

Media Release

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Supply and Demand in the Labour Market in Israel in October-December 2023 and Annual data of 2023 based on a joint analysis of data from Labour Force Survey and Job Vacancy Survey

This press release presents findings from a joint analysis of data from Labour Force Survey and Job Vacancy Survey, in which a comparison was made between the labour supply and the labour demand.

Labour Supply - the number of persons who sought work in the last 12 months.

Including: employed persons looking for another job or a job with a larger number of working hours during the last four weeks, unemployed persons and those who are not in the labour force and sought work during the last 12 months.

Labour Demand - the number of job vacancies.

Supply to demand ratio - the ratio between the job seekers (applicants) and the number of job vacancies.

See detailed definitions at the end of this press release.

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In the fourth quarter of 2023

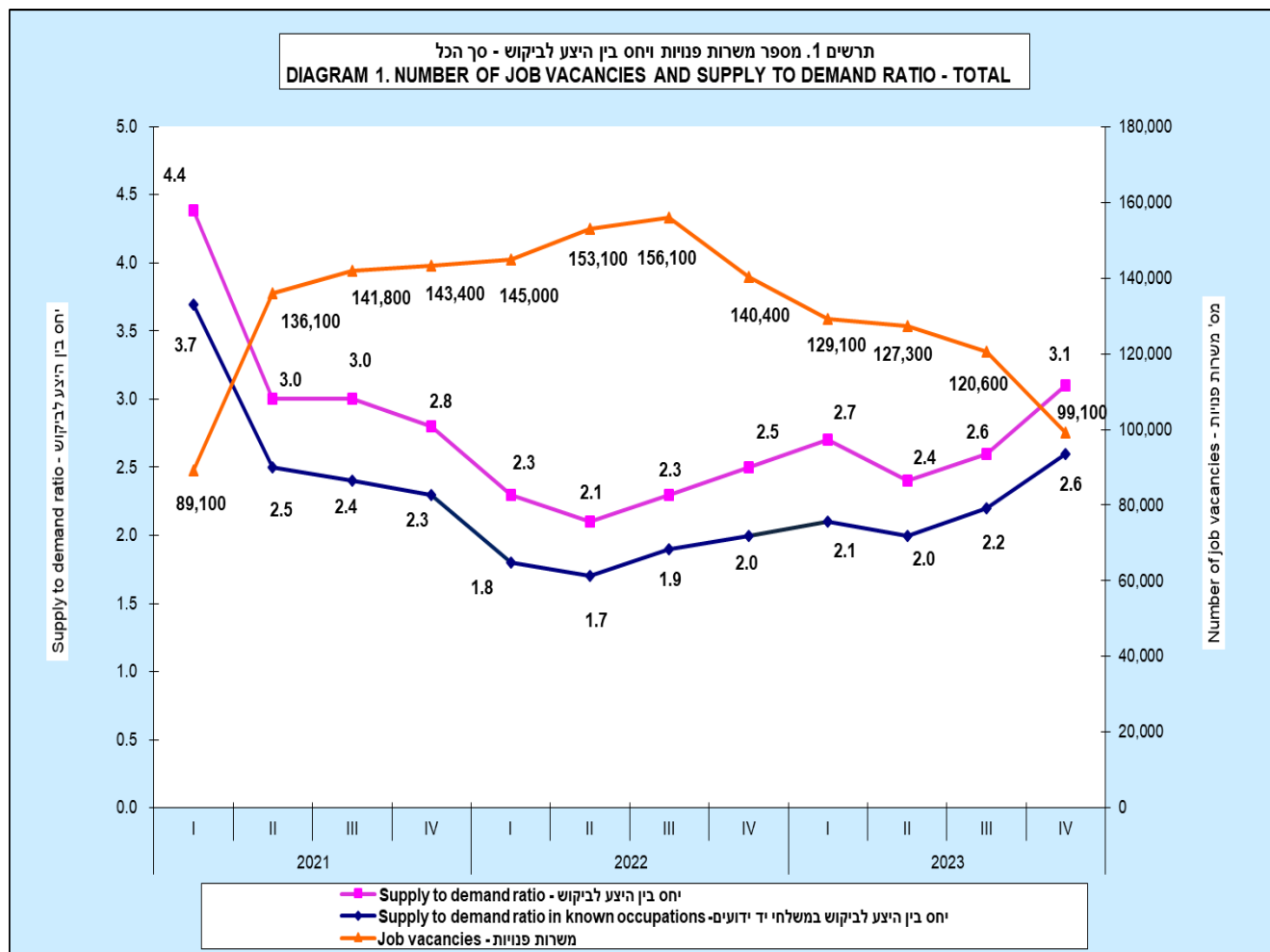
- The number of job vacancies (average per month), decreased to 99,100 (compared with 120,600 job vacancies in the third quarter of 2023).
- The supply to demand ratio (the ratio between applicants to work and job vacancies) increased to 3.1 (compared with 2.6 in the previous quarter).
- The supply to demand ratio among known occupations increased to 2.6 (compared with 2.2 in the previous quarter).
- The supply to demand ratio of less than 1 (i.e., the number of job vacancies surpasses supply) occurred among Software developers, Building finishers and related trades workers and among these occupations groups House builders, Bricklayers and related workers, Stonemasons, stone cutters, splitters and carvers, Concrete placers, concrete finishers and related workers, Building frame and related trades workers, Floor layers and tile setters and Plasterers. The supply to demand ratio of more than 6 (i.e., the number of applicants to work was 6 times higher than the number of job vacancies) occurred among Financial and mathematical associate professionals and among Administrative and specialized secretaries.

Summary 2023

- In 2023 the number of job vacancies (average per month) decreased to approximately 119,000 jobs (compared with approximately 148,600 jobs vacancies in 2022).
- In 2023 the supply to demand ratio increased to 2.7 compared with 2.3 in 2022.
- In 2023 the supply to demand ration among known occupations increased to 2.2 compared with 1.9 in 2022.
- Data on supply components in the 2023: employed persons seeking work – 24.5%, unemployed persons – 42.2% and those who didn't participate in the weekly labour force and sought work – 33.3%.

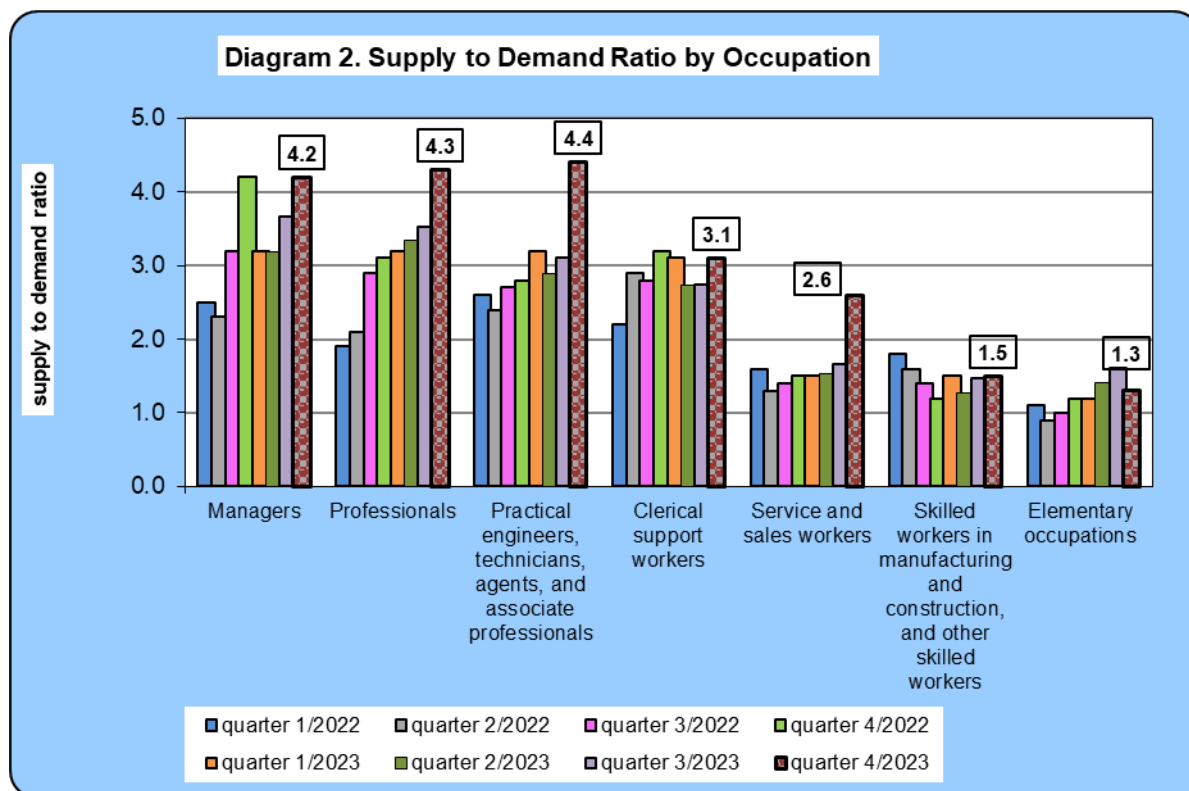
In the fourth quarter of 2023 the number of job vacancies (average per month) decreased to 99,100 jobs (compared with 120,600 job vacancies in the third quarter of 2023). The supply to demand ratio in the fourth quarter of 2023 increased to 3.1 (compared with 2.6 in the third quarter of 2023). The supply to demand ratio among known occupations in

the fourth quarter of 2023 increased to 2.6 (compared with 2.2 in the third quarter of 2023). It should be noted that among the job seekers (labour supply) there are 17% of those, whose occupation in which they wish to work is unknown.



Occupations for fourth quarter of 2023 (October-December)

In the fourth quarter of 2023 the supply to demand ratio increased compared with the third quarter of 2023 among the all major groups excluding the major group **Skilled workers in manufacturing and construction, and other skilled workers** where the supply to demand ratio was unchanged, and the major group **Elementary occupation** where the supply to demand ratio decreased compared with the third quarter of 2023.



Managers

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Managers** decreased to 1,600 jobs (compared 2,200 in the third quarter of 2023). The supply to demand ratio increased to 4.2 (compared with 3.7 in the previous quarter).

תרשים 3. מספר משרות פנויות ויחס בין היצע לביקוש - מנהלים
 DIAGRAM 3. NUMBER OF JOB VACANCIES AND SUPPLY TO DEMAND RATIO - MANAGERS

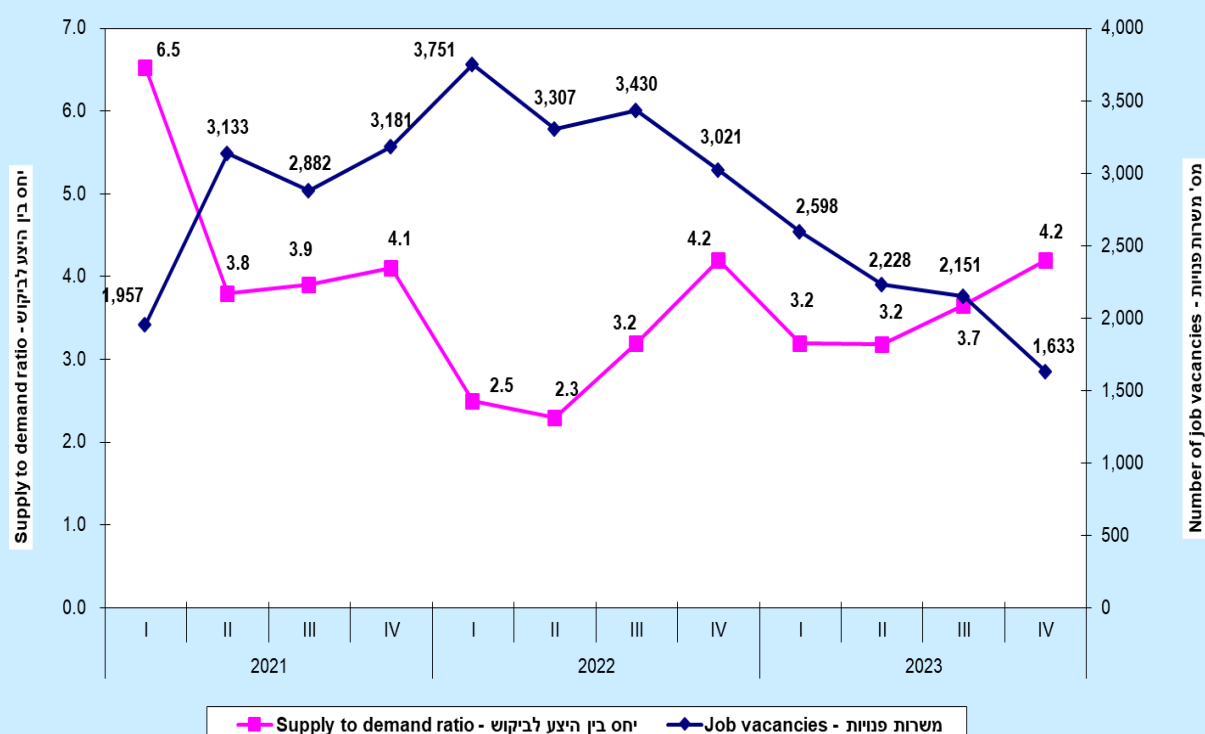
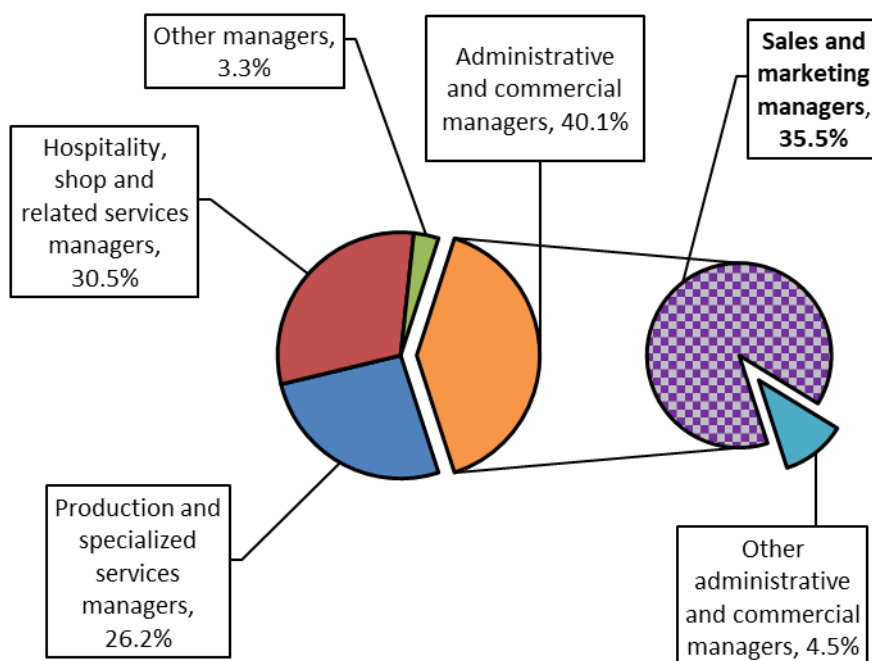


Table A- Supply to demand ratio among Managers

Group code	Group name	Supply to demand ratio Quarter III 2023	Supply to demand ratio Quarter IV 2023
12	Administrative and commercial managers	..	4.5
13	Production and specialized services managers	5.6	4.5

The highest demand of Managers was for **Administrative and commercial managers** (code 12) and accounted for approximately 40% of the demand for Managers. Out of them the highest demand was for **Sales and marketing managers** (code 1221). There is a noticeable demand for **Hospitality, shop and related services managers** (code 14) which accounted for approximately 30% of the demand for Managers.

DIAGRAM 4. JOB VACANCIES AMONG MANAGERS



Professionals

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Professionals** decreased to 17,400 jobs (compared with 21,800 in the third quarter of 2023). The supply to demand ratio increased to 4.3 (compared with 3.5 in the previous quarter).

תרשים 5. מספר משרות פנויות ויחס בין היצע לביקוש - בעלי משלח יד אקדמי
 DIAGRAM 5. NUMBER OF JOB VACANCIES AND SUPPLY TO DEMAND RATIO - PROFESSIONALS

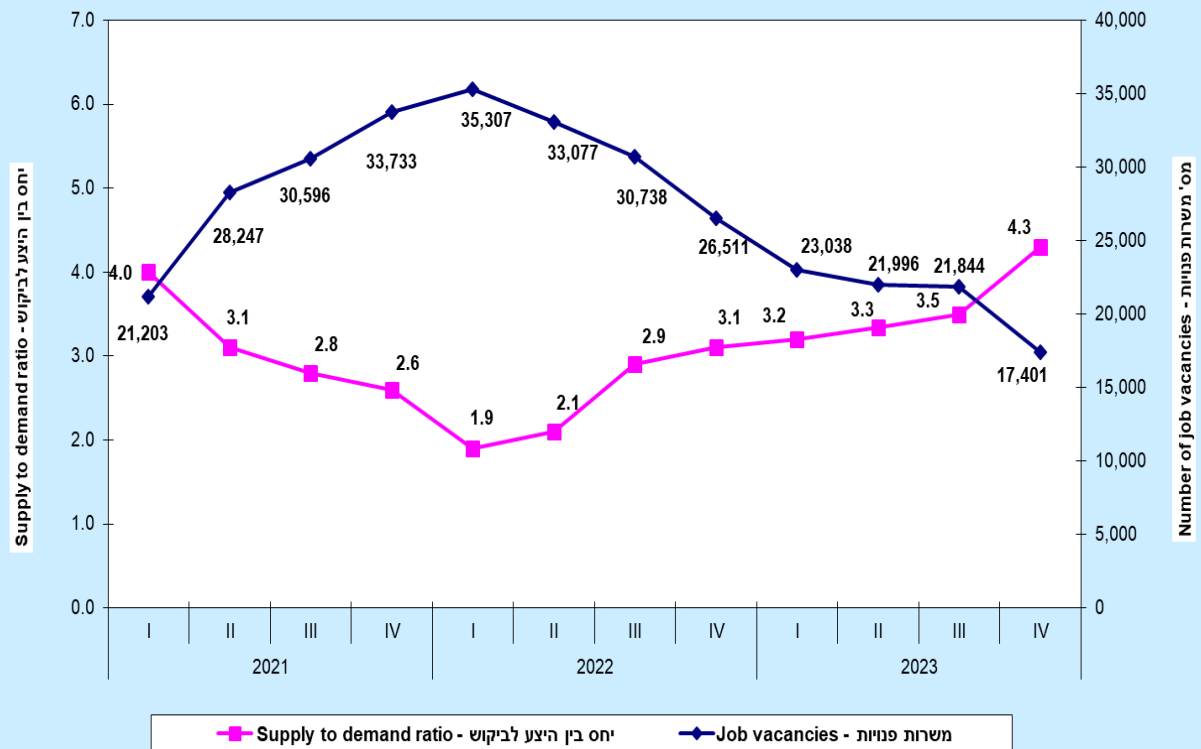
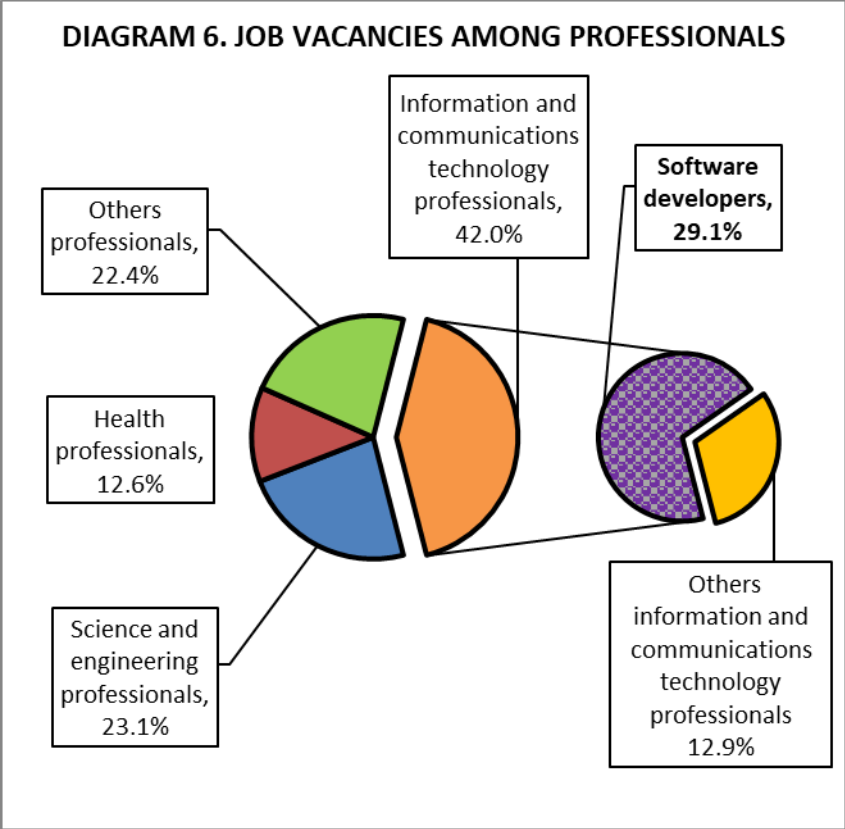


Table B- Supply to demand ratio among Professionals

Group code	Group name	Supply - to - demand ratio Quarter III 2023	Supply - to - demand ratio Quarter IV 2023
21	Science and engineering professionals	2.7	3.8
22	Health professionals	2.5	2.0
25	Information and communications technology professionals	1.9	2.0
2512	Software developers	1.3	0.9

The supply to demand ratio in the occupation group **Software developers** (code 2512) was 0.9, in other words the number of job vacancies surpasses supply.

The highest demand of Professionals was for **Information and communications technology professionals** (code 25) and accounted for approximately 42% of the demand for Professionals. Out of the occupational group of Information and communications technology professionals the highest demand was for **Software developers** (code 2512) – 29% of the demand for Professionals.



Practical engineers, technicians, agents and associate professionals

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Practical engineers, technicians, agents and associate professionals** decreased to 7,800 jobs (compared with 11,400 jobs vacancies in the third quarter of 2023). The supply to demand ratio increased to 4.4 (compared with the 3.1 in the previous quarter).

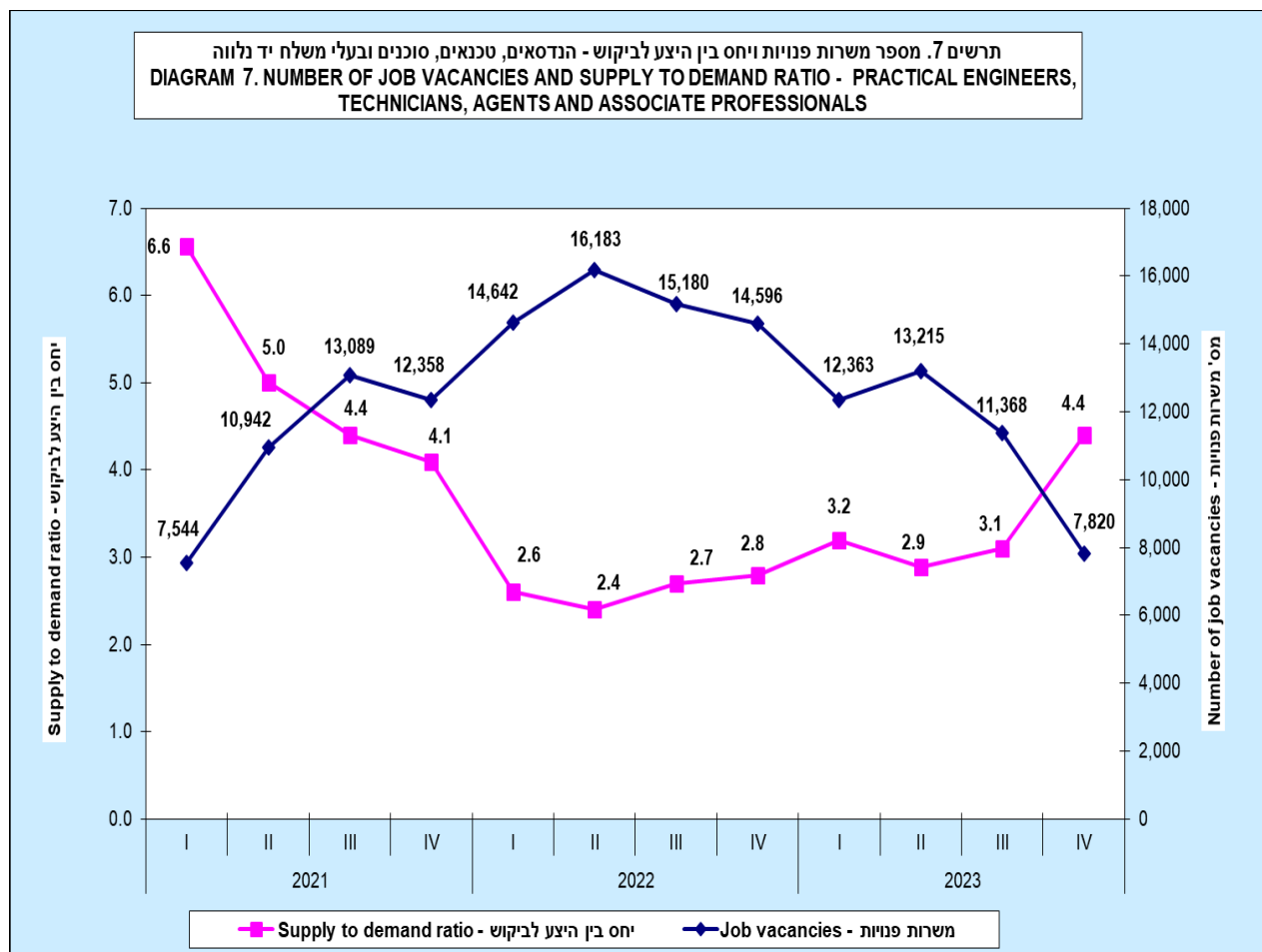
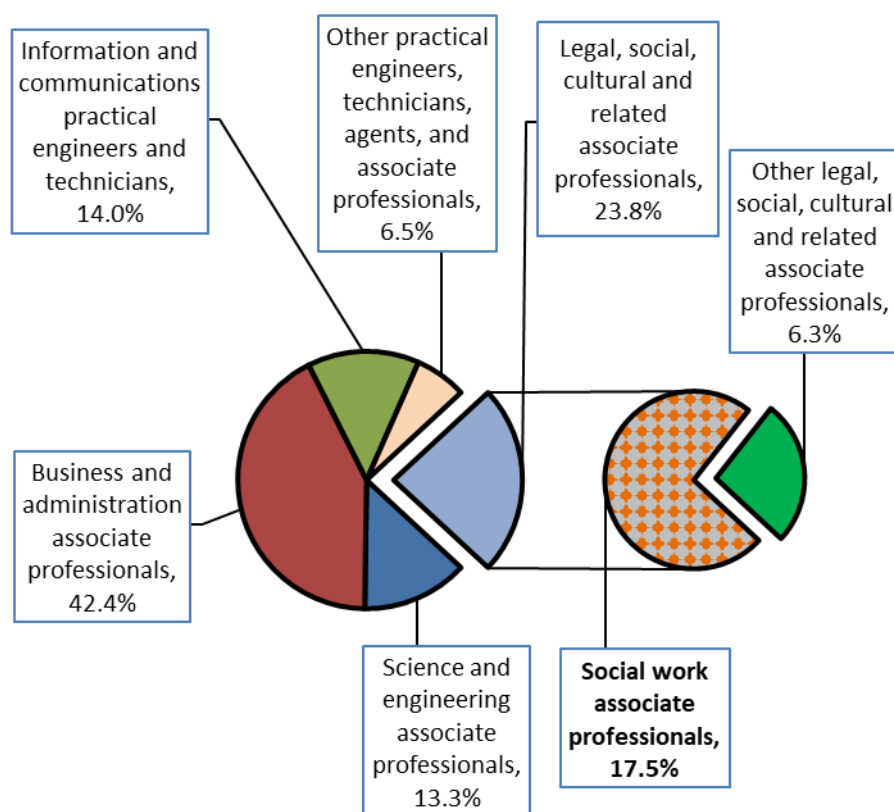


Table C- Supply to demand ratio among Practical engineers, technicians, agents and associate professionals

Group code	Group name	Supply - to - demand ratio Quarter III 2023	Supply - to - demand ratio Quarter IV 2023
31	Science and engineering associate professionals	3.2	3.3
33	Business and administration associate professionals	3.8	5.8
34	Legal, social, cultural and related associate professionals	2.6	3.2
3412	Social work associate professionals	1.1	..
35	Information and communications practical engineers and technicians	1.3	2.5

The highest demand of Practical engineers, technicians, agents and associate professionals was for **Business and administration associate professionals** (code 33) and accounted for approximately 42% of the demand for Practical engineers, technicians, agents and associate professionals. The demand for **Legal, social, cultural and related associate professionals** (code 34) was accounted for approximately 24% of the demand for Practical engineers, technicians, agents and associate professionals. Out of them, the highest demand was for **Social work associate professionals** (code 3412).

DIAGRAM 8. JOB VACANCIES AMONG PRACTICAL ENGINEERS, TECHNICIANS, AGENTS AND ASSOCIATE PROFESSIONALS



Clerical support workers

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Clerical support workers** decreased to 5,200 jobs (compared with 7,900 jobs in the third quarter of 2023). The supply to demand ratio increased to 3.1 (compared with 2.7 in the previous quarter).

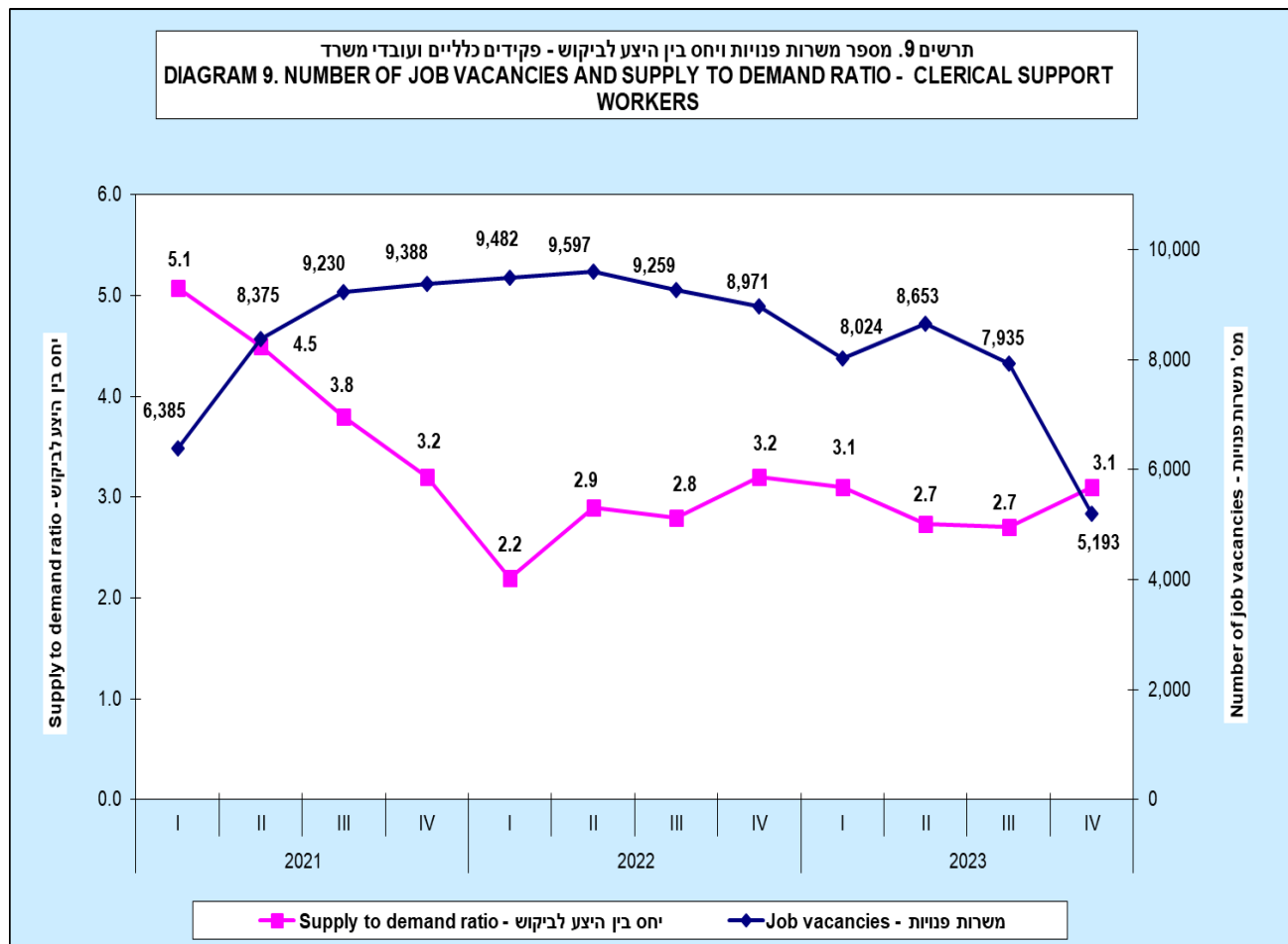
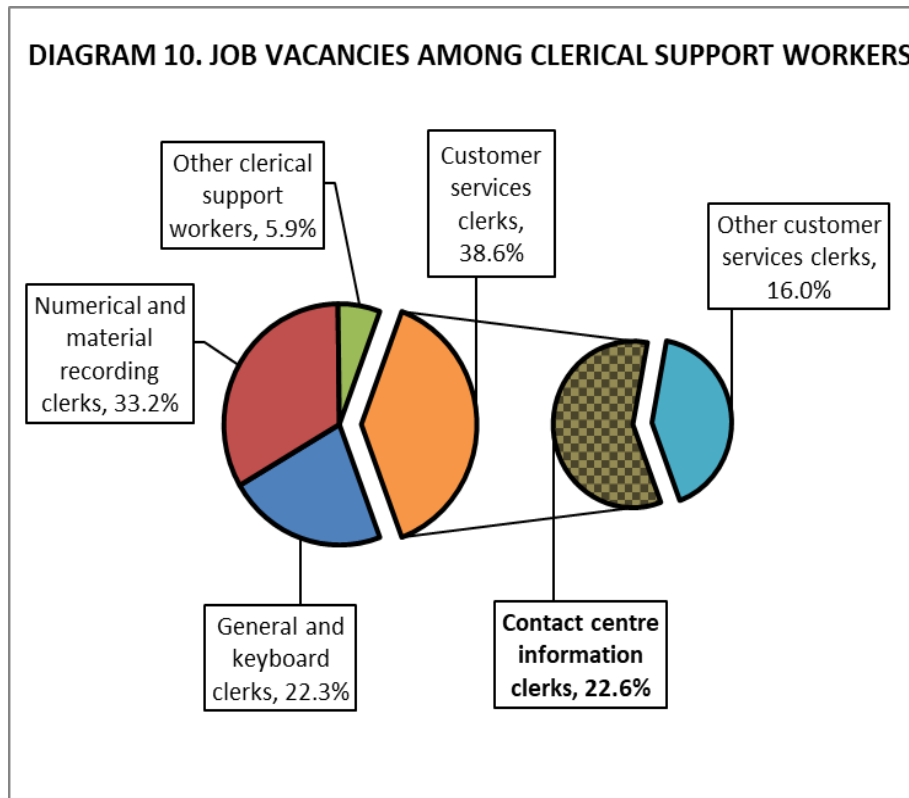


Table D - Supply to demand ratio among Clerical support workers

Group code	Group name	Supply to demand ratio Quarter III 2023	Supply to demand ratio Quarter IV 2023
41	General and keyboard clerks	3.9	6.0
42	Customer services clerks	2.3	2.5
4222	Contact centre information clerks	1.8	1.7
43	Numerical and material recording clerks	1.7	2.2

The highest demand of Clerical support workers was for **Customer services clerks** (code 42) and accounted for approximately 39% of the demand for Clerical support workers. Out of them, the highest demand was for **Contact centre information clerks** (code 4222). The demand for **Numerical and material recording clerks** (code 43) accounted for approximately 33% of the demand for Clerical support workers.



Service and sales workers

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Service and sales workers** decreased to 24,700 jobs (compared with 36,100 jobs in the third quarter of 2023). The supply to demand ratio increased to 2.6 (compared with 1.7 in the previous quarter).

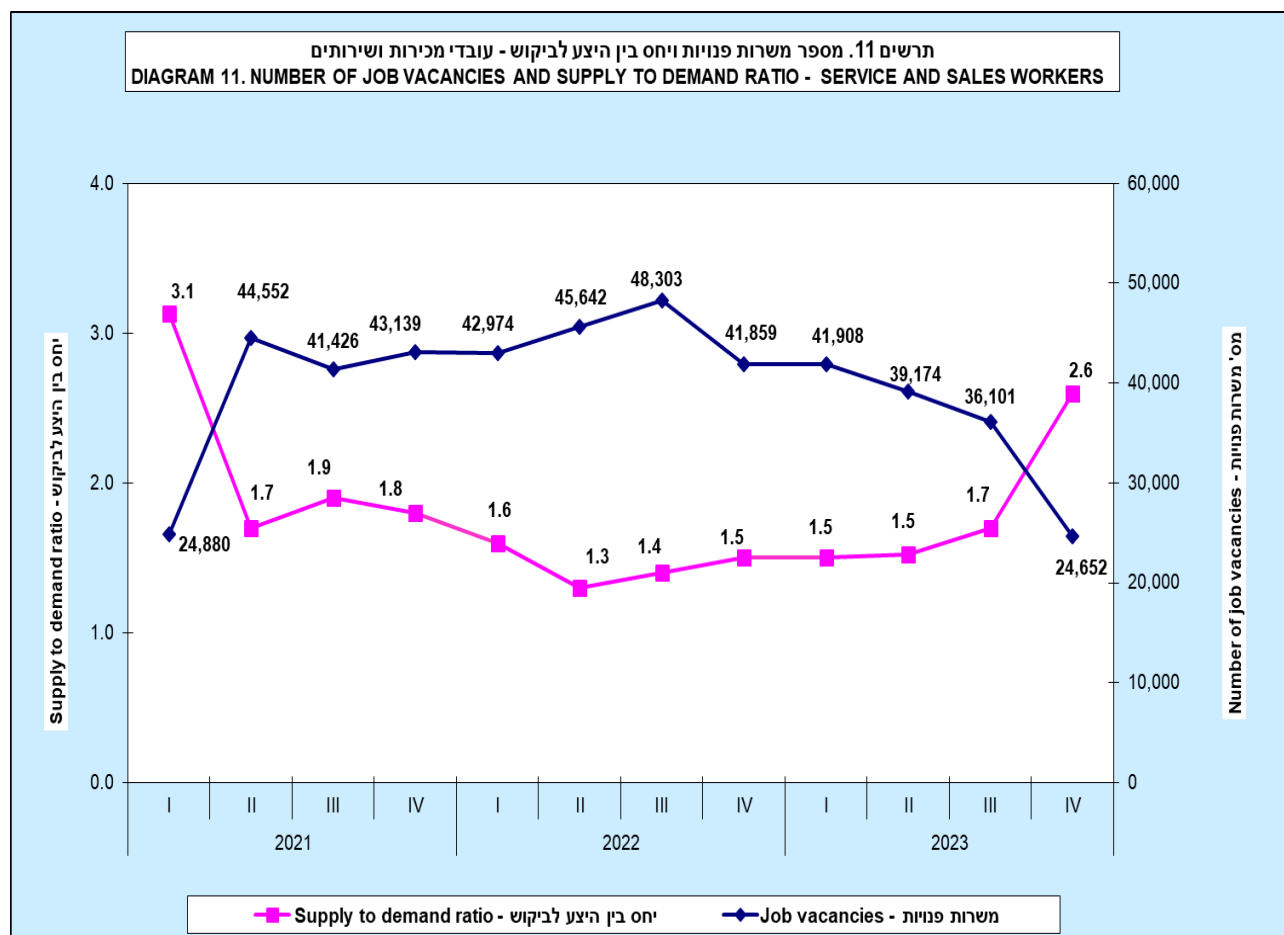
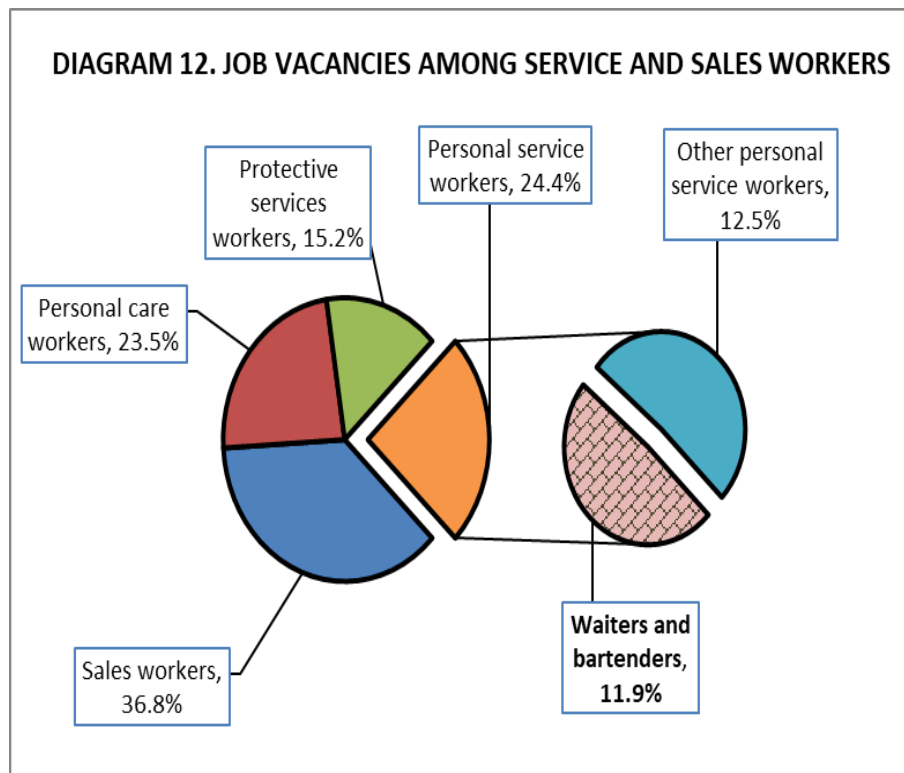


Table E - Supply to demand ratio among Service and sales workers

Group code	Group name	Supply to demand ratio Quarter III 2023	Supply to demand ratio Quarter IV 2023
51	Personal service workers	1.8	3.1
513	Waiters and bartenders	1.7	3.5
52	Sales workers	1.4	2.8
53	Personal care workers	2.1	2.4
54	Protective services workers	1.3	1.6

The highest demand of Service and sales workers was for **Sales workers** (code 52) and accounted for approximately 37% of the demand for Service and sales workers. There is a noticeable demand for **Personal service workers** (code 51) which accounted for approximately 24% of the demand for Service and sales workers. Out of them, the highest demand was for **Waiters and bartenders** (code 513) .



Skilled workers in manufacturing and construction and other skilled workers

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Skilled workers in manufacturing and construction and other skilled workers** increased to 28,200 jobs (compared with 27,400 jobs in the third quarter of 2023). The supply to demand ratio was 1.5 (unchanged compared with the previous quarter).

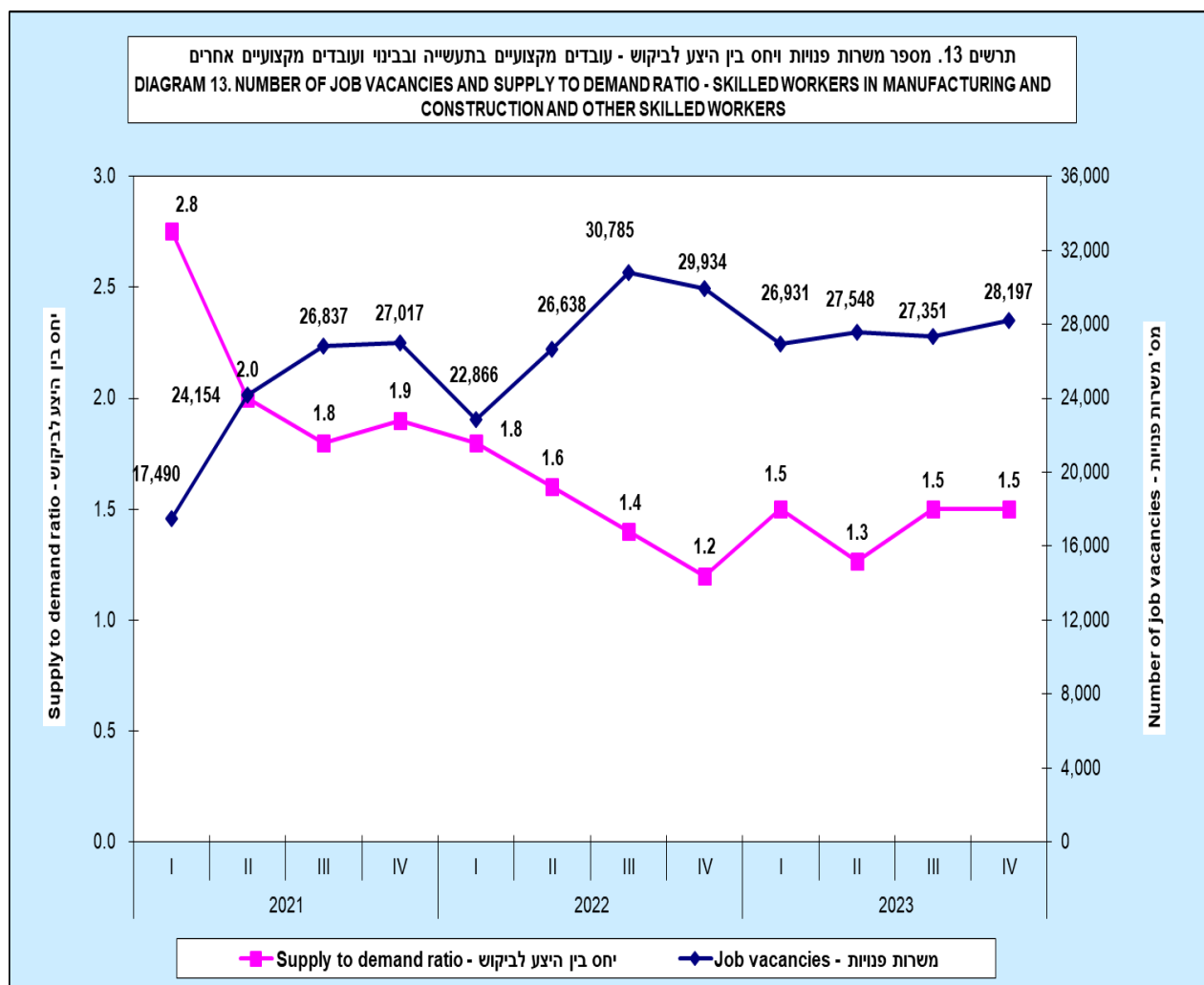


Table F - Supply to demand ratio among Skilled workers in manufacturing and construction and other skilled workers

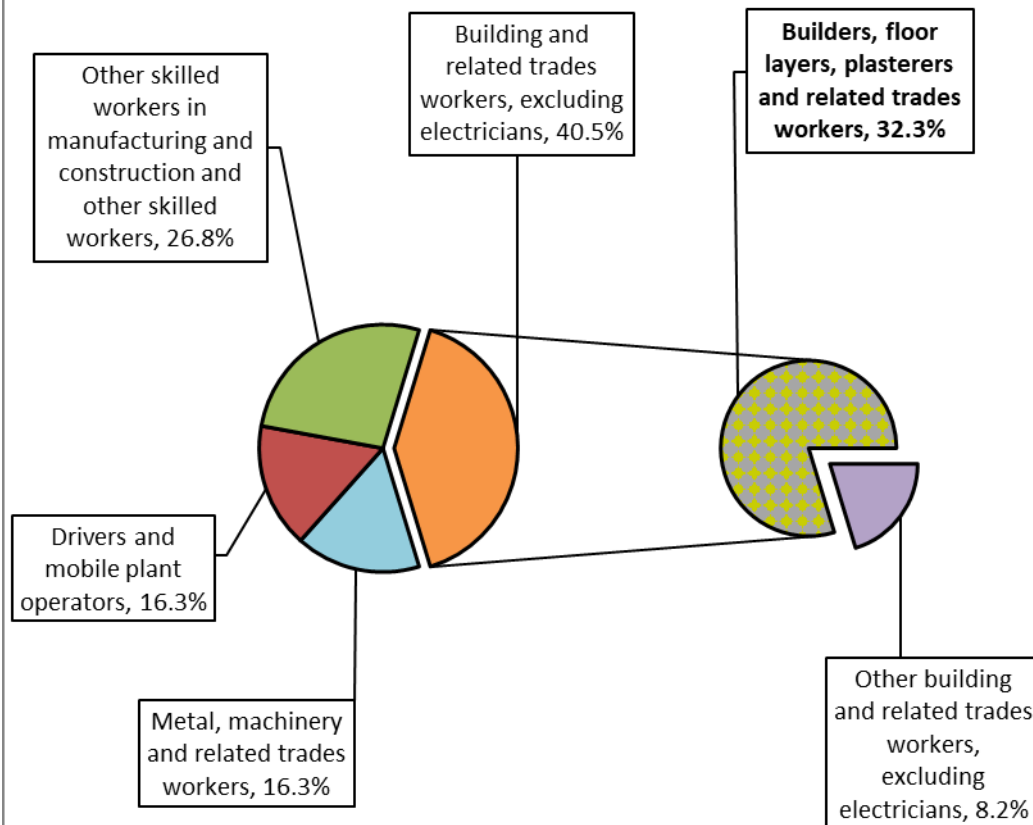
Group code	Group name	Supply to demand ratio Quarter III 2023	Supply to demand ratio Quarter IV 2023
71	Building and related trades workers, excluding electricians	1.7	1.1
711-712*	Builders, floor layers, plasterers and related trades workers	1.7	0.9
72	Metal, machinery and related trades workers	0.6	1.1
83	Drivers and mobile plant operators	1.9	3.1

* Includes the following occupations: House builders (7111), Bricklayers and related workers (7112), Stonemasons, stone cutters, splitters and carvers (7113), Concrete placers, concrete finishers and related workers (7114), Building frame and related trades workers n.e.c.(7119), Floor layers and tile setters (7122) and Plasterers (7123).

The highest demand out for Skilled workers in manufacturing and construction and other skilled workers was for **Building and related trades workers, excluding electricians** (code 71) and accounted for approximately 41% of the demand for Skilled workers in manufacturing and construction and other skilled workers. Out of this occupational group the highest demand was for the following occupations: **House builders** (7111), **Bricklayers and related workers** (7112), **Stonemasons, stone cutters, splitters and carvers** (7113), **Concrete placers, concrete finishers and related workers** (7114), **Building frame and related trades workers n.e.c.**(7119), **Floor layers and tile setters** (7122) and **Plasterers** (7123).

The supply to demand ratio in this group was low than 1, i.e. the number of job vacancies surpasses supply.

DIAGRAM 14. JOB VACANCIES AMONG SKILLED WORKERS IN MANUFACTURING AND CONSTRUCTION AND OTHER SKILLED WORKERS



Elementary occupations

In the fourth quarter of 2023 the number of job vacancies (average per month) among **Elementary occupations** increased to 12,400 jobs (compared with 11,300 jobs in the third quarter of 2023). The supply to demand ratio decreased to 1.3 (compared with 1.6 in the previous quarter).

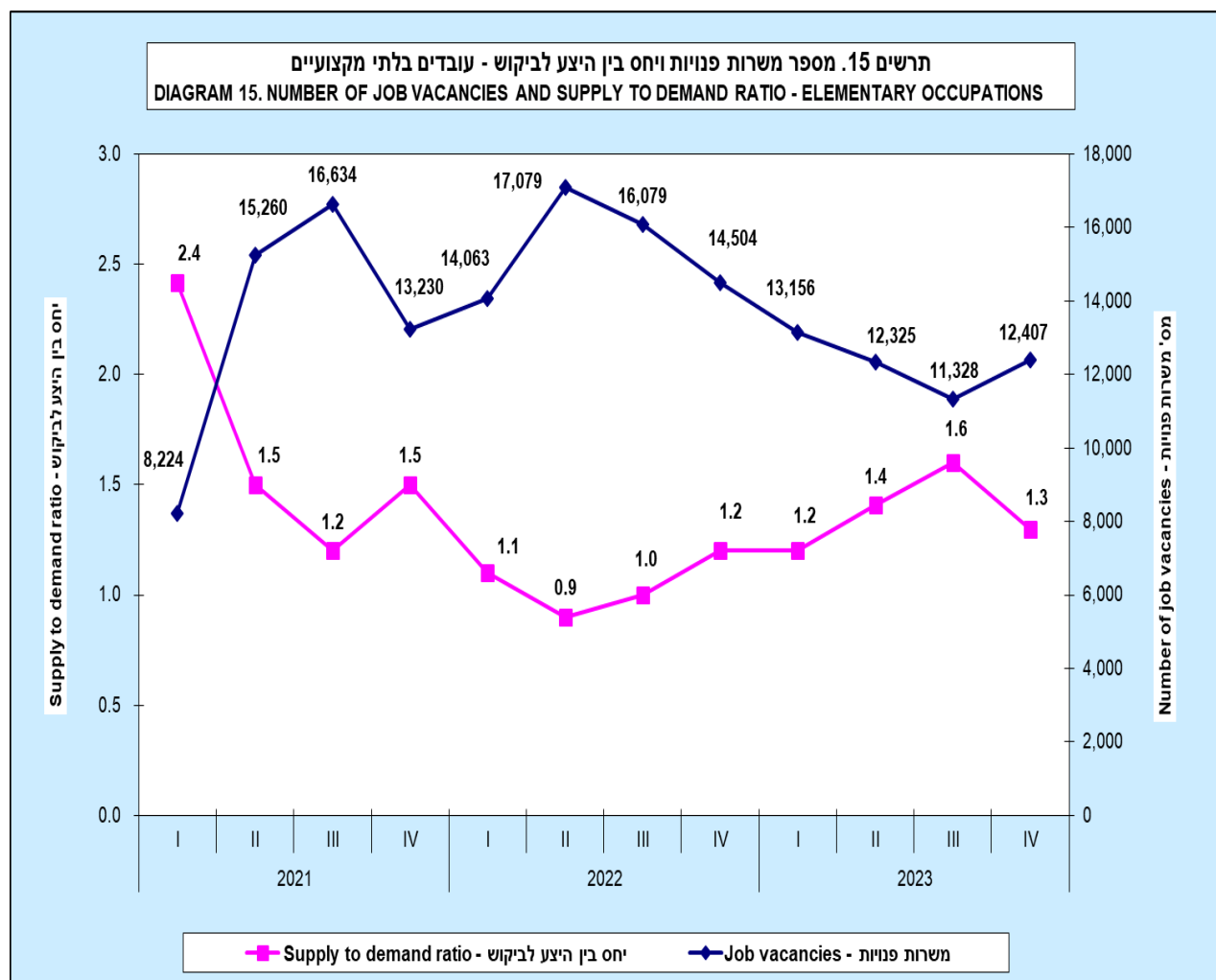
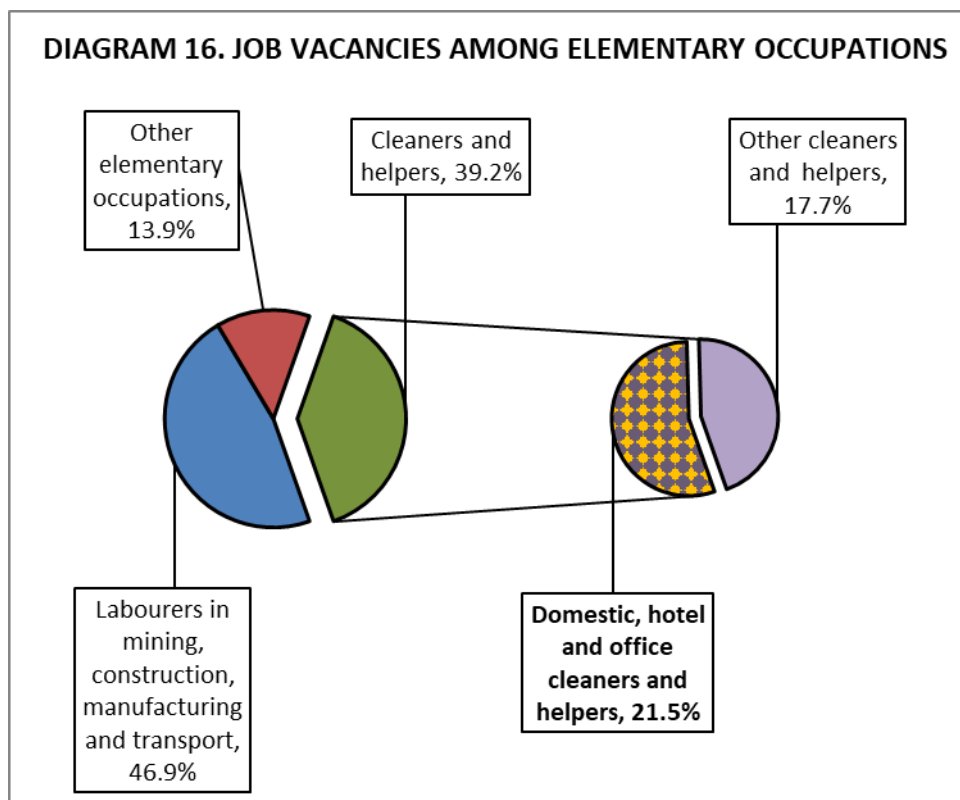


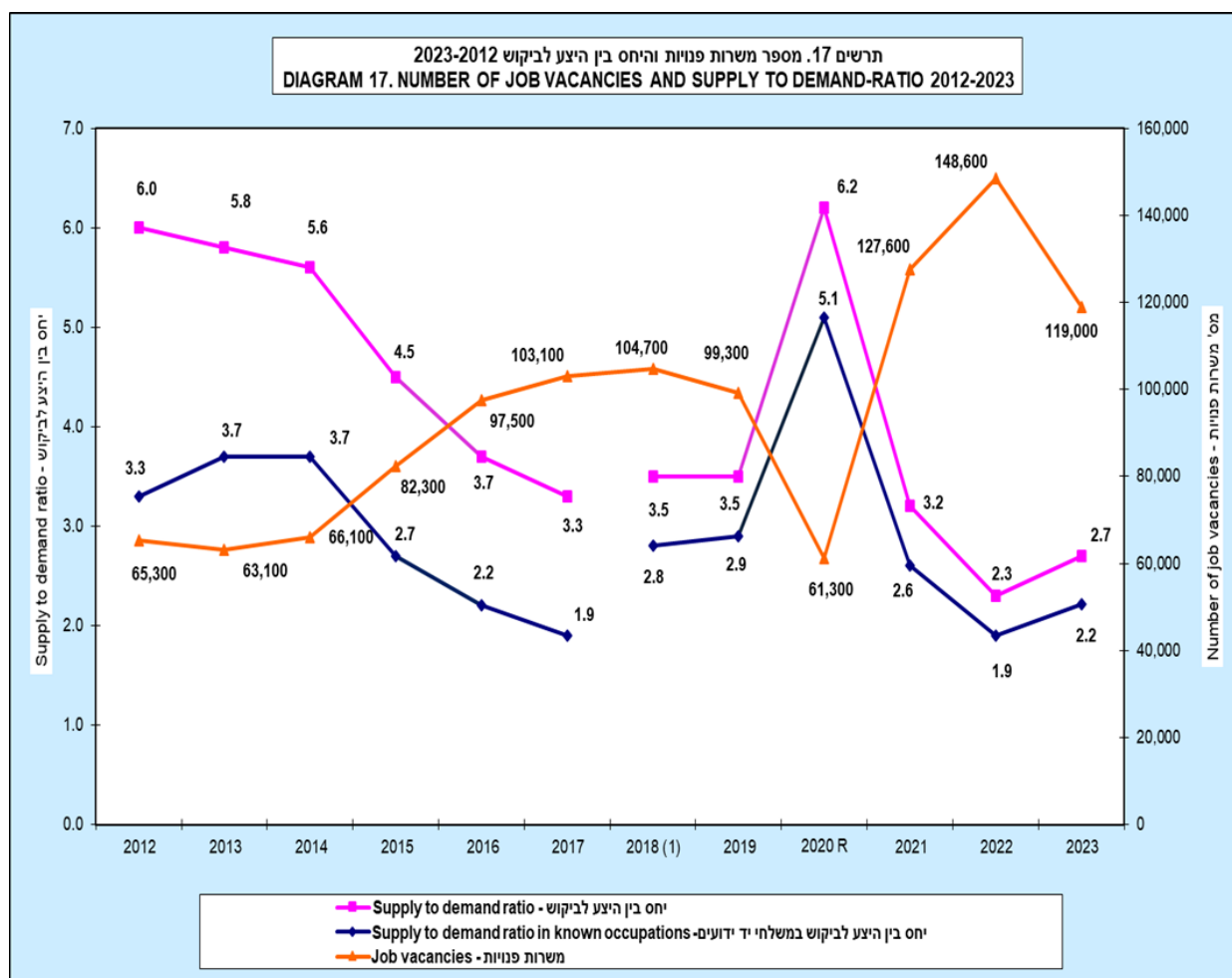
Table H - Supply to demand ratio among Elementary occupations

Group code	Group name	Supply to demand ratio Quarter III 2023	Supply to demand ratio Quarter IV 2023
91	Cleaners and helpers	0.8	1.0
911	Domestic, hotel and office cleaners and helpers	1.3	1.5
93	Labourers in mining, construction, manufacturing and transport	2.7	1.0

The highest demand of Elementary occupations was for **Labourers in mining, construction, manufacturing and transport** (code 93) and accounted for approximately 47% of the demand for Elementary occupations. The demand for **Cleaners and helpers** (code 91) accounted for approximately 39% of the demand for Elementary occupations. Out of this occupational group the highest demand was for **Domestic, hotel and office cleaners and helpers** (code 911).



Summary 2023 - main findings¹



(1) Starting from January 2018 the definition of the labor supply was changed according to the changes made in the Labor Force Survey questionnaire.

The number of job vacancies (average per month) decreased in 2023 to 119,000 jobs (compared with 148,600 job vacancies in 2022). The supply to demand ratio increased to 2.7 (compared with 2.3 in the previous year). The supply to demand ratio among known occupations increased to 2.2 (compared with 1.9 in the previous year).

Managers

In 2023 the number of job vacancies (average per month) among **Managers** decreased to approximately 2,200 jobs (compared with approximately 3,400 jobs in 2022). The supply to demand ratio increased to 3.5 (compared with 3.0 in the previous year).

¹ Job vacancy estimates in 2020 were updated compared to their previous annual publication as a result of a statistical procedure that was carried out due to the beginning of the Coronavirus crisis. Due to the update in the number of job vacancies, the supply-to-demand ratio also changed.

Professionals

In 2023 the number of job vacancies (average per month) among **Professionals** decreased to approximately 21,100 jobs (compared with approximately 31,400 jobs in 2022). The supply to demand ratio increased to 3.6 (compared with 2.4 in the previous year).

Practical engineers, technicians, agents and associate professionals

In 2023 the number of job vacancies (average per month) among **Practical engineers, technicians, agents and associate professionals** decreased to approximately 11,200 jobs (compared with approximately 15,200 jobs in 2022). The supply to demand ratio increased to 3.3 (compared with 2.6 in the previous year).

Clerical support workers

In 2023 the number of job vacancies (average per month) among **Clerical support workers** decreased to approximately 7,500 jobs (compared with approximately 9,300 jobs in 2022). The supply to demand ratio increased to 2.9 (compared with 2.8 in the previous year).

Service and sales workers

In 2023 the number of job vacancies (average per month) among **Service and sales workers** decreased to approximately 35,500 jobs (compared with approximately 44,700 jobs in 2022). The supply to demand ratio increased to 1.7 (compared with 1.4 in the previous year).

Skilled workers in manufacturing and construction, and other skilled workers

In 2023 the number of job vacancies (average per month) among **Skilled workers in manufacturing and construction, and other skilled workers** decreased to approximately 27,500 jobs (compared with approximately 27,600 jobs in 2022). The supply to demand ratio decreased to 1.4 (compared with 1.5 in the previous year).

Elementary occupations

In 2023 the number of job vacancies (average per month) among **Elementary occupations** decreased to approximately 12,300 jobs (compared with approximately 15,400 jobs in 2022). The supply to demand ratio increased to 1.4 (compared with 1.0 in the previous year).

Diagram 18. Supply Components



- Not in the weekly labour force and sought work
- Unemployed persons
- Employed persons looking for another job or job with a longer number of hours

Labour supply (defined as those seeking work) includes three components: employed persons looking for another job or job with a longer number of hours, unemployed persons and those not in the weekly labour force and sought work (24.5%, 42.2% and 33.3% of total supply in 2023 respectively). Due to the structure of the Labour Force Survey, these numbers include those who sought work who's occupation is unknown, where the number of those who sought work who's occupation is known accounts for approximately 81% of total labour supply in 2023.

In 2023 the number of those who sought work decreased to approximately 321,100 (average per month) persons (compared with 339,700 those who sought work in 2022). The number of those who sought work who's occupation is known decreased to approximately 258,900 (average per month) persons (compared with 273,000 those who sought work in 2022). The main component of labour supply is unemployed persons (42.2% in 2023).

Definitions and Additional Explanations

Definitions

Labour supply - (according to the Labour Force Survey): persons, who sought work during the last 12 months. Including: employed persons looking for another job or a job with a larger number of hours during the last four weeks, unemployed persons, and those, who are not in the labour force, who sought work during the last 12 months.

Labour demand - the number of job vacancies (according to the Job Vacancy Survey).

Supply to demand ratio - a ratio between the persons who sought work (job seekers) to the number of the job vacancies.

To be noted -

- Among the population of persons who are looking for work (labour supply), those with an unknown occupation in which they wish to work accounted for approximately 17% of total supply in the fourth quarter of 2023.
- There might be an overestimate in the quarterly analysis of labour supply data. Not in all populations, searching for a work is limited to a specific quarter.
- The Job Vacancy Survey population does not include small businesses (less than 5 employee jobs), the Public Sector, the Agriculture industry and other units as described in "Job Vacancy Survey population" below. Therefore, job vacancies data is an underestimate to labour force demand in the Business sector.
- Labour supply estimates relate to the entire economy, whereas the labour demand is estimated only for the Business sector, excluding the populations mentioned above.
- The data is not seasonality adjusted and is not adjusted to festival and trading day factors.
- The quarterly data in this press release are presented for occupations in which there were 10,000 employed persons and over (in the last quarter) according to the Labour Force Survey estimates, and for which the vacancies constituted at least 10% out of all job vacancies at the level of Major Group (one digit) in the last quarter. The annual data are presented for occupations in which there were 5,000 employed persons and over (in the last year) according to the Labour Force Survey estimates, and for which the vacancies constituted at least 5% out of all job vacancies at the level of Major

Group (one digit) in the last year presented in the table according to the Job Vacancy Survey.

- In uncommon occupations (less than 500 job vacancies) there may be fluctuations over time, which will affect the supply to demand ratio.
- The data published in the table cover over 95% of all job vacancies in most Major Groups.

Labour Force Survey

Characteristics of the labour force

As of 2012 is beyond measuring general job characteristics instead of the civilian labor force. Serving in the (required or permanent) were added to the labor force employed full-time. See [Explanation of major changes to the Labour Force Surveys from January 2012](#).

Weekly labour force: persons aged 15 and over who were “employed” or “unemployed” during the “determinant week”, according to the definitions given below:

The “determinant week”: is the week ending on the Saturday preceding the visit of the interviewer to the household in the Labour Force Survey.

Employed persons: worked in Israel or abroad by an Israeli institutions or company at any job for at least one hour pay, profit, or other remuneration, during the determinant week, at any type of work, for pay, profit or other remuneration, during the determinant week; all workers in kibbutzim (whether in services or any other industry); family members who worked in a family business 15 hours or more without pay in the determinant week; persons staying in institutions who worked 15 hours a the week or more; persons serving in the army (compulsory military service or permanent army); persons temporarily absent from work.

Employed persons are divided into three sub-groups:

- Full-time workers** - All persons who worked 35 hours or more during the determinant week. Included are all hours during which the worker actually worked, including overtime - paid or unpaid, and waiting hours (for example, the hours spent by a taxi, driver or porter in line for work, etc.) and hours of preparation related to work, even if not performed at the work place, (e.g., correction and preparation of assignments, rehearsals, etc.).

- b. **Part-time workers** - All persons who worked from one to 34 hours during the determinant week.
- c. **Temporarily absent from work** throughout the determinant week due to illness, vacation, army reserve duty, decline in the extent of work, labour dispute, temporary work stoppage (up to 30 days), or other reasons. The definition includes workers who were temporarily absent from work only if they are formally affiliated with a workplace, i.e. if they are ensured of work with same employer after the period of absence. Those who were absent from work for over a year are not included in this group.

Another division into groups is made according to the number of hours that the worker is usually employed. The groups are: employed persons who usually work full time, and employed persons who usually work part time.

Unemployed: Persons who did not work at all during the determinant week (even for a single hour), and actively sought work during the last four weeks preceding their enumeration in the survey by registering at the Labour Exchange of the Employment Service or by application to employers or by other ways, and would have been available to start work during the determinant week had suitable work been offered ("availability to work"). Includes those who were promised employment within 30 days.

Note: A person who was not available to work during the determinant week due to illness/reserve duty is considered unemployed.

Unemployed persons are divided into two sub-groups:

- a. Unemployed persons who did work in Israel during the twelve months preceding the determinant week.
- b. Unemployed persons who did not work in Israel during the twelve months preceding the determinant week.

Not in the weekly labour force: all persons aged 15 and over who were neither "employed" nor "unemployed" during the determinant week. This group includes: students; non-paid volunteers; persons who cared for children, family members, or the household and did not work for even one hour outside of the home; persons not fit to work, and persons living off their pensions or other income and who did not work for even one hour during the determinant week. Also included in this group are family members who worked without pay less than 15 hours per week, persons in institutions who worked less than 15 hours during the determinant week.

Characteristics of the annual labour force

Annual labour force (during the year): all persons aged 15 and over who were in the weekly labour force, as well as those who worked during the year, but were not in the weekly labour force.

Employed during the year (annually employed): all persons aged 15 and over who worked in Israel **for at least one day** during the 12 months preceding the survey. People who worked less than one month are considered as those who worked for one month.

Not in the annual labour force: not in the weekly labour force, and did not work at all during the 12 months preceding the survey.

Job Vacancy Survey population

The survey includes a sample of businesses that represent most of the industries in the economy. The size range of the businesses varies, from small businesses (with 5+ employee jobs) to leading companies in the economy.

The groups of industries are determined in accordance with the Standard Industrial Classification of All Economic Activities 2011.

Units not belonging to the definition of the survey population:

- Small businesses that consistently have less than five employee jobs.
- Agriculture, forestry and fishing (Section A).
- Local administration, public administration and defence, compulsory social security (Section O).
- Government agencies that do not belong to Section O.
- Government sector (Financial Companies for the Development of Local Authorities, etc.).
- Working of diamonds (code 34).
- Education (Section P): Pre-primary education institutions (kindergartens) - code 850, Primary education institutions and Secondary education institutions (lower and upper secondary education) - codes 851 and 852. The survey includes Tertiary-Type B and higher education institutions (academic institutions).
- Child day-care activities (code 8891).
- Activities of households as employers; undifferentiated goods- and service-producing activities of households for own use (Section T).
- Activities of extraterritorial organizations and bodies (Section U).

In addition, the occupation "Professional workers in agriculture, forestry and fishing" (Occupation category 6) was not included.

In January 2013 the Classification of Industries was modified, and the publication groups were changed accordingly. Therefore, there is a fracture in the series starting this month, and one should notice comparing data starting January 2013 with past data.

Job Vacancy Survey population by publication groups of 2011 new Classification of Industries:

Section	Description
B	Mining and quarrying (Publication group B+C)
C	Manufacturing (Publication group B+C)
D	Electricity, gas, steam and air conditioning supply (Publication group D+E)
E	Water supply; sewerage, waste management and remediation activities (Publication group D+E)
F	Construction
G	Wholesale and retail trade; repair of motor vehicles and motorcycles
H	Transportation and storage, postal and courier activities
I	Accommodation and food service activities
J	Information and communication
K	Financial and insurance activities
L	Real estate activities (Publication group L+M+N)
M	Professional, scientific and technical activities (Publication group L+M+N)
N	Administrative and support service activities (Publication group L+M+N)
P	Education
Q	Human health activities
R	Arts, entertainment and recreation (Publication group R+S)
S	Other service activities (Publication group R+S)

Adjustments of definitions between Labour Force Survey and Job Vacancy Survey:

In order to perform a suitable comparison between the two surveys, the definition of employed persons and labour supply was adjusted to the population of the Job Vacancy Survey as much as possible (in tables: "adjusted definition"). Below are listed the clauses in which an adjustment of Labour Force Survey population was not possible:

- 1 Data on employed persons and labour supply include those who work or worked in businesses with less than 5 employee jobs, even though these businesses were not included in the demand side.
- 2 Division 72 - 'Scientific research and development' is included entirely in the supply side, even though research and development institutions classified in the Public Sector were not included in the demand side.
- 3 Division 78 - 'Employment activities' is included entirely in the supply side, even though labour recruiting and provision of personnel agencies classified in the Public Sector were not included in the demand side.
- 4 Data analysis did not restrict the age of the employed person, not in the Job Vacancy Survey and not in the Labour Force Survey.