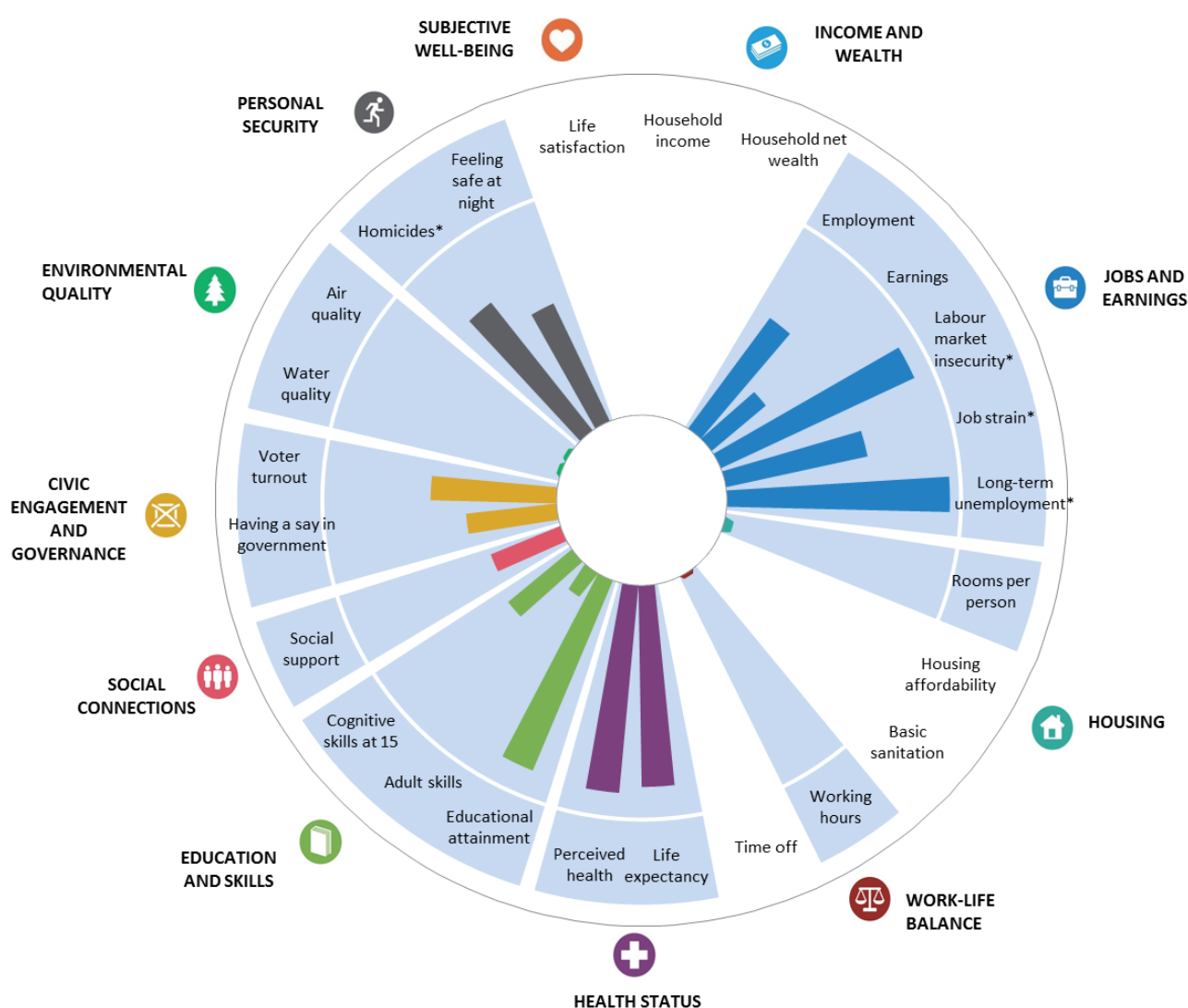


How's Life in Israel?

Relative to other OECD countries, Israel's average performance across the different well-being dimensions is mixed. **Average earnings** are comparatively low, and 15% of employees regularly **work very long hours**, one of the highest shares in the OECD. In 2016, 69% of the Israeli population aged 15-64 was in **employment**, slightly above the OECD average of 67%, while the **long-term unemployment** rate was among the lowest in the OECD (0.5% in 2016, compared to around 2% in the OECD on average). **Labour market insecurity** and **job strain** are also both better than the OECD average. At 82 years, **life expectancy** at birth in Israel is 2 years higher than the OECD average. A high share of Israelis report good levels of **perceived health**, although these data are not fully comparable with those of the other OECD countries, due to a difference in the reporting scale. Environmental quality is an area of comparative weakness, in terms of both **air pollution** and **water quality**. **Social support** also stands below the OECD average.

Israel's average level of current well-being: Comparative strengths and weaknesses














Note: This chart shows Israel's relative strengths and weaknesses in well-being when compared with other OECD countries. For both positive and negative indicators (such as homicides, marked with an "*"), longer bars always indicate better outcomes (i.e. higher well-being), whereas shorter bars always indicate worse outcomes (i.e. lower well-being). If data are missing for any given indicator, the relevant segment of the circle is shaded in white.

Additional information, including the data used in this country note, can be found at:


www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx


Change in Israel's average well-being over the past 10 years


Dimension	Description	Change
 Income and wealth	[No time series data available]	..
 Jobs and earnings	The employment rate has risen by 6.3 percentage points since 2005. Real earnings fell gradually from 2007 to 2010, but following a considerable improvement since then, they now stand 10% above their pre-crisis levels. Labour market insecurity has gradually fallen over the past decade, and is now well below half its 2005 level. The long-term unemployment rate has fallen slightly from its 2012 level (the latest year for which comparable data are available), while job strain also improved, with the share of people affected falling from 39% in 2005 to 32% in 2015.	↗ ↗ ↗ ↗ ↗
 Housing conditions	The average number of rooms per person has remained relatively stable over the past decade, at around 1.1.	↔
 Work-life balance	The incidence of long working hours has improved, with the percentage of employees working 50 hours or more per week falling from 19% in 2012 to 15% in 2016 (comparable data are not available prior to 2012).	↗
 Health status	Life expectancy at birth has increased by just under a year since 2009 (the earliest year for which comparable data are available). The percentage of adults reporting to be in “good” or “very good” health has also increased, by 7 points since 2005.	↗ ↗
 Education and skills	The 10-year change in upper secondary educational attainment cannot be assessed, due to a recent break in the data. However, between 2014 and 2016, attainment rates in Israel increased by just over 1 percentage point.	↗
 Social connections	The share of people who have relatives or friends whom they can count on to help in case of need has seen little change over the decade.	↔
 Civic engagement	Contrary to the OECD average trend, voter turnout in Israel has increased by 9 percentage points since 2006, reaching 72% in the 2015 parliamentary elections.	↗
 Environmental quality	The percentage of Israelis satisfied with their local water quality is currently 9 points higher than 10 years ago. However, annual exposure to PM _{2.5} air pollution has increased strongly in the past decade and in 2013 was almost one-third higher than in 2005.	↗ ↘
 Personal security	Deaths due to assault have fallen from 3.3 per 100 000 people in 2005 to 1.7 in 2014. On the other hand, feelings of safety when walking alone at night are broadly unchanged from their levels 10 years ago, close to the OECD average of 69%.	↗ ↔
 Subjective well-being	Life satisfaction has remained relatively stable over the past decade in Israel.	↔


Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.

Israel's resources and risks for future well-being: Illustrative indicators

 Natural capital		
Indicator	Tier	Change
Greenhouse gas emissions from domestic production	2	↗ 2005-2014
CO ₂ emissions from domestic consumption	3	↗ 2001-2011
Exposure to PM _{2.5} air pollution	3	↘ 2005-2013
Forest area	3	↔ 2005-2014
Renewable freshwater resources	3	.. Long-term annual avg
Freshwater abstractions	1	.. 2014
No data available on threatened species.		

 Human capital		
Indicator	Tier	Change
Young adult educational attainment	1	↗ 2014-2016
Educational expectancy	3	.. 2015
Cognitive skills at age 15	3	.. 2015
Adult skills	3	.. 2014/2015
Long-term unemployment	1	↗ 2012-2016
Life expectancy at birth	1	↗ 2009-2015
Smoking prevalence	2	↔ 2006-2016
Obesity prevalence	2	↘ 2006-2016

 Economic capital		
Indicator	Tier	Change
Produced fixed assets	3	↗ 2005-2015
Gross fixed capital formation	3	↘ 2005-2015
Financial net worth of total economy	1	↗ 2005-2015
Intellectual property assets	2	↔ 2005-2015
Investment in R&D	2	↘ 2005-2015
Financial net worth of government	2	↔ 2005-2015
Banking sector leverage	1	↗ 2005-2015
No data available on household debt and household net wealth.		

 Social capital		
Indicator	Tier	Change
Trust in the national government	2	↗ 2006-2016
Voter turnout	2	↗ 2006-2015
Government stakeholder engagement	3	.. 2014
Volunteering through organisations	2	.. 2014/2015
No data available on trust in others and trust in the police.		

1	Top-performing OECD tier, latest available year
2	Middle-performing OECD tier, latest available year
3	Bottom-performing OECD tier, latest available year

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN ISRAEL?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unequally outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

In Israel, **vertical inequalities** in well-being are pronounced, with 5 out of 6 available indicators classified in the bottom (i.e. most unequal) third of OECD countries. Israel records the highest levels of inequality in earnings, cognitive skills of 15-year-old students and having a say in government.

Although a number of indicators of **horizontal inequality by gender** are missing for Israel, the country is ranked in the medium or top third of OECD countries in all but one of the indicators available (having a say in what the government does). Areas in which women have very slightly better well-being outcomes than men include social support and voter turnout. Furthermore, while in most OECD countries men are slightly more satisfied with water quality than women, no such divide is found for Israel.

In most OECD countries, **young people** are at a disadvantage on the job market when compared to **middle-aged** adults, but fare better in terms of very long working hours. In Israel, the young have higher unemployment and lower voter turnout than the middle-aged, but these gaps are not as large as in the OECD on average. By contrast, there is a comparatively large gap (in favour of the middle-aged) on income, and on having a say in government.

Compared to the **tertiary-educated**, people with only a **secondary** education are lagging behind on several aspects of well-being, and often more so in Israel than for the OECD on average. For example, they score 11% lower in tests of adult skills – a larger gap than in most OECD countries – and the performance gap extends to their children, who do 11% less well than peers whose parents attained tertiary education.

Israel shows high levels of **deprivation**, falling in the bottom third of the OECD in 11 out of 15 available indicators. Income poverty has an incidence of 19.5%, which is the highest recorded among the countries considered. Moreover, indicators of work-life balance, environmental quality and personal security also show high levels of deprivation. However, Israel fares well in unemployment, with a rate as low as 4.9% in the latest year available.

Well-being inequalities in Israel

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●		●		●
Household net wealth	○		○	○	○
Earnings	●	○	○	○	
Low pay		●			●
Employment		●	●	●	
Unemployment		●	●	●	●
Housing affordability					○
Rooms per person					○
Life expectancy	●				
Perceived health		○	○	○	○
Working hours	○	○	○	○	○
Time off		○	○		
Educational attainment		●	●		●
Cognitive skills at 15	●	●		●	●
Adult skills	●	●	●	●	●
Time spent socialising		○	○		
Social support		●	●	●	●
Voter turnout		●	●	●	●
Having a say in government	●	●	●	●	●
Air quality					●
Water quality		●	●	●	●
Homicides		●			●
Feeling safe at night		●	●	●	●
Life satisfaction	○	○	○	○	●
Negative affect balance					●

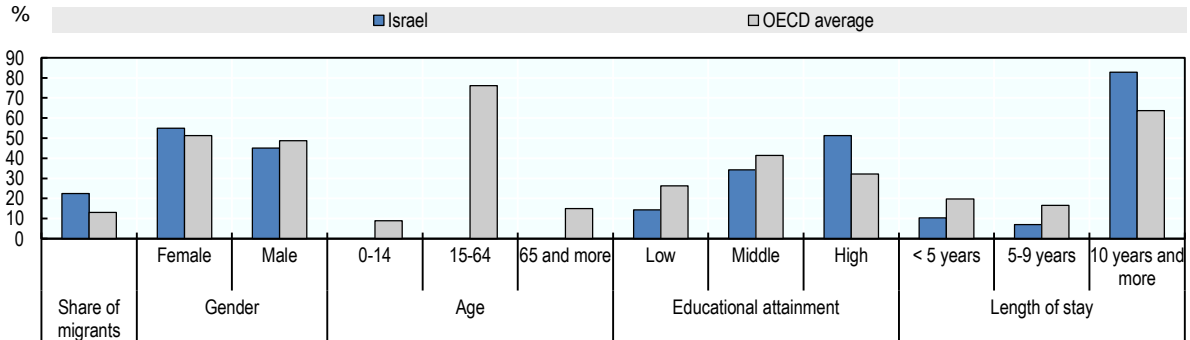
HOW'S LIFE FOR MIGRANTS IN ISRAEL?

Migrants (defined as people living in a different country from the one in which they were born) represent an important share of the population in most OECD countries. Capturing information about their well-being is critical for gaining a fuller picture of how life is going, and whether it is going equally well for all members of society.

Who are the migrants in Israel and OECD?

Almost one in four people living in Israel (23%) were born elsewhere, far above the OECD average (13%), and 55% of them are women (51% for the OECD average). Migrants in Israel are more likely to have a high educational attainment than a low or a middle level. More than 80% of migrants arrived in Israel ten years ago or more.

Share of migrants in the total population and selected characteristics

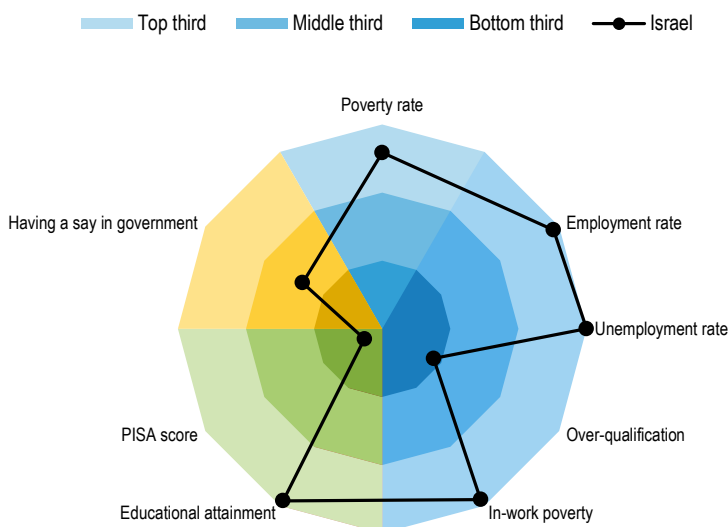


How is migrants' well-being in Israel?

Compared with the migrant populations of other OECD countries, migrants living in Israel have a relatively good situation regarding poverty, employment, unemployment, in-work poverty and educational attainment. Moreover, migrants settled in Israel rank in the middle third of OECD-country migrants for having a say in government. They are in the bottom third for PISA performance and over-qualification.

As in many other OECD countries, migrants in Israel tend to experience lower well-being outcomes than the native-born population: in Israel, this is the case for 4 out of 7 selected well-being indicators. However, migrants in Israel are just as likely as the native-born to report the same situation for social support, perceived safety and having a say in government.

Comparing well-being outcomes for migrants in Israel with the migrant populations of other OECD countries



Comparison of migrants' and native-born well-being in Israel

	Migrants have a worse situation	Same situation	Migrants have a better situation
Literacy scores	▲		
PISA score	▲		
Perceived health	▲		
Social support		▲	
Perceived safety		▲	
Having a say in government		▲	
Life satisfaction	▲		

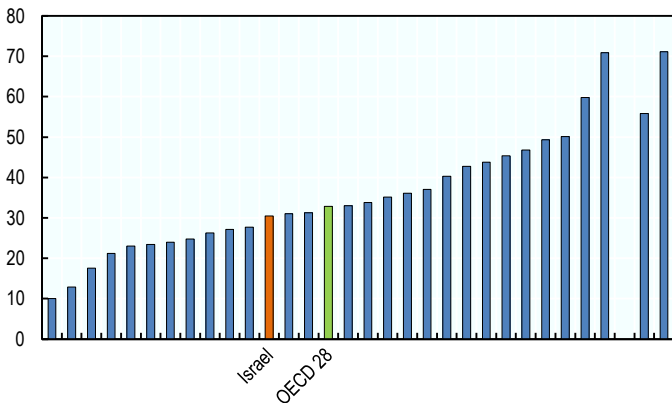
GOVERNANCE AND WELL-BEING IN ISRAEL

Public institutions play an important role in well-being, both by guaranteeing that people's fundamental rights are protected, and by ensuring the provision of goods and services necessary for people to thrive and prosper. How people experience and engage with public institutions also matters: people's political voice, agency and representation are outcomes of value in their own right.

In Israel, a little over 30% of the population feels that they have a say in what their government does, slightly below the OECD average of 33%. In recent years, voter turnout has increased, with a just over 72% of the population voting in 2015, compared to almost 64% in 2006. When asked about whether or not corruption is widespread across government, 70% of Israelis answered "yes", which is higher than the OECD average of 56%. Since around 2006, the share of people in the OECD who report that they have confidence in their national government has fallen from 42% to 38%.

Having a say in what the government does

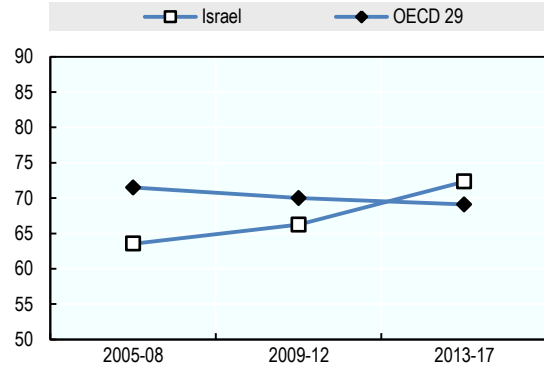
Percentage of people aged 16-65 who feel that they have a say in what the government does, around 2012



Source: OECD Survey of Adult Skills (PIAAC database)

Voter turnout

Percentage of votes cast among the population registered to vote



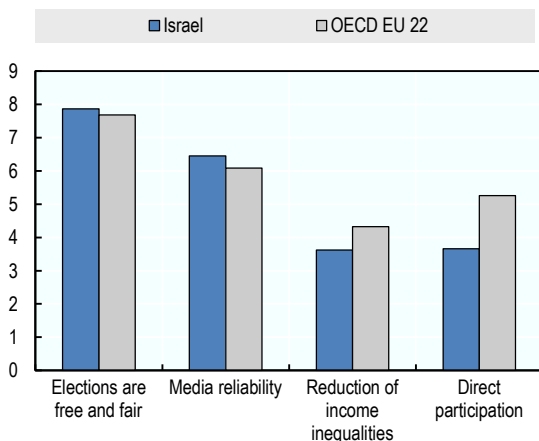
Note: Data refers to parliamentary elections. If more than one election took place over the time period indicated, the simple average voter turnout from all elections is shown. The OECD average sums elections that occurred over the time periods shown in 29 OECD countries.

Source: IDEA dataset

Overall, Israeli satisfaction with the way democracy works in their country varies depending on the element of democracy being assessed. People in Israel tend to be quite satisfied with the freedom and fairness of elections (7.9 on a 0-10 scale), while they are less satisfied with policies to reduce income inequalities (3.6), as well as with the existence of direct participation mechanisms at the local level (3.7). Europeans' satisfaction with public services meanwhile varies according to whether people have used those services in the last year. For example, satisfaction with education is higher among those with direct recent experience (6.6 vs 6.2 on average), and this is also true of the health system (6.4 vs 6.2 on average). These data relate to 19 European countries only, and unfortunately no comparable data are available for Israel.

People's satisfaction with different elements of democracy

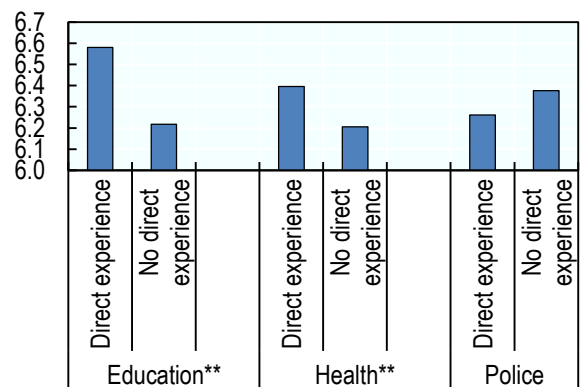
Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2012



Source: OECD calculations based on wave 6 of the European Social Survey (ESS), special rotating module on citizens' valuations of different elements of democracy.

OECD EU satisfaction with public services

Mean score on a 0-10 scale, with higher scores indicating higher satisfaction with elements of democracy, 2013



Note: ** Difference is statistically significant at 95%

Source: OECD calculations based on the EU Quality of Government (QoG) for 19 European OECD countries.

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

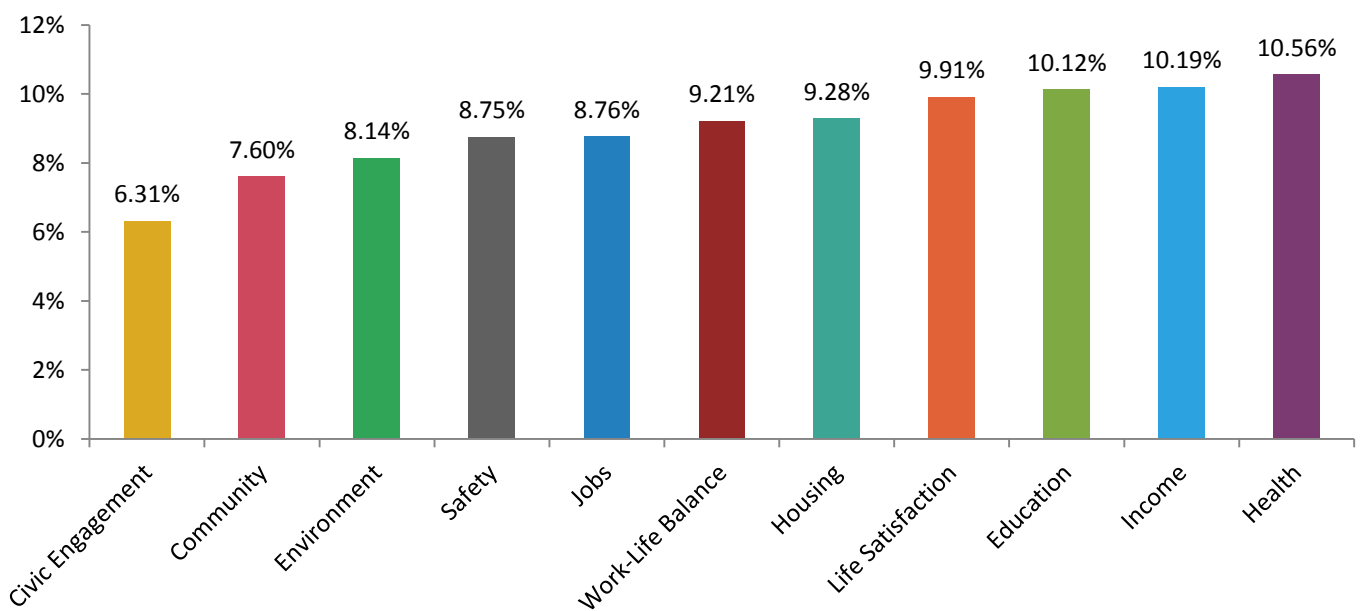


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN ISRAEL?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 81,600 people in Israel have visited the website making Israel the 29th country overall in traffic to the website. The top cities are Tel Aviv-Yafo (68% of visits), Jerusalem, Haifa and Ramat Gan.

The following country findings reflect the ratings voluntarily shared with the OECD by 845 website visitors in Israel. Findings are only indicative and are not representative of the population at large. **For Israeli users of the Better Life Index, health, education and income are the three most important topics** (shown below).¹ Up to date information, including a breakdown of participants in each country by gender and age can be found here: www.oecdbetterlifeindex.org/responses/#ISR.



¹ User information for Israel is based on shared indexes submitted between May 2011 and September 2017.

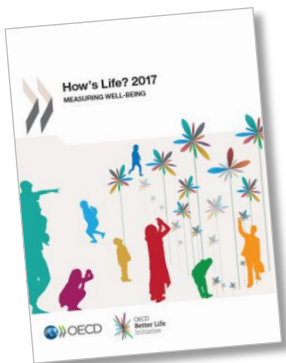
The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for Israel from the *How's Life? 2017* report** (pages 1-6) and shows what **Israeli users of the Better Life Index** are telling us about their **well-being priorities** (page 7).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

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