



Press Release

Jerusalem Day 2023

Jerusalem Institute for Policy Research releases the 37th *Statistical Yearbook of Jerusalem*, presenting a comprehensive picture of Israel's capital city

Recovering from Covid-19: In 2022 Jerusalem had double the number of foreign tourists compared with the previous year

Room occupancy in Jerusalem hotels stood at 55%, compared with just 22% in 2021

- **Approaching one million: Jerusalem is maintaining its status as Israel's most populous city. In 2021 its population totaled 966,200, double that of Tel Aviv**
- **Metropolitan Jerusalem continues its growth trend, with more than 1.4 million residents living in 80 localities surrounding the city.**
- **The number of new immigrants who chose to live in Jerusalem – 3,700 – was the highest among Israel's cities**
- **In 2022, a record number of 7,300 construction permits were issued in Jerusalem.**

On the occasion of Jerusalem Day, which this year marks the 56th anniversary of the city's unification, the Jerusalem Institute for Policy Research is releasing the 2023 *Statistical Yearbook of Jerusalem*, presenting a comprehensive and up-to-date picture of the city's situation.

The Yearbook was presented to Jerusalem Mayor Moshe Lion by the Chairman of the Board of the Jerusalem Institute for Policy Research, Dan Halperin, alongside the Institute's Chief Executive Officer, Dr. David Koren, and the Head of Data Analysis and Services, Yair Assaf-Shapira. Government ministers, Knesset members, and senior officials are also expected to receive copies.

The Yearbook indicates that Jerusalem is recovering from the tourism crisis caused by the Covid-19 pandemic, with the city showing a 10-fold increase relative to 2021 in the number of tourists, which reached 673,600, as well the number of overnight stays by tourists, at 2.39 (compared with 2.17 for Tel Aviv).

Because tourism is a major employment sector for men from the Arab population, there has been a sharp increase in their labor force participation rate, which reached 81% in 2022 – exceeding the 2019 pre-pandemic rate, at 78%, as well as the rate for 2021, at 69%.

Jerusalem Mayor, Moshe Lion, observed, “Jerusalem is in the midst of a revolutionary shift that is already making its mark: the city is prospering and growing, and its businesses and tourism are on the rise. Jerusalem ranks first in Israel in terms of urban renewal, and when it comes to housing the city recorded a 3-fold increase in new building permits. Its streets are attractive and well-tended, and young people from central Israel have been flocking back to the city, joined by high-tech giants from around the country and the rest of the world who are bringing high-quality employment opportunities to the city. It seems that there is no longer any room for doubt that Jerusalem embodies ‘what’s up-and-coming’ in Israel!”



Dr. David Koren, CEO of the Jerusalem Institute for Policy Research, stated, “For nearly 40 years now, the Jerusalem Institute for Policy Research has been producing the *Statistical Yearbook of Jerusalem*. Over the years, the Yearbook has established itself as the main knowledge base for decision-makers in the various fields that touch upon life in the city, and it constitutes the crowning achievement of the Institute’s research efforts throughout the year. After three challenging years of Covid-19, which devastated tourism to the city, it’s heartening to see Jerusalem gradually returning to the levels of activity we had before the outbreak of the pandemic. We can also draw encouragement from certain positive parameters, such as those indicating that Jerusalem is the preferred destination for new immigrants, as well as Jerusalem’s enhanced status as an important metropolis and the formation of close ties between the city and its surrounding localities in a range of areas, including employment, education, leisure, and recreation, among others.”

Dr. Koren added, “At the same time, one must not ignore worrying trends that emerge from the Yearbook, such as the city’s high poverty rate. Our hope is that the Yearbook will continue to provide governmental and municipal decision-makers, as well as Jerusalem’s advocates throughout the general public, with the information necessary to continue promoting progress and prosperity in the city.”

According to the Yearbook, Jerusalem is maintaining its status as Israel’s most populous city. The Central Bureau of Statistics (CBS) data indicate that at the end of 2021, Jerusalem’s population totaled 966,200, double that of Tel Aviv (467,900) and three times that of Haifa (282,800). Indeed, one of every ten Israelis is a Jerusalemite.

An examination of Jerusalem’s demographic distribution indicates that in 2021 the city had a total of 590,600 Jewish residents, 375,600 Arab residents (362,600 Muslims and 12,900 Christians), 3,500 non-Arab Christian residents, and 10,500 residents without religious classification. The Haredi (ultra-orthodox) population accounts for a markedly high proportion of the city’s Jewish residents. A new CBS model, which looks at the Jewish population **across all ages**, reveals that as of the end of 2021 the Haredi population constituted 48% of Jerusalem’s Jewish population and 29% of its total population.

According to the CBS Social Survey (average for 2019-2021), of Jerusalem’s 322,800 **Jewish residents aged 20 and older**, 19% identified as secular (62,400 residents), 25% identified as traditional (81,800), 20% identified as religiously observant (65,600), and 35% identified as Haredi (113,100).

Jerusalem – A Third of the City’s Population Are Children

Jerusalem is a young city. At the end of 2021 the median age of Jerusalem residents stood at 24.2 years, compared with 30.1 among Israel’s population at large. Moreover, Jerusalem is characterized by a high proportion of children (ages 0-14), who account for 33% of the city’s total population, compared with 18% in Tel Aviv, 20% in Haifa, 23% in Mevasseret Zion, 27% in Modi’in-Maccabim-Reut, 41% in Giv’at Ze’ev, and 56% in Modi’in Illit.

Jerusalem is also characterized by a high total fertility rate, at 3.9 for 2021, significantly higher than the total fertility rates for Israel (3.0) as well as Tel Aviv and Haifa (1.9 and 2.1, respectively). Notably, the fertility rate among Jerusalem’s Jewish women stood at 4.4, which was significantly higher than the rate among Jerusalem’s Arab women, at 3.1.



This discrepancy is attributable primarily to the high fertility rates of the city's Haredi and religiously observant populations, and to a decline in the fertility rate among Arab women in Jerusalem, as among Arab women in Israel at large.

Additional Key Findings from the Yearbook:

Metropolitan Jerusalem Is Undergoing a Continuous Growth Trend

A metropolitan area consists of a number of localities that maintain functional relations, particularly with a principal city that constitutes the metropolitan core.

Metropolitan Jerusalem is the second largest metropolitan area in Israel, after Metropolitan Tel Aviv. In 2021 its total population, including that of the city of Jerusalem, totaled 1,403,700 residents across 80 localities (437,500 residents in localities outside the metropolitan core). Notably, a significant majority (69%) of Metropolitan Jerusalem's residents live in the city of Jerusalem. This is higher than the proportion for Israel's other metropolitan area: Tel Aviv (11%), Haifa (29%), and Be'er Sheva (51%).

The largest localities in Metropolitan Jerusalem are Beit Shemesh, Betar Illit, Ma'ale Adumim, Mevasseret Zion, and Giv'at Ze'ev.

Migration to and from Jerusalem

In 2021 a total of 11,900 new residents moved to Jerusalem from other localities in Israel. This marked an increase relative to the previous year. Most of the incoming residents came from Judea and Samaria – 2,800 residents (24% of the newcomers) – and central Israel – 4,300 residents (36%). Moreover, among migrants to Jerusalem, a markedly high proportion were young people (ages 20-29) – 42% (5,000 newcomers).

Furthermore, in 2021 the number of new immigrants who chose to live in Jerusalem – 3,700 – was the highest among Israel's major cities. The immigrants who chose to live in Jerusalem accounted for 14% of all immigrants to Israel, which is slightly higher than the figure for Tel Aviv, at 13%. Of the immigrants to Israel, 10% settled in Netanya and 8% in Haifa.

In 2021 a total of 22,700 residents migrated from Jerusalem, which is higher than the figure for 2020 (18,800). **Importantly, however, about half of the inter-city migration out of Jerusalem was to localities in the surrounding metropolitan area that maintain employment-based, economic, and educational relations with the city.**

The six localities that drew the largest numbers of residents from Jerusalem were: Beit Shemesh (3,570), Tel Aviv (1,580), Betar Illit (1,170), Giv'at Ze'ev (900), Modi'in-Maccabim-Reut (810), and Mevasseret Zion (780). Among migrants from Jerusalem as well, a markedly high proportion (albeit a smaller proportion than among migrants to Jerusalem) were young people, with 31% (7,100) comprising young people aged 20-29.

In 2021 Jerusalem's net inter-city migration (the difference between migrants to the city and migrants from the city) was a negative, at -10,900. This trend is not unique to Jerusalem, as it is also characteristic of other metropolises in Israel, such as Tel Aviv and Haifa, as well as metropolises around the world.



Jerusalem's net migration balance (including immigrants, residents leaving for or arriving from overseas, and family reunification) stood at -6,600.

Labor Force Participation – Low Rates among Haredi Men and Arab Women

In 2022 labor force participation rate among Jerusalem residents of main working ages (25-64) stood at 67% (compared with 82% for Israel). Among men, the labor force participation rate in Jerusalem stood at 74% (compared with 85% for Israel).

As noted, there was a markedly sharp increase in the labor force participation rate among Arab men, which reached 81% in 2022.

The low labor force participation rate among Jerusalem men in general is attributable to the low rate among Haredi men (45%). Among Jerusalem women, the labor force participation rate stood at 60% (79% for Israel). The low labor force participation rate among Jerusalem women is attributable to the particularly low rate among Arab women (27%).

Notably, in-depth studies conducted at the Jerusalem Institute for Policy Research have found that the low labor force participation rate among Arab women is linked to a number of factors, including: non-recognition of academic degrees from Palestinian institutions, a lack of (professional) networking, limited mastery of Hebrew and English, and cultural barriers.

The main economic sectors in which persons employed in Jerusalem worked were: education – 18% (12% in Israel and 6% in Tel Aviv), human health and social work services – 15% (12% in Israel and 9% in Tel Aviv), and local and public administration – 10% (10% in Israel and 7% in Tel Aviv). Of the persons employed in Jerusalem, 6% worked in high-tech (11% in Israel and 20% in Tel Aviv).

The Poverty Rate in Jerusalem

The data on the city's poverty rate presents a worrying picture, indicating that in 2021, 39% of Jerusalem's families (125,900) were living below the poverty line. About half of Jerusalem's children were living below the poverty line (202,400). The poverty rate in Jerusalem is significantly higher than the rate in Israel at large, where 21% of the families and 28% of the children were living below the poverty line. Poverty is a particularly prevalent phenomenon among the Haredi and Arab populations, which are characterized by large families (poverty is defined in terms of standard persons per family). Among Jerusalem's Haredi population, 43% were living below the poverty line – a slightly higher figure than the poverty rate among Israel's Haredi population, at 40%. Among Jerusalem's Arab population, 60% were living below the poverty line, compared with 39% among the Arab population in Israel at large.

Education and Higher Education

During the 2021/22 school year, a total of 183,100 students were enrolled in Jerusalem's Hebrew education system: 37% attended schools in the state, state-religious, and state-Haredi education systems, and 63% attended schools in the Haredi education system. A total of 67,100 students attended state (29,800), state-religious (32,300), or state-Haredi (2,400) schools, and 116,100 students attended Haredi schools.



During the same school year, the Arab education system (public and private) served 119,700 students, who accounted for 40% of all the students in Jerusalem's education system.

A total of 41,800 students attended the city's higher education institutions during the 2021/22 academic year, accounting for 14% of all the higher education students in Israel. This figure marks an increase in the number of students relative to the previous year, which recorded 40,100 students.

Of the total number of higher education students in the city, about 21,800 (52% of the total for Jerusalem) attended the Hebrew University (including 1,500 students attending the Faculty of Agriculture in Rehovot), 13,900 students (33%) attended one of the seven academic colleges, and 6,000 students (14%) attended one of the five teacher training colleges. Among all the higher education students in Jerusalem, 74% were pursuing a bachelor's degree (71% in Israel), 20% were pursuing a master's degree (23% in Israel), and 5% were pursuing a doctoral degree (4% in Israel).

Tourism – The City Is Recovering from Covid-19

In 2022 the room occupancy rate in Jerusalem's hotels increased significantly, to 55%, compared with just 22% in 2021. Nonetheless, the room occupancy rate was still below the figure for 2019 (72%), the year preceding the Covid-19 outbreak.

This recovery is also reflected in Jerusalem's increased hotel revenues for 2022, which reached NIS 2 billion. That figure marks a 181% rise relative to 2021, which saw a sharp decrease because of the Covid-19 pandemic, but it is still 23% below the figure for 2019, when revenues reached NIS 2.5 billion – the highest ever recorded in the city.

In 2022 Jerusalem was the preferred destination in terms of overnight stays by foreign tourists, with 34% of all the overnight stays by foreign visitors to Israel recorded in Jerusalem (compared with 26% in 2021 and a comparable figure in 2019). By comparison, 31% of the overnight stays by foreign visitors to Israel were recorded for Tel Aviv's tourist hotels, 8% for Tiberias, and 3% for the Dead Sea.

In 2022 Jerusalem recorded a record number of overnight stays by Israelis at tourist hotels – 1,259,100. However, Jerusalem is not the preferred destination among Israelis, drawing only 8% of all the overnight stays by Israelis in Israel (comparable to their relative proportion in 2019), compared with figures of 42% for Eilat, 11% for the Dead Sea, and 8% for Tel Aviv.

Housing and Construction

In 2022, a record number of 7,300 construction permits were issued in Jerusalem following a large increase in 2021, when 5,400 permits were issued to start construction. This number is three times larger compared to previous years when an average of 2,000-2,300 building permits were issued each year.

During that year, 9% of all the housing starts comprised apartments with 1-2 rooms (compared with 6% in Israel at large). Three-room apartments accounted for 24% of all the housing starts in Jerusalem (compared with 12% in Israel). Four-room apartments in Jerusalem accounted for 42% (compared with 43% in Israel), and apartments consisting of 5 or more rooms accounted for 26% (compared with 40% in Israel).

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In 2022 construction was completed on 3,100 residential apartments in Jerusalem. Of these housing completions, 7% comprised apartments with 1-2 rooms (compared with 5% in Israel), 20% comprised 3-room apartments (12% in Israel), 33% comprised 4-room apartments (39% in Israel), and 41% comprised apartments with 5 or more rooms (44% in Israel).

In 2022, Jerusalem recorded a total of 4,700 apartment sales, compared with 5,500 in 2021. Other major cities with a notable number of sales were Be'er Sheva (4,500) and Haifa (4,300). In Tel Aviv a total of 2,200 apartments were sold that year.

The average sales price for an apartment comprising 3.5-4 rooms in Jerusalem stood at NIS 2,777,800, a 16% increase compared with 2021. This was higher than the figures for Israel (NIS 1,885,500) and Haifa (NIS 1,610,300), but significantly lower than the figure for Tel Aviv (NIS 4,643,700).

The Jerusalem Institute for Policy Research

The Jerusalem Institute for Policy Research is a research institute and think tank established in 1978 by the late Mayor Teddy Kollek, with the aim of serving policymakers who seek to clarify, advance, and identify key issues in research on Jerusalem and the State of Israel. The Institute's studies and activities help institutions and relevant bodies formulate and implement innovative and effective policy for the city's development in order to benefit its diverse residents and reinforce its global standing, in accordance with the Institute's priorities.

For additional information

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