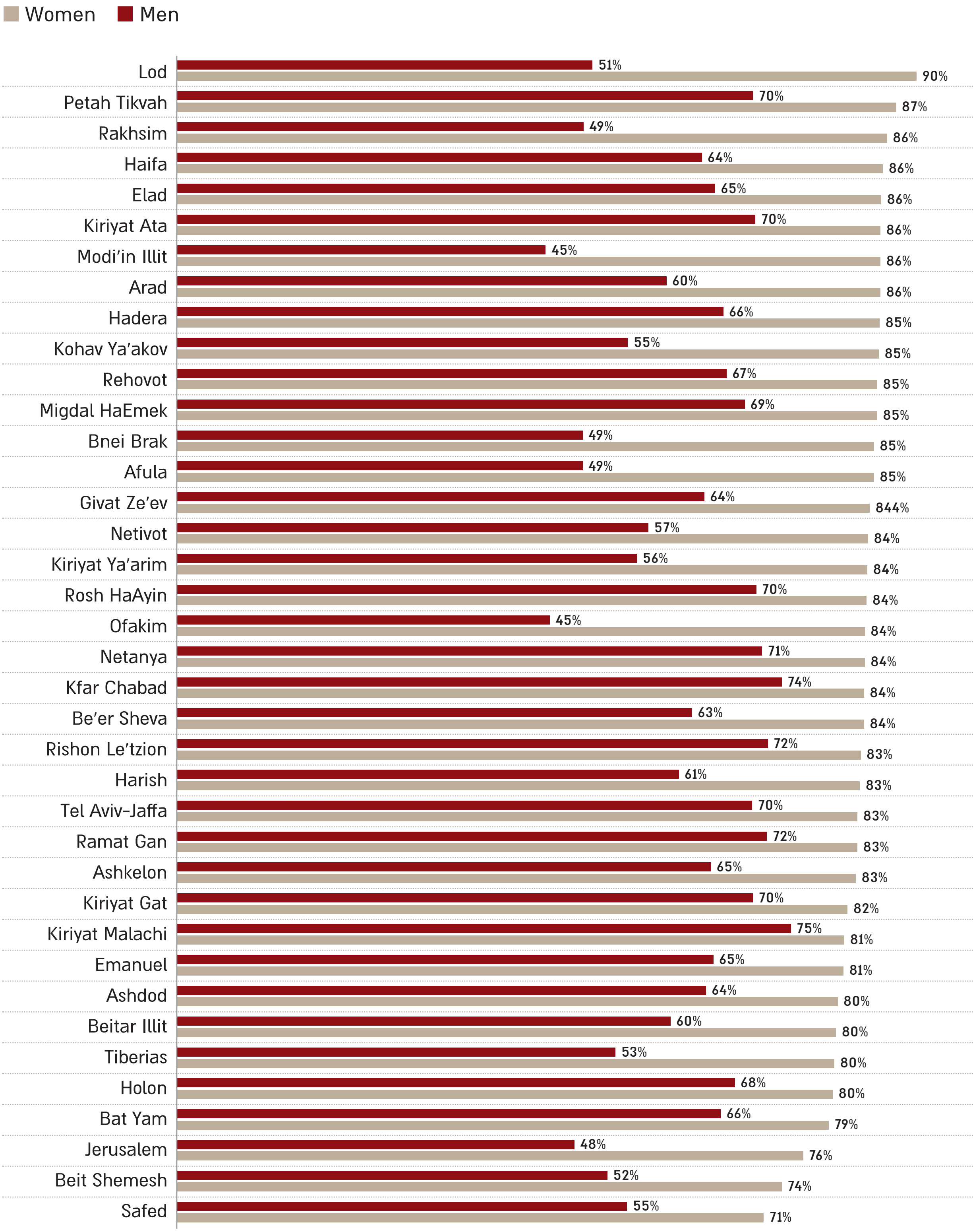
The Haredi community is spread over a variety of municipalities throughout the country. The communities living in different municipalities have different characteristics, which are reflected in many aspects (for example, in the fertility rate and the distribution of Haredi streams in the municipality, as presented in detail in the chapter on demography). The large differences between the characteristics of the Haredi communities in the various municipalities are also reflected in the variations in labor market integration patterns. These differences stem from distinctions in ideological perceptions regarding education and employment and the degree of openness of the communities to labor market integration, the acquisition of professional or higher education, and professional development. Employment opportunities available in different regions of the country also influence the variations in the employment characteristics of the Haredi communities in the various municipalities.

In most municipalities, the employment rate of Haredi women is quite similar, at more than 80%. Of the municipalities where the Haredi population of prime working age (25–64) is more than 500 people, the highest employment rates of Haredi women were recorded in Lod (90%), Petah Tikva (87%), and Rekhasim (86%). The lowest employment rates of Haredi women were registered in Safed (71%), Beit Shemesh (74%) and Jerusalem (76%). These areas are home to Hasidic communities and young couples who come from abroad and live in Israel, usually for a limited period ("chutznikim"). Such communities are characterized by fairly low employment rates for women.

Among Haredi men, the variation between municipalities in employment rates is greater. The highest employment rates of Haredi men were recorded in Kiryat Malachi (75%) and Kfar Chabad (74%). These municipalities are home to Haredim belonging to the Chabad stream, where the employment rates of Haredi men are higher than those of men in other Haredi streams. The lowest employment rates of Haredi men were recorded in Modi'in Illit (45%), Ofakim (45%), and Jerusalem (48%). These municipalities have a relatively high presence of Litvak men from more devout communities characterized by low employment rates for men.

Figure 53

Haredi employment rates by municipality and gender, 2022



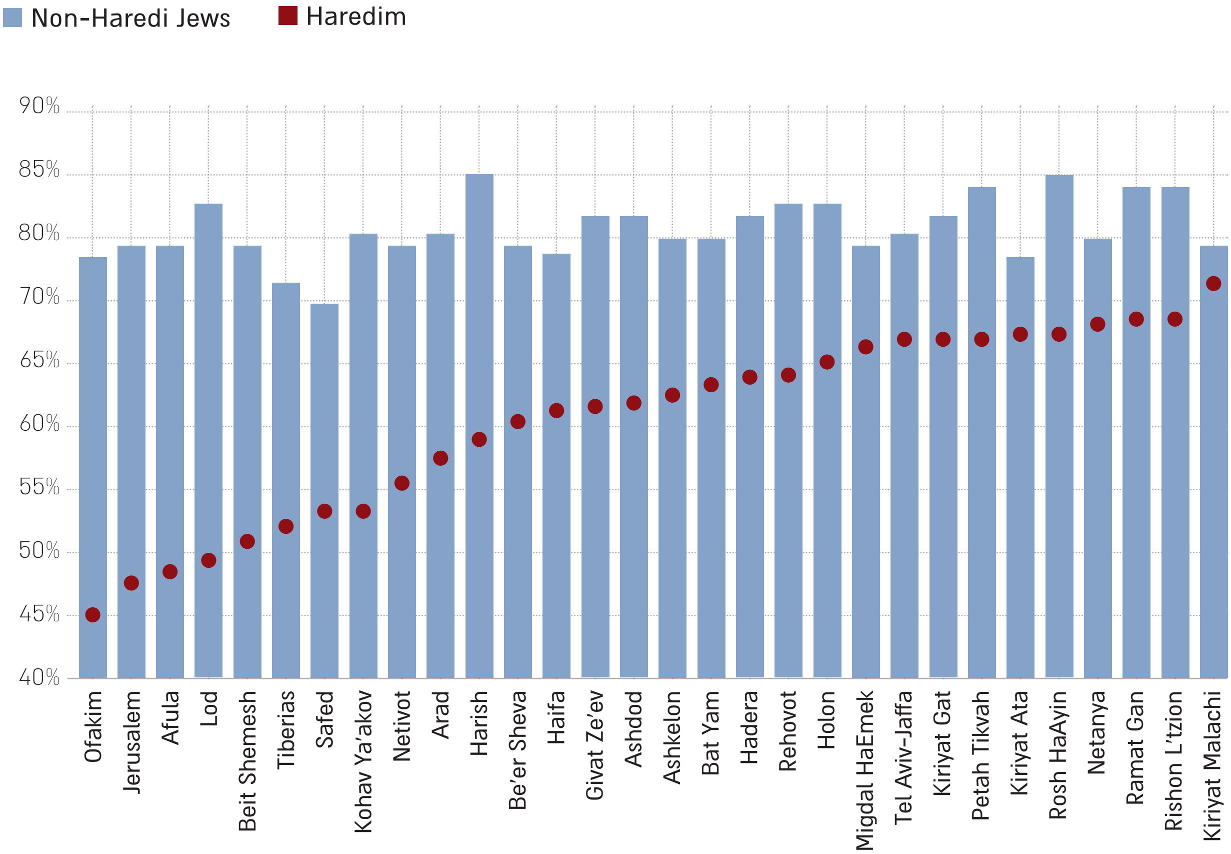
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Since employment rates are also influenced by environmental factors, such as the periphery/center dichotomy or proximity to employment centers, it is interesting to compare the employment rates of Haredi men with those of non-Haredi Jewish men living in the same municipality. The comparison shows that there are local gaps to the detriment of Haredim in all the mixed cities examined. The largest employment gap between Haredi and non-Haredi Jewish men is found in Lod and Ofakim, at about 33%. The smallest employment gap is found in Kiryat Malachi, at about only 4%.

The data also show that in the cities of Safed and Tiberias, the employment rates of both Haredi and non-Haredi Jewish men are lower than their rates in other mixed municipalities.

Figure 54

Men's employment rates in mixed cities by sector and municipality, 2022



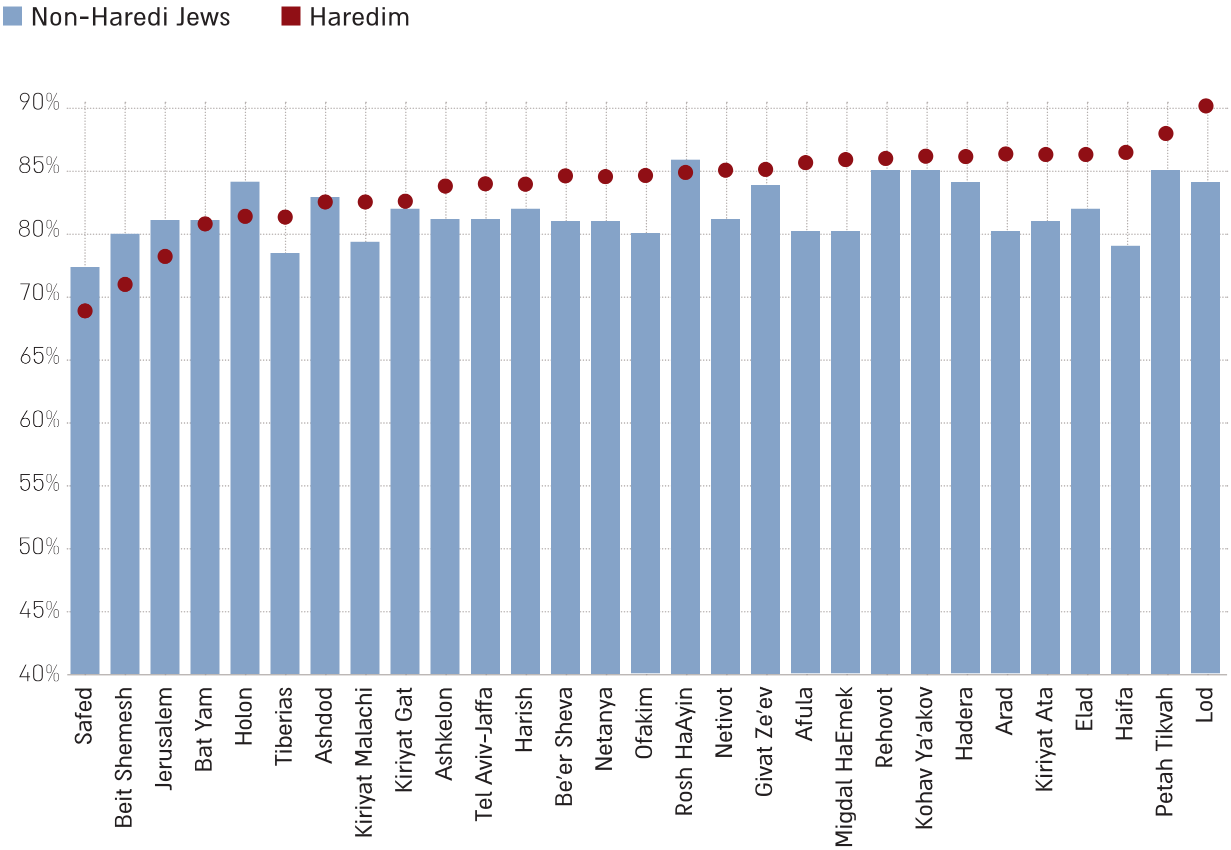
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Among women, the picture is different and even more complex. According to the national employment picture, no large employment gaps were found between Haredi and non-Haredi Jewish women in any municipality. Interestingly, in some municipalities, the employment rates of Haredi women are even higher than those of non-Haredi Jewish women. The largest employment gap between non-Haredi

Jewish and Haredi women was found in Beit Shemesh (about 7%) and in Jerusalem (about 5%). In the cities of Lod, Haifa and Arad, the employment rate of Haredi women is higher than the employment rate of non-Haredi Jewish women by about 6%.

Figure 55

Women's employment rates in mixed cities by sector and municipality, 2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Wage by Municipalities

Similar to the gaps in the employment rates of Haredi women and men found in various municipalities, there are also different wage gaps between employed Haredi women and men living in the same municipality.

Similar to the national situation, in most municipalities Haredi men earn an average monthly wage higher than the average wage of women, but this is a difference of several hundred NIS on average. In the cities of Tiberias and Beit Shemesh, the wages of employed Haredi men are much higher than those of employed Haredi women. In Tiberias, employed Haredi men earn an average of about NIS 3,000 per month more than employed Haredi women from the community, and in Beit Shemesh, NIS 2,300 more.

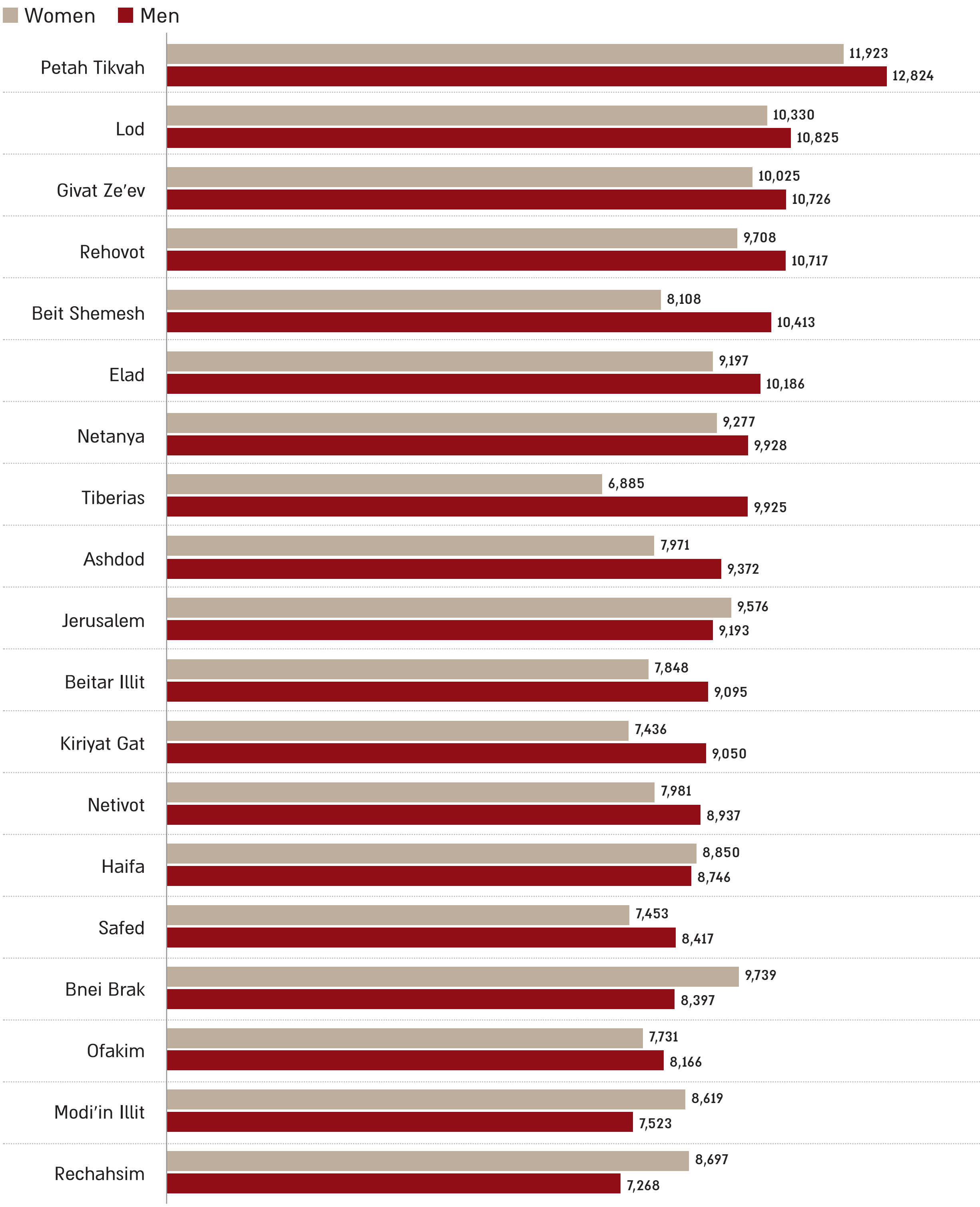
In several cities, employed Haredi women earn more than employed Haredi men. In Rekhasim and Bnei Brak, employed Haredi women earn an average of about NIS 1,400 a month more than employed Haredi men living in the community, and in Modi'in Illit, NIS 1,000 more.

Petah Tikva has the highest monthly wages of employed Haredi men at about NIS 12,800—a city where the employment rate of Haredi men is also much higher than average. The lowest average wages of employed Haredi men are in Rekhasim (NIS 7,200) and Modi'in Illit (NIS 7,500).

Petah Tikva also has the highest monthly wage of employed Haredi women, at about NIS 12,000. The lowest average wage is in Kiryat Gat and Safed, at about NIS 7,400 monthly.

Figure 56

Average monthly wages of Haredi employees by gender and municipality, in thousands of NIS, 2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

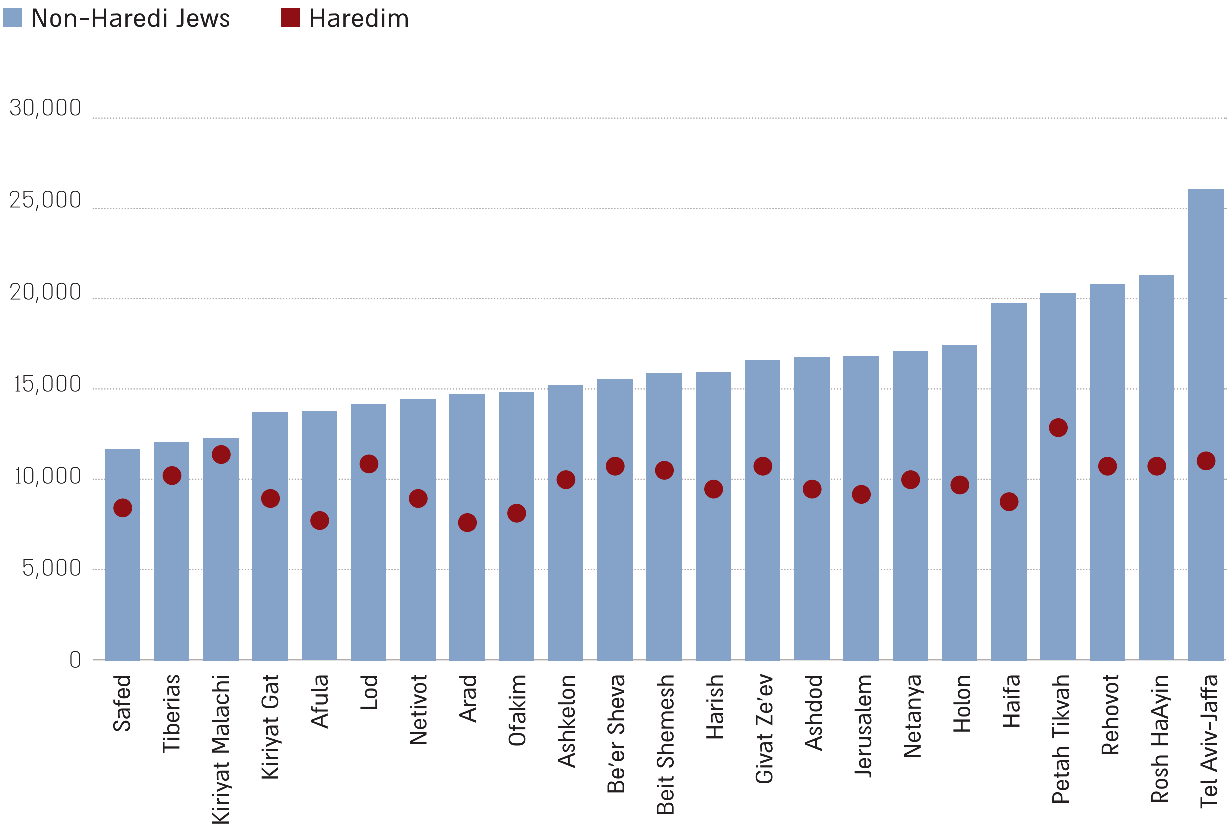
A comparison of Haredi men’s average wage with non-Haredi Jewish men living in the same municipality shows that Haredim earn less in all municipalities. However, the rate of the gap varies significantly from municipality to municipality.

The largest wage gap between Haredi men and non-Haredi Jewish men was found in Tel Aviv-Yafo. A Haredi man living in the city earns less than half (43%) of the wage of a non-Haredi Jewish man, a gap of about NIS 14,000. The gap can be explained by the average wage of non-Haredi Jewish men in Tel Aviv-Yafo, which is the highest among the municipalities examined and much higher than the national average.

The smallest wage gap between Haredi and non-Haredi Jewish men was found in Kiryat Malachi and Tiberias. A Haredi man living in Kiryat Malachi earns an average of about 95% of the wage of a non-Haredi Jewish man and in Tiberias, about 84%. In these municipalities the average wage of non-Haredi Jewish men is significantly lower than their wages in the other municipalities examined, as well as the national average. In contrast, the average wage of employed Haredi men living in Kiryat Malachi is higher than the average national wage of Haredi men. In Tiberias, the average is similar to that of the national average.

Figure 57

Men's average monthly wages in mixed cities by sector and municipality, in NIS, 2022



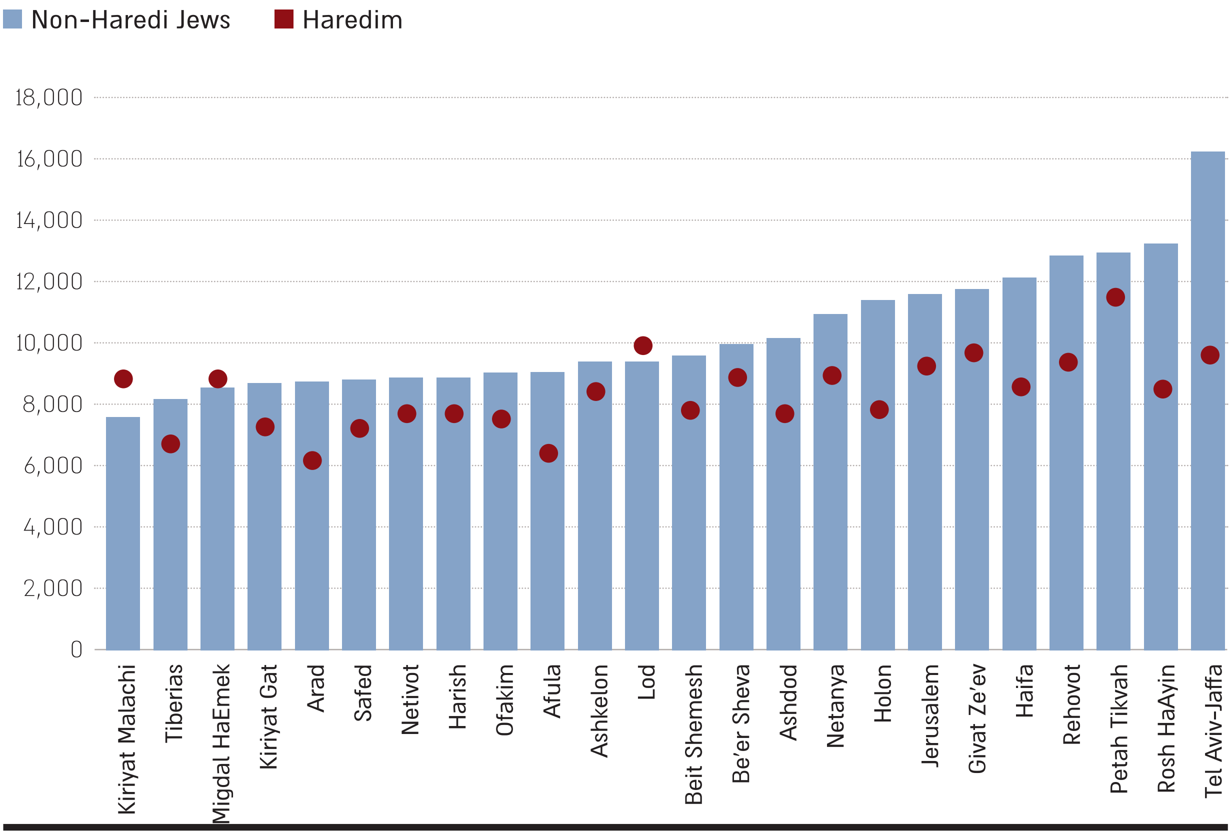
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

When comparing the average wage of Haredi women to the wages of non-Haredi Jewish women in those cities, no clear rule determines the size of the gaps. As with men, the largest wage gaps among women were found in Tel Aviv-Yafo. The average wage of a Haredi woman living in the municipality is 60% of that of a non-Haredi Jewish woman from the municipality, a gap of about NIS 7,000. As with men, the average wage of a non-Haredi Jewish woman in Tel Aviv is much higher than that of women in other municipalities, and this Figure explains the large gap compared to the wages of Haredi women from the municipality.

Unlike among men, there are some municipalities where the average wage of Haredi women is higher than that of non-Haredi Jewish women. For example, in Kiryat Malachi, the average wage of a Haredi woman is about 16% higher than that of a non-Haredi Jewish woman, a gap of about NIS 1,200. However, in this city, the average wage of non-Haredi Jewish women is much lower than that in other municipalities examined. In contrast, the average wage of Haredi women in Kiryat Malachi is similar to the national average among Haredi women. In the cities of Lod and Migdal HaEmek, the average wage of Haredi women was also higher (by a few percent) than that of non-Haredi Jewish women.

Figure 58

Women's average monthly wages in mixed cities by sector and municipality, in NIS, 2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Employment Rate by Streams

Haredi society is composed of three main streams: Litvaks, Sephardim and Hasidim, and Chabad Hasidism (which has unique characteristics that distinguish it from other Hasidic groups) is generally added as a fourth stream. The various streams in Haredi society have unique characteristics, and they differ in many aspects that affect each community's unique way of life: Torah, spiritual, social, cultural, and even economic. The differences between the streams and communities in Haredi society are also reflected in their integration into the labor market.

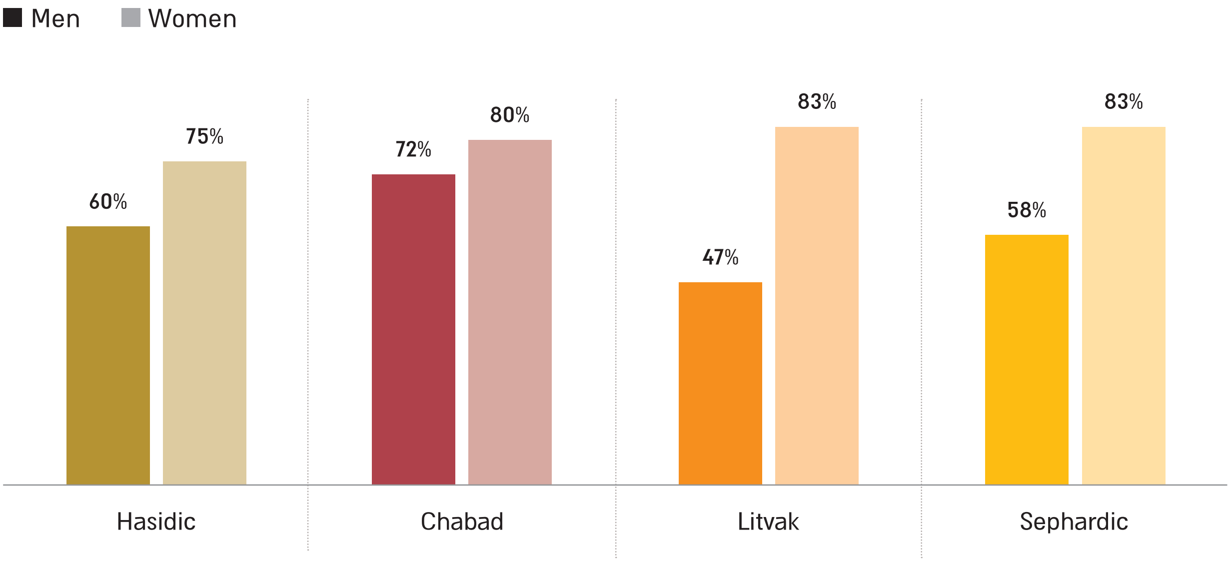
In 2022, the employment rate of Haredi women was higher than that of Haredi men in all streams. However, in the Litvak community, the employment gaps between men and women are the largest. The employment rate of Litvak and Sephardic women is the highest, at 83%. The employment rate of Litvak men is the lowest among the various streams, at 47%. This demonstrates that Litvak society is the leading devotee of the "society of learners," and this stream's atypical division of the burden of livelihood between men and women is very prominent.

Among Sephardim, the employment rate of women is identical to that of Litvak women, at 83%. Still, the employment rate of Sephardic men is much higher than that of Litvak men, at 58%. In the Hasidic community, the employment gaps between men and women are the smallest in all the major streams. The employment rate of Hasidic men is the highest in all the major streams, 60%, and the employment rate of Hasidic women is the lowest among all streams, 75%. These Figures indicate that in Hasidic society, it is more common for men to bear the burden of earning a living. However, many women still participate in the labor market, apparently due to the growing need to help with household finances.

The employment rate of Haredi men is low in groups and households where the employment rate of women is high. Thus, the ratio between women's and men's employment in each Haredi stream demonstrates a unique Haredi perception of the household economy, according to which employment is a necessary tool to meet the economic needs of the household, not a matter for each individual. If the employment rate of women is higher, and their employment provides a significant part of the economic need of the household, the need to supplement a livelihood through the employment of men decreases, and thus, the employment rate of Haredi men in these cases is lower. The opposite is also true, if the employment rate of women is lower, the employment rate of men is higher.

Figure 59

Haredi employment rates by gender and stream, 2022



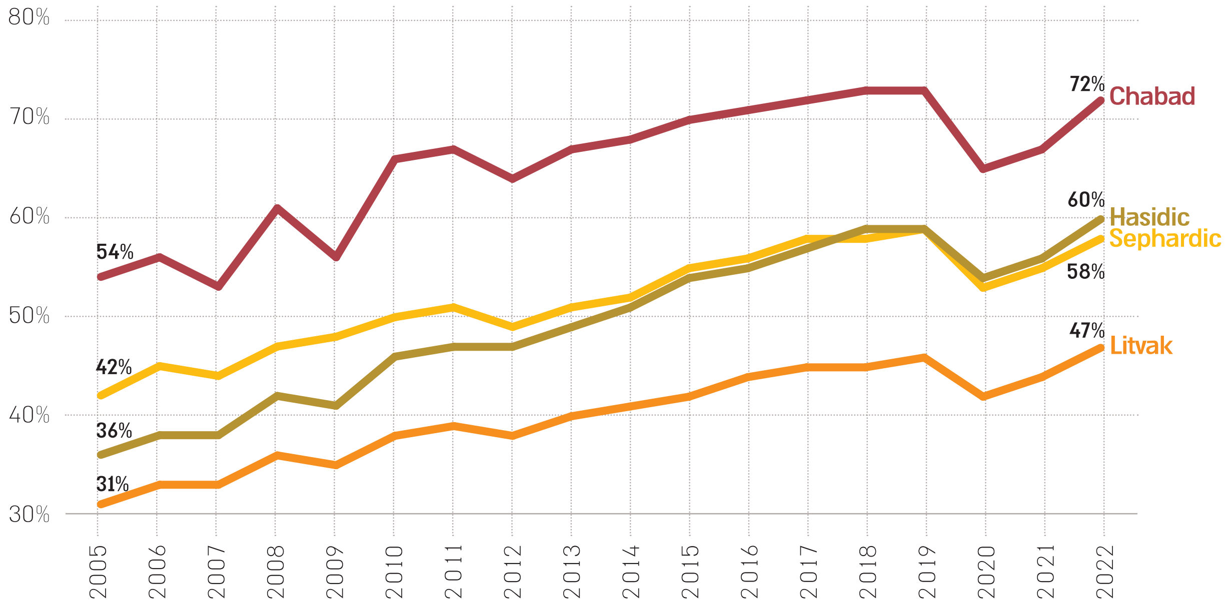
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

A comparison between Haredi men from different streams over time reveals that the employment rate of Litvak men was consistently the lowest among all streams. In 2005, the employment rate of Litvaks was 31%, and gradually climbed to 47% by 2022, an increase of about 50% in their employment rate. Hasidic men experienced the largest increase in employment rates. In 2005, the employment rate among

Hasidic men was lower than that of Sephardim (36% vs. 42%, respectively), but by 2022 the gap had narrowed, and today the employment rate of Hasidic men is 60%, an increase of 68%. The employment rate of Hasidic men is now slightly higher than that of Sephardim, which is 58% and has grown by only 37% since 2005, the lowest rate of employment growth among all streams. In 2020-2021, there was a decline in the employment rates of Haredi men from all streams due to the effects of the coronavirus on the labor market in Israel, but in 2022, they rose again to a level similar to 2019.

Figure 60

Haredi men's employment rates by stream, 2005-2022, Ages 25-64

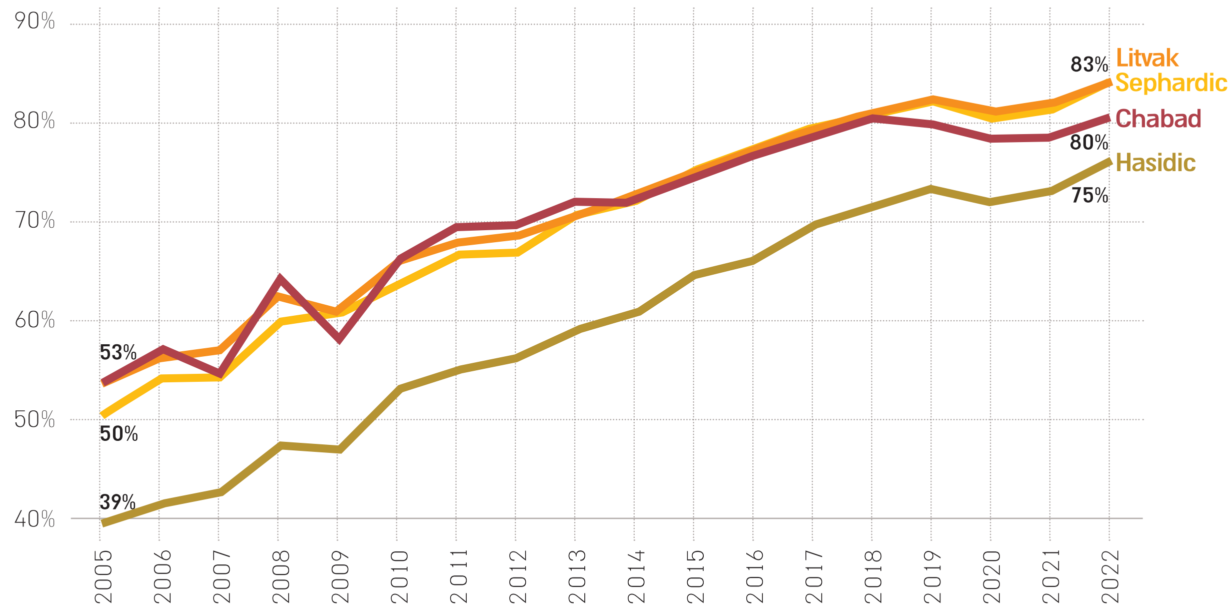


Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Among Haredi women of all streams, the employment rate rose sharply between 2005 and 2022, but there are significant differences in growth rates between the streams. The employment rate of Hasidic women was and remains consistently the lowest among all streams. In 2005, the employment rate of Hasidic women was 39%, significantly lower than the employment rate of Litvak women, which stood at 53%, and of Sephardic women, which was 50%. By 2022, the employment rate of Hasidic women had almost doubled to 75%, an increase of 91%. During this period, the employment rate of Sephardic and Litvak women reached 83%, which is approximately an increase of 60% in their employment rate. Thus, the gap between Hasidic women and Litvak and Sephardic women has narrowed, but their employment rates remain low by a considerable margin.

Figure 61

Haredi women's employment rates by stream, 2005-2022, Ages 25-64



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Wage by Haredi Stream

The differences between the employment characteristics of Haredi streams are also reflected in the gaps in the average monthly wage. In all streams, the average monthly wage of men is higher than that of women, but in the Litvak stream, the wage gaps are smallest, and the wages of men and women are very similar. The average wage of a Litvak woman is NIS 10,504, and that of a Litvak man is NIS 10,583. The wages of Sephardic men and women are slightly lower. The average wage of a Sephardic woman is NIS 9,191, and that of a Sephardic man is NIS 10,117.

Among the working Hasidim, the wages of both men and women are the lowest among the Haredi streams, and the wage gaps between men and women in this society are the largest. The average wage of a Hasidic woman is NIS 8,263 per month, and the wage of a Hasidic man is NIS 9,442.

The differences in wages between Litvaks, Hasidim, and Sephardim, both among men and women, stem from differences in values, the structure of the community, and the attitude of each group toward integration into employment and the acquisition of education. As presented in the chapter on education, the college rate among men and women of the Hasidic stream is the lowest.

The highest wages of Haredi men from the three major streams appear among Litvak men, whose employment rate is the lowest. These factors are interrelated: since it is less common in Litvak society for men to go to work, the social price of going to work in this community is the highest, and therefore, the threshold wage for which they are willing to join the labor market is also the highest. As discussed in the chapter on higher education, many Litvak men seek more rewarding jobs and professions and, accordingly, higher levels of vocational and academic training.

Sephardic society has many diverse communities, some of which have adopted characteristics of Litvak society and some of which have retained more traditional characteristics of Sephardic Judaism. Compared to Litvaks, it is evident that Sephardic men are less likely to pursue higher education and are more integrated into “practical” jobs, which require manual labor but are less fulfilling and characterized by fairly low wages. In contrast, in the Hasidic community, it is more common for men to enter the labor market, as evidenced by the relatively high rate of Hasidic men. However, the community mechanisms that enable integration into the workforce are more conservative, and, therefore, turning to vocational and higher education or going to work outside the community is less acceptable. Thus, Hasidic men are integrating at higher rates into the labor market but into jobs and positions characterized by fairly low wages.

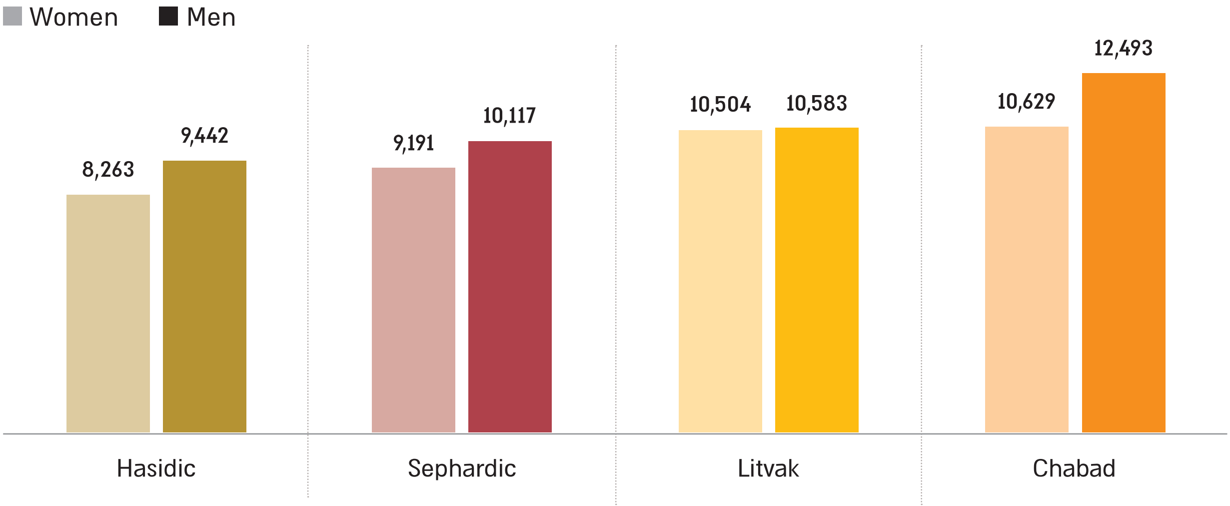
Among Haredi women in the major streams, it is evident that Litvak women earn much higher wages than Sephardic and Hasidic women. The wage gap stems from Litvak women seeking the most advanced vocational training tracks, usually in seminaries, and pursuing higher education. This is due to their role in Litvak society as the main and even exclusive breadwinners of households. This in turn creates a high, community-based need to acquire higher education that enables integration into rewarding positions in high-productivity occupations, enabling them to support their households.

In Hasidic society, where men work at fairly high rates, women’s employment has a less central place in the household economy. The more conservative attitude in Hasidic communities toward women’s role as breadwinners results in fairly low employment rates. Hasidic women marry at a young age, and most of them do not continue to the vocational training tracks offered to graduates of Haredi education. Therefore, Hasidic women are integrated into more junior communal roles and, as a result, their average wages are the lowest. Sephardic women, especially in communities where the Litvak “society of learners” model has been adopted, have reasonably high access to high-quality seminary training tracks and to higher education, which is relatively common in Sephardic Haredi society. However, the burden of earning a living is slightly less heavy than that on Litvak women (since Sephardic men work at much higher rates than Litvak men). Therefore, the wages of Sephardic women are lower than those of Litvak women but higher than those of Hasidic women.

The Chabad stream, which is quite small, has the highest wages of all the streams, both men and women. As will be presented in the chapter on higher education, this is due to the percentage of college degree holders in this stream, which is much higher than in other streams.

Figure 62

Average monthly wages of Haredi employees by gender and stream, in NIS, 2022, Ages 25-64



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

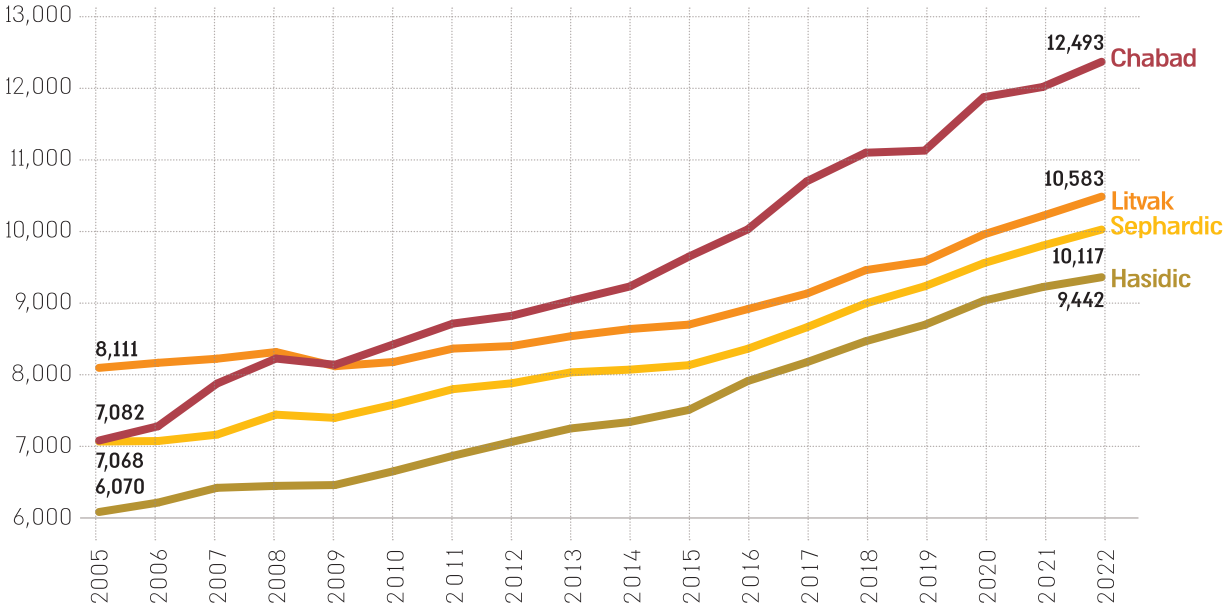
The social and economic trends that have caused changes in employment rates in Haredi streams are also manifested in the wage trends of specific streams. In 2005, there were quite large wage gaps between the average wages of Hasidim, Litvaks, and Sephardim. The average wage of Litvak men was the highest at the time, at NIS 8,111, 34% higher than the average wage of Hasidic men, which was at NIS 6,070, and 15% higher than the average wage of Sephardic men, which was at NIS 7,068. The gap between the wages of Sephardic men and the wages of Hasidic men was 16% that year.

Over the years, the average wage of all employed Haredi men has increased, but at different growth rates, so the wage gaps gradually narrowed. In 2022, the average wage of Sephardic men was NIS 10,117, and that of Hasidic men NIS 9,442, so the wage gap between them narrowed from 16% to 7%. The average wage of Litvak men that year was NIS 10,583. The wage gap between Litvak and Hasidic men has shrunk to 12%, and the gap between Litvaks and Sephardim has shrunk to only 5%.

Between 2005 and 2022, the average wage of Hasidic men was the lowest among the major streams, and the average wage of Litvak men was the highest. The wage ranking among Haredi men employed from various streams remained the same, but the rate of wage increase among Litvak men was slower. Between 2005 and 2022, there was a 40% increase in the wages of Sephardic men, 56% in the wages of Hasidic men, and only 27% in the wages of Litvak men. The fastest rate of wage growth was recorded among men from the Chabad stream, whose wages rose from NIS 7,082 in 2005 to NIS 12,493 in 2022, an increase of 76%. This is due to a rapid increase in the proportion of Chabad college degree holders over the past decade.

Figure 63

Average monthly wages of male Haredi employees by stream, in NIS, 2005-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

The average wage of Haredi women of various streams has also shown differing trends. In 2005, the average wage of Hasidic and Sephardic women was very similar and lower than that of Litvak women. In 2005, Sephardic women earned an average of NIS 4,826 a month, Hasidic women NIS 4,760, and Litvak women NIS 5,458 a month, 15% more than Hasidic women and 13% more than Sephardic women.

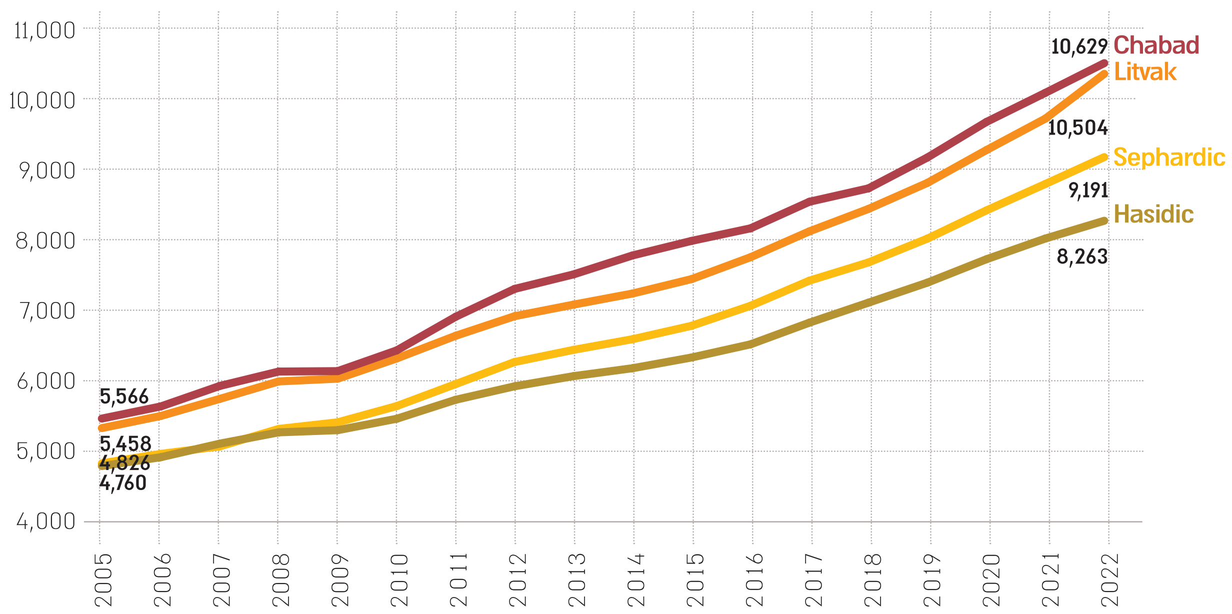
Until 2022, there was a large increase in the average wage of Haredi women from all streams, but in some streams, the growth rate was faster than others. Litvak women had the largest wage increase, with their average wage reaching NIS 10,504, an increase of 92% since 2005. The wages of Sephardic women increased at a slightly lower rate. Their average wage was NIS 9,191 in 2022, an increase of 90%. The average wage of Hasidic women increased by only 74% during this period and reached NIS 8,263 per month in 2022, the lowest wage of all the streams.

The data indicates that the wage gap between Litvak and Hasidic women has gradually widened from 15% to 27% and that the wage gap between Sephardic and Hasidic women has widened from only 1% to 11%. In contrast, the wage gap between Litvak and Sephardic women has remained stable; in 2005, it stood at 13%, and in 2022, it was 14%.

The fairly rapid increase in the wages of Sephardic and Litvak women is probably due to the rise of advanced training for high-productivity occupations such as high-tech and finance and the inclusion of such training in Litvak and Sephardic girls' seminaries. During these years, serious gaps opened up between the average wage of Sephardic women and the average wage of Hasidic women. Their wages were similar in 2005, and today, the wages of Sephardic women are 11% higher than those of Hasidic women. As presented in the chapter on higher education, the share of Hasidic female degree holders is much lower than the rate of female degree holders in other Haredi streams, which influences their low wages.

Figure 64

Average monthly wages of female Haredi employees by stream, in NIS, 2005-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Employment Rate by Age Group

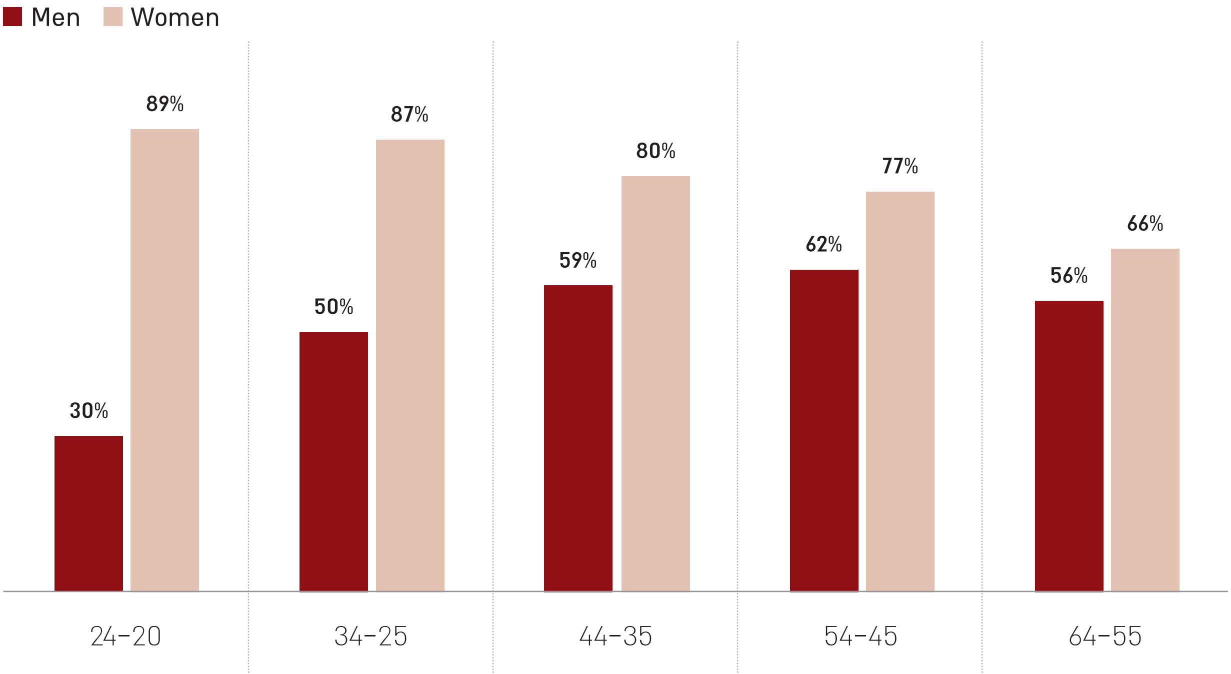
The Haredi population has a unique employment path. Women, most of whom bear the burden of the household economy from the beginning of marriage, rush to acquire a job upon graduation from the Haredi education system and enter the labor market at a young age of about 20. Among men, on the other hand, the employment track is very different. Haredi men are usually focused on Torah study at the beginning of marriage, and those who choose to enter the labor market do so gradually and at a fairly old age. These employment paths cause large differences in the employment characteristics of the various age groups.

The data show an inverse relationship between the employment rate of Haredi women and men. The employment rate of Haredi women decreases with age, and that of Haredi men increases. It is evident that the burden of providing for the household falls mainly on women in the early stages, and the entry of Haredi men into the labor market, accompanied by the expansion of the family at later stages, causes a gradual decline in the employment rate of their wives.

By this principle, the highest employment rate of Haredi women is found in the youngest age group (20-24) at 89%. In this age group, the employment rate of Haredi men is the lowest, at only 30%. Among those aged 25-34, the employment rate of Haredi men rises to 50%, and of Haredi women drops slightly to 87%. Among those aged 35-44, the employment rate of Haredi men continues to rise, reaching 59%, and of Haredi women continues to decline, reaching 80%. In the 45-54 age group, the employment rate of Haredi men reaches a peak of 62%while that of Haredi women drops to 77%. For those aged 55-64, employment rates of both women and men declined to 66% for women and 56% for men.

Figure 65

Haredi employment rates by gender and age group, 2022



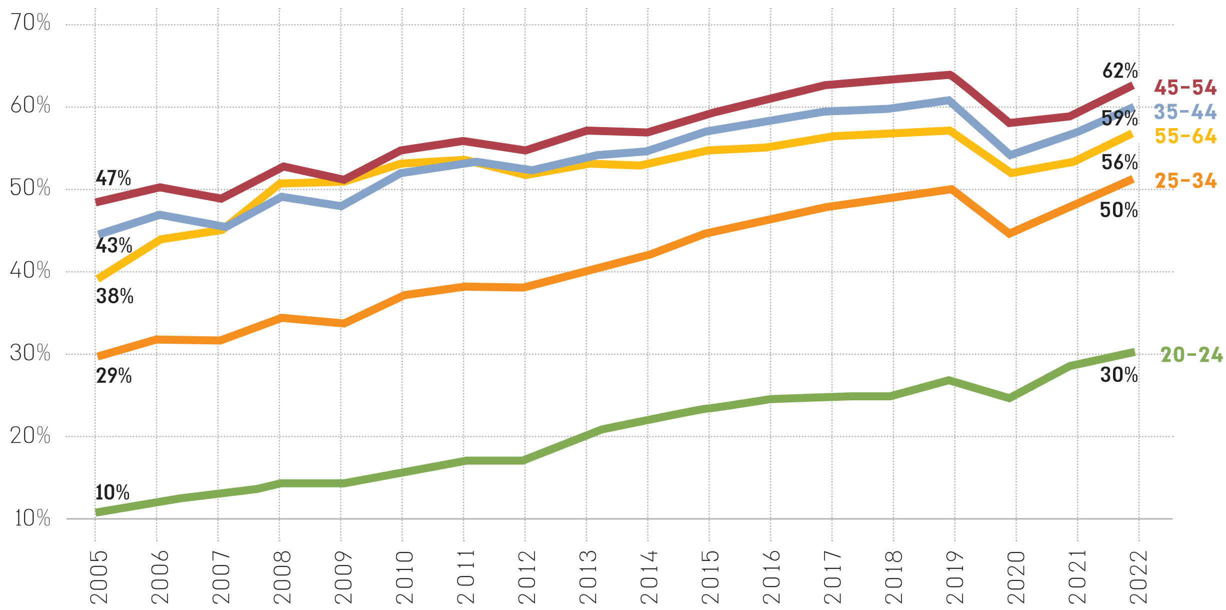
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

In terms of employment trends among men over the past two decades, it is evident that there has been a consistent increase in the employment rate in each of the age groups. However, the highest growth rate in employment occurs among the youngest age group. The employment rate of 20–24 year-olds has tripled since 2005, rising from 10% in 2005 to 30% in 2022. The growth rate in the employment of the older group of 24-35 year-olds is the second largest, and the employment rate of this age group increased from 29% in 2005 to 50% in 2022, an increase of about 73%. There is a slower growth rate among the older age groups, and their employment rate has increased by 30% since 2005.

The data demonstrates that the employment rate of Haredi men during the measured period is mainly explained by a rapid increase in the proportion of young people joining the labor market. The younger generation is working at higher rates than the previous generation. From this information, it can be concluded that there is a high probability that the upward trend in the employment of Haredi men will continue in the coming years as the generations change.

Figure 66

Haredi men's employment rates by age group, 2005-2022



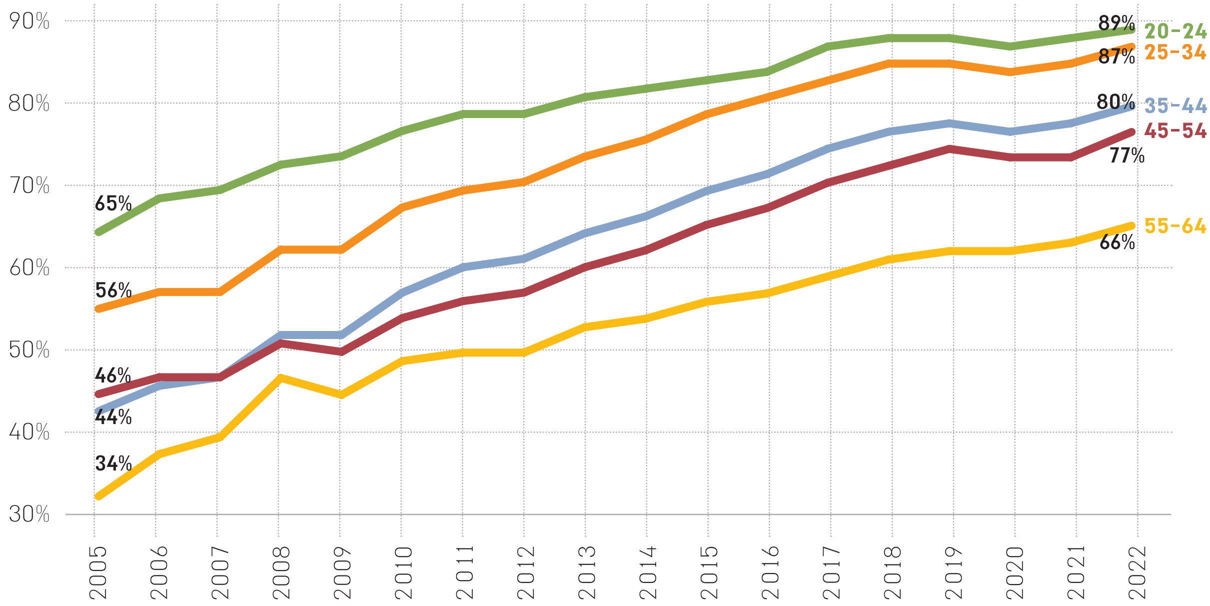
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Among Haredi women, there has been an upward trend in employment since 2005, but the increase in their employment rate has been faster than that of men. Women's employment trends in each age group differ from men's. The largest increase in the employment rate of Haredi women was recorded in the 35-44 age group, from 44% in 2005 to 80% in 2022, an increase of 84%. The growth rate in employment of the older group of women aged 45-54 is the second largest, increasing from 46% in 2005 to 77% in 2022, an increase of about 69%.

The employment of women aged 20-24 increased at the lowest rate during this period, from 65% in 2005 to 89% in 2022, an increase of only 36%. However, their employment rate was the highest throughout the measured period. This age group is not included in the "main working ages" category (25–64). However, if it were included, the employment gap between non-Haredi Jewish women and Haredi women would be completely closed. In other words, in practice, the employment rate of Haredi women is already identical to the employment rate of non-Haredi Jewish women.

Figure 67

Haredi women's employment rates by age group, 2005-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Wage by Age Group

In addition to the differences in employment rates by Haredi age group, there are also significant differences in average wages. Unlike employment rates, which decline with age among men, the average wage of both men and women increases, and the lowest wage is observed among the younger age groups. The average wage of Haredi women aged 20-24 is NIS 5,652, and for men of this age, it is over NIS 4,794.

In the 25-34 age group, the average wage of Haredi women rises to NIS 8,831, an increase of 56%, and that of Haredi men rises to NIS 8,096, an increase of 69%. The differences in growth rates in this age group are probably due to the fact that men work relatively low hours per month at the age of 20-24, increasing the hours worked as they age.

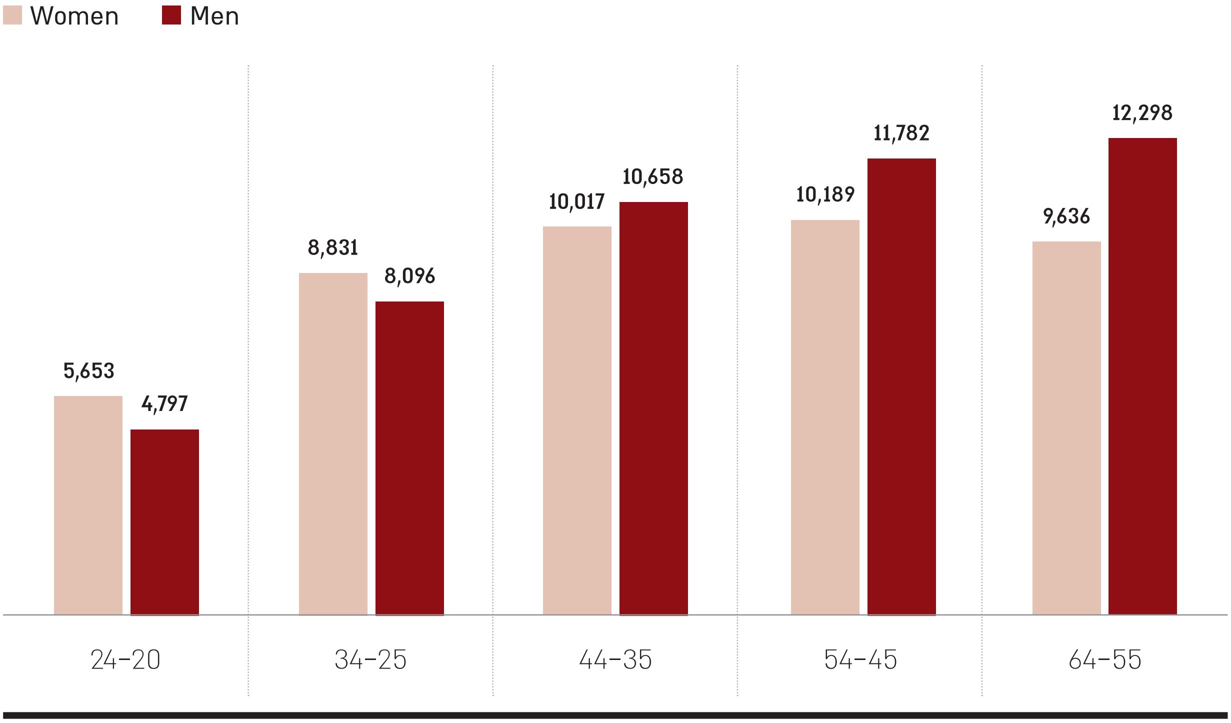
In the 35-44 age group, the average wage of Haredi women rises to NIS 10,017, an increase of 13%. And that of Haredi men rises to NIS 10,658, an increase of 32%. At such an age, the average wage of Haredi men begins to grow higher than that of Haredi women due to the number of Haredi men finishing vocational training or higher education and entering the labor market. On the other hand, Haredi women are not advancing in the labor market at a similar rate. This lack of advancement appears to be due to a more cautious approach toward career development among Haredi women who are wary of advancing to more senior and demanding positions that could conflict with their role in their families and communities.

In the 45-54 age group, Haredi women earn an average of NIS 10,189, slightly higher than their average wage in the younger age group. The average wage continues to grow among Haredi men, rising by about 11% to NIS 11,782.

In the oldest age group, 55-64, Haredi men's wages peak, and Haredi women's average wages decline. In this age group, the average wage for women is NIS 9,636, and for Haredi men, it is NIS 12,298. This decline in the wages of older women is explained, among other things, by a gradual decline in the hours worked at this age, especially in jobs that involve physical exertion, such as childcare.

Figure 68

Average monthly wages of Haredi employees by gender and age group, in NIS, 2022



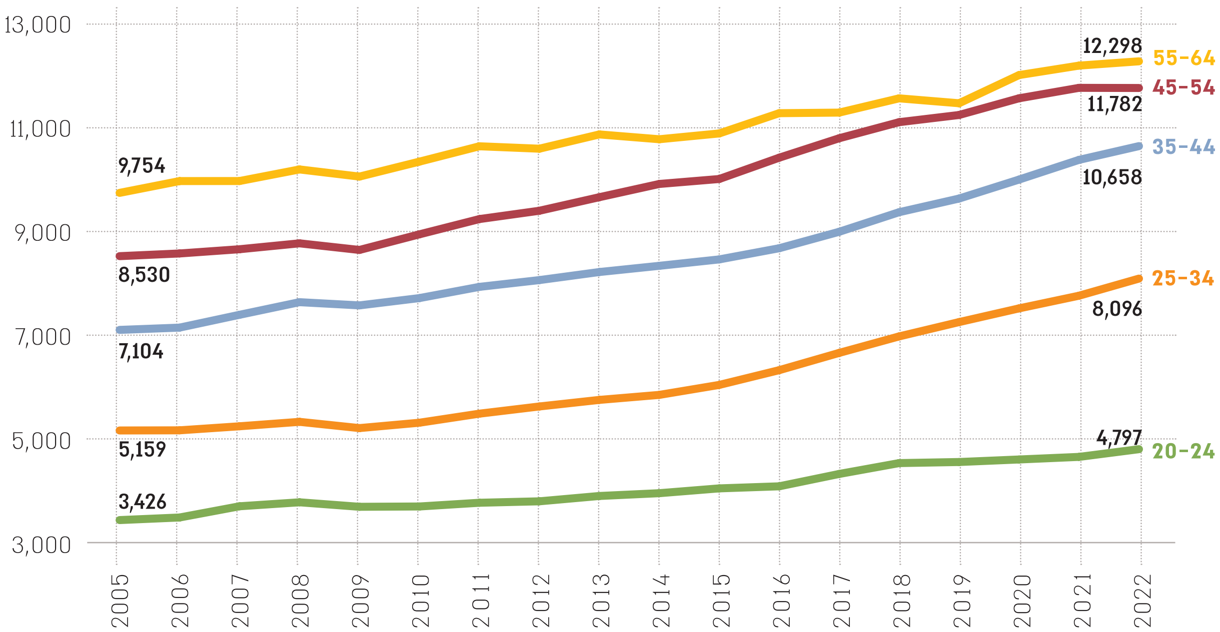
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Between 2005 and 2022, the average wage increased in all age groups, but at a different rate. The average wage of young people aged 20-24 increased from NIS 3,426 in 2005 to NIS 4,797 in 2022, an increase of 40%. In the older age group, 25-34, wages increased at a higher rate (57%), from NIS 5,159 in 2005 to NIS 8,096 in 2022. Wages of those aged 35-44 increased slightly more slowly (50%), from NIS 7,104 in 2005 to NIS 10,658 in 2022. The wages of Haredi men in the oldest age groups increased at the lowest rates; the average wage of those aged 45-54 increased by about 38% during this period, and the wages of those aged 55-64 increased by only 36%.

Thus, the fastest increase in the average wage of Haredi men over the measured period was observed in the 25-34 age group. This increased rate is apparently due to rising trends in acquiring education and specialization in the labor market at younger ages than in the past, which allows for higher economic compensation at these ages.

Figure 69

Average monthly wages of male haredi employees by age group, in NIS, 2005-2022



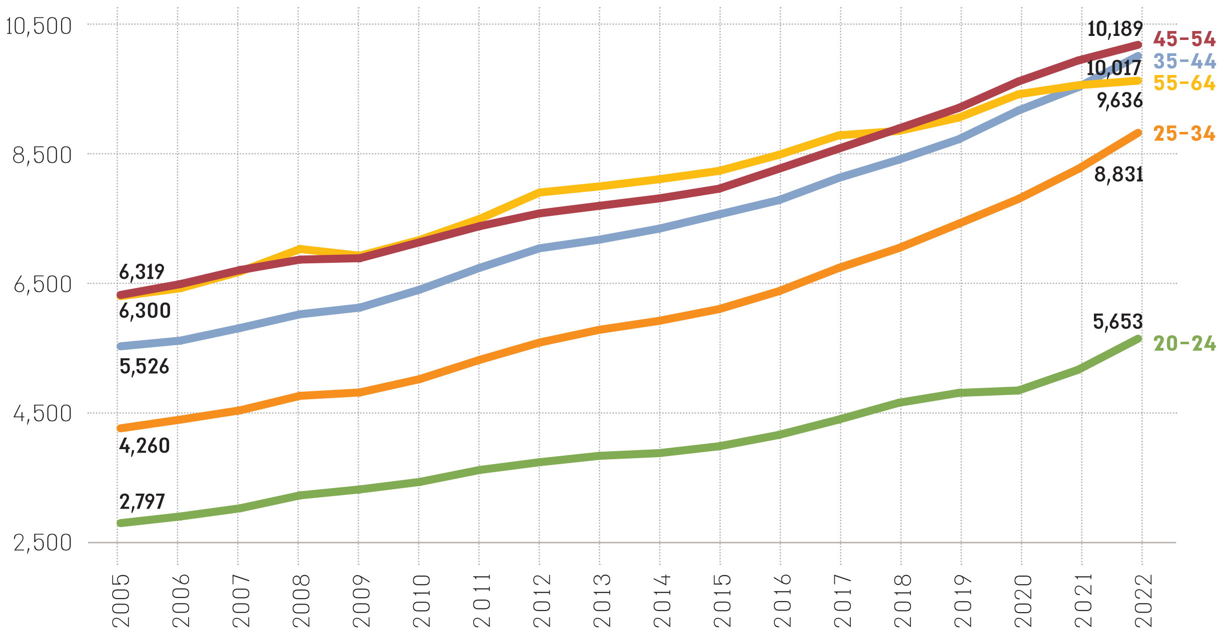
Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Wage trends among Haredi women differ from those of men. The average wage of Haredi women in all age groups increased to a greater extent than that of Haredi men. Men's wages increased by about 40% on average during this period, and women's wages increased by about 80%. The average wage of women in the younger age groups, ages 20-24 and 25-34, has doubled since 2005; for women aged 20-24, the average wage rose from NIS 2,797 in 2005 to NIS 5,653 in 2022, and for women aged 25-34 the average wage rose from NIS 4,260 in 2005 to NIS 8,831 in 2022. The rate of increase in the wages of women aged 35-44 was slightly lower, rising by 81% during this period, from NIS 5,526 in 2005 to NIS 10,017 in 2022. The wages of Haredi women in the oldest age groups, 45-54 and 55-64, increased by about 60% during this period.

Such differences in the wage trends of Haredi women of different age groups may be due to the effects of new training in Haredi girls' seminaries, along with increased higher education accessibility, which enable young Haredi women to enter industries and professions with higher productivity at an early stage in their lives. In contrast, men who enter the labor market at a later stage and even acquire their training or education at a later stage, as will be presented in the chapter on education, reach higher wage levels at a much older age. As a result, and due to the structure of the age pyramid 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, and women are expected to overtake men in monthly wages within a few years.

Figure 70

Average monthly wages of female haredi employees by age group, in NIS, 2005-2022



Source: The Haredi Institute for Public Affairs' adaptations of administrative data

Education

Education is one of the most fundamental institutions in Haredi society, serving not only to provide knowledge but also to instill community values and preserve collective identity. It prepares children for adulthood while ensuring the continuity of Haredi society in its current form. Because of its central role, the Haredi education system is highly distinct and operates independently from Israel's broader educational framework. Its significance makes it a valuable lens through which to understand Haredi society and broader demographic trends. For instance, the rapid growth of the Haredi population is reflected in the sharp rise in Haredi student enrollment, which has increased from 13% to approximately 21% of all Israeli students over the past two decades.

A defining feature of the Haredi education system is its strict gender segregation, effectively creating two parallel educational tracks. This separation is rooted in religious and cultural values but also serves a functional purpose: preparing boys and girls for their respective roles in Haredi society. For boys, the system focuses on Torah studies, equipping them with religious knowledge and skills while preparing them for advanced Torah learning. For girls, education emphasizes Haredi values while also providing vocational training and home economics skills to support future family and community responsibilities.

The expansion of Haredi communities to Israel's periphery (see Housing chapter) is also reflected in education trends. The presence of Haredi students in non-Haredi localities has surged in cities such as Beit Shemesh, Arad, and Safed, signaling a demographic shift that will likely lead to Haredim becoming

04

the majority in these municipalities. This transformation carries significant social, economic, and urban planning implications, necessitating adjustments in municipal budgets, the development of new educational infrastructure, and the expansion of public spaces to accommodate the growing Haredi population.

For much of the past decade, the structure of the Haredi education system remained stable. However, in the past year, a notable shift has emerged: the percentage of Haredi students enrolled in the State-Haredi education framework has doubled from 4% to 8%. This increase results from a combination of factors that have been developing over several years but accelerated sharply due to abrupt transitions within certain Haredi communities and grassroots initiatives by mid-level community leaders. It remains uncertain whether this shift is an isolated phenomenon or the beginning of a broader trend.

The implications of this development could be significant. One expected outcome is a rise in the number of Haredi students taking the Bagrut (Israel’s high school matriculation exam), potentially increasing their access to higher education and diverse employment opportunities. However, the scope and impact of these changes will largely depend on two key players: the Haredi community itself and the Ministry of Education. The extent to which Haredi leadership and individual families embrace the State-Haredi system will shape its future, while the Ministry of Education's ability to effectively support and expand this framework will determine whether this moment represents a turning point or a temporary fluctuation.

Key Findings

420,000

Pupils in the Haredi education system.
This is about 21% of all Israeli students and about 27% of Jewish students in Israel

39%
study in the independent education network

A significant portion of Haredi students in primary education study in the independent education system: 63% of all Haredi girls and 16% of all Haredi boys

18,500

Pupils in the State-Haredi education system.
which is about 6% of Haredi primary education

22%
study in exempt institutions

Exempt institutions constitute a significant portion of primary education – 42% of all Haredi boys and 2% of all Haredi girls

16%
of Haredi students are eligible for a matriculation certificate

Compared to 61% in the Arab education system, 84% in the state education system, and 86% in the state religious education system

18%
study in the Maayan Hachinuch HaTorani Education Network

This education network is also a significant part of primary education: 21% of all Haredi boys and 16% of all Haredi girls

22% of Haredim study in Jerusalem

15% study in Bnei Brak

7% study in Modi'in Illit

7% study in Beit Shemesh

18,434 NIS

The annual budget per student in the state-religious education system is NIS 30,223, in the state education system it is NIS 27,766, and in the non-Jewish state education system it is NIS 26,304

Key Trends

Haredi Pupils

The proportion of Haredi students in Israel's total student population has increased from 13% in 2000 to 21% in 2025 and continues to rise.

Pupils in State-Haredi Institutions

The number of Haredi students enrolled in the State-Haredi education system doubled between the 2023–2024 and 2024–2025 school years, increasing from about 4% to approximately 8%.

Educational Frameworks

The long-established Haredi educational networks—the Independent Education Network, Ma'ayan Hachinuch Hatorani, and the Exempted Institutions—maintained a stable share of students over the past decade. However, the past year marked the beginning of a shift toward the State-Haredi system.

Haredi Pupils in Mixed Cities

The proportion of Haredi students in mixed cities has risen significantly since 2000. In Beit Shemesh, their share increased from 27% to 73% of all students in the city; in Arad, from 10% to 54%; in Ofakim, from 24% to 49%; and in Safed, from 41% in 2000 to 64% in 2023.

Bagrut

Between 2015 and 2022, the percentage of female Haredi students eligible for a Bagrut (high school matriculation) certificate rose from 21% to 25%, while the rate among boys nearly doubled from 2.6% in 2015 to about 4.7% in 2022. However, between 2022 and 2023, there was no change in the overall percentage of Bagrut-eligible students in Haredi society.

Distribution of Students in Israel's Education System by Sector

The Israeli education system is divided into two centrally organized systems: Hebrew and Arab. The Hebrew education system contains subsystems for the different sectors of Israeli Jewish society—Haredi, religious Zionist, and non-religious Jews. Each subsystem's curriculum is adapted to its sector's unique cultural, religious, and social needs.

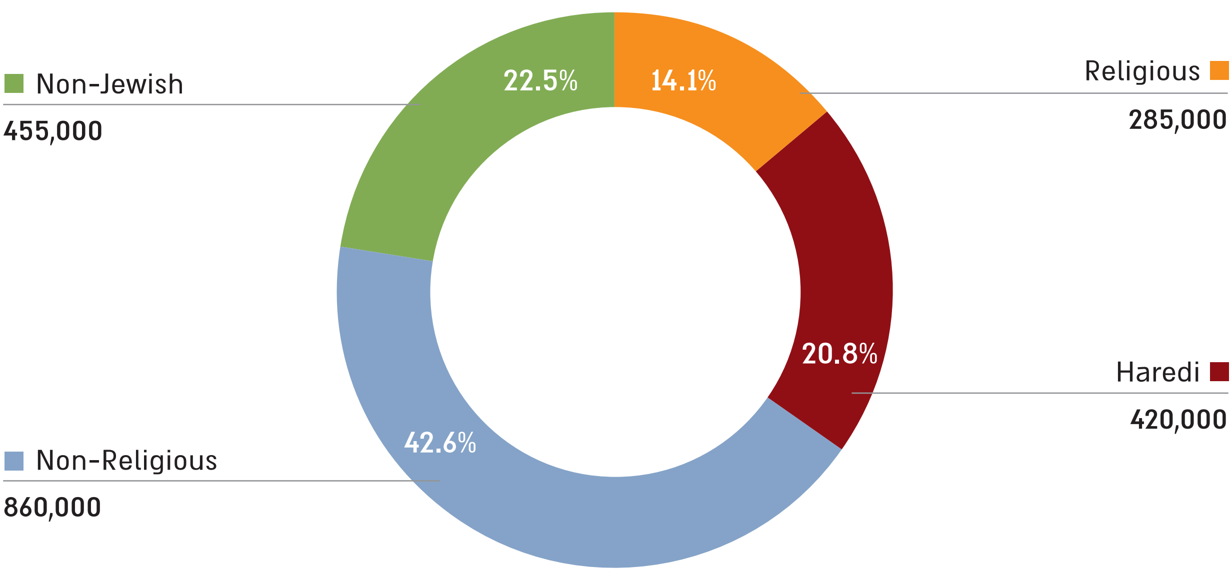
The subsystems differ not only in their curriculum and the values they emphasize but also in their ideology and educational goals, in how they structure their school day, in the character and training of teaching staff, and in the funds allocated to them by the national budget and in the educational resources they can access.

As of the 2024-2025 school year, about 2,020,000 students are studying in the Israeli education system (grades 1-12). About 1,565,000 are studying in the Hebrew education system, making up about 77% of all Israeli students.

Schools affiliated with the Haredi sector have about 420,000 students. Haredi students make up about 21% of all students in the education system in Israel and about 27% of all students in the Hebrew education system.

Figure 71

Distribution of students in the Israeli education system, by sector, 2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

The largest group of students in Israel's education system is in the schools intended for the non-Haredi Jewish sector, with about 860,000 students. These students make up 43% of all students in the Israeli education system and about 55% of all students in the Jewish education system.

About 285,000 students study in the educational frameworks intended for the religious sector. Religious students make up about 14% of all students in the education system in Israel and about 18% of all students in the Jewish education system.

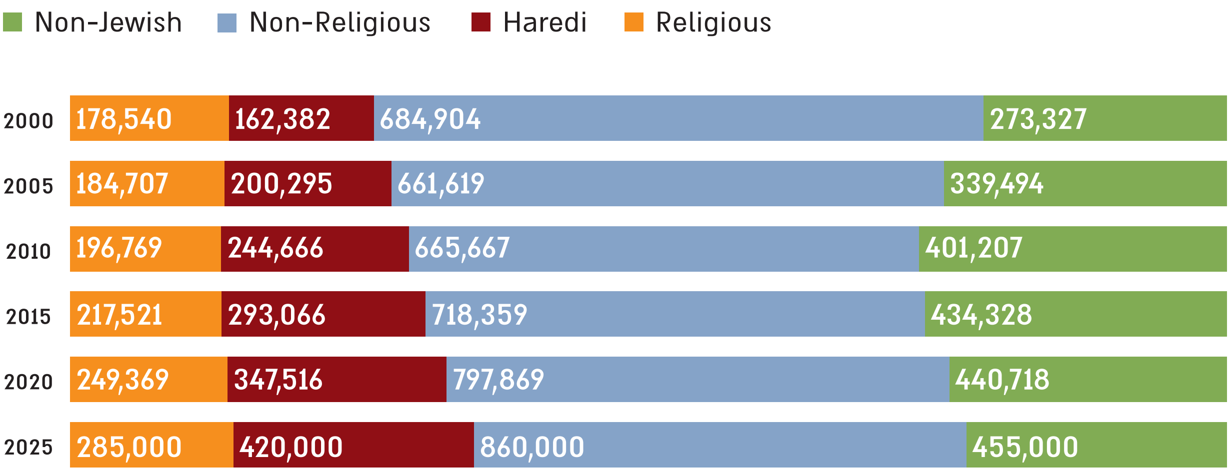
The distribution of students among Israel's education systems has had many changes over time, mainly due to demographic shifts, since the birth rates of the sectors have directly impacted the distribution of students in the systems. The birth rate of Haredi and Arab populations, for example, is higher than that of the non-religious Jewish population. Therefore, the number of students in the Haredi and Arab education systems is growing at a faster rate than that of the State-secular system.

The proportion of Israeli students in the Haredi education system increased from 13% in 2000 to 21% in 2024. The proportion of students in the Arab education system has also increased, from 21% in 2000 to 27% in 2011, but since 2014, it has declined, reaching only 23% of all students in 2024.

The rate of students in schools under State-religious supervision remained stable throughout the measured period (14%). The rate of students in the State-secular system gradually declined in the early 2000s, from 53% of all students in 2000 to about 43% in 2012, but has remained fairly stable since then.

Figure 72

Distribution of students in the Israeli education system, by sector, 2000-2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

The Legal Status of Elementary Haredi Education

The Haredi education system operates in accordance with laws and regulations that differ in many aspects from the constitutional framework of the Israeli state education system, which includes the State-secular, State-religious, and Arab education systems.

In elementary education, the Haredi system mainly operates through five legal classes: (a) the

Independent and Ma'ayan Hachinuch Hatorani education networks; (b) Recognized informal schools ("Muchshar"); (c) Exempted Institutions; (d) the State-Haredi education system; (e) the State-religious education system, in which some Haredim are enrolled. The legal arrangement affects the extent of Ministry of Education supervision, the curriculum's content, and the amount of budgeting that the schools are entitled to.

The Independent Education Network is the oldest and largest Haredi school framework, and during the 2024-2025 school year, it had about 116,400 students, representing about 40% of all Haredi students. Both boy and girl schools appeal to Hasidic and Litvak communities, and its girls' schools (including those of the Beit Ya'akov movement) also appeal to some Sephardic Haredim.

80% of the students in the Independent Education network are female students: about 93,200 girls study in its schools, and about 63% of all female students are in Haredi elementary schools. The number of boys in the network is much lower: about 23,200 students, 16% of all male students in Haredi elementary schools.

Exempted Institutions comprise the second largest Haredi educational framework. Exempted Institutions meet the conditions of the Compulsory Education Law but are only partially supervised by the Ministry of Education. They receive only 55% of the funds allocated to them if they were fully under the Ministry and are only required to include 55% of the Ministry's core studies in their curriculum (they do not teach English).

In the 2024-25 school year, about 65,000 students studied in Exempted Institutions, about 22% of all Haredi students. Here, the gender trend is opposite that of the Independent Education Network: 95% of the students in Exempted Institutions (about 62,000 students) are boys, roughly 42% of all male students in the Haredi education system. A negligible amount of girls study in Exempted Institutions: about 3,000, making up 2% of female students in the Haredi system.

The Ma'ayan Hachinuch Hatorani Network, affiliated with the Sephardic stream of Haredi society, is the third largest Haredi educational framework. The school network has nearly 55,000 students, making up about 20% of all Haredi students. About 31,000 of its students are boys (21% of all male students in the Haredi system), and about 24,000 are girls (16% of all female students in the Haredi system).

Recognized informal schools are Haredi schools independent of the large networks. They contain 24,300 students altogether, or about 8% of Haredi students. 12,800 students are boys (9% of all male students in the Haredi system), and about 11,500 are girls (8% of all female students in the Haredi system).

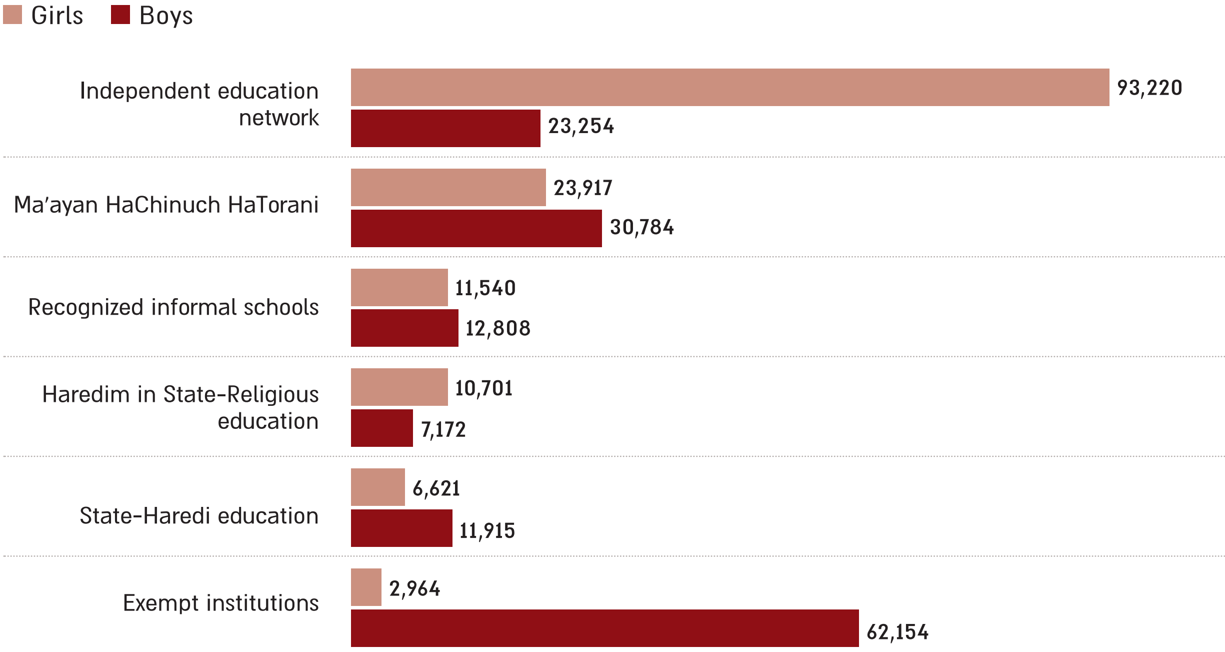
The State-Haredi education system is the newest framework in the Haredi education system and has about 18,500 students or 6% of the Haredi education system. About 12,000 are boys (8% of all boys in the Haredi education system), and about 6,600 are girls (4% of all girls in the Haredi education system).

The number of male students studying in the State-Haredi system is nearly double that of female students. This is likely due to the system's financial benefit; the tuition cost to parents is much lower than that of schools without public funding because Haredi boys tend to study in schools with limited public funding (the Exempted Institutions). In contrast, the majority of Haredi girls study in publicly funded school networks, making the State-Haredi system less financially incentivized for the parents of Haredi girls.

The State-Religious education system has about 17,800 Haredi students, or 6% of all Haredi students. Roughly 7,100 are boys (5% of all male students in Haredi education) and 10,700 girls (about 7% of all female students in Haredi education). Some schools are Haredi in nature, mostly those belonging to the Chabad school network.

Figure 73

Number of Haredi students in primary education by gender and legal status, 2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

The distribution of Haredi boys between types of supervision has remained stable over the past decade, with only slight changes occurring. Only in the past year has a new trend begun to be observed in the distribution.

Most boys in Haredi education studied in Exempted Institutions, a trend that continues today. Between 2014 and 2025, the number of male students in such schools grew from 46,700 to 62,100, but their proportion of all male Haredi students remained fairly stable, hovering around 43%. In the past year, there was a slight decline in the rate of boys studying in Exempted Institutions, falling to 42% of all boys in Haredi education.

The proportion of boys in the Independent and Ma'ayan Hachinuch Hatorani school networks has also not changed much. The number of male Haredi students in the Independent Education network has risen from 17,500 in 2014 to 23,200 in 2025, and the proportion of all Haredi boys in the education system has remained stable, ranging from 16% to 17% throughout the period.

There has also been an increase in the number of male students in the Ma'ayan Hachinuch Hatorani education program in these years, from 23,700 to 30,700, and the proportion of all boys in Haredi primary education has remained stable at around 22%-23%. In the past year, there has been a slight decline in the rate of boys studying in the Maayan HaTorah education network, falling to 21% of all boys in Haredi primary education.

In contrast, the proportion of students in Recognized Unofficial declined between 2014 and 2025. The number of boys studying in these frameworks increased by only a few hundred, from 12,200 to 12,800, and their proportion of all boys in Haredi primary education dropped from 11% to 9%.

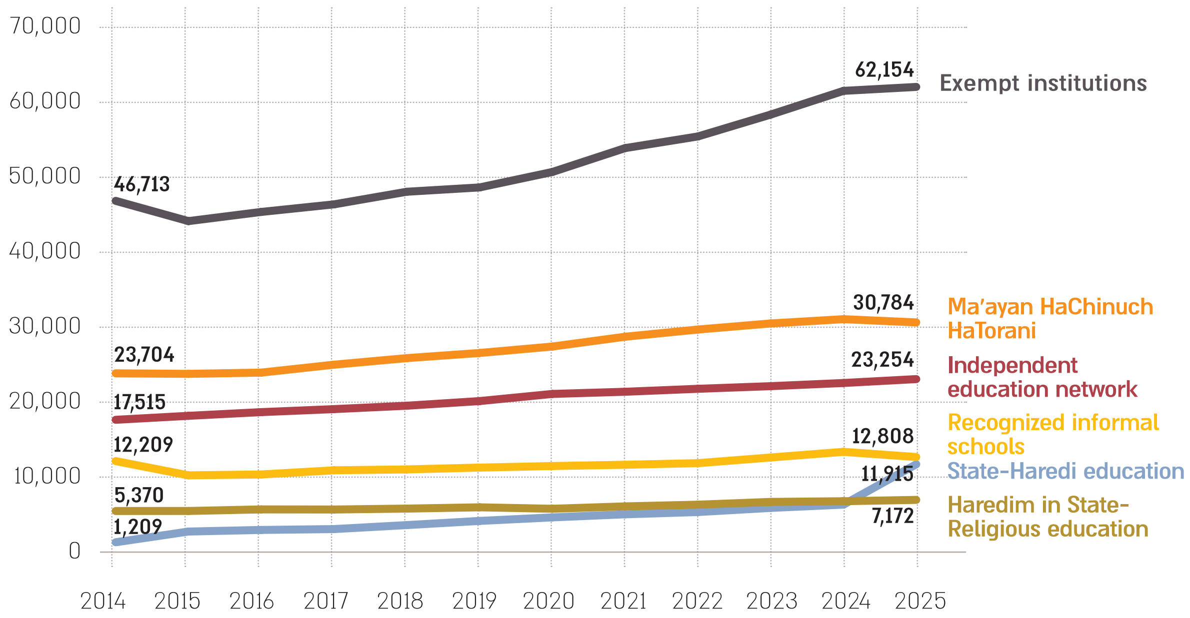
The State-Haredi education system was established in 2014 to offer students in Haredi education a framework that provides education according to Haredi values while retaining full funding and supervision from the Ministry of Education. The system was founded, in part, in order to improve the labor-market competitiveness of Haredi education graduates and to provide them with vocational knowledge, tools, and skills that would increase the employment rate and quality of Haredi men. The system was established in the face of severe opposition from within the Haredi community and its leadership.

Despite this opposition, the number of boys studying in State-Haredi institutions increased from 1,200 to about 6,300 between 2014-2024, and their rate increased from 1% to 4% of all Haredi students. This increase is thanks to considerable support from the Ministry of Education, the Ministry of Finance, and several local authorities. The share of Haredi boys in State-Haredi education remained fairly stable between 2020 and 2024. Still, in a surprising trend in 2025, the number of students in the system and the proportion of Haredi boys in the system doubled. In the 2024-2025 school year, the system taught 11,900 Haredi boys, jumping from 4% to 8% of all boys in the Haredi education system.

Such a jump occurred as the State-Haredi system opened 30 new schools, an unprecedented number. Many were the first State-Haredi schools in their area, including schools in Ashdod, Netivot, and Bnei Brak. Some of the schools that joined the State-Haredi education system were previously Sephardic Haredi frameworks within the Ma'ayan Hachinuch Hatorani network, and many were previously Exempted Institutions or Recognized Unofficial belonging to Karlin, Sanz, and other Hasidic education frameworks. Due to the stability in the proportion of Haredi boys in Exempted Institutions and the Independent Education Network, we estimate that the State-Haredi schools do not draw most of their students from such frameworks. It also appears that the schools in the State-Haredi stream do not draw students from Haredi frameworks under State-religious supervision. In the years measured, the number of Haredi students studying in State-religious schools increased from 5,300 to 7,100 students, and their rate remained stable at about 5% of all Haredi boys.

Figure 74

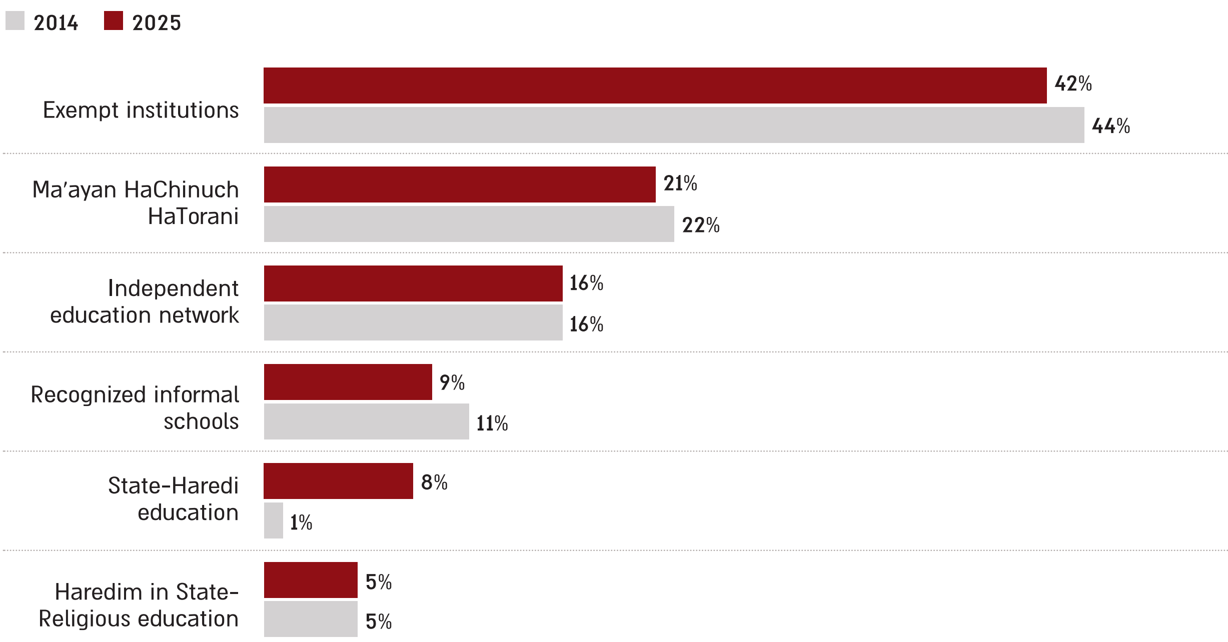
Number of Haredi students in primary education by gender and legal status, 2014-2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Figure 75

Distribution of male Haredi students in primary education by legal status, 2014 vs.2025

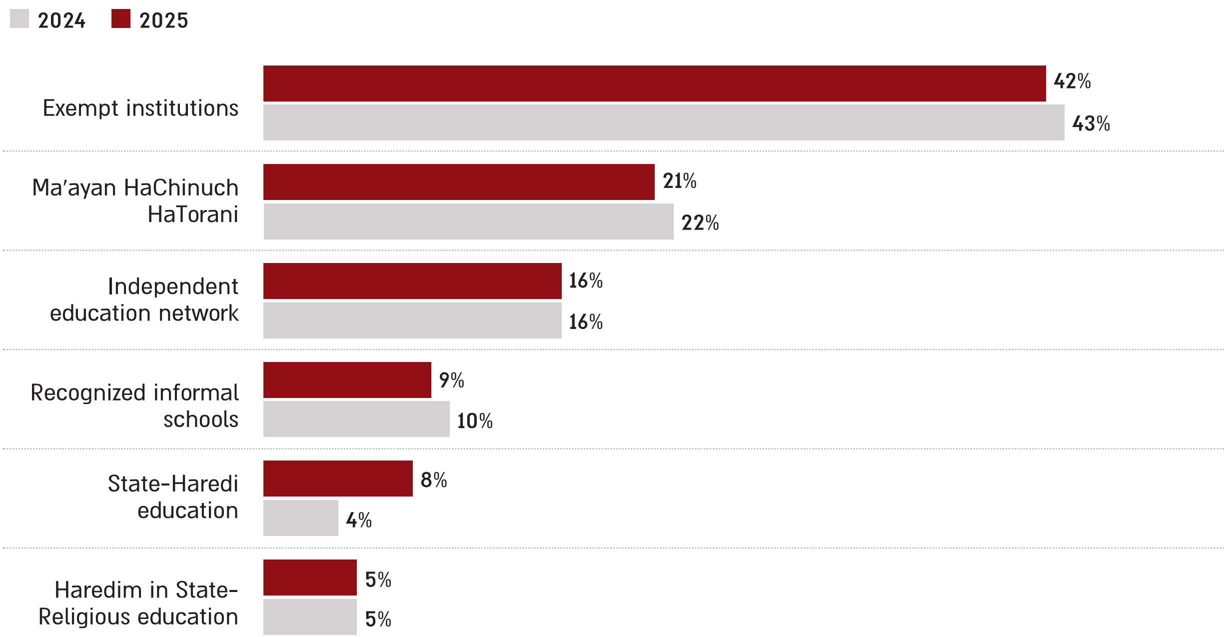


Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

By analyzing the change in the proportion of Haredi male students in the educational classes between the 2023-24 and 2024-25 school years, it appears that the student increase of the State-Haredi system stems from a proportionate decrease in the Ma'ayan Hachinuch Hatorani network, Exempted Institutions, and Recognized informal schools. This indicates a larger shift in the historically conservative Haredi education system.

Figure 76

Distribution of male Haredi students in primary education by legal status, 2024 vs.2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

In the Haredi education system for girls, there has been stability in the distribution of female students among institutions in the various legal classes, and there is evidence of new trends in the large networks in the last two years.

The Independent network is the leader in Haredi girl's education, and between 2014 and 2023, it maintained that status. The number of female Haredi students rose from 67,000 to 93,200, and its share of all female students in the Haredi education system has remained at around 64%-65% over the years. In the 2024-25 school year, the rate of female students in the Independent network dropped to 63% for the first time in the past decade.

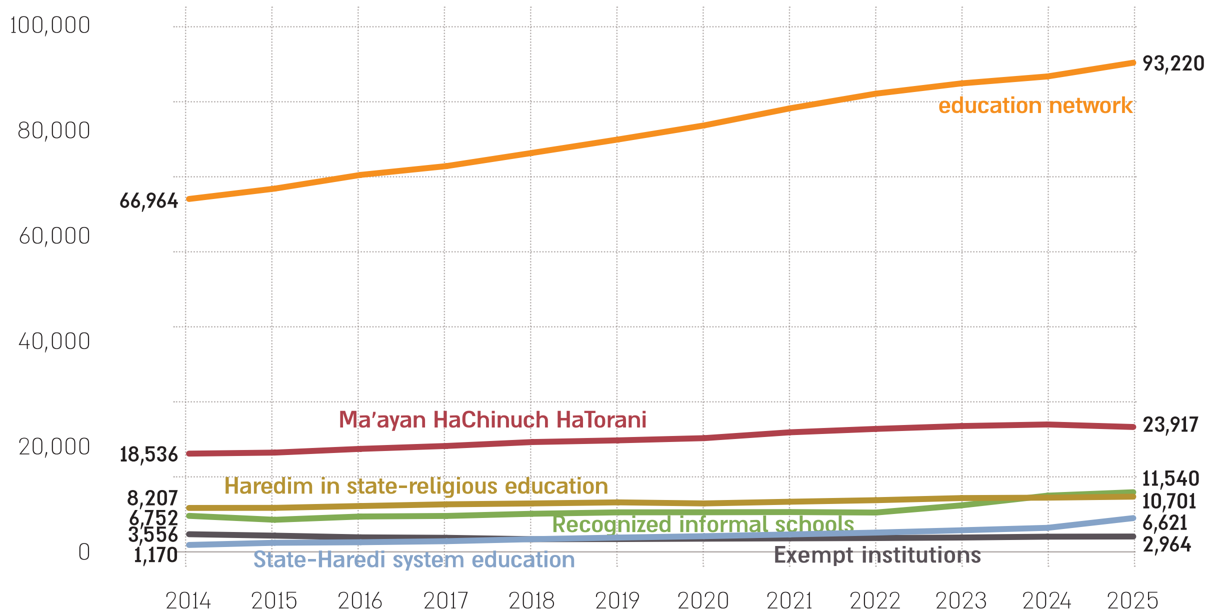
The Ma'ayan Hachinuch Hatorani education network has also remained stable, and during these years, its number of female students has risen from 18,500 to 24,000, and its share of all female Haredi students has remained stable at around 17%-18%. In the past year, there has been a slight decline in the rate of girls studying in the Ma'ayan Hachinuch Hatorani education network, to 16% of all girls in the Haredi system.

In Recognized Unofficial, female students rose from 6,700 in 2014 to 11,500 in 2025. Their share of all girls in Haredi education remained stable at about 6% over the last decade, but in the 2023-24 and 2024-25 school years, their share increased for the first time to 8%.

There was a more moderate increase between 2014 and 2025 in the State-Haredi education system for girls. The number of female students in these institutions rose from 1,170 to 6,600, and their rate of all female Haredi students rose from 1% to 4%. Therefore, until the past year, the growth of the State-Haredi system did not have much impact on the existing educational framework in the Haredi girl's education system, and it seems that its growth does not originate from large-scale transfers of female students from other frameworks. The reason for the lack of transfer of female students to the State-Haredi stream likely lies in the vocational and financial aspects that the State-Haredi education system offers to girls compared to that of the non-official Haredi schools. Most Haredi girls study in funded education networks that receive funding similar to that of the State education system. Therefore, the financial burden on the parents is similar in both frameworks; the State-Haredi education system is not a significantly cheaper alternative. The vocational education level in the older frameworks is also similar to that of the State system. Thus, the need for a financial and vocational alternative to the older education frameworks is lower in the girls' system than in the boys' system.

Figure 77

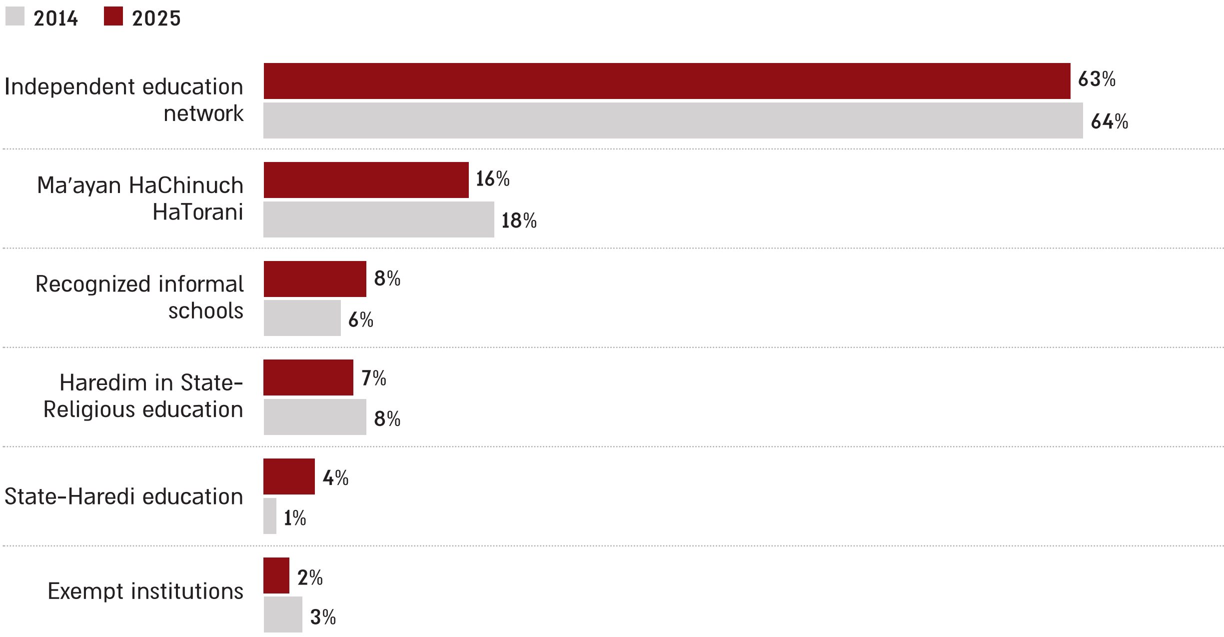
Number of female Haredi Students in primary education by legal status, 2014-2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Figure 78

Distribution of female Haredi students in primary education by legal status, 2014 vs. 2025



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Distribution of Children in the Education System by Locality of Residence

Due to the unique age structure of Haredi society, which stems from high birth rates, children make up the majority of Haredi society; about 56% of the entire Haredi population are youth aged 19 and under. Therefore, monitoring the distribution of Haredi students in Israeli localities offers a better understanding of Haredi communities' characteristics and future needs in the fields of education, culture, and economics regarding both Haredi society and broader Israeli society.

The geographic distribution of Haredi students in Israel's education system reflects demographic, economic, and social trends that broadly impact Haredi society and Israeli society, primarily due to the need to establish educational infrastructure in local authorities through effective planning and school adaptation. In addition, the distribution of students in a municipality is, in fact, a future demographic signifier for it. This has decisive effects on the region's economy due to Haredi society's unique educational and employment characteristics. Analysis of the distribution of Haredi students will assist in making informed preparations for the economic needs of the various localities and Israel in general.

In the 2023-24 school year, about 400,000 students studied in the Haredi education system. Jerusalem has the country's largest concentration of Haredi students and, accordingly, has the highest number of

Haredi students. In total, about 229,000 students studied in Jerusalem that year, of whom about 86,000 were Haredi students. Thus, the rate of Haredi students in Jerusalem is about 22% of all Haredi students in Israel and 37% of all students in Jerusalem.

Bnei Brak has the second-largest Haredi concentration in the country and has the second-highest number of Haredi students. In the 2023-24 school year, there were about 63,000 students in Bnei Brak in total, of whom about 59,000 were Haredi students. Thus, the percentage of Haredi students in Bnei Brak is about 15% of all Haredi students in Israel and 94% in the city.

In the past year, a similar number of Haredi students studied in Modi'in Illit and Beit Shemesh—about 29,000 and 28,000, respectively. This means about 7% of all Haredi students study in each city. Roughly 99% of the students in Modi'in Illit are Haredi. In contrast, 73% of Beit Shemesh's 38,000 students are Haredi.

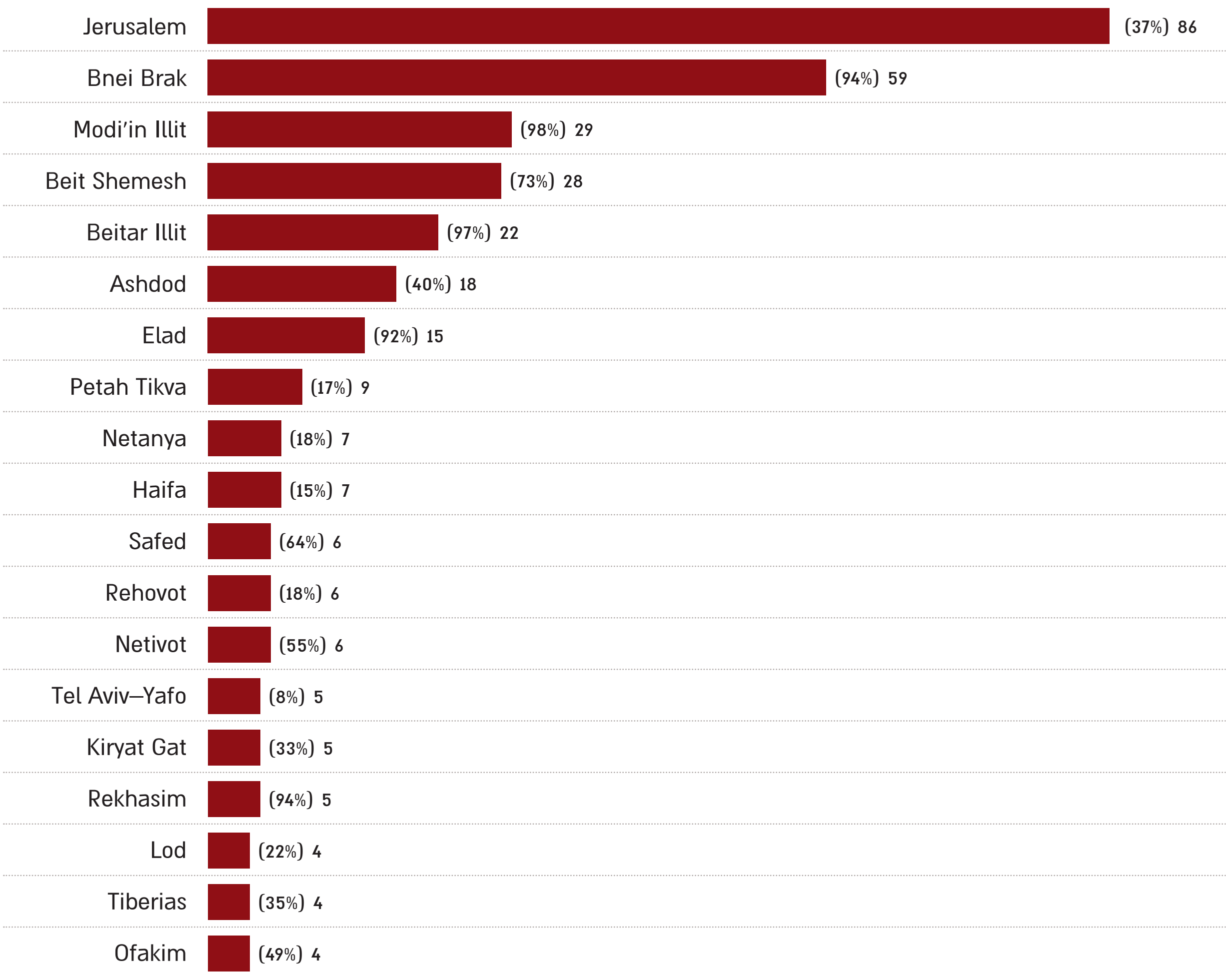
Other cities with large numbers of Haredi students include Beitar Illit (about 22,000 Haredi students, 6% of Israel's Haredi students and 97% of the city's students); Ashdod (about 18,000 students, 5% of Israel's Haredi students and 40% of the city's students); and Elad (about 15,000 students, 4% of Haredi students and 92% of the city's students).

Petah Tikva, Netanya, and Haifa each have about 2% of all Haredi students, making up 16% of each city's total students. In Safed, too, about 2% of all Haredi students study, but they make up 64% of the city's students.

Figure 79

Number of Haredi students in large Haredi communities, in thousands, 2024

In brackets: share of Haredi students in each city



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

As discussed in detail in the chapter on housing, in recent decades, there have been extensive changes in apartment purchase trends within the Haredi community, and there has been a great deal of migration between Israeli localities. This phenomenon is also reflected in the geographic distribution of students in the Haredi education system between 2000 and 2024.

According to the data, in several mixed cities in Israel there has been a sharp increase in the number of Haredi students in the education system. In Beit Shemesh, the share of Haredi students jumped from 27% of the city's students in 2000 to 73% in 2024. However, in 2023, the rate of Haredi students in the city declined slightly to 75% of all students in the city. In Safed, the proportion of Haredi students is the second largest among mixed cities, and in 2024, it stood at 64% of all students in the city, without change in the past year. In 2000, the proportion was only 41%.

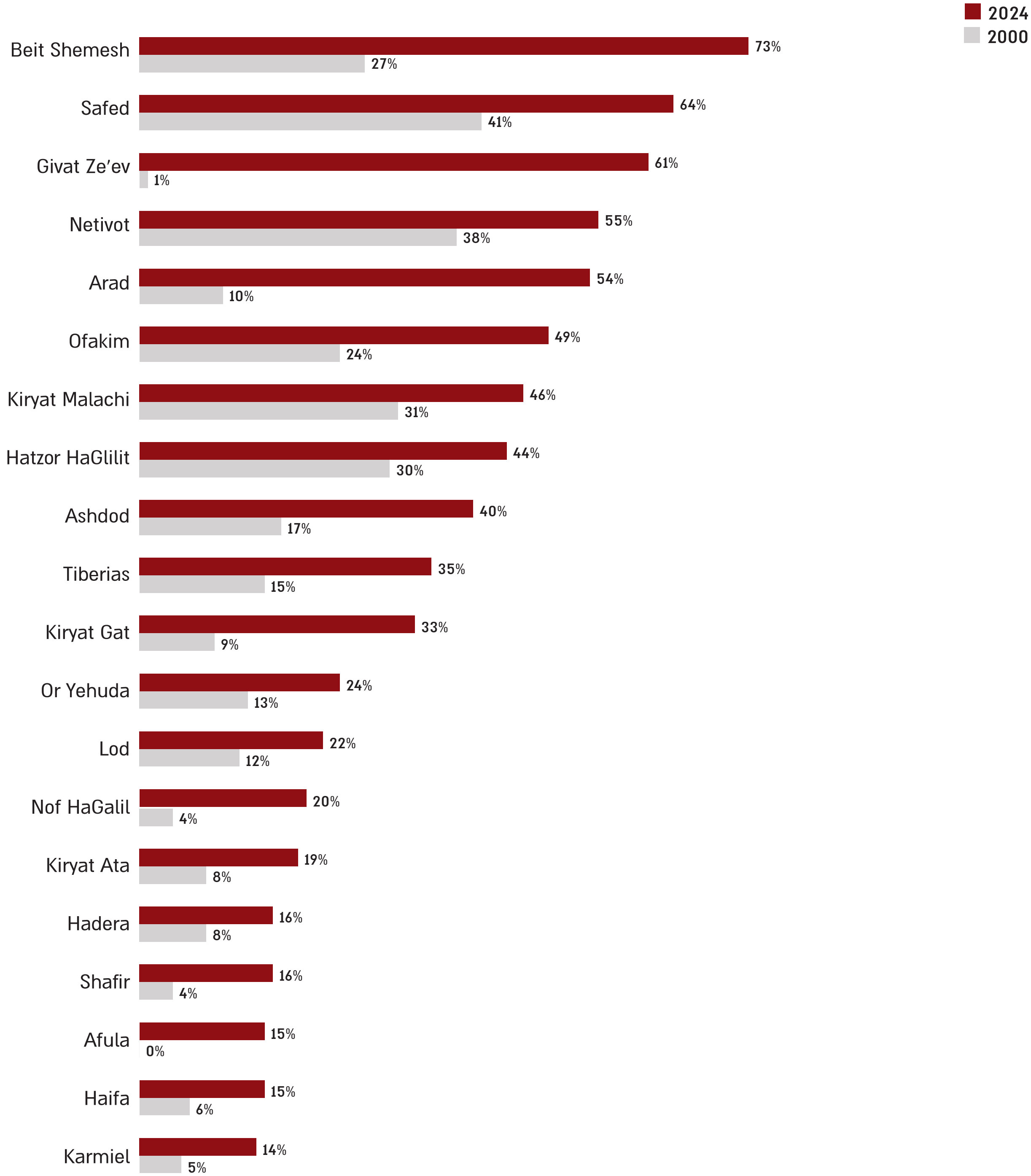
Givat Ze'ev saw the most significant growth in its number of Haredi students, rising from 1% in 2000 to 61% in 2024. In Netivot, the proportion of students that are Haredi grew from 38% in 2000 to 55% in 2024; in Arad, it grew from only 10% in 2000 to 54% of all students in the city in 2024, and in Ofakim, it grew from 24% in 2000 to 49% in 2024. A large increase in the proportion of Haredi students is observable in other cities, including Kiryat Malachi, Tiberias, and Kiryat Gat.

Due to the significant increase in the number of Haredi students in Ashdod, as of 2024, the proportion of Haredi students is higher in Ashdod (40%) than in Jerusalem (37%). In 2000, the proportion in Ashdod was only 17%.

The current situation and the trend of change in the rate of Haredi students in several localities indicate the demographic future of such localities. In many non-Haredi localities where there has been an increase in the number of students that are Haredi, the proportion of the Haredi population is expected to continue to grow rapidly, both due to natural growth and due to the process of establishing Haredi communities in such localities, accompanied by the establishment of Haredi communal, educational, and social infrastructure. This makes such localities desirable migration destinations for additional Haredi families. Accordingly, in many such localities, the Haredi community will constitute the majority of the population within a few years. Such a phenomenon has demographic, economic, social, and political implications. One consequence will be altering municipal budgets and allocating resources to specific services and institutions that meet Haredi society's unique needs, such as educational and cultural institutions and other infrastructure. Another will be the need to prepare for changes in the local housing market in terms of housing prices, the nature of local construction, and the adaptation of housing to accommodate Haredi requirements. A third will be changes in the local social-communal fabric and coexistence issues in the public sphere. A fourth will be changes in the local political balances of power and the influence of the Haredi community on local policy and elements of life.

Figure 80

Percentage of Haredi students out of all students in a municipality, 2000 vs. 2024



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Percentage of Students Eligible for a Bagrut Certificate

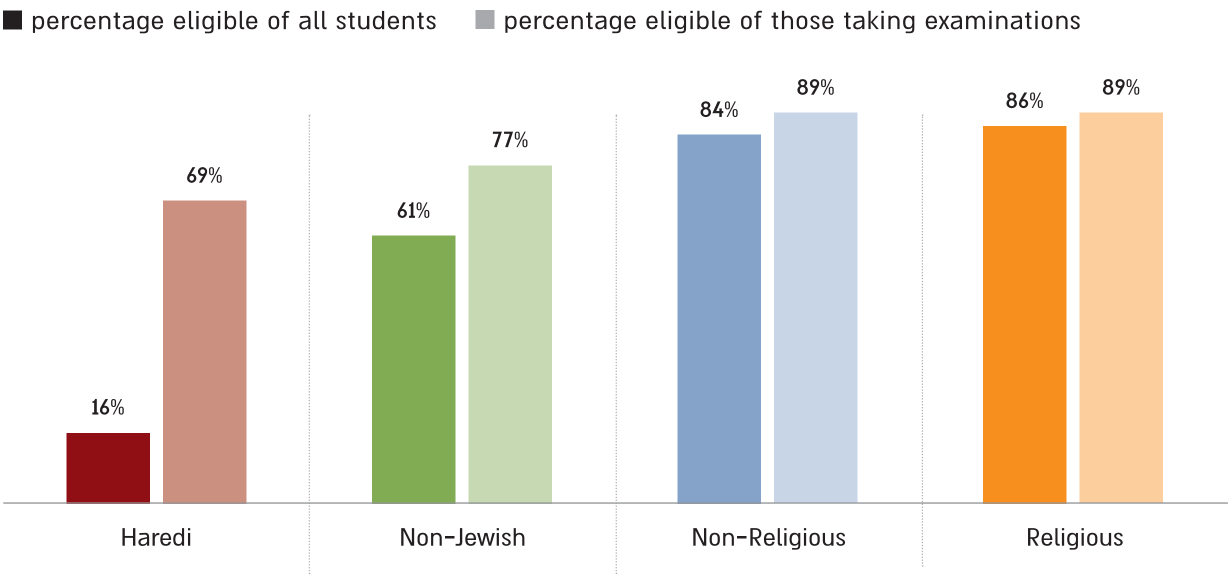
The Bagrut (high school matriculation certificate) is one of the core benefits that Israel's education system provides to its graduates. This certificate greatly affects students' ability to acquire higher education after graduation and the ease of integration into Israel's labor market. The Bagrut exams serve as a core indicator for evaluating students, schools, and Israel's education system as a whole.

In the Haredi education system, most schools do not submit their students for the Bagrut exams. Girls' schools often administer alternative tests known as "Szold exams." For this reason, only 16% of all students in the Haredi education system in 2023 were eligible for a Bagrut, compared to 61% of students in the non-Jewish education system, 84% in the State-secular education system, and 86% in the State-religious education system.

Differences are also evident in the percentage of eligible students who take the exams. 69% of Haredim who take the Bagrut exams are eligible for a Bagrut certificate, compared to 77% of those who take the exams who are not Jewish and 89% of non-Haredi Jews who take the exams, both religious and non-religious. The relatively low percentage of Haredi students eligible for a Bagrut is likely because some of the educational frameworks in the Haredi education system submit their students to a limited number of Bagrut exams rather than the full set. Therefore, even those who pass the partial exams are not eligible for a full Bagrut certificate.

Figure 81

Percentage of students eligible for a bagrut certificate, by sector, 2023



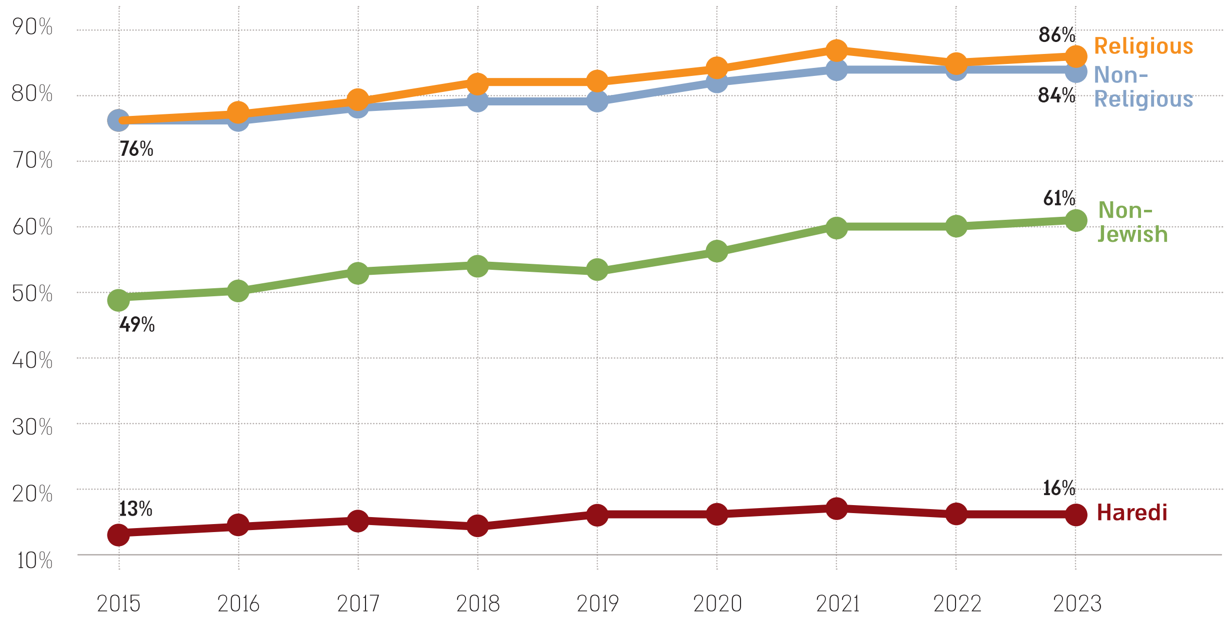
Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

In recent years, there have been developments in the percentage of those eligible for a Bagrut certificate in all sectors of Israeli society, including the Haredim. Between 2015 and 2019, there was an increase

in the rate of Haredim eligible for a Bagrut, from 13% to 16%, and the rate has remained stable over the past four years. In the other sectors, there was a more consistent and noticeable increase in the rate of those eligible for a Bagrut during these years. In the State-religious education system, the rate of those eligible increased from 76% in 2015 to 86% in 2023; in the State-secular education system, there was an increase from 76% to 84% and in the Arab education system, there was an increase from 49% to 61%.
The moderate increase in matriculation certificate eligibility rates among Haredim indicates, on the one hand, a moderate improvement in the level of general education, especially among Haredim studying in State-Haredi schools. On the other hand, the moderate improvement points to the existence of strong conservative forces in Haredi education that seek to deny access to core studies in general and the Bagrut exams in particular.

Figure 82

Percentage of students eligible for a Bagrut certificate, by sector, 2015-2023



Source: The Haredi Institute for Public Affairs' Adaptation of Ministry of Education data ("Education Watch" and "Transparency in Education"), 2015–2022

An analysis of the data by gender reveals that the rate of female Haredi students eligible for a Bagrut certificate in 2022 is much higher than the rate of eligible male Haredi students: 25% of girls compared to only about 5% of boys.
The Bagrut eligibility gap between Haredi girls and Haredi boys stems from the different structure of the curriculums and the ideological differences between male and female education in Haredi society. In Haredi girls' schools, especially in seminaries, there is a greater focus on vocational studies, while education for Haredi boys focuses mainly on religious studies. Furthermore, in most Haredi boy middle

schools, there are no vocational studies at all. Haredi girls are encouraged to acquire general education and sometimes even higher education to integrate into the labor market and fulfill their economic role as the family's core and possibly exclusive breadwinners.

The Bagrut has a place in their educational process, as it is an important tool for integrating into high-quality employment and acquiring the education required for the labor market. In contrast, for Haredi boys, the emphasis placed on religious studies is intended to prepare them for the rest of their lives, during which their core pursuit will be the Torah. Therefore, very few educational frameworks are designed for Haredi boys of high school age that include vocational studies in general and preparation and submission for Bagrut exams in particular.

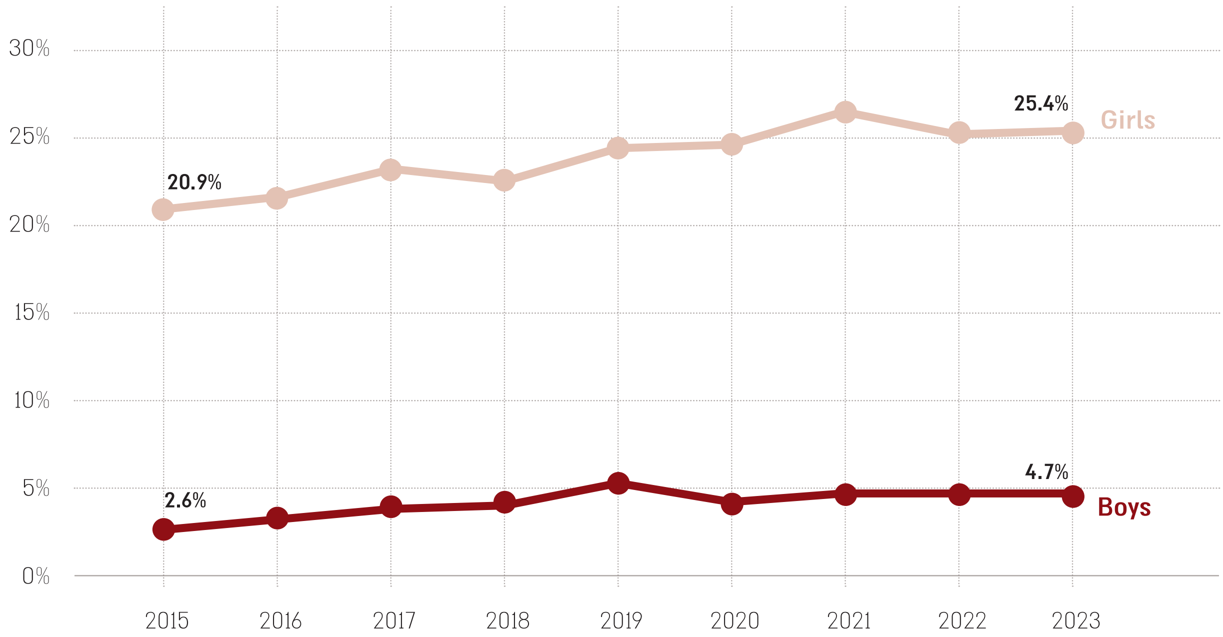
Between 2015 and 2023, the rate of Haredi girls eligible for a Bagrut certificate increased from 21% to about 25%, and among Haredi boys, the rate of those eligible increased from 2.5% to about 5%. Among both Haredi girls and boys, there is no change compared to last year's percentage of those eligible for a Bagrut certificate.

Even if it is moderate, the increase in the percentage of Haredim eligible for a Bagrut certificate may hint at the beginning of processes related to the orientation of the Haredi education system in general and of boys in particular. However, as noted, such rates of Bagrut eligibility are still very low, and 95% of Haredi boys are not eligible for a Bagrut by the end of their studies. As presented in the chapters on employment and education, this is also reflected in their low wage and the stagnation in the rate of Haredi men with a college degree.

New trends in the field of Haredi education, such as the growth of the State-Haredi education system and a jump in its share of the Haredi education system over the past year, are likely to lead to changes in the coming years in the percentage of Haredi students who take the Bagrut exams and are eligible for a Bagrut certificate.

Figure 83

Percentage of Haredi students eligible for a Bagrut certificate by gender, 2015-2023



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Funding for Students in the Education System

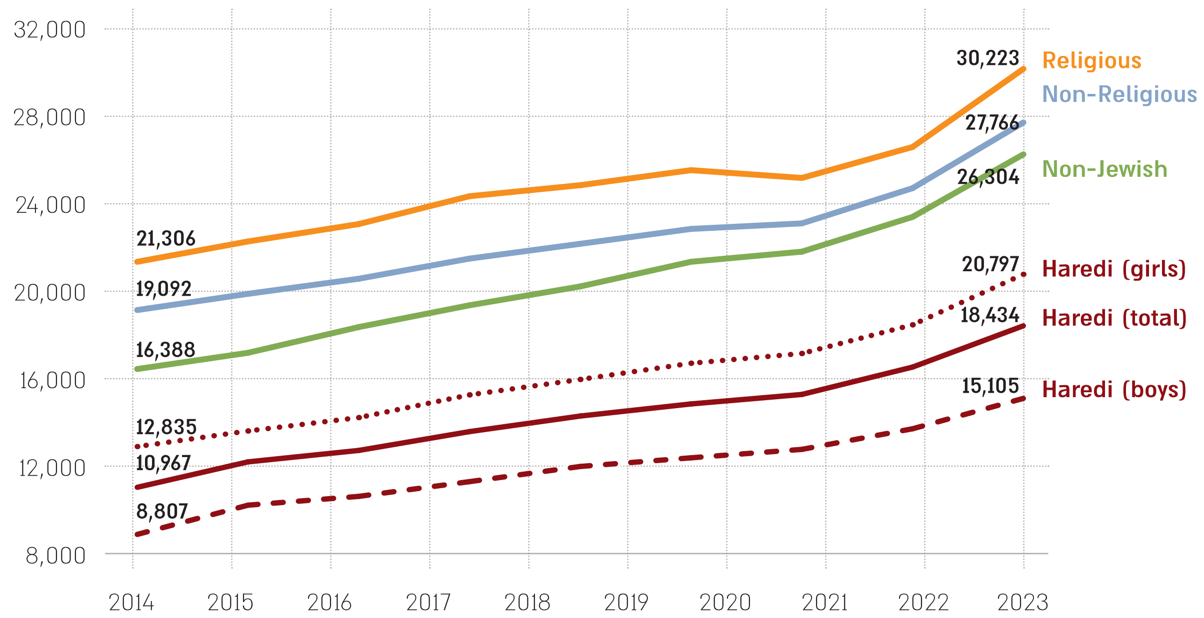
In 2023, the average funding for students in the State-religious education system was the highest, at an average of NIS 30,223 per student per year. In the State-secular education system, the average annual funding per student was slightly lower, at NIS 27,766, and in the non-Jewish state education system, the funding was similar at NIS 26,304. However, the funding for Haredi education was much lower, at only NIS 18,434. Thus, the funding for a Haredi student is about 34% lower than that for a student in the State-secular system and about 39% lower than that for a student in the State-religious system.

As described above, the structure of the Haredi education system for girls is very different from that of the boys' education system. About 80% of Haredi girls study in frameworks that are eligible for full funding, compared to only about 40% of Haredi boys. Such gaps affect the average funds per Haredi student, and therefore, the average funds per student in Haredi education for boys compared to the average budget per student in Haredi education for girls is differentiated in the chart below. Accordingly, the funds for a student in the Haredi education system for boys is very low, at only NIS 15,105, compared to the funds for a female student in the Haredi education system for girls, which stands at NIS 20,797. Thus, the funds per student in the Haredi education system for boys is the lowest, and there is a gap of about 50% between its funds per student and that of the State-secular system. The fund gap between female students in the Haredi education system and students in the State-secular education system is about 30%.

Between 2014 and 2023, there were changes in resource allocation to students, and there was a nominal upward trend in the funding received by all students in Israel's education system. However, the growth rate of the fund per Haredi student was the highest during this period. Over the past decade, the relative funding gap between Haredi students and students in the state education system has gradually shrunk from about 50% to about 35%. However, in absolute terms, the funding gap between non-Haredi Jewish and Haredi students has widened from about NIS 8,100 in 2014 to about NIS 9,300 in 2023.

Figure 84

Budget per student by sector, 2014-2023



Source: Haredi Institute for Public Affairs adaptations of Ministry of Education data

Higher Education

The integration of Haredim into Israel's higher education system highlights the ongoing tension between the need to incorporate the Haredi community into the Israeli labor market and the desire to preserve its distinct character and values. In broader Israeli society, higher education is a critical pathway to securing high-quality jobs with opportunities for advancement. However, Haredi society does not fully share this perspective. For many in the community, higher education is seen as a gateway to values and worldviews that conflict with Haredi beliefs, potentially undermining the integrity of their way of life.

Recognizing the economic importance of higher education for raising Haredi labor productivity, both the government and philanthropic organizations have made significant efforts to increase accessibility. Over the past 15 years, public resources have been allocated through initiatives such as five-year plans, financial scholarships, and the establishment of Haredi-oriented universities and pre-university preparatory programs. These efforts have yielded measurable success—between 2009 and 2014, the number of Haredi college students tripled (Regev, 2014). However, the overall enrollment remains low, and public opinion remains divided over the accommodations made for Haredi students, particularly regarding gender-segregated education.

The impact of these efforts is most evident among Haredi women, for whom higher education has become increasingly common and socially acceptable. However, the broader Haredi community remains

largely resistant to men pursuing higher education, and acceptance of the practice remains limited. This reluctance is reflected in the persistently low percentage of Haredi men in higher education, with a significant gap of several dozen percentage points compared to non-Haredi Jews. Despite various initiatives, the percentage of Haredi men with a college degree has remained stagnant for many years, with only marginal growth over the past two decades.

Nonetheless, signs of change are emerging. A growing number of young Haredi women are earning college degrees, and this trend is expected to continue in the coming years. Higher education presents an opportunity for economic and social mobility within Haredi society, but challenges remain—particularly concerning the return on investment (ROI) of education. Salary gaps persist between Haredi and non-Haredi college graduates, and recent trends suggest that these disparities may be widening.

These challenges highlight the need for continued policy development to further improve access to higher education for Haredim. At the same time, a more strategic and detailed approach is required to ensure that integration into the higher education system is both effective and respectful of Haredi identity. A well-designed policy framework can help bridge these gaps, ultimately enabling more Haredi youth to benefit from the opportunities that higher education provides while maintaining their cultural and religious values.

Key Findings

4%

of Haredi men hold an academic degree

The share of academic degree holders among Haredi men aged 25-49 is only 4%, compared to 31% among non-Haredi Jews

34%

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 6%

14%

of Haredi women hold an academic degree

The share of academic degree holders among Haredi women aged 25-49 is 142%, compared to 45% among non-Haredi Jews

7%

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

15%

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

13,693 NIS

The average monthly wage of a Haredi woman with a degree.

This amounts to about 73% of the average wage of a Non-Haredi Jewish woman with a degree, which stands at NIS 18,775 per month

19,343 NIS

The average monthly wage of a Haredi man with a degree.

This amounts to about 60% of the average wage of a Non-Haredi Jewish man with a degree, which stands at NIS 32,056 per month

Key Trends

Share of Male Degree Holders

The percentage of Haredi men aged 25–49 with an academic degree has increased by only 1.8% over the past two decades.

Share of Female Degree Holders

Among Haredi women in the same age group, the rate of academic degree holders has risen by approximately 10% over the same period.

Wage Growth among Degree Holders

Over the past decade, the average wage of Haredi men and women with an academic degree has seen minimal growth, in contrast to the significant wage increases among non-Haredi Jewish degree holders.The average wage of Haredi women with an academic degree has risen by about 8% over the past decade, while for Haredi men with an academic degree, the increase has been around 4%.
In comparison, the wages of non-Haredi Jewish women with an academic degree have increased by approximately 33%, and those of non-Haredi Jewish men by about 38%.

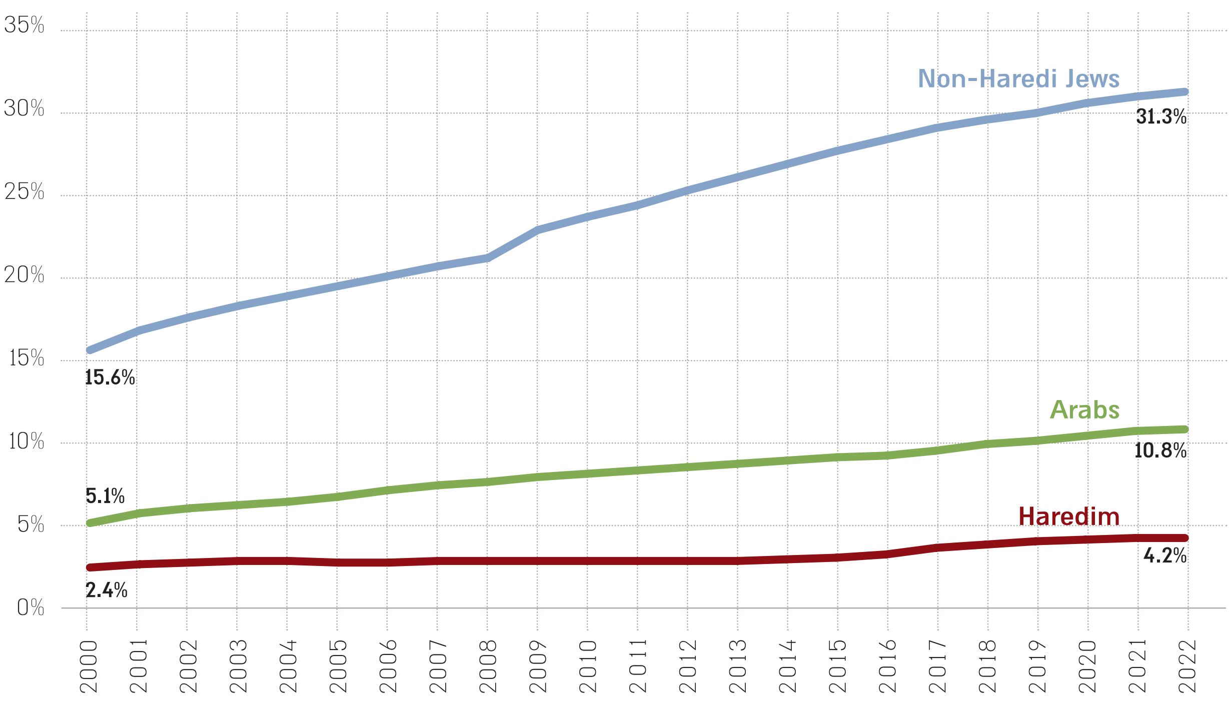
Haredi Integration into Higher Education

Over the past decade, considerable resources and efforts have been invested into the integration of Haredim into higher education and increasing the rate of Haredim with college degrees. However, for Haredi men, the efforts have yielded only a modest increase in the rate of college degree holders, which remains very low compared to other sectors. As of 2022, only 4.2% of Haredi men aged 25-49 had a college degree, an increase of only 1.8% over the past 20 years and no change in the past year. During this period, the rate of Arab men with college degrees has more than doubled, from 5% to about 11%.

To a large extent, this Figure reflects the difficulty encountered by Haredi men in trying to integrate into higher education, which stems from large gaps in their formal education (in comparison to Israel's general sector). Such knowledge gaps make it more difficult for them to meet the requirements for higher education admission and to complete their education successfully. The stagnation in the rate of Haredi college degree holders is particularly striking given the leap that occurred during this period in the rate of non-Haredi Jewish college degree holders, from about 16% to about 31%. Thus, the rate of non-Haredi Jewish men who hold a college degree today is seven times higher than the rate of Haredi men who hold such a degree.

Figure 85

Share of men with an academic degree by sector, 2000-2022, Ages 25-49



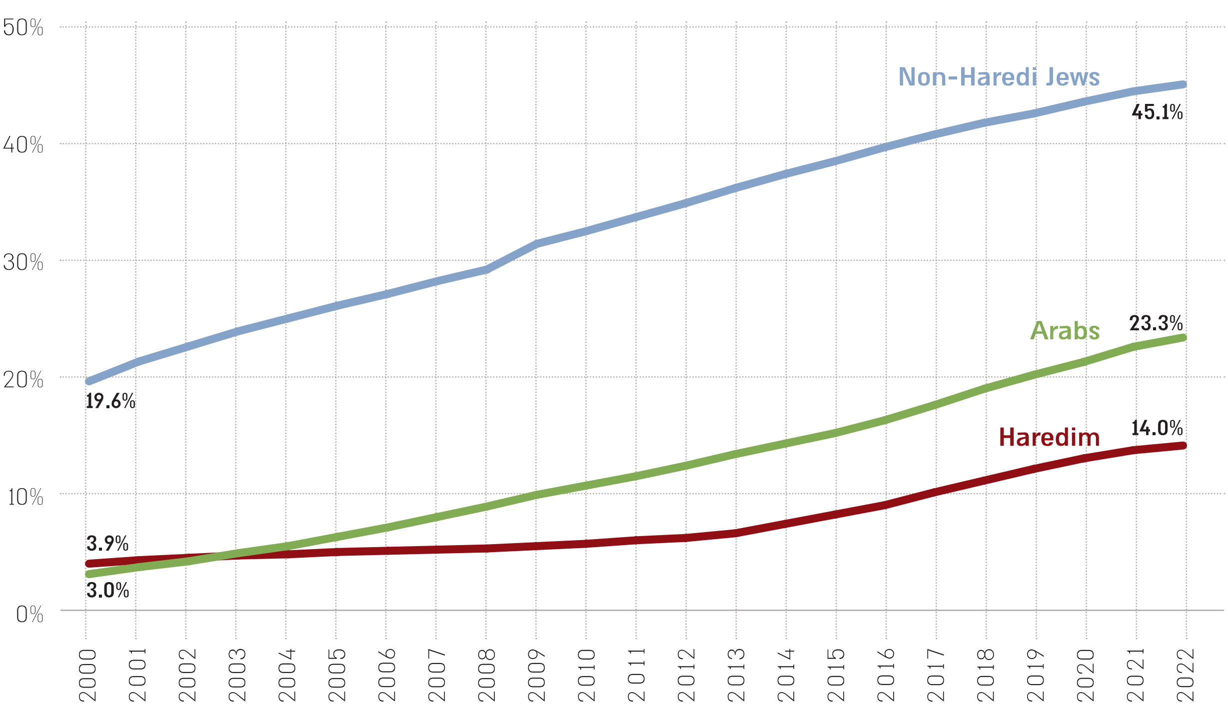
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Among Haredi women, the figures are higher. In 2022, the rate of Haredi college degree-holding women aged 25-49 was about 14%, an increase of about 9% over the past two decades. Most of the increase in the rate of Haredi degree-holding women took place in the past eight years, during which time this rate doubled. However, the education rates among Arab Israeli women (23%) and among non-Haredi Jewish women (45%) are still significantly higher than the rate of higher education among Haredi women.

The growth in the rate of female Haredi college degree holders comes alongside broad socioeconomic trends related to the education and employment of Haredi women and their widespread entry into high-productivity professions and industries. The growth of higher education among Haredi women is likely to have a broad impact on the Haredi community, including the expansion of vocational training courses in Haredi girl seminaries—highly conservative institutions where most Haredi girls enroll after high school—and may even encourage higher education among them.

Figure 86

Share of women with an academic degree, by sector, 2000-2022, Ages 25-49

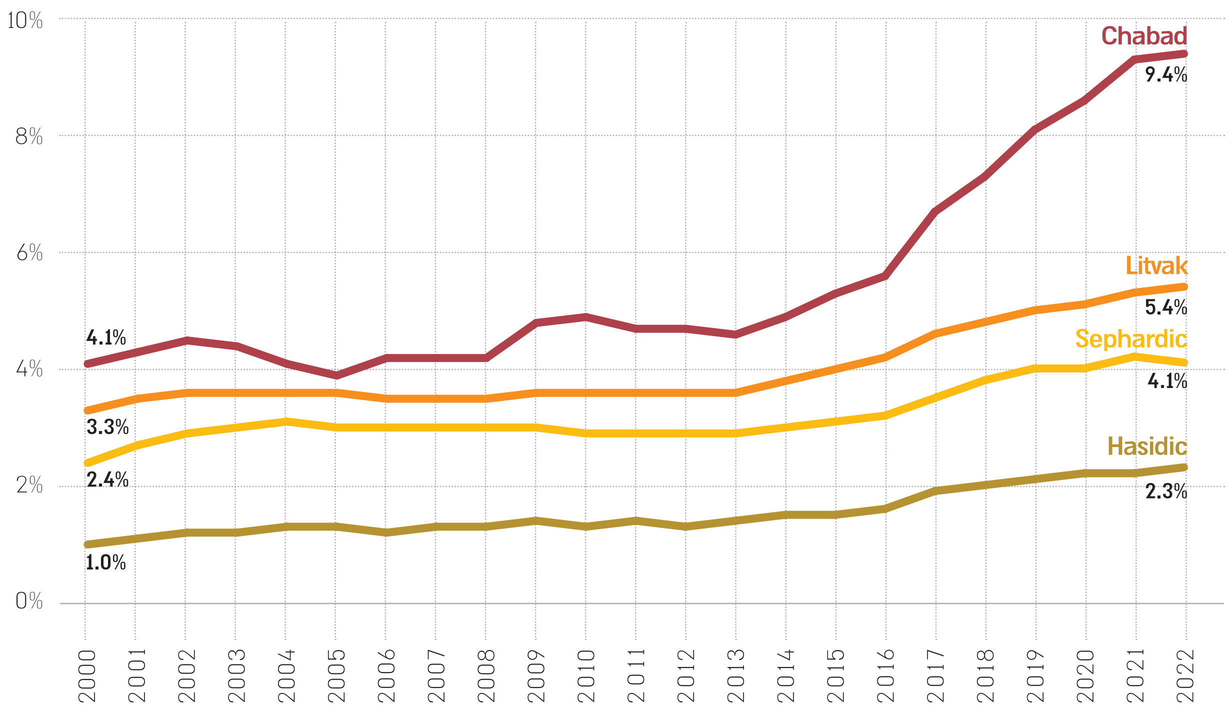


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

In the three major streams (Hasidim, Litvaks, and Sephardim), there has been only a modest increase in the rate of men with college degrees (1-2%) over the past two decades. In contrast, in the Chabad stream, there has been an increase of about 5% in the rate of men with college degrees, most of it in the past eight years. Since the rate of Chabad college degree holders was already higher than that of the other streams eight years ago, in the past eight years, a significant gap has formed (particularly regarding the Hasidic stream, in which the percentage of men with college degrees was still almost negligible, only about 2%).

Figure 87

Share of Haredi men with an academic degree by stream, 2000-2022, Ages 25-49



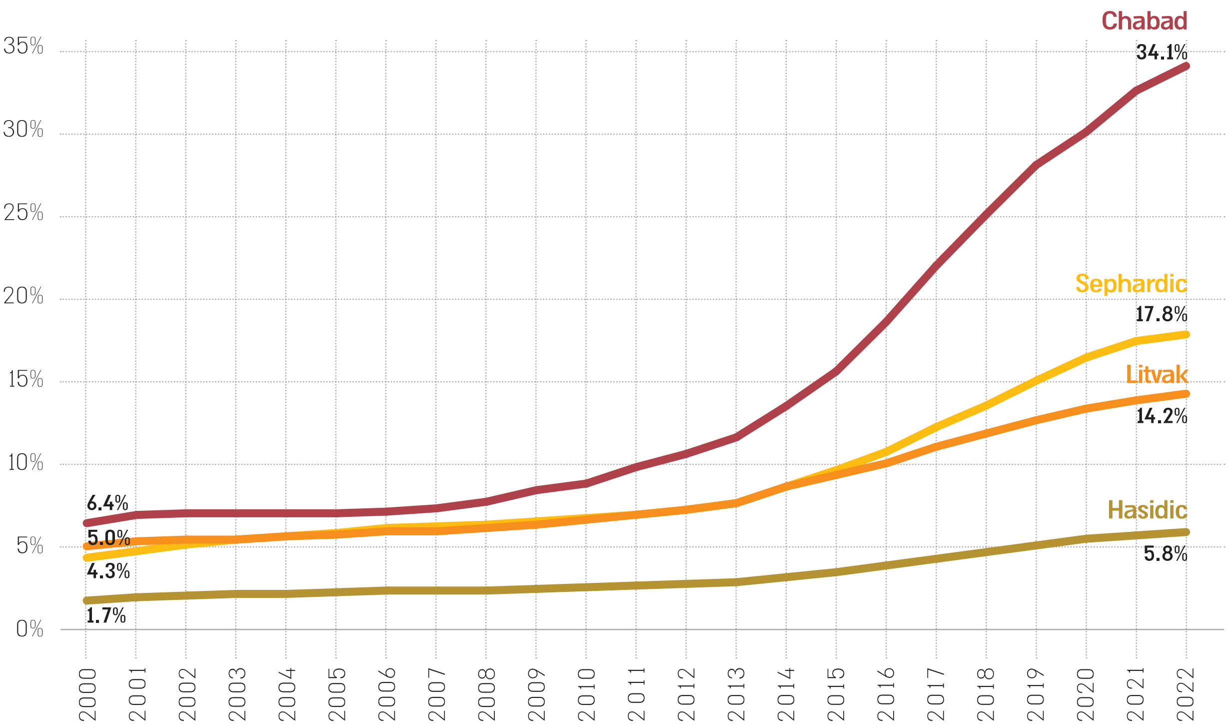
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Among Haredi women, the differences between the rates of female college degree holders in the various streams are wider. Among Hasidic women, the rate of female college degree holders is still relatively low (about 6%), although it has tripled in the past eight years. Among Sephardic and Litvak women, the rate of women with college degrees has been similar for many years. In recent years, the rate of Sephardic women with college degrees has increased faster—a gap of about 3.5% has emerged and has continued for the past two years.

The most impressive jump in the rate of female Haredi college degree holders was recorded among Chabad women, from 6.4% in 2000 to 34% in 2022. In other words, the rate of female college degree holders from the Chabad stream has quintupled over the past two decades, surpassing the rate of college degree holders among non-Haredi Jewish men. The majority of the increase, about 22%, was recorded in the past decade.

Figure 88

Share of Haredi women with an academic degree by stream, 2000-2022, Ages 25-49



Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

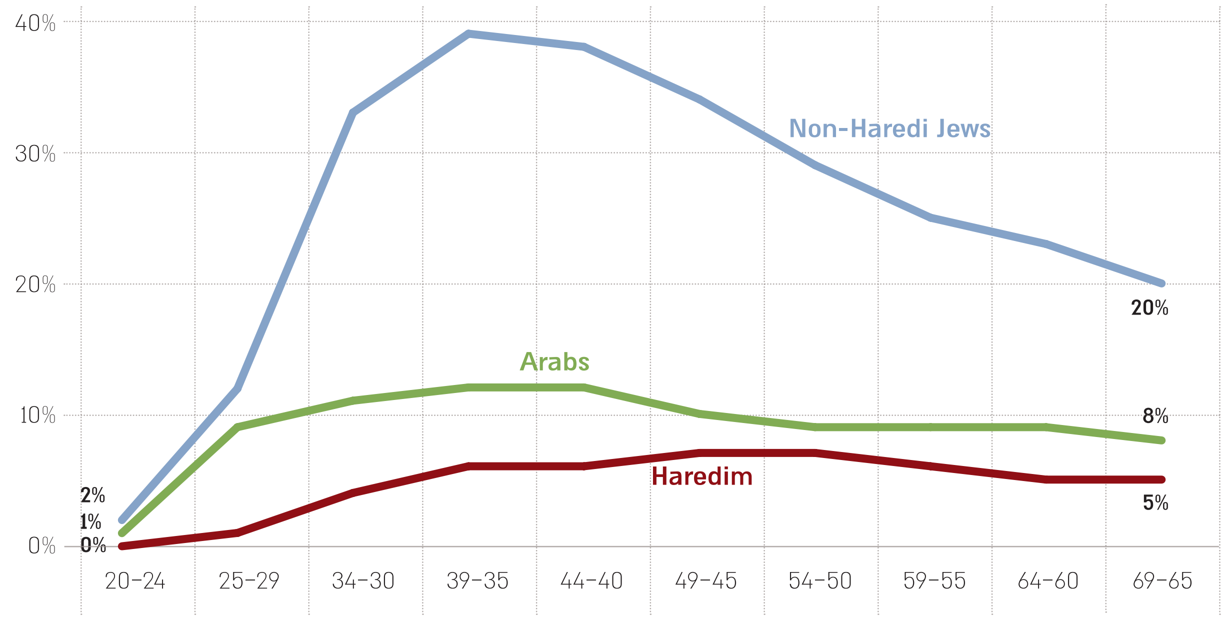
When examining the rate of men with a college degree by age group, it is evident that the Haredi men in the adult age groups, aged 50-54 and 45-49, had the highest rate of college degrees in 2022 and stood at about 7% in both. In contrast, among Arab Israelis and non-Haredi Jews, the highest rate of college degrees was among younger Israelis aged 35-39 (12% and 39%, respectively). The rate of college degrees among Haredi men reaches its peak in a fairly older age group, likely due to the relatively late age at which Haredi men enter the labor market. Also, the recognition of the importance of a degree for employment occurs at a reasonably late stage for Haredim. Therefore, a higher rate of Haredi men complete a bachelor's degree at a fairly old age—well into their 50s.

Although recent data published by the Council for Higher Education indicates a significant increase in the rate of Haredi college degree recipients in 2022, it is necessary to examine what percentage of college degree recipients are indeed Haredi and what their average age was at the time of receiving the degree.

As noted, among non-Haredi Jews and Arab Israelis, the rate of college degree holders peaked in a younger age group, indicating a general increase in the rate of college degree holders among younger age groups.

Figure 89

Share of men with an academic degree by sector and age group, 2022

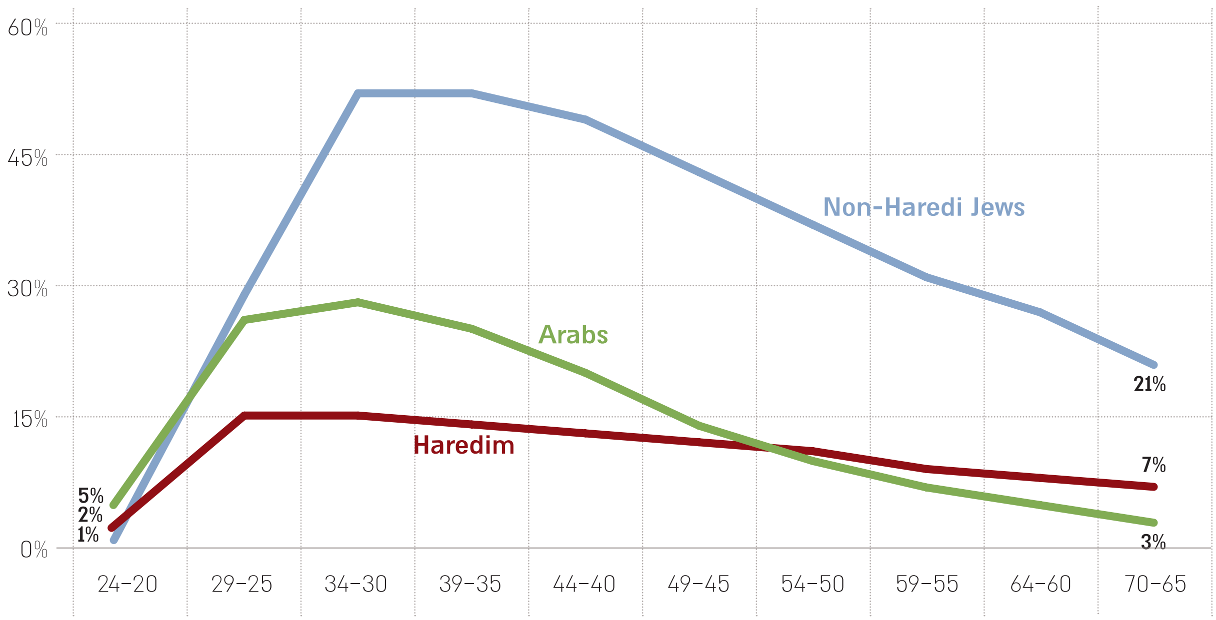


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Unlike men, the highest rate of college degrees among Haredi women (15%) was measured in the younger age groups, 25-29 and 30-34 years old. In contrast, Arab Israeli women and non-Haredi Jewish women had the highest rate of college degrees in the 30-34 age group (28% and 52%, respectively).
The highest rate was recorded among Haredi women at such a young age because the entrance of young Haredi women into higher education is the first step in their career, done immediately upon their entry into adult life. This is evidence of the pervasive understanding among young Haredi women that a college degree enables them to pursue high-productivity professions and achieve a career with many possibilities for advancement.

Figure 90

Share of women with an academic degree by sector and age group, 2022



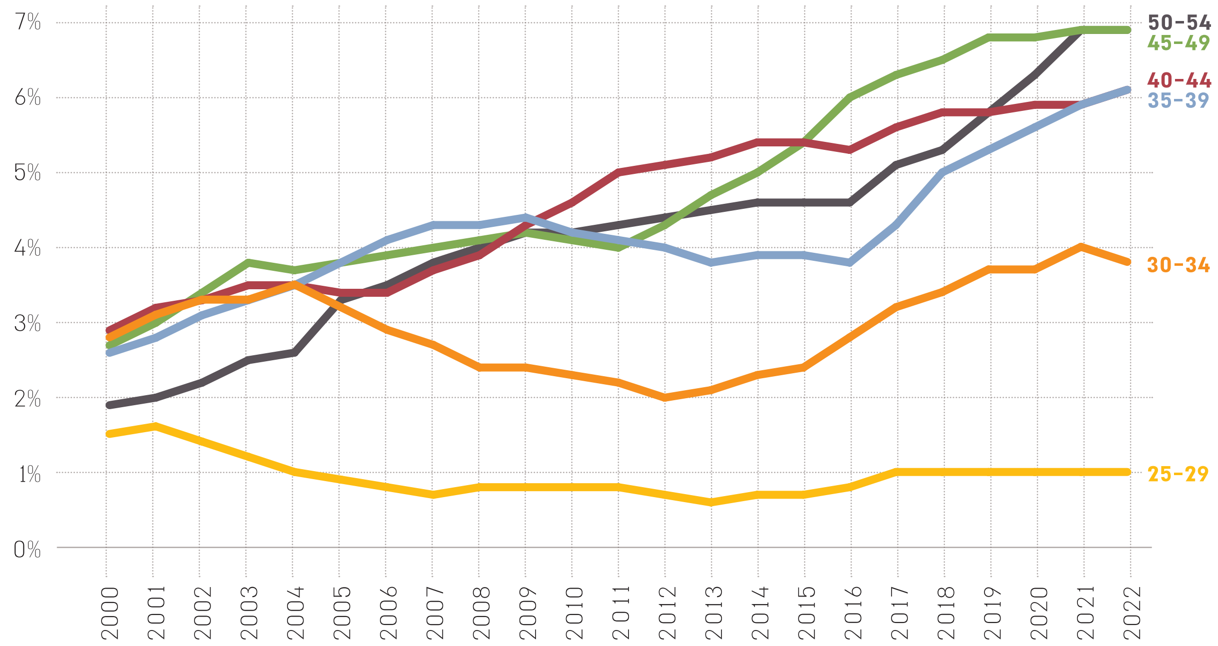
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Examining the trends in the rate of college degrees among Haredi men by age group may explain why the peak rate of college degrees comes at a reasonably old age. The sharpest increase in the rate of those with a college degree occurred among the oldest age group (50-54), from about 2% in 2001 to about 7% in 2022. In contrast, among those aged 30-34, there was only a modest increase during this period, from about 3% to about 4%. In the younger age group, 25-29, there was even a slight decline in the rate of Haredi college degree holders during this period, from about 1.5% to about 1%.

These findings demonstrate that most degree-holding Haredi men receive their college degrees at a late stage in their lives, and therefore, the ROI of education they will earn in the labor market is small.

Figure 91

Share of Haredi men with an academic degree by age group, 2000-2022



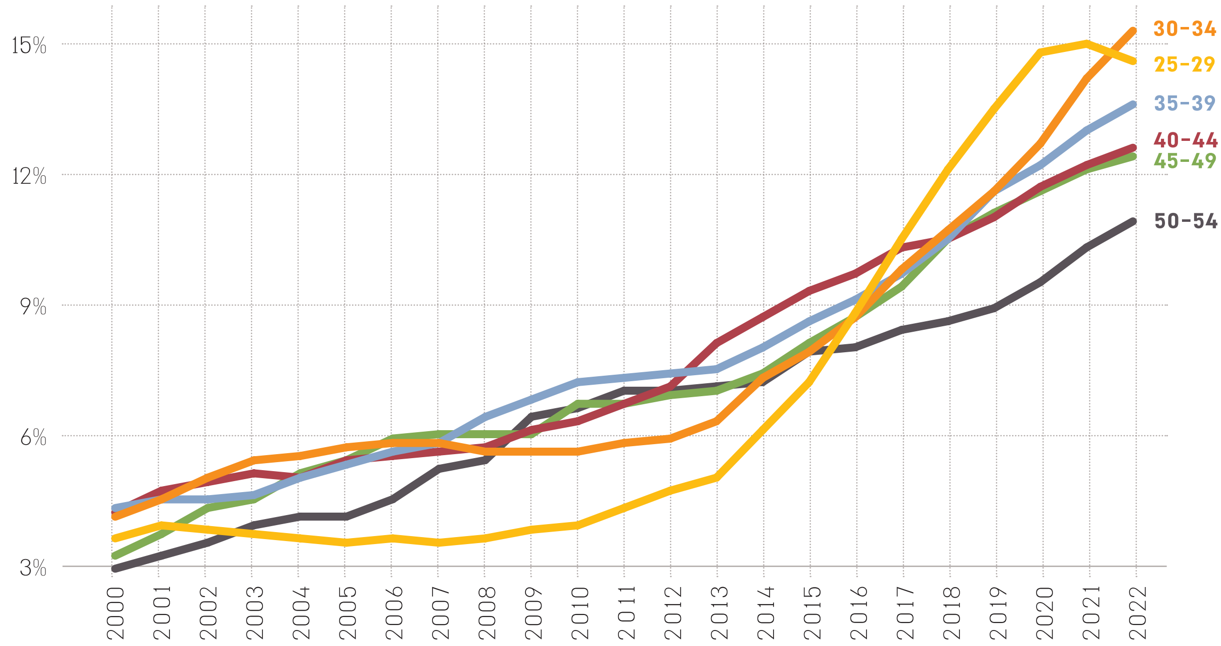
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

In contrast to men, among Haredi women, the largest jump in the rate of female college degree holders occurred in the younger age group (25-29), from about 4% in 2000 to about 15% in 2022. Most of the increase (about 10%) occurred between 2013 and 2021.

The increase in the rate of young female Haredi college degree holders corresponds to their early entry into the labor market, usually as the primary breadwinners of the household in the first years of marriage. The late age at which Haredi men acquire a college degree coincides with their late entry into the labor market, which is accompanied by a gradual decline in the scope of employment of their wives at such ages, as presented in the chapter on employment.

Figure 92

Share of Haredi women with an academic degree by age group, 2000-2022

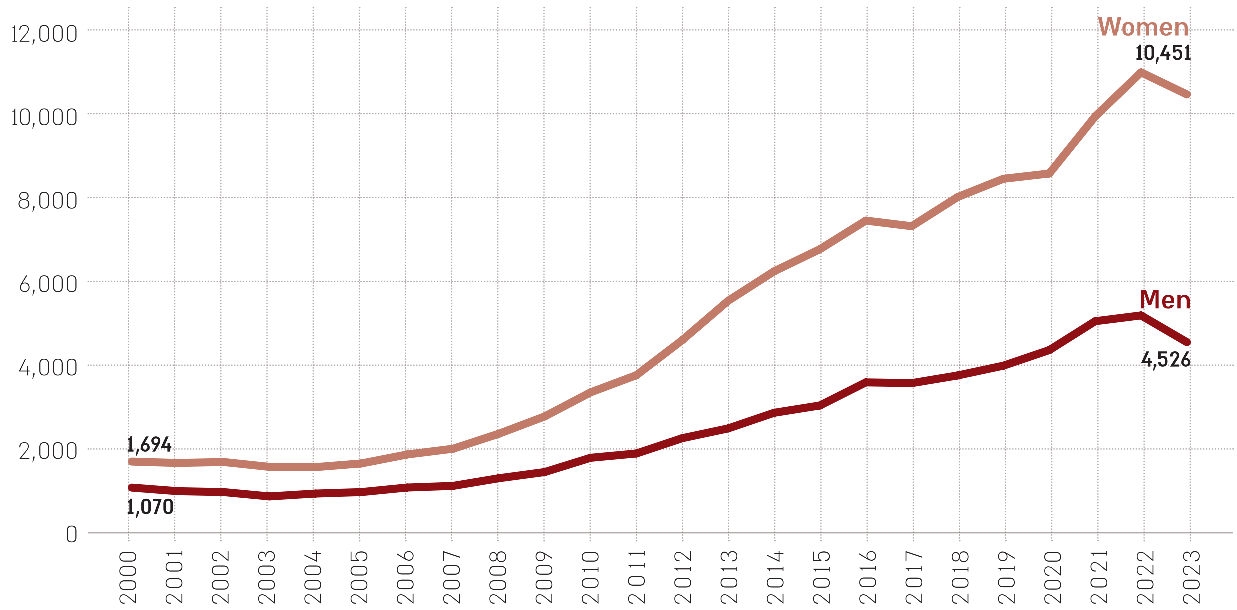


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

The rapid upward trend in the number of Haredi higher education students began in 2005, and the growth rate accelerated greatly from 2009 onwards. The growth rate among women was much faster than that of men, and thus, the gap between the number of Haredi male and Haredi female students grew, reaching about 6,000 in 2023. Such gender education trends in Haredi society complement trends in the labor market participation rates of Haredi women and Haredi men. During these years, there has been a steady upward trend in the rate of employed women, alongside a stagnation in the employment rates of Haredi men, as well as the growth of significant employment gaps between the two.

Figure 93

Number of Haredi students by gender, 2000-2023



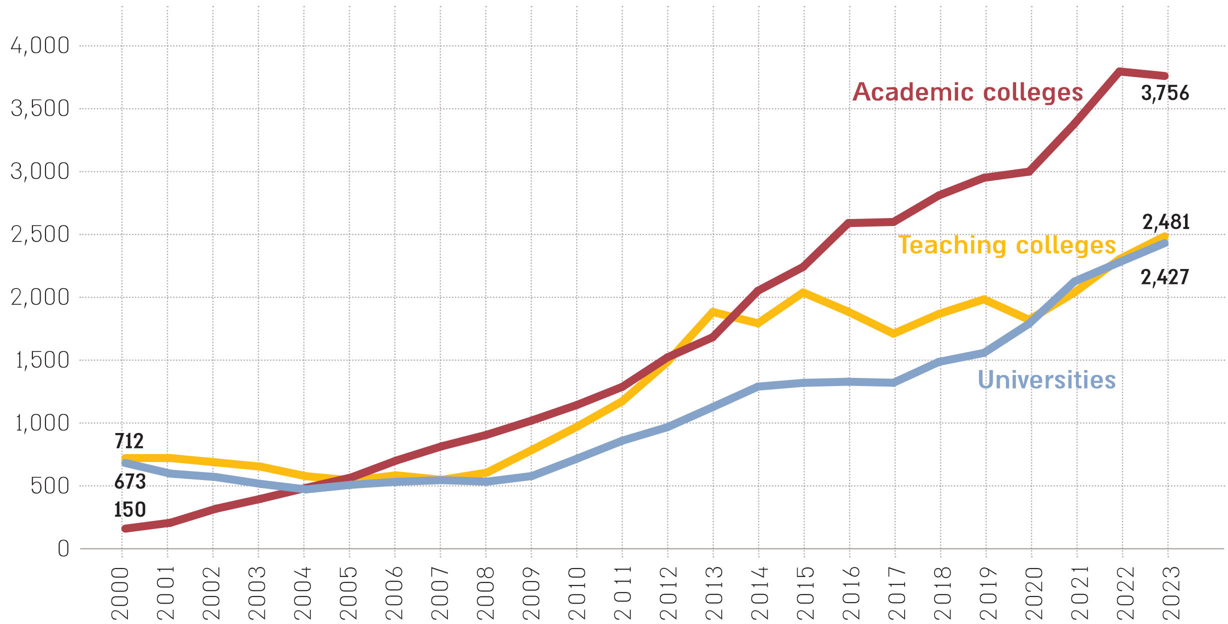
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

In addition to the increase in the number of Haredi higher-education students over the last two decades, there have been major changes in the fields of study and academic institutions preferred by Haredi students. In particular, among women, the field of education has become less sought-after in the past decade, a field that drove the original increase in the number of women seeking higher education. The number of female Haredi undergraduate students in teacher colleges quadrupled between 2007 and 2015. Since then, however, it has plateaued and has even slightly declined. In recent years, there has been another upward trend in the number of female students in teacher colleges, possibly due to the growth in demand for teachers in Israel's general sector and higher female Haredi demand for employment outside the Haredi education system. At the same time, the growth trend of female students studying in academic colleges and universities, including the Open University of Israel, has continued throughout the period, and the pace has even accelerated.

Such trends reflect a conscious turn of female Haredi students to professions with higher earning potential than teaching. However, the growth in the number of female Haredi students pursuing advanced college degrees in teacher colleges continued until 2019, while in academic colleges, there has been almost no change in their number over the past decade. In other words, recently, academic colleges have been responsible for most of the increase in the number of Haredi undergraduate students. In contrast, teacher colleges and universities are responsible for the increase in the number of Haredi graduate students.

Figure 94

Distribution of female Haredi undergraduate students by type of institution, 2000-2023

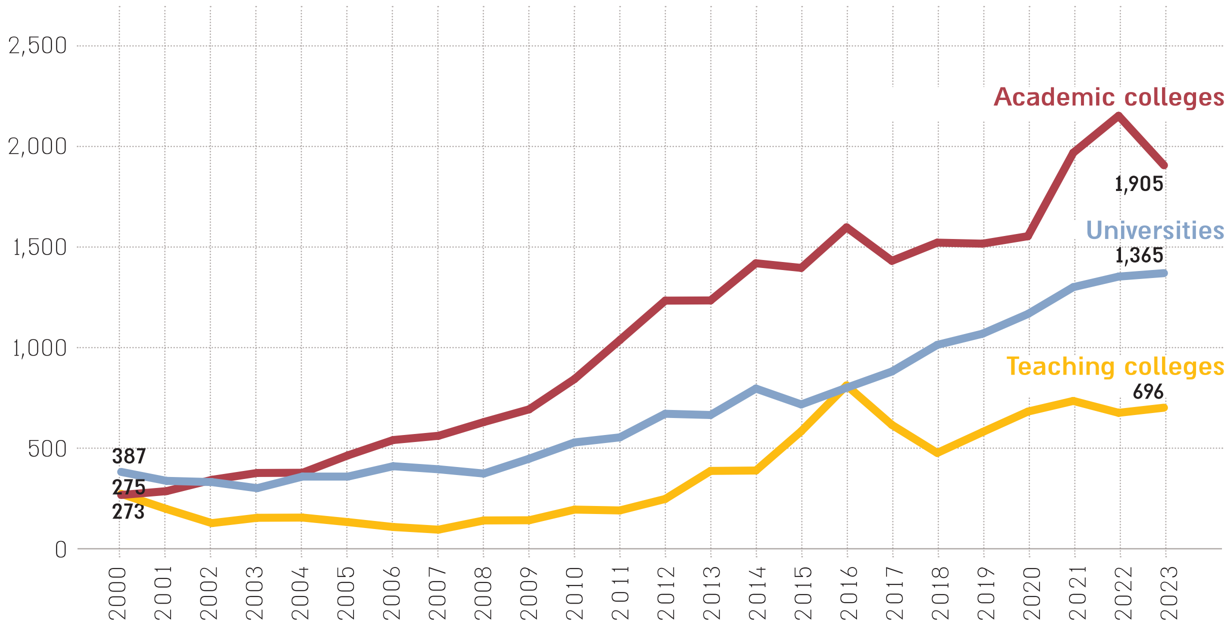


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Also, among Haredi undergraduate students, the trend of growth in the number of students studying in teacher colleges plateaued in 2016. There has even been a significant decline in their number in recent years. In contrast, the upward trend in the number of Haredi students has continued in universities, especially in academic colleges. Lately, students studying in academic colleges have been responsible for most of the increase in the rate of students in the sector.

Figure 95

Distribution of male Haredi undergraduate students by type of institution, 2000-2023

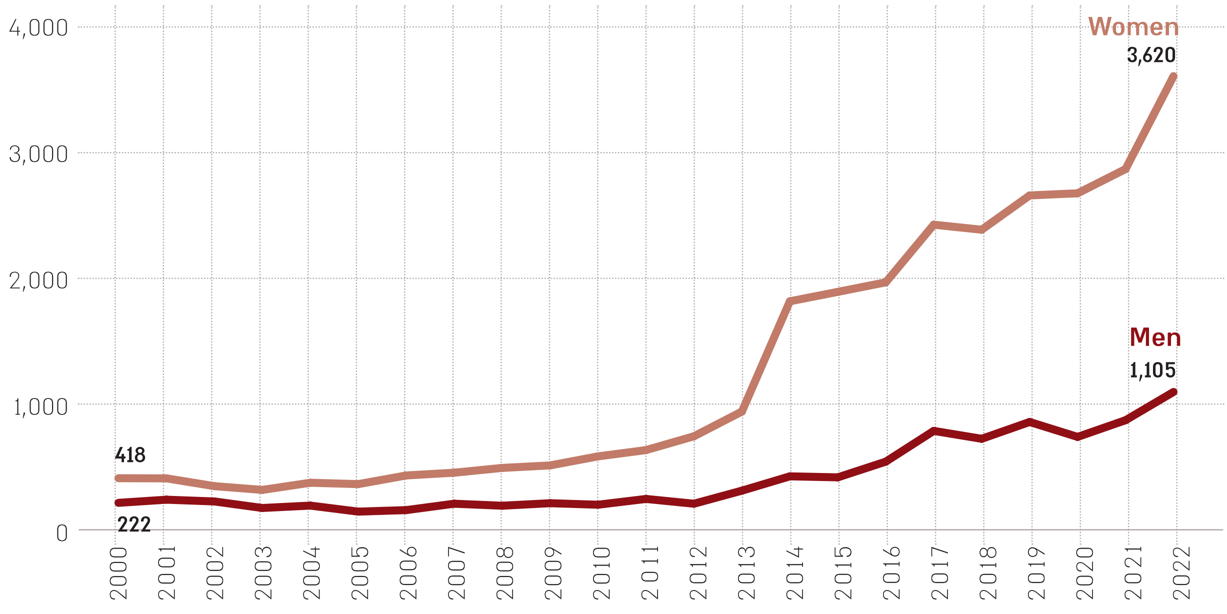


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

The surge in the number of young Haredi women who have turned to higher education in recent years is also reflected in the number of Haredi women per year who receive college degrees, which has increased fivefold over the past decade and reached about 3,600 in 2022. In recent years, there has also been a significant increase in Haredi men receiving college degrees, reaching about 1,100 in 2022, but, as described above, this number is still very low. The gap between the number of male and female Haredi college degree recipients is only widening over time.

Figure 96

Number of Haredi degree recipients by gender, 2000-2022



Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

ROI of Higher Education: Employment and Wage

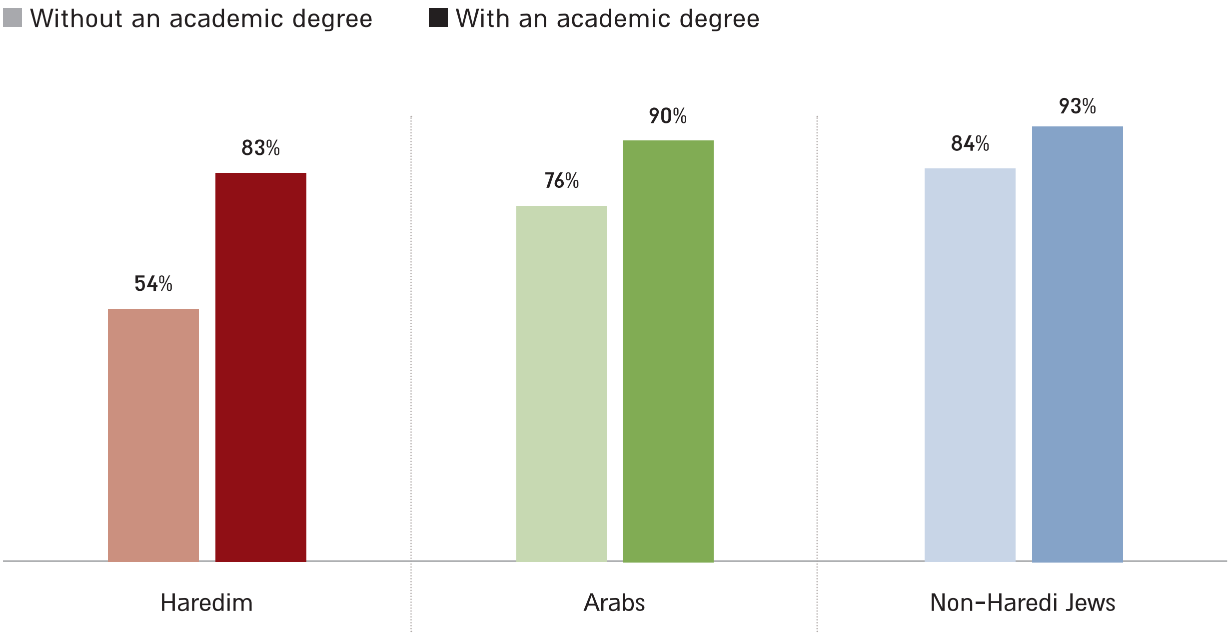
Higher education is a major factor in employment rates and wages in the Israeli economy since, education is not only a tool for acquiring knowledge but also a path to improving economic stability, quality of life, and opportunities for advancement in the labor market. The importance of higher education to employment and wage is becoming especially clear regarding the dichotomy of relative stagnation in the rate of male Haredi college degree holders and the rapid increase in the rate of female Haredi college degree holders.

Among men from all sectors, a large gap exists between the employment rate for those with and without college degrees, but the gap is the largest among Haredim. In 2022, the employment rate of Haredi men with a college degree was 83%, while for Haredi men without a college degree the rate was only 54%, a gap of 29%. Among non-Haredi Jewish men, the gap was 9%, and among Arab men, 14%.

Since only 4% of Haredi men hold a college degree, the average overall employment rate among Haredi men (with or without a college degree) is mainly affected by the group of employed people without a college degree.

Figure 97

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

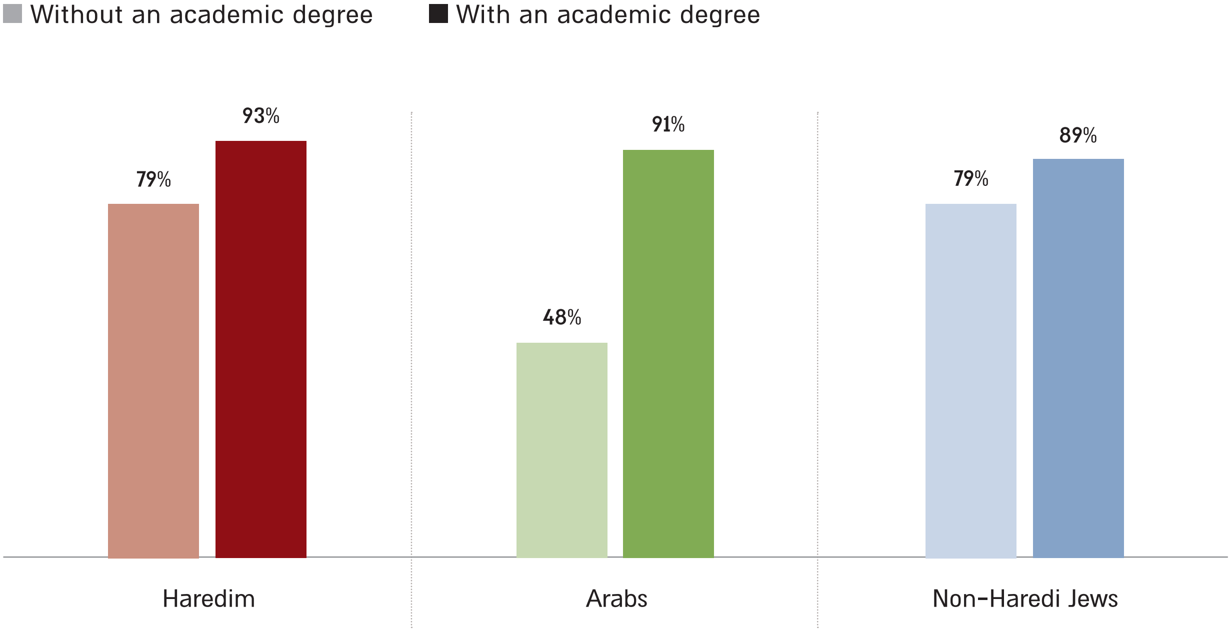


Source: Adaptations by the Haredi Labor Force Survey Institute

Among women, there is a large gap between the employment rates of women with and without college degrees. Still, the gap among Haredi women is only slightly larger than among non-Haredi Jewish women. In 2022, the employment rate of Haredi women with a college degree was 93%, and of Haredi women without a college degree was 79%, a gap of 14%. Among non-Haredi Jewish women, the gap is 10%. The largest gap between the employment rates of women with and without degrees was among Arab Israeli women, about 43%.

Figure 98

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



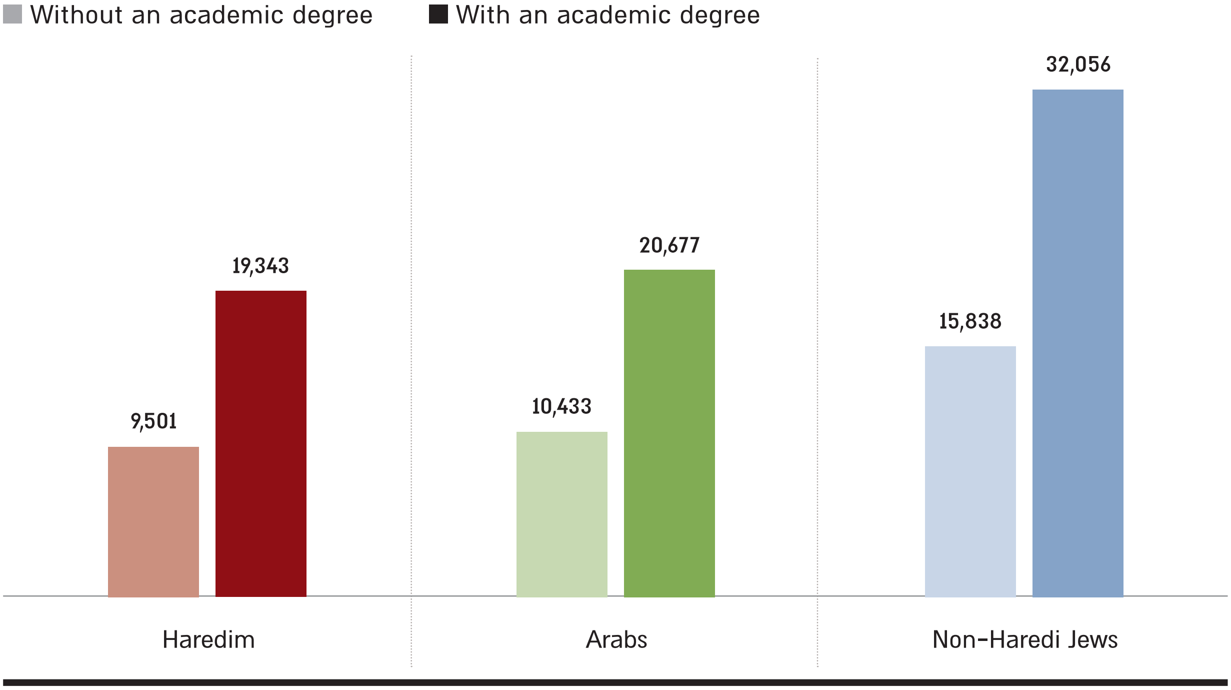
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

There are also very large wage gaps between workers with a college degree and those without a college degree in all sectors. Among men from all sectors, the monthly wage of employed persons with a college degree is (approximately) double that of employed persons without a college degree. A Haredi man with a college degree earns a monthly average of NIS 19,343, compared to the NIS 9,501 of a Haredi man without a college degree. A non-Haredi Jewish man with a college degree earns an average of NIS 32,056, while one without a degree earns NIS 15,838. An Arab man with a college degree earns an average wage similar to a Haredi man with a college degree, NIS 20,677, while one without a college degree earns NIS 10,433.

According to the data, wage gaps between Haredi men and non-Haredi Jewish men are maintained even among those with college degrees. A Haredi man with a college degree earns an average of about 60% of the wage of a non-Haredi Jewish man with a college degree. The source of the differences among college degree holders is likely partially due to Haredi men's common degree topics and career paths, who usually study and enter less productive fields like education, social sciences, and the humanities rather than science, medicine, and law. Another reason for the wage gap may be the average stage of life in which Haredi men complete their college degrees (as described above) since the ROI of a college degree at older ages, in which Haredi men tend to earn their college degree, is low.

Figure 99

Average wages of male employees by sector and level of education, in NIS, 2022, Ages 25-64



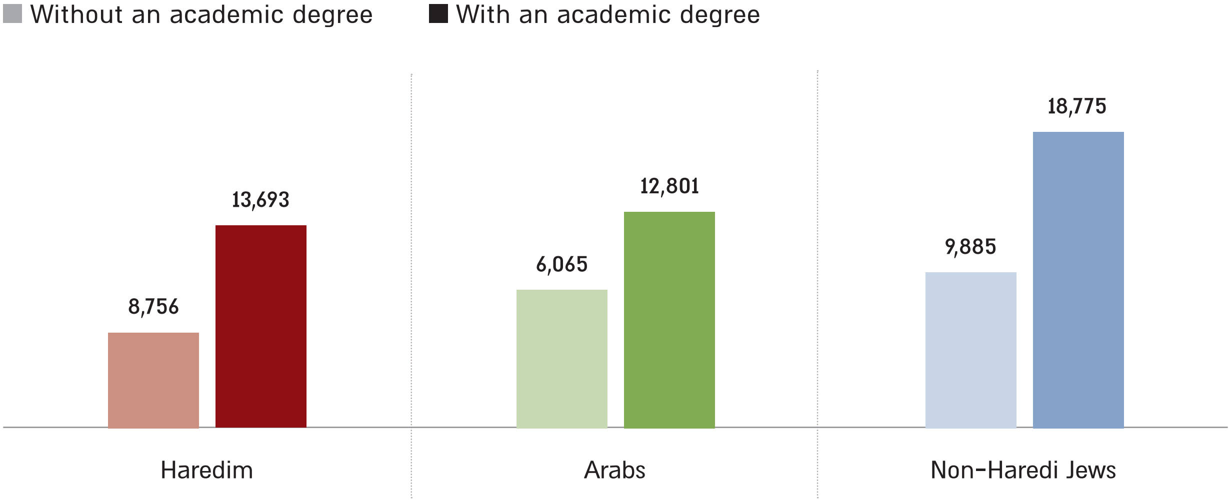
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Among women, the wage gap between workers with and without a college degree varies between sectors. Women with a college degree earn a higher average wage in all groups. Still, among Haredi women, the wage gap between those employed with a college degree and those without a college degree is the smallest, at about 56%. The average wage of a Haredi woman with a college degree is NIS 13,693, and for a Haredi woman without a college degree, about NIS 8,756. Among non-Haredi Jewish women, the gap is even larger, at about 90%. Non-Haredi Jewish women with a college degree earn an average of NIS 18,775, and those without a college degree earn NIS 9,885. Among Arab Israeli women, the wage gap between employed women with and without a college degree is the highest, about 120%. According to the data, the wage gap between college degree-holding Haredi and non-Haredi Jewish women has increased. While the gap is 13% among non-degree holders, it is 37% among degree holders. In other words, the ROI for college degrees acquired by Haredi women is lower than the ROI on college degrees earned by non-Haredi Jewish women, and this increases the wage gap between the groups. This may be due to several factors, including the subjects Haredi women acquire degrees in, which have a lower ROI in the labor market, the high rates of part-time work among Haredi women, and their frequent choice to remain in junior positions, therefore not receiving full ROI on their education in the labor market.

Given the rapid increase in the rate of female Haredi college degree holders and the relative stagnation in the rate of male Haredi college degree holders, 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 the case of hourly wage.

Figure 100

Average wages of female employees by sector and level of education, in NIS, 2022, Ages 25-64

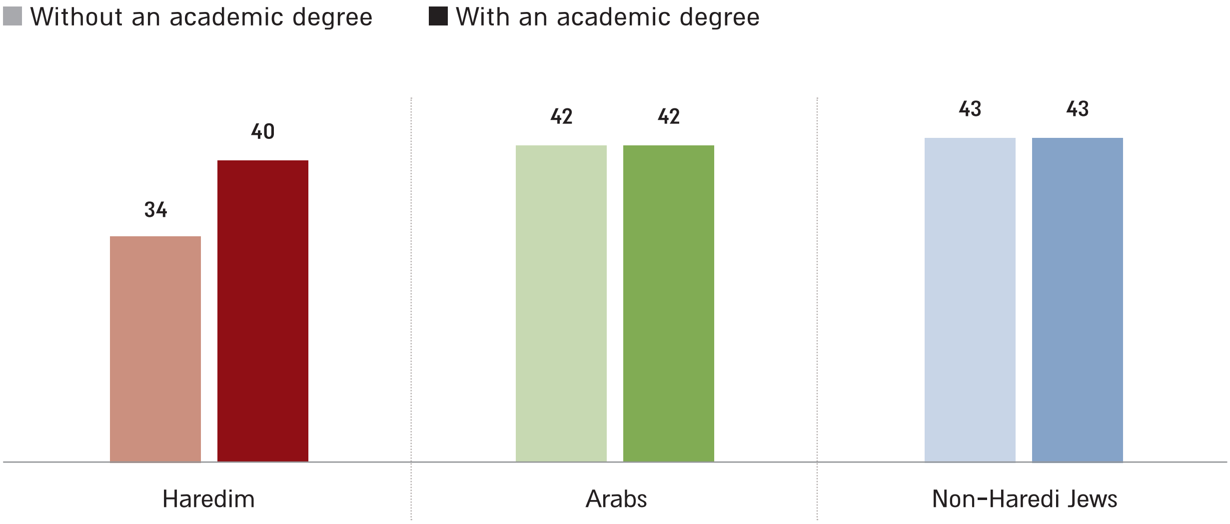


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

The average working hours of employed persons with and without a college degree differ in different sectors. Among non-Haredi Jewish men and Arab Israeli men, the average working hours are very similar among those employed with a college degree. Among those without a college degree, non-Haredi Jewish men work an average of forty-three hours per week, and Arab men work forty-two hours. In contrast, apparent differences exist between Haredi men and the two education groups. Haredi men work fewer hours than other men in general—Haredi men with a degree work an average of forty hours a week. This figure may also explain the sector wage gaps between college-educated men. Additionally, Haredi men without a college degree work much less than men in any other group, including Haredi men with degrees, only thirty-four hours a week.

Figure 101

Average weekly work hours of male employees by sector and level of education, 2022



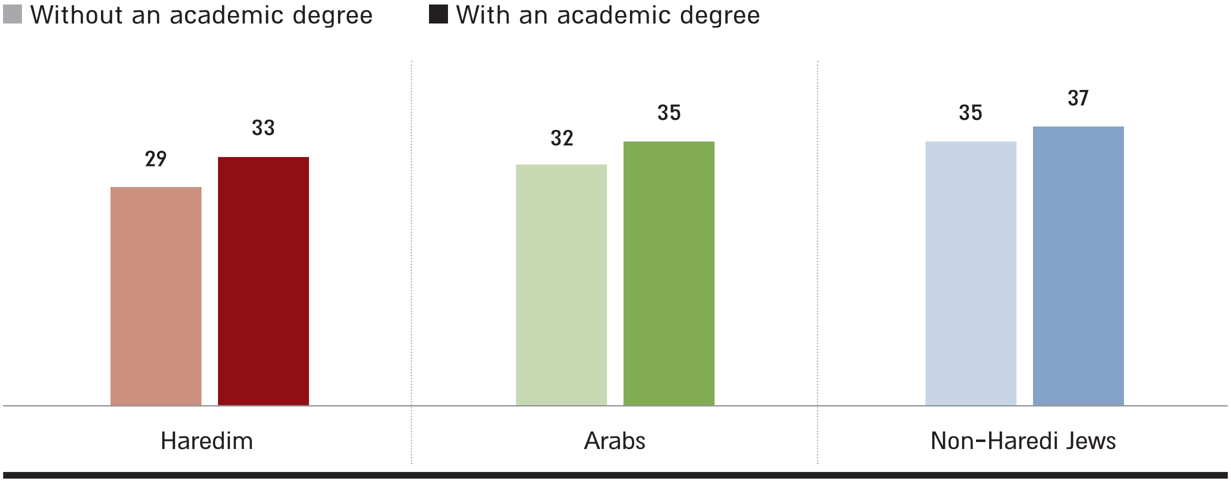
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Among women, the picture looks slightly different. In all sectors, there is a gap of two to four hours per week between women with a college degree and women without a college degree. Non-Haredi Jewish women with a college degree work the largest number of hours, thirty-seven hours per week on average, and non-Haredi Jewish women without a college degree work thirty-five hours per week. Arab women with a college degree work an average of thirty-five hours per week, and those without a college degree work thirty-two hours per week. Haredi women with a college degree work an average of thirty-three hours per week, slightly more than the average job scope for Arab women without a college degree. Haredi women without a college degree work only twenty-nine hours per week—the largest gap in working hours between women with and without a college degree is in this group.

Haredi women with college degrees work fewer hours than Jewish women with college degrees. Such hours worked may help explain wage gaps between sectors, and it is clear that for Haredi women, acquiring a college degree does not significantly impact work habits, particularly their tendency to work fewer hours.

Figure 102

Average weekly work hours of female employees by sector and level of education, 2022



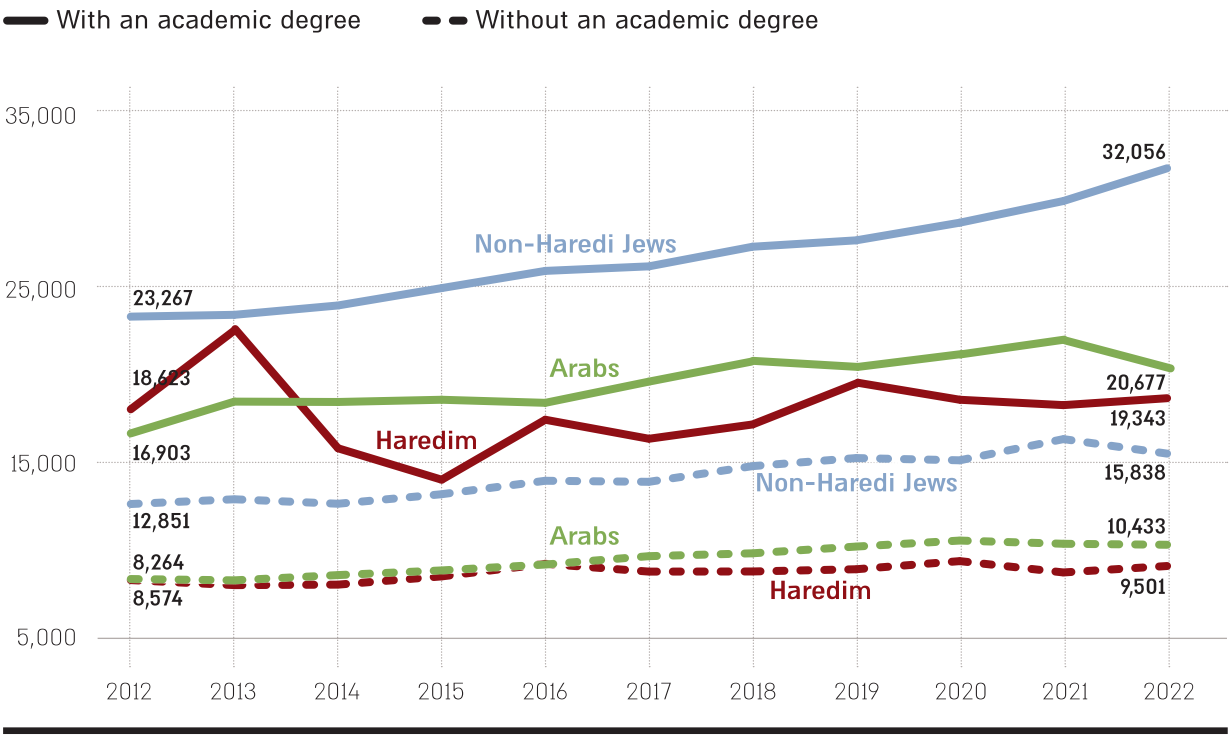
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Trends observed over the years in the real wage of employed persons with and without college degrees can help clarify the wage gaps between Haredi and non-Haredi Jewish employed persons, as presented at length in the chapter on employment.

Between 2012 and 2022, there were significant changes in the average wage of employed persons with and without college degrees. Among non-Haredi Jewish men, there was an increase of about 38% in the average wage of those employed with a college degree and an increase of 23% in the average wage of those without a college degree. Among Arab Israeli men, there was an increase of about 26% in the wages of those without a college degree and 22% in those with a college degree. In contrast, there was a much smaller increase in the average wage of Haredi men. During these years, the average wage of employed Haredi men without a college degree increased by 11%, from NIS 8,574 in 2012 (in 2022 prices) to NIS 9,501 in 2022. The average wage of employed Haredi men with a college degree has barely increased, increasing by only 4%, from NIS 18,623 in 2012 (at 2022 prices) to NIS 19,343 in 2022. Thus, according to the data, the real ROI on a college degree among non-Haredi Jewish men has been increasing over time. In contrast, among Haredi men, the ROI on a college degree has increased at a negligible rate over time. The difference between the groups likely lies in the fact that Haredi men apply for college degrees that are less valuable in the labor market, such as in subjects related to education and society. While the ROI on science and computer degrees in high-productivity industries has been increasing in recent years due to an increase in the average wage, the ROI on college degrees popular among Haredi men is low. Additionally, the average wage in the main occupations of Haredi men in general, and those with college degrees in particular, did not increase at a similar rate to that of non-Haredi Jewish men. As a result, gaps are emerging and widening between the groups.

Figure 103

Real monthly wages of male employees by sector and level of education, 2014-2022, in 2022 prices

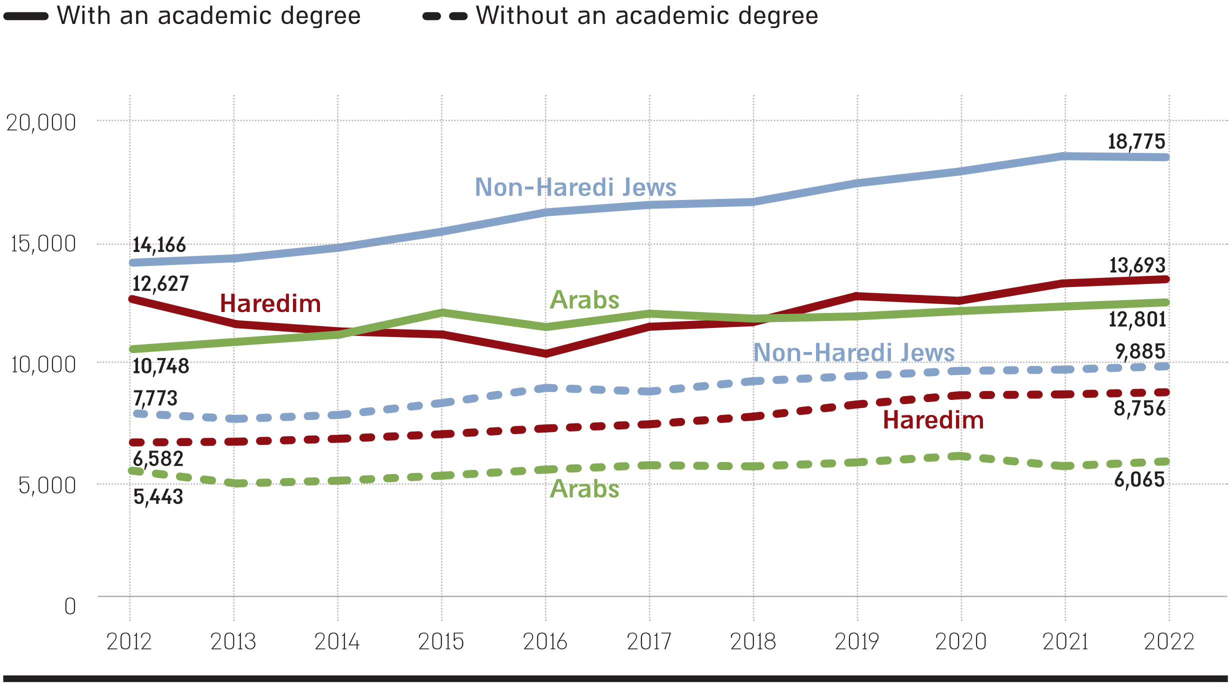


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

A similar picture emerges regarding female wage trends. Between 2012 and 2022, there was an increase of about 33% in the average wage of non-Haredi Jewish women with a college degree and a 27% increase in the average wage of non-Haredi Jewish women without a college degree. Among Arab Israeli women, there were smaller growth trends, of about 19% in the wage of employed women with a college degree and about 11% in the wage of employed women without a college degree. Similar to the average wage of Haredi men, the average wage of Haredi women with a college degree increased by 8%—much less than the increase in wage experienced by the other sectors. During such years, the average wage of employed Haredi women without a college degree increased by 33%, from NIS 6,582 in 2012 (in 2022 prices) to NIS 8,756 in 2022. In contrast, the average wage of Haredi women with a college degree increased only slightly—from NIS 12,627 in 2012 (at 2022 prices) to NIS 13,693 in 2022. Thus, despite the growth in the rate of female college degree holders among Haredi women, the wage gaps between Haredi women with college degrees and non-Haredi Jewish women with college degrees have only deepened over time. The growth of such gaps is likely due to the tendency of Haredi women to acquire a college degree in less rewarding industries and professions, as well as from the lack of realization of their wage potential in the labor market, even in high-productivity industries.

Figure 104

Real monthly wages of female employees by sector and level of education, 2014-2022, in 2022 prices



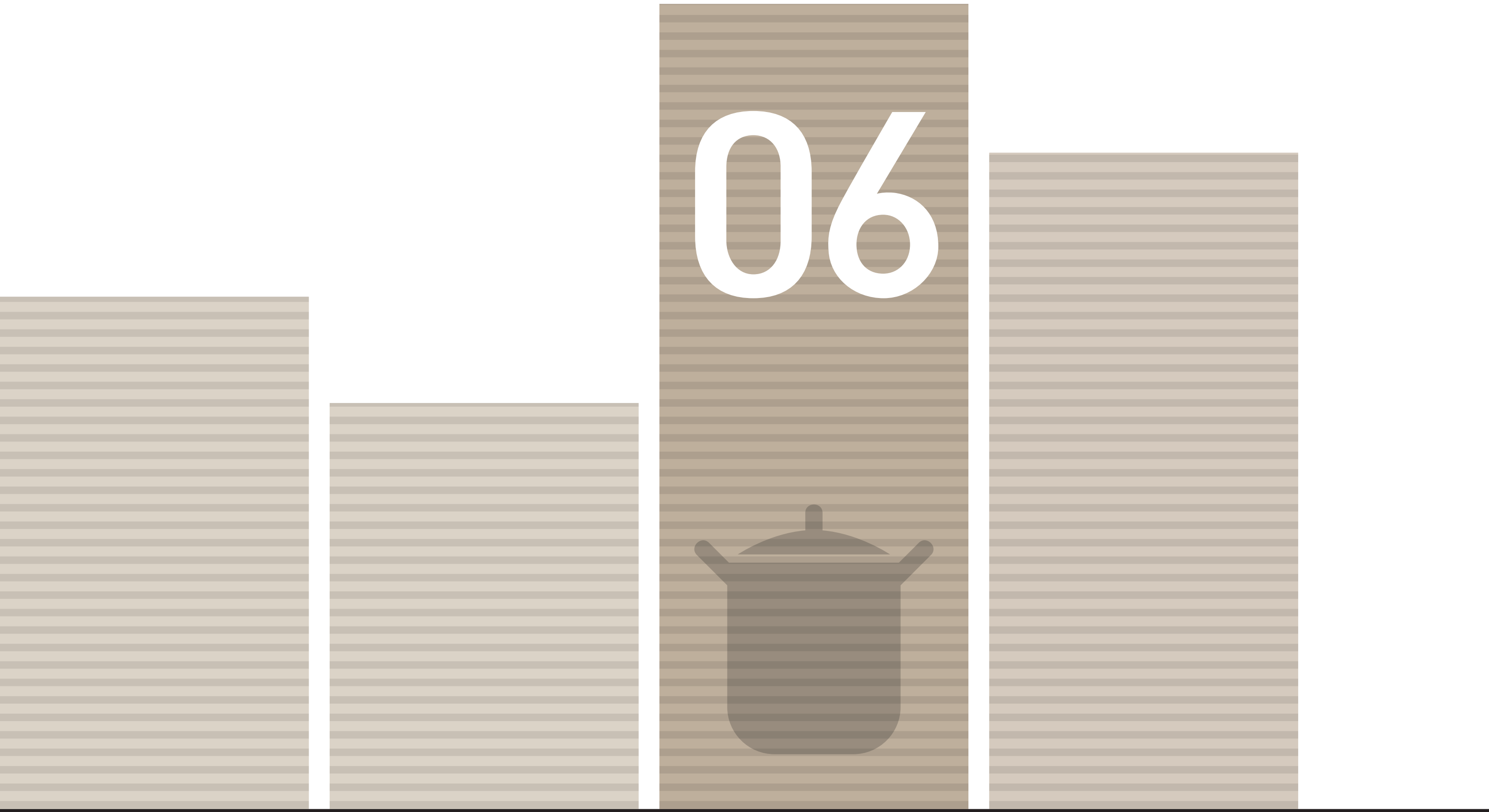
Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Household Economy

Unique characteristics of Haredi society significantly shape its economic landscape, including relatively low employment rates and income levels (see Employment chapter), alongside high fertility rates and large household sizes (see Demography chapter). These factors often raise compelling questions about how Haredi families manage their financial burdens, particularly amid the rising cost of living in Israel.

A closer look at the Haredi household economy reveals a distinctive income and expenditure structure, deeply influenced by cultural and religious values, societal priorities, and economic realities. On average, Haredi households earn just 50% of what non-Haredi Jewish households do—a reflection of several factors: reliance on a single or primary breadwinner, lower labor productivity, limited access to higher education, and a preference for part-time employment or work within insular and conservative community frameworks.

Despite their lower income levels, Haredi families exhibit a unique expenditure pattern that reflects their values, particularly fiscal prudence and contentment. Across nearly all consumption categories, Haredi households spend less than other groups, even though they have significantly more members per household. One of the most defining aspects of their spending is the prioritization of education, driven by the community's commitment to maintaining independent schooling. As a result, education-related expenses constitute a much larger portion of Haredi household budgets compared to other Israeli



groups. This is largely due to high tuition costs for private Haredi schools, which exist outside Israel's official education system and receive limited public funding. The willingness of Haredi families to bear these financial burdens underscores the value they place on preserving an education system aligned with their religious and cultural principles.

To bridge the gap between low income and high living costs, Haredi households rely heavily on government subsidies and welfare support, which account for twice the share of total income compared to non-Haredi Jewish households. However, Haredi society is undergoing significant economic shifts, marked by increasing integration into Israel's labor market. This transformation is evident in the growing share of income derived from employment and the rising tax contributions of Haredim compared to previous years. Additionally, while welfare support for Haredim has increased, its growth has been more moderate relative to other population groups.

These trends have contributed to a gradual decline in the Haredi poverty rate, though it remains significantly higher than the national average. To further close these economic gaps, targeted policies are needed to enhance the labor productivity of Haredi workers. By equipping them with the skills and opportunities necessary for sustainable employment, Haredi households can move toward long-term financial stability and greater economic independence.

Key Findings

NIS 15,324

Haredi household income:
58% of the income of a non-Haredi Jewish household, which is NIS 26,532

NIS 10,730

net income from work of a Haredi household. About 52% of the income from work of a non-Haredi Jewish household, which stands at NIS 20,670

70%

The relative share of net income from work in a Haredi household, compared to 78% in a non-Haredi Jewish household and 80% 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 15,191

the average consumption expenditure of a Haredi household. In a non-Haredi Jewish household – NIS 18,096, and in an Arab household – NIS 17,239

NIS 537

per month – average donation in a Haredi household. Haredim contribute a much higher sum of money than others: NIS 104 in a non-Haredi Jewish household and NIS 23 in an Arab household

The poverty rate of children in Haredi and Arab society stands at about 48%
compared to 13% in non-Haredi Jewish society

15%

of the consumption expenditures of the ultra-Orthodox household are for education and culture, compared to 11% for non-ultra-Orthodox Jewish households and 8% for Arab households

27%

of the consumption expenses of an ultra-Orthodox household are for housing – 4,127 shekels, compared to 4,822 shekels for a non-ultra-Orthodox Jewish household

40%
of Haredi households are below the poverty line

39%
of Arab households

11%
of non-Haredi Jewish households

Key Trends

Subsidies and Allowances

The average income of Haredi households from government welfare and subsidies grew at the slowest rate among all population groups, rising by 26% between 2014 and 2022, compared to 32% in non-Haredi Jewish and Arab households.

Average Net Income

During the same period, the average net income from work in Haredi households increased by 57%, compared to a 46% increase in non-Haredi Jewish households.

Household Tax Payments

Tax payments by Haredi households grew at the highest rate of all sectors, rising by 65% between 2014 and 2022. In comparison, tax payments increased by 64% among non-Haredi Jewish households and by 62% among Arab households.

Household Income Structure

For our analysis of the conduct and economic characteristics of the Haredi household, we relied heavily on the "Household Expenses and Income Survey," which the Israel Central Bureau of Statistics publishes annually. In recent years, due to budgetary constraints, the survey's sample size has been greatly reduced, and therefore the sampling error has increased. For example, in 2018, about 9,000 households were sampled in the survey, 800 of which were Haredi, while in 2022, only about 5,500 households were sampled in the survey, 600 of which were Haredi. Therefore, in some of the indices measured in the survey, there is a higher volatility in recent years than in the past. In addition, as of 2019, the response to the survey has been computerized, and this change may affect some of the results. For these reasons, we exercised serious caution when examining such trends. In particular, we found that in the most recent sample size, the results of analyzing changes in labor income, taxes, and poverty rates in Haredi society are not sufficiently reliable. Therefore, we used the Tax Authority's data and the Social Security Institute estimates, which are also based on administrative files, for such indicators for 2024.

The scope and structure of Haredi household income are unique among the population groups in Israeli society. Both its income and expense structures reflect Haredi society's unique set of values and express its underlying ideology, including unique work habits, the low employment rate of Haredi men, and fairly low wages for both men and women. Both the employment rate and wage stem from employment preferences such as part-time work, work within one's community, and a low level of professional training. Therefore, many Haredim turn to low-productivity employment and professions that do not require education and high skills. The strong community network enjoyed by Haredim and the array of welfare and subsidy options that the State of Israel provides to its residents play a significant role in the Haredi household's income structure.

The net monthly income of a Haredi household in 2022 was NIS 15,324 on average, about 58% of the income of a non-Haredi Jewish household, which averaged NIS 26,532. The income of the average Arab household was slightly lower, at NIS 12,953.

Israeli households have four primary sources of income: (a) work; (b) subsidies and welfare (such as child welfare or income assistance); (c) capital gains; (d) income from pensions, "Keren Hishtalmut" (a six-year tax-free savings and investment plan offered by Israeli employers alongside pension), and provident funds. There are differences among the average households in each population group in both the source distribution and amount of income.

The income from work for a Haredi household, on average, is about NIS 10,730 per month—about 52% of that of a non-Haredi Jewish household, which is about NIS 20,670 on average. The income from the work of a Haredi household is higher than that of an Arab household, which is at an average of about NIS 10,310.

The proportion of income from work in total household income is lower among Haredim than among other population groups. In Haredi households, income from work is 70% of total income, while in non-

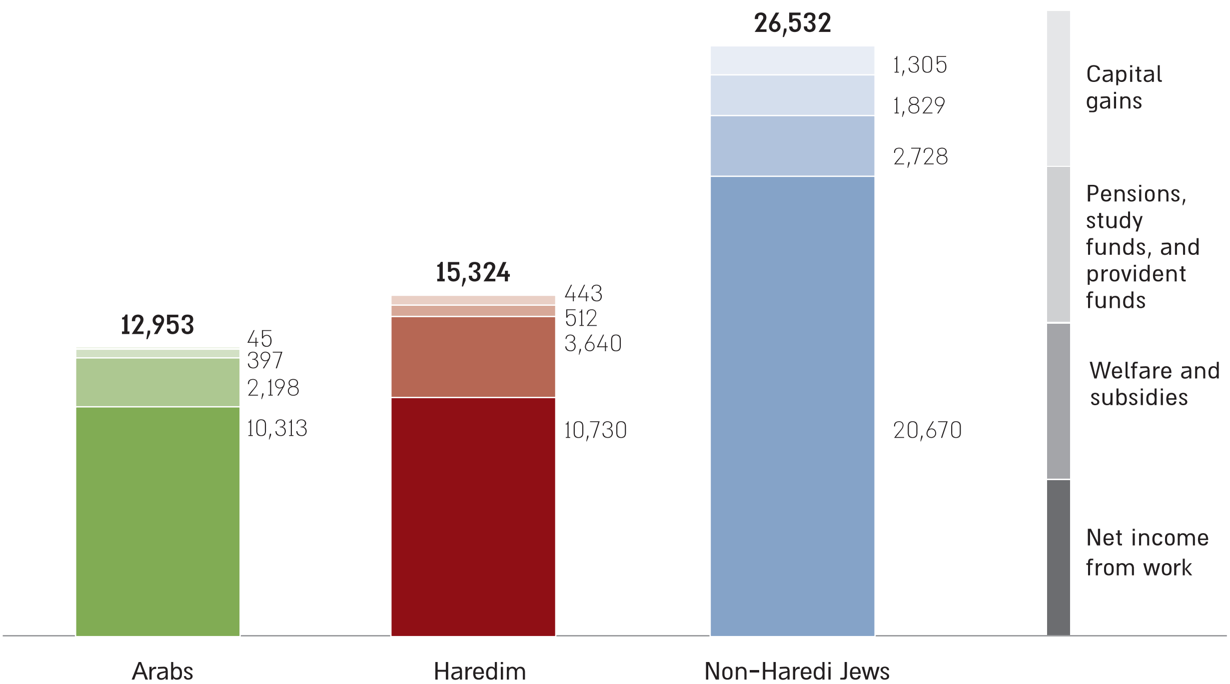
Haredi Jewish households, it is 78%. In Arab households, the rate of income from work as a percentage of total net income is the largest at 80% of total income.

On the other hand, the amount of household income from welfare and subsidies and their weight in the total household income is higher in Haredi households. The average income from subsidies is NIS 3,640, 24% of the total income of a Haredi household, while in a non-Haredi Jewish household, the income from subsidies is NIS 2,728 on average (10% of total income), and in Arab households NIS 2,198 on average (17% of total income). In other words, the proportion of income from welfare and subsidies in the budget of a Haredi household is 2.4 times greater than its weight in the budget of a non-Haredi Jewish household.

The income of the Haredi household in the other categories—from capital and pensions, study funds, and provident funds—is lower than that of a non-Haredi Jewish household by a wide margin. In a Haredi household, the average income from capital is about NIS 443, and in a non-Haredi Jewish household, it is about NIS 1,305. The income from pensions, study funds, and provident funds for a Haredi household is about NIS 512 on average, and in a non-Haredi Jewish household, it is NIS 1,829, more than six times the amount.

Figure 105

Household income composition by sector, 2022



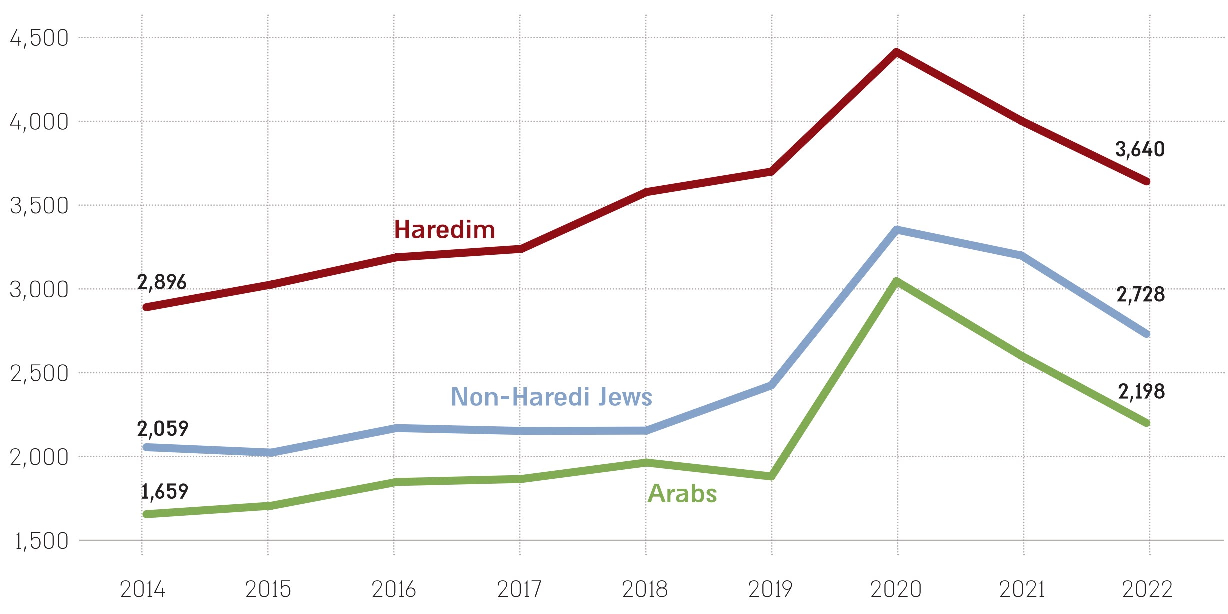
Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey and administrative data

The range of subsidies and welfare granted to households has changed over time due to changes in policy, social and economic processes, and automatic inflation-based updates of grant amounts. Between 2014 and 2019, there was a moderate increase in the amount of income received by Haredi households from welfare and subsidies, while among non-Haredi Jews and Arab Israelis, there was stability in the level of such income (in real terms).

In 2020, in the wake of the COVID-19 crisis, there was a sharp increase in the scope of government support in all sectors. In the Haredi household, the average income from welfare and subsidies rose from about NIS 3,700 to about NIS 4,400; in non-Haredi Jewish households, there was an increase from about NIS 2,400 to about NIS 3,300, and in the Arab household, from about NIS 1,900 to about NIS 3,300. This increase was mostly due to grants and welfare distributed to workers on unpaid leave and self-employed workers affected by the coronavirus. With the Israeli economy's recovery from the COVID-19 crisis and the return to work of many workers who went on unpaid leave in 2020, the government moderated its financial support. In 2021, there was a slight decline in the average income from welfare and subsidies in all households. This downward trend was also observed in 2022. In Haredi and non-Haredi Jewish households, the income from welfare and subsidies returned to a level similar to that observed in 2019, before COVID-19.

Figure 106

Monthly income from welfare and subsidies by sector, 2014-2022



Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey

Although the average income of a Haredi household from welfare and subsidies was the highest throughout the measurement period, the gap between the Haredi and the other population groups in

Israel narrowed. In general, between 2014 and 2022, the average (nominal) income from welfare and subsidies of a Haredi household increased by 26%, and for Arab households and non-Haredi Jews, by 32%.

Throughout the 2014-2022 period, the households of several groups experienced changes in income from work. According to the data, the income from work of a Haredi household gradually increased from an average of NIS 6,827 in 2014 to an average of NIS 10,730 in 2022. It should be noted that in the Israel Central Bureau of Statistics' "Survey of Household Expenses and Income" in 2018-2019, a sharp decrease in the income from work of Haredi households was measured. It is reasonable to assume that this trend stems from the sampling error and the changes made in the survey, not from an actual decline in Haredim's income from work. As presented in the chapter on employment, in 2018-2019, employment rates and wage levels among Haredim were measured as higher than in 2017. Therefore, it is inconceivable that there was a decline in their income from work during such years. As noted, this artificial decline in the income reported in the survey (also measured among non-Haredi Jews) likely stemmed from the transition to a computerized response. Therefore, we have chosen to present in this chapter (for the first time) net income from work, as well as tax data, which are based on administrative files of the Tax Authority and not on a survey of household expenses and income. Based on administrative data, the average net income of Haredi households from work in 2022 is about NIS 500 higher than their average income in the survey.

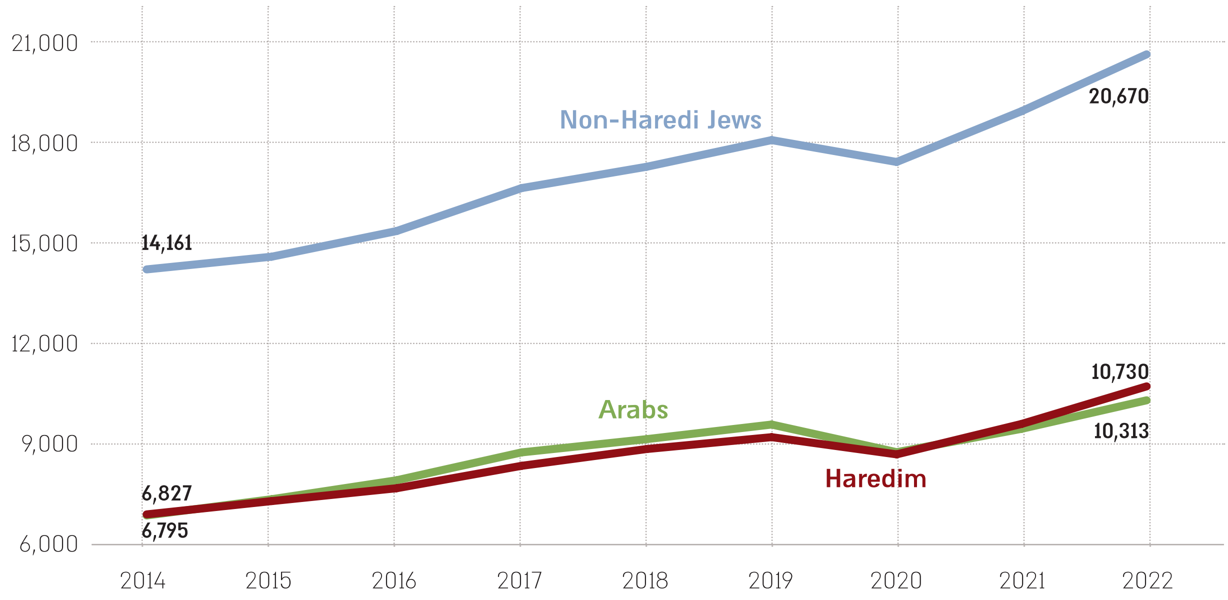
In non-Haredi Jewish households, too, the average net income was much higher than those measured in the survey (a gap of about NIS 2,000 in 2022). Between 2014 and 2019, the average income from work rose from approximately NIS 14,160 to NIS 18,070. In 2020, due to the COVID-19 pandemic, non-Haredi Jewish income declined slightly to approximately NIS 17,400, and over the next two years, it increased rapidly, reaching approximately NIS 20,670 in 2022.

A similar trend was measured in Arab households. Income from work increased steadily between 2014 and 2019, reaching an average of NIS 9,570. In 2020, their average income dropped to NIS 8,730; in the following two years, it rose again, reaching NIS 10,310 in 2022.

An examination of the general trend shows that over the past decade, the average (net) income of Haredi and Arab Israeli households from work has been similar, and the gaps between them are small. However, the growth rate in the net income of Haredi households from work in 2014–2022 was slightly faster at 57% than the 52% increase in the income of Arab Israeli households during this period. Among non-Haredi Jewish households, there was a lower growth rate in net income from work during this period, 46%. In absolute terms, though, the income from work in non-Haredi Jewish households increased by the largest amount, about NIS 6,500, compared to an increase of about NIS 3,900 in the income of Haredi households during this period. The relatively rapid growth rate in the average income of Haredi households from work in 2014-2022 can be attributed mainly to the rapid increase in the employment rate of Haredi women during such years.

Figure 107

Net monthly income from work by sector 2014-2022



Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Expenditure Composition

Household budgets are generally derived from income to finance expenses. Still, the expenditure composition of the Haredi household is another example of priorities based on a unique set of values. Some values are based on a low income, such as fiscal contentment and thriftiness, exemplified by the low expenses on food. Another value is the centrality of Haredi education and the importance of education that aligns with their worldview, even at a high cost to parents.

Like income, expenses in Haredi households are much lower than expenses in non-Haredi Jewish households. The average expenses of a Haredi household on consumption were about NIS 15,100 in 2022, while for a non-Haredi Jewish household, it was about NIS 18,000, and for an Arab household, about NIS 17,200.

According to the data, there is a large difference between population groups in household expenses and income ratio. Haredi households spend an average of about NIS 200 per month less than their net income, while Arab Israeli households spend about NIS 4,300 more on consumption than their net income. However, this result may be due to the Arab sector's underreporting of employment and income. In contrast, for non-Haredi Jewish households, the average expenditure on consumption is NIS 8,500 lower than the average net income.

In this context, it is important to note that the average consumption expenses do not include mortgage payments, which are defined as savings in the "Household Expenses Survey," on which the analysis is based. However, only the principal payment component of the mortgage (the original loan amount) is indeed savings, while the interest payments are, in fact, an expense. Therefore, the gap between the income and expenditure of households with mortgages is smaller than reflected in consumption expenses alone, especially when interest rates are high, as is the case at the present time.

Figure 108

Household expenditure on consumption by sector, 2022

Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey

Tax Payments

Alongside consumption, the household expenditure category includes mandatory payments, a term that refers to taxes and required public fees, including income tax, social security, and national health insurance. As noted above, the tax data presented below are based, for the first time, on the Tax Authority's administrative files and not on the reporting in the "Household Expenditure and Income Survey." Our transition to administrative measurement shows that, over the past decade, there has been a consistent increase in the amount of tax and mandatory payments paid by Haredi households. In contrast to the survey results, there was no decline in 2018–2022. However, the total mandatory payments of a Haredi household are still the lowest among the various population groups, at an average of NIS 1,242 per month. In an Arab household, the total mandatory payments are NIS 1,356 on average, and in a non-Haredi Jewish household, NIS 4,820 on average. In other words, the mandatory payments in Haredi and Arab households are about a quarter of those made by non-Haredi Jewish households. This gap is because mandatory payments in Israel are income-dependent, meaning their amount is determined according to the individual's income level. Therefore, the unique employment characteristics of the Haredi household, such as reliance on a single or primary breadwinner, low-income levels, and a high number of people in each household, result in much lower mandatory payments than those of non-Haredi Jewish households.

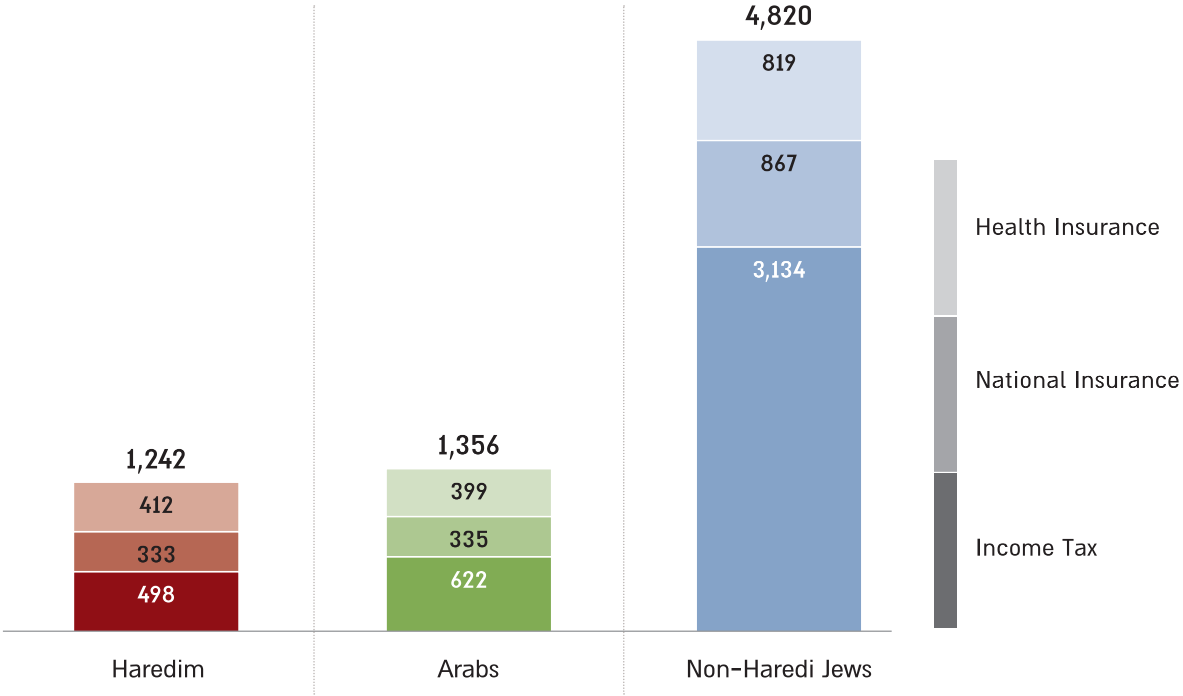
Income tax is the main component of household expenses in Israel for mandatory payments. A Haredi household's average monthly income tax payment is NIS 498, compared to NIS 622 for an Arab household and NIS 3,134 for a non-Haredi Jewish household. In other words, a Haredi household pays income tax at only about 16% of a non-Haredi Jewish household.

The large gaps between the amount of income tax paid by non-Haredi Jews and those paid by Haredim and Arabs stem from employment gaps and even more so from gross wage gaps. The income of many Haredi and Arab workers does not reach the tax threshold or reaches a low tax bracket. Tax benefits, such as tax credits for each child under the age of 12, also significantly reduce the tax liability of Haredi and Arab families, more than among non-Haredi Jewish families.

The average expenses on health insurance are NIS 412 for a Haredi household, NIS 399 for an Arab household, and NIS 819 for a non-Haredi Jewish household. Haredi expenses on social security payments are also the lowest of the sectors, at an average of NIS 333. Expenses on social security payments in an Arab household are NIS 335, and in a non-Haredi Jewish household they are the highest, at an average of NIS 867. In such sections, the expense gaps between sectors are smaller since the rate of payment from the wage of employed people is fixed (unlike income tax, in which the tax rate is progressive) and also because unemployed people in Israel are not exempt from paying healthcare insurance and social security contributions.

Figure 109

Average household tax payments by type and sector, 2022

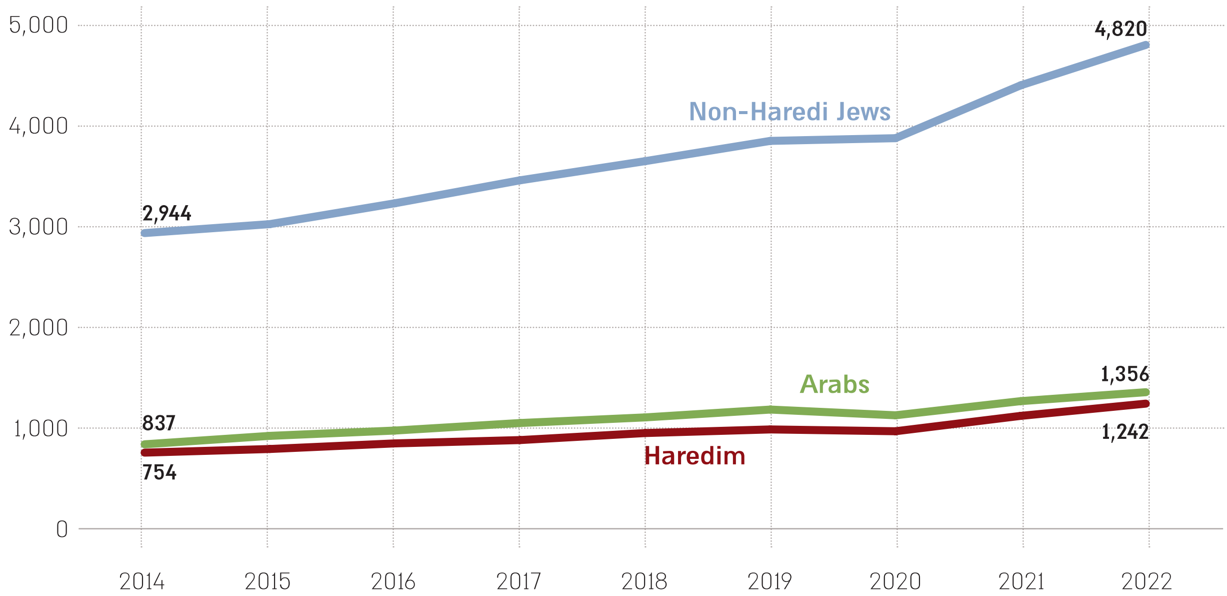


Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Although the expenses of Haredi households on mandatory payments are quite low, over time, it has increased at the highest rate of any sector: from NIS 754 in 2014 to NIS 1,242 in 2022, an increase of 65%. During these years, mandatory payments for an Arab household increased from NIS 837 to NIS 1,356, an increase of 62%. Non-Haredi Jewish households increased at a similar rate to those in Haredi households, from NIS 2,944 to NIS 4,820, an increase of 64%. The rapid increase in the amount paid by Haredi families in mandatory payments can be attributed to the increase in employment rates in this sector and the increase in average wage, especially among Haredi women.

Figure 110

Average household tax payments by sector, 2014-2022



Source: The Haredi Institute for Public Affairs' Adaptations of Administrative Data

Composition of Consumption Expenditure

The Haredi household is the largest of all population groups, with an average of 5.11 people compared to the Arab average of 4.13 and the non-Haredi Jewish of 2.8. Despite this fact, Haredi's consumption per household expenses are the lowest in most categories, with the exception of their education expenses, which are the highest.

Housing expenses are the highest of all household consumption expenses in every sector. This expense also reflects an expense for home ownership—households that own an apartment are credited by the Central Bureau of Statistics' expenses surveys with a hypothetical expense (approximately) equal to the rent they would have been required to pay if they had to rent the apartment they own (as noted, the mortgage payments paid are not considered an expense, but rather savings). Therefore, Haredi households, in which the homeownership rate is high, spend a relatively high sum on housing, about NIS 4,100 on average. Non-Haredi Jewish households spend a slightly higher amount on housing, about NIS 4,800, and Arab households spend the lowest amount on average, about NIS 2,400 per month. However, when examining the total expenses of various households, Haredi and non-Haredi Jewish households spend a similar rate on housing, 27%, compared to Arab households, which spend only about 14%.

Another major expense item for most households in Israel is transportation. Still, the average Haredi household spends significantly less on transportation: about NIS 1,300, or 9% of its total expenses, compared to NIS 3,100 for a non-Haredi Jewish household, 17% of its expenses, and about NIS 2,400 for an Arab household, 18% of its expenses. The rather low amount of Haredi expenses on transportation and its very low share of total expenses are probably due to Haredi society's unique transportation characteristics: a low rate of private vehicle owners and a greater reliance on walking and public transportation, which is much cheaper than owning a car.

The expense category of education, culture and entertainment has different characteristics than other categories for Haredi households. Only in this category do Haredim spend more per household than any other sector, and this category is one of the highest expenses for Haredi households. On average, a Haredi household spends about NIS 2,283 on education, culture, and entertainment, about 15% of its total consumption expenditure. Non-Haredi Jewish households spend an average of NIS 2,044, and Arab households spend an average of only NIS 1,398.

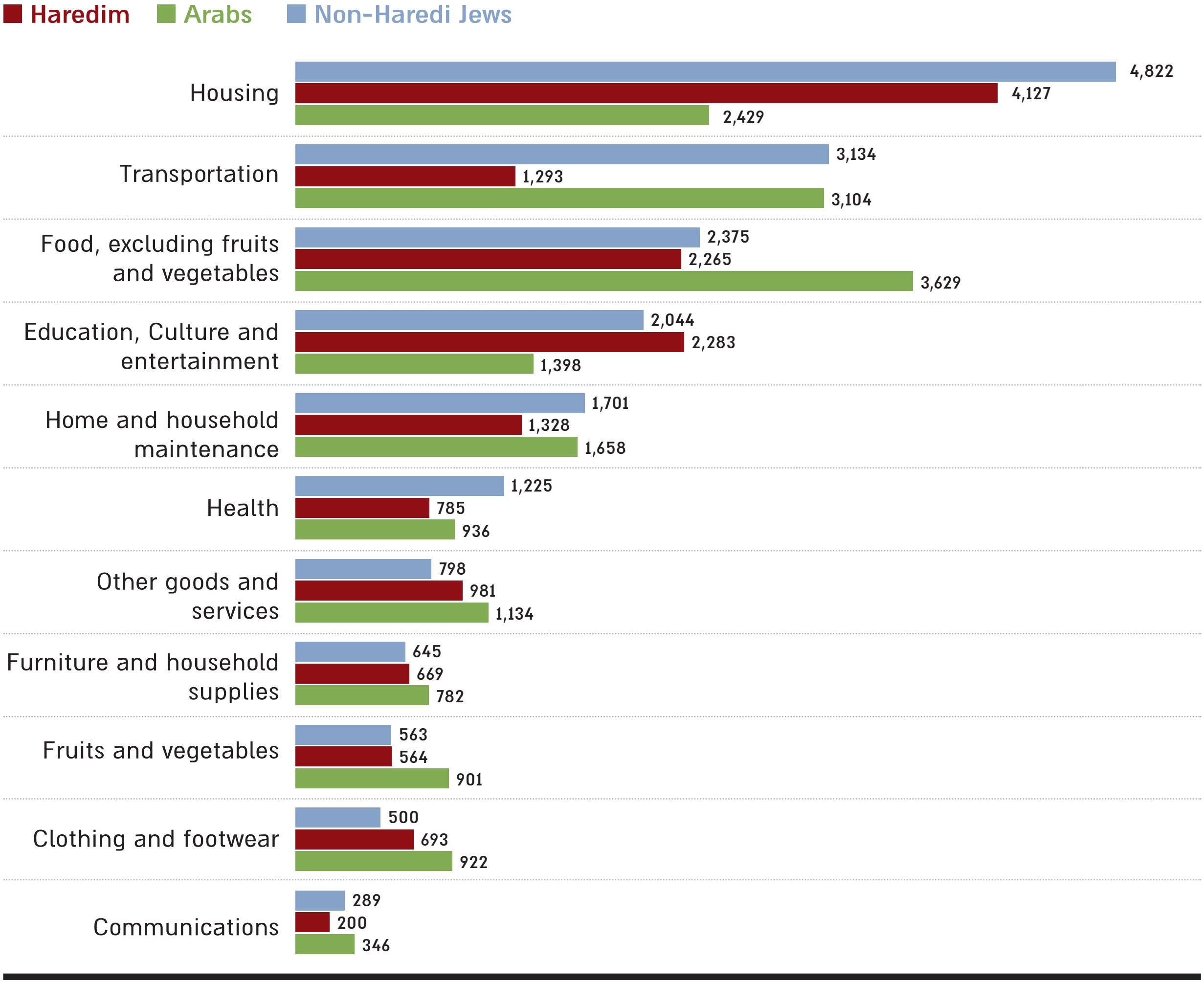
The high education expenditure of Haredi households compared to other Israeli households indicates the centrality of the value of education in the life of the Haredi family and stems from two core reasons. The first reason is technical—the average number of children in a Haredi household is higher than in non-Haredi Jewish households. Therefore, the expenses on education per child add up to a considerable sum since parents are required to pay tuition, purchase educational equipment, and make other payments. The second reason for the high Haredi education expenditure stems from the legal status of many Haredi schools. Most Haredi students study in the Haredi education system, which is, by definition, informal and outside of the state education system. This status limits government funding to Haredi schools, requiring them to request higher tuition. As a result, most Haredi households pay much higher tuition fees than non-Haredi Jewish households.

The high Haredi education expenditure illustrates the priority placed on education. Many Haredi households are willing to spend large sums of money to ensure an education that fits their values, often reducing other expenses in turn.

Haredi households spend a similar amount on food (excluding fruits and vegetables) as on education—about NIS 2,300 on average or 15% of their total expenses. Non-Haredi Jewish households spend slightly less on food, at 13% of their total expenses, an average of about NIS 2,400 per month. Arab households spend a much higher sum, about NIS 3,600, 21% of their total expenses.

Figure 111

Composition of average monthly consumption expenditure by type and sector, 2021



Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey

Donations

Donations and support for others are essential to the Haredi way of life. In some cases, a donation is made based on a sense of personal obligation—as part of a religious and communal imperative—and in other cases, the donations are transferred to institutions necessary for the Haredi lifestyle. Therefore, it is unsurprising that Haredi households spend a larger portion of their money on donations than the rest of the population.

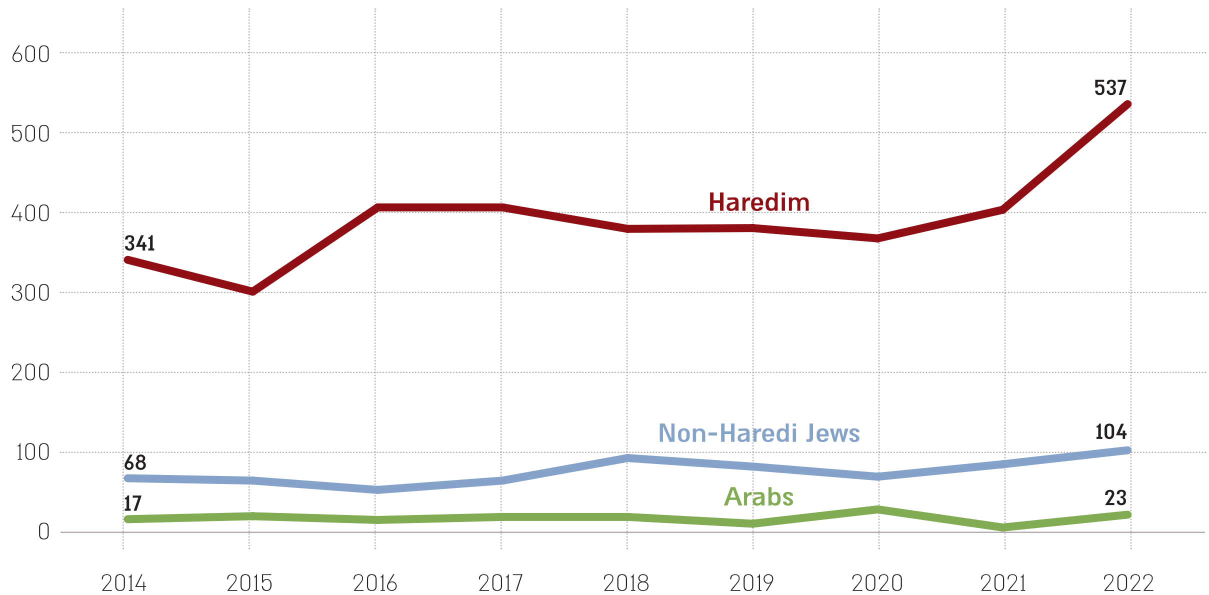
In 2022, Haredi households donated an average of NIS 537 per month, compared to NIS 104 donated by a non-Haredi Jewish household and NIS 23 donated by an Arab household.

In examining trends in the rate of donations over time, it is evident that the average amount of donations in a Haredi household is the highest since 2014 (NIS 341 at the time). It grew over the period at the highest rate, 58%, compared to an increase of 54% in non-Haredi Jewish households and 40% in Arab Israeli households.

In 2020, there was a decline in donations from Haredi and non-Haredi Jewish households, likely due to the effects of the COVID-19 crisis, as many families experienced economic uncertainty and loss of income during that year. The economic crisis and fear of its financial and health consequences likely caused many households to temporarily reduce donations to cover essential expenses. In 2022, there was a significant increase in the amount of donations made by Haredi households and in the amount of donations by non-Haredi Jewish households. This increase may be due to a relative improvement in the ability of Haredi families to donate after the end of the COVID-19 crisis.

Figure 112

Average monthly donation per household, by sector, in NIS, 2014-2022



Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey

Distribution of Households by Income Deciles

The income decile system, which is accepted in Israel and globally, ranks households according to ten economic levels. The first (bottom) decile contains the household with the lowest income, and the tenth (upper) decile contains the household with the highest.

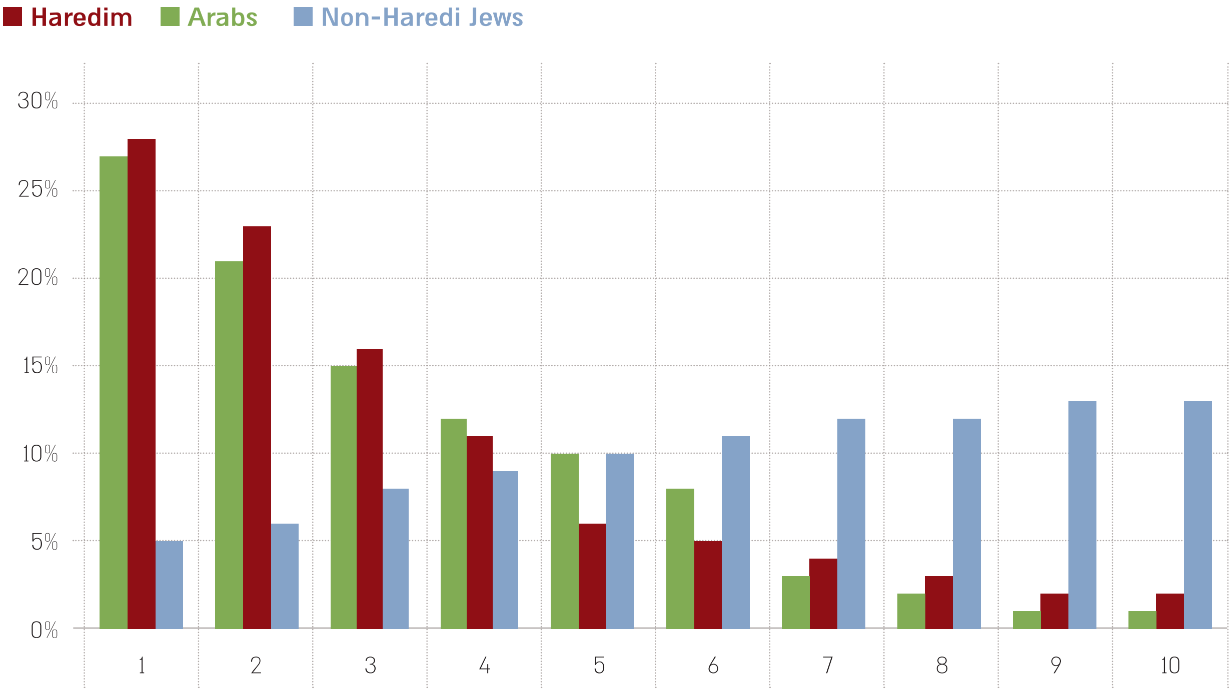
The division of households from each sector into the deciles is not equal. Haredi households are mainly concentrated in the bottom deciles, and as the decile number increases, the prevalence of Haredi households decreases. Most Haredi households (67%) are in the bottom three deciles: 28% of Haredi households are in the first decile, 23% in the second, and 16% in the third. The sixth to tenth deciles altogether contain only 16% of Haredi households. In the Arab sector, the distribution is similar: 63% of Arab households are in the bottom three deciles, and only 16% are in deciles sixth and above.

The picture is the opposite in non-Haredi Jewish households: only 19% of households are in the first to third deciles, and most households (61%) are in the sixth decile or higher. Such differences emphasize the large income gaps between the sectors and the employment gaps between non-Haredi Jewish families on the one hand and Haredi and Arab families on the other.

The particular income decile distribution of Haredi society derives from its unique characteristics in terms of employment, education and family structure. This includes employment characteristics, such as the reliance of many households on a single or primary breadwinner and the lower labor productivity of Haredi workers in the Israeli labor market. It also includes household characteristics, such as the high Haredi birth rate, which spreads the already low income of Haredi households across a larger number of people compared to non-Haredi Jewish households.

Figure 113

Distribution of households by income decile and sector, 2022



Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expense Survey

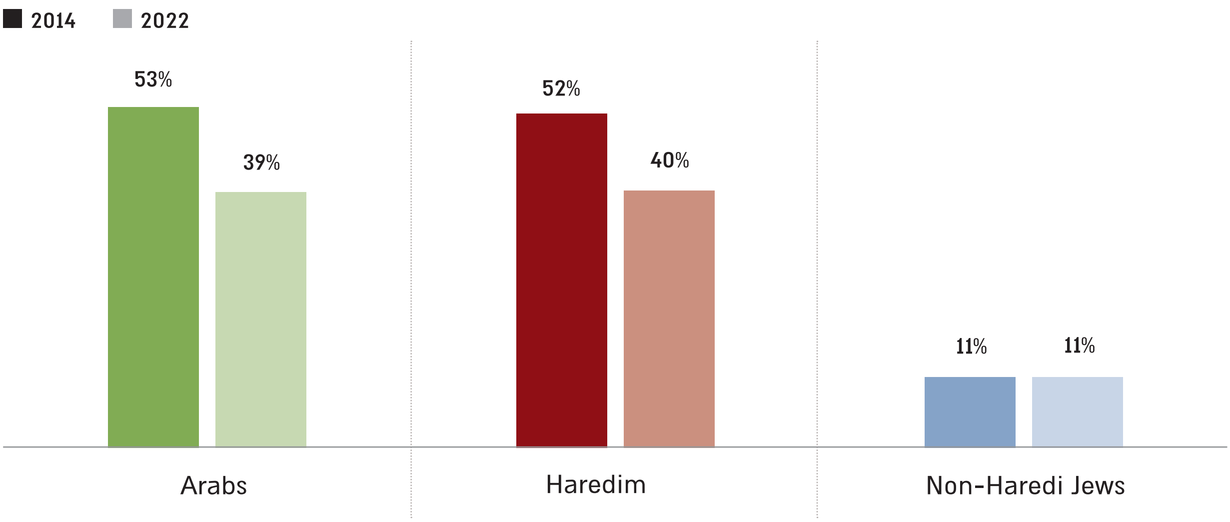
Poverty Rate[1]

Poverty rate by sector completes the picture presented in the distribution of households by income deciles. About 40% of Haredi households and 39% of Arab households are below the poverty line, compared to only 11% of non-Haredi Jewish households. However, a comparison of poverty rates in 2022 with those of 2014 shows that there has recently been a significant decline in poverty rates among Haredim and Arab Israelis. In Haredi society, the poverty rate in these years declined by 12%, and in Arab society, by 14%. In non-Haredi Jewish society, there was no change in the poverty rate during these years, and it remained stable at 11%.

This decline in poverty rates in Haredi society likely stems from changes in employment patterns, such as increases in Haredi participation in the labor market and the rate of households with two breadwinners. However, for such trends to continue and for poverty rates to continue to decline, a major improvement is needed in the labor productivity of Haredi and Arab workers.

Figure 114

Percentage of poor households by sector, 2014 vs. 2022



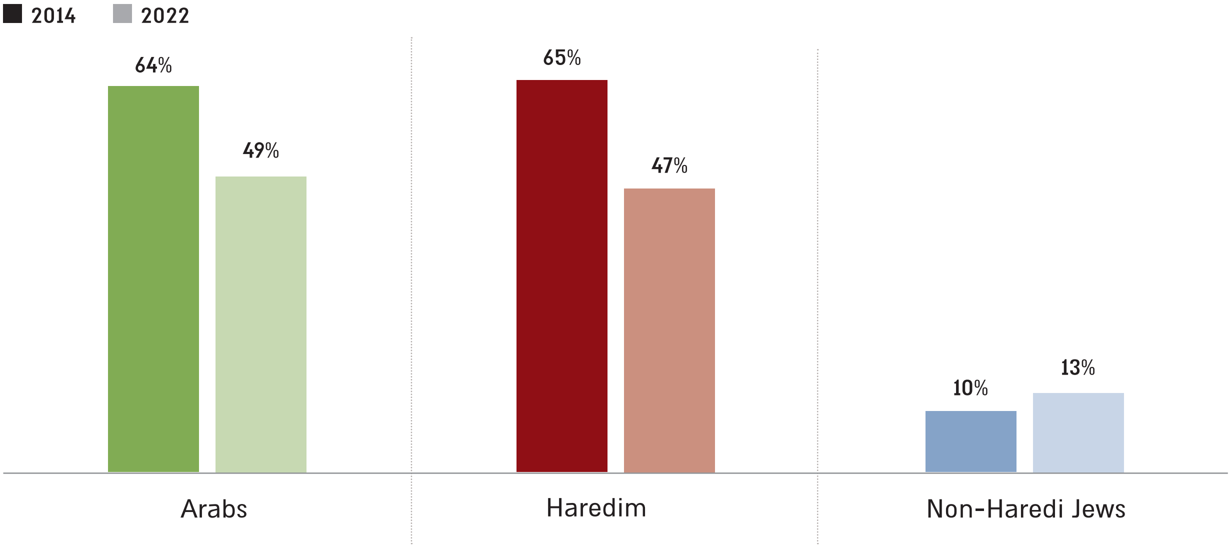
Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expenses Survey (2014); Poverty and Income Inequality Report, HaBatal (2022)

The poverty rate among Haredi and Arab children is also still very high. In 2022, the child poverty rate was 47% for Haredim and 49% for Arabs, compared to 13% for non-Haredi Jews. A comparison over time indicates that the downward trend in poverty rates is also evident among children. In 2014, the rate was 65% for Haredim and 64% for Arabs—a decrease over the past eight years of 18% in Haredi society and 14% in Arab society.

1 In calculating poverty rates for 2022 based on the Central Bureau of Statistics' Household Expenditure and Income Survey, large and unreasonable gaps were found with respect to the poverty rates obtained in 2021. For example, in the 2021 survey, the poverty rate among Haredi children was 48%, while in the 2022 survey, the rate was 64% (an unreasonable jump in the incidence of poverty). Therefore, for 2022, this chapter will present the poverty rates published in the National Insurance Institute's Poverty and Inequality Dimensions Report, which are calculated (in recent years) based on administrative files and not on the basis of the survey.

Figure 115

Child poverty rate by sector, 2014 vs. 2022



Source: Adaptations by the Haredi Institute for Public Affairs to the Household Expenses Survey (2014); Poverty and Income Inequality Report, HaBatal (2022)

Digitization

Haredi society, being conservative and intentionally isolated, tends towards caution regarding internet use. At the core of Haredi opposition to the use of internet services is their concern that the internet exposes users to content inappropriate to the values of Haredi society and may have a negative religious impact on Haredi users. Another popular reason for opposition is the perception that the internet wastes time—it is viewed as a platform for leisure culture, which, to many Haredim, threatens their Torah way of life and consumes time better spent productively or devoutly. Over the years, Haredi leadership has gradually moderated its strong opposition to Internet use. Within Haredi society, there has been a growing recognition of the necessity of the Internet, mostly for education and work. The Haredi establishment's moderation on this topic has been in a constructive cycle with the development of digital services adapted to Haredi needs and enabling communal filtering of online content and control over its accessibility.

The COVID-19 crisis amplified the community's trend towards digitalization. As a result of the lockdown and social distancing, the internet became much more necessary to the community. There has been a corresponding increase within the community in the scope of the internet's use and the emergence of

07

limited legitimacy towards controlled internet use. The services developed and adapted for Haredi use (e.g., an internet provider that filters specific content) have enabled most Haredi households to connect to the internet and use it at a higher rate than in the past.

However, in many respects, Haredi internet use has unique characteristics that indicate a cautious approach to its services. For example, many Haredim prefer to use the internet on computers rather than smartphones since computers allow for better control and supervision over the nature and extent of internet use. The nature of their internet use also indicates a cautious and pragmatic approach to online services. Most Haredim use the internet for basic needs, such as email and information searching, and much less for cultural or leisure purposes, such as games or social media activities.

Today, digitalization is essential in improving quality of life, and is required both in employment and in areas such as leisure and security. Therefore, the digital gaps between groups in Israeli society have many socioeconomic implications. Adapting essential online services to the needs of the Haredi community, and making internet infrastructure accessible to it, may help reduce digital gaps.

Key Findings

61%
of Haredi families own a computer at home

compared to 71% of Arab families and 85% of non-Haredi Jewish families

71%
of Haredim use the Internet

This rate is low compared to other sectors: 80% of Arabs and 91% of non-Haredi Jews

* The figure does not include browsing on a smartphone

39%
of Haredim use WhatsApp. Compared to 72% of Arabs and 88% of non-Haredi Jews

52%
of Haredi homes are connected to the internet. Compared to 91% of non-Haredi Jews and 83% of Arabs

46%
of Haredim use the internet on a daily basis. Compared to 84% of non-Haredi Jews and 69% of Arabs

The most common uses of the Internet among Haredim

66%
Use e-mail

57%
Search Information

The rarest uses of the Internet among Haredim

20%
Social networks

8%
Online gaming

Key Trends

Internet Use

Internet use in Haredi society nearly doubled over the past decade, rising from 39% in 2014 to 71% in 2023.

Internet Connection at Home

The proportion of Haredi families with internet access has increased by approximately 20% in recent years, growing from 43% in 2020 to 52% in 2023.

Computer Use

The percentage of Haredi families with a home computer has risen by about 18% over the past decade, from 53% in 2014 to approximately 62% in 2023.

WhatsApp Use

Haredim have continued to increase their use of WhatsApp, in contrast to Arabs and non-Haredi Jews, who have experienced a decline in WhatsApp usage.

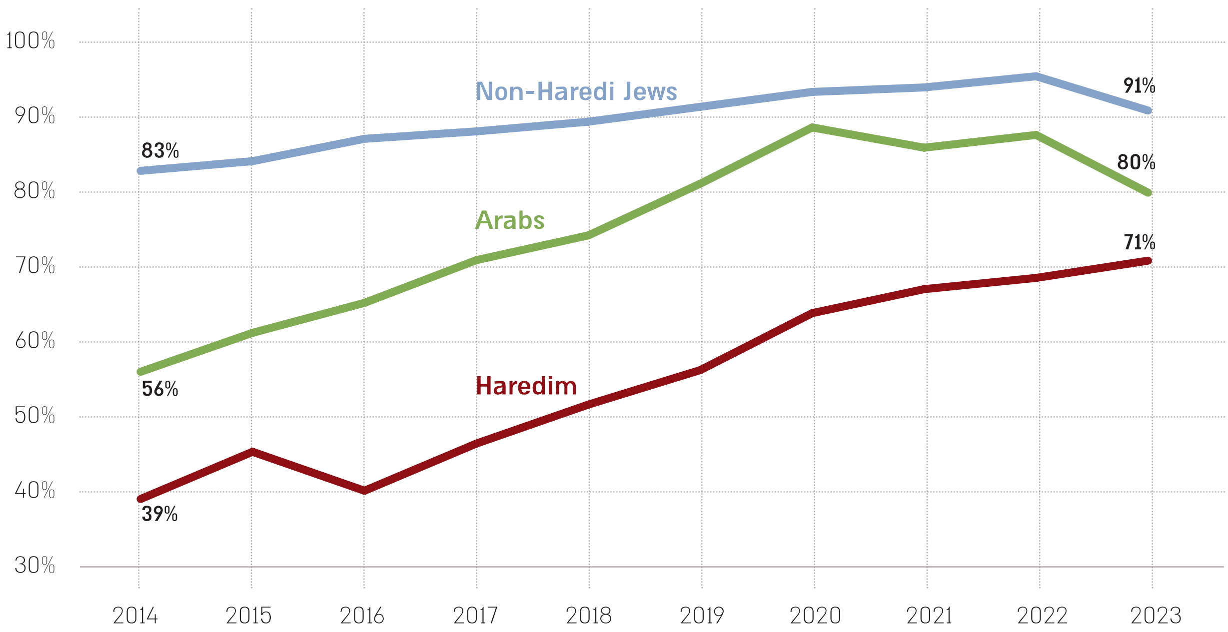
Internet Use

Today, the internet is the main platform for the use of essential services involving work, education, health, banking and more. In the past decade, using the internet has become necessary to function in society and the data indeed indicates an increasing trend in the rate of internet users in all Sectors. This increase in internet use is particularly large among Haredim: in 2014, only 39% of Haredim used the internet, in comparison with 56% of Arabs and 83% of non-Haredi Jews. However, the gaps between Haredim and non-Haredi Jews in internet use have gradually narrowed in recent years, and in 2022 the proportion of Haredim using the internet reached 69%, compared to 88% of Arabs and 95% of non-Haredi Jews.

In 2023, the National Social Survey measured lower rates of use among Arabs (80%) and among non-Haredi Jews (91%). This decline is apparently due to a change in the presentation of the question in the social survey, since as of this year, the survey question on internet use excludes browsing on a smartphone.

Figure 116

Percentage of internet users by sector, 2014-2023



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

However, among Haredi respondents, the upward trend continues this year as well, despite the exclusion of smartphone surfing, and in 2023, the proportion of Haredim using the internet rose to 71%. The reason for this unique upward trend is apparently that most of the Haredi population’s internet use is done through computers and not through smart devices. Haredim consider the use of a computer as safer and easier to supervise than the use of a smart device, since access to the computer is done in a confined and visible public space, as opposed to the use of a smart device, which is generally more personal and private due to its small size and high mobility. Thus, control over how the internet is used through a computer and the scope of its use is more extensive than on a smart device, whose private use makes it difficult to supervise and control.

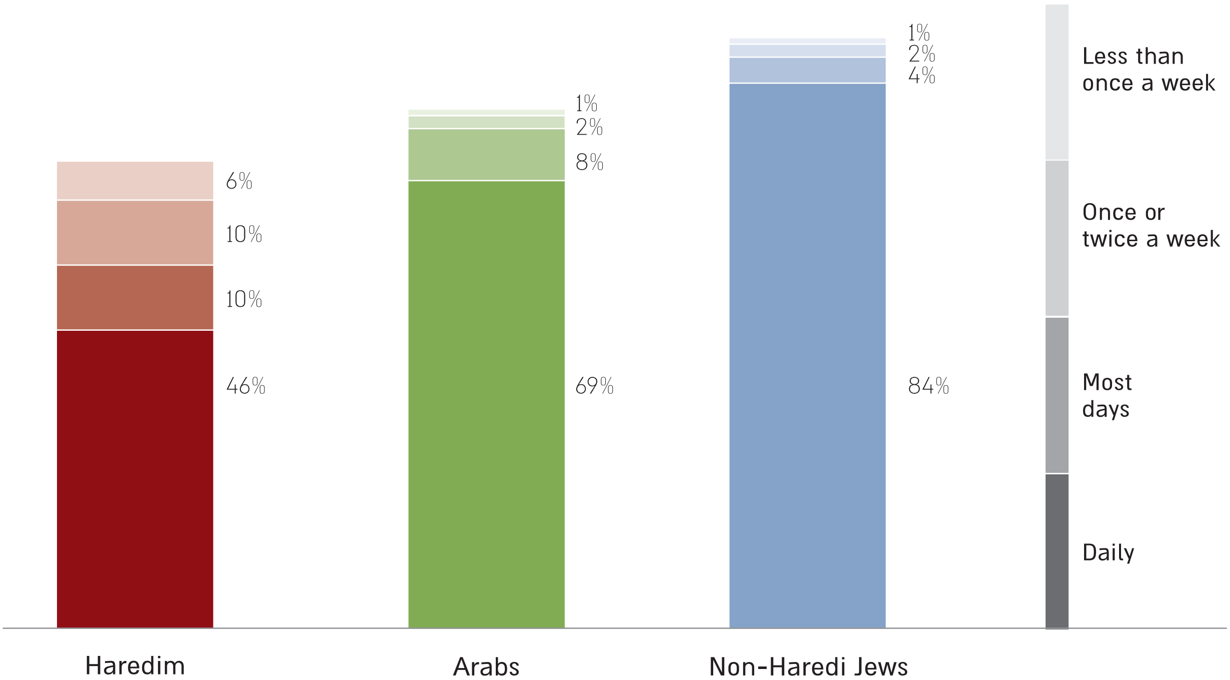
Frequency of Internet Use

In addition to the quantity of internet users, the frequency of internet use among various groups was examined. In all groups, most internet users surf the internet on a daily basis, but there are differences in the rate of internet users at this frequency. 46% of Haredim use the Internet every day, a much lower rate than the rates of non-Haredi Jews, 84% of whom use the Internet every day, and the rate of Arabs, which is 69%.

Internet use at low frequencies, once or twice a week or less than once a week, is prevalent mainly among Haredim—10% use the internet once or twice a week, and 6% use it less than once a week. This frequency is almost non-existent among Arabs and non-Haredi Jews (2% once or twice a week and 1% less than once a week in both sectors).

Figure 117

Internet use frequency by sector, 2023



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

These data show that the frequency of internet use in Haredi society is low due to the existing control and supervision over the nature of internet use. This low usage is also related to characteristics of practical use (mainly for work and study), which do not necessarily require frequent use of the internet, such as viewing content or activity on social networks. The frequent use of the Internet by non-Haredi Jews indicates greater integration of the internet into their daily lives and leisure culture

Internet Connection at Home

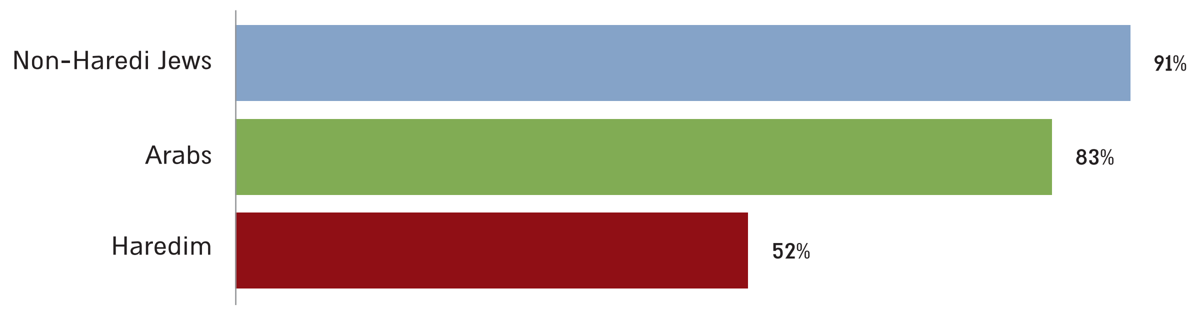
Home connection to the Internet is the primary tool for online digital services, but differences have also been found between the main sectors in Israeli society. The vast majority of families in non-Haredi Jewish society (91%) and Arab society (83%) are connected to the Internet in their homes, but only 52% of Haredi families are connected to the Internet in their homes.

The gap between the rate of home internet connection and the rate of internet users in Haredi society shows that many Haredi users do not have an internet connection in their homes. These users surf the internet in the workplace, school, or controlled and supervised internet services in the community, such as "internet rooms," which are common in Haredi neighborhoods.

This data reinforces evidence of the Haredi community's assumption that the use of the internet is still considered a threat to the identity and values of Haredi society in general and to the education of children in particular. The data also demonstrates that despite the great need for internet use, many families avoid connecting to the internet at home and prefer to access essential digital services outside their homes.

Figure 118

Percentage of families with an internet connection at home by sector, 2023



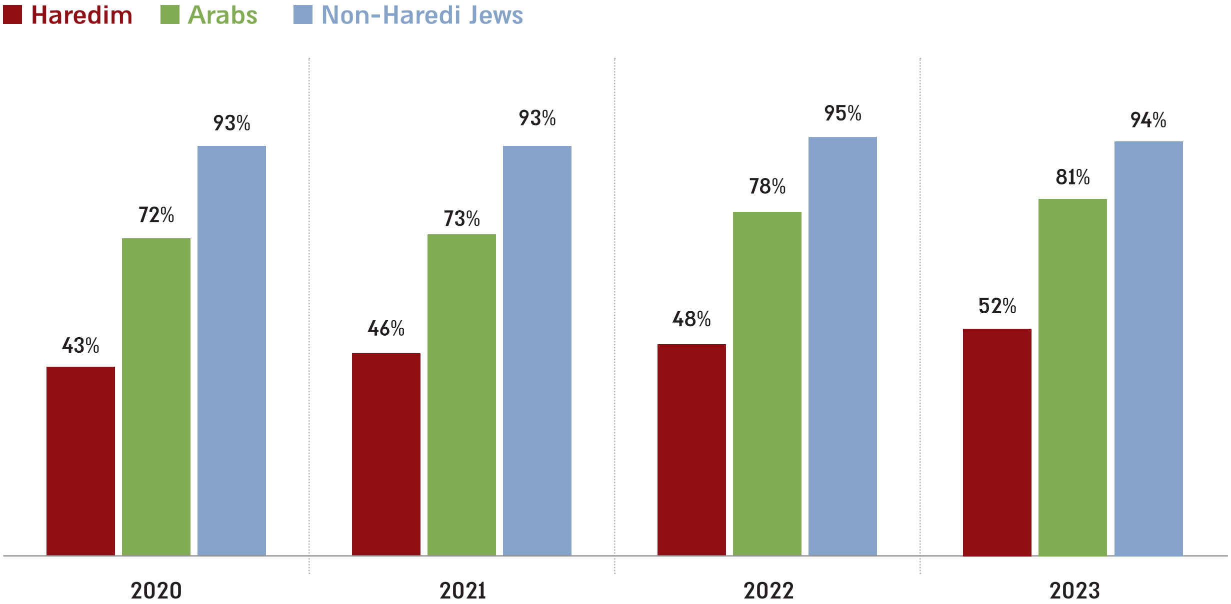
Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

A comparison over the years of the proportion of families from the various population groups in Israel connected to the Internet at home reveals a continuous upward trend among Haredi families. The proportion of Haredi families with a home internet connection increased from 43% in 2020 to 53% in

2023, an increase of about 22%. During this period, the proportion of Arab families with an internet connection increased, but more moderately, from 72% in 2020 to 81% in 2023, an increase of about 11%. There is considerable stability among non-Haredi Jewish families, and the proportion of non-Haredi Jewish families connected to the internet in their homes remains similar—93% in 2020 and 94% in 2023.

Figure 119

Percentage of families with an internet connection at home by sector, 2020-2023



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

Computer Ownership

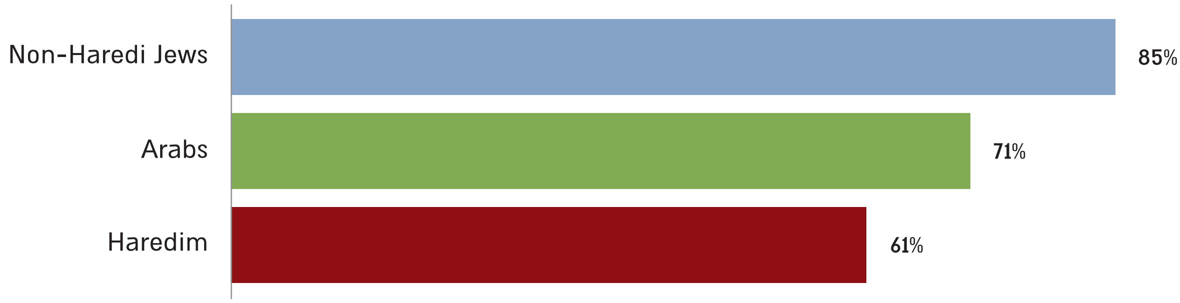
Computer ownership rates in various population groups provide a glimpse into the level of digital accessibility and how each group adopts technology in their daily lives. Computer ownership affects many areas of life, including education, work, and access to services in and out of government, and it serves as another measure of the digital gaps between groups. The data also show differences between groups in Israeli society in this aspect. In 2023, the proportion of Haredi families who own a computer at home was 61%, compared to 71% of Arab families and 85% of non-Haredi Jewish families.

The reasonably low rate of Haredi families who own a computer at home may be due to several reasons. First, the financial situation of many Haredi families may limit their ability to purchase a home computer. Additionally, Haredi society tends to limit young people's and children's access to various technologies, including computers, due to its educational values. The fear is that young people and children will access content and values contrary to Haredi values, harming the efficacy of their education. It should be noted that many Haredi education frameworks often condition the admission of children to educational institutions on their parents committing not to keep a computer in their home.

The low rate of home computer ownership in Haredi society attests to the poor quality of the home internet connection infrastructure in many Haredi households and the highly limited access of young Haredim and Haredi children to computers. This affects the ability of young Haredim to acquire computer skills and master basic computer programs.

Figure 120

Percentage of families that own a computer by sector, 2023



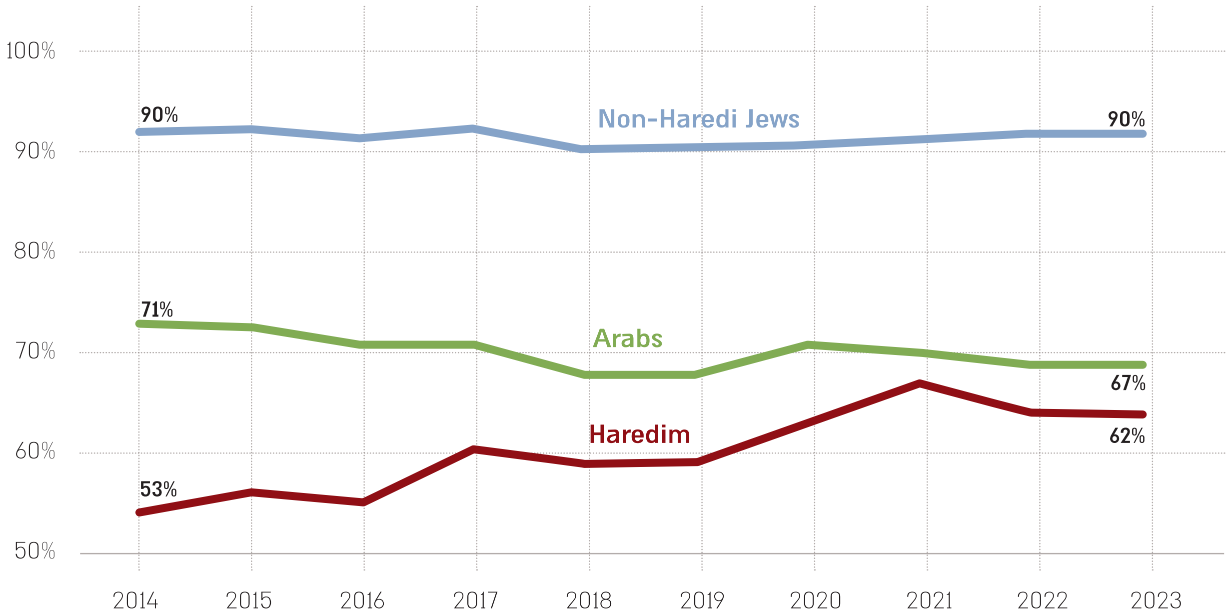
Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

An examination of trends over the years in computer ownership among families from the various population groups in Israel today shows that only among Haredim has there been a continuous increase over the years in the share of families that own a computer at home. In 2014, the proportion of Haredi families that own a computer at home was 53%, significantly lower than families from the non-Haredi Jewish sector (90%) and the Arab sector (71%). Still, this rate has risen steadily over the years. A record Figure was recorded in 2021—at that time, the proportion of Haredi families who own a computer reached 65%, apparently due to the effects of the coronavirus and the sharp increase in the necessity of a home computer for basic services and the possibility of remote work and learning. In the following years, the proportion of Haredi families who own a computer at home declined slightly to 62% but remained stable at this rate. During this period, the proportion of non-Haredi Jewish families owning a computer remained unchanged, remaining the same at about 90%. Among Arab Israeli families, a trend opposite to Haredi families during this period is evident. Throughout the period, there has been a continuous downward trend in the share of Arab families who own a computer at home, to only 67%, which is slightly higher than the rate of Haredi families. This downward trend is probably because, in the Arab sector, users often substitute smartphones and tablets for home computers. In the Haredi sector, on the other hand, the use of computers is considered a moderate compromise and more in line with the values of the Haredi culture since its use, relative to the use of various smartphones and tablets, is more public, making it easier to monitor the scope and manner of its use.

Figure 121

Percentage of families that own a computer by sector, 2014-2023

Including tablets and Laptops, excluding smartphones



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

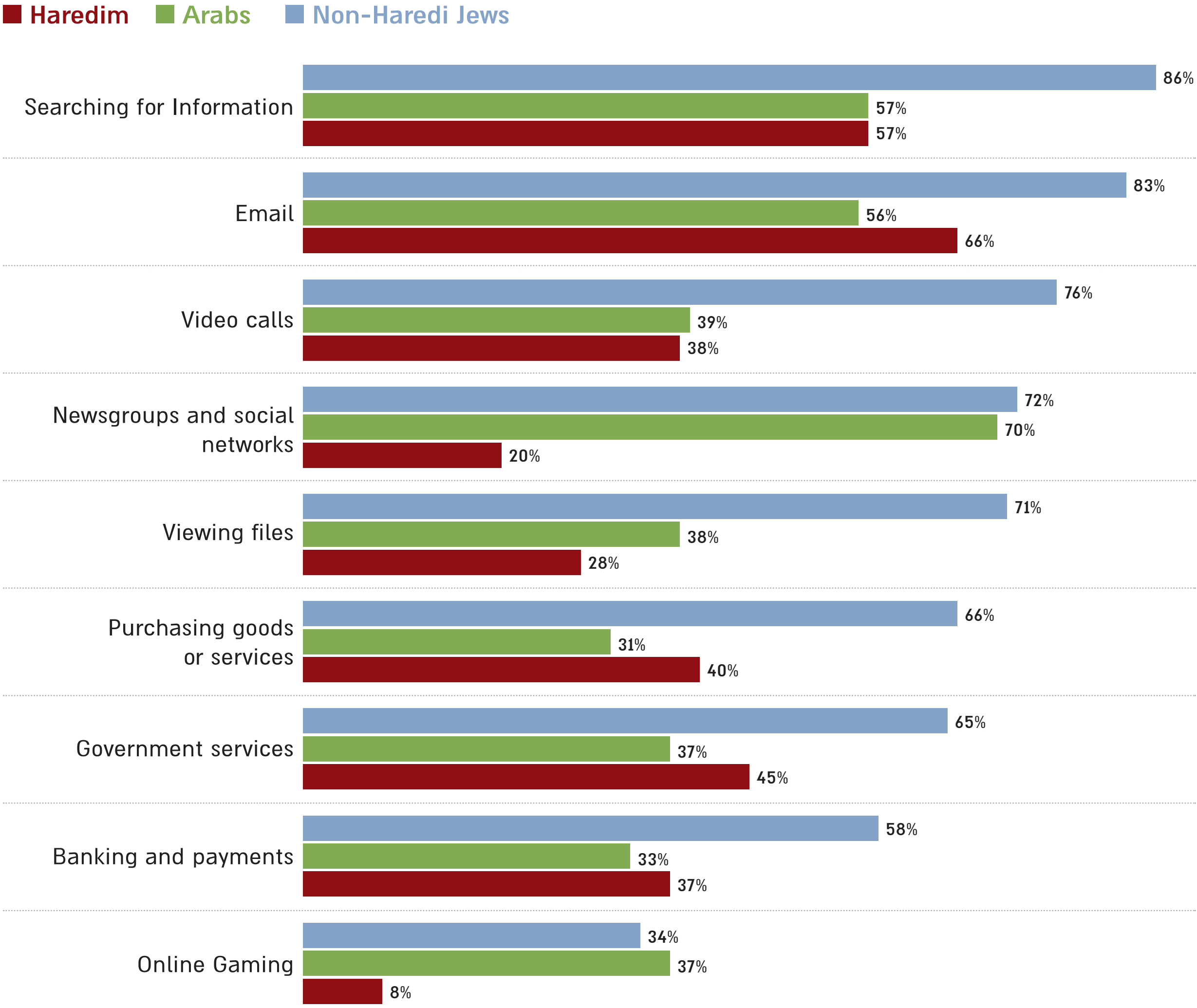
Types of Internet Use

The Internet is a broad platform for a high quantity and variety of uses, but within each of Israel's sectors, the patterns of Internet use and the types of uses are different. In Haredi and non-Haredi Jewish societies, common uses of the internet are similar: email use and information search. However, the rate of users for email and search is very low among Haredim: 66% of Haredim access the internet for the use of email, compared to 83% of non-Haredi Jews, and 57% of Haredim access the internet to search for information, compared to 86% of non-Haredi Jews. In contrast, in Arab society, the most common uses are discussion groups and social networks, and 70% of Arabs report that they are active users of social networks.

As described in the previous section, the scope of internet use is much higher among non-Haredi Jews and Arab Israelis. However, segmentation by type of use demonstrates that the rates of use of specific services, such as email, online shopping, and accessing government services, are higher among Haredim than Arabs. In contrast, in uses such as social networks, online games, and video calls, Haredim have the lowest use rate by a considerable margin. These are the rarest uses of the internet among Haredi internet users—only 8% use it for online games, and only 20% use social networks or discussion groups. The fact that email and information search are the most common reasons for Haredim to use the internet indicates the unique characteristics of Haredi internet use. Email and information searches fulfill practical needs such as those involving work, education, and government services and attest to the practical nature of internet use in Haredi society, which prefers such practical uses over cultural and leisure uses such as games and social networks.

Figure 122

Percentage of internet users by type of use and sector, 2023



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

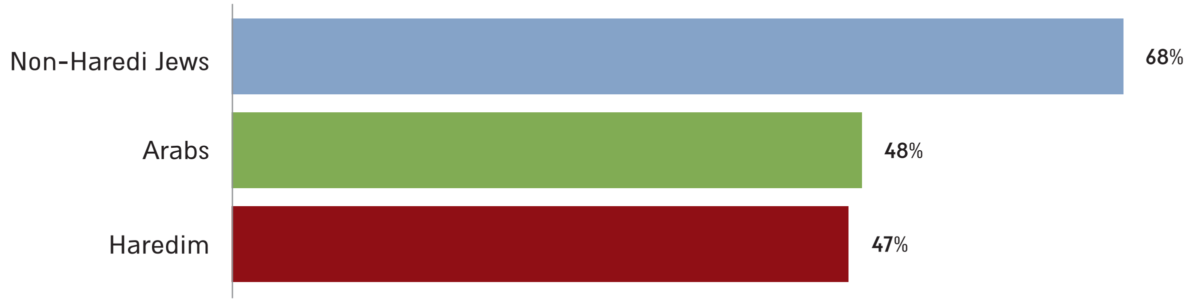
National Health Insurance: Online Services

This report has examined in-depth the use of online services provided by Israel's four official health insurance organizations (HMOs) by groups in Israeli society. These critical arrays of services provide Israeli citizens with basic and essential needs, giving access to healthcare and medical information. Thus, online HMO services do not just provide technological convenience but, critically, also improve the accessibility and efficiency of health services.

The data shows that even at the level of these essential services, the share of online HMO services users in Haredi society is much lower than in non-Haredi Jewish society. In 2023, the share of Haredim using the HMO online services was 47%, similar to the rate of Arabs using these services (48%) and significantly lower than the rate of non-Haredi Jews (68%).

Figure 123

Use of online HMO services by sector, 2023



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

Smartphone Ownership

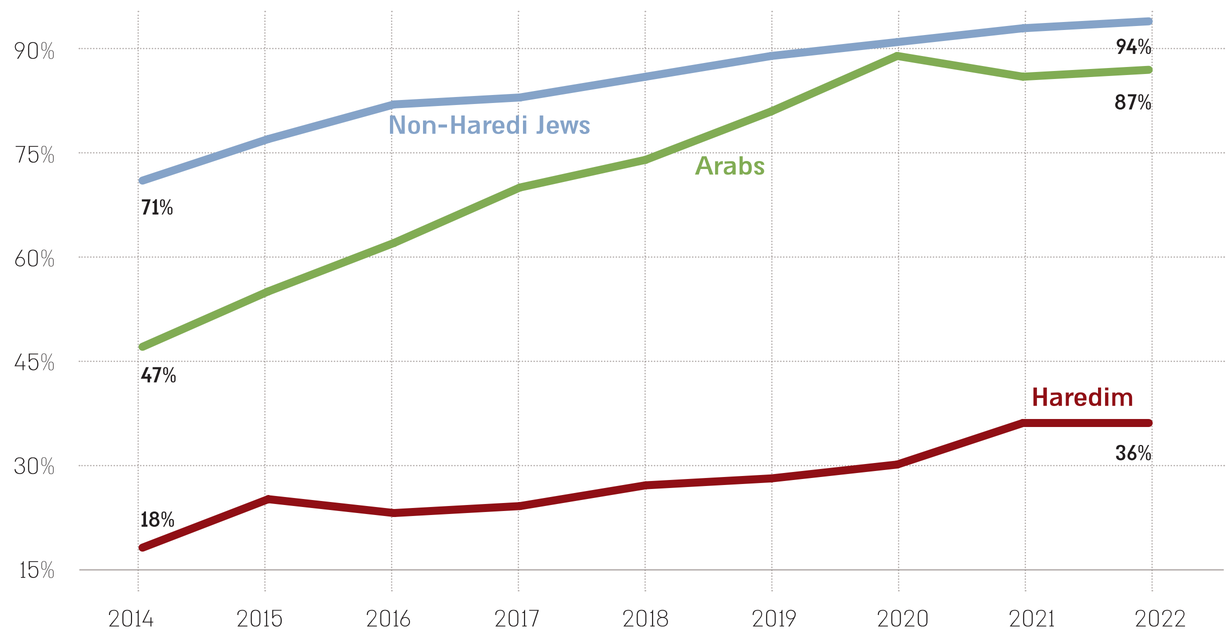
The smartphone is another platform that allows internet access and the use of various digital services. Smartphone ownership rates in Haredi society are much lower than that of non-Haredi Jewish society. In 2022, only 36% of Haredim owned a smartphone, compared to 87% of Arabs and 94% of non-Haredi Jews. This question did not appear in the 2023 Social Survey and is not expected to be included in future surveys.

Despite the low percentage of smartphone owners in Haredi society, examining trends over time shows that openness to owning a smartphone is increasing. In 2014, only 18% of Haredim owned a smartphone, compared to 47% of Arabs and 71% of non-Haredi Jews. In other words, in less than a decade, the rate of smartphone owners in both Haredi and Arab societies has doubled.

The gap in Haredi society between the rate of internet users and the rate of those who own a smartphone stems from its unique ways of using the internet, as described above. The perception that the use of the internet is a threat to the identity of, and values practiced in, Haredi society, combined with the widespread acknowledgment of the internet's necessity, leads to unique internet use characteristics that enable maximum supervision and control over internet use. The private and personal use of a smartphone challenges the processes of supervision and control over the scope and manner of an individual's internet use, and therefore, it is less accepted in Haredi society. Therefore, the proportion of those who own a smartphone in the Haredi community is also very low compared to the proportion of those who own a smartphone in the other sectors and the share of homes connected to the internet in Haredi society.

Figure 124

Percentage of Smartphone owners by sector, 2014-2022



Source: The Haredi Institute for Public Policy's adaptation of the Social Survey data

WhatsApp Use

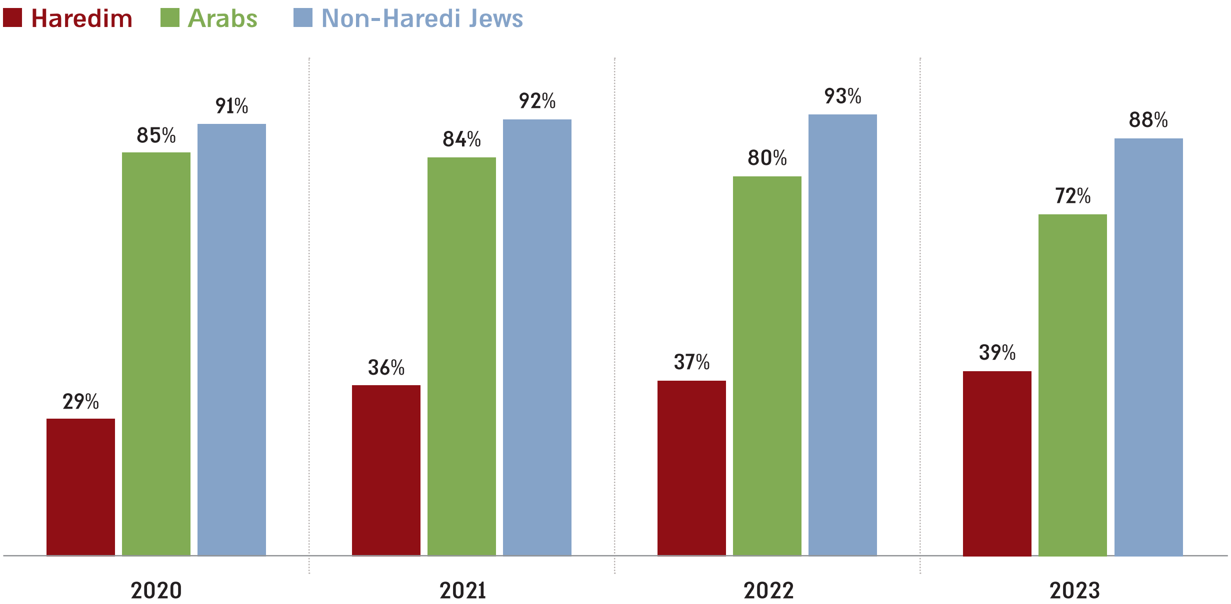
Per the low rates of smartphone ownership in Haredi society, Haredim's use of the messaging application WhatsApp is also the lowest among all sectors. In 2023, 39% of Haredim reported using WhatsApp, a rate similar to the rate of smartphone owners. In Arab society, the use rate of WhatsApp stands at 72%, and in non-Haredi Jewish society at 88%.

Comparing the proportion of WhatsApp users over time indicates a rather fluctuating trend. Among the Haredi community, the proportion of WhatsApp users has been steadily increasing, from 29% in 2020 to 39% in 2023. The ongoing increase points to socioeconomic trends occurring in Haredi society, mainly related to the increasing integration of Haredi women and men in employment and academia, which also impacts the digitalization process and, by extension, the rate of WhatsApp use.

During these years, the share of WhatsApp users in non-Haredi Jewish society remained similar. It rose only slightly, from 91% in 2020 to 93% in 2022, and in 2023 it fell again to about 88%. This decline may be due to new trends observed worldwide, indicating a declining use of WhatsApp among young people. In Arab society, there has been a continuous decline in the proportion of WhatsApp users in recent years, from 85% to 72%. This unique trend indicates differences in communication patterns between groups in Israeli society. The decline in the proportion of WhatsApp users in Arab society may be due to a trend of switching to other communication applications, such as Telegram, which offer greater privacy and control over groups and communication channels.

Figure 125

Percentage of WhatsApp users by sector, 2020-2023



Source: The Haredi Institute for Public Policy's adaptation of the 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
Population Census 1972, 1983
Students File (Ministry of Education) 1990-2021
Revenue File (Tax Authority) 2000-2022
Jobs File (Tax Authority) 2000-2022
Real Estate Transactions File (Tax Authority) 1997-2022
Degree Recipients File (Council of Higher Education) 1980-2022
Students File (Academic Institutions) 2000-2023
List of Haredi Schools by Stream (The Institute for Strategy and Haredi Policy) 2012-2022
File identifying the Haredi population based on machine learning algorithm (The Institute for Strategy and Haredi Policy) 2023

Labor Force Surveys (CBS) 2012-2023
Household Expenditure and Income Surveys (CBS) 2014-2022
The Social Survey (CBS) 2014-2023
Government Employment Goals File (CBS) 2024
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