

Policy Brief

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Teachers' wages in Israel A comparative perspective

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Abstract

The public discourse on teachers' wages in Israel tends to focus on pay slips brandished in demonstrations. While these pay slips highlight what are truly low salaries, their rectification involves much more than simply raising wages significantly for all teachers. This policy brief highlights some of the primary issues underlying the teachers' low wages. Resolution of these issues necessitates a public reset not only with regard to the compensation of teachers, but also with regard to how they are employed.

Israeli teachers earn less – and much more – than the OECD average

Teachers' salaries in Israel are lower than average teachers' salaries in the OECD. They are 5.1% below the OECD average in primary schools, 4.0% lower in lower secondary schools, and 4.5% lower in upper secondary schools (Figure 1).

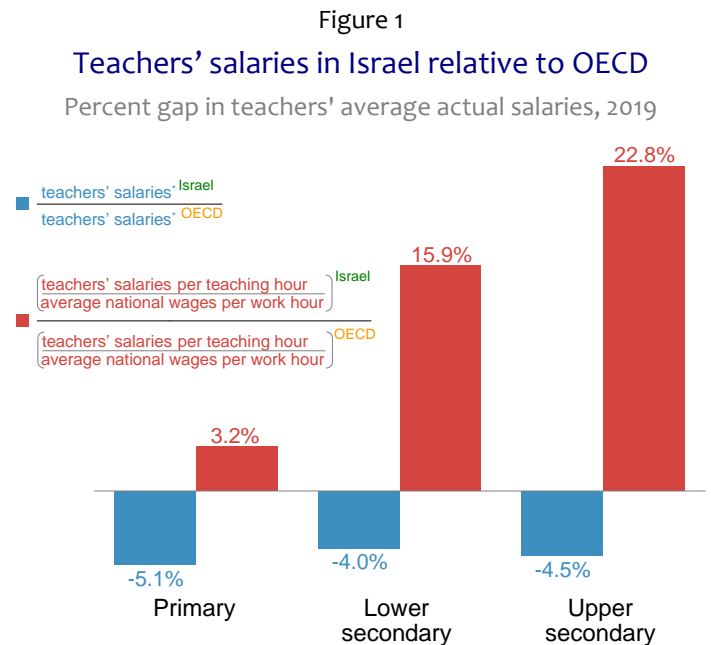
While the public discourse in Israel commonly emphasizes such comparisons in monthly or annual terms, these tend to be misleading because of their focus on only one side of the equation – what the teachers receive – while ignoring the other side, what teachers provide in return. Setting

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aside qualitative issues such as the very low knowledge level of Israeli education students (Ben-David, 2021) and that of teachers in Israel compared with those in other developed countries (Hanushek, Piopiunik and Wiederhold, 2019), it is nonetheless possible to compare Israeli salaries per teaching hour to those in the OECD. While teachers' duties extend far beyond straightforward frontal instruction time, the underlying assumption here is that the total number of additional hours spent on classwork preparation, grading and so on relative to instruction time is proportionally similar across countries.

Such a comparison alone would still be insufficient for international comparisons since teachers' salaries in each country are highly correlated with national living standards. A more accurate cross-country comparison of teachers' salaries per teaching hour requires that these be discounted by the respective national wages per hour (i.e. neutralizing the impact of national living standards on teachers' wages in each country). These adjustments – correcting for (a) the amount of work provided by teachers and (b) national hourly wages – completely overturn the public perception in Israel that the country's teachers are underpaid in comparison with their contemporaries abroad. In fact, after correcting for teaching hours and national living standards, it turns out that primary school teachers earn 3% more in Israel, lower secondary school teachers earn 16% more, while upper secondary school teachers receive 23% higher wages than the OECD average.

This outcome may be related to another apparent conundrum characterizing Israel's education system. The very low levels of achievements exhibited by Israeli pupils in math, science and reading in international exams are often attributed to the country's congested classrooms.

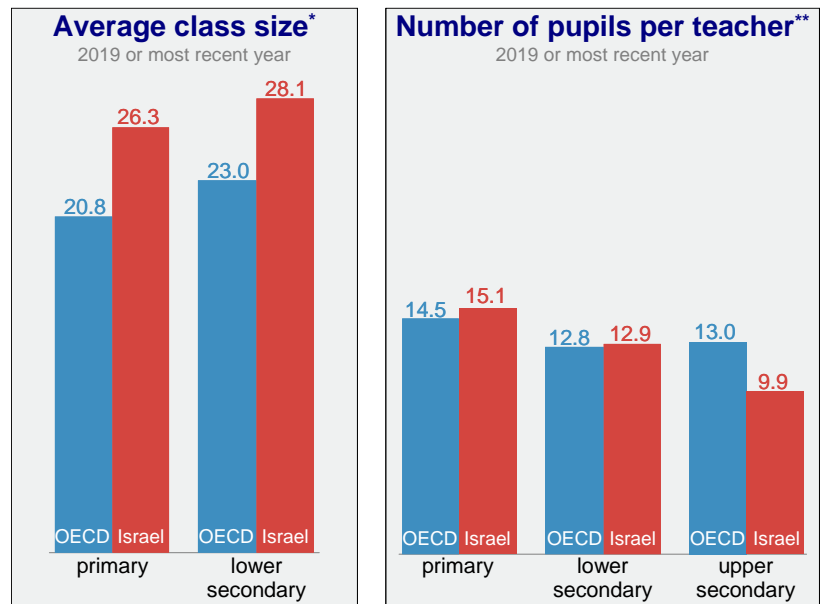


* comparisons using purchasing power parities

Source: Dan Ben-David, Shores Institute and Tel Aviv University
 Data: OECD

Indeed, the number of pupils per class in Israel substantially exceeds the OECD average (Figure 2). However, the number of pupils per full-time-equivalent teacher in Israel is actually similar to the OECD average. It's slightly higher in primary schools and secondary schools – and substantially lower in upper secondary schools. It appears that Israel is paying for enough teachers to bring down its classroom congestion to the OECD average. In practice however, this is not occurring.

Figure 2



* number of pupils per class
** according to full-time equivalents

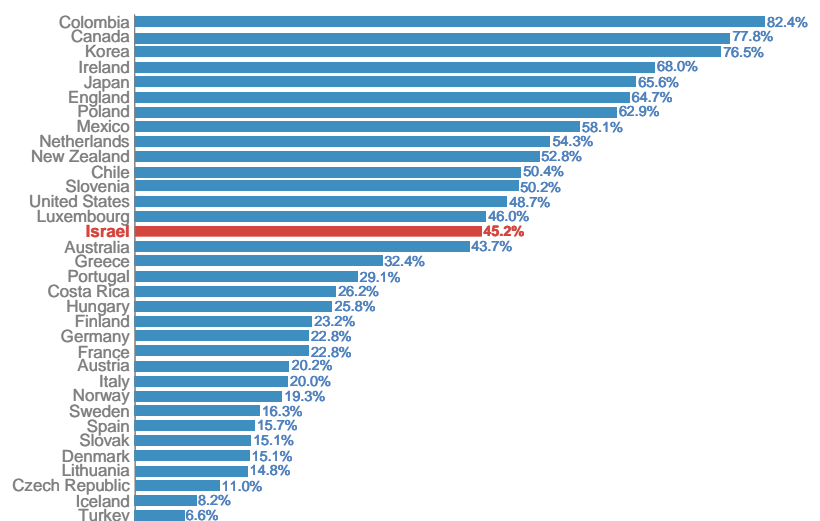
Source: Dan Ben-David, Shores Institute and Tel Aviv University
Data: OECD

Salary gaps between Israeli teachers are not what they seem

Another major bone of contention with regard to teachers' wages in Israel is the purportedly very high wage gap between teachers with seniority and entry level teachers. Indeed, Israeli primary school teachers with 15 years of experience earn 45% more than starting teachers. While this is a non-negligible difference, it is not extraordinary when compared to the other OECD countries (Figure 3), with Israel situated relatively close to the middle of the group.

Figure 3

Salary gap between primary school teachers with 15 years experience and starting teachers*



* Teachers' statutory salaries, 2020 or latest available year

Source: Dan Ben-David, Shores Institute and Tel Aviv University
Data: OECD

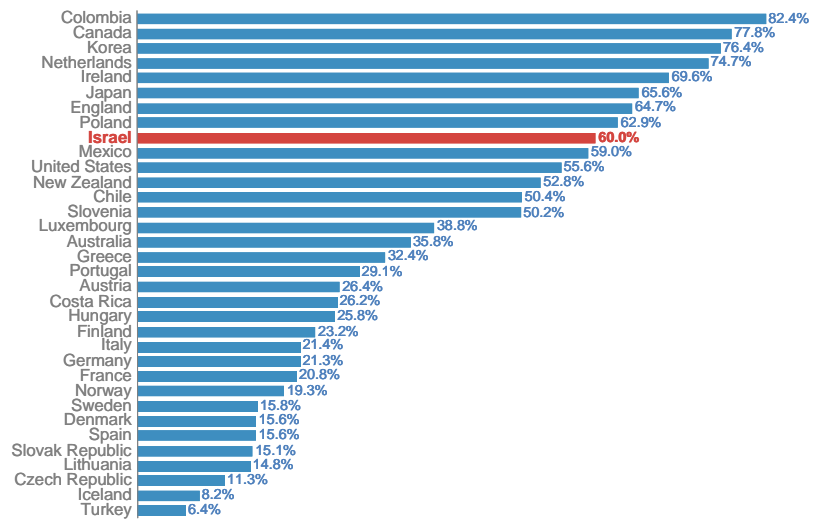
The wage gap between teachers with and without seniority (15 years of experience versus entry level) rises to 60% in lower secondary schools, placing Israel above roughly two-thirds of the OECD countries (Figure 4). On the other hand, in upper secondary schools, the 29% gap between teachers with 15 years of experience and beginning teachers is below the majority of OECD countries (Figure 5). Thus, public claims of extraordinary Israeli gaps between more experienced and less experienced teachers are not borne out in the international comparisons.

However, the above comparisons pertain to statutory salaries of full-time teachers. In Israel, 92% of the country’s first year teachers work part-time – with very large differences between teachers in the degree of their part-time positions across such teachers. (Figure 6). Even after ten years of work, the majority of teachers continue to work part-time. After three decades of teaching, over a third of Israel’s teachers work part-time.

Part-time teaching carries with it a sizeable cost. While a full-time first year

Figure 4

Salary gap between lower secondary school teachers with 15 years experience and starting teachers*



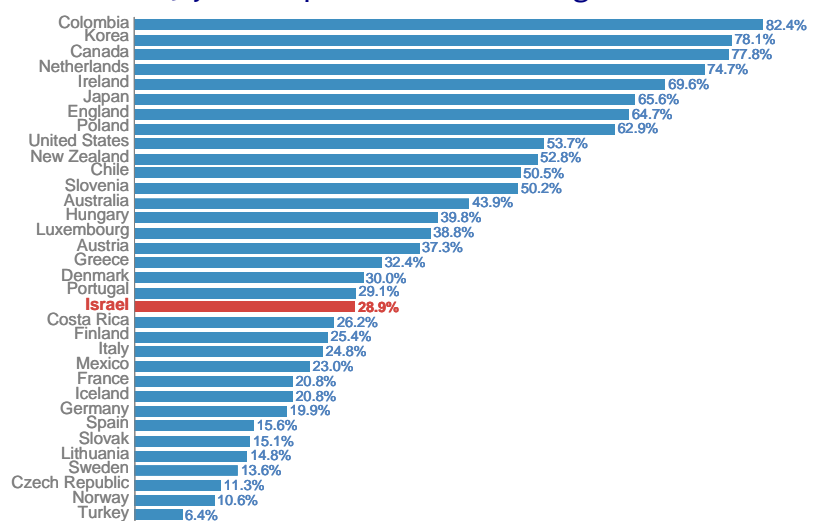
* Teachers' statutory salaries, 2020 or latest available year

Source: Dan Ben-David, Shores Institute and Tel Aviv University

Data: OECD

Figure 5

Salary gap between upper secondary school teachers with 15 years experience and starting teachers*



* Teachers' statutory salaries, 2020 or latest available year

Source: Dan Ben-David, Shores Institute and Tel Aviv University

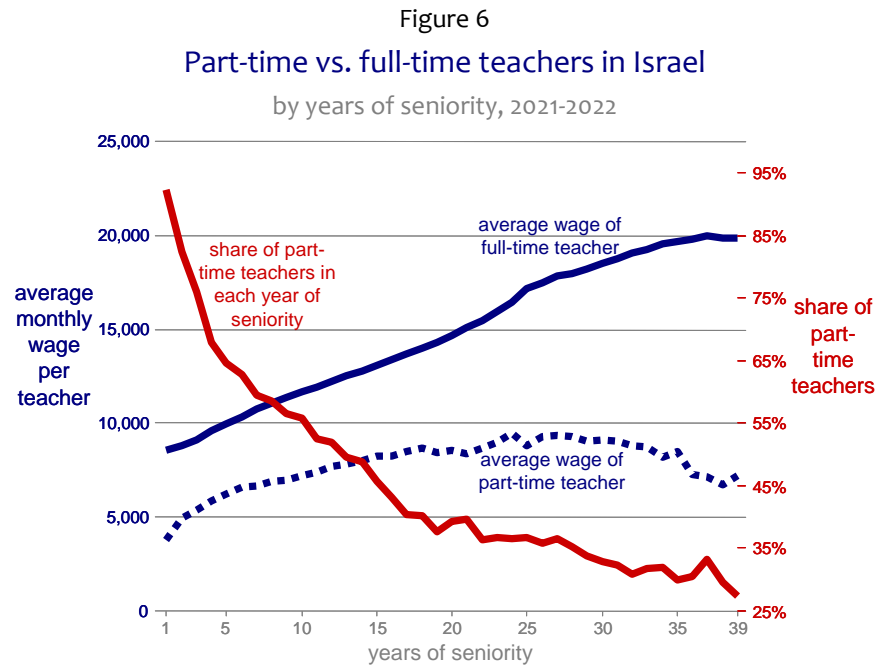
Data: OECD

teacher receives an average monthly salary of 8,538 shekels, the average part-time salary is only 3,763 shekels – far below the country’s minimum wage for full-time work. Full-time teachers’ salaries rise steadily with seniority, averaging 18,506 shekels after 30 years. By comparison, part-time teachers with 30 year experience average just under half that amount (9,135 shekels per month).

It is not clear why so many of Israel’s teachers work part-time. Is it their choosing, or does the education system not enable more full-time hires? Whatever the underlying reason for such a high share of part-time teachers, this is a major issue that needs to be addressed directly and not swept under the rug while interested parties continue to complain about low monthly salaries in their demands for higher pay.

Conclusion

With Israel’s education expenditures eclipsing its very large defense expenditures to become the country’s biggest budgetary outlay in recent years, it is vital to take a step back and look at the big picture – before spending even larger amounts of taxpayer money on what appears to be a very dysfunctional system. Israel’s education system needs to undergo a complete overhaul that includes many critical aspects not addressed here (e.g. substantially improving the core curriculum and making it mandatory for all of the country’s children – including the Haredim, who deprive most of their children of such basic education while their share in the population is doubling every 25 years; overhauling the extremely huge, cumbersome and expensive education



Source: Dan Ben-David, Shores Institute and Tel Aviv University
Data: Finance Ministry, Wage and Employment Agreements Division

ministry that attempts to micromanage as many aspects of the system as possible; providing school principals with the authority to hire, fire and determine the salaries of their teachers; creating local school boards – comprising individuals from the education ministry, the municipality, parents etc. – with oversight on the school principals, their strategic visions and budgets).¹

With regard to teachers, the current extremely low bar for acceptance to academic teaching and education programs needs to be turned on its head. Persons wishing to teach math, physics, English, etc., should first get accepted and receive academic degrees in their desired discipline, and then train for a teaching certificate. This will lead to two desired outcomes: (a) the teachers will have a much better understanding of their field, and (b) such graduates have options other than teaching. If Israel wants them as teachers, then they will need to be paid competitive wages. But such teachers should then be required to work hours and days similar to their alternatives. This would allow the country to hire less teachers at higher salaries – an extremely important and necessary step towards a national pivot in the education that Israel provides its children.

¹ See Ben-David and Kimhi (2021) for an overview of Israel’s education system while Ben-David (2015) provides an outline for systemic education reform in the country.

References

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