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On Real and Perceived Crises in the Education System

Nachum Blass

This paper appears as a chapter in the Singer Annual Report Series
State of the Nation Report: Society, Economy & Policy 2025

Policy Paper No. 18.2025

Jerusalem, December 2025

Taub Center for Social Policy Studies in Israel

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Please cite this publication as:

Blass, N. (2025). *On Real and Perceived Crises in the Education System*. Taub Center for Social Policy Studies in Israel. https://doi.org/10.5281/zenodo.17890484

Center address: 15 Ha'ari Street, Jerusalem, Israel

Telephone: 02 5671818

Email: info@taubcenter.org.il Website: www.taubcenter.org.il

On Real and Perceived Crises in the Education System

Nachum Blass

Introduction

This year's chapter on the education system examines three main issues: the Ministry of Education budget, the teaching workforce, and the Shapira Committee report. In the discussion of the budget, we first consider whether and how the Ministry of Education makes full use of the budget at its disposal; we then review changes in the budget by category; and conclude by examining the budget in an international comparison. The discussion of the teaching workforce addresses the issue of teacher shortages from perspectives we have not covered in the past. The final part of the chapter deals with the Shapira Committee report, which we view as an important turning point in the history of Israel's education system, with a focus on the committee's recommendation to reduce the average class size to 19 students per class.

The Ministry of Education budget

In a study we published in 2014, we described the Ministry of Education budget and identified problematic patterns that emerged from the data, most notably a lack of transparency in the budget and large gaps between the original budget approved by the Knesset, the amended budget, and the budget actually implemented (Blass & Cogan, 2014). A large gap between the first two makes it difficult to track the original budget and to use it as a policy planning tool, and a gap between the amended budget and the implemented budget means that the

* Nachum Blass, Principal Researcher and Chair, Taub Center for Social Policy Studies in Israel Education Policy Program. The section dealing with the budget was written with Jonathan Plotkin, a Taub Center research assistant. The section dealing with workforce was co-authored by Dr. David Maagan of the Central Bureau of Statistics.

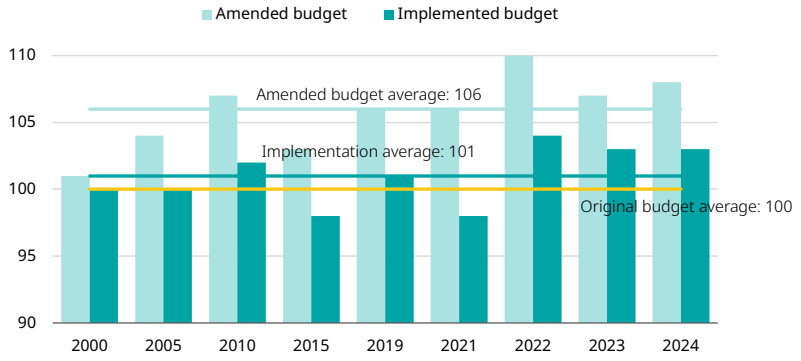
ministry does not fully utilize the budget allocated to it. In this year's discussion of the budget, we return to these issues and examine whether the trends observed in that study have persisted or whether they have changed.

Does the Ministry of Education make full use of the budgets at its disposal?

At the start of each year, the Knesset approves the annual budgets of the various ministries. This is the original budget. In practice, however, a range of changes are introduced during the year, subject to approval by the Knesset Finance Committee: that is, the amended budget. This budget comprises the original budget plus budget surpluses that were not used in the previous year, as well as additions or reductions to various items decided upon during the current year. Since the transfer of surpluses takes place every year, in our view it should be regarded as an integral part of the ministry's budget. Finally, there is the implemented budget of December 31 each year as reported in the Accountant General's reports.

Figure 1 presents the amended budget and the implemented budget as a percentage of the Ministry of Education's original budget, beginning in 2000. The figure shows that the gap between the amended budget and the original budget averages 6%, and in the past three years, it has even exceeded an average of 8%. In terms of implementation, throughout the entire period a recurring pattern of underutilization of the amended budget is evident — the average annual gap stands at nearly 5%. In 2025 terms, this amounts to more than NIS 4 billion per year on average, a substantial sum by any measure that could have made a significant difference in the system had it been utilized.

Figure 1. Comparison across budget types
Original budget = 100



Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: Ministry of Finance, Accountant General Department

Notable changes in the Ministry of Education budget

Two items in the Ministry of Education budget stand out in their rate of growth in recent years: special education and reserves.

Special education

In last year's review (Blass, 2024), we noted the exceptional increase in the number of special education students and in the budget allocated to them. According to Ministry of Education data, between the 2020/21 and 2023/24 school years (2020–2024), the population of special education students grew by 61%, while the total student population grew by only 8.5%. This growth continued into 2024/25, with an even sharper increase. In that year, the number of special education students jumped by 20%, from 295,000 to 354,000, while the total number of students in the system grew by less than 1%.[1]

1 In this context, we note that the Ministry of Education uses a range of definitions when reporting the number of special education students. At times, it refers only to students in separate special education settings and to those integrated into general settings who receive an individual support package. At other times, it also includes students who are integrated into general settings but are not eligible for an individual support package. The number of students under this broader definition is considerably larger. This figure is an estimate, since the total number of integrated students (those eligible for an individual package and those who are not) is determined by a formula, which in turn is driven more by budgetary constraints than by a thorough assessment of need.

At the same time, the special education budget in 2024/25 increased by 26%, while the Ministry of Education's overall budget grew by 6.7% (the original 2024/25 budget compared with the revised original budget for 2023/24; see Bar & Moshe, 2025). In budgetary terms, this represents an increase of NIS 3.6 billion, whereas the Ministry of Education's forecast as presented to the Shapira Committee was NIS 2.5 billion (Shapira Committee 2025, Appendix 8). This is an unprecedented development with far-reaching implications.

Table 1. Ministry of Education budget and special education budget

NIS billion

School year	Total Ministry of Education budget	Special education budget		
		Original budget	Amended budget	Implemented budget
2019/20	—	—	—	8.9
2020/21	67.4	10.4	10.8	10.6
2021/22	67.8	10.6	11.3	11.2
2022/23	79.5	12.6	14.1	14.0
2023/24	84.1	13.9	16.3	16.2
2024/25	89.7	17.5	—	—

Note: The original budget refers to the revised original budget. At the time of writing, the amended budget data and implemented budget data for 2024/25 were not yet available, and in 2019/20 no budget was approved.

Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: Ministry of Education budget

Reserves

The second budget item that has grown at an exceptional rate is the reserves. In this section, we focus on the transparency aspect of reserve ordinances.[2] The reserve is divided into three main types: a *reserve for price increases*, intended to finance rising costs, mostly in teachers' wages; a *fiscal reserve*, intended to

2 *Reserve ordinances* in the Ministry of Education budget, as in the state budget as a whole, are not ordinances in the legally binding sense, but rather budget lines that serve as a financial reserve for future uses or for unforeseen needs during the budget year. Their main purpose is to allow flexibility in managing the annual budget and to address changing circumstances. At the end of the year, this amount is reset to zero, and the sums transferred from it are supposed to appear in the amended budget under other budget lines. However, as we show, it is very difficult to track these funds, which is one of the main sources of the budget's lack of transparency.

finance needs that arise during the year; and, beginning with the 2021 budget, an allocation for coalition agreements, which, in 2024, amounted to nearly NIS 900 million. In addition, there are also *hidden reserves*, meaning sums that appear in the budget at the start of the year but are zeroed out in the course of the year.

Table 2. Allocated and hidden reserves

	Reserves in original budget	Reserves in amended budget	Reserves in implemented budget
Allocated reserves			
2018/19	2,617,894	—	—
2020/21	389,521	361	—
2021/22	3,227,697	—	—
2022/23	1,808,476	3,537	—
2023/24	5,382,398	3,811	—
Hidden reserves			
2018/19	594,254	—	—
2020/21	818,480	13,558	—
2021/22	660,347	49,342	13
2022/23	1,890,246	5,507	—
2023/24	1,481,033	1,481,033	—

Note: In 2019/20, there was no approved budget, so the year does not appear in the table. The 2022/23 data refer to the new original budget approved after the outbreak of the October 7 War.

Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: Ministry of Finance

As is clear from Table 2, the reserves are very substantial. To understand the purposes for which the reserve funds were allocated, at the beginning of April 2025, we submitted a request to the Ministry of Education under the Freedom of Information Law. In the request, we specified the reserve ordinances for which the information was required, the dates of the budget transfers, and the dates of the discussions in the Knesset Finance Committee, and asked to which budget lines the funds allocated in each of the reserve ordinances that appeared in the Ministry of Education's original budget from 2021 onward were actually transferred. We also requested accompanying documents, such

as minutes from Finance Committee discussions or professional background documents accompanying these budget transfers.

The Ministry of Education's response to our request was: "It is not possible to point to specific budget lines to which the budget was transferred." This response is an example of the lack of transparency — both toward the public and toward the Knesset — in the use of reserve funds, whose share has increased greatly in recent years. It clearly illustrates the gap between the public and legal demand to increase transparency and oversight and the reality in practice, which is characterized by lax supervision and a lack of transparency, without binding rules and clear limits on the actions of the executive branch. Over the years, there have been attempts to remedy the situation, but to little avail.

In 2015, the Finance Committee published the work procedure regarding changes to the state budget that regulates the process for submitting requests, discussing them, and reporting on implementation, and defines the division of authority between the committee, the Budgets Department, and government ministries. However, although the procedure was intended to promote order, efficiency, and transparency in the committee's work, in practice it preserves and even deepens the existing failures in the interface between the political and professional echelons. In particular, the procedure grants the chair of the Finance Committee especially broad powers, both in setting the agenda and in deciding which budget requests will be brought forward for discussion, including the option to deviate from the procedure in cases deemed an emergency. These powers, which are not accompanied by effective oversight mechanisms, open the door to political use of budgeting procedures while circumventing public and parliamentary scrutiny.

Following publication of the procedure, former Knesset member Stav Shaffir filed a petition to the High Court of Justice, arguing that the lack of transparency in budget transfers contravenes Basic Law: The State Economy. In the ruling on this petition, delivered on August 13, 2017, the Supreme Court instructed the State to formulate a new agreed-upon procedure on budget transfers and changes to the budget submitted to the Finance Committee.[3] Thus, although the petition was ultimately dismissed, the Court recognized the public importance of the issue and the shortcomings it raised.

3 Supreme Court 8749/13, Stav Shaffir versus Ministry of Finance and others.

The State Comptroller also addressed the issue and warned of serious deficiencies in transparency in the use of budget reserves, noting that it is genuinely difficult to understand the purposes for which these funds are allocated. Moreover, the Comptroller pointed to the extensive control of the Budgets Department over the process and its influence in setting budgetary priorities, and also noted that the heavy workload imposed on the Finance Committee undermines its ability to fulfill its role in providing effective oversight of the budget (State Comptroller, 2018).

However, it seems that no one found it appropriate to take either the High Court of Justice's directive or the State Comptroller's recommendations seriously. At the end of 2024, the Finance Committee approved unprecedented budget transfers totaling about NIS 4.5 billion in just two hours, without giving Knesset members sufficient time to review the requests (Bar-Eli & Tucker, 2024), with the same rushed approval process occurring again at the end of 2025 (Dori, 2025).

Thus, eleven years after we published the article that pointed to the lack of transparency in the budget, eight years after the High Court instructed that a new procedure be formulated, and seven years after the State Comptroller recommended improving oversight and monitoring, it appears that nothing has changed. Today, the public and the Knesset (the opposition members in particular) have no ability to oversee the reserve budgets or their use.

International comparison

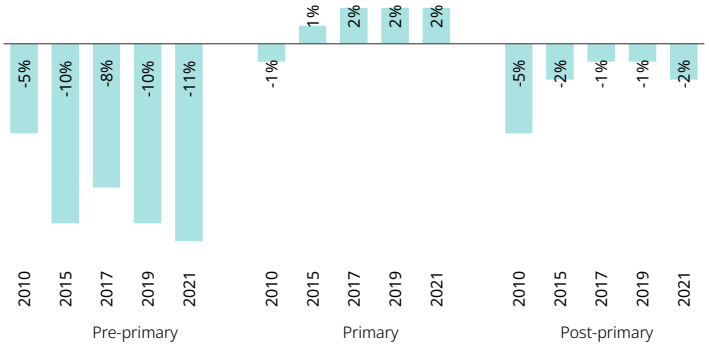
An international comparison of investment in education in Israel and in OECD countries provides important insights into the place of the education system in national priorities and the level of resources allocated per student in Israel relative to countries that Israel aspires to emulate. Examining the trends makes it possible to compare Israel's per-student expenditure from all sources, expressed as a share of GDP per capita, with the average level of expenditure in OECD countries. The higher this share, the more it indicates that the country assigns greater importance to education.

Figure 2 presents the gap between Israel and the OECD average in per-student expenditure between 2010 and 2021 (the latest year for which data are available). The data point to an improving trend in investment in primary and secondary education in Israel.[4] Moreover, in primary education,

4 In data from the Education at a Glance, middle school is included in primary education.

spending in Israel even surpassed the OECD average, and, since 2017, investment has been about 2% higher than that average. In secondary education, investment rose gradually: the gap, which stood at 5% in 2010, narrowed to just 1% in 2017–2019, and then widened again to 2% in 2021. In contrast, investment in pre-primary education remained markedly lower than the OECD average, and the gap even widened from 5% in 2010 to 11% in 2021. This figure points to an ongoing preference for primary and secondary education over pre-primary education. This preference runs counter to findings from international research in this area, which is based largely on the work of Nobel Prize winning economist James Heckman (Heckman, 2006; Heckman et al., 2010, 2013), showing that investment at younger ages yields the highest return.[5]

Figure 2. Gaps in per-student expenditure as a percent of GDP between Israel and the OECD average, by education level, 2009/10–2020/21



Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: OECD, 2024

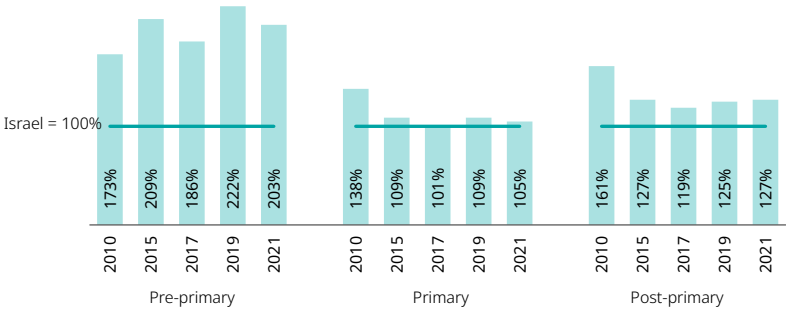
It could be argued that the gaps we pointed to in Figure 2 stem from Israel's high share of children relative to the OECD average — a fact that has a dramatic impact on the level of resources Israel can invest in each child. To control for this effect, we examined real expenditure per student in Israel relative to OECD

5 This was also one of the main reasons for the recommendations of the Shapira Committee "to upend the pyramid."

countries. The results of this comparison, shown in Figure 3, indicate that in primary education (which, as noted, includes lower secondary) there has been an improvement over the years and today there are almost no gaps, and, in upper secondary education, the gaps still exist but a certain narrowing trend is evident. In contrast, in pre-primary education, not only did the gap in per-student expenditure in Israel relative to OECD countries not narrow, it actually widened over the period, from 73% to 103%. Here too, it is very clear that Israel assigns less importance to pre-primary education than do OECD countries.

Figure 3. Real per-student expenditure: OECD average relative to Israel, by education level, 2009/10–2020/21

Israel = 100%



Note: The comparison extends only through 2021 because in Education at a Glance 2025 (which reports data through 2022), the 2022 data are not broken down by education level.

Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: OECD, 2025

An index of investment in education

As noted, when examining the importance a country assigns to investment in education, the key factors to consider are the number of students, GDP, and expenditure per student. To enable a meaningful comparison of investment in education in Israel relative to other countries, we at the Taub Center constructed a uniform index that combines these three variables.[6] The index is calculated by standardizing the significant variables (real expenditure per student, GDP

6 Education at a Glance 2025 attempted something similar. See Figure C1.4, OECD, 2025.

per capita, and the student population) into a single measure, with the final index score presented as the *average* of the three standardized scores for each country.[7] Table 3 presents the investment score in primary education in 35 OECD countries. The table shows that Israel's score on this index in 2010 was negative — meaning that relative to average investment in primary education in OECD countries, investment in Israel was comparatively low when all variables are taken into account. In contrast, between 2010 and 2021, its score improved by 0.46 points. This improvement places Israel among the countries with the largest increases in overall investment in education during this period, a finding consistent with the data presented previously, which highlight the improvement in per-student expenditure in primary education in Israel.

In summary, the data show that the overall trend of growth in the Ministry of Education's budget continued over the past decade, both in the total budget and in expenditure per student. This trend points to continued growth in investment in education. However, a closer look at the composition of the budget reveals that most of the increase is concentrated in special education and in reserve ordinances, rather than in investments to advance the general system, such as improving teaching conditions or expanding services for all students. Moreover, Israel still faces pronounced gaps in per-student investment relative to OECD countries in pre-primary education.

7 In calculating the average, equal weight was given to each of the components of the index.

Table 3. Taub index score for investment in primary education, 2010 and 2021, Israel and the OECD countries

Country	2010 index score	2021 index score	2010–2021 difference
Germany	-1.32	0.31	1.63
Slovenia	-1.03	0.14	1.17
Iceland	-0.19	0.48	0.67
Slovakia	-0.56	-0.03	0.52
ISRAEL	**-0.43**	**0.03**	**0.46**
Italy	0.41	0.81	0.40
Poland	0.43	0.76	0.33
Greece	-0.43	-0.16	0.26
Chile	-0.64	-0.44	0.20
Netherlands	-0.36	-0.22	0.14
France	0.18	0.31	0.13
Hungary	-0.71	-0.60	0.11
UK	1.03	1.11	0.08
Sweden	0.19	0.25	0.06
South Korea	1.08	1.12	0.04
Spain	0.29	0.26	-0.03
Norway	0.65	0.61	-0.03
Belgium	0.12	0.07	-0.05
US	1.91	1.86	-0.05
New Zealand	-0.63	-0.68	-0.05
Luxembourg	0.76	0.56	-0.20
Finland	-0.09	-0.30	-0.21
Czechia	-0.46	-0.69	-0.22
Türkiye	-0.81	-1.10	-0.28
Estonia	0.01	-0.28	-0.29
Australia	0.34	0.05	-0.29
Austria	0.52	0.21	-0.31
Lithuania	-0.44	-0.77	-0.33
Canada	0.51	0.16	-0.35
Denmark	0.51	0.11	-0.40
Portugal	0.47	0.05	-0.43
Mexico	-0.03	-0.48	-0.46
Japan	1.42	0.87	-0.55
Latvia	-0.24	-0.83	-0.59
Ireland	0.03	-1.17	-1.20

Source: Nachum Blass and Jonathan Plotkin, Taub Center | Data: OECD, 2025

Teaching workforce[8]

In the education chapter of last year's *State of the Nation Report* (Blass, 2024), we discussed at length the issue of a teacher shortage and showed that the 2024/25 school year data did not change our earlier assessments: in general, Israel's education system does not suffer from a shortage of teachers.[9] There may be shortages in certain schools, localities, or districts, or in particular taught subjects, but these are only localized shortages that do not affect the overall picture. We also showed that in mathematics and English (as a second language) there has been ongoing improvement in the share of teachers who are qualified for the subject at all education levels, in all sectors, and under all supervisory streams, whereas in language arts (Hebrew) there has been a decline. Figure 4 updates these data and points to the continuation of the trends we identified. It should be noted, however, that a portion of the teachers considered as "not trained in the subject" because they were not formally trained to teach it have in fact been teaching it for many years, and their ability to teach it is no less good than that of their younger colleagues who recently began teaching and were trained in the subject.[10]

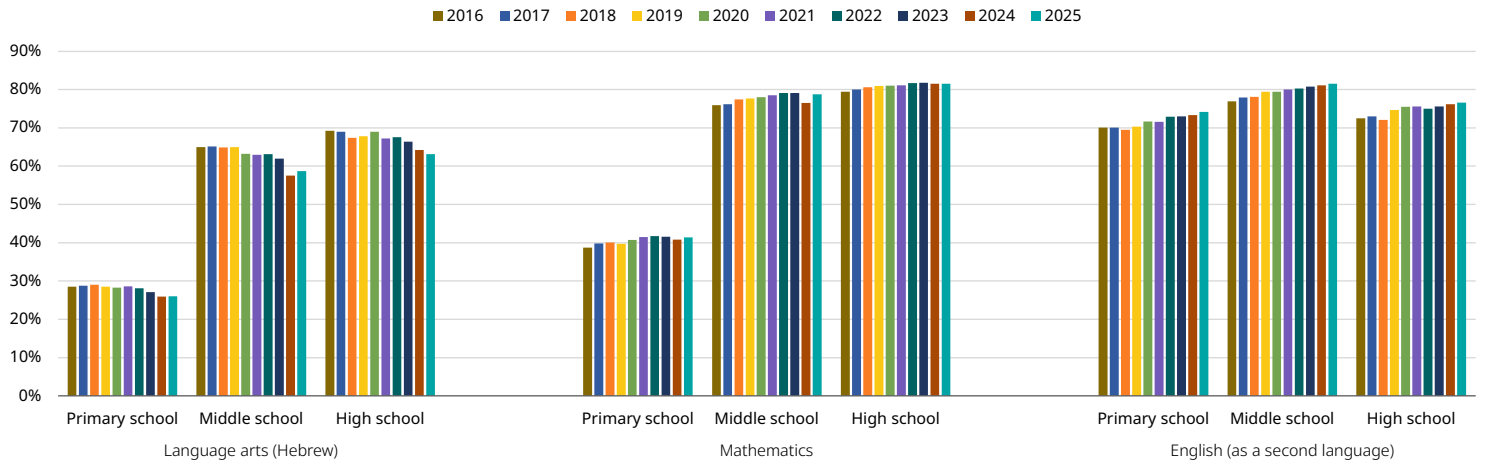
In last year's chapter, we also pointed out that absence rates have risen sharply in recent years, and that teacher turnover in educational institutions is very high. We assumed that these two facts could also add to the overall sense among both principals and parents that there is an ongoing teacher shortage, and that this feeling could in turn lead to the conclusion that the system is forced to make do with lower-quality teachers, even though, according to objective indicators — education, seniority, and subject match — this is not the case. So how, despite all of the above, can one explain the deep internal conviction in such broad circles that there is a teacher shortage and that teacher quality is declining? Answering this requires thorough, in-depth research. Here, we limit ourselves to a few remarks.

8 This section was co-authored with Dr. David Maagan of the Central Bureau of Statistics.

9 The same applies to the data from the beginning of the 2025/26 school year, as indicated by Ministry of Education announcements (Trabelsi-Haddad, 2025).

10 For some reason, the view is still widespread that in primary education, academic training in Hebrew and mathematics is not necessary.

Figure 4. Subject-match rates in language arts (Hebrew), mathematics, and English (as a second language), by education level, 2015/16–2024/25



Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

The first concerns the timing of assessing the number of vacant positions and the reliability of reports about a teacher shortage. The sense that there is a teacher shortage in Israel and worldwide is usually based on reports of school principals that receive wide coverage in the media and on social networks, and that appear with increasing frequency at the end of the school year and during the summer break ahead of the opening of the new school year. However, first it should be noted that principals' reports are based only on their impressions, not on objective measures of shortages in teaching staff.[11] Second, the check of whether there are enough teachers should not be conducted at the end of the school year, or even toward the end of the summer break, but rather in the first weeks of the new school year. As evidence, we note that at the end of the 2024/25 school year the Ministry of Education declared a shortage of about 4,000 teachers; two weeks before the start of 2025/26, it already reduced the estimate to about 1,500; and by August 31, it was speaking of a shortage of fewer than 500 teachers — less than 0.2% of all teachers. This is a lower share than in the vast majority of countries examined in Education at a Glance 2025 (see OECD, 2025, Figure D8.4; Sela, 2025). Thus, it seems that, in most cases, the dire predictions do not materialize, and at the beginning of the school year substitute teachers are found for most of the missing teachers. Moreover, as we showed in last year's chapter, in most schools in Israel at the start of the year there are even more teachers than in the preceding year, and their quality — as measured by education, seniority, and subject match — is no lower than the quality of the teachers who taught the previous year, and generally is even higher.

Another point to consider is that measuring teacher shortages by the number of vacant positions has a conceptual flaw. In any occupation with a large number of employees, at any point in time, there will always be vacancies. Workers retire, die, leave the profession, emigrate, and so on. The question is the vacancy rate at any given point in time, and whether the positions can be filled within a reasonable period of time by workers of similar or higher quality. In education, more than 200,000 teaching staff are currently employed; 2% (4,000 teachers at the end of the school year) and 0.2% (at the beginning of the new school year) is a negligible share and should be viewed as natural turnover rather than a shortage.

11 The authors of the Education at a Glance 2025 report also felt it important to highlight this point. See OECD, 2025, p. 488.

Our third remark is that beyond the objective data at the end of the school year, it is quite possible that the sense of shortage principals report stems from their difficulty in recruiting new teachers to replace those leaving, particularly teachers who fit the school's ethos in terms of worldview (for example, religious and national outlook). Naturally, this difficulty is less pronounced in Hebrew State education, which can recruit Arab teachers, teachers trained in religious teacher training institutions, and Haredi teachers who studied in Haredi seminaries.[12]

Figure 5 shows that the share of new teachers who were trained in a different training sector — or, in the terms of Erlich and Gindi (2020), "boundary-crossing teachers" — has been rising in Hebrew State education, which absorbs both Arab teachers[13] and teachers who studied in State-religious and Haredi training institutions. In State-religious education as well, the share of new teachers trained in Haredi institutions has increased. The share of new Jewish teachers working in Arab schools is also rising, but their number is negligible.

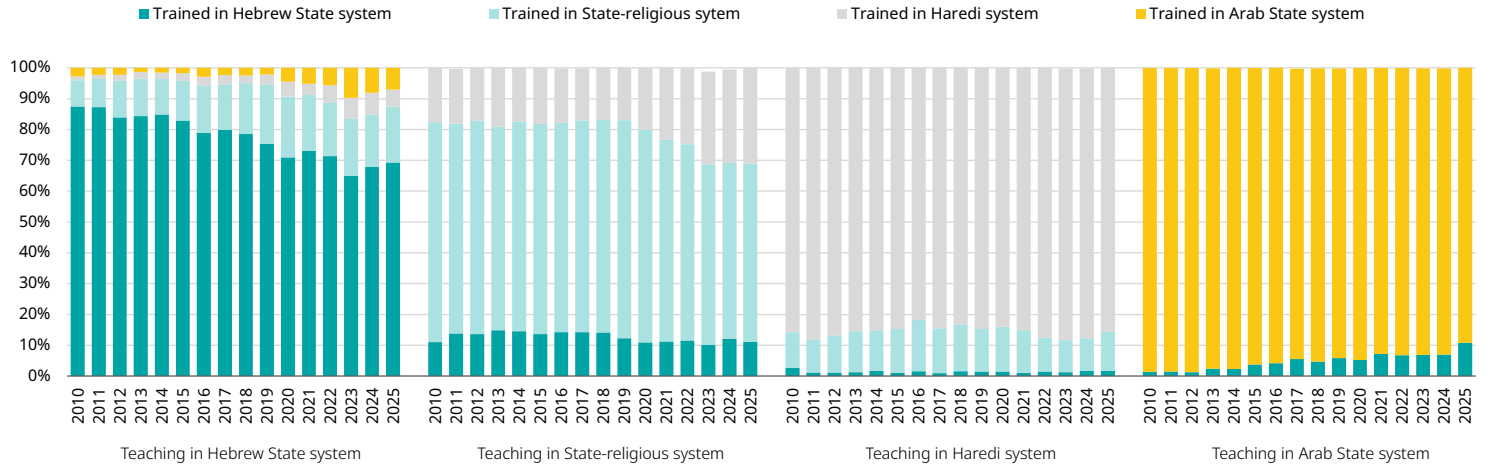
The integration of teachers who were trained in a different training sector undoubtedly affects school life in a range of ways, first and foremost for students and teaching teams. At the same time, it cannot be denied that these teachers are an important resource available to the education system in a reality of shortage. We now turn to three additional groups of data that, in our view, refute the claims of a teacher shortage.

12 On the other hand, the high share of new teachers trained in Arab and Haredi teacher training institutions who are employed in Hebrew state schools (Maagan & Blass, forthcoming) may indicate that this education sector faces greater difficulty in recruiting teachers to fill vacant positions.

13 For data on the integration of Arab teachers into Hebrew state education, see Appendix Table 1.

Figure 5. Share of new teachers in the education system, by educational sector and training sector, 2009/10–2024/25

Percent



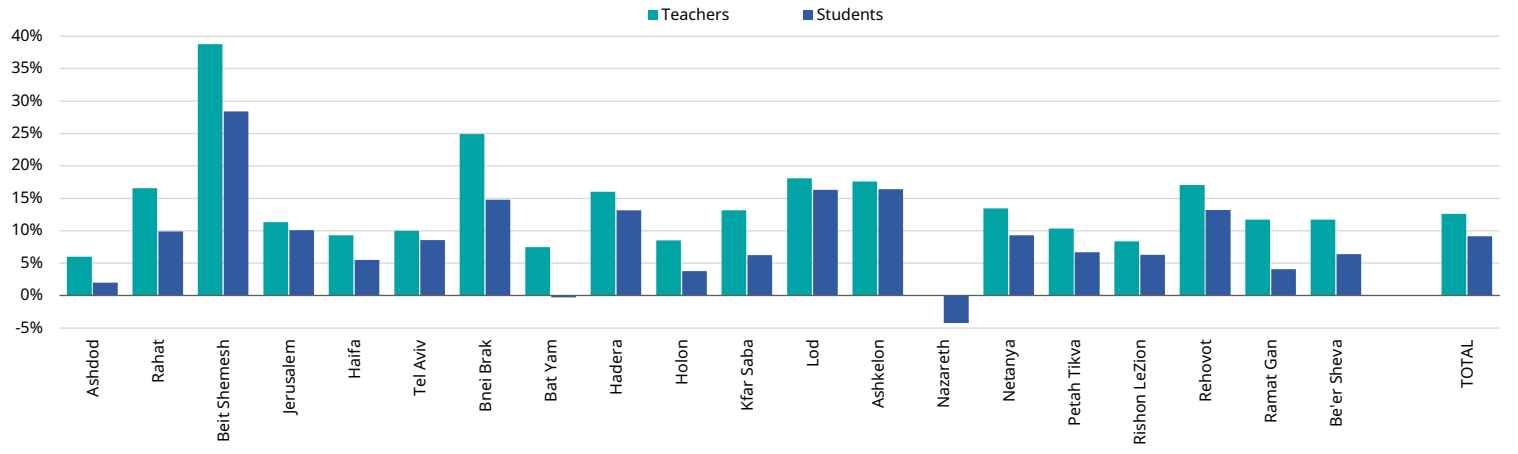
Note: The Arab training sector includes Arab teachers who were trained in academic colleges within Hebrew State education.

Source: Maagan and Blass (in preparation)

Israel's 20 largest cities

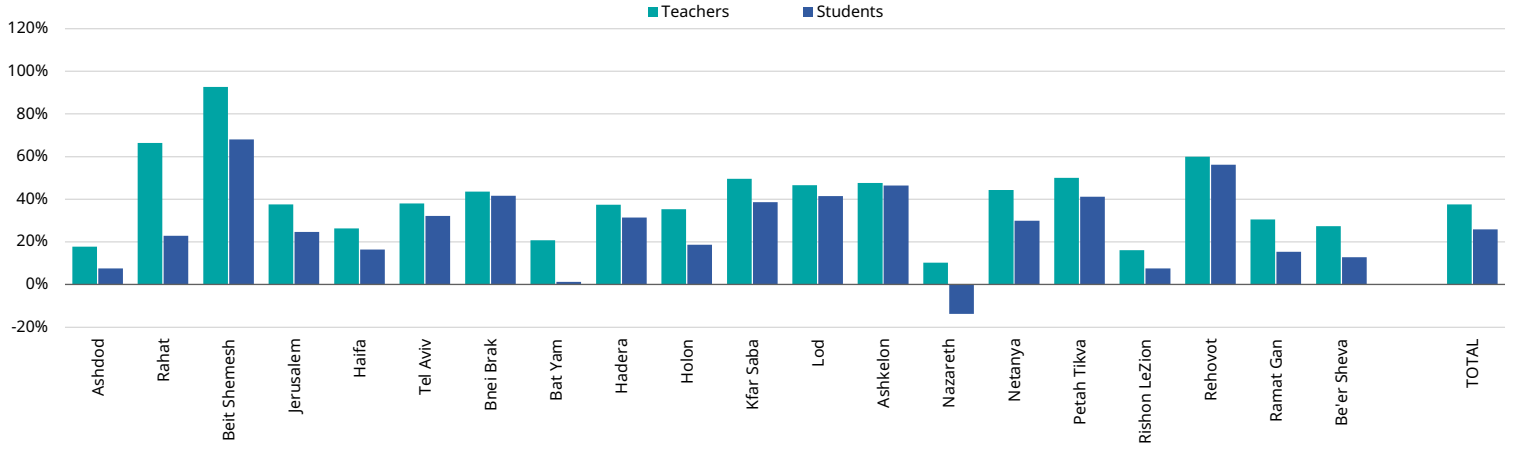
In previous studies examining the question of a teacher shortage, we addressed the issue mainly at the national level, and we examined in more detail shortages by education level, sector, supervisory sector, and subject. Here, we address the issue at the locality level. To do so, we compared growth in the number of teachers with growth in the number of students in the 20 largest cities in Israel. Our working assumption was that in a city where the number of teachers grows faster than, or at a similar pace to, the number of students, there should be no city-level teacher shortage. To address the claim that teacher shortages are a phenomenon of recent years, we conducted the comparison in two versions: one for the 2019/20–2023/24 school years (Figures 6), and the other for 2011/12–2023/24 (Figure 7). The picture that emerges is unambiguous. As Figure 6 shows clearly, in 2019/20–2023/24 (2020–2024) the rate of growth in the number of students did not exceed the growth in the number of teachers in any of the cities examined. When examining the longer period, 2011/12–2023/24 (Figure 7), a similar result emerges: in all cities — except Bnei Brak, where the two rates were roughly identical — the number of students grew at a lower rate than number of teachers. Thus, there is no indication of a teacher shortage. In practice, this was reflected in declines in the average number of students per teacher, students per class, and students per full-time teaching position (as noted, except in Bnei Brak, where the average number of students per full-time position increased).

Figure 6. Rate of change in the number of teachers and students in Israel's 20 largest cities, 2019/20–2023/24
Percent



Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

Figure 7. Rate of change in the number of teachers and students in Israel's 20 largest cities, 2011/12–2023/24
Percent

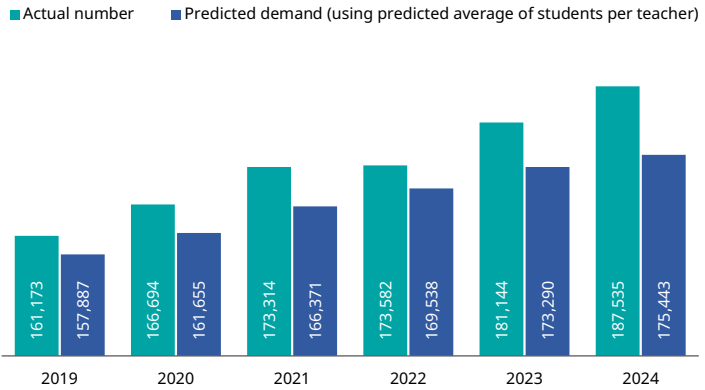


Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

Actual teacher supply and projected demand

Another way to examine whether there is a teacher shortage is to compare the actual number of teachers in a given year with projected demand for that year, based on the average number of students per teacher. We did so for the 2018/19–2023/24 school years, both at the overall level (Figure 8) and broken down by the main subjects — language arts (Hebrew), mathematics, and English (as a second language) (Figure 9). To estimate projected demand for teachers in the system as a whole, we relied on a forecast of the average number of students per teacher for those years based on a moving average of the number of students per teacher in 2013/14–2017/18, and did the same for the main subjects. Figures 8 and 9 show that both overall and by subject, actual supply exceeds demand in every year, and the gap has been widening over time.

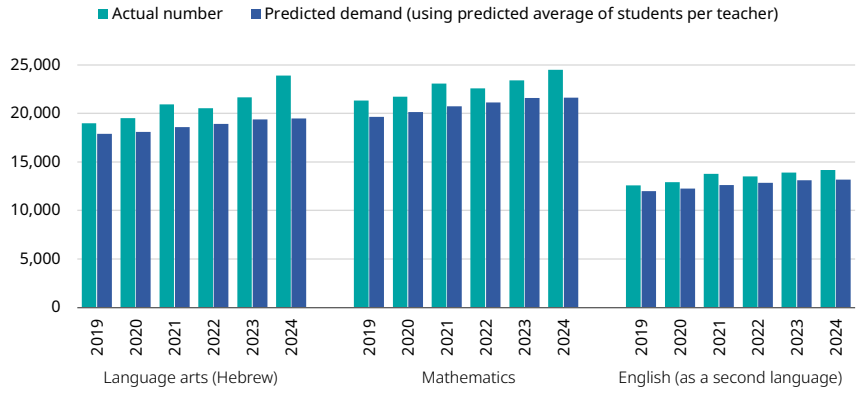
Figure 8. Actual supply and projected demand for teachers: Simulation for 2018/19–2023/24



Note: The graph is for school teachers (grades 1–12), not including pre-primary school.

Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

Figure 9. Actual supply and projected demand for teachers of language arts (Hebrew), mathematics, and English (as a second language): Simulation for 2018/19–2023/24

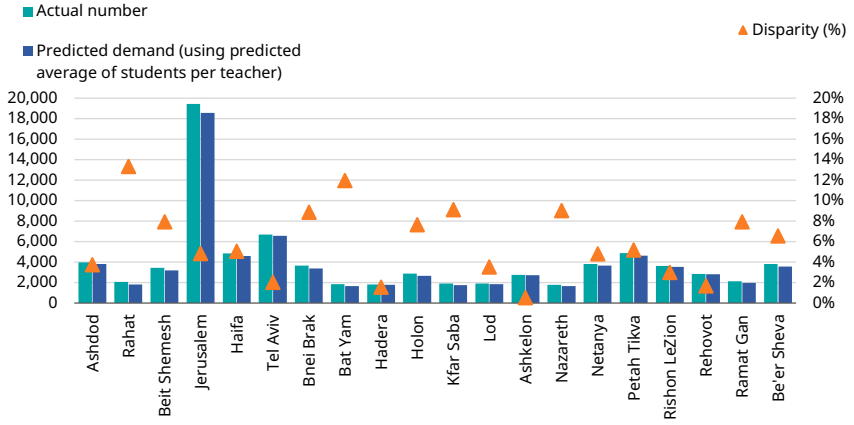


Note: The graph is for school teachers for grades 1–12, not including pre-primary school.

Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

Figure 10 presents a simulation of projected demand versus actual supply in Israel's 20 largest cities for 2023/24. It clearly shows that in all the cities, actual supply is greater than projected demand.

Figure 10. Actual supply and projected demand in 2023/24: Simulation for Israel's 20 largest cities



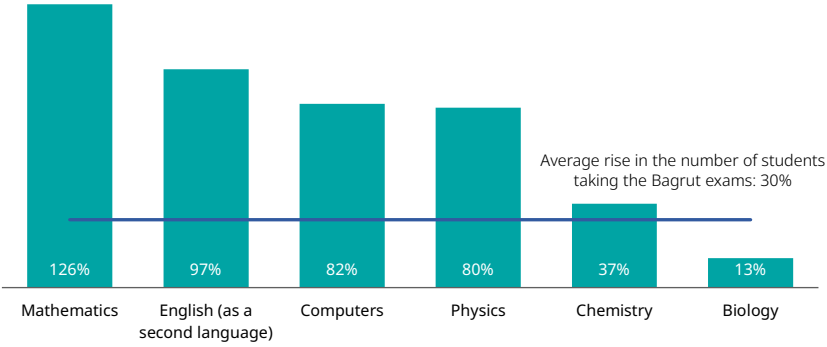
Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

The shortage in English teachers and the sciences

Finally, we address the claim that teacher shortages are especially pronounced in English (as a second language) and in the sciences. To assess this claim, we examined the change over a decade — from the 2012/13 to the 2022/23 school years (2013–2023) — in the number of students taking the five-unit Bagrut (matriculation) exams in these subjects, compared with the change in the total number of examinees in these subjects over the same period. As Figure 11 shows, except in biology, the number of students taking the advanced level Bagrut exam increased over this period at a higher rate than the overall number of Bagrut examinees in those years: while the total number of Bagrut examinees grew by about 30%, the number taking five units rose by 126% in mathematics, 97% in English (as a second language), 82% in computer science, 80% in physics, and 37% in chemistry. These results suggest that here, too, there is no teacher shortage, since such a substantial increase in the number of advanced level examinees would not have been possible without opening additional classes and study groups and adding thousands of teachers to teach them.[14]

14 CBS data provided to us indicate that the growth rate in the number of teachers in these subjects was much higher than the growth rate in the number of students.

Figure 11. Rate of change in the number of students taking the Bagrut exams at the 5-unit level in English (as a second language) and the sciences, 2012/23–2022/23



Source: Nachum Blass, Taub Center and David Maagan, CBS | Data: CBS (special data handling)

These analyses reinforce a claim we have made repeatedly in the past: at the system-wide level, there appears to be no teacher shortage. Moreover, when localized shortages emerge, the system is able to find solutions, such as recruiting teachers who were trained in other training sectors. In light of the data, it is therefore unclear why all relevant actors — from the Ministry of Education, through the teachers' organizations, to the media — continue to speak of a teacher shortage.

The Shapira Committee Report: The education system through the lens of special education[15]

The publication of the Shapira Committee's recommendations in March 2025 may prove to be one of the most important events in the history of Israel's education system. In their importance and scope, the recommendations are comparable to those of the Rimalt Commission Report (1971), which led to the major reform that reshaped the structure of the education system in the early 1970s, and to the Dovrat Commission Report (2004), which led to changes in the working arrangements of Israel's teaching workforce. The Shapira Committee was appointed in 2023 by Education Minister Yoav Kish to address the challenges arising from the rapid increase in the number of students eligible for special education services. The committee report reflects a much broader approach, according to which two central conceptions that currently guide Israel's education system must be fundamentally changed. The first gives greater importance to primary and secondary education than to pre-primary education, a conception reflected in the relatively smaller share of the budget allocated to early childhood education compared to other age groups (see Figures 2–3 above). The second favors large classes with a large number of teacher working hours over smaller classes with fewer hours. On the first issue, the report states that the "pyramid" should be turned upside down and greater importance should be assigned to pre-primary education.[16] As for class size, the report recommends reducing class sizes from preschool through grade 9 to an average of 19 students per class, a move that would be made feasible in budgetary terms and in terms of required staffing by reducing the number of working hours per class. Below, we briefly describe the committee's work and focus on the recommendation to limit the number of students in pre-primary school and in grades 1–9 to an average of 19 students per class.

The committee worked in plenary meetings and in thematic subcommittees and, overall, included close to 200 members, along with a steering team composed mostly of Ministry of Education officials. It also included a representative

15 The author of this chapter served on the Shapira Committee's steering team and participated in all of its dozens of meetings. This chapter refers to parts of the committee's recommendations document. The discussion is presented solely as seen by the undersigned.

16 This document does not address the issue of "turning the pyramid upside down," which merits a detailed discussion of its own.

of the Budgets Department in the Ministry of Finance, a representative of the Federation of Local Authorities, a representative of the Association of Municipal Education Department Directors, and the author of this chapter.[17] The committee's discussions were based, in the vast majority of cases, on data provided by the Ministry of Education, mainly the Economics and Budget Administration and the Special Education Division.

The reasons for establishing the committee and the principle guiding its work

The committee's main task was to propose ways to address two central challenges: the low inclusion rates of special education students in general education, and the rapid increase in the number of students eligible for special education services, with all the accompanying implications.

- *Low inclusion rates in general education.* The share of students classified with special needs who are integrated into Israel's general education system stands at only 60%, compared with more than 90% in most high-income countries. Despite the benefits of inclusion for students and for society as a whole, as demonstrated in many studies, there has been no noticeable improvement in inclusion rates for at least a decade — contrary to the recommendations of the Dorner Committee and contrary to the hopes of those who initiated Amendment No. 11 to the Special Education Law.[18]

- *The rapid growth in the share of students eligible for special education services.* The pace of growth of the population of diagnosed students in Israel has virtually no parallel in almost any country in the world.[19] This growth creates difficulties in certain localities in their recruiting of teaching and therapeutic

17 The thematic subcommittees and the plenary sessions also included representatives from other government ministries, teachers' organizations, and parent associations, as well as senior academics, and representatives of Ernst and Young.

18 See the Dorner Committee Report (The Public Committee for Examining the Special Education System in Israel); and the Special Education Law (Amendment No. 11), 5778–2018.)

19 Scotland is an exception in this context. It was recently reported that the share of students classified as having special needs in the country has nearly doubled over the past decade — from 22.5% in 2015 to 43% in 2025 (compared with 19.6% in England in 2025). This share has been rising since the 2004 law aimed at increasing inclusion was enacted (BBC, 2025).

staff in pre-primary schools and post-primary schools, and accounts for a growing share of the Ministry of Education's budget. In 2025 alone, the number of students classified with special needs increased by 20% (Nutkin, 2025). In the same year, the special education budget grew by 26% relative to the 2024 budget (compared with only a 7% increase in the Ministry of Education's overall budget), reaching about 20% of the total education budget, while special education students comprise between 10% and 12% of the students in the system.

At a very early stage of the committee's work, the chair and its members determined that *the only way to address these challenges is by improving the responses and the educational environment in general education*. "As long as there are gaps in the services provided to students eligible for special education services in general education compared with the services provided to them in separate settings, as is the case today, no bureaucratic measures by one committee or another will prevent parents of students eligible for special education services from preferring separate education. This failed in the past and will fail in the future as well" (Shapira Committee, 2025, p. 5).

In other words, in the committee members' assessment, as long as the education provided in general education does not improve, more and more parents of children with special needs will prefer to send them to separate settings. If general education improves, special education students with relatively high levels of academic and social functioning[20] will choose to study in a general classroom with their neighborhood peers, close to where they live. This spiral — the rapid growth in the population of special education students and the budgets and staffing required to serve them — has implications both for the special education system, which is currently occupied by students with relatively high functioning special needs who could study in a general classroom, and for the general education system, which must provide support to special needs students integrated into large classes without sufficient professional support.

20 The difficulty is that today there is no tool for measuring academic and social functioning. After Amendment No. 11 to the Special Education Law was enacted, an attempt was made to develop such a tool by RAMA (the National Authority for Measurement and Evaluation in Education), but it was not successful.

When formulating its recommendations, the committee members had only one hard constraint in mind: the shortage in personnel. Other constraints — such as budgetary, legal, or professional constraints, difficult as they may be — were viewed as constraints that can and should be overcome. Although almost every committee member had reservations about one recommendation or another, there was broad agreement that all of the recommendations should be adopted as a single package.

Recommendations to reduce class size

At the very beginning of the steering team's work, two documents that raised the issue of class size were brought before it. The first document, placed on the discussion table on July 6, 2023, was written at the Taub Center.[21] It recommended *reducing class size while simultaneously reducing the number of working hours allocated per class, which would make it possible to implement the move without adding teachers*. The second document was prepared by the Ministry of Education and submitted to the committee on August 1, 2023.[22] It included an analysis of the current situation, a review of how four countries around the world address various special education issues, and concluded by presenting several solutions, including reducing classes to a maximum size of 25 students, but it did not address the question of the number of working hours currently allocated per class. Two further studies produced in Israel on class size were submitted to the committee. The first was a review of research on class size and the student-teacher ratio prepared by the Ministry of Education, which found, among other things, that most studies do not support the claim that there is no relationship between class size and academic achievement (Asher, 2014, p. 7). The review also stated that for class size reduction to be effective it must be accompanied by investment in improving teaching practices and adapting them to teaching in smaller classes, and that there is no benefit from

21 The document, *Can Learning in Small Classes Be Made Routine?,* was written by me on the basis of another study published in 2020 on the education system during the COVID-19 crisis (Blass, 2020), and was presented in a meeting with the Director General of the Ministry of Education, Dr. Dalit Stauber, on February 15, 2023.

22 The document addressed primary and lower secondary (middle school) education. In the slide dealing with the implementation timeline, preschools were also mentioned, with implementation beginning three years later. This document served as the basis for the alternative that the Ministry of Education ultimately submitted to the committee in March 2024.

only a minor reduction in class size; rather, it is preferable to reduce classes to 20 students or fewer. The second study submitted to the committee was a chapter from a book published at the Taub Center several years ago, dealing with class size in schools (Ayalon et al., 2019).

After many discussions, the committee formulated a document presenting four alternatives relating to primary and middle school students. The first alternative was the one proposed originally by the Ministry of Education, which in its final version also included an estimate of the cost of full implementation: NIS 16.5 billion, of which NIS 9.5 billion was earmarked for employing additional teachers and NIS 7 billion for building 7,000 classrooms.[23] The alternative included the following components:

- *Reducing the maximum number of students per class* in primary education from 32 to 25 students, and in lower secondary (middle school) from 37 to 25 students per class.
- *Reducing the basic allocation of working hours in primary education* from 32 weekly hours to 28, and in lower secondary (middle school) from 34 to 30 weekly hours.
- *Eliminating a large share of special education classes* within general schools.
- *Adding 20 weekly hours* with a second teacher in the classroom.[24]
- *Adding 2 weekly hours* for educational counseling.
- *Adding teacher aides*, one aide position for every four classes in the school.
- *Doubling inclusion hours* (from 7.7% to 15%).
- *Moving to a five-day school week*.

23 Throughout the committee's discussions, the Ministry of Education estimated the cost of building a new classroom at NIS 1 million. At a later stage, it was argued that the cost is in fact higher. The committee's calculations were based on the estimate of NIS 1 million per classroom.

24 This addition is equivalent to more than half of a teacher position (a full-time position is 36 weekly hours), and in budgetary terms amounts to about NIS 180,000 (according to data from the Economics and Budget Administration, in the 2022/23 school year the weighted cost of one weekly instructional hour in primary and lower secondary education was NIS 9,041).

This proposal, of course, had many positive aspects, such as reducing class size and thereby improving the response to students, improving student well-being, improving teachers' well-being and quality, expanding the scope of professional support, and equalizing conditions in general education with those in special education — making general education more attractive than separate special education settings. At the same time, implementing the proposal entails a massive increase in the number of teachers, with very high budgetary costs, as well as high construction costs.

The three other alternatives differed from the Ministry of Education's alternative mainly in that they did not include the most expensive component: adding 20 weekly hours per class. They differed from one another primarily in the extent of class size reduction and in components related to how special education students would be included in general schools. The absence in the proposal of an added 20 weekly hours per class made these alternatives feasible to implement in terms of personnel and wage costs, and their main budgetary component was construction costs, which rose as the maximum number of students per class declined.[25]

Traditionally, the main argument against reducing the number of students per class has been the high cost of such a move, consisting of construction costs and the cost of employing thousands of additional teachers. Another argument is that the increased demand for teachers could lower the overall quality of the teaching workforce, leading to lower academic and educational outcomes, and to the movement of stronger teachers from schools serving weaker populations to schools serving more advantaged populations — a process that would deepen educational gaps. However, the Taub Center document — whose underlying ideas were formulated during the COVID-19 period against the backdrop of the demand for social distancing — showed that it is possible to reduce class size using the existing workforce, without a massive increase in the number of teachers.

As for classroom construction, it appears that the claim about high costs is also greatly overstated, because it is based on a fundamentally mistaken perception according to which construction costs are simply the result of multiplying the number of additional classrooms needed by NIS 1 million, the estimated

25 None of these versions dealt with children ages 3–5. These were dealt with in another part of the report.

cost of building a new classroom according to the Ministry of Education. This is an inflated estimate for several reasons. First, the cost of building a new classroom includes components beyond construction itself, such as planning, site development, building ancillary rooms, sports facilities, laboratories, and the like; but because this usually involves existing schools, some of these components are not required. Second, in many schools the number of students has declined, freeing up classrooms that can be used to implement the move. Third, the floor area of new classrooms can be reduced, since they are intended to accommodate an average of about 20 students rather than close to 30, like most classes today. Indeed, the estimate reached by the committee, which was based in part on an independent architectural assessment, was far lower than the initial estimates.

Ultimately, after many discussions and deliberations, the committee recommended reducing classes to an average size of 19 students per class in primary education and in lower secondary (middle school) (Appendix Table 2) and in pre-primary school. The move would be accompanied by a substantial reduction in the basic allocation of working hours per class — from 31 to 25 in primary education and from 34 to 28 in lower secondary (middle school) as well as a reduction in the extra hours that are allocated to schools — and therefore would not require employing additional teachers.[26] The cost of adding the 20,000 school classrooms and the additional 8,000 pre-primary school classrooms required to implement the plan was estimated at about NIS 14 billion. This is not a trivial sum, but in view of the expected educational benefits and the long-term economic savings, most committee members believed the investment is well justified.

If it is worthwhile to invest NIS 20 billion in a light rail line from Petah Tikva to Bat Yam, it is certainly worthwhile to invest NIS 14 billion in education infrastructure. As the chairman of the committee stressed, this recommendation reflects a revolutionary shift in thinking, expressing the understanding that reducing class size does not necessarily require expanding the system's workforce.

26 It still requires some addition of pre-primary school teachers but the report points out how this can be done.

Summary

The education system is currently facing challenges in a variety of areas. However, as the title of this chapter suggests — *On Real and Perceived Crises in the Education System* — not every issue that concerns the education system, in our view, deserves to be called a crisis. In this chapter, we addressed two real crises: the enormous and disproportionate growth in recent years in the number of special education students and in the budget allocated to them, whose share of the Ministry of Education's total budget has been rising at a troubling pace; and a smaller but still serious crisis — the growing share of explicit and hidden reserves in the Ministry of Education's budget, accompanied by a lack of transparency and by the absence of monitoring and oversight.

Alongside this, we discussed at length the issue of a teacher shortage, which for years has remained on Israel's public agenda. As we have shown, none of the indicators used in the research literature to identify teacher shortages are present in Israel, and therefore, in our view, this is no more than a perceived crisis. There is no system-wide teacher shortage in Israel. Moreover, our checks by city and by subject, as well as the simulations we conducted comparing actual teacher supply with projected demand, found no such shortage. To understand why, nonetheless, a sense that there is a teacher shortage is widespread among large parts of the public, we raised several hypotheses. Among other things, we noted that media coverage is often driven by reports from school principals who assess the situation at too early a stage — at the end of the school year and during the summer break — whereas the assessment should be made after the school year begins. We also raised the possibility that, in light of the findings on the rising share of teachers entering a teaching sector different from the one in which they were trained, particularly in Hebrew State and State-religious education, principals' reports may refer specifically to a shortage of teachers trained in institutions that align with the school's ideological and religious ethos.

Finally, we briefly reviewed the recommendations of the Shapira Committee, which examined education through the lens of special education, focusing on its recommendation to limit class size from pre-primary through grade 9 to an average of 19 students per class. The committee's recommendations are undoubtedly revolutionary and could serve as a foundation for addressing the difficulties arising from the growing share of special education within Israel's education system.

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Appendix Table 1. Integrating Arab teachers in the Hebrew State education system

	Arab teachers in Hebrew State education — total	Percent out of teachers in Hebrew State education	Of these: new teachers	Percent of new teachers in Hebrew State education
2010	343	0.6%	64	2.1%
2011	418	0.6%	81	1.8%
2012	491	0.7%	84	1.7%
2013	533	0.8%	60	1.1%
2014	604	0.8%	78	1.5%
2015	675	0.9%	101	1.9%
2016	1,104	1.3%	288	3.9%
2017	1,253	1.5%	202	3.0%
2018	1,435	1.6%	211	3.2%
2019	1,609	1.8%	230	3.6%
2020	2,013	2.1%	396	5.5%
2021	1,683	1.9%	329	5.2%
2022	2,065	2.3%	397	6.3%
2023	2.703	2.9%	628	9.1%
2024	3,108	3.3%	514	7.5%
2025	3,984	4.0%	468	6.9%

Source: Maagan and Blass (in preparation)

Appendix Table 2. The recommendation that was adopted by the Shapira Committee

Option 4 — Improving general education alongside a large-scale initiative focused solely on high incidence needs	
Upgrading service levels in regular schools + reducing bureaucracy	Small classes — a maximum of *23* students per class, a range of *17–24* (average 19.5 compared to 27 in primary and 33 in middle schools)
	Retaining permanent specialist teams in district level support centers or in schools (maintaining the *existing special education resource baskets*)
	School permanent specialist teams (about 4 positions on average) — a two-fold increase in integration hours (from 7.7% to 15%)
	Flexible additional assistance like: an additional professional position per school / 2 educational assistants per school / flexible district-level compensation basket
	Permanent assistants team per school (1 assistant position for every 4 classes)
	Standardized educational counseling in every school — 2 hours per class (*+ 1 additional hour + 1 hour pooling of Nurture index hours*)
	Streamlining processes — canceling most committees and reducing bureaucracy
Key sources and changes in special education and in general education	Consolidating all special classes in general schools *for high incidence needs only in the first phase*
	Consolidating all individual resource baskets for *high-incidence needs only, including mental health conditions*
	Keeping special education schools for the most complex cases
	Reducing basic weekly hours per class (from 31 in primary schools to *25*, and from 34 in middle schools to *28*)
	Converting long-school day hours into an after school care model
	Converting all individual tutoring hours into frontal teaching hours (average of 4.5 hours)
	Moving to a 5-day school week
Budgetary implications of full implementation (before future reductions in special education): Budget-neutral on an ongoing basis; requires construction of about 10,000 classrooms, at a cost of about NIS 10 billion	

Source: Shapira Committee, Interim Report (internal report)