

## CHAPTER IV

### EMPLOYMENT AND WAGES

As in the past several years, the labor market was slack in 1982 too. Real labor costs in the business sector, which have been high in recent years and outpaced the increase in labor productivity, rose in 1982 by 4.2 percent, while the real product per manhour edged down about 1 percent. There was no change in the unfavorable employment trend of the past decade, namely an increase in the weight of public sector employment and a decline in business sector employment.

Domestic activity remained low this year, dampening demand for labor. On the other hand, the working-age population expanded (although at a relatively mild rate), and consequently there was an increase in the labor supply. These two factors combined to reduce the employment and labor force participation rates, and so the measured unemployment rate did not rise.

The number of employed inched up 1.4 percent, but labor input remained stable, since the increase in the number of employed was offset by a drop in manhours per employed. In the business sector real wages held steady, but the decrease in average manhours, along with some sagging of labor productivity, resulted in larger unit labor costs.<sup>1</sup> These developments brought up the share of the return to labor (including the imputed wages of self-employed) to fully 87 percent of the net domestic product, in contrast to 83 and 82 percent in 1980 and 1981 respectively. While these wage and employment developments coincided with a mild improvement in the economy's terms of trade, they indicate an impairment of the business sector's competitive strength, reversing the trend of the previous two years.

The number of jobless, according to labor force survey data, is estimated at some 68,000, roughly the same as last year. The stability in unemployment is noteworthy, both in comparison with what has been happening in the Western world and in comparison with developments in this country in the two preceding years. However, there are two points to be borne in mind. First, there was a relative increase this year in the number of persons whose demographic characteristics dimmed their prospects of finding work, so that unemployment deepened further from the already serious level of 1981. Second, some of the jobless gave up the search for work, thus increasing hidden unemployment.

<sup>1</sup> Different indexes are used for measuring the real value of wages (to employees) and labor costs (to employers). For the former the relevant measure is the consumer price index, while for employers it is the price deflator for the business sector product.

**Table IV-1**  
**POPULATION, EMPLOYMENT, WAGES, AND LABOR COSTS, 1976-82**  
 (Percent annual increase)

	1976	1977	1978	1979	1980	1981	1982
Working-age (14+) population	3.2	2.1	2.0	2.6	2.5	1.8	1.8
Civilian labor force	1.9	3.2	4.2	1.6	3.2	2.3	1.3
Israeli employed	1.3	2.8	4.6	2.3	1.1	2.0	1.4
Total manhours, Israelis	0.8	0.7	4.6	4.0	-1.1	2.6	0.0
Residents of administered areas employed in Israel	-2.2	-2.9	8.2	8.7	3.0	0.9	4.4
Total employed in Israel	1.1	2.5	4.8	2.6	0.8	2.0	1.6
Total manhours, Israel	0.7	0.6	5.1	4.4	-1.3	2.6	0.3
Real wages per employee <sup>a</sup>	1.4	10.6	1.5	9.5	-3.2	10.4	-0.9
Unit labor costs, business sector <sup>b</sup>			3.3	4.6	-7.9	-0.8	4.2
Product per manhour, business sector			1.0	-1.0	4.0	3.0	-1.0

<sup>a</sup> Wages per employee post (CBS data based on employers' returns to the National Insurance Institute), deflated by the consumer price index.

<sup>b</sup> The change in unit labor costs is calculated as the change in labor costs per manhour divided by the change in product per manhour. Labor costs are employers' total labor outlay, including employer contributions and other fringe benefits.

SOURCE: Labor force surveys and industry surveys of the Central Bureau of Statistics and National Insurance Institute data.

The weakness in the labor market should be viewed in the light of the low activity in domestic and foreign markets and the high real unit labor costs. These factors have affected the labor market for the past several years, and in 1982 they were joined by two others. The principal one was the war in Lebanon, which in the second and third quarters depressed labor input because of the steep jump in the number of persons temporarily absent from work. The second factor was the completion of the evacuation of Sinai, which heightened the demand for labor in the first quarter of the year (mainly in the transport industry). Since these two additional factors mainly affected males, this year's sharp workforce fluctuations were largely confined to them.

Comparison of the input of Israeli labor in the business and public sectors shows a decline in the former and an increase in the latter. The reason for this pattern lay in the two groups of factors mentioned above: (a) the dampening domestic and external developments mainly affect the business sector; and (b) this year's special factors also affected the business sector more strongly because about three quarters of its total employed are males, compared with less than half in the public services.

The sectoral breakdown of employment points up one of the central problems confronting the economy: the share of public servants<sup>2</sup> has been on the rise since 1970, while the need to reduce the import surplus and to renew growth necessitate an increase in the weight of business sector employment.

To achieve the required structural change in employment calls for a deliberate policy that will facilitate the absorption of suitable manpower in the business sector and inhibit recruitment in the public services. Such a policy should curb public sector demand for workers, and at the same time, along with wage restraint, reduce the cost of the business sector's labor input by easing the net tax burden on labor. At the beginning of 1983 it was decided to reduce employers' national insurance contributions from 15.5 to 14 percent of the gross pay. This is a step in the right direction, and it should be followed up by other measures. The imposition of a war loan on employees to help finance Operation Peace for Galilee has had an opposite effect.

Wage policy underwent several basic changes in 1982. First of all, after almost a decade of nationwide agreements, negotiations were this year conducted separately in

**Table IV-2**  
**SECTORAL COMPOSITION OF ISRAELI EMPLOYMENT AND LABOR**  
**INPUT, 1970-82**  
(Percent)

	Employed persons						Manhours		
	Total	Public services	Business sector			Total	Public services	Business sector	
			Total	Of which:					
				Business services <sup>a</sup>	Industry				
Composition									
1970	100.0	23.9	76.1	5.2	24.2	100.0	21.9	78.1	
1975	100.0	27.1	72.9	6.6	24.7	100.0	24.9	75.1	
1977	100.0	27.8	72.2	7.4	23.9	100.0	25.3	74.7	
1979	100.0	29.2	70.8	7.8	24.0	100.0	26.1	73.9	
1980	100.0	29.3	70.7	8.2	23.5	100.0	26.2	73.8	
1981	100.0	29.8	70.2	8.7	23.3	100.0	26.3	73.7	
1982	100.0	29.8	70.2	9.0	22.7	100.0	26.5	73.5	
Annual rate of change									
1970-73	4.2	4.9	3.9	10.1	5.0	2.1	4.2	1.5	
1973-75	0.7	5.9	-1.1	5.7	-0.2	1.7	5.2	0.7	
1975-81	2.4	3.9	1.8	7.0	1.3	1.9	2.4	1.5	
1981-82	1.4	1.5	1.4	4.5	-0.9	—	0.6	-0.2	

<sup>a</sup> Including financial services.

SOURCE: Labor force surveys of the Central Bureau of Statistics.

<sup>2</sup> Employees in the public sector and nonprofit institutions.

the public and business sectors. In the public sector negotiation of the wage agreement dragged out until the beginning of 1983. In 1982 a new cost-of-living allowance agreement was signed; the only modification was to make the system more flexible by introducing a sliding scale for the rate of compensation, ranging from 80 to 90 percent of the rise in the consumer price index. The only revision in the cost-of-living allowance agreement signed at the beginning of 1983 was a change in the manner of calculating the reference period on which the increase in the determining index is based. One of the important results of this change is the shortening of the lag between the calculation of the rise in the index and the payment of compensation. These two revisions have made for a better adjustment of the cost-of-living allowance to the rate of price increase, thereby restraining the rise of real wages at a time of weakening inflation. They therefore contribute in some measure to the success of the policy aimed at curbing inflation. Another way to help this policy is to provide for a more flexible determination of the frequency of the cost-of-living adjustments so that they will be directly related to the rate of inflation.

**Table IV-A1**  
**WEEKLY HOURS WORKED PER ISRAELI EMPLOYED,<sup>a</sup> 1978-82**  
 (Annual average)

	1978	1979	1980	1981	1982
Total	36.7	37.3	36.5	36.7	36.2
Business sector	38.2	38.9	38.1	38.5	37.9
Men	40.2	41.4	40.6	41.1	40.2
Women	32.2	32.7	31.7	31.8	32.0

<sup>a</sup> Including temporarily absent.

SOURCE: Labor force surveys of the Central Bureau of Statistics.

**Table IV-A2**  
**SOURCES OF LABOR FORCE GROWTH, 1970-82**  
 (Thousands)

	1970- 1973	1973- 1976	1977	1978	1979	1980	1981	1982
<b>Both sexes</b>								
Total increase in labor force <sup>a</sup>	38.8	15.1	37.2	51.0	19.9	40.2	30.5	18.5
1. Population growth	34.5	26.4	24.2	23.3	31.8	31.8	23.6	24.0
2. Participation rate	7.2	3.6	12.0	13.5	3.8	6.5	6.8	8.3
3. Specific participation rates	-2.9	-14.9	1.0	14.2	-15.7	1.9	0.0	-13.8
<b>Men</b>								
Total increase in labor force <sup>a</sup>	20.3	4.0	18.6	17.5	5.7	17.6	16.1	9.4
1. Population growth	23.4	17.4	15.0	15.7	20.2	19.8	15.3	14.8
2. Participation rate	0.0	-1.9	3.6	1.8	0.0	0.2	0.9	4.1
3. Specific participation rates	-3.1	-11.5	0.0	0.0	-14.5	-2.4	0.1	-9.5
<b>Women</b>								
Total increase in labor force <sup>a</sup>	18.5	11.1	18.6	33.5	14.2	22.6	14.4	9.2
1. Population growth	11.1	9.0	9.2	7.6	11.6	12.0	8.6	9.2
2. Participation rate	7.2	5.5	8.4	11.7	3.8	6.3	5.9	7.0
3. Specific participation rates	0.2	-3.4	1.0	14.2	-1.2	4.3	-0.1	-7.0

<sup>a</sup> Sources of the increase calculated as follows: Lines 1, due to population growth with participation rate held constant. Lines 2, due to changes in participation rate with age and schooling held constant. Lines 3, due to changes in age-schooling specific participation rates, population held constant.

SOURCE: Labor force surveys and administered-areas family surveys of the Central Bureau of Statistics.

**Table IV-A3**  
**ISRAELI LABOR FORCE, SELECTED DATA, 1970-82**

	1978	1979	1980	1981	1982	Average annual increase, percent	
						1970-1973	1976-1979
<b>Thousands, annual average</b>							
<b>Average population</b>	3,692.6	3,786.4	3,877.7	3,948.1	4,023.1	3.3	2.5
<b>Working-age population</b>	2,530.9	2,595.5	2,660.8	2,708.7	2,757.1	3.4	2.3
<b>Civilian labor force</b>	1,254.8	1,277.4	1,318.1	1,348.5	1,366.7	3.7	1.3
<b>Participation rate (percent)</b>	49.6	49.2	49.5	49.8	49.6		
<b>Employed</b>	1,212.4	1,240.6	1,254.5	1,280.1	1,298.3	4.4	1.0
<b>Unemployed</b>	42.4	36.8	63.6	68.4	68.4		
<b>Unemployment rate (percent)</b>	3.6	2.9	4.8	5.1	5.0		
<b>Men</b>							
<b>Working-age population</b>	1,251.0	1,281.7	1,312.6	1,336.6	1,359.4	3.8	2.2
<b>Civilian labor force</b>	816.0	819.0	836.6	852.7	861.5	2.8	0.5
<b>Participation rate (percent)</b>	65.2	63.9	63.7	63.8	63.4		
<b>Employed</b>	792.3	799.4	801.9	815.5	823.7	3.2	0.3
<b>Unemployed</b>	23.7	19.6	34.7	36.9	37.8		
<b>Unemployment rate (percent)</b>	2.9	2.4	4.1	4.3	4.4		
<b>Women</b>							
<b>Working-age population</b>	1,279.0	1,313.9	1,347.9	1,372.1	1,397.4	3.6	2.4
<b>Civilian labor force</b>	439.0	458.6	481.2	495.6	504.9	5.8	3.0
<b>Participation rate (percent)</b>	34.3	34.9	35.7	36.1	36.1		
<b>Employed</b>	420.2	441.4	452.2	464.1	474.5	6.5	2.4
<b>Unemployed</b>	18.8	17.2	29.0	31.5	30.4		
<b>Unemployment rate (percent)</b>	4.3	3.8	6.0	6.4	6.0		
<b>Workers from administered areas</b>	71.2	77.4	75.1	75.8	79.1		0.0
<b>Percent change over preceding year</b>							
<b>Average population</b>	2.2	2.5	2.4	1.8	1.9		
<b>Working-age population</b>	1.9	2.6	2.5	1.8	1.8		
<b>Civilian labor force</b>	4.2	1.6	3.2	2.3	1.3		
<b>Employed</b>	4.6	2.3	1.1	2.0	1.4		
<b>Men</b>							
<b>Working-age population</b>	2.0	2.5	2.4	1.8	1.7		
<b>Civilian labor force</b>	2.5	3.7	2.1	1.9	1.0		
<b>Employed</b>	2.9	0.9	0.3	1.7	1.0		
<b>Women</b>							
<b>Working-age population</b>	1.8	2.7	2.6	1.8	1.8		
<b>Civilian labor force</b>	6.8	4.5	4.9	3.0	1.9		
<b>Employed</b>	7.8	5.0	2.4	2.6	2.2		
<b>Workers from administered areas</b>	8.3	8.7	1.3	0.9	4.2		

SOURCE: Labor force surveys and administered-areas family surveys of the Central Bureau of Statistics.

**Table IV-A4**  
**SOURCES OF POPULATION GROWTH, 1974-82**  
 (Thousands unless otherwise stated)

	1974	1975	1976	1977	1978	1979	1980	1981	1982 <sup>a</sup>
1. Beginning-of-year <i>de jure</i> population	3,338.2	3,421.6	3,493.2	3,575.3	3,653.2	3,737.6	3,836.2	3,921.7	3,977.9
2. Total natural increase	69.2	71.2	74.7	70.5	67.6	68.8	68.0	67.6	70.2
Rate of natural increase (per thousand)	20.5	20.6	21.1	19.5	18.3	18.2	17.5	17.1	17.4
3. Total population									
4. Jews	17.1	17.7	18.0	16.4	15.2	15.0	14.7	14.5	14.7
5. Non-Jews	39.5	37.0	38.2	36.2	34.8	34.8	32.2	30.7	31.3
6. Gross immigration <sup>b</sup>	33.5	21.5	21.1	22.8	28.8	39.6	22.2	14.5	16.1
7. Net emigration <sup>c</sup>	19.2	21.2	13.7	15.4	12.0	9.7	4.7	25.9	11.3
8. Migration balance (6-7)	14.3	0.3	7.4	7.4	16.8	29.9	17.5	-11.4	4.8
9. Total population growth (2+8)	83.4	71.6	82.1	77.8	84.4	98.7	85.5	56.2	75.0
10. Golan District									12.0
11. End-of-year <i>de jure</i> population (1+9+10)	3,421.6	3,493.1	3,575.3	3,653.2	3,737.6	3,836.2	3,921.7	3,977.9	4,064.9
Percent									
12. Annual change in end-of-year population	2.5	2.1	2.4	2.2	2.3	2.6	2.2	1.4	2.2
Of which: Natural increase	82.9	99.4	91.0	90.5	80.1	69.9	79.5	120.3	93.6
Migration balance	17.1	0.6	9.0	9.5	19.9	30.3	20.5	-20.3	6.4

<sup>a</sup> Provisional.

<sup>b</sup> Immigrants, tourists acquiring immigrant status, immigrating citizens (children born to Israeli citizens abroad), and persons returning under the family reunion scheme.

<sup>c</sup> Israelis residing abroad for 12 months or more (less Israeli residents returning from abroad after an absence of 12 months or more), potential immigrants who left for abroad, and residents who did not return from a visit to Jordan (see also CBS, *Statistical Abstract of Israel 1982*, pp. 117, 121-23).

SOURCE: Central Bureau of Statistics.

**Table IV-A5**  
**NUMBER OF EMPLOYED AND LABOR INPUT IN THE MAIN ECONOMIC SECTORS, 1978-82**

	1978	1979	1980	1981	1982	Percent annual increase			
						1979	1980	1981	1982
<b>Employed</b> (thousands, annual average)									
1. Israelis	1,213.0	1,241.0	1,254.4	1,279.9	1,298.3	2.3	1.1	2.0	1.4
2. From the administered areas	71.2	77.4	75.1	75.8	79.1	8.7	-3.0	0.9	4.4
3. Total employed in Israel (1+2=4+5)	1,284.2	1,318.4	1,329.5	1,355.7	1,377.4	2.7	0.8	2.0	1.6
4. In public services <sup>a</sup>	350.0	361.9	367.9	337.3	381.3	3.4	1.7	3.7	1.6
5. In the business sector	934.2	956.5	961.6	974.3	990.1	2.4	0.5	1.3	1.6
<b>Labor input of employed</b> (millions of hours, weekly average)									
1. Israelis	44.5	46.3	45.8	47.0	47.0	4.0	1.1	2.6	0.0
2. From the administered areas	2.9	3.2	3.0	3.1	3.2	8.6	4.7	2.8	3.8
3. Total domestic labor input (1+2=4+5)	47.4	49.5	48.8	50.1	50.2	4.4	-1.3	2.6	0.3
4. In public services	11.6	12.1	12.0	12.4	12.5	4.7	-0.8	3.0	0.6
5. In the business sector	35.8	37.4	36.8	37.7	37.7	4.2	-1.5	2.4	0.0

<sup>a</sup> Excluding residents of administered areas.

SOURCE: Central Bureau of Statistics and calculations of the Bank of Israel.

Table IV-A6

## TOTAL EMPLOYED IN ISRAEL AND LABOR INPUT IN THE BUSINESS SECTOR BY INDUSTRY, 1978-82

	1978	1979	1980	1981	1982	Percent annual increase			
						1979	1980	1981	1982
<b>Employed (thousands)</b>									
Total business sector <sup>a</sup>	933.8	956.5	961.6	974.3	900.1	2.4	0.5	1.3	1.6
Construction	112.2	117.8	114.8	117.2	121.7	5.0	-2.5	2.1	3.8
Industry	300.8	315.9	310.0	311.4	309.0	5.0	-1.9	0.5	-0.8
Agriculture	86.2	83.8	89.5	86.4	83.1	-2.8	6.8	-3.5	-3.8
Transport	82.6	84.5	86.0	84.5	88.2	2.3	1.8	-1.7	4.4
Trade and personal services <sup>b</sup>	234.5	234.0	235.8	239.2	248.3	-0.2	0.8	1.4	3.8
Financial services	91.1	96.5	102.5	111.3	116.5	5.9	6.2	8.6	4.7
Electricity and water	13.2	11.4	12.8	13.7	13.8				
Not known	13.7	12.7	10.2	10.6	9.6				
<b>Labor input (millions of hours, weekly average)</b>									
Total business sector <sup>a</sup>	35.8	37.4	36.8	37.7	37.7	4.2	-1.5	2.4	0.1
Construction	4.3	4.7	4.3	4.7	4.8	9.4	-4.1	3.8	3.0
Industry	11.6	12.5	12.0	12.2	11.9	8.2	-4.0	2.0	-2.8
Agriculture	3.4	3.3	3.5	3.4	3.2	-2.6	3.1	-1.9	-6.4
Transport	3.3	3.4	3.4	3.4	3.4	4.6	-0.7	-0.9	0.7
Trade and personal services <sup>b</sup>	8.8	8.9	8.8	9.0	9.2	1.2	-1.5	2.1	3.2
Financial services	3.4	3.6	3.8	4.1	4.3	6.5	4.5	7.7	5.4

<sup>a</sup> Industries 50-59 and 90-99; includes other employees from administered areas.

<sup>b</sup> Includes 'electricity and water' and 'not known'.

**Table IV-A7**  
**ANNUAL EMPLOYMENT SERVICE DATA, 1978-82<sup>a</sup>**

	1978	1979	1980	1981	1982
<b>Absolute figures</b>					
Job-seekers (monthly average)					
Total	18,518	20,290	32,097	34,562	33,516
Men	10,056	10,834	19,427	20,935	20,340
Women	8,462	9,456	12,670	13,628	13,227
Unemployed (daily average)					
Total	1,361	1,477	9,077	11,577	10,958
Men	787	829	6,128	7,727	7,423
Women	574	648	2,949	3,850	3,535
Situations vacant (monthly average)	25,466	25,657	18,016	18,174	17,269
Unfilled vacancies (monthly average)	8,065	7,725	2,618	2,460	2,542
Job-seekers not referred to work (monthly average) <sup>b</sup>	3,945	5,168	17,096	19,132	18,442
<b>Percent change over preceding year</b>					
Job-seekers (monthly average)					
Total		9.6	58.2	7.7	-3.0
Men		7.7	79.3	7.7	-2.8
Women		11.7	34.0	7.6	-2.9
Unemployed (daily average)					
Total		8.5	514	27.5	-5.3
Men		5.3	639	26.1	-3.9
Women		12.9	355.1	30.6	-8.2
Situations vacant (monthly average)		0.8	29.8	0.9	-5.0
Unfilled vacancies (monthly average)		-4.2	-66.1	-6.0	3.3
Job-seekers not referred to work (monthly average) <sup>b</sup>		31.0	230.8	11.9	-3.6

<sup>a</sup> Adult labor exchanges.

<sup>b</sup> Excluding job-seekers referred to vocational counseling.

**Table IV-A8**  
**CHARACTERISTICS OF THE UNEMPLOYED, 1979-82**  
 (Percent of total unemployed unless otherwise stated)

	1979	1980	1981	1982
1. Sought work for 57 weeks	56.4	70.3	72.0	73.4
2. Sought work through labor exchanges	43.1	57.2	57.4	55.2
3. Family heads		36.5	38.6	40.6
4. Worked during last 12 months	51.4	48.4	49.8	50.3
Of which (percent of 4):				
Dismissed	23.2	46.3	51.1	47.9
Quit	34.1	17.8	25.3	30.2
Last job in industry	25.8	26.6	26.4	26.1
Last job in public services	19.7	20.4	19.5	17.8
5. Percent men	53.3	54.6	53.9	55.3
6. Education (years of schooling)				
0-8	26.5	26.5	25.1	24.2
9-12	56.6	56.9	57.6	58.8
13+	16.9	16.6	17.3	17.0
7. Age structure				
14-24	48.4	47.0	46.7	45.7
25-34	32.3	30.3	31.9	30.6
35-54	15.8	17.9	18.4	20.2
55+	3.5	5.0	2.9	3.5
8. Completed military service but not yet employed	10.0	12.3	11.4	11.5

SOURCE: Labor force surveys of the Central Bureau of Statistics.

**Table IV-A9**  
**ANNUAL CHANGE IN AVERAGE REAL WAGE PER EMPLOYEE POST,**  
**BY INDUSTRY,<sup>a</sup> 1976-82**  
 (Percent)

	1976	1977	1978	1979	1980	1981	1982
Total	1.4	10.6	1.5	9.5	-3.2	10.4	-0.9
Public services	-4.3	16.9	-0.8	15.6	-8.4	10.4	-4.8
Business sector	4.6	6.9	2.9	5.9	-0.3	10.4	1.2
Agriculture, forestry, fishing	0.9	4.6	3.3	5.8	-1.7	7.6	-0.3
Industry	6.2	6.3	2.9	6.2	-0.4	11.8	1.5
Electricity and water	-8.1	27.6	6.7	-1.7	2.0	20.8	-6.4
Construction	7.4	-1.1	0.5	6.7	-0.9	8.9	3.7
Trade, restaurants, and hotels	5.0	6.5	3.5	4.9	-3.8	11.4	2.9
Transport, communications, storage	-0.3	10.7	4.8	3.5	1.4	8.9	-1.0
Financial, business services	3.5	11.6	-0.8	5.6	1.5	9.7	-0.8
Other personal services	8.2	7.3	3.7	7.1	-4.3	3.8	7.9

<sup>a</sup> Includes residents of the administered areas employed in Israel.

SOURCE: Central Bureau of Statistics, based on employers' returns to National Insurance Institute.

**Table IV-A10**  
**DECOMPOSITION OF WAGES PER MANHOUR, BUSINESS SECTOR, 1976-82<sup>a</sup>**  
 (Percent change over preceding year)

	1976	1977	1978	1979	1980	1981	1982
1. Total change in wages	43.0	45.7	57.9	82.2	131.5	142.1	120.2
a. Cost-of-living allowance (COLA)	19.2	23.7	33.4	42.3	93.6	96.2	85.7
b. Nationwide agreements	6.0	5.5	14.0	6.9	8.6	11.9	8.2
c. Other wage components	13.2	11.6	3.8	19.8	10.1	10.3	9.6
2. Consumer price index	31.3	34.6	50.6	78.3	131.0	116.8	120.4
3. Change due to COLA as percent of CPI change (1a÷2)	61.3	68.5	66.0	54.0	71.5	82.4	71.2
4. Cumulative change in real wage							
a. Cost-of-living allowance	-9.2	-8.1	-11.4	-20.2	-16.2	-9.5	-15.7
b. COLA and nationwide agreements	-3.8	-3.0	1.0	-14.7	-9.0	1.2	-8.8
c. All wage components	8.9	8.2	4.8	2.2	0.2	11.7	-0.1

<sup>a</sup> Calculated as follows:

Line 1:  $[100+(1a)] [100+(1b)] [100+(1c)]/100^2 - 100$

Line 4a:  $\{ [100+(1a)]/[100+(2)] - 1 \} 100$

Line 4b:  $[100+(1a)] [100+(1b)]/[100+(2)] - 100$

Line 4c:  $\{ [100+(1)]/[100+(2)] - 1 \} 100$

SOURCE: Lines (1)-(3) are data of the Histadrut.