

POLICY BRIEF

Education and Employment Trends Among Ethiopian Israelis

Hadas Fuchs and Gilad Brand*

Introduction

This brief surveys the education and employment characteristics of Ethiopian Israelis between the years 1998 and 2011.

The population of those of Ethiopian origin numbers 135,500, which is about 1.7% of the population of Israel (as of 2013). It is a relatively young population, that is, it is characterized by a high percentage of children and low percentage of those aged 65 and older. In 2013, the gross monthly cash income for Ethiopian Israeli households was about NIS 11,453 – about 35% less than the average population income of about NIS 17,711 per household (Central Bureau of Statistics, 2014).

This policy brief presents an analysis of data on Ethiopian Israelis of prime working age (25-54) distinguishing between those born in Israel or those who arrived in Israel before the age of 12, and those who came here at a later age (after the age of 12). The data was taken from the Central Bureau of Statistics (CBS) Manpower Surveys for the relevant years and from the 2008 Population Census.

Since Ethiopian Israelis represent a small portion of the population and the labor force, the sample size has a small number of observations. For this reason, in certain statistical analyses, averages were calculated in groupings of 3-6 years, depending on the sample size.

Education

In general, the Ethiopian Israeli population is characterized by levels of education that are lower than those of the rest of the Jewish population. In 2012, the share of those qualifying for bagrut (matriculation) certification reached 54% among those Ethiopian Israelis who took the tests, compared to 73% among all those tested in the Jewish education system. Among those who qualified for the bagrut certificate, the share with a score high enough for acceptance to university was 56% among Ethiopian Israelis compared to 84% among the general Jewish population (CBS, 2013).

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JUNE 2015

This brief examines the developments in education and employment among the Ethiopian Israeli population between 1998 and 2011. The education level of those who came to Israel at an older age is low. Though their employment rate is high, many work in low paying and relatively low-status occupations.

The status of Ethiopian Israelis who grew up and were educated in Israel is better and their education is improving. Nevertheless, labor market integration is slower than among their peers who are not of Ethiopian origin.

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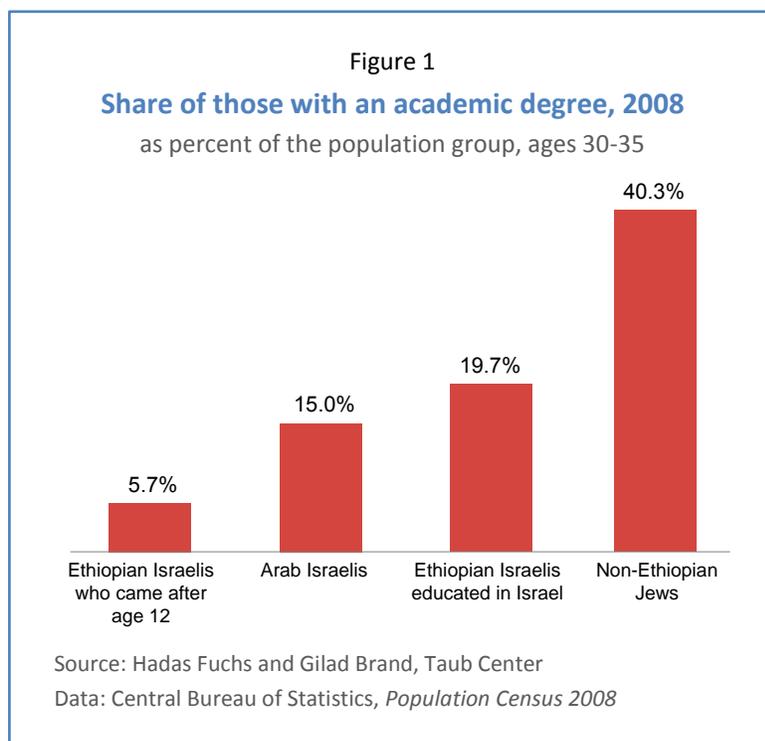
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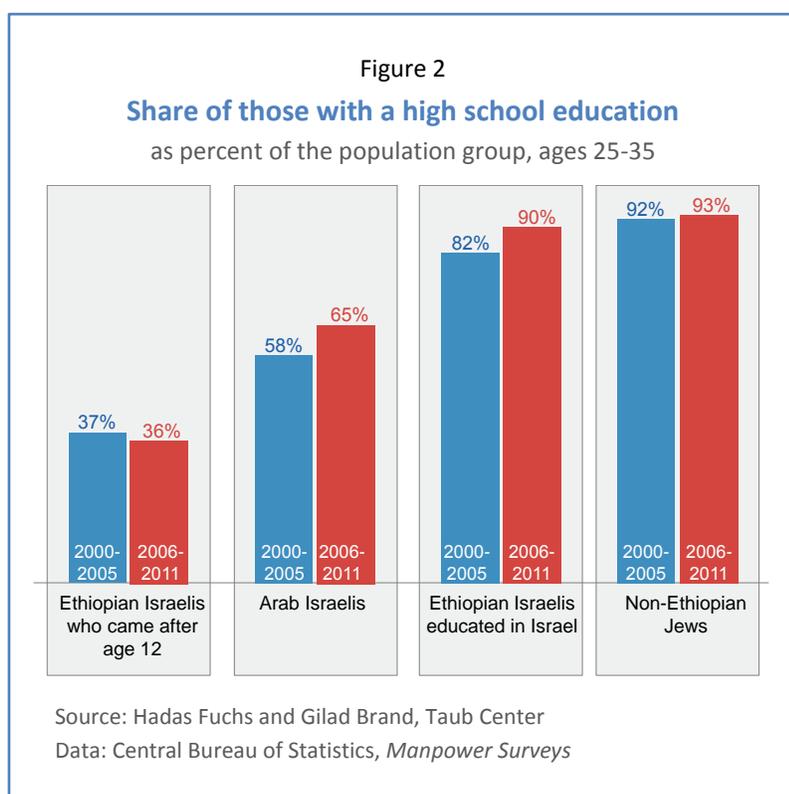
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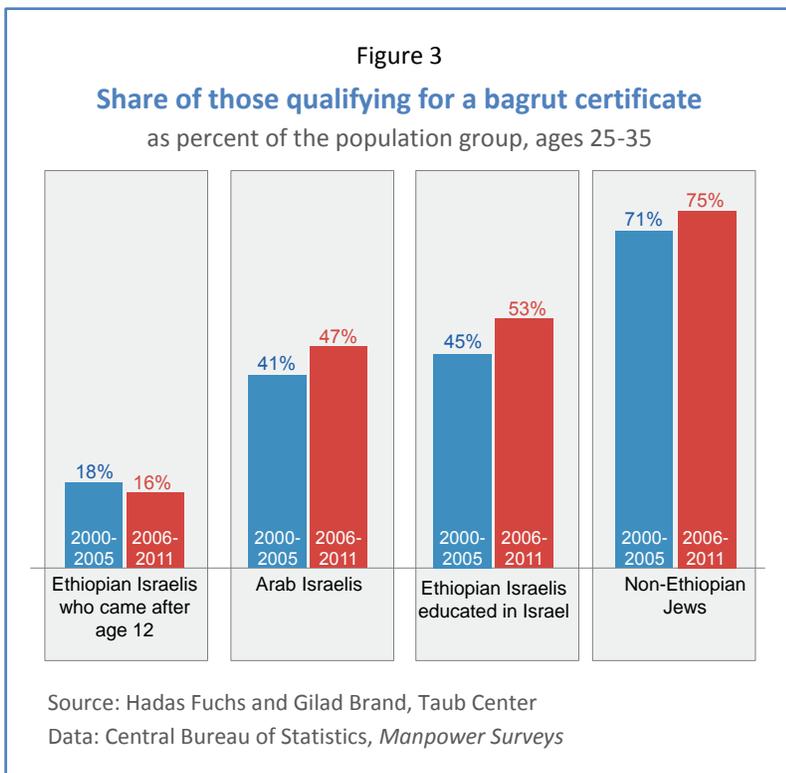
The education gaps are also evident when looking at the share of academic degree holders in the population. Figure 1 shows the share of academic degree holders for those aged 30-35 among the different population groups. Among Ethiopian Israelis who were born in Israel or who came to Israel at a young age, the share of those with higher education is approximately 20% – about half the rate of the other Jewish populations (40%).¹ The share of those with higher education among those who came to Israel at a later age (12 or older) is only about 6%. A deeper examination demonstrates that within this group, most came to Israel between the ages of 13 and 18.



¹ The group defined as "non-Ethiopian Jews" in this graph also includes those individuals of other religions who are not Arab Israelis, in accordance with the definition used by the Central Bureau of Statistics. This note is true for each reference to the Jewish population in this study.

As the figures of those with an academic degree show, there is a substantial difference in level of education between the parents and the younger generation educated in Israel. The rate of Ethiopian Israelis who came to Israel at a later age and completed high school is only about 36%, while this rate is about 90% among Ethiopian Israelis who grew up in Israel (Figure 2). That is, when looking at the rates of those finishing high school, the gaps between those educated in Israel and the rest of the population are closing. Nevertheless, in terms of bagrut qualification there are still substantial differences between population groups, as can be seen in Figure 3. While there has been some improvement in the rate of bagrut qualification among Ethiopian Israelis, between 2006 and 2011, the gap between this group and the rest of the Jewish population remained large – 53% versus 75% respectively.

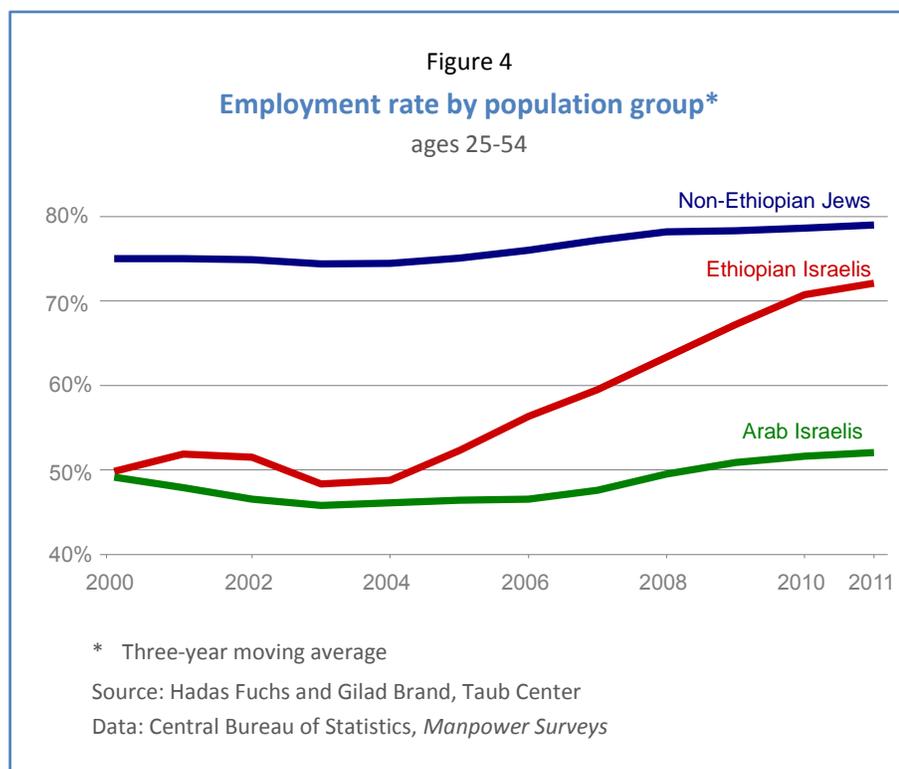




These figures point to the possibility that the quality of the education Ethiopian children are receiving is low, which is later seen in their lower rates of university level education, as well.

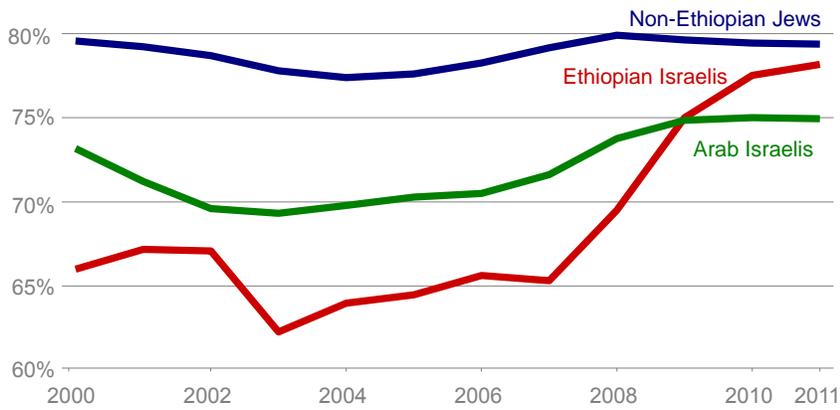
Employment rates

The employment rate among Ethiopian Israelis of prime working age (25-54) has increased substantially in the past decade and in 2009-2011, it stabilized at 72% - a rate that is slightly lower than the employment rate among the rest of the Jewish population, which stands at around 79% (Figure 4).



This increase in the employment rate characterizes both men and women, although the increase among women is more significant. About 35% of Ethiopian Israeli women were employed between 1998 and 2000, while in 2009-2011, the rate increased to 65% (Figures 5 and 6).

Figure 5
Male employment rate*
by population group, ages 25-54

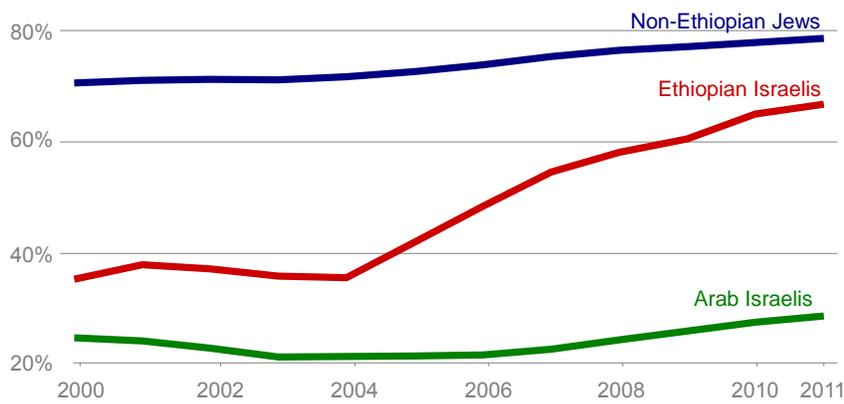


* Three-year moving average

Source: Hadas Fuchs and Gilad Brand, Taub Center

Data: Central Bureau of Statistics, *Manpower Surveys*

Figure 6
Female employment rate*
by population groups, ages 25-54

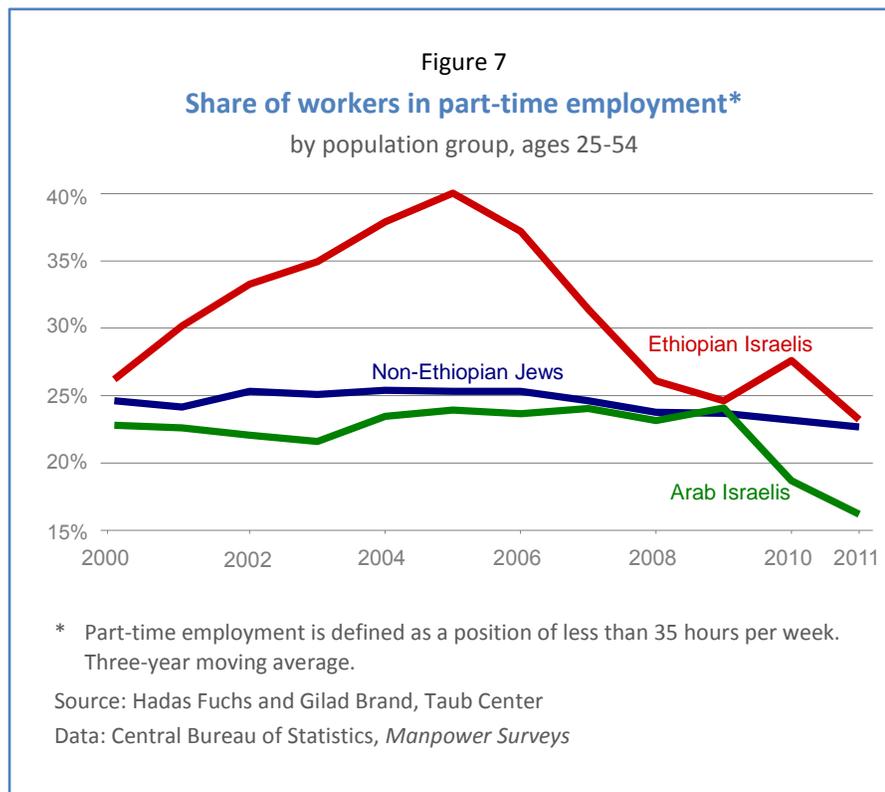


* Three-year moving average

Source: Hadas Fuchs and Gilad Brand, Taub Center

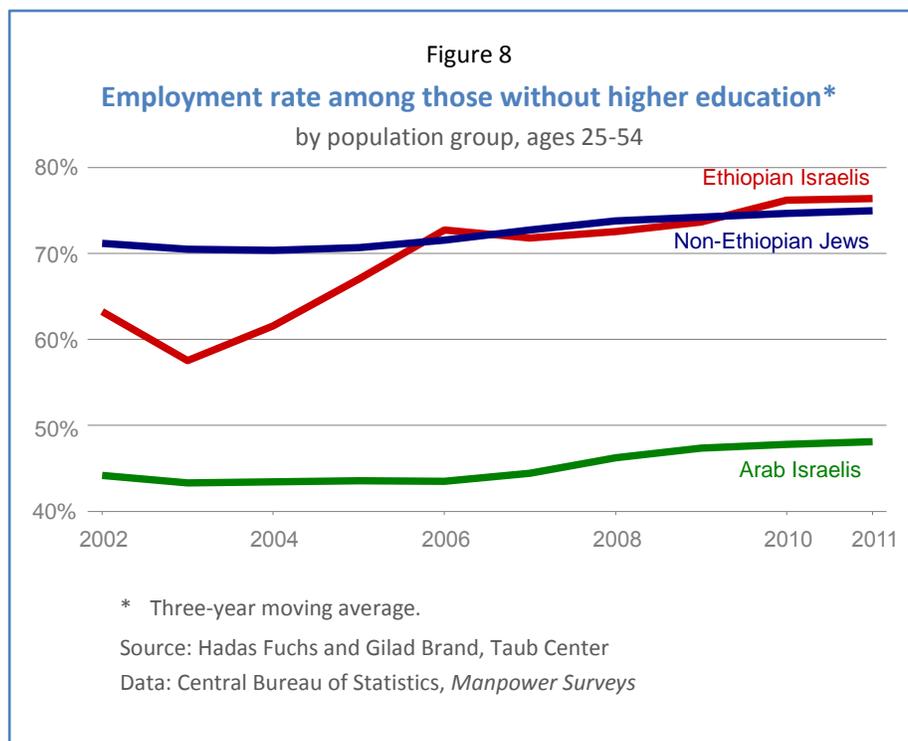
Data: Central Bureau of Statistics, *Manpower Surveys*

The improvement in the employment rate of Ethiopian Israelis is also seen in their employment conditions (full-time versus part-time). The data show a substantial rise in the rates of those employed on a part-time basis in the beginning of the last decade and then a rapid decline in the following years (Figure 7). It is possible that this exceptional rise was the result of the recession during that period; because the Ethiopian Israeli population is located on the lower end of the employment scale, it appears that they were more exposed to the labor market effects of the recession.



It should be noted that the decline in the number of part-time employees during the second half of the last decade coincided with an increase in the employment rate. That is, there was an increase both in the employment rate and in the scope of full-time employment.

The employment rate among Ethiopian Israelis without an academic degree rose substantially at the beginning of the previous decade and leveled off at a rate similar to the rest of the Jewish population with comparable education levels (Figure 8).²



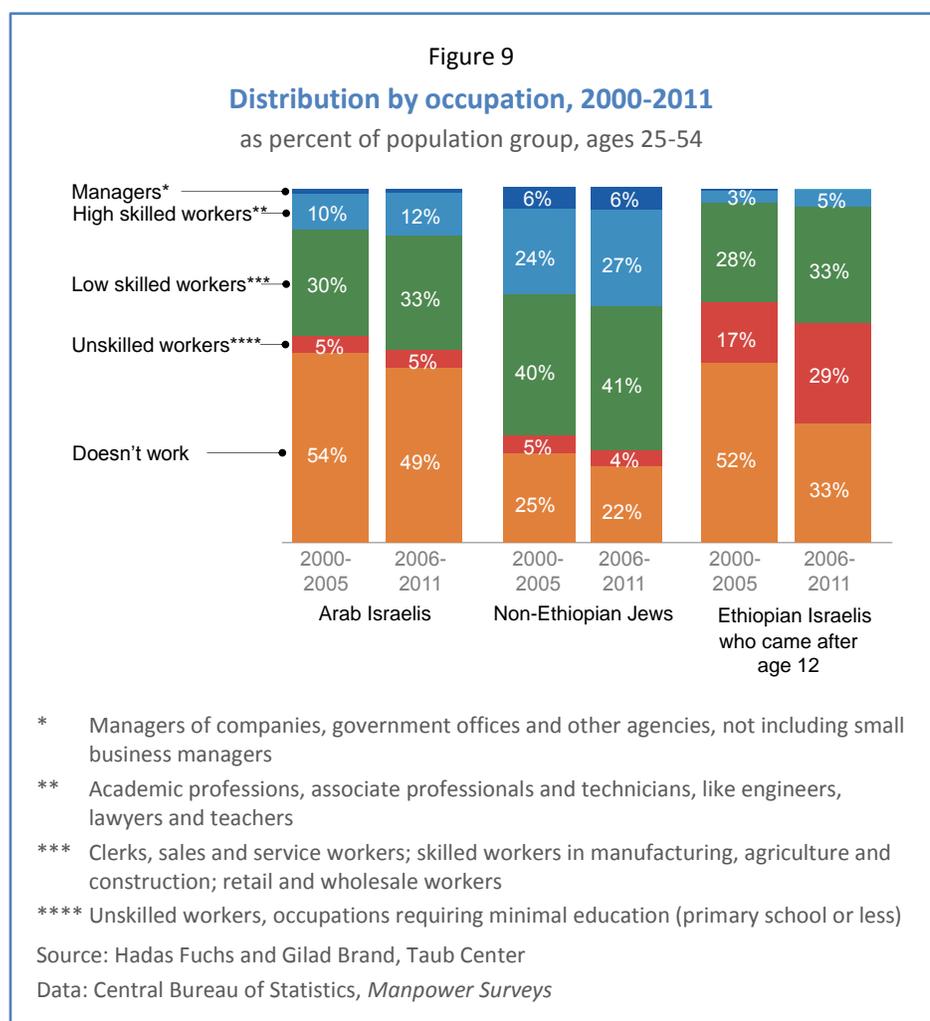
² Due to the low number of observations, it is difficult to compare the employment rates of Ethiopian Israelis with higher education over time, and so this comparison is not shown here. This group's employment rate (and the distribution of their occupations) over a limited amount of time can be seen in Figure 12.

Type of employment and occupation

Figure 9 shows the distribution of occupations in the different populations groups according to skill level required.³ The figure does not include the group of Ethiopian Israelis educated in Israel since most of them are relatively young and their inclusion in the sample for prime working age will give a biased picture (for this group, see the separate comparison in Figure 11). Only about 5% of those who came to Israel after the age of 12 are employed in occupations that require a high skill level, compared to 33% in the rest of the Jewish population (including managers). In turn, members of this group are concentrated in relatively low-level occupations and their income reflects this: 62% are in occupations requiring a low skill level, versus 44% in the rest of the Jewish population.

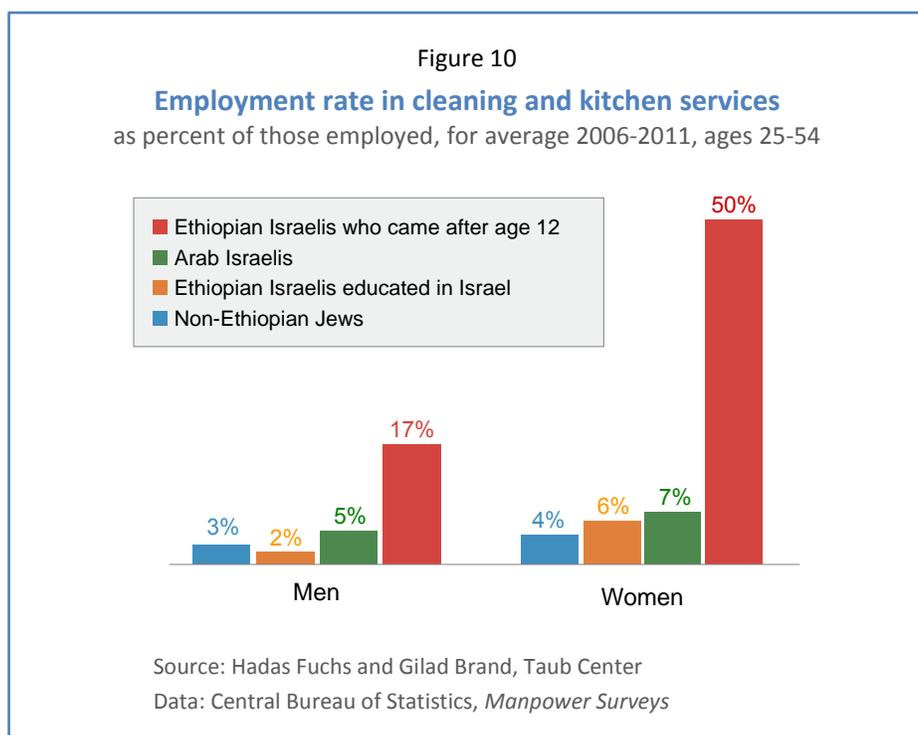
Nevertheless, the trend is toward a slight improvement in the occupational ranking, and primarily in the employment rate, among Ethiopian Israelis who arrived in Israel at an older age.

Almost half of the employed women and about 17% of employed men of Ethiopian origin who came to Israel after the age of 12 work in cleaning or kitchen services. A closer look shows that as the age of coming to Israel was younger and their time in Israel is longer, the likelihood of working in cleaning services declines.



³ Occupational ranking is according to the CBS scale from 1994 and the similar international scale, based on level of education, skill level and complexity of the job requirements.

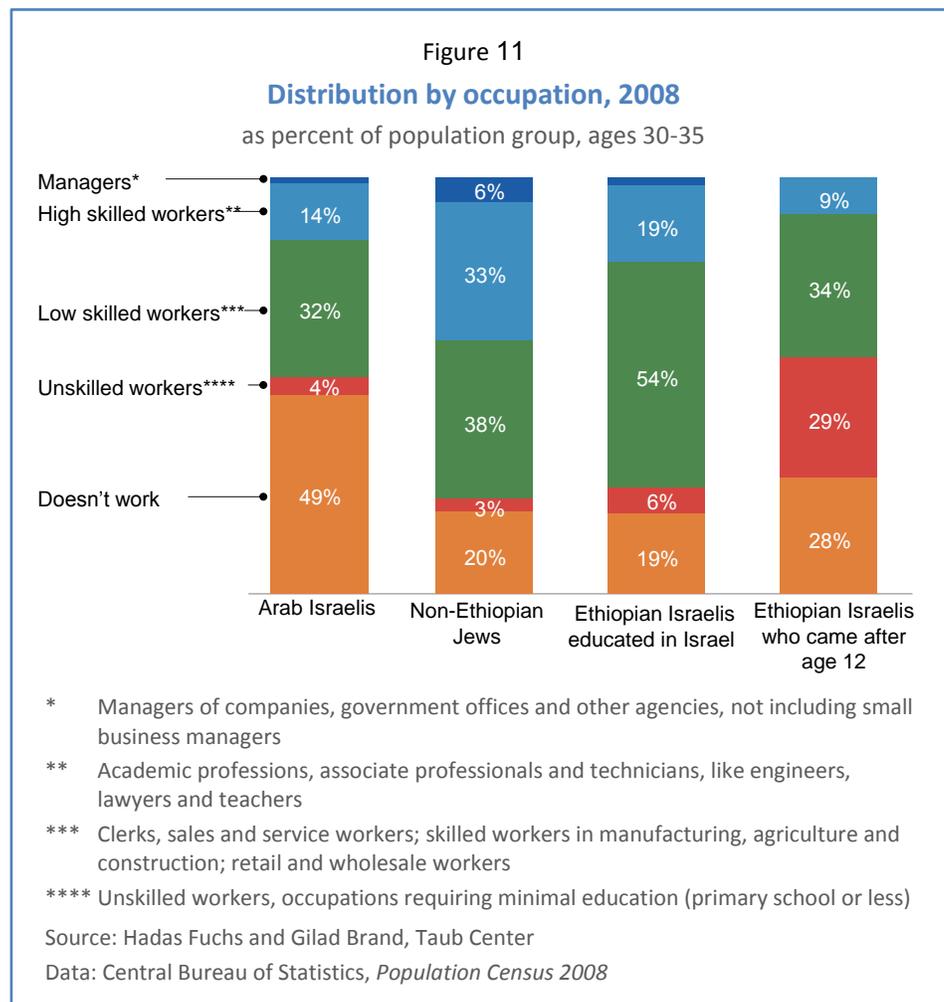
A look at the unskilled workers shows that a relatively high rate of Ethiopian Israelis who came to Israel at a later age work as cleaning or kitchen workers – about half of the women and 17% of the men (Figure 10).⁴ It is important to note that this is specific to those who came to Israel after the age of 12; the rate among those educated in Israel is similar to the rate in the rest of the population (3.9%).⁵ A closer look finds that the likelihood of being employed in cleaning and kitchen services is very dependent on the number of years in Israel and age upon arriving in Israel. As the number of years in Israel decreases and the age of coming to Israel increases (up to age 20, after which the effect is no longer significant), the probability of working in this field are greater.



⁴ Cleaning and kitchen workers are classified in the CBS scale of 1994. This classification includes unskilled workers who work cleaning buildings, kitchen and laundry workers, janitors, caretakers, and other cleaning workers. The high rate of Ethiopian Israelis employed in this type of work is exceptional and is not found in other occupations.

⁵ Since at the time of the survey, most of the Ethiopian Israelis who grew up in Israel were not yet 40, a comparison of those working in the cleaning and kitchen services was made for the age group 30-35. According to the comparison, about 5.3% of Ethiopian Israelis who grew up in Israel were employed in this field of work, compared to 28.5% who came to Israel at a later age and 4.3% of Arab Israelis and 2.2% of non-Ethiopian Jews (CBS, 2008).

In order to concentrate on those educated in Israel, a separate comparison was conducted for the age group 30-35. Those in this group are better off than Ethiopian Israelis who came at a later age, although there are still some gaps relative to the rest of the Jewish population (Figure 11). About 21% of Ethiopian Israelis who went through the Israeli education system are in the highest labor force group compared to 40% of the rest of the Jewish population; about 60% of them are in low skilled or unskilled occupations compared to 41% among the rest of the Jewish population.

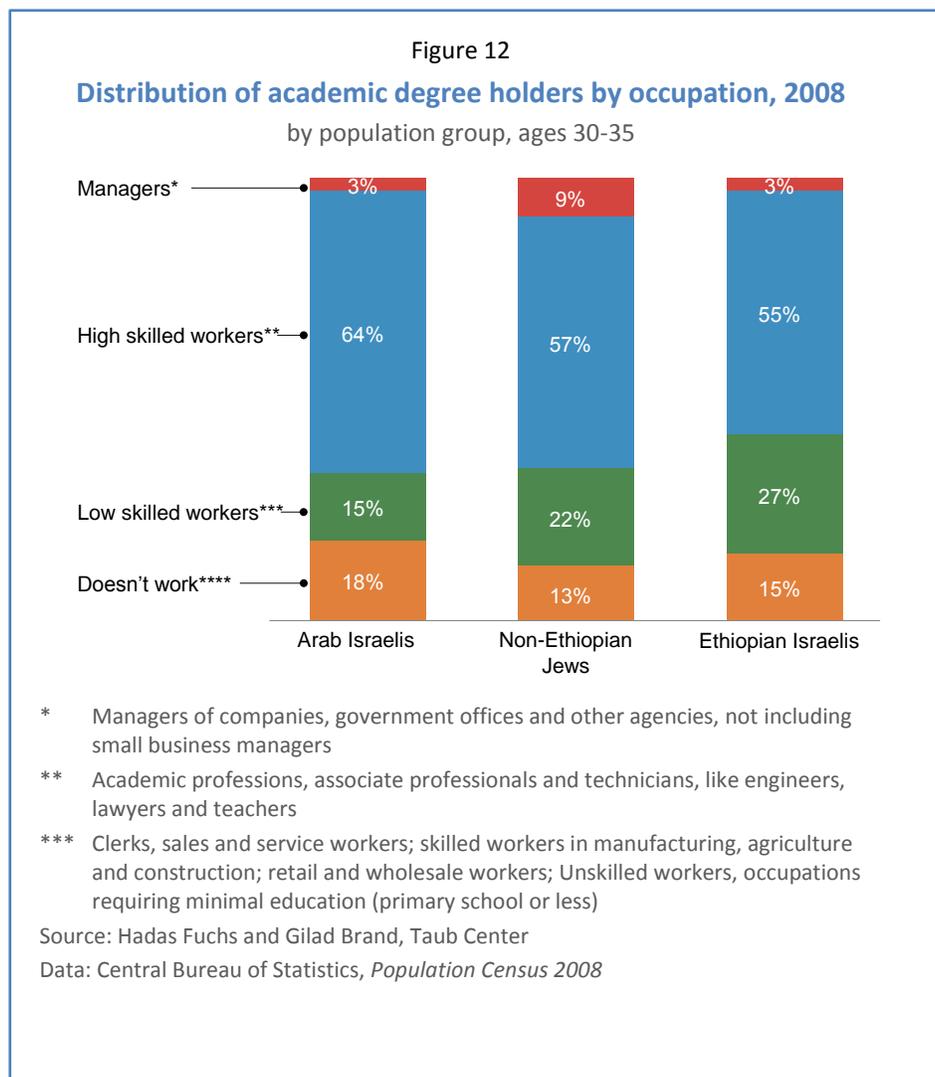


There are several possible explanations. First, it is possible that the low education levels and the lack of required skills make it difficult for those of Ethiopian origin to integrate well into the modern labor market. There is also the possibility, though, that discrimination contributes to their difficulty in integrating.

To examine these explanations, the distribution of the population by occupation among those with an academic degree was studied more closely.⁶ In this group,

⁶ In this test, the groups of low skilled and unskilled workers were combined and due to small sample size, Ethiopian Israelis were not divided by age at arrival in Israel.

there is no significant difference between Ethiopian Israelis and the rest of the Jewish population, except for their low representation among managerial positions (Figure 12). In other words, as a whole, Ethiopian Israelis with academic degrees integrate into those occupations requiring a higher education.⁷



⁷ As shown in Figure 1 previously, the share of Ethiopian Israelis with higher education is low relative to the overall population, and it is possible that those who go on to higher education have higher than average skill levels. Many studies confirm that education is one of the most influential factors for success in the labor market (for a review see Card, 1999). Kimhi (2012) showed that employment rate disparities between those of different education levels grew in the past few decades. Kimhi and Shraberman (2014) found that wage gaps have continued to increase in the past few years between those with higher education and those with only a high school education.

Nevertheless, looking at the wages of Ethiopian Israelis with an academic degree shows that although they integrate into the highest levels of employment in the market place, their incomes are low relative to others in the same employment category. These gaps are apparently due to the concentration of academic degrees and employment in areas that are relatively low paying at every education level. For instance, many Ethiopian Israeli degree holders in high skilled work go into professions in welfare services and teaching – relatively low-paying professions. This finding suggests that this group might have less access to academic majors that are considered more prestigious and that lead to higher wages. Thus, higher education in and of itself is not sufficient to close gaps, but there must be an effort to ensure that there is proper representation of Ethiopian Israelis in all fields of study that will allow them to integrate into higher paying jobs.

Conclusions

Overall, the education and employment findings indicate that Israelis of Ethiopian descent are less well positioned than non-Ethiopian Jews. Nonetheless, there are substantial differences between those who arrived at an older age and those who grew up in Israel. The former are characterized by low education levels. They have integrated into the labor market, although in occupations that are at the low end of the occupational scale. So, for instance, between 2006 and 2011, about half of the Ethiopian Israeli women who came to Israel when they were 12 or older and who were employed were working in cleaning or kitchen services.

The situation of Ethiopian Israelis educated in Israel is far better. Although this group is still characterized by lower education rates and a concentration in lower status employment relative to the rest of the Jewish population, their education rates are improving over time. Moreover, the rate of degree holders who are employed in occupations that match their education level is similar to the rest of the Jewish population, although their representation among the relatively high-paying and management level occupations is low. It seems that the relatively low level of education among those of Ethiopian origin is the central cause of low labor force statistics. This finding supports the importance of modern, high-quality education, with an emphasis on accessibility to fields considered prestigious, as a central means of proper integration into the labor market.

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Established in 1982 under the leadership and vision of Herbert M. Singer, Henry Taub, and the American Jewish Joint Distribution Committee (JDC), the Center is funded by a permanent endowment created by the Henry and Marilyn Taub Foundation, the Herbert M. and Nell Singer Foundation, Jane and John Colman, the Kolker-Saxon-Hallock Family Foundation, the Milton A. and Roslyn Z. Wolf Family Foundation, and the JDC.

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