



# Workers' Skills in Israel: A Temporal Perspective

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The industrial and technological revolutions are changing the landscape of the job market worldwide. The demand for workers is shifting, along with the types of tasks required for jobs, specializations, and in training. The pace of change in the type of job tasks is increasing, while education and training systems evolve slowly and struggle to keep up. As a result, gaps arise between the skills of workers and what is needed in the job market. Research on this gap is conducted worldwide using various methods, all concluding that while most jobs previously required physical, manual, and repetitive skills, today there is a demand for interpersonal skills and creativity that requires knowledge and cognitive skills.

A team of researchers at the Israel Democracy Institute aimed to examine this issue with a specific focus on the Israeli job market in recent decades. Efforts were made to identify the main points of discrepancy, with a look at various population groups in Israel. Special attention was given to developments in the high-tech industry, which holds a very dominant position in Israel. The research method relied on an analysis of large datasets from the Central Bureau of Statistics, as well as a comprehensive employee survey in Israel that provided an updated and in-depth picture.

## Main findings

1. The skills most required in the Israeli economy today are interpersonal (such as interpersonal communication, verbal expression, and flexibility). There is a trend of increasing intensity of cognitive tasks (such as problem-solving ability and analytical skills), alongside a significant decrease in the need for physical, repetitive, and non-repetitive skills.
2. As the researchers put it: "The changes between 2001 and 2022 are equivalent to adding 190,000 engineers to the workforce, while subtracting 220,000 garbage disposal employees."
3. The research findings confirm the great importance for high-tech workers in Israel of the skills measured on the PISA test. These skills were also found to be very important for other workers in the economy, especially for those with academic education.
4. Many workers noted that proficiency in English is an important requirement for performing their job, yet simultaneously declared that their proficiency in the language is below what is required. This gap also exists among workers with academic qualifications.
5. A significant negative correlation was found between the level of religiosity and skill levels, particularly in English. Among the population groups in Israel, the ultra-Orthodox community has the highest skill gaps across all areas compared to other groups in the economy.
6. Researchers note that artificial intelligence is already beginning to change the skill set necessary for workers. Among large employers, AI skills are already ranked first among the needs for employee training. Researchers anticipate an increasing importance of interpersonal skills