



מרכז مساواة  
لحقوق المواطنين  
العرب في إسرائيل  
(م.ج)

מרכז מוסאווה  
לזכויות האזרחים  
הערבים בישראל  
(ע"ר)

Mossawa Center  
The Advocacy  
Center for Arab  
Citizens of Israel

## Analysis of the Ministry of Education's Budget for 2016

The Mossawa Center analyzed the Ministry of Education's budget and found substantial gaps in funding between the Arab and Jewish communities in Israel. As a result, gaps in academic achievement will persist and Arab students will have fewer opportunities for advancement.

The Ministry of Education is allocated a budget of NIS 50.86 billion for 2016.	
Building of classrooms	NIS 898.7 million (with NIS 1.19 billion authorized funds)
Independent education	NIS 1.14 billion
Religious education	NIS 519.59 million
Recognized, but unofficial, education	NIS 426.45 million
Education in rural localities	NIS 3 billion
Supplemental education programs	NIS 3.57 billion
Financial support for Jewish activities	NIS 1.13 billion
Educational television	NIS 95.7 million

The Ministry of Education has one of the largest budgets in the Israeli government. Mossawa's analysis of student achievement data suggests gaps stem from inequitable investment in education. Following Resolution 922, the Ministry was supposed to allocate additional budgets in the following areas: informal education (an extra NIS 130 million), improving the quality of teaching (NIS 55 million), higher education (not yet determined), and implementing funding to close gaps between sectors (NIS 1.16 billion). In September, the Ministry reported that most of the funds had not yet been allocated for 2016, and it is unlikely that the Ministry intends to carry out the funding to reduce the achievement gap.

The TASC report, commissioned by the Ministry of Finance in August 2015, recommended raising funds allocated to formal learning hours in the Arab sector to NIS 1.4 billion within the next fiscal year and to NIS 7 billion within five years.

On 19 June 2016, the government passed Resolution 1560, which established objectives for education among minorities. The resolution has not been budgeted for 2017-2018.

There are a number of major income gap issues due to problems with budget allocations:

- There is a substantial funding gap between learning hours for Arab students and Jewish students on all care index<sup>1</sup> levels and at all levels of education. At each level of education, Jewish students from low care index levels receive more funding than similarly disadvantaged Arab students. The gap stands at about 30% in primary education, approximately 50% in middle schools, and approximately 75% in high school.
- Moreover, the lack of sufficient differential funding between care index levels in the Arab sector leads to significantly larger gaps between Arab students than between Jewish students. The most significant gap is between socioeconomically disadvantaged students in the Arab sector (more than 60% of Arab children) and similarly disadvantaged students in the Jewish sector.
- The main cause for the budgetary gap between the Arab and Jewish sectors is the inefficient, unfair allocation of funds allocated to disadvantaged schools to close gaps between students in different socioeconomic brackets. These additional funds account for approximately 30% of the overall budgeted teaching hours in Israeli schools. There is no defined distribution mechanism, and additional funds are not allocated based on the care index, which is intended to ensure “compensatory” allocation for weaker students. Therefore, these additional funds do not guarantee equitable funding for Arab students. Furthermore, there are many additional government-allocated education funds, which are difficult to distribute and monitor in a uniform manner according to clear socioeconomic criteria.

### **Objectives and recommendations set by the report:**

After mapping the existing gaps and providing a comparative review, the TASC report detailed a list of recommendations in the field of education. The objectives and recommendations in the field of education listed in the report include:

### **Expected Results:**

- Raising the proportion of Arab students graduating with *Bagrut*<sup>2</sup> from 23% to 41% of all Arab students by 2025 (47% of Jewish students received matriculation certificates in 2015.). This target aims to effectively double the percentage of those eligible for high-quality matriculation among Arab students, and is expected to significantly reduce the gap in achievement between the two sectors.<sup>3</sup>

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<sup>1</sup>An index produced by Israel's Central Bureau of Statistics used for the purpose of funding education, which mainly tracks the socio-economic status of the students' parents and locality.

<sup>2</sup>A certificate granted to secondary students who achieve highly on their exit exams. Students' Bagrut scores determine if they are eligible to matriculate in a university and which subjects they are eligible to study in university.

<sup>3</sup>This objective is expected to narrow the gap between those achieving high-quality matriculation between the Jewish and Arab populations to 20%, compared to the gap of 50% today.

- In order to meet this objective, a milestone needs to be set for the short-to-medium term that will be based on the PISA (Program for International Student Assessment) test results. In this manner, a target must be set to halve the gap in test scores between Jewish and Arab students by 2020.
- Reducing the dropout rate among Arab students to less than 8% by 2020. The dropout rate in 2014 was 14%.

### **Recommendations for Planning:**

The specific allocation mechanism for education needs clear input and output targets:

- A comparison of budgeted learning hours between the Jewish population and the Arab population across all care index levels. In addition, an investigation into the effect of learning both Hebrew and English as second languages on Arab students' academic performance (Jewish students learn only English as a second language). Consider additional allocations for learning an additional second language for Arab students, even if this results in high learning hour allocations per student in Arab schools than Jewish schools.
- Completion of the blueprint for reducing gaps in the learning hours budget for primary and middle school education, so that students from schools in the lowest socioeconomic bracket receive 60% more learning hours than pupils from schools in the highest bracket.

### **Recommendations for Improvements to Government Allocation Mechanisms:**

- Optimization of the learning hours allocation mechanism in the education budget: centralizing the funds into a small number of distinct learning hours budgets and allocating them according to clear and transparent criteria based on care index levels. This will lead to increased budgeting for poorer students in both Arab and Jewish communities.
- Adjustment of budget allocation mechanism to ensure that socioeconomically disadvantaged students, regardless of sector, receive more learning hours. This will increase the ratio of stronger students to weaker students (in accordance with the current Ministry of Education process).
- The informal education budget is approximately NIS 500 million. Only a small portion of these funds reaches the Arab sector, despite the sector's great need, poor socioeconomic status, and minimal ability to invest in informal education.
- Increase the Ministry of Education's transparency regarding all aspects of its budget and its distribution.

The Ministry of Education rejected and refused to allocate budgets for the TASC report's recommendations. The few sections that were approved in Resolution 922 do not provide a sufficient basis for closing the gaps:

<b>Improving the quality of teaching</b>	Recommended allocation: NIS 55 million
<b>Informal education</b>	Recommended allocation: NIS 130 million
<b>Classrooms</b>	The current budget includes authorized, but unutilized funds. The funds have not yet been used due to barriers created by Planning Authorities and the Israel Land Authority. Section 60, Ordinance 0210 designates NIS 125 million for building new classrooms in Arab and Druze localities. This sum will not fully rectify the shortage of three thousand classrooms in Arab schools. The classroom shortage in Arab localities limits employment opportunities for Arab teachers, resulting in a 40% unemployment rate for Arab teachers

It should be noted that, in preparation for the 2017-2018 state budget, the government resolved to permit construction of 15,000 classrooms throughout Israel. This resolution must be implemented in full to improve student achievements.

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