

LABOUR FORCE SURVEYS

(Tables 12.1-12.31)

DEFINITIONS

The civilian labour force: All civilians aged 15 and over who were "employed" or "unemployed" in the "determinant week" according to the definitions given below.

- a. **Employed persons:** Those employed for at least one hour at any job, for pay, profit, or other remuneration, during the determinant week; all workers in kibbutzim; family members who worked without pay 15 hours or more per week; persons staying in institutions who worked 15 hours a week or more.

The "employed" group consists of three sub-groups:

1. **Full-time workers:** All persons who worked 35 hours or more during the determinant week. Included are all hours during which the worker was engaged in work or business, including overtime - paid or unpaid, and waiting hours (for example, the hours spent by a taxi driver or porter in line for work, etc.) and hours of preparation related to work, even if not performed at the work place, (e.g., correction and preparation of assignments, rehearsals, etc.).
2. **Part-time workers:** All persons who worked from one to 34 hours during the determinant week.
3. **Temporarily absent from work** throughout the determinant week due to illness, vacation, army reserve duty, strikes, inclement weather, temporary work stoppage (up to 30 days), or other reasons. Persons on leave from their jobs in order to seek other work are also defined as temporarily absent from work.

Note: Usually full-time/part-time workers - determined by the workers' usual number of work hours (not in the determinant week).

- b. **Unemployed:** Persons who did not work at all during the determinant week (even for a single hour), and actively sought work during the four weeks preceding their enumeration in the survey by registering at the Labour Exchanges of the Employment Service, by personal or written application to an employer or by other ways, and would have been available to start work during the determinant week had suitable work been offered ("availability for work").

This group consists of two sub-groups:

- Those who worked in Israel during the 12 months preceding their enumeration in the survey;
- Those who did not work in Israel during the 12 months preceding their enumeration in the survey.

Do not belong to the weekly civilian labour force: All persons aged 15 and over who were neither "employed" nor "unemployed" in the determinant week. This group includes students, persons employed in unpaid voluntary work, housewives who did not work even one hour outside their households, persons unable to work, persons living on pensions, etc., who did not work even one hour during the determinant week, as well as soldiers in compulsory military service or in the permanent army. Also included are family members who worked without pay for less than 15 hours a week and persons staying in institutions who worked for less than 15 hours during the determinant week.

Determinant week is the week ending on the Saturday preceding the enumerator's visit.

Industry is the industry of the establishment or institution employing a particular person. Persons employed in kibbutzim were classified according to the industry in which they worked. As of 1995, data presented for industry were classified according to the new *Classification of Economic Activities (1993)*. This classification replaces the old *Classification of Economic Activities (1970)*.

Detailed explanations on the changes in the industry classifications appear in *The Standard Industrial Classification of All Economic Activities 1993*, Technical Series No. 63, Central Bureau of Statistics, 1993. As of 2003, according to *the Standard Classification of All Economic Activities 1993 - Second Edition*, 2003. In addition, it was found necessary to adjust some coding rules, especially in the case of establishments that engage in more than one activity. As a result, data were recoded.

Occupation: Work carried out by a person at his work place, regardless of any trade he learned if he does not practice it.

As of 1995, the data are presented by occupation according to the new Classification of Occupations (1994) which replaces the old Classification of Occupations (1972).

Detailed explanations of the occupational classifications appear in *The Standard Classification of Occupations 1994*, Technical Series No. 64, Central Bureau of Statistics, 1994.

Status at work: Classification by status at work distinguishes among the following groups of employed persons:

Employees: Persons employed by another party in return for daily wages, monthly salary, piece-work or any other kind of remuneration.

Employers: Persons employing other persons for payment or any other kind of remuneration, or a business partner employing others or a farm owner employing paid farm hands.

Self-employed: Persons working in their own business or farm, who do not employ others in return for payment.

Members of cooperatives: Members of cooperatives or cooperative societies who share financial profits, including members of collective moshavim.

Members of kibbutzim: Members, candidates for membership, relatives of members who live in kibbutzim on a permanent basis and training groups.

Unpaid family members: persons who worked 15 hours or more in the determinant week in a family business, without payment or other compensation.

Head of household: see definition in the Introduction to Chapter 5 - *Households* - paragraph Economic and housing characteristics.

Religion and Population Group: The head of the household is the only household member who is questioned regarding his religion. The head of the household's religion is registered as the religion of all household members. The classification according to religion includes: Jews, Moslems, Christians, Druze and other religions (other religions also includes no religion or religion unknown).

The category "Other Religions" includes all those who replied that they are not Jews. As of 2002, this group has been divided into two population groups:

- "Arabs": a. live in Arab localities (non-Jewish localities), or b. live in Jewish or mixed localities, and were born in Israel or arrived in Israel before 1990.
- "Others": live in Jewish or mixed localities, and arrived in Israel in 1990 and after.

The data for the "Others" group are included in the total number of households, but due to their low numbers, they are not presented separately.

Highest diploma (degree) received: (as of 2000): The highest diploma a person received from schools or educational institutions that grant official diplomas (not including certificates for completion of courses, certificates for completion of in-service training, etc.).

It should be noticed that the definition of "Studied, with no certificate" is different in the Social Survey, Chapter 7 - *Society and welfare*. See Introduction.

Type of locality: From 1999 to 2002, localities were classified according to the population estimates of the 1995 Census of Population and Housing.

As of 2002, localities have been classified by type of locality as determined according to population estimates at the end of 2001.

Development localities - the localities specified in the regularly updated regulations based on the "1963 Severance Pay Law."

Levels of Commuting to Work

Commuter: a person employed outside of his/her locality of residence

- Employed in the sub-district of residence

- Employed outside of the sub-district of residence but within the district of residence
- Employed outside of the district of residence
- Employed in two or more districts.

Non-commuter: a person employed in his/her locality of residence.

Detailed explanations of the definitions in the Labour Force Survey, and of the updated definitions since 1995 can be found in *Labour Force Surveys 1998*, Special Publication No. 1104.

As of 1999, population estimates in the Labour Force Surveys are based on the 1995 Census of Population and Housing. In addition, changes have been made in the estimation (weighting) methods.

Since 2002, few changes have been made in the weighting groups.

For more details see the following paragraph - Methods of data collection, processing and estimation.

SOURCES

The Central Bureau of Statistics has conducted Labour Force Surveys since 1954.

The survey population includes the de jure population (see definition in the Introduction, Chapter 2 - *Population*) of Israel aged 15 and over, and Jewish residents of Judea, Samaria and the Gaza Area, as well as potential immigrants and permanent residents residing abroad less than one year. Not included are tourists and temporary residents, unless they stayed in Israel continuously for over a year. The population of East Jerusalem has been included in these surveys since 1968, and the Druze population of the Golan Sub-district has been included since 1982.

The frames: Two types of frames were used to draw the samples: (a) a frame of localities; and (b) a frame within localities. In urban localities and in some rural localities, the frames were the lists of dwellings used for housing in the municipal tax file. In other localities (except kibbutzim) and in immigrant absorption centres, lists of households were sampled. In kibbutzim, the frame was the list of persons aged 15 and over, and in student dormitories - dwelling units.

The sample was drawn in two stages. First, localities were sampled, and afterwards dwellings were sampled. All households living permanently in each dwelling were surveyed four times: twice in consecutive quarter-years, followed by a break of two quarters and once again in two consecutive quarters.

In 2004, the survey data were based on about 26,000 persons per quarter on the average.

The enumeration of households was carried out every week during all three months of the survey.

METHODS OF DATA COLLECTION, PROCESSING AND ESTIMATION

Since 1999, there has been a gradual transition toward computerized data collection. Today data are collected in the first and fourth enumerations, using face-to-face interviews with paper questionnaires. In the second and third enumerations, data are collected using Computer Assisted Telephone Interviewing (CATI) with personal computers from the bureau offices in Jerusalem.

As of 1999, the population estimates in the Labour Force Surveys are based on the findings of the 1995 Census of Population and Housing and in addition a new weighting method has been implemented in 1999.

The data for 1998 were prepared also according to the "new" method to allow comparisons with 1999 data.

These data should not be compared with 1998 data that were prepared prior to the change and were published in Statistical Abstract No. 50, 1999.

In the new estimation method used in the 1999 survey to derive estimates for the entire survey population, "weighting coefficients" are given to each household, each household member having the same coefficient. The coefficient for the household constitutes the number of households and the number of persons in the survey population represented by the household. This is in contrast to the previous estimation method used until 1999, in which different persons in a given household received different weighting coefficients, independent of the household composition. Thus, within the same household, the weighting coefficients were not uniform.

Eventually, complete compatibility is reached between the distribution of the "weighted"

persons and the current demographic estimates based on the 1995 Census of Population and Housing for the various weighting groups defined.

The weighting groups were determined **independent of religion** (except for the division into Jewish localities and Arab localities). For most of the geographical groups, 10 age groups were defined for each sex. These groups are more detailed than the weighting groups used up to 1999.

In 2002, a number of changes were made in the definition of the weighting groups.

One of the characteristics for determining to which relevant weighting group someone belongs to the year of immigration. In the past, a distinction was made between "new immigrants" (up to two years in the country) and others, among those who immigrated from 1990 and after. Today, immigrants up to four years in the country are in a separate weighting group. The rest of the immigrants were grouped according to the geographical distribution of their locality of residence.

Furthermore, a number of changes were made to additional weighting groups.

The data for 2001 were also processed according to the revised weighting method to allow for comparisons with 2002 data.

For detailed explanations, see *Labour Force Surveys 2002*, Special Publication No. 1218.

The annual estimates presented in this publication are arithmetical averages of the four quarterly estimates.

RELIABILITY OF ESTIMATES

Since the data are estimated for the overall population and calculated on the basis of a sample survey, they are subject to two types of errors:

1. Sampling errors
2. Non-sampling errors

Sampling errors can be estimated on the basis of survey data, whereas non-sampling errors are difficult to evaluate.

Following is a table of approximate sampling errors for absolute numbers.

χ	σ_y
Estimate	Sampling error
306	1,000
433	2,000
530	3,000
612	4,000
684	5,000
750	6,000
810	7,000
865	8,000
918	9,000
967	10,000
1,367	20,000
1,672	30,000
1,929	40,000
2,154	50,000
2,357	60,000
2,544	70,000
2,716	80,000
2,878	90,000
3,031	100,000
4,241	200,000
5,138	300,000
5,868	400,000
6,487	500,000
7,024	600,000
7,498	700,000
7,919	800,000
8,296	900,000
8,634	1,000,000
9,211	1,200,000
9,674	1,400,000
10,040	1,600,000
10,319	1,800,000
10,518	2,000,000
10,641	2,200,000
10,690	2,400,000
10,668	2,600,000
10,573	2,800,000
10,404	3,000,000
10,156	3,200,000
9,824	3,400,000
9,399	3,600,000
8,868	3,800,000
8,209	4,000,000

In order to warn the reader of data of low reliability, estimates based on a population of less than 2,000 are enclosed in parenthesis. This number corresponds approximately to a relative sampling error (the sampling error divided by the estimate) **above 20%**.

Detailed explanations of the sampling method and frame, enumeration, topics investigated, estimation method, reliability of estimates, definitions and instructions for obtaining estimates of sampling errors and their use,

appear in *Labour Force Surveys 2003*, Special Publication, No. 1244.

EMPLOYMENT AND WAGES, BASED ON REPORTS TO THE NATIONAL INSURANCE INSTITUTE AND OTHER ADMINISTRATIVE SOURCES

(Tables 12.32-12.40)

DEFINITIONS

The investigation unit is an "establishment" which employs at least one employee. An establishment is also defined as a department of a firm for which the National Insurance Institute administers a separate accounting file.

Employee jobs: The number of employees (permanent and temporary) on the payroll of establishments or institutions, who worked for at least one day during the surveyed month (or were on paid leave due to illness, vacation, army reserve duty, etc. at least one day during that month). Employees on the payrolls of more than one establishment or institution in that month were counted as many times as they appeared on the payroll, so that the data actually refer to the number of jobs for which wages were paid.

As of 2001, estimates of the distribution of employee jobs and the average wages per employee job have been published (Table 12.37), by groups of liability for National Insurance Institute (NII) payments (according to NII definitions, on Form 102). The groups are:

1. Employee jobs paying more than half the average wages, as defined in Paragraph 2 of the National Insurance Law.
2. Employee jobs paying up to half the average wages, as defined in Paragraph 2 of the National Insurance Law.
3. Employee jobs liable for only some categories of insurance deductions (workers up to age 18, or women and men and who are eligible for old age pensions, etc.).
4. Employee jobs reported by employers as additional jobs.

Gross monthly wages: Gross payments for all employee jobs in a month, including basic wages, cost-of-living allowances, seniority payments, back-pay, advance payments, overtime, premiums, various benefits, grants,

and supplements (current or non-recurring) such as: on-call, shift, 13th-month salary, transportation, vacation pay, education and proficiency allowances, car allowance, etc. The gross wages do not include other labour expenses and sums paid by the employer such as pension funds, insurance for employees, or employers' tax.

Average monthly wage per employee job: Gross monthly wages divided by the number of employee jobs in that month (it follows from the definition of employee jobs, that the average monthly wages per employee job are lower than the average monthly wages per employee).

As of 2001, estimates have appeared (Table 12.37) of the average monthly wage per employee job of the above groups (see the definition of "employee jobs", groups 1-3). In addition, data have appeared on the average monthly wages per employee job, excluding employee jobs reported at other work places (Group 4, above). To calculate the average monthly wages per employee job in this group, wages from all work places are totaled. Therefore, the average monthly wages per employee job, excluding jobs reported as other work places, more closely approximates the average monthly wages per employee.

The index of total wages at constant prices is calculated by dividing the index of total wages at current prices by the consumer price index of the respective month. Annual estimates, quarterly estimates and the like are the arithmetical averages of monthly indices at constant prices.

The index of average monthly wages per employee job at constant prices is calculated by dividing the index of total wages at constant prices by the index of employee jobs.

Government and Municipal Employees

Net income (of government and municipal employees): gross monthly wages minus deductions for National Insurance payments (including national health insurance as of January 1995) and income tax.

Work unit (of government and local authorities employees): Several work quotas combined into a full-time job, according to the grading by which wages are paid, e.g. three workers with one-third positions are counted as three employee job, but as one work unit (Table 12.40).

Employee jobs of foreign workers: The number of employee jobs of foreign workers, as well as workers from Judea, Samaria and the Gaza area and southern Lebanon (up to August 2000).

Employee jobs of workers from abroad: The number of permanent and temporary employee jobs of workers from abroad as reported on Form 612 to the National Insurance Institute. The data also include jobs of workers from Judea, Samaria and the Gaza Area who are reported on Form 612 by employers who belong to the East Jerusalem branch of the NII. The data do not include jobs of attendants employed by households, who were reported by their employers as domestic help. The National Insurance Institute does not check the legal status of those workers.

Employee jobs of workers from Judea, Samaria and the Gaza Area: Workers from Judea and Samaria who receive wages through the payments department of the Employment Service

The investigated population includes all establishments that hire at least one employee, cooperative members, civilian employees in the defence establishment and workers from the Judea, Samaria and the Gaza area who receive their wages through the payments department of the Employment Service. It also includes workers from abroad who are employed in Israeli establishments that report to the National Insurance Institute. The population does not include kibbutz members working in their own kibbutz or in establishments owned by the kibbutz, employers who are not employees who work in their own establishments, students attending vocational and agricultural schools, apprentices in vocational training institutions, or domestic help.

METHODS OF COMPUTATION AND ESTIMATION

The series has been conducted and published since 1961. The sample used as a basis for the current data is replaced periodically. The latest sample was replaced in 1995; its new basis is 2001.

The frame: The sampling frame is based on the employers' file of the National Insurance Institute, updated as of August 1994. Other establishments were added to the file from

samples kept in the Bureau and from other sources.

The sample included about 9,500 active establishments covering about 64 percent of the employee jobs in the population.

Sampling method: The population was divided into sampling strata where each stratum was characterised by a new major industry and size of establishment. For each size-group of the industry, there was a different probability of selection.

The sample is updated by eliminating establishments that ceased operation and adding a sample of newly opened establishments. The frame of establishments is checked each year in preparation for the processing at the end of the year. The size of the establishment in the current year is compared to its size when it was given the sampling probability. Establishments that have grown substantially, to the point that their representation is no longer effective, are resampled at a greater probability.

Consequently, establishments from the frame are added to the sample, and the probability of those that had been in the sample increases. The final estimates (monthly and annual) of each year are computed after this updating of the sample.

Computation of the current base: The new base is the average of 2001 = 100.0. For this purpose, the 2001 data were processed three times. This enables comparison of total figures with previous years using chained indices only. Comparisons of data prior to 2001 with data from 2002 are made by changing the index on the base 2001 = 100.0 to one comparable with the index 1994 = 100.0. This is done by multiplying the index of each variable by its average index for 2001, (based on 1994), and dividing it by 100.

Computing the estimates: Preliminary estimates of employee jobs and of average wages per employee job are published approximately two months after the end of the month for which wages were paid. The estimates are processed and published several times, each time at a higher level of reliability.

As of 2001, these estimates have been produced at a higher quality, as well as the following additional estimates:

1. Separate processing has been performed for each reported population, due to the considerable differences between populations. i.e., the population of

employee jobs of Israeli workers was separated from the foreign workers population, and the data for each of the populations is processed in a separate system.

2. Estimates are received for all population groups as defined by the National Insurance Institute, so that each group appearing on a 102 Form, which together constitute all employee jobs, is examined (Table 12.37).
3. Back-pay is attributed to the month in which it was actually paid. In the past it was not always possible to credit back-pay to the month in which it was actually paid.
4. All of the local and regional councils are definitely included in the sample (each one only represents itself). Until 2001, only some of the local and regional councils were included in the sample.
5. The economic activities of local and regional councils are classified according to the appropriate industries. Until 2001, all of the economic activities of the local and regional councils were classified in a single economic industry - Administration of Local Authorities (Industry 780).

Workers from abroad: In 1994, the data were based on a census of all employers who reported on workers from abroad. As of 1995, data have been based on a sample of establishments that was drawn from all establishments reporting on workers from abroad (Form 612). The frame was created for 1995 and is updated by adding establishments that began to employ workers from abroad. Based on the additions, a supplementary sample has been drawn, and is integrated into the main sample on a continuous basis. Establishments that cease to employ workers from abroad are excluded from the calculations, beginning with the month in which they ceased to employ workers from abroad.

Civil servants and employees of local authorities. Processing of the wage files received from Malam Systems Ltd. (the Office Mechanisation Centre) and from the Israel Local Authorities Data Processing Centre Ltd.

As of 2000, the estimates for civil servants are produced from the new processing system of the Office Mechanisation Centre. This system separates data on current wages from data on other payments. Data on wages and workers are adjusted to reports on workers and wages

in National Insurance Institute Form 102. Furthermore, data on government ministries and independent affiliate units that have been privatized in recent years. For the purpose of comparison with previous years, the 1999 data were reprocessed.

SOURCES

Statistics on wages and employment are based mainly on monthly processing of employers' reports on employees and wages (according to the law) on forms 102 (for Israeli workers) and 612 (for foreign workers) to the National Insurance Institute, and partly on other administrative sources (such as the payments department of the Employment Service labour exchanges, the Israel Local Authorities Data Processing Centre, the Office Mechanisation Centre Ltd., the defence establishment etc.) As of 2001, the liability groups for National Insurance payments according to Form 102 are taken into account, and not just the total employee jobs reported on Form 102, as was done in the past (for definitions of the groups see the definition of "Employee Jobs" above).

INCOME SURVEY

(Tables 12.41-12.42)

These tables include data on income from wages and salary. For explanations on the income survey, see Introduction to Chapter 5 - *Households*.

REGISTERED UNEMPLOYMENT

(Tables 12.43-12.44)

DEFINITIONS

Labour exchanges for work-seekers aged 18 and above. As of 1983, female work-seekers who applied to labour exchanges for domestic help have been included in labour exchanges for adults.

Work seeker: A person who registers at the labour exchange at least once a month to seek employment.

Work seekers claiming income support: Persons not entitled to unemployment insurance (because the qualifying period has not been completed or because all rights have been used), who applied during the past month to the labour exchange to seek employment or to obtain documents required by the Income Support Law enacted on 1 January 1982.

SOURCES

Data on unemployment are received from the Records and Statistics Section of the Employment Service and the Employment Center for Academic Professionals.

CLAIMS FOR PAYMENT OF UNEMPLOYMENT INSURANCE

Data are obtained monthly from the National Insurance Institute.

"Claims for payment of unemployment insurance" are submitted to the National Insurance Institute during the previous month for entitlement to unemployment. These claims include:

- a. Claims submitted by unemployed persons who received verification of unemployment from the labour service, indicating the number of days for which they claim unemployment that month.
- b. Participants in vocational training courses who receive an unemployment insurance supplement according to the law of unemployment insurance.

First claim: The claim first submitted by the unemployed person within one year of the determinant date (the first day of the month during which unemployment began). If the claimant worked three months or more and then became unemployed again, a new claim must be submitted.

Continuing claim: A claim for additional payment; submitted after the first claim, until the end of the eligibility period. In 2003, the Unemployment Insurance Law was amended. As a result, the eligibility criteria for receipt of unemployment allowance were changed with respect to the qualifying period, days of eligibility, and amount of payment.

STRIKES AND LOCKOUTS

(Table 12.45)

DEFINITIONS

Strikes and lockouts: Temporary work-stoppage by a group of employees (or employers), resulting from a labour dispute related to employee-employer relations.

Strikers and locked-out persons: Persons participating in a strike, where a striker or a locked-out person striking more than once is counted according to the number of strikes they participated in.

Lost work-days: Work-days on which employees directly involved in the strike did not work. In the case of a strike shorter than a full work-day, the lost work days were calculated on the basis of the total work hours lost divided by 8.

From 1972 on, strikes in which less than 10 work days were lost were excluded from total strikes.

Slow-downs: Temporary interference with normal work process, due to labour disputes related to employer-worker relations.

Number of participants in slow-downs: The number of workers involved in slow-downs. A person involved in a slow-down more than once is counted according to the number of times he participated in slow-downs.

Information on slow-downs has been collected since 1972.

SOURCES

As of 1971, data have been compiled by the Labour Relations Division of the Ministry of Labour and Social Affairs in collaboration with the Institute for Economic and Social Research of the Histadrut (General Federation of Workers), with the advisory cooperation of the Central Bureau of Statistics. This cooperation was discontinued in 1980.

COST OF LIVING ALLOWANCE

(Table 12.46)

The rates of the Cost of Living allowance are calculated according to changes in the Consumer Price Index, based on a formula agreed on by the Executive Committee of the General Federation of Workers (the "Histadrut") and the Federation of Israeli Economic Organisations.

SELECTED PUBLICATIONS

SPECIAL PUBLICATIONS

- 943 Labour Force among Persons Aged
55 and Over in Israel, 1986-1992
- 1000 Income of Employees (Individuals),
1992-1993
- 1146 Women in Israeli Labour Force 1987-
1997
- 1199 Labour Force Surveys, 2001
- 1245 Income survey, 2003

CURRENT BRIEFINGS IN STATISTICS

- 1, 1997 Revision of the Sample of Wages
and Employment Indices 1995, and
the New Classification of Economic
Branches.
- 9, 2003 Labour Force Surveys 2002

JUBILEE PUBLICATIONS (on the occasion
of Israel's 50th year)
Labour and wages (no. 10 in the series)

WORKING PAPER SERIES

Development of the High-Tech Industry in
Israel, 1995-1999: Labour Force and Wages