



Mapping Human Capital among Young Men and Women from East Jerusalem

Abstract

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Education and Employment Characteristics among Young Adults in East Jerusalem

Women and men aged 18-35

Women



- **Educated** 29% of the Arab women in Jerusalem have received a higher education (bachelor's degree or above), compared with 22% of the Arab women in Israel at large.
- **Unemployed** 69% of the Arab women in Jerusalem have never worked.
- Full-time employment Among working women, 81% have full-time employment.
- **Low salary** 56% of the Arab women in Jerusalem earn between NIS 3,000 and NIS 5,000 per month.
- **Educated women earn less** The average salary among women without a higher education exceeds the average salary among educated women.
- Arab women in Jerusalem work primarily in the fields of teaching, cosmetology, housekeeping, and healthcare

Men



- **Less educated than women** 17% of the Arab men in Jerusalem have received a higher education, compared with 14% of the Arab men in Israel at large.
- **Most are employed** 70% are currently employed or were recently employed.
- Full-time employment Among those employed, 91% have full-time employment.
- **Salary** The average monthly salary of most Arab men in Jerusalem varies between NIS 4,000 and NIS 10,000.
- No significant correlation was found between level of education and employment integration, or between level of education and salary level.
- Arab men in Jerusalem work primarily in the fields of construction, sales, housekeeping, and transportation.

Barriers to Integration into the Labor Market

A summary of the main barriers that emerged from the research



GENDER AND CULTURAL BARRIER

Even though the women in East Jerusalem are more educated than the men, 69% of them have never worked. Women noted that they do not receive support from their immediate environment when it comes to integrating family life and work.



SHORTAGE OF DAYCARE CENTERS

52% of the parents stated that their children aged 0-3 remain at home with their mother rather than being placed in daycare.



ACCESSIBILITY AND INFRASTRUCTURES

A lack of transportation access to West Jerusalem and areas of employment reduces the choices available to East Jerusalem residents and results in their working near home.



PROFICIENCY IN HEBREW

60% of the young residents reported that they do not know Hebrew at all or that their verbal proficiency in Hebrew is low to moderate.

The study found that a lack of proficiency in Hebrew is one of the factors that most impede East Jerusalem residents' integration into the labor market.



HIGHER EDUCATION AND PROFESSIONAL CERTIFICATES

The young residents of East Jerusalem are relatively educated, but a high proportion of them study subjects that do not lead to integration into the labor market, such as the humanities and education. Of the East Jerusalem residents with a higher education, 85% had attended Palestinian institutions; in many cases Israel does not recognize the diplomas received from these institutions. and therefore those graduates cannot integrate into the labor market within their field of study.



DISCRIMINATION

38% of the men and 31% of the women cited "racism and discrimination on the part of Jewish employers" as one of the three main barriers to their integration into the labor market.

The Link between Education and Employment



THE PERCENTAGE OF YOUNG RESIDENTS CURRENTLY EMPLOYED,* BY TYPE OF MATRICULATION CERTIFICATE

Israeli matriculation certificate

Palestinian matriculation certificate – sciences and technical fields

Palestinian matriculation certificate – humanities and social sciences

73%	
43%	
41%	



THE PERCENTAGE OF YOUNG RESIDENTS WITH A HIGHER EDUCATION WHO ARE CURRENTLY EMPLOYED,* BY LOCATION OF ACADEMIC INSTITUTION

Israeli institution

92%

Palestinian institution

47%



THE PERCENTAGE OF YOUNG RESIDENTS WITH A HIGHER EDUCATION WHO ARE CURRENTLY EMPLOYED,* BY FIELD OF STUDY

High-tech	100%
Natural sciences	87%
Medicine and healthcare	68%
Education and teaching	46%
Humanities	44%
Social work	36%
Sociology and anthropology	19%

^{*} Currently employed or were employed until the Covid-19 crisis

Abstract

Recent years have seen numerous efforts to integrate East Jerusalem residents into the labor market generally and into quality employment specifically. At the same time, very little is actually known about the human capital in East Jerusalem. Data collection difficulties and various methodological problems have resulted in a lack of credible, comprehensive statistics about the Arab population of East Jerusalem, including its education and employment characteristics.

The Jerusalem Institute for Policy Research has therefore sought to map and characterize the human capital of young men and women in East Jerusalem: to map the supply of workers in East Jerusalem as well as their employment characteristics; to characterize the labor force in East Jerusalem and identify the existing gaps between level of education and full realization of the employment potential; and to identify the barriers that prevent East Jerusalem residents from integrating into the employment market generally and into quality employment specifically.

The study included a large targeted survey in East Jerusalem, with the participation of 1,500 men and women aged 18-35. To the best of our knowledge, this is the largest survey conducted in East Jerusalem to date. Consequently, its findings may provide new insights and a great deal of previously inaccessible knowledge. In addition, the study included two focus groups and a roundtable at which participants discussed issues that had emerged from the survey and potential solutions to them.

The State of Affairs and Main Insights

Characteristics of Education and Employment

➤ The young residents¹ of East Jerusalem are relatively educated, with a rate of higher education that exceeds the corresponding rate among young Arabs in Israel at large.

¹ The data presented in the study refer to young men and women, aged 18-35, who currently reside in East Jerusalem. The terms "residents" and "young adults" refer to both men and women unless explicitly indicated otherwise.

Most of the young adults with a high school matriculation certificate are graduates of the Palestinian curriculum (Tawjihi), while only a few are graduates of the Israeli curriculum.

- Most of Jerusalem's young Arab men are employed, at rates comparable to the figures for Arabs in Israel generally. In contrast, the employment rate among Jerusalem's young Arab women is lower than the rate among Arab women in Israel generally, and a high percentage of young women in East Jerusalem have never worked.
- ➤ The average salary among East Jerusalem women is very low, at NIS 3,000-5,000 per month, even though most of the employed women reported that they work full-time.
- Only a quarter of the men reported that they meet Jews at their workplace, and among women the rates were even lower

The Link between Education and Employment

- ➤ Most graduates of the Palestinian curriculum pursued academic studies at Palestinian universities. Half of the Palestinian curriculum graduates have never been employed.
- ➤ Among high school matriculation certificate holders, only a few are graduates of the Israeli curriculum, and most of these graduates enrolled in Israeli universities. Among graduates of the Israeli curriculum, 66% integrated into the labor market and are currently employed.
- ➤ Among graduates of the Palestinian curriculum, the type of matriculation certificate received whether in the humanities and social sciences or the sciences and technical fields had no impact on their decision whether to attend an Israeli or academic institution or a Palestinian one, nor on the extent of their eventual integration into the labor market.
- ➤ Among young adults who attended Israeli academic institutions, there was a high rate of integration into the labor market and most are currently employed.
- Many young adults noted that they had enrolled in universities outside of Israel out of convenience and in order to "bypass" linguistic and cultural barriers, but they did not know that this choice would have a decisive impact on their professional future. The study points to the importance of improving the career counseling system and ensuring that high school students understand the different academic tracks and the significance of choosing among them.

- Among young adults who had pursued academic studies in scientific and technical subjects, there was a high rate of integration into the labor market. At the same time, a majority of those who pursued higher education chose subjects in the humanities or social sciences, such as sociology, humanities, or social work, and as graduates they find it difficult to integrate into the labor market and work in their field of study.
- ➤ Among the study population, a higher education did not necessarily lead to a higher salary. Among men a higher education was found to have no impact on salary level, while among women education was found to have a negative return, with women who lack a higher education earning more on average than those who received a higher education. As participants in the study group attested, "Education is good for reputation and status, but not for salary."

Barriers to Integration into the Labor Market

The study found a number of key barriers to the integration of young adults from East Jerusalem into the labor market:

- ➤ A gender and cultural barrier: Even though the women in East Jerusalem are more educated than the men, 69% of them have never worked. In addition, women noted that they do not receive support from their immediate environment when it comes to integrating family life and work.
- ➤ A shortage of daycare centers: 52% of the parents stated that their children aged 0-3 remain at home with their mother rather than being placed in daycare.
- ➤ Accessibility and infrastructures: A lack of transportation access to West Jerusalem and areas of employment reduces the choices available to East Jerusalem residents and results in their working near home.
- ➤ Proficiency in Hebrew: 60% of the young residents reported that they do not know Hebrew at all or that their verbal proficiency in Hebrew is low to moderate. The study found that a lack of proficiency in Hebrew is one of the factors that most impede East Jerusalem residents' integration into the labor market.
- ➤ Higher education and professional certificates: The young residents of East Jerusalem are relatively educated, but a high proportion of them pursue studies in subjects that do not lead to integration into the labor market. Of the East Jerusalem residents with a higher education, 85% had attended Palestinian institutions; in many cases Israel

- does not recognize the diplomas received from these institutions, and therefore those graduates cannot integrate into the labor market within their field of study.
- ➤ Discrimination: 38% of the men and 31% of the women noted that one of the three main barriers to their integration into the labor market is "racism and discrimination on the part of Jewish employers."

We call upon government agencies, the Jerusalem Municipality, and partner organizations to make use of the data and insights that emerged from this mapping. This information can help focus governmental and municipal policies and adapt the various programs to East Jerusalem's employment market, the needs of young residents, and the specific measures they require.

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Recent years have seen numerous efforts to integrate East Jerusalem residents into the labor market generally and into quality employment specifically. At the same time, very little is actually known about the human capital in East Jerusalem. Data collection difficulties and various methodological problems have resulted in a lack of credible, comprehensive statistics about the Arab population of East Jerusalem, including its education and employment characteristics.

The purpose of this study was to map and characterize the human capital among young men and women in East Jerusalem. The study included a large targeted survey, two focus groups, and a roundtable. The study's findings provide new insights and a great deal of previously inaccessible knowledge. This knowledge can help focus governmental and municipal policies and adapt the existing programs to East Jerusalem's employment market, the needs of young residents, and the specific measures they require.

The study was conducted in cooperation with the Ministry of Jerusalem and Heritage, the Jerusalem Municipality, the Russell Berrie Foundation, Jonathan Bendheim, and Glen Schwaber

Netta Porzycki is a researcher of economic and social issues at the Jerusalem Institute for Policy Research and a doctoral student in economics at the Hebrew University of Jerusalem. She specializes in employment economics, education economics, and program effectiveness evaluation.

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