

## 1. EXPLANATORY NOTES

**Original data:** For most of the series the bulletin presents monthly data. For some series (chapters: “National Accounts”, “Balance of Payments” and “Construction”, and tables concerning the Labour Force Survey in chapter “Labour and Wages”), monthly data are not available and quarterly data are presented.

**Seasonally adjusted data** are calculated by adjusting the original data for the influence of seasonality and festival and trading days. The seasonally adjusted data are estimated using the X-12-ARIMA seasonal adjustment method that was developed by the US Census Bureau, and by a procedure developed at the Central Bureau of Statistics (CBS) for the simultaneous estimation of the moving festival dates and the number of trading days effects in Israel.

**Trend data** are estimated by removing the irregular influences (noise) from the seasonally adjusted data.

Seasonally adjusted and trend data are subject to revisions since they are calculated **anew**, each month or quarter, on the basis of the original data that include an additional observation (concurrent seasonal adjustment).

A detailed explanation on the seasonal adjustment procedure and trend estimation is presented on the CBS Website (Classification and Methods; Statistical Methods; Time Series): [Seasonal and Prior Adjustment Factors for 2011, Trends for 2007-2011](#).

The main topics presented in the above publication are: definition of a time series and its components (Section 2), description of the X-12-ARIMA seasonal adjustment method (Section 3). Section 4 describes the procedure of seasonal adjustment at the CBS, that is, the estimation of: prior adjustment factors for trading days and festival effects (4.1), seasonal factors (4.2), seasonally adjusted series (4.2.1), trend data (4.3.1), concurrent seasonal adjustment (4.4.1) and seasonal adjustment of composite (aggregate) series (4.4.2). The appendix presents data on Jewish festival dates and the number of working days in Israel for the years 1980-2020.

## 2. DEFINITIONS AND SOURCES

More complete definitions of the series presented in this bulletin, sources of data, method of compiling and processing, and limitations of the data, can be found in the *Statistical Abstract of Israel*, No. 62, 2011, and also in the special and technical series publications (see list of publications by subject on the CBS Website). Short descriptions of the principal series are presented below.

In tables of this bulletin, industries are classified in accordance with the *Standard Industrial Classification of All Economic Activities, 1993*.<sup>1</sup>

### A. CLIMATE

The climate in Israel has unique characteristics. Israel is located in a “climatic junction”; its southern and eastern areas are characterized by a desert climate, whereas the climate in the rest of the country is Mediterranean, which is considered part of the subtropical climate.

This climate is mainly characterized by big differences in precipitation between one year and another, and among the areas. The summer is hot and dry, and the winter is cool and rainy. The rainy season usually begins in October and ends in May. Precipitation data refer

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<sup>1</sup> CBS, *The Standard Industrial Classification of All Economic Activities 1993*, Technical Publication 63, second edition, Jerusalem, 2003.

to the **rain year**, which is defined as a year beginning in August and ending in July of the year after.

Temperature data are presented for the calendar year.

The data on climate are introduced by selected stations which represent the different geographical areas of Israel.

The multi-annual averages for the amount of precipitation and number of rain days are updated to the normal standard period, and refer to the years between 1971 and 2000. Number of days with precipitation exceeding 1 mm. is published.

Data on multi-annual temperature averages are updated for the normal standard period, and refer to the years between 1981 and 2000 – except for the Haifa station (1988-2000).

The data are received from the Meteorological Service in Bet Dagan.

**Cumulative precipitation:** amount of precipitation accumulated from the beginning of the rain year (August 1<sup>st</sup>) until publication of the table data.

**Average daily maximum temperature:** monthly average of the daily maximum temperature.

**Average daily minimum temperature:** monthly average of the daily minimum temperature.

**Absolute maximum temperature:** the extreme high value, i.e., the highest temperature recorded at the station for that month.

**Absolute minimum temperature:** the extreme low value, i.e., the lowest temperature recorded at the station for that month.

## **B. POPULATION**

The population is defined as the **de jure population**, and consists of permanent residents who have Israeli citizenship as well as permanent residents without Israeli citizenship (including those who had been out of the country less than one year at the time of the estimate) who live in the area of the State of Israel, and Israeli localities in the Judea and Samaria Area.

Until 2008, tourists and temporary residents residing in Israel for more than one year (excluding diplomats and UN personnel) were included in the population estimates. The population estimates based on the 2008 Population Census include persons listed in the Population Register only. Persons not listed in the Population Register were not included in the population estimates, even if they had been staying in the country for more than one year. The population estimates also do not include foreign workers with work permits. That population was estimated at about 220,000 persons at the end of 2009, some of whom had been staying in Israel for more than a year.

**Population groups:** The population is classified into three groups: “Jews“, “Arabs” (including Moslems, Arab Christians and Druze), and “Others” (including non-Arab Christians and those not classified by religion at the Ministry of the Interior).

For detailed explanations, see the *Statistical Abstract of Israel* – Chapter 2, Population.

## **C. VITAL STATISTICS**

**Live birth:** Birth of a foetus which, after separation from the mother (whether the umbilical cord has been cut or the placenta is still attached) shows at least one of the following signs of life: respiration, heartbeat, umbilical cord pulsation, or definite movement of voluntary muscles.

Birth and death rates are presented per calendar year, as well as for the last 12 months for which data are known, per 1,000 persons in the average population. Average population is the population at the end of the sixth month of the 12-month period referred to. The infant mortality rates are for 12 months, per 1,000 live births in these months.

As of 2002, data on deaths include deaths of Israeli residents who were abroad for less than a year.

## **D. HEALTH**

Data on bed occupancy in hospitals are obtained from the Health Information Department of the Ministry of Health.

**Bed occupancy:** The number of actual hospitalization days during the designated period, divided by the number of potential hospitalization days, according to the hospital's licence (the standard).

**Percentage of standard bed occupancy:**

$$\frac{\text{Actual hospitalization days in a period} \times 100}{\text{Number of standard beds in a period} \times \text{Number of days in a period}}$$

## **E. MIGRATION AND TOURISM**

**Immigrant:** A person entering Israel to take up permanent residence under the Law of Return or under the Law of Entry into Israel.

**Potential immigrant:** A person who enters Israel with a potential immigrant visa. According to the regulations of the Ministry of the Interior in force since June 1969, a potential immigrant is defined as "a person entitled to an immigrant visa or an immigrant certificate according to the Law of Return, 1950, wishing to stay in Israel for a period exceeding three months". Since 1991 the period of stay is defined as up to three years and is intended to enable the potential immigrant to explore the possibility and the conditions of remaining in Israel as an immigrant.

**Tourists who changed their status to immigrant or to potential immigrant:** Persons who entered the country on a tourist status or a temporary status other than potential immigrant, and while in Israel applied for and received an immigrant or a potential immigrant status.

**Movement of potential immigrants:** Entries and departures of potential immigrants after their first entry to Israel.

**Immigrating citizen:** A person born to Israeli citizens while residing abroad, who came to Israel to settle.

**Temporary resident:** A foreign national entering Israel for a stay of over six months for temporary work, studies, etc.

**Visitor:** A tourist and day visitor (including cruise passengers).

**Tourist:** A visitor with a foreign passport, who enters Israel under a tourist visa and leaves it on a date other than the entry date (not the same day).

Does not include immigrants, immigrant citizens, potential immigrants, foreign workers and day visitors.

**Day visitor:** A visitor who enters and leaves Israel on the same date (the same day). Including cruise passengers.

**Cruise passenger:** A visitor who enters Israel on a cruise, or on foreign navy vessels, who usually comes for a day or two and spends nights on board the ship.

**Israeli:** an Israeli citizen or a permanent resident without Israeli citizenship, who goes abroad on an Israeli passport for any purpose. Israeli citizens residing abroad who pass the borders with an Israeli passport are also included. The data do not include movements of Arabs from Judea and Samaria and the Gaza Area.

**Mode of travel:** The means by which the traveller departs abroad or enters Israel: by air, sea, or land.

**Length of stay:** The amount of time spent by a tourist in Israel. A stay of less than one night in Israel counts as half a day.

## **F. NATIONAL ACCOUNTS<sup>1</sup>**

**Gross domestic product:** The sum of the gross value added of all resident producers (output less intermediate consumption), plus net taxes (taxes less subsidies on products) not already included in the value of output. GDP is also derived as the sum of expenditure on final consumption plus gross capital formation plus exports less imports. In addition, GDP is derived as the sum of primary incomes distributed by resident producer units: compensation of employees plus gross operating surplus, plus gross mixed income, plus net taxes on both production and imports. Until 1995, the definition of gross domestic product was different, and it included net taxes on imports as well as revenue components received for the exports.

**Private consumption expenditure:** The aggregate of consumption expenditure of Israeli households and the consumption expenditure of non-profit institutions serving households, where the major part of their expenditure is not financed by the government.

**Consumption expenditure of Israeli households:** Expenditure of Israeli resident households for goods and services, including durable goods but excluding purchase of dwellings, in Israel and abroad.

**Consumption expenditure of households in the domestic market:** Due to the lack of detailed current statistics on the consumption of Israelis, the breakdown of consumption into components relates to the combined domestic expenditure of all households (households of Israelis and of foreign residents) in the domestic market.

**General government consumption expenditure:** Expenditure, including expenditure whose value must be estimated indirectly, incurred by the general government on both individual consumption goods and services and collective consumption of services. General government consumption expenditure also equals the value of its intermediate consumption of goods and services, compensation of employees, taxes on production (including taxes on wages and employers' tax) and consumption of fixed capital.

**Actual individual consumption (formerly: total actual individual consumption expenditure):** The total value of household final consumption expenditure, non-profit institutions serving households' final consumption expenditure and government expenditure on individual consumption goods and services.

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<sup>1</sup>

Based on:  
*System of National Accounts 1993*, Commission of the European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations and World Bank, Brussels/Luxembourg, New York, Paris, Washington D.C., 1993.

A good or service for individual consumption is one that is acquired by a household and used to satisfy the needs of members of that household.

**Collective consumption service: (formerly: collective government final consumption expenditure):** A service provided simultaneously to all members of the community or to all members of a particular section of the community, such as all households living in a particular region. Includes expenditure on defense, expenditure on public order as well as expenditure for general administration.

**Final consumption expenditure:** The sum of household final consumption expenditure, government final consumption expenditure and final consumption expenditure of non-profit institutions serving households. Final consumption expenditure may also be defined in terms of actual final consumption as the value of all the individual goods and services acquired by resident households plus the value of the collective services provided by general government to the community or large sections of the community. The sum of total actual individual consumption expenditure and collective consumption expenditure.

**Gross capital formation (formerly: gross domestic capital formation):** The acquisition less disposal of produced assets for purposes of fixed capital formation, inventories, or valuables.

**Changes in inventories:** The value of the entries into inventories less the value of withdrawals and less the value of any recurrent losses of goods held in inventories during the accounting period. Including changes in: (a) stocks of outputs that are still held by the units that produced them prior to their being further processed, sold, delivered to other units or used in other ways; and (b) stocks of products acquired from other units that are intended to be used for intermediate consumption or for resale without further processing.

The value of changes in inventories during the survey period is estimated as the difference between the value of inventories at the end of the period and the value of inventories at the beginning of the period. Both values are assessed in average prices for the period.

**Gross fixed capital formation:** The total value of a producer's acquisitions, less disposals, of fixed assets during the accounting period plus certain specified expenditures on services that add to the value of non-produced assets. Included is fixed capital formation of business corporations, the General Government, and non-profit organizations. Expenditures include acquisitions of durable goods (except land and mineral deposits) for civilian use; work in-progress on construction projects; major improvements; road construction and other infrastructure projects; outlays on improvements to land and fruit plantations. Also included are intangible assets (mainly acquisitions and own production of software, and expenditure on exploration of minerals - oil and gas). Expenditure by the General Government on construction and equipment for military use is not included.

## **EXPORTS AND IMPORTS OF GOODS AND SERVICES**

**Exports of goods and services:** Sales, barter, or gifts or grants, of goods and services by residents to non-residents.

**Imports of goods and services:** Purchases, barter, or receipts of gifts or grants, of goods and services by residents from non-residents. Goods include goods for final use, goods for processing, repairs on goods, goods procured in ports by carriers, and nonmonetary gold. Services include: transportation; travel; communications; construction; insurance; financial services; computer and information services; royalties and licence fees; other business services; personal, cultural, and recreational services; and government services which were not included in the previously mentioned items.

**Constant price estimates:** The estimates are computed each year at the prices of the previous year. They are chained at 2005 prices, to allow comparisons between non-consecutive years. As a result of chaining, the estimates of each component group of the product do not add up to the total expenditure on the gross national product.

## **G. BALANCE OF PAYMENTS**

The balance of payments is a statement that summarizes economic transactions between residents and nonresidents during a specific time period. The statement, whose summary appears in Table G/1, consists of the following parts:

### **1. Current account**

- (a) The current account shows flows of goods, services, primary income (income from capital and labour), and secondary income (current transfers) between residents of Israel and non-residents..
- (b) The data on import and export of goods are based on the current statistics of foreign trade, after adjustment to the definitions of the balance of payments. The import and export value was recorded on the basis of FOB, i.e., excluding transport and insurance expenses. The data on these payments, if given to foreign bodies, were recorded in the appropriate items of the services account (Transport and Insurance Services). The data in this chapter also include transactions with residents of the Palestinian Authority displayed in Table G/2.
- (c) Current transfers are recorded in the balance of payments in any case where a non-financial or financial asset has been transferred between residents of Israel and non-residents, and no other asset has been transferred simultaneously in the opposite direction.

### **2. Capital account and financial account**

- (a) The capital account includes capital transfers received and paid between residents of Israel and non-residents (e.g., transfers made by immigrants), as well as the acquisitions and disposals of non-produced non-financial assets between residents of Israel and non-residents.
- (b) The financial account records transactions that involve financial assets and liabilities and that take place between residents of Israel and non-residents during a given period.

This account does not include the changes in total assets or liabilities following fluctuations in the dollar exchange rate relative to other foreign currencies. Nor does the balance of payments include changes in the prices of assets and liabilities, although they are a part of the position of assets and liabilities of the economy.

- (c) The financial account components are classified according to types of investment (in Israel and abroad).

**Direct investment:** A cross-border financial investment made between Israeli residents and non-residents, which gives the investor in one economy control or a significant degree of influence on the management of an enterprise that is resident in another economy (an investment of over 10% of the capital of shares in the enterprise).

**Portfolio investment:** Cross-border financial transactions between Israeli residents and non-residents, which involve debt instruments or shares, other than those included in direct investment or reserve assets.

**Other investment:** This group includes all other capital transactions, such as deposits, loans from various sources, trade credit, and advance payments on account of transactions.

**Net reserve assets:** Assets that are readily available to and controlled by monetary authorities for meeting the balance of payments financing needs, for intervention in foreign currency exchange markets in order to affect the currency

exchange rate, and for other related purposes. Net flows in reserve assets do not include changes in exchange rates and in the value of assets.

### 3. International Investment Position (G/3)

**External assets:** Unconditional financial assets owned by residents of Israel, and which are held by non-residents – including external debt instruments and foreign investments of Israeli residents (in stocks and other securities that are not debt instruments).

The investment position is listed according to the sector of the investor: the Bank of Israel, the general government, commercial banks, and other sectors. It includes direct foreign investments of Israelis, portfolio investments, loans, deposits, export credit, etc.

In addition, the investment position includes changes in foreign currency exchange rates and changes in prices that are not included in the balance of payments.

**External liabilities:** Unconditional financial assets owned by non-residents, and which are held by residents of Israel – including external debt instruments and foreign investments of non-residents (in stocks and other securities that are not debt instruments).

For more details on the balance of payments, see the website of Central Bureau of Statistics, under the topic Balance of Payments.

## H. FOREIGN TRADE

**Imports and exports** are recorded according to the "Special System", by which only that portion of the trade flowing through customs is included. Accordingly, imports do not include goods imported and stored in bonded warehouses, and exports do not include goods exported from these warehouses. Neither included are goods in transit.

**Value** of imports and exports is recorded in US dollars and in New Israeli Sheqels (NIS) according to the average representative exchange rate each month. Imports are recorded according to CIF (Cost, Insurance, Freight) value, which includes costs of freight and insurance and, in some cases, wharfage and portorage ("value" for customs purposes); Exports are recorded at FOB (Free on Board) value, before deducting rebate and commission fees to foreign agents.

**Date of registration** for imports is according to the date on which the customs authorities released the goods; for exports, according to the day of loading the goods at Israeli ports.

**Classification by industry:** Export data are presented by original industry. The classification of products by industries is based on their own characteristics and not on the exporter's industry. The definition of industries is based on the classification of industries prepared by the CBS.

As of Bulletin 1/1995, data on export of goods are published according to the new classification of industries (original industries).<sup>1</sup> Until then, export goods were classified according to the old classification.<sup>2</sup>

**Classification by economic uses (destination):** This classification is used to present data on imports. According to this classification, goods are divided into three categories: Consumer goods, raw materials for production, and investment goods. Each use is then

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<sup>1</sup> CBS, *The Standard Industrial Classification of All Economic Activities 1993*, Technical Publication 63, second edition, Jerusalem 2003.

<sup>2</sup> CBS, *Standard Industrial Classification of all Economic Activities 1970*, Technical Publication 46, Jerusalem, 1986.

divided into secondary groups. When a product is intended for more than one use, its import value is proportionally divided into the appropriate uses (e.g., passenger cars are both consumer goods, i.e., for private use, and investment goods – for use as taxis; sugar is considered a consumer product as well as a raw material for production). In this classification, imports are divided into primary uses of the goods, meaning, the first use made of them: for consumption; as raw materials for production; or for investment. The category “raw materials” includes unprocessed goods, processed goods and parts for installation in finished products. Classification by economic use is done according to the Import Destinations Survey which is prepared by the CBS every few years.<sup>1</sup>

**Country of purchase:** The country from which the invoice for the goods imported to Israel was sent.

**Country of destination:** The country to which the invoice for the goods exported from Israel was sent.

### INDICES OF PRICES, VOLUME, AND VALUE

**Price indices** measure the change in the average price of total imports, of total exports, or of a group of commodities between two periods. The price of a single commodity is determined according to the average unit value of the imported or exported commodity. Foreign trade price indices are calculated according to the Fisher formula.

**Volume indices** measure the quantitative changes that have occurred between two periods in total imports and exports, or in a group of commodities. Volume indices are calculated according to the Fisher formula.

**Value indices** measure the changes in the value of imports and exports between two periods (without weighting).

**The trade conditions index** measures the change in average export prices, relative to average import prices between two periods.

### GENERAL

The data are based on forms submitted to the customs authorities by importers and exporters or their agents (import and export entry forms).

All of the data on foreign trade refer only to import and export of commodities. The data do not include trade with the Palestinian Authority or data on import and export of services (including software services).

Details on sources of data, methods of processing, definitions, classifications, etc., appear in the [Foreign Trade Statistics Monthly](#), on the CBS Website.

## I. FINANCIAL AND CAPITAL MARKETS

**A banking institution (ordinary):** An institution fully bound by the liquidity regulations of the Bank of Israel, including commercial banks and co-operative credit societies, as well as other financial institutions which are also fully bound by the liquidity regulations. These institutions do not include special banking corporations, such as: mortgage banks, until the end of 2003 (since 2004, data on commercial banks are presented together with data on mortgage banks); and banks for financing investments and financial institutions, which are not fully bound by the liquidity regulations.

**The public:** Private persons and corporations, including households, firms and national institutions. Excluded are the government, the Bank of Israel, commercial banks, mortgage, and investments by foreign residents.

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<sup>1</sup> The most recent: CBS, *Import Destinations Survey 1988*, Special Publication 952, Jerusalem, 1993.

**Means of payment:** Cash held by the public and demand (current) deposits of the public in ordinary banking institutions.

**Ordinary deposits:** Credit balance in current accounts, checks to pay, deposits and accounts of other creditors, not otherwise defined (in Israeli currency).

**Time deposits:** Non-indexed deposits bearing interest for a period of a week or more.

**Creditory Self-Renewing Overnight Deposit (SRO):** Non-indexed deposit in NIS bearing interest for a minimal period of one day.

**Saving schemes** (Table I/1): Deposits in saving schemes approved by the Minister of Finance according to the law of encouraging saving; (this includes the balance of principal, the bonus and also interest and indexation differentials accumulated from both principal and bonus). Table I/1 does not include approved saving schemes of the Post Office Bank and of the Ministry of Construction and Housing.

**Balance of deposits** (in saving schemes and long-term deposits) is the cumulative net sum at the end of each term. The difference between the total sum and the balance of deposits is the indexation differentials which are included in saving schemes and long-term deposits.

**Deposits of the public in Israeli currency:** Ordinary deposits, creditory self-renewing overnight deposits – short-term deposits, exchange-rate-indexed deposits, approved savings, indexed deposits and earmarked deposits.

**Long-term indexed deposits:** Deposits for a minimal period of one year or more, which the depositor may not withdraw fully or partially during at least one year. Until December 29, 1994, including deposits, of which at least two-thirds, according to their terms, may not be cashed within five years from the time of deposit.

**Deposits of the public in foreign currency:** Foreign currency deposits of Israelis and foreign residents, as well as foreign currency deposits of non-residents in banking institutions in Israel, including deposits of special financial corporations abroad.

**Restitution deposits in foreign currency:** Resident deposits according to item 6 of the General Permit of the Foreign Exchange Control in the Bank of Israel resulting mostly from personal restitutions from Germany.

**Resident deposits in foreign currency:** Restricted deposits of Israeli residents which are deposited according to item 37b of the General Permit of the Foreign Exchange Control in the Bank of Israel.

**Non-resident deposits in foreign currency:** Foreigners' deposits in foreign currency in banking institutions, and deposits of Israeli residents with special rights, e.g., new immigrants, temporary residents, shipping and airline companies, and exporters.

**Current accounts:** Accounts in banking institutions, from which withdrawals may be made on demand.

**Monthly average of current accounts** is the arithmetic average of the daily balances credited to current accounts in the surveyed calendar month.

**Monthly average of current accounts' balances on an annual basis** – in the surveyed month, is the sum of the last 12 monthly averages of current balances divided by 12.

**Velocity of money** functions as an indicator for the total financial and real transactions during a given period and is measured according to total debits on current and overdraft

accounts relative to the stock of given money. If the velocity increased, it represents more transactions.

**Velocity of money in current accounts on an annual basis:** The calculation is done in the surveyed month according to the formula:

$$\frac{\text{Sum of monthly debits on current and overdraft accounts during the year}}{\text{Monthly average of current balances + unutilized lines of credit}} = \frac{\text{No. of business days in the year}}{\text{No. of business days in the month}}$$

**Smoothed annual velocity** in the surveyed month, is obtained by dividing total debits on current accounts and overdraft accounts for the last 12 months, by the sum of the average current balances and the average unutilized lines of credit for the last 12 months.

**Credit** – including discount of notes, financing through renting assets, credit from earmarked deposits, debit balances in current accounts and customer liabilities on the receipts' account.

As of March 31, 1997, the banking corporation is solely responsible for the credit, i.e., credit from deposits is not included anymore by extent of collection, and it is an extra balance item.

**Credit to the public:**

- (a) Including loans to the public, overdrafts in current accounts of the public, acquisition transactions at recurring sale conditions, lending of securities to cover short sale of securities, transactions of financing by leasing equipment.
- (b) Table I/3, which is based on financial reports to the public and on the monthly balance of the Bank Supervisor, presents data on credit after deductions of specific allocations, the additional allocation and the general one.

**Credit to the government:** Credit to the Israeli government from approved earmarked deposits, deposits from saving schemes in the Ministry of Finance, issuing of bonds, deposits of the public in foreign currency, as well as credit from the free means of the bank.

**Credit from approved earmarked deposits (Pamela):** Credit from earmarked deposits of related (issuing) companies, social insurance funds and others, which have been approved under the liquidity regulations, excluding the participation of the banking corporation using its own sources.

**Overdraft account:** Current account (in Israeli currency) for which an overdraft facility has been approved in advance, which is charged with allocation commission.

**Average effective cost of overdraft accounts and current accounts with debit balance** is calculated in terms of annual effective interest and includes the ordinary interest rate, credit allocation commission, management fees and payment for actual deviations. Beginning in July 1988, the calculation of the cost is based on actual debits of the above components on total customer accounts in the seven largest banks.

**Interest:** Interest, indexation differentials (including exchange-rate-indexation differentials) and exchange rate differentials on foreign-currency-denominated balances.

**Basic interest rate** – quoted interest rate for preferred customers with overdraft accounts.

**Quoted interest rate** is the nominal interest rate, and it does not include management fees, imposition, commission, etc.

**Ordinary interest:** Interest adjusted to the customer, which includes basic interest rate plus risk premium (according to the bank's assessment of the customer).

**Index of overall rate of return (index of portfolio)** measures changes in the *overall rate of return* of shares and bonds, i.e., in addition to rate changes and receipts from bonus shares and rights, it measures cash receipts – dividends and interest (including indexation differentials of interest) – this considering the timing of receiving the receipts.

The index of overall rate of return for groups (such as share branches, types of bonds) is obtained as a weighted index from indices for individual securities, where the weight of each security is its market value.

The changes that took place in the index from period to period reflect the changes that occurred between the two points in time at the overall rate of return of securities to which the index relates.

Between January 1977 and December 1981, the Central Bureau of Statistics prepared an "index of overall rate of return" which relates to all shares and bonds traded and listed on the stock exchange. Prior to this, starting in 1950, the bureau publicized indices for rates of securities in the stock exchange.

As of 1982, indices are calculated by the Stock Exchange, Ltd. in Tel Aviv, with the cooperation of the Central Bureau of Statistics, at a methodological level and under current audit of the indices system.<sup>1</sup>

## **SECURITIES AND THEIR INDICES (Table I/5-I/7)**

**Security:** A certificate issued by public companies, the government, or corporations who are authorized by law to issue securities. Securities include stocks, bonds, and other certificates.

**Bond:** A security for which the issuing party (the government, a corporation, or an institution) undertakes to pay the sum specified on the bond on the date specified therein. The issuing party receives money from the purchaser of the bond, and undertakes to return that money in the future.

**Governmental bonds:** Issued by the government. These bonds are considered low-risk, compared with bonds issued by other parties.

**Corporate bonds:** Issued by corporations, through a prospectus. A prospectus is a document bearing an offer to the public, with full disclosure of information regarding the securities that are being offered and the terms under which they are issued, as well as information regarding the activities of the corporation. The prospectus provides details regarding the terms of issue, financial statements of the corporation, the corporation's capital structure, and other essential information about the activities of the corporation.

**Bonds linked to the Consumer Price Index:** Bonds for which the values for payment of principal and interest vary in accordance with changes in the Consumer Price Index.

**Bonds linked to the foreign currency exchange rate:** Bonds for which the values for payment of principal and interest are adjusted according to the exchange rate of the foreign currency to which the bond is linked.

**"Makam", "Gilon", and "Shahar":** Unlinked governmental bonds.

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<sup>1</sup> See detailed explanations in the publication *Indices of Securities in the Stock Exchange in Tel Aviv* of the Stock Exchange, Ltd. and the CBS, October 2002, and in: CBS, *Supplement to the Monthly Bulletin of Statistics* 2, Jerusalem, 1977.

**“Rezef”:** A new-order-driven trading system at the Tel Aviv stock exchange, implemented gradually since August 1997 for all securities, and based on a computerized system for a simultaneous and continuous trading (“TACT”). The system enables a current conduction and execution of orders regarding securities in the computerized trading centre.

**Share:** A certificate that entitles the holder to ownership in a corporation, as well as to dividends from the corporation’s profits, to votes in the corporation, and to receipt of a proportional share of the assets remaining after dissolution of the company in the event that the company is dissolved.

**Share index:** A statistical tool that measures changes in share rates. The stock exchange calculates and publishes the indices for various groups of shares, such as the Tel Aviv – 25 (Maof) Index, the Tel Aviv – 100 Index, etc.

**"Tel-Aviv – 25" index** is the underlying asset for trading in the derivatives "Options and Future Contracts". It includes The 25 shares with the highest value which appear in the list of the 200 shares with the highest average daily turnover received financially in the stock exchange in the previous six months up to 30.6 or 31.12. The list (also the "Tel Aviv - 75" one) is updated on the first trading day of February and August in each year.

**"Tel Aviv – 75"**. This index has been published as of 1.5.00. This share index functions as an underlying asset for trading in the derivatives "Options and Future Contracts". It includes the 75 shares with the highest market value in the previous half of year which are included in the list of the 200 most traded shares in the stock exchange. This index does not include the "Tel Aviv – 25" list of shares. The base of this index is "Tel Aviv – 100" index:  $31.12.98=299.89$ .

**"Tel Aviv – 100"**: An index of about 100 shares which are included in the "Tel Aviv – 25" or the "Tel Aviv – 75" index and have the highest market value and a high trade volume.

**Other shares and convertible (Karam):** Shares that are not included in the Tel Aviv – 100 index.

**"Tel-Tech"**: An index of the technology shares on the Tel Aviv stock exchange. The index was published for the first time in 2.4.00, and includes high-tech companies in the areas of electronics, computers and life sciences, as well as venture funds, according to the stock exchange directorate regulations. The base of this index is the "Electricity, Electronics and Optics" index:  $31.12.98=212.61$ . As 03.04.2011, the publication of this index has been discontinued.

**"Tel Aviv – Banking" index** has been published as of 1.6.00. It consists of shares of the five commercial banks, whose shares are of the highest market value. This index functions as an underlying asset for trading in derivatives. The base of this index is the "Banking and Maintenance" index:  $31.12.98=366.88$ .

The following three indices appear as of January 2005, and will be calculated and updated twice a year (in January and July\_:

**The “Yeter – 50” index:** Includes the 50 shares with the highest market value in the “Yeter” index, and which are included in the 200 shares that are traded most on the stock exchange. The base of this index is the “Yeter 150” index:  $31.12.04 = 538.59$ . Until June 2007 the “Yeter – 30” index was calculated.

**The “Tel Aviv Finances – 15” index:** Includes the 15 largest shares out of the “list of financial shares”. The list of financial shares includes shares of corporations in the “commercial banks”, “mortgage banks”, “insurance companies”, and “financial services” industries. The base of this index is the “Tel Aviv banking” index:  $31.12.04 = 814.18$ .

**The “Tel Aviv Real Estate – 15” index:** Includes the 15 shares with the highest market value, out of the “list of real estate shares”. The list of real estate shares includes shares of companies in the “real estate and construction” industry, as well as investment companies whose main revenue derives from real estate. The base for this index is the “Real Estate, Construction and Agriculture” index: 31.12.04 = 278.80.

## **EXCHANGE RATES**

**Representative exchange rates of foreign currencies:** The representative rate of the US dollar on a particular day is an average of the dollar’s rate in NIS in purchase and its rate in sale (transfers and checks), which took place in inter-bank bilateral trade towards the end of the business day (usually around 15:00 o’clock), as determined by the Bank Supervisor in the Bank of Israel. The representative rates of other currencies for a particular day are based on the dollar’s representative rate for that day relative to the exchange rates of those currencies to the US dollar (cross rates) at that hour in the European currency markets.

**Average exchange rates:** Average monthly rate is calculated as an average of the representative rates of the trading days in the surveyed month (without Saturdays, Sundays and holidays, when representative rates are not publicized). Average annual rate is computed from the average monthly rates.

The foreign currency department at the Bank of Israel stopped publishing the Foreign Currency Basket in May 2007. Consequently, it will no longer be published in Tables I/9 and I/10.

The data on banks, interest rates and exchange rates are received from the Bank of Israel. The data on securities are received from the Tel Aviv Stock Exchange Ltd.

## **J. PRICES**

**Updating and linking the indices:** The price indices are updated every few years. The update includes examination of the components of the “basket prices”, and updating the basket accordingly. The weight of the components of the basket is calculated according to the new base period.

For practical purposes, different series of the same index, which are presented according to different base periods, can be linked and presented on a uniform base. The general formula for these calculations (from the point of view of base period) is multiplying the index by a “chaining coefficient”. That coefficient is the index of the new base period, and is computed according to the old base, divided by 100.0.

**The Consumer Price Index (CPI)** measures the percent of change, over time, in the expenditure necessary to purchase a fixed basket of goods and services, whose prices can be measured regularly. As of January 2011, the weights of the basket, which represent the consumption of households, are derived from the Household Expenditure Survey conducted in 2008-2009, and the new base period of the official index is average 2010=100.0 points. For details on the composition of the basket in 2008-2009 (at 2010 prices), see *Price Statistics Monthly*, 1/2011 (see the CBS Website – in Hebrew).

**The wholesale price index of manufacturing output for the domestic market** measures the changes in prices obtained by producers in manufacturing for goods and services from manufacturing output in the first stage of marketing in Israel. From January 1964 to December 1977, all manufacturing industries except Printing and Diamonds were included in the index. Since January 1978, “Publishing and Printing” have been included in the index, and since January 1995, “Fuels” have also been included.

Since January 2006, the index is published in an updated format, which is based on a new system of weights and represents the output of various manufacturing industries in 2005. The prices are compared with the prices in the basket in 2005, and the index is presented relative to the new base period – average 2005=100.0 points.

**The price index of manufacturing exports** measures the changes in prices obtained by producers in manufacturing for goods and services that they produce, which are intended for export. Included are indices for divisions and groups that have a high value of export sales. This index is currently being developed, and it is expected that over time indices for additional industries will be published. The indices are quarterly, and as of 2007 each index is published at a different base, according to a stage-wise development process.

**The price index of service industries** measures the changes in prices obtained by producers in service industries, for services that they render to the business sector, to the general government, and for final consumption. This index is currently being developed, and the coverage of industries is only partial. At this stage, the index includes the following industries: "Legal Services", "Bookkeeping and Accounting Services", "Security Activities", "Cleaning Activities", "Management Consultancy Services", "Advertising", and "Employment Services". Over time, additional industries are expected to be published. The indices are quarterly, and as of 2007 the index for each industry is published at a different base, according to a stage-wise development process.

**Price index of input in residential building** measures the percentage of change, over time, in the expenditure necessary to purchase a representative fixed basket of materials, commodities and services for construction of residential buildings. Since August 2011, the index is published according to the base July 2011=100.0, based on the results of a survey of expenditures on residential buildings completed up to December 2008 (the results of the survey were published in the *Price Statistics Monthly*, 8/2011).

For practical purposes, it is possible to link the index of base period July 2011 to the previous index of base period January 2004, by multiplying it by a chaining coefficient (for a list of the chaining coefficients, see the CBS Website, *Price Statistics Monthly*, Indices by Various Base Periods and Chaining Coefficients, monthly price indices, Price Indices of Input in Residential Building, definitions and explanations to the tables, sections 1.3 - 1.4).

**Price index of input in road construction and bridging** measures the percentage of change, over time, in the expenditure necessary to purchase a representative fixed basket of materials and services used for constructing roads and bridging. Basket prices, which have been measured as of February 2010, represent the expense composition for road construction and bridging work. The updated index is presented according to the base January 2010=100.0 (the results of the survey were published in the *Price Statistics Monthly*, 2/2010).

For practical purposes, the index presented according to base period January 2010 can be linked to the previous one, which is presented according to base period January 1996, by multiplying it by a chaining coefficient.

For details on the changes introduced in the price index following the update, see the *Price Statistics Monthly*, Price Index of Input in Road Construction and Bridging, definitions and explanations to the tables, sections 1.1 to 1.6.

**Price index of input in agriculture** measures the percentage of change, over time, in the expenditure necessary to purchase a representative fixed basket of commodities and services in agriculture. As of January 2001, the price index of input in agriculture is calculated according to an updated format, using a new base (average 2000=100.0) and a new system of weights.

For practical purposes, the updated index presented on the new base (2000=100.0) can be linked to the previous one by multiplying it by a chaining coefficient.

Regarding the changes incorporated into the updated index, see the Appendix to the *Price Statistics Monthly*, 6/2001.

**Price index of input in buses** measures the percentage of change, over time, in the expenditure necessary to purchase a representative fixed basket of commodities and services required to operate bus transportation. As of February 2007, the price index of input in buses is calculated according to an updated format, using a new base (January 2007=100.0) and a new system of weights.

For practical purposes, the updated index presented on the new base (2007=100.0) can be linked to the previous one by multiplying it by a chaining coefficient.

Regarding the changes incorporated into the updated index, see the *Price Statistics Monthly*, Indices by Various Base Periods and Chaining Coefficients, Price Index of Input in Buses, definitions and explanations to the tables, sections 1.3 to 1.5.

## **K. LABOUR AND WAGES**

### **LABOUR FORCE SURVEYS**

The Labour Force Survey of the Central Bureau of Statistics is conducted on a quarterly basis. In 2009, estimates of each quarterly survey were calculated, on the basis of an average sample of over 26,000 persons who represented the permanent (*de jure*) population of Israelis aged 15 and over.<sup>1</sup>

Since 1999, the Labour Force Survey sample has been inflated according to updated population estimates based on the 1995 Census of Population and Housing.

In addition, since 1999 a new inflation system is being operated. This system refers to inflation groups which are different from those of the old inflation system. It includes distribution by sex, 10 age groups, and 39 locality groups as well as special groups for immigrants of 1990 and after. The division into inflation groups in the new system *does not* refer to religion (except for the division into Jewish and non-Jewish localities). The new inflation system uses a uniform coefficient for all the household members. The household inflation coefficient denotes the number of households and the number of persons in the survey population that are represented by the household. The distribution of the persons whose number was inflated is completely compatible with the demographic estimates of the CBS. Data for 1998 were processed again in order to allow for comparison of data.

In 2002, the inflation strata for immigrants as of 1990 were eliminated, and only the group of immigrants from the last four years remained. Consequently, the number of groups of immigrants by localities decreased to 34. The data from 2001 were processed again in order to enable comparison with statistics for previous years.

In 2010, the survey estimates were calculated according to the estimates of the 2008 Population Census. In addition, definitions of the characteristics of the civilian labour force (e.g., in the definition of "temporarily absent from work") were updated<sup>2</sup>. Therefore, analyses were conducted in order to allow for comparison for the data.

**The determinant week:** The week that ends on the Saturday preceding the visit of the enumerator to the household.

**Civilian labour force:** Persons aged 15 and over who were "employed" or "unemployed" in the determinant week according to the following definitions:

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<sup>1</sup> For detailed explanations and definitions, see Central Bureau of Statistics, [Labour Force Surveys 2010](#), Special Publication 1460, Jerusalem, 2011 (only on the CBS Website).

<sup>2</sup> For detailed explanations, see [Changes in the Labour Force Survey 2009](#).

**Employed persons:** Persons who worked at least one hour during the determinant week, at any type of work, for pay, profit or other remuneration; all those working in kibbutzim (whether in services or in any other industry); family members who worked without pay for more than 15 hours during the investigation week; persons in institutions who worked more than 15 hours during the week; persons who were temporarily absent from their work.

**Unemployed persons:** All those who did not work for even one hour during the determinant week, and who actively sought work during the last four weeks, by registering with the Labour Exchange of the Employment Service or by application to employers, either in person or in writing, etc., and could have started work in the determinant week had suitable work been offered ("availability for work").

**Employee:** Any person who worked for another person in return for daily or monthly wages, piece work or work for any other kind of remuneration.

**Work hours per week:** The number of hours actually worked by employed persons or employees during the determinant week, including: overtime work at all places of work, and waiting and preparation hours (for teachers and artists), as well as work hours of persons who worked without pay at the family business or farm (if they worked 15 or more hours on the average per week).

**Average number of work hours per week** is the total work hours of all employed persons or employees divided by the number of employed persons or employees, including those temporarily absent from their work.

**Industry:**<sup>1</sup> Each employed person was classified by the industry of the establishment or institution in which they worked during the determinant week. The industry was determined by the main activity of the establishment.

Following the changes introduced in the classification of economic activities in 2003, and mainly due to the expanded classification of high technology industries, the coding of all employed persons in the survey was examined. In this process, it was necessary to adjust some coding rules in the family surveys, especially in the case of establishments that engage in more than one activity, and the data were recoded accordingly. The main transitions were between "Public Administration", "Community, Social and Personal Services", "Education", "Health, Welfare and Social Work Services", and "Private Households with Domestic Personnel".

**EMPLOYMENT AND WAGES** (based on employers' reports to the National Insurance Institute and on other administrative sources)

Statistics on employment and wages are based mainly on monthly processing of employers' reports on employee jobs and wages (according to the law) on Form 102 (for employee jobs of Israeli workers) and Form 612 (for employee jobs of workers from abroad) to the National Insurance Institute, and partly on other administrative sources. The data on employee jobs of workers from the Palestinian Authority are obtained from the payments department of the Employment Service and from the National Insurance Institute. The data on employee jobs of civil servants and workers in local authorities are based on processing of the wage files received from Malam Systems Ltd. (the Office Mechanization Centre) and from the Israel Local Authorities Data Processing Centre Ltd.

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.

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<sup>1</sup> CBS, *Standard Industrial Classification of All Economic Activities 1993*, Technical Publication 63, Second Edition, Jerusalem, 2003.

As of January 2005, the data on employment and wage indices are based on a new sample, and the new base is 2004. The sample of employee jobs of Israeli workers includes 12,700 active establishments, and covers about 60% of all employee jobs. The sample of employee jobs of workers from abroad includes 2,370 active establishments, and covers about 78% of all employee jobs.

Comparisons with previous periods should be based on indices.

**Employee jobs:** The number of jobs of workers (permanent and temporary) who worked for at least one day during the surveyed month (or were on paid leave due to illness, vacation, army reserve duty, etc.), and are on the payroll of establishments or institutions. Jobs appearing on the payroll of more than one establishment or institution in that month are 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 in that month.

**Employee jobs of foreign workers:** The number of jobs of workers from abroad and jobs of workers from the Palestinian Authority as well as jobs of workers from southern Lebanon (until May 2000).

**Employee jobs of workers from abroad:** The number of permanent and temporary jobs of workers from abroad as reported on Form 612 to the National Insurance Institute. The data also include jobs of workers from the Palestinian Authority who are reported on Form 612 by employers who belong to the East Jerusalem branch of the National Insurance Institute. The data do not include jobs of caregivers employed by households who are reported by their employers as domestic help. The National Insurance Institute does not check the legal status of the workers.

**Employee jobs of workers from the Palestinian Authority:** The reports to the Central Bureau of Statistics are received from the payments department of the Employment Services. As of 2008, in addition to these reports, the National Insurance Institute provides reports on employee jobs of workers from the Palestinian Authority who work in Israeli localities in the Judea and Samaria Area.

Due to a change in the method of reporting on Form 102, estimates of total employee jobs and average wages are published as of 2007 without specifying groups of liability for National Insurance Institute payments.

**Gross monthly wages:** Gross payments paid to all employee jobs in a month, including the 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, 13<sup>th</sup>-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 to funds (such as pension funds or insurance for employees), employers' tax, etc.

**Average monthly wages per employee job:** The 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 is lower than 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.

**Employee jobs of workers in local authorities:**

**Net wages:** Gross monthly wages minus deductions to the National Insurance Institute (including health insurance as of January 1995) and to the income tax authority.

**Work unit:** Several work quotas combined into a full-time job, according to the grading by which wages are paid, e.g., if three workers are each employed in one-third of a job position, the three positions are counted as three employee jobs, but as one work unit.

**The investigated population** includes all employee jobs in the Israeli economy that are reported to the National Insurance Institute on Form 102. It also includes employee jobs of cooperative members, civilian employees in the defence establishment, and workers from the Palestinian Authority. In addition, the population includes employee jobs of workers from abroad who are reported to the National Insurance Institute on Form 612. The population does not include employee jobs of 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.

## REGISTERED UNEMPLOYMENT

### Claims for unemployment benefits

Data are obtained monthly from the National Insurance Institute. For seasonal adjustments and trend estimates, see the Labour Force Survey (but the data are recalculated every month).

"Claims for unemployment benefits" are submitted to the NII in 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 Unemployment Insurance Law.

**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 works three months or more and becomes unemployed again, a new claim must be submitted.

**Continuing claim:** Any claim for additional payment, submitted after the first claim, until the end of the entitlement period.

## L. AGRICULTURE

The monthly bulletin presents two summary tables of current agricultural statistics. Detailed data are published in the [Agricultural Statistics Quarterly](#). These tables and selected data are also presented in other publications that appear on the CBS Website.

### Marketing of selected agricultural products

This is a monthly series of data which includes only finished domestic produce (from January 2008 includes transfers to Judea, Samaria and Gaza Areas) (i.e., after growing, picking, sorting and packing) for the surveyed month. The produce was marketed to the domestic market, export and manufacturing.

The data include produce sold (marketed) through the following marketing and collecting bodies:

- (1) Production boards
- (2) Agricultural organizations (including estimation)
- (3) Vegetables and fruits wholesalers
- (4) Exporters
- (5) Manufacturing enterprises and slaughterhouses

In some cases (e.g., cotton), data refer to produce stored prior to marketing.

The series does not include agricultural produce that is not marketed through these bodies, e.g., private sales, nor does it include private consumption or intermediate produce.

Since 2006, as a result of changes in the Plants Board, data on fruits for local consumption are based on the Board's estimations. From January 2008, the data on fruits are based on quarterly estimations of the Plants Board.

## The Value of Produce

The value of produce is computed according to prices estimated during the surveyed month (at current prices) at the point where the produce is released from the agriculture industry (the stage where the produce is conveyed to manufacturing – upon entry to the enterprises; to local marketing – when entering the wholesale market; or to export – with transfer to the ports). The annual summary of the value is calculated by adjusting monthly values to the annual average, according to the Consumer Price Index.

It should be pointed out:

(1) The field crops group includes only: wheat, cotton, groundnuts, maize and peas. These crops are the bulk (about 70 percent) of the quantity (in tonnage) and value (in NIS) of the field crops.

(2) Data on cattle, sheep and goats (in tons) are estimated according to the number of heads slaughtered at slaughterhouses. Weight is estimated for each type of cattle by weight groups.

## M. MANUFACTURING

Data are based on reports of manufacturing establishments and on information from government institutions.

**Manufacturing indices** indicate the current changes in manufacturing production (at constant prices), in revenue (at current prices), and in jobs and wages in manufacturing. These indices are based on a sample of about 2,300 Mining and Manufacturing establishments (excluding the diamond industry), as defined in the *Standard Industrial Classification of All Economic Activities, 1993*.<sup>1</sup>

As of the April 2005 Bulletin, the index is presented according to the base: 2004=100.0.

**Index of manufacturing production** reflects monthly changes in the volume of production, which is the value added of Manufacturing, in every Manufacturing industry.

Because it is not feasible to obtain monthly reports from Manufacturing establishments on changes in value added for the purpose of computing the index of Manufacturing production, the changes are measured on the basis of various indicators such as production and revenue at fixed prices, on the assumption that those changes reflected the changes in value added. Changes in the indicators of groups are weighted according to the value added of the groups in the division and in total Manufacturing. The source of the weights for the groups and divisions is the gross value added according to factor cost as obtained from summaries of the 2002 *Survey of Manufacturing and Crafts*, adjusted for the base year of the indices, 2004.

**Employee jobs (formerly: employees):** All workers appearing on the payrolls (managers, clerks and labourers, including jobs of workers from Judea and Samaria and the Gaza Area), as well as members of co-operative societies. Unpaid members of kibbutzim working in their kibbutz establishments are considered owners. Self-employed persons employed in piecework for an establishment are not included.

**Jobs (formerly: employed persons):** Employee jobs, owners, and unpaid family members.

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<sup>1</sup> CBS, *The Standard Industrial Classification of All Economic Activities 1993*, Technical Publication 63, second edition, Jerusalem 2003.

## EMPLOYED PERSONS, EMPLOYEES/JOB, EMPLOYEE JOBS

### Definitions and Explanations

1. Estimates of employment: persons or jobs.

**Household surveys:** The estimates of employment relate to persons engaged in economic activity.

Source of the data: Interviews conducted at households.

The household surveys conducted by the CBS are: Labour Force Surveys, Household Expenditure Surveys, the Social Survey, and the Census of Population and Housing.

**Business surveys:** The estimates of employment relate to jobs for pay.

Source of the data: Reports of employers or administrative reports (employee jobs reported to the National Insurance Institute).

Persons (Household surveys)	Jobs (Business surveys)
Employed persons Employees Non-employees	Jobs Employee jobs Non-employee jobs

2. As of 2005, there has been a change in the terms used for the business surveys: "jobs" and "employee jobs" are used instead of "employed persons" and "employees". The change in terminology has no effect on the data.

3. Persons holding more than one job with different employers will be counted once in household surveys, but in the business surveys they will be counted once for each job held.

4. Data from these two sources differ from each other due to variations in the definitions and variations in coverage, in sources of information, in methods of data collection, and in estimation procedures, as well as to variability in samples and response errors.

**Actual work-hours** also include overtime, but do not include hours of paid absence, e.g., holidays, sick leave and army reserve duty.

**Wages and salaries (= wages):** All gross payments appearing on the payrolls, and which are subject to income tax, e.g., basic wages, allowances (cost of living allowance, seniority allowance, family allowance, etc.), overtime pay, bonuses, premiums, non-recurrent payments such as "13th month salary", and back pay for previous periods paid during the reported month, as well as payments for absence (sick leave, army reserve duty, vacation, etc.). Excludes other expenses, such as payments to funds, parallel tax and employers' tax.

**Labour cost:** In addition to data obtained within the frame of monthly indices of employment and wages (gross wages, non-recurrent payments and back pay for a previous period), monthly data are also received on labour cost (wages and other labour expenses) entailed in engaging workers, such as allocations for National Insurance and funds, parallel tax, employers' tax and transport of workers to work. From these data, after "smoothing" non-recurrent payments (see explanation below), the index of the total payments related to engaging workers is computed, and this is the Labour Cost Index.

**The method of smoothing non-recurrent payments:** Non-recurrent payments and advance payments usually refer to a period of a few months. It is impossible to receive an accurate breakdown of these payments from the establishments, according to the months to which they refer. Because of the variability in the sums of non-recurrent payments, it was decided to include in the computation of the wages each month a moving average of non-

recurrent payments and the advance payments over the last four months (the month of the report and the three months prior to it).

**Index of paid hourly labour cost** is computed as the ratio of the index of labour cost to the index of paid work hours, including actual work hours and paid absences.

**Index of paid hourly wages** is obtained by dividing the wage index (excluding non-recurrent payments and back pay for previous periods) by the index of paid work-hours (which are actual work hours and paid absence).

**Value of sales (revenue) at current prices** includes the value of sales in the domestic market, sales for export, income from jobs and repairs, and income from products manufactured by the establishment for its own needs, as well as income from taxes such as purchase tax, excise duty, and value added tax. Subsidies and export incentives are not included.

**Manufacturing industries are divided into four groups, by technological intensity:**

High technology includes: Electronics Industries; Industrial Equipment for Control and Supervision; Office Machinery and Computers; Aircraft; Pharmaceuticals; and Aircraft.

Medium-high technology includes: Chemicals and Chemical Products (excluding pharmaceuticals); Machinery; Electric Distribution Apparatus; and Motor Vehicles and Transport Equipment (excluding aircraft).

Medium-low technology includes: Mining and Quarrying industries; Rubber and Plastics; Non-Metallic Mineral Products; Iron and Other Minerals; and Jewellery.

Low technology includes: Food Products; Beverages; Textiles; Wearing Apparel, Leather Products; Paper and Printing; and Wood and its Products.

## **N. ENERGY**

**Unit of measure:** All forms of energy in the energy balance have been transformed to the TOE – ton oil equivalent, which is equal to  $10^7$  million kilo calories, based on net caloric values.

**Primary energy** is energy used directly without undergoing intermediate processes like refining. It refers to crude oil or natural gas (used for combustion in manufacturing). Hydro-electricity is also considered primary energy.

**Secondary energy** refers to energy produced from materials which have undergone transformation from other energy products, e.g., energy acquired from petroleum products obtained from crude oil or electricity generated in thermo-power stations.

**Total energy requirements** refer to the economy's total energy demand and sum up the total energy available to the economy during the reported period, based on the following details:

- (a) Domestic production of primary energy which in practice is the total output of primary energy (e.g., unrefined fuel, natural gas or solar energy).
- (b) Imports: Added to domestic production of primary energy are imports of energy in all its forms.
- (c) Exports and marine bunker oil – these data, which also include sales to Judea and Samaria and the Gaza Area, are deducted from total energy available to the economy. Although this introduces an apparent inconsistency, aviation fuelling is not deducted,

following the method employed by OECD members. It was adopted here to maintain the international comparability of Israel's energy data.

- (d) Changes in stocks: Deduction of increase in inventory or addition of decrease in it relate only to stocks held by importers, producers and suppliers of energy in its various forms. They do not include stocks of final purchasers of energy.
- (e) Statistical discrepancies: "Total energy requirements" include errors and omissions which are mainly due to use of independent data sources. They represent differences in times of recording and in definitions, measuring errors, etc.

See also publications on energy in Israel appearing occasionally in "Current Briefings in Statistics", published by the CBS, which are more detailed.

**Production of secondary energy:** The flow of energy products for transformation from primary to secondary forms, often in more than one stage. Positive data represent the energy value of production of petroleum products or electricity (in TOE). Negative values represent the refined materials (inputs) used in the transformation process. The absolute value of the difference between the two represents transformation losses. The column concerning this in Table N/1, also includes energy uses by the energy sector as well as losses in distribution by the thermo-power stations.

**Final consumption:** Use of energy in its various forms by consumers during the reporting period. Changes in stock at consumer level are also considered consumption. This item also includes use of electricity produced by thermo-power stations in manufacturing enterprises for their own purposes.

**Non-energy use:** The figures include uses of energy for purposes other than production of power, heat or light.

**Note:** Following the process of privatization in recent years, and pursuant to the Statistics Ordinance [New Version] 1972, the CBS is prohibited from publishing data on the energy balance as of 2007.

## **O. CONSTRUCTION**

### **Construction Begun and Construction Completed (Physical Data) (Tables O/1-O/6, O/8)**

Data on construction are based on construction permits obtained from local authorities and local Planning and Building Committees; administrative files obtained from the Ministry of Construction and Housing; Ministry of the Interior reports on court sentences regarding illegal construction; and data collection from contractors and construction firms of the CBS field survey.

Data on construction relate to civil construction in Israel, and are obtained from reports made to the CBS on construction permits issued by local planning and construction committees. The data include estimates of delayed reporting and estimates of construction without a permit from the local authority. The data do not include construction by the Ministry of Defence and the IDF. Nor do the data include caravans and cabins, construction of various hothouses and sheds, construction outside of localities which are recognized by the State and outside of employment and education centers, construction for which no report was made to the CBS on the construction permit, and illegal residential construction not recorded in the Ministry of Interior report.

**Construction initiator:** The person who plans the construction (determining location, standards and area) and inspects it.

**Public construction:** Construction initiated by the government, national institutions, local authorities, or companies entirely controlled by those entities.

**Private construction:** All construction that is not public construction.

**Stage of construction:** The main stages of construction are – construction permit, construction begun, under active construction, and construction completed.

**Construction permit:** A licence issued by a planning and construction committee, which enables the applicant for the permit to begin construction.

**Construction begun:** Beginning the digging of foundations. The time that construction of a dwelling has begun is the time construction began on the building in which the dwelling is located.

**Building:** A separate roofed structure which has been built for permanent use, can be entered by persons and is suitable or intended for protecting persons, animals or objects. In CBS publications, the term "building" refers to a new building.

**Building under active construction:** A building in the process of active construction. Excluding buildings whose construction has been halted.

**Dwelling under active construction:** A dwelling where the building in which it is located is in the process of active construction. Excludes dwellings whose construction has been halted.

**Construction completed:** The time that construction of a building is finished, or the time that at least half of the area starts to be used (whichever is earlier). Statistics on construction completed relate to the number of buildings or dwellings in which all construction work has been performed. Construction completed on a dwelling is construction completed on the building in which the dwelling is located. However, the Ministry of Construction and Housing counts completed dwellings as all dwellings in which all construction has been performed, even if construction of at least 50% of the dwellings in the building has not been completed.

**Construction months:** Number of months from beginning to end of construction. To calculate the average number of months that a building has been under construction, equal weight is given to every building, regardless of the number of dwellings in each building. The average construction months for dwellings is calculated on the basis of construction months of the buildings, and weighted by the number of dwellings in each building. For example: Three buildings have been constructed: one building with 30 dwellings was under construction for 28 months, a building with 20 dwellings was under construction for 26 months, and a building with 10 dwellings was under construction for 20 months. The average construction months for a building would be 24.6 (the average of 28, 26, and 20 months). The average construction months for a dwelling would be 26.0 ( $10 \times 20 + 20 \times 26 + 28 \times 30$  divided by 60 dwellings = 26.0).

**Construction area:** The sum of the area of all floors of the building. The area is measured between the outer surfaces of the walls. In multi-dwelling buildings it includes the common spaces. Israel, in construction according to permits based on plans deposited as of 1 January 2010, a roofed balcony is included in the area where construction is permitted; a balcony without a roof is not included in that area.

In Israel, in construction according to plans deposited prior to January 1st 2010, the following rules apply:

1. A balcony extending from the exterior walls of the building and whose total area is up to 14 sq.m. is not included in the area where construction is permitted, as long as the total area of all balconies of this type in the building does not exceed 12 sq.m. multiplied by the number of apartments in the building.

2. If the total area of these balconies exceeds the area stated in paragraph 1, the excess area will be included in the main area of construction.

Source: Ministry of the Interior.

**Dwelling area:** The area of the dwelling and the area for common use in buildings with two or more dwellings..

**District:** Defined according to the official administrative division of the state, which includes six districts. From 1972 included Israeli localities in the Judea, Samaria and Gaza Areas, and as of August 2005, includes Israeli localities in the Judea and Samaria Area.

**Area of additions to dwelling:** The area of a room or a utility room constructed as additions to an existing dwelling. Excluding enclosure of balconies.

**Residential building:** A building in which at least half of the area is intended for residential purposes. Including hostels, sheltered housing, and boarding schools. Excluding hotels, youth hostels, "club hotel" buildings (which are included in "Construction for tourist accommodation"), as well as hospitals and nursing homes (which are included in "Construction of public buildings"). Residential buildings include ground-oriented buildings and other buildings. In a ground-oriented building each dwelling has a separate entrance from the ground floor. For residential dwellings, data are provided on the number of storeys and number of dwellings in the building.

**Dwelling:** A room or a suite of rooms and service areas in a permanent building, or in a structurally separated part thereof that has been built, rebuilt, or converted for residential purposes. A dwelling has access to a street (direct or via a garden or other area) or to a common space within the building (staircase, passage, gallery, etc.). Detached rooms for habitation which are clearly built, rebuilt, or converted to be used as part of a dwelling are counted as part of the dwelling.

**Room:** A space in a dwelling that is enclosed by walls reaching from the floor to the ceiling or roof covering. A half room is considered a room. A utility room (e.g., toilet, bathroom, kitchen or storage room) is not considered a room. In the framework of the subject Construction, information is given regarding dwellings and rooms constructed for housing. At the construction stage there is no information regarding the use of the dwellings and the rooms after they are occupied.

**Additional room:** A room added to an existing dwelling.

**Storey in building:** Every storey, including the ground floor (the storey above the foundations of the building), but excluding the leveled storey of columns (without walls) and storeys below the ground floor. The ground floor is not necessarily the storey of the entrance to the building.

**Construction purpose:** The purpose for which a building was constructed: residential, or non-residential - for accommodation, for commerce and business services, for manufacturing and for agriculture, as well as public buildings.

Data on construction refer to construction for the following purposes:

(a) **Residential construction:** Construction of buildings and additions intended for residential use. Including construction of hostels, sheltered housing, and boarding schools.

(b) **Non-residential construction:** Construction of buildings and additions intended for accommodation, for commerce and business services, for manufacturing and for agriculture as well as construction of public buildings..

1. *Construction of hotels:* Construction of buildings and additions intended for accommodation of tourists from abroad and from Israel. For example: hotels, pensions, youth hostels, zimmers (private rural accommodation units), rest homes, convalescent homes, medical rehabilitation homes, recreation and holiday camps, and recreation apartments (e.g., apartments constructed according to the "club hotel" system). Excluding construction of hostels,

2. *Construction of buildings for commerce and business services:* Construction of buildings and additions for commercial centers, business, personal services, and offices. For example: hair styling salon, laundromat, architect's office.
3. *Construction of buildings for manufacturing:* Construction of buildings and additions for the purpose of manufacturing. For example: Pharmaceutical factory, factory for production of electronic components, factory for production of steel and iron products.
4. *Construction of public buildings:* Construction of buildings and additions intended for provision of public services, including – education, health, welfare, religious, public administration, entertainment, sports, transportation, communications, storage services and public bomb shelters. For example: Schools, clinics, community centres, hospitals, old age homes.
5. *Construction of buildings for agriculture:* Construction of buildings and additions intended for agricultural farms. For example: cowshed, chicken coop, stable, animal pen, packing house, agricultural warehouse. Excluding construction of greenhouses, and fish ponds.

#### **Survey of New Dwellings for Sale in Private Construction (Table O/7)**

The survey is being conducted as an appendix to the "Beginnings and Completions of Private Construction Survey". This survey is based on reports of construction permits, obtained from local authorities and the local Planning and Construction Committees. The information is received using telephone interviews and faxes. In the interviews the number of dwellings for sale, by various characteristics, on a national level, is examined.

**Dwelling under active construction:** A dwelling in a building which is in the process of active construction. Excludes dwellings whose construction has been halted.

**New dwelling:** A dwelling, where the building in which it is located is in the process of active construction, or whose construction has been completed and less than 15 months have elapsed.

**New dwelling for sale:** A new dwelling constructed for sale purposes, and for which there was no signed sales contract, or for which no deposit had been paid by the date of the survey.

**New dwelling not for sale:** A dwelling (see definition of dwelling) built for the own use of the owner of the land, for "build your own home" program, for purchase group, for renting, for hostel, for sheltered housing or for boarding school. Including an estimate for illegal construction.

**New dwelling sold:** A new dwelling that was for sale (see definition of new dwelling for sale), and for which a sales contract has been signed or for which a deposit has been paid. Includes dwellings sold in combination transactions.

**Months a sold dwelling was on the market of new dwellings before being sold:** The number of months from the month that construction began on the building in which the dwelling is located until the month that the dwelling was sold.

**Months a dwelling for sale has been on the market of new dwellings:** The number of months from the month that construction began on the building in which the dwelling is located until the date of the survey.

**Months of supply:** An estimate of the number of months until all dwellings remaining for sale at the end of a certain month are sold out, on the assumption that the rate of sales for those dwellings during those months will be the same as the rate of sales of the dwellings sold during that same month. The number is calculated as the ratio of the number of dwellings for sale at the end of a month divided by the number of dwellings sold during that same month. For example, in a certain month 1,000 dwellings were sold. At the end of that month, 9,000 dwellings were still for sale. The number of months of supply is 9 (9,000 divided by 1,000).

## **Civil Engineering Works (Physical Data) (Table O/9)**

### **Sources**

Reports on civil engineering works are obtained from local authorities and from companies. The following is a list of the local authorities (in alphabetical order) that report on civil engineering works: Abu Basma, Abu Sinan, Afula, Akko, Arad, Ar'ara, Ar'ara-BaNegev, Ari'el, Arrabe, Ashdod, Ashqelon, Baqa-Jatt, Bat Yam, Be'er Sheva, Be'er Toviyya, Bene Beraq, Bet Arye, Bet She'an, Bet Shemesh, Betar Illit, Bi'ne, Dalyat-al-Karmel, Deir al-Asad, Dimona, Elat, Eshta'ol, Gan Yavne, Ganne Tiqwa, Gedera, Giv'at Shemu'el, Giv'at Ze'ev, Giv'atayim, Hadera, Haifa, Herzliyya, Hod HaSharon, Holon, I'billin, Iksal, Isifya, Jerusalem, Jisr az-Zarqa, Judeide-Maker, Kafar Kanna, Kafar Manda, Kafar Qara, Kafar Qasem, Karmi'el, Kefar Sava, Kefar Yona, Kokhav Ya'ir, Kuseife, Lod, Ma'ale Adummim, Ma'ale Iron, Ma'alot-Tarshiha, Majd al-Kurum, Metula, Mevasseret Ziyyon, Migdal HaEmeq, Modi'in Illit, Modi'in-Makkabbim-Re'ut, Mughar, Nahariyya, Nazareth, Nazerat Illit, Neshet, Nes Ziyzona, Netanya, Netivot, Ofaqim, Or Aqiva, Or Yehuda, Pardes Hanna-Karkur, Petah Tiqwa, Qadima-Zoran, Qalansawe, Qazir-Harish, Qiryat Arba, Qiryat Atta, Qiryat Bialik, Qiryat Gat, Qiryat Mal'akhi, Qiryat Motzkin, Qiryat Ono, Qiryat Shemona, Qiryat Tiv'on, Qiryat Yam, Ra'annana, Rahat, Ramat Gan, Ramat HaSharon, Ramla, Rehovot, Reine, Rishon LeZiyyon, Rosh HaAyin, Sajur, Sakhnin, Sederot, Shefar'am, Shoham, Tamra (Yizre'el), Tayibe, Tel Aviv-Yafo, Tel Mond, Tel Sheva, Tiberias, Tira, Tirat Karmel, Tur'an, Umm al-Fahm, Yafi, Yavne, Yehud, Yirka, Yoqne'am Illit, Zefat, Zikhron Ya'aqov.

In addition, the following institutions submit reports: the Ministry of Construction and Housing, the Jewish Agency for Israel, the Jewish National Fund, the Meqorot Company, HaGihon Company, the Israel Water Works Association, the Israel Road Company, Ayalon Highways Ltd., Moriah Ltd., The Trans-Israel Road Company, Yoram Gadish Ltd., Yefe Nof Transportation and Infrastructure Ltd., Lodan Infrastructures and Construction, and Makif Development and Infrastructures.

Data on construction of roads and on water, drainage, and canalization pipes are based on reports received from the various sources, after eliminating duplications. The data include work carried out in the area of the local authorities, which were reported by the local authorities themselves as well as by the companies. Data on civil engineering works that were carried in the area of the localities but not reported, are provided to the CBS only by the companies that carried out the work.

The data on construction of roads also include construction of by-pass roads and access roads to Israeli localities in the Judea and Samaria Area (up to 2005 – the Judea, Samaria and Gaza Areas), as well as construction of inner roads in Israeli localities in these areas. Not included are other roads constructed in these areas: main roads and regional roads (excluding the above-mentioned by-pass roads).

The summary data on installation of water, drainage and canalization pipes also include projects implemented in Israeli localities in the Judea and Samaria Area (up to 2005 – the Judea, Samaria and Gaza Areas).

The data for 2005 reflect changes following the evacuation of Israeli localities in the Gaza Area and in northern Samaria under the Disengagement Plan Law, 2005.

**Civil engineering work begun:** Beginning the leveling, digging or quarrying for the purpose of construction, widening, or reconstruction of roads, or for the purpose of laying water, sewage or canalization pipes.

**Civil engineering work completed:** For construction, widening or reconstruction of roads - the date of opening the road to motor vehicle traffic. For installation of water, drainage and canalization pipes - the date on which the work has been received by the person who ordered it. Work completed also includes completion of sections of a project, and not just completion of the entire project.

**Road:** A traffic route for all types of vehicles, usually paved by excavation or quarrying, filling with various materials and pressing with a steamroller. Excluding the shoulders of the road. Until 2004, the term road also included unpaved roads.

**Type of Paving:**

1. *Road construction:* Construction of a new route that mainly serves for movement of motor vehicles.
2. *Road widening:* Addition of at least one lane to the width of an existing road. Excludes widening of road shoulders only. Regarding roads that have been widened, the data relate to areas of the road that have been added as well as to the length of the sections that have been widened. For example: if a section of a 2-km. road has been widened by 2 meters, the area of the road that has been widened is 0.004 sq. km., and the length of the road that has been widened is 2 km.
3. *Road reconstruction:* The demolition of an old road or parts thereof, and reconstruction of the road. Not including repair of roads, such as repair of upper layers. For roads that have been reconstructed, data relate to the area of the road that has been reconstructed, as well as to the length of the section that has been reconstructed (see example in the definition of road widening above).

**Installation of a water pipe:** Laying a main water pipe and its branches (by connecting it with a building or an installation) for the purpose of carrying water, as well as laying a permanent pipe for irrigation. Excluding laying a water pipe that connects the main network to a building or to an installation, laying a temporary or portable water pipe, and repair of a water pipe.

**Installation of a drainage pipe:** Laying a main drainage pipe and its branches (by connecting them with a building or an installation) for the purpose of concentration and disposal of sewage.

**Installation of a canalization pipe:** Laying a main canalization pipe and its branches (by connecting it with a building or an installation), for the purpose of concentration and disposal of rainwater.

## **P. TRADE AND SERVICES**

### **REVENUE INDICES OF TRADE AND SERVICES (Table P/1)**

The data are based on a new sample, which was drawn in 2004 from the Business Register established by the Central Bureau of Statistics. Data on new businesses that have opened are added every month, and the sample is updated every year. Revenue data in the Register are updated on the basis of VAT data. For large businesses, the data are updated once a month (these include 17% of the businesses, whose revenue comprises 90% of the total revenue); and for small businesses, the data are updated once every two months. To allow for construction of the series, revenue data of businesses that are required to report once every two months are divided according to the two months referred to in the report, so that the relative proportion of those data will correspond with the revenue data for businesses that report monthly. Notably, the series does not include data for businesses that are required to report to VAT once a year.

The total VAT revenue includes: revenue on which VAT is due, revenue at a VAT rate of 0%, and revenue exempt from VAT.

For Trade and Services industries, a series of new indices at fixed prices appears in the Monthly Bulletin of Statistics (base 2004=100). The revenue of these industries was adjusted by appropriate price indices for each industry, based on the indices specified in the Consumer Price Index. For the rest of the industries, including Transport, Communications, Agriculture, Electricity and Water, and Construction, the indices at fixed prices are published in the CBS database. The series of indices at fixed prices was seasonally adjusted, and trend estimates were calculated using a procedure developed at the CBS, which is based on the X-12 ARIMA method and allows for the simultaneous estimation of moving festival dates and the number of trading days in Israel. A detailed, up-to-date explanation of the seasonal adjustment procedure and trend estimation can be found in [Seasonal and Prior Adjustment Factors for 2011, Trends for 2007-2011](#).

### **CHAIN STORES (Table P/2)**

The data are based on a census examination of stores whose sales are completely or mainly retail.

The survey population includes **chain stores**, i.e., several stores (at least three) that belong to the same chain. These stores usually sell the same type of commodities (such as food, clothing, footwear and fuel). The population does not include vehicle stores. Department stores which consist of different departments that sell various kinds of goods (clothing, footwear, furniture, household goods, etc.) and keep separate accounts for each department, are also included in the population.

**Sales value:** Value of all commodities that the establishment sold in the report month (commodities owned by the establishment and commodities owned by others and sold for commission fees), whether for cash or on credit, with the deduction of reductions and returns, at prices paid by the purchasers (including indirect taxes and VAT). Receipts for commodities sold prior to the report month or advance payments for commodities sold after the report month were not included.

The changes in the sales value in these stores do not necessarily reflect the changes in the sales value of consumption goods in all retail commerce. This difference takes place in cases of the movement of purchasers from the general trade framework to the framework of the examined marketing networks for various reasons, such as inauguration of new branches, purchase of existing stores, special sales, etc. Because of the high fluctuations in the monthly data which are not explained by the regular seasonality, it is advised to use trend data for the purpose of analysis.

**Index of sales value at constant prices** is based on the series at current prices, after deduction of the changes in the prices. The deduction of price changes is done with the aid of the Consumer Price Index, by commodity group. Since the commodity groups in the Consumer Price Index are not identical with those of commodities sold in marketing networks, the items in each group were adjusted approximately.

In 2009, the survey of chain stores was updated by including additional marketing networks from all commercial industries. The base was changed between 2007 and 2008. As of 2009, indices are based on average 2008=100.0. The indices for previous years (2002-2007), which were based on average 2002=100.0, were chained accordingly.

To enable measurement of changes between two periods in which the indices have different bases, indices based on 1995=100.0 are divided by the annual average index for 2002 based on 1995=100.0 (in the same commodity groups) and multiplied by 100.

Sources: The data on sales according to commodity group are obtained monthly from the firms included in the survey population.

### **SUPPLY OF DURABLE GOODS (Table P/3)**

Data on domestic production refer to the stage of the goods leaving the enterprise and for imports – to the stage of release of goods by the customs. Data on imports also include goods which are partly or fully exempt from customs duty.

The data refer to supply to the domestic market and not to sales to consumers. The supply may differ from the sales because of changes in stocks held by the merchants.

**Cars** – new passenger cars (excluding taxis). As of 2003, includes various models of jeeps and minivans.

**Television sets** – household units.

**Washing machines** – household units with a drum volume not exceeding 90 litres.

**Clothes dryers** – household units with a dry clothing capacity not exceeding 10 kg.

**Dishwashers** – household units.

**Refrigerators and deep freezers** – refrigerators and deep freezers for household use.

**DVDs and Video sets** – household units. As of January, 2008, videos are reported together with DVDs.

**Air conditioners** – up to 5 tons of cold air capacity (split units and mini-centrals).

Sources: Data on domestic production of air conditioners were collected from producers until December 2009. Since then, collection of data has been discontinued. Data on imports are received from the Customs and Excise Department.

### **ACCOMMODATION SERVICES (Table P/4)**

#### **Tourist hotels**

**Rooms:** Rooms with at least one bed intended for accommodating guests, even if the hotel is seasonally closed. Not included are rooms for staff, offices, dining room lounges, halls, store-rooms, or rooms and apartments not intended for guests, etc. A suite is counted as one room.

The number of rooms includes rooms in temporarily closed hotels (due to renovations or seasonal reasons).

**Beds:** Beds provided permanently in the hotels in the above-mentioned rooms. A double bed is counted as two beds; excluding baby beds and children's cots which are not permanent.

**Guest:** A guest, including a child, who registered at a hotel and stayed for at least one night (including guests exempt from payment). A guest who left the hotel and registered again (even if it was during the same month) is considered as two guests.

**Tourist:** A person who, on booking into a hotel, registers with a foreign passport (includes foreign workers and diplomats).

**Israeli:** A person who, on booking into a hotel, registers with an Israeli identity card, including immigrants and potential immigrants, as well as guests from Judea and Samaria (until 2005 – Judea, Samaria and the Gaza Areas).

**Person-nights:** All person-nights of the above-mentioned guests in the hotels; excluding person-nights of owners of private apartments, which are not available for other guests in the hotel. One night spent by a single guest in a room with two beds or with a double bed or in a suite is counted as one person-night.

**Potential person-nights:** The number of beds (as defined above) multiplied by the number of nights the hotel was open during the surveyed period.

**Percentage of bed occupancy:** Total person-nights in the hotels during the period under review, as a percentage of the total potential person-nights.

**Potential rooms:** The number of rooms (as defined above) multiplied by the number of days the hotel was open during the surveyed period.

**Percentage of room occupancy:** Total rooms occupied in open hotels, as a percentage of the total potential rooms during the surveyed period.

### **Employment, wages and revenue**

**Jobs (formerly: employed persons):** Employees, as well as proprietors and members of their families working in the above hotels without pay. In guest houses in kibbutzim and collective moshavim, also includes members of the kibbutz/moshav and volunteers in the guest house without pay (who are classified as proprietors and family members). Excluding persons employed by personnel agencies.

**Employee jobs (formerly: employees):** Persons who worked in a hotel for at least one day in the reported month and received wages, including part-time workers and share holders drawing wages or salary from the hotel.

**Wages:** All the sums appearing in the payrolls of the surveyed month, on which income tax is due (before deduction of taxes), including basic wages, allowances (overtime pay, cost-of-living, family, seniority), fare, premiums, recreation allowance, etc. Until the reform in the system of wages in the hotel industry, service charges collected by the hotel were also included (whether paid directly by the hotel or distributed among the employees from a common pool). Not included are fringe benefits (social benefits).

**Revenue:** Gross revenue (including VAT) from person-nights and from long-term rental of rooms as well as revenue from other services, such as organizing parties, special events and days of study, leasing halls and stores, meals, drinks, bars, night clubs, swimming pools, day-time use of rooms without overnight lodging, and deposits for cancelled orders of rooms. Also included are amounts that were collected from employees (for meals, accommodation, etc.). Subsidies, government incentives and special compensations are not included.

### **Other hotels**

This category includes hotels and other types of accommodation (which are not tourist hotels) and which are not included in one of the following categories: “youth hostels affiliated with the Youth Hostels Association”, “rural tourism in kibbutzim and collective

moshavim", "other rural tourism", "field schools with hostels", and "Christian hospices" (see definitions for some of these categories below).

The data for "other hotels" are obtained by means of a sample. In 1997 a new sample was drawn.

### **Youth hostels**

Youth hostels affiliated with the Youth Hostel Association, (among them, one in the Ezyon Region).

### **Rural tourism in kibbutzim and collective moshavim**

In 1996, this market segment was surveyed for the first time.

All "other" accommodations existing in kibbutzim and collective moshavim that are not examined within the framework of other series, i.e., individual accommodation units (rooms, apartments), hostels, camping grounds, "seminar centres", etc, excluding guesthouses listed as tourist hotels (see above), youth hostels affiliated with the Youth Hostel Association, and field schools located in kibbutzim (see below).

### **Private rural tourism**

This market segment has been surveyed as of 2005.

All guest rooms in rural localities, except for those in kibbutzim and collective moshavim.

### **Field schools**

Field schools, which belong to The Society for the Protection of Nature, run a number of programs – guided tours, activities with the population in the close neighbourhood, research of the region, and practical activities for the preservation of nature and environment. Field schools also run youth hostels.

Detailed data on tourism and tourist services appear in the *Tourism and Hotel Services Statistics Quarterly* and in the publication on tourism, published by the CBS.<sup>1</sup>

## **Q. TRANSPORT AND COMMUNICATIONS**

### **Revenue and physical data**

The data are based on direct reporting of the main companies in each of the industries.

**Bus services on scheduled routes:** Bus services (including minibuses) open to the general public for a fee, which operate according to a set schedule and fixed routes. Does not include: buses whose main activity is special rides.

**Kilometers travelled (kilometrage):** The number of kilometers that a motor vehicle has travelled during a given period.

**Charter flight:** A flight for which the organizer charts the seating capacity of an airplane from any company. The charter may be for one flight or for a series of flights.

### **ROAD ACCIDENTS WITH CASUALTIES**

**Road accident with casualties:** A road accident involving at least one road vehicle in motion, resulting in at least one injured or killed person. Data include only road accidents reported to the Israeli Police. The Israeli Police does not record accidents with only army vehicles involved. The CBS data distinguish between an accident defined by the Israeli

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<sup>1</sup> The last one: CBS, *Tourism 2009*, Special Publication 1427, Jerusalem, 2011.

Police as an accident that is investigated by the Police (Road Accident file) and an accident that is not investigated (General With Casualties file). The CBS data also distinguish between national data (not including the Judea and Samaria Area) and data on accidents that occurred in the Judea and Samaria Area. The tables in this publication do not include data on accidents that occurred in the Judea and Samaria Area.

**The severity of the accident** is determined by the most serious injury:

**Fatal road accident:** A road accident in which at least one person was killed, or a road accident in which at least one person was injured and died of his or her injuries within 30 days.

**Serious road accident:** A road accident in which at least one person was seriously injured, and in which no one was killed.

**Slight road accident:** A road accident in which at least one person was slightly injured, and in which no one was killed or seriously injured.

**Severity of injury:**

**Person killed in road accident:** A person who died in a road accident, or a person who was injured in a road accident and died of his or her injuries within 30 days.

**Person seriously injured in road accident:** A person who was injured in a road accident and was hospitalized for a period of 24 hours or more, and not for observation only.

**Person slightly injured in road accident:** A person who was injured in a road accident and was not hospitalized, or was hospitalized for a period of less than 24 hours or was hospitalized for observation only.

Detailed explanations on transport and communication appear in the [Transport Statistics Quarterly](#) only on the CBS Website, as well as in other publications that appear on the CBS Website.

## **R. PUBLIC ORDER**

Data are received every month from the Israel Police.

Files opened in the police are examined, including investigation files: details of the event – criminal events recorded by the police, and no-prosecution files.

The offences include crimes and misdemeanours – except for traffic offences and offences against by-laws.

An investigation file may include several offences, but the data represent the most severe offence in that file.