

THE KOSHER CHICKEN INDEX

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1. Introduction

The affordability of living Jewishly is a perennial matter for debate in our community, often without much cost data. As economists, we wanted to see what data was available so we could encourage a more evidence-based debate on whether there is a “cost of Jewish living crisis” - presenting our findings at this year’s Limmud conference. We looked to build a “Kosher Chicken Index” – a basket of goods reflecting products that Jews are likely to buy in order to lead a Jewish lifestyle – and compared the prices of these goods with non-Jewish equivalents. We found that living Jewishly in the UK can have an annual cost premium of £12,700 per family.

2. What is the cost of living Jewishly?

Of course, the cost of living Jewishly depends in large part on how you define a Jewish lifestyle. Nevertheless, there are certain big-ticket items that are commonly incurred:

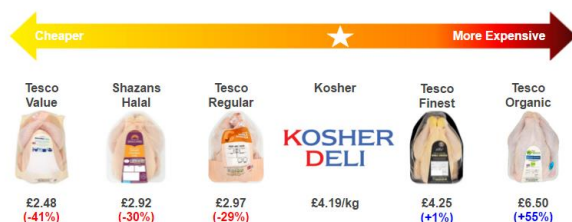
Annual “Jewish premium” per Household	
NW London Property ¹	£5,900
Kosher meat ¹	£500
Eating out ¹	£1,500
Jewish state school supplement ²	£3,000
Shul membership ³	£700
Simchas ⁴	£1,100
Total	£12,700

1: Calculated by applying premium to average UK household annual spend
 2: Annual cost of supplements for two children at Jewish state schools
 3: Typical cost of standard household membership rate per year
 4: Cost of two bar/bat mitzvahs and the premium on a wedding cost, averaged over a lifetime to give an annual cost per household

The biggest cost may in fact be property prices. One fifth of British Jews are concentrated in Barnet, where property prices are 157% higher than average prices for England and Wales.

A further significant cost is kosher food. Comparing prices between Kosher Deli and Tesco this winter for five products (whole chicken, minced beef, whole turkey, diced beef and chicken thighs), kosher meat was on average double the cost of regular supermarket meat. That premium varies according to the cut of meat – for instance filleted chicken thighs command a high premium of 250% while diced beef came in at a modest 8% premium.

The Kosher Chicken Index



This also affects the cost of eating out, for instance with prices at kosher Indian or Chinese restaurants costing 70%

more than at equivalent non-kosher restaurants, reflecting both the price of kosher meat and the cost of restaurant supervision.

Membership of a typical synagogue costs between £600-800 for a household. This cost is in part due to Jewish requirements for burial, which costs triple that of cremation, as well as the high salaries paid to rabbis (at least twice that of vicars in London). This may be why, outside the Haredi community, synagogue affiliation rates are declining, with many Jews preferring to affiliate with the community in different ways, for instance through the JW3, the Moishe House or Chabad.

Jewish state schools charge an annual premium of up to £2000 per child to reflect the cost of additional religious education, though the cost of Jewish education still compares very favourably with that in America or France, where there are no state-funded faith schools.

Simchas are a further significant cost – driven by the need to “keep up with the Cohens”. The average Jewish wedding was reported this year to cost £55,000, compared to a UK average of under half that amount, while Bar and Bat Mitzvahs represent a significant additional cost that is specific to the Jewish community.

There are a range of additional costs not included within this basket. Age-16 Israel tours now cost around £2,800 per child, while post-university Israel gap years cost £10,000 to £15,000 each. Taking your family to Limmud costs £1,270, while we found that kosher Passover holidays included a markup of 400% over the regular price.

In addition, for the more observant who buy all groceries kosher, there are further costs of keeping kosher not included in this overall figure. Comparing prices at Kosher Kingdom with those at Tesco, we found that staples like milk and eggs cost 10-20% more if kosher, while kosher baked beans and pizzas were double the equivalent non-kosher price and a humble pack of ginger biscuits cost eight times more.

3. How has the cost of living Jewishly changed over time?

It is difficult to track how many of these costs have changed over time.

However, by comparing Kosher Deli prices advertised in the JC in January 2005 with those in-store last October, we estimated the cost inflation in kosher meat:

Kosher Deli Prices £/KG	2005	2015	Average Annual Cost Inflation
Flat pickled brisket	8.99	15.49	5.17%
Whole fresh roasters	3.20	4.19	2.53%
Chulent meat	5.99	11.49	6.22%
Chuck steak	5.99	8.99	3.83%
Frozen roasters	1.39	4.19	10.76%
Minced steak	3.30	10.49	11.30%
Average			6.63%

Our data shows that kosher meat prices have doubled in little over a decade, compared with non-kosher meat prices which only rose by 40% in this period.

Similarly, we have seen property prices in North West London fast outstripping prices elsewhere in the UK, making it increasingly unaffordable for young Jews to live in the vicinity of a Jewish community.

However, the story isn't all negative: The expansion of the Jewish state schools has been seen by many as providing a low-cost, high-quality alternative to private education.

4. Why is this a problem?

The Jewish community is on average an affluent one, with average earnings for a Jewish household some 54% higher than the UK average, with a Jewish dual income household earning £23,600 more than the UK average, based on an analysis of UK national statistics. There are also a wide range of charities and welfare funds that help less well off people to be able to afford kosher food, synagogue membership and other activities.

However, for the rapidly-growing Haredi sector, the cost of living is a major source of concern. For instance, Rabbi Pinter, a leading Haredi rabbi, told the JC in 2014 that 40% of Orthodox families in Stamford Hill rely on charitable support to celebrate Passover.

And for the mainstream community, many Jews may be put off from a more observant lifestyle by the cost. Even those that can afford kosher meat for example may still question whether it is a more ethical choice than organic or free-range meat, which is often cheaper.

5. What can be done about it?

There are many good reasons why a Jewish lifestyle may cost more: There are costs of supervising food consistent with kosher standards; Jews value living in communities and there are better economic opportunities in London; and we are a small community so we will inevitably miss out on the economies of scale seen in the wider market. However, high prices are not a given. There are in fact many things that can be done to improve the affordability of Jewish living.

Firstly, there needs to be greater cost transparency. For instance, few synagogues publicise their standard membership prices on their website and, incredibly, the London Board of Shechita could not provide any data or explanation on how the price of kosher meat has risen over time.

Secondly, the community needs to identify cost efficiencies even when they are difficult. In many areas, synagogues could merge and achieve cost efficiencies – but personalities and denominational politics often get in the way. Kashrut authorities also need to find ways to produce and license food more cost-effectively. The Sephardi Kashrut Authority is a good example of this – certifying Kingsmill bread as kosher and using CCTVs in restaurant kitchens to keep down supervision costs.

Thirdly, the community needs to harness the power of competition to drive prices down. There are too many impediments to switching synagogue community, such as the inability to transfer accumulated burial rights to a different denomination. Similarly kashrut authorities need to value the interests of consumer over that of producers when deciding whether to license new stores or products.

And lastly, communal organisations need to give greater consideration to inclusivity – by offering activities and services at a wider range of price points.

Then we can ensure that a Jewish lifestyle is accessible to all in our community and not just the preserve of the most committed or affluent.

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