



G7 unemployment rates eclipsing Israel's on way up in 4th quarter

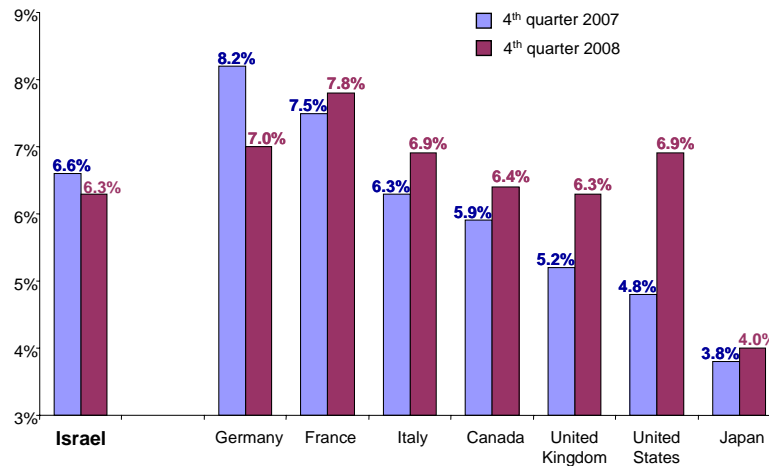
Some G7 countries are showing sharp increases in 4th quarter unemployment. Israel was still showing a decline, but reports from early 2009 suggest Israel will lose many jobs this year

Israel's unemployment rate fell consistently from 2003 through the end of 2008, as the country came out of a two-year recession. In the second and third quarters of 2008, unemployment was at a two-decade low of 6.0%. That rate began creeping upward by the end of 2008, reaching 6.3% in the fourth quarter. Projections are that unemployment increases will likely continue through 2009.

A comparison of fourth quarter unemployment rates between 2008 and 2007 indicates an increase in joblessness in six of the G7 countries. The sharpest increases were in the United Kingdom (an increase of 21% from 5.2 in 2007 to 6.3 in 2008) and in the United States (an increase of 44% from 4.8 in 2007 to 6.9 in 2008).

Fourth Quarter Unemployment Rates*

in Israel and G7 countries



* seasonally adjusted.

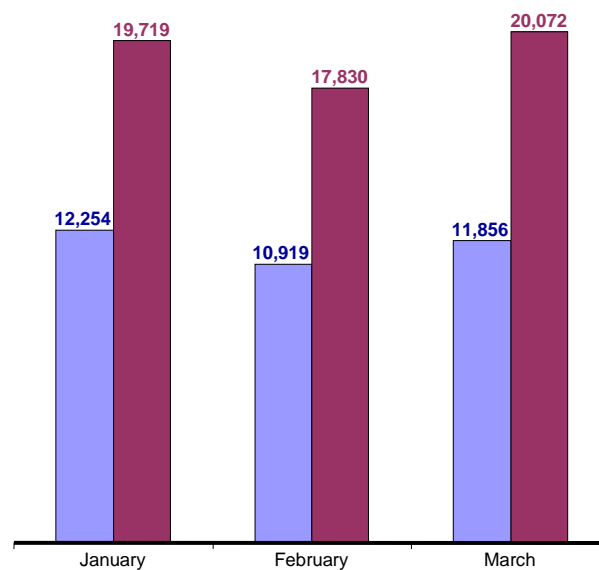
source: Taub Center for Social Policy Studies in Israel
data from the Israel Central Bureau of Statistics and OECD.



March unemployment figures are still not in for most countries. However those that have been tabulated point to a continued spiraling up in unemployment – to 8.0% in Canada and 8.5% in the United States.

Israel's Employment Service reported a substantial increase in the number of claimants who lost their jobs during the first three months of 2009 in comparison with the same months in 2008. This represents an increase of 61% in January that steadily rose to an increase of 69% by March.

Monthly Layoffs*



* Number of laid off individuals reporting to the Employment Service.

source: Taub Center for Social Policy Studies in Israel
data from the Israel Employment Service.

The Taub Center for Social Policy Studies in Israel, an independent socioeconomic research institute based in Jerusalem, is headed by Professor Dan Ben-David. The Center's Policy Programs include prominent academic researchers, leading experts from the policy realm, and the Taub Center's own professionals, who analyze and develop policy recommendations that are shared with Israel's top policy makers.