

## 1. Income Support (Including Maintenance Payments)

### A. General

In 2012, the number of families receiving an income support benefit continued to decline, reaching 103,800 families on average per month, compared with 105,300 families in 2011 – a decrease of 1.4%

In 2012, the number of families receiving an income support benefit continued to decline, reaching 103,800 families on average per month, compared with 105,300 families in 2011 – a decrease of 1.4%. The downtrend began after the second quarter of 2003 (when the number of families receiving income support reached a record 159,000) and persisted until 2009, when the level stabilized at its 2008 level. The decrease began anew in 2010, and in 2012 there were signs that the decrease was slowing down.

### B. Highlights of the Income Support Law in its 2003 format

Since 2003, the Income Support Law has retained two benefit rates for the long term – the regular rate and the increased rate – but prescribes, in effect, three levels of benefit for the transitional period<sup>1</sup>. The law differentiates between eligible persons aged 55 and over<sup>2</sup>, and those under 55. The benefit and the means tests for those aged 55 and over remained unchanged for all family compositions, and they are eligible for the benefit at the increased rate (as had been the case before January 2003), whether they are newly eligible persons or previously eligible persons<sup>3</sup>. The distinction between newly eligible persons and previously eligible persons is relevant only for persons under the age of 55: in this age group, all newly eligible persons and all persons previously eligible for the regular rate are paid a benefit at the regular (now reduced) rate, and all those previously eligible for the increased rate are paid a benefit at the reduced increased rate. The significance of these revisions is that in the course of the years – by the end of the transitional period – all those under the age of 55 may be eligible for a benefit only at the reduced regular rate.

Since January 2003, the Employment Service has no longer been allowed to classify a claimant for income support benefit as being either temporarily or permanently unemployable. The Income Support Law, in its new format, defines all those who are not required to report to the Employment Service. The most significant legislative amendment concerns mothers of small children: prior to the legislative amendments, these mothers had been exempt from an employment test if their youngest child was under age seven; since the amendments, they are exempt only until their youngest child turns two. The situation for widows regarding the employment test was equated with that of mothers

- .....
- 1 The revisions in the level of benefits and in the means test are presented in detail in the NII Annual Survey for 2002-2003.
  - 2 The rates of the income support benefit for recipients of old-age and survivors' pensions have remained unchanged. Those eligible for benefits from the Work Injury Insurance branch will be eligible for an income support benefit at the same level as that of survivors from the Old-Age and Survivors' Insurance branch, regardless of age.
  - 3 A previously eligible person is anyone who began receiving a benefit prior to January 1, 2003, including anyone whose benefit payment had been discontinued for a period not exceeding six months.

with small children: up until January 2003, widows with children under the age of 18 had been exempt from reporting to the Employment Service, regardless of the precise age of their (minor) children. No amendments were made regarding women eligible for maintenance (alimony) payments, who continue to be exempt from the employment test.

The Integration of Benefit Recipients in the Labor Market Law (Temporary Order) was approved in 2004 and, in August 2005, the responsibility for conducting employment tests in the pilot regions was transferred from the Employment Service to private employment centers. Participants in the program were recipients of an income support benefit on the grounds of lacking work or earning low wages. The program ended in April 2010, and the responsibility for conducting employment tests returned to the Employment Service.

Since January 2007, ownership of a car no longer automatically disqualifies claimants for an income support benefit (in the past, ownership of a car was allowed only in instances of special need, such as a medical need), if the car has an engine capacity of up to 1300 cc and at least seven years have elapsed since its year of manufacture, or up to 1600 cc and 12 years since its year of manufacture. Furthermore, a car owner will be eligible for an income support benefit only if the benefit claimant (or spouse) has income from work that exceeds 25% of the average wage (17% of the average wage, in the case of a retirement-age claimant). The law applies also to persons who have been dismissed from work.

Since January 2007, ownership of a car no longer automatically disqualifies claimants for an income support benefit

In addition, eligibility requirements were somewhat relaxed for eligible retirement-age persons (or their spouses) who travel abroad, whereby travel abroad up to three times a year, not exceeding a total of 72 days, will not cause their benefit to be revoked. Travel abroad a fourth time or exceeding the limit of 72 days will result in the suspension of eligibility for all periods of absence from Israel during that calendar year. Prior to the amendment, travel abroad more than once during a calendar year revoked one's eligibility.

In July 2008, an additional amendment was passed whereby a single parent shall receive an income support benefit, notwithstanding his studies at an institution of higher education or in a course whose duration exceeds 12 months. The objective of this amendment is to help single parents acquire a suitable education enabling them to integrate into the work force or to earn a higher wage. Eligibility for the benefit under this amendment is conditional on meeting the following criteria: single parent, meeting the other conditions of entitlement to a benefit; the income support benefit had been paid for 16 out of the 20 months preceding the first month of studies at the institution; the curriculum does not award a master's or doctoral degree; the duration of the benefit payments in respect of the period of studies shall not exceed 36 months; and for the unemployed – the studies are held in the evening.

During 2011, an amendment was implemented concerning the compensation payments made to the evacuees of Gush Katif (Gaza) and northern Samaria for the

“disengagement”. A distinction was made between those who received the compensation as a one-time payment and those who chose to receive the compensation in monthly payments (156 equal payments).

Following a High Court of Justice ruling in August 2012, the criterion that ownership or regular use of a car whose engine size and year of manufacture did not allow receiving income support benefit was revoked, and an alternative arrangement was stipulated, whereby a monthly income would be credited for a car whose value did not exceed NIS 40,000. Owners of cars worth more than this amount (excluding those for medical needs or a mobility vehicle) would not be entitled to a benefit or income supplement. The credited amount would reduce the benefit or income supplement by a rate of 3% of the value of the car above the value not taken into account. The value of the car not taken into account is higher for people in work (whose income from work is more than 17% of the average wage): NIS 17,000 compared to NIS 9,000.

In 2012 an amendment was introduced in the Law under which the value of income from an asset would be calculated according to the type of asset, taking into account its value and a suitable rate of return based on market conditions

In 2012 another important amendment was introduced in the Income Support Law regarding the attribution of income from an asset. Under this amendment, the value of income from an asset would be calculated according to the type of asset (financial or real estate), taking into account its value and a suitable rate of return based on market conditions, plus an additional gradual attribution of income, family composition and the claimant’s age. The rate of return for a financial asset was determined according to the average rate for short term loans in the last 12 months as published by the Bank of Israel. The yield for real estate: agricultural land 0%, residential property 3% and commercial property 5%. The rates of the additional supplement brackets, which range from 1.5% to 5%, are published in the Income Support Regulations. In addition, a mechanism was defined for annual updates of the rates of return used to calculate the attributed income.

A further change in the Income Support Law is the payment of the income support benefit to women in shelters for victims of domestic violence. These women became entitled to the benefit on the predefined conditions, providing they were receiving this benefit in the month prior to moving to the shelter.

## C. Recipients of Income Support Benefit

### 1. Developments in the number of recipients

The period from June 2003 to December 2008 was characterized by a steady downtrend in the number of recipients of the income support benefit. This trend began when stringent legislation was implemented in June 2003, under which the benefits of some 5,000 families were revoked and the obligation of meeting an employment test as a precondition for eligibility for a benefit was expanded to additional population groups. This downtrend persisted, due to the ongoing impact of the reduction of the maximum income qualifying for an income support benefit and due to improvement in the employment situation in Israel from 2004 until the second half of 2008. The operation

of employment centers within the framework of the Mehalev program (“From Income Support to Self Sufficiency”) in August 2005 and the Orot program (“Prospects for Employment”) in August 2007 accelerated the downtrend. In 2009 there was a reversal of the trend: the number of families receiving a benefit rose at the beginning of the year and stabilized at a higher level during the second half of the year, apparently due to the state of the economy that year. On the other hand, since 2010 the number of recipients of the benefit has decreased – a trend that apparently reflects the recovery of the Israeli economy. In 2012 there were signs of a slowdown in the downward trend.

The implementation of the 2003 Economic Arrangements Law led to a decrease in the number of recipients, from a record high of some 159,000 (on average per month) at the beginning of 2003 to 145,300 during the first half of 2004. The persistent impact of the legislation, coupled with the improvement in the domestic employment situation, led to an additional – albeit more moderate – decrease in the number of recipients to approximately 142,000 during the second quarter of 2005. The launch of the Mehalev program (in August 2005) reinforced the downtrend, and the number of recipients dropped to about 130,300 families on average per month in 2006, and continued to fall to 111,800 in 2008 (Table 1). In 2009, the average number of recipient families per month remained the same as in 2008, despite the rise in the number of eligible families at the beginning of the year. During 2010, 2011 and 2012, the average number of families receiving income support decreased by 2.1%, 3.8% and 1.4% respectively (Table 1). The quarterly figures (Graph 1) show that in the third and fourth quarters of 2012 there was a measured increase in the average number of recipients of the benefit each month. Table 1 and Graph 1 clearly illustrate the developments over the years.

Furthermore, in 2009, alongside the steady although slowing downtrend in the number of new immigrant families (defined by the benefit claimant), for the first time since 2004 there was an increase in the number of veterans – long-standing resident families (defined by the benefit claimants) receiving benefits. In 2010, the trend reversed once again: the number of veteran recipients decreased, and there were signs of a quickening drop in the number of new immigrant family recipients compared with 2009. In 2011, the downtrend in the number of families receiving income support continued among both veteran and immigrant families. While in 2010 the decrease in the number of immigrant families constituted 85% of the total drop in the number of recipient families, in 2011 they contributed only 60% to the total drop. In other words, the drop in the number of families receiving income support in 2010 and 2011 stemmed primarily from the drop in immigrant families receiving the benefit. On the other hand, in 2012 there was a moderate rise (0.6%) in the number of veteran families receiving the benefit. Therefore the downtrend in the total average number of families eligible for income support was due to the drop in the number of immigrant families, which was moderated by the rise in the number of veteran families and a slowdown in the rate of decrease among immigrant families.

**Table 1**  
**Average Number of Families Receiving Income Support Benefit per Month, by Length of Time in Israel,\* 2005–2012**

Period	Total		Veterans		New immigrants	
	Number	Rate of change	Number	Rate of change	Number	Rate of change
2005	139,940	-3.3	93,037	-1.2	46,903	-7.2
**1-7/2005	142,321	-2.1	94,302	0.2	48,019	-6.3
**8-12/2005	136,606	-5.0	91,267	-3.1	45,339	-8.4
2006	130,337	-6.9	88,144	-5.3	42,193	-10.0
**1-7/2006	132,380	-7.5	89,084	-5.9	43,296	-10.9
**8-12/2006	127,477	-7.2	86,829	-5.1	40,648	-11.5
2007	120,218	-7.8	82,488	-6.4	37,730	-10.6
**1-7/2007	122,748	-7.3	83,931	-5.8	38,817	-10.3
**8-12/2007	116,677	-8.5	80,469	-7.3	36,208	-10.9
2008	111,808	-7.0	78,011	-5.4	33,798	-10.4
**1-7/2008	113,073	-7.9	78,454	-6.5	34,619	-10.8
**8-12/2008	110,037	-5.7	77,390	-3.8	32,647	-9.8
2009	111,765	-0.04	79,461	1.9	32,304	-4.4
2010	109,407	-2.11	79,102	-0.5	30,304	-6.2
2011	105,292	-3.8	77,443	-2.1	27,849	-8.1
2012	103,766	-1.4	77,945	0.6	25,821	-7.3

\* Length of time in Israel determined by the claimant for the benefit.

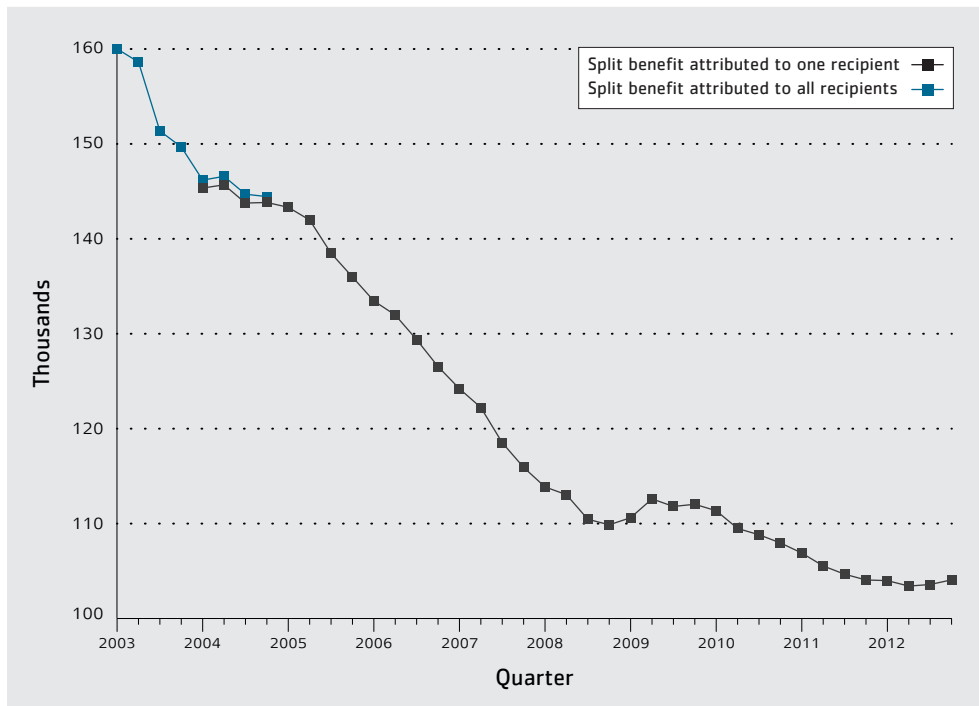
\*\* Compared to the same period in the previous year.

## 2. Family composition and length of time in Israel

The decrease emerging in the number of benefit recipients since mid-2003 – the time of the far-reaching revision of the scope of income support and the eligibility criteria – was accompanied by a change in the recipients' family composition. The legislative amendments pertaining to the level of benefit, means test and employment test, which continued to play a role between 2004 and 2007, did not have a uniform impact on the various population groups. Beyond the impact of the legislative amendments, it is possible that not all recipients enjoyed more employment opportunities as a result of the economic growth in Israel during that period, and these differences could have also affected the type of populations receiving income support. To illustrate the changes in the makeup of the recipient population, data is presented from the beginning of 2003 (prior to the legislative changes) until 2008 (which encompasses the full operation of the "Prospects for Employment" program), and for 2010–2012<sup>4</sup>.

4 For details regarding the changes in the family composition of benefit recipients between 2004 and 2007, see the NII Annual Survey for 2008.

Graph 1  
Families Who Received Income Support Benefit by  
Quarter (thousands), 2003-2012



\* A split benefit is attributed to more than one member of the same family.

The data presented in Table 2 indicate two main developments: the decrease in the number of recipients of income support benefit following the cuts in 2003 occurred among single-parent families and couples with children, while the number of single persons receiving the benefit rose. These developments reflected the changes in the composition of the population of benefit recipients: the proportion of single-parent families among all recipients dropped to 24.8% in 2010 (compared with 33.2% at the beginning of 2003) and continued to decline slowly in 2011 (24.6%) and in 2012 (24.3%), while the proportion of couples with children fell slightly – from 24.4% in 2003 to 21% in 2010 and to 21.2% in 2012.

At the same time, the proportion of single persons rose significantly, from 36.5% in 2003 to 46.3% in 2009, and continued to rise slowly to 46.7% in 2012. The relatively small proportion of childless couples rose moderately, from 5.9% in 2003 to 7.8% in 2012. The data therefore indicate a sharp drop in the percentage and number of recipient families with children from 2003 to mid-2005, and a more moderate decline until 2012. As already mentioned, in 2012 we are seeing an increase in the proportion of veteran families and a continued decline in the proportion of immigrant families. Among the

Following the cuts in 2003 the number of benefit recipients among single-parent families and couples with children decreased, while the number of single persons receiving the benefit rose

The percentage and number of recipient families with children dropped sharply from 2003 to mid-2005 and more moderately until 2012

veteran families there is a decrease in the proportion of couples with children, while among immigrants there is an increase in the rate of single persons. These changes in family composition are expressed by a slight drop in the number of families with children among all benefit recipients.

**Table 2**  
**Families Receiving Income Support Benefit, by Family Composition**  
**and Length of Time in Israel, 2003, 2008, 2010-2012**

Family composition	Numbers			Percentages		
	Total	Veterans	Immigrants	Total	Veterans	Immigrants
<b>Average January-March 2003</b>						
<b>Total</b>	<b>160,006</b>	<b>102,194</b>	<b>57,812</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Single person without children	58,331	38,000	20,331	36.5	37.2	35.2
Single person with children	53,191	25,662	27,529	33.2	25.1	47.6
Couple without children	9,468	5,070	4,398	5.9	4.7	7.6
Couple with children	39,016	33,462	5,554	24.4	32.7	9.6
<b>Average 2008</b>						
<b>Total</b>	<b>111,808</b>	<b>78,011</b>	<b>33,798</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Single person without children	50,683	33,843	16,840	45.3	43.4	49.8
Single person with children	29,401	17,024	12,377	26.3	21.8	36.6
Couple without children	8,145	5,179	2,967	7.3	6.6	8.8
Couple with children	23,579	21,965	1,614	21.1	28.2	4.8
<b>Average 2010</b>						
<b>Total</b>	<b>109,407</b>	<b>79,103</b>	<b>30,304</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Single person without children	50,904	35,155	15,749	46.5	44.4	52.0
Single person with children	27,101	16,766	10,335	24.8	21.2	34.1
Couple without children	8,390	5,602	2,788	7.7	7.1	9.2
Couple with children	23,012	21,580	1,432	21.0	27.3	4.7
<b>Average 2011</b>						
<b>Total</b>	<b>105,292</b>	<b>77,443</b>	<b>27,849</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Single person without children	49,064	34,535	14,529	46.6	44.6	52.2
Single person with children	25,888	16,473	9,416	24.6	21.3	33.8
Couple without children	8,159	5,541	2,619	7.7	7.2	9.4
Couple with children	22,179	20,895	1,285	21.1	27.0	4.6
<b>Average 2012</b>						
<b>Total</b>	<b>103,766</b>	<b>77,945</b>	<b>25,821</b>	<b>100</b>	<b>100</b>	<b>100</b>
Single person without children	48,487	34,879	13,607	46.7	44.7	52.7
Single person with children	25,245	16,615	8,630	24.3	21.3	33.4
Couple without children	8,065	5,666	2,399	7.8	7.3	9.3
Couple with children	21,969	20,785	1,184	21.2	26.7	4.6

### 3. Grounds for eligibility

Further to the trends that emerged since 2003, there was a steady increase in the percentage of the unemployed among all benefit recipients until 2010 and a renewed increase in 2012, alongside a steady decrease in the percentage of mothers of small children and of persons aged 55 or more who are deemed unemployable (Table 3). The data show that in 2011 and 2012, the average percentage of recipients whose eligibility was contingent upon an employment test (unemployed and low wage) dropped slightly, to 79.8% of all recipients in 2012, compared with 80.1% in 2010. The rate of benefit recipients on the grounds of low pay (13.4%) fell compared with 2011 but was similar to the rate in 2010, while the rate of recipients on the grounds of lack of work (66.4%) rose by comparison with 2011 but fell by comparison with 2010. Most of the recipients, some 80%, still required the employment test.

In addition to these striking trends, we also witnessed a decrease in the percentage of benefit recipients on the grounds of training and employment assessment until 2010: from 2.5% during the first half of 2005 to 0.9% in 2010. In 2011, however, this percentage returned to its 2009 level of 1.1% of all benefit recipients, then fell again in 2012 (0.7%).

### 4. Earnings of benefit recipients

The downtrend which characterized the number of benefit recipients from 2004 to 2008 was accompanied by a slight uptrend in the proportion of working families: from 25.5% to 28.6% (Table 4). In 2009, this proportion dropped to 27.9% and rose again in 2010 to 28.4%, and in 2011 to 28.8%. In 2012 this figure fell again, to 27.9%. Most of the rise occurred in 2006 and 2007, from 26.6% to 28.1% (although the number of working families decreased). The data on wage levels show that in 2006 the percentage of families

The downtrend which characterized the number of benefit recipients from 2004 to 2008 was accompanied by a slight uptrend in the proportion of working families: from 25.5% to 28.6%

**Table 3**  
**Recipients of Income Support Benefit and Their Spouses,**  
**by Grounds for Eligibility, 2008–2012**

Grounds	Average 2008		Average 2009		Average 2010		Average 2011		Average 2012	
	Number	%	Number	%	Number	%	Number	%	Number	%
<b>Total</b>	<b>143,640</b>	<b>100.0</b>	<b>143,553</b>	<b>100.0</b>	<b>140,808</b>	<b>100.0</b>	<b>135,631</b>	<b>100.0</b>	<b>133,800</b>	<b>100.0</b>
Unemployed*	90,970	63.4	93,381	65.1	94,222	66.9	88,615	65.3	88,843	66.4
In training or assessment	1,636	1.1	1,612	1.1	1,202	0.9	1,455	1.1	984	0.7
Mehalev/ Orot	5,526	3.8	4,652	3.2						
Low pay	16,723	11.6	16,583	11.6	18,650	13.2	19,782	14.6	17,952	13.4
Addicts	3,619	2.5	3,502	2.4	3,447	2.4	3,321	2.4	3,182	2.4
Unemployable (aged 55+)	5,778	3.7	2,473	1.7	1,639	1.2	1,183	0.9	765	0.6
Mother/ father	12,682	8.2	11,289	7.9	10,976	7.8	10,386	7.7	10,221	7.6

\* In 2010 recipients who received the benefit for participation in the Mehalev program in the first four months of the year were attached to the group eligible on grounds of unemployment.



earning low wages (up to NIS 2,000) remained stable relative to 2005 (prior to the implementation of the Mehalev program), and that since 2007 this percentage has been dropping. In 2012, the earnings from work of 55.6% of the families did not exceed NIS 2,000, compared with 65.3% in 2006.

As noted, in 2012 the proportion of working families fell to its 2009 level, and the proportion of families earning up to NIS 2,000 also decreased. In other words, a smaller percentage of families receiving income support benefit have earnings from work but their wage level has slightly improved, although it is still low. Only 9.7% of the families earn more than NIS 3,500 per month from work. It should be remembered that a significant number of people eligible for benefit leave the income support system at this level of income.

Pursuant to a legislative amendment of August 2012, owners of a vehicle worth up to NIS 40,000 (see Section b.1) can receive an income support benefit. At the beginning of 2012, before implementation of the law, there were about 370 recipients of the benefit who had a car. Approximately 740 other families had a car for medical reasons (including a vehicle for a disabled child and a mobility vehicle), and about 35 families had a vehicle for a limited transitional period, such as following dismissal from work.

At the end of the year, in December 2012, about 1,400 families of income support recipients had a vehicle – about 530 for medical needs and about 40 during a limited transitional period. Until the amendment to the law, a motorcycle was not deemed a motorized vehicle, but was recognized as such after the amendment. Part of the rise in the number of vehicle owners is due to the registration of motorcycle owners who meet the criteria, some of whom were eligible for the benefit even before the change.

Additional benefits for which families are eligible also constitute a source of income and are taken into account for the means test. In 2012, a monthly average of 5.7% of the recipients of income support benefit were eligible for other benefits from the NII compared to 5.4% in 2011. The average monthly income per family from NII benefits (excluding wage-replacing benefits, which are classified as earnings from work) was NIS 1,709 (in 2011 it was about NIS 1,700) and reached as high as NIS 6,706. About 770 families (0.7% of all recipient families) also had earnings from work, as well as additional NII benefits. The total income from both of these sources was about NIS 2,972 per family on average.

Another possible source of income is interest on financial assets, such as bank savings. In December 2012, approximately 23,700 families, constituting 22.7% of all families receiving income support, had financial assets, with the average asset value per family being NIS 16,580. This sum is below the maximum value of financial assets that may be held without being attributed to income, which would reduce the level of benefit. Only about 2,20 families, constituting 2.1% of all recipient families owned an asset that caused their benefit to be reduced. The average value of financial assets in families whose benefit level was reduced was approximately NIS 43,500.

**Table 4**  
**Families Who Received Income Support Benefit With Earnings from Work,**  
**by Family Composition and Level of Earnings, 2005, 2008, 2010-2012**

Family composition	Total		Earnings level (NIS)					
	Numbers	% of all families	1-1,000	1,000-1,500	1,500-2,000	2,000-3,000	3,000-3,500	3,500+
<b>Average January-July 2005</b>								
<b>Total</b>	<b>37,240</b>	<b>26.2</b>	<b>22.5</b>	<b>21.9</b>	<b>21.1</b>	<b>19.2</b>	<b>7.8</b>	<b>7.5</b>
Single person without children	9,261	15.2	44.9	28.0	19.0	8.0	0.1	0.0
Single person with children	17,313	43.7	15.5	20.0	21.8	22.7	9.5	10.5
Couple without children	2,327	25.1	30.3	35.3	15.8	14.2	3.2	1.2
Couple with children	8,340	25.7	10.1	15.6	23.4	25.6	14.2	11.2
<b>Average 2008</b>								
<b>Total</b>	<b>31,993</b>	<b>28.6</b>	<b>18.9</b>	<b>21.7</b>	<b>22.0</b>	<b>23.7</b>	<b>5.6</b>	<b>8.2</b>
Single person without children	9,383	18.5	35.3	32.0	20.2	12.4	0.0	0.0
Single person with children	13,505	45.9	12.1	15.7	21.4	29.6	8.1	13.1
Couple without children	2,182	26.8	21.4	36.3	20.1	15.3	3.7	3.1
Couple with children	6,923	29.4	9.1	14.7	26.1	30.0	8.6	11.5
<b>Average 2010</b>								
<b>Total</b>	<b>31,055</b>	<b>28.4</b>	<b>16.4</b>	<b>22.4</b>	<b>21.4</b>	<b>25.8</b>	<b>5.3</b>	<b>8.6</b>
Single person without children	9,658	19.0	28.9	34.4	20.2	16.3	0.1	0.1
Single person with children	11,820	43.6	11.2	15.2	19.8	31.1	8.3	14.5
Couple without children	2,240	26.7	17.6	33.1	22.5	18.0	4.4	4.4
Couple with children	7,337	31.9	8.0	15.1	25.5	32.1	7.7	11.6
<b>Average 2011</b>								
<b>Total</b>	<b>30,297</b>	<b>28.8</b>	<b>14.4</b>	<b>23.0</b>	<b>21.2</b>	<b>26.7</b>	<b>5.6</b>	<b>9.1</b>
Single person without children	9,494	19.3	25.4	36.3	19.6	18.1	0.5	0.1
Single person with children	11,060	42.7	10.0	15.0	19.1	31.9	8.4	15.6
Couple without children	2,196	26.9	15.8	31.9	21.7	20.5	4.9	5.2
Couple with children	7,547	34.0	6.7	15.4	26.0	31.8	8.1	12.0
<b>Average 2012</b>								
<b>Total</b>	<b>28,971</b>	<b>27.9</b>	<b>13.1</b>	<b>22.5</b>	<b>20.0</b>	<b>28.8</b>	<b>5.9</b>	<b>9.7</b>
Single person without children	9,228	19.0	21.6	36.6	20.2	20.6	0.9	0.1
Single person with children	10,386	41.1	9.9	14.0	17.2	33.2	9.0	16.8
Couple without children	2,079	25.8	14.6	29.1	22.5	22.6	5.1	6.2
Couple with children	7,279	33.1	6.4	15.0	23.1	34.7	8.0	12.7

About 8,900 families had income from work of about NIS 2,130 as a monthly average and financial assets with an average value of about NIS 14,400, slightly under the general average

About 8,900 families had earnings from work as well as from financial assets. These families had an average monthly income from work of about NIS 2,130 and financial assets with an average value of about NIS 14,400, which is slightly under the general average. Similarly to income credited from financial assets, income from real estate assets is also credited. About 3,150 recipient families owned real-estate assets, constituting 3% of all families receiving benefit. The average value of these real estate assets was about NIS 101,900, but about half of the families owned real-estate valued at under NIS 76,050. Only 125 families had earnings from work, owned real estate and held a financial asset.

### 5. Composition of benefit recipients by level of benefit

Following legislation introduced in 2002-2003, there was a considerable change in the composition of recipients by level of benefit. The proportion of families receiving benefit at the regular rate rose from 36% in 2004 to 41.5% in 2012

Following legislation introduced in the period 2002-2003 regarding the different levels of the benefit, there was a considerable change in the composition of recipients at three levels of benefit. The proportion of families receiving benefit at the regular rate rose from 36% in 2004 to 41.5% in 2012, the proportion of families receiving the increased rate for those aged under 55 (“previously eligible”) fell from 22% to 5.6%, and the proportion of families receiving the increased rate for those aged 55 and over rose from 21% to 30.3% in 2011 and in 2012 fell to 29.2%. An analysis of the benefit rates by family composition shows that the proportion of single individuals receiving the regular rate of benefit rose, while the proportion of single parent families fell, as would be expected from the data presented in previous sections (Table 5). The proportion of families receiving the increased rate for those aged 55 and over increased from 2005 to 2011, and last year fell, mainly as a result of the decline in the number of couples without children aged 55 and over.

**Table 5**  
**Families Receiving Income Support (percentages),**  
**by Family Composition and Rate of Benefit, 2007-2012**

Family composition	December					
	2007	2008	2009	2010	2011	2012
Single person on benefit at regular rate	24.9	25.3	26.3	26.7	26.7	27.0
Single person at increased rate (for those aged 55 or less, “previously eligible”)	5.9	5.1	4.2	3.5	3.0	2.7
Single person at increased rate (aged 55+)	16.0	16.9	17.7	18.2	18.7	18.7
Single parent (aged 55 or less)	23.3	22.7	21.5	21.4	21.1	20.8
Couple at increased rate (aged 55+)	5.9	6.1	6.5	6.6	7.7	6.7
Couple with children at regular rate	11.6	12.1	12.8	13.3	13.8	14.5
Couple with children at increased rate (for those aged 55 or less, “previously eligible”)	5.9	5.1	4.3	3.7	3.3	2.9
Couple with children at increased rate (aged 55+)	3.7	3.9	3.9	3.8	3.9	3.8
Other	2.7	2.8	2.8	2.8	1.8	2.9

## D. Payments

### 1. Level of benefit

In 2012 the level of benefit rose in real prices by about 0.8% but fell in terms of the average wage by about 0.5% (Table 6). The real rise in benefits was due to the fact that in January they were updated by 2.6% (based on the increase in the Cost of Living Index during 2011: November 2011 compared to November 2010), while the average Prices Index for 2012 (compared to the average Prices Index in 2011) rose by about 1.71%. The decrease in the benefit in terms of the average wage derived from the increase of 2.69% in the average wage compared with the rate by which benefits were updated: 2.6%. Child allowances paid to families with children increases their income from the National Insurance Institute. Moreover, families with 3 and 4 children are entitled to a supplement paid together with the child allowance and further increasing their income. For example, a single parent under the age of 55 with three children who under the Income Support Law should receive 39% of the basic amount – which is 37% of the average national wage – actually received 46.5% of the average wage together with the child allowance and supplement for families with 3 children.

In 2012 the level of benefit rose in real prices by about 0.8% but fell in terms of the average wage by about 0.5%

**Table 6**  
Income Support Benefit in Fixed Prices and as a Percentage of Average National Wage\*, 2007-2012

Year	Single person				Single parent with two children		Couple with two children			
	Regular rate		Increased rate		2012 prices (NIS)	% of average wage	Regular rate		Increased rate	
	2012 prices (NIS)	% of average wage	2012 prices (NIS)	% of average wage			2012 prices (NIS)	% of average wage	2012 prices (NIS)	% of average wage
2007**	1,603	18.0	1,804	20.3	3,126	35.1	2,686	30.2	3,126	35.1
2007***	2,004	22.5	2,004	22.5	4,044	45.4	3,968	44.5	3,968	44.5
2008**	1,614	18.6	1,846	20.9	3,201	36.2	2,750	31.1	3,201	36.2
2008***	2,052	23.2	2,052	23.2	4,139	46.8	4,062	45.9	4,062	45.9
2009**	1,661	19.3	1,868	21.7	3,237	37.6	2,781	32.3	3,237	37.6
2009***	2,076	24.1	2,076	24.1	4,187	48.6	4,109	47.7	4,109	47.7
2010**	1,678	19.3	1,888	21.8	3,272	37.7	2,811	32.4	3,272	37.7
2010***	2,098	24.2	2,098	24.2	4,232	48.8	4,154	47.9	4,154	47.9
2011**	1,660	19.1	1,867	21.4	3,236	37.2	2,780	31.9	3,236	37.2
2011***	2,075	23.8	2,075	23.8	4,184	48.0	4,107	47.2	4,107	47.2
2012**	1,674	19.0	1,883	21.3	3,264	37.0	2,804	31.7	3,264	37.0
2012***	2,093	23.7	2,093	23.7	4,221	47.8	4,143	46.9	4,143	46.9

\* As measured by the Central Bureau of Statistics

\*\* The oldest person in the family has not yet reached the age of 55

\*\*\* At least one member of the family is aged 55 or over.

**Table 7**  
**Payment of Income Support Benefits**  
**(without administrative costs, NIS million), 2007-2012**

Year	Current prices	2012 prices
2007	2,419	2,777
2008	2,392	2,670
2009	2,482	2,682
2010	2,527	2,659
2011	2,477	2,520
2012	2,493	2,493

## 2. Scope of payments

In 2012, payments of income support reached NIS 2.49 billion – a decrease of 1.1% compared to the previous year. In spite of the update of benefits in January, there was a drop in the extent of payments due to the decrease in the number of recipients (1.4%) and the lower increase in the average benefit (of 0.8% in 2012 compared with 2011).

## E. Women Receiving Maintenance (Alimony) Payments

The Maintenance (Guarantee of Payment) Law guarantees a payment to divorced or separated women, common-law wives or women who have remarried, in instances when the court has awarded them maintenance payments but the individuals ordered to make the payments fail to do so. The amount of the payment is the sum specified in the court ruling or the sum prescribed in the Maintenance Law regulations, whichever is lower. When the maintenance payments awarded by court are higher than the payment prescribed in the regulations, the sum prescribed in the regulations is paid, subject to a means test. The rate of the maintenance payments prescribed in the regulations is equal to the rate of the income support benefit for single parent families. The NII is responsible for collecting the maintenance payments awarded by court ruling through execution proceedings instituted against the debtor. Therefore, a woman is eligible for maintenance payments from the NII only if she herself does not institute proceedings to enforce the court ruling, or if she discontinues such proceedings prior to submitting an application to the NII. If the NII collects a sum from the debtor that is higher than the sum the NII has paid to the woman, she is entitled to receive the difference.

The amendments to the means test instituted under the Income Support Law in 2003 affected this population as well, and in 2012 there was a continuation of the downtrend in the number of women receiving maintenance payments from the NII which began in 2005 – by approximately 4% each year until 2008. During the next three years, the decreases were more moderate: 2.6% in 2009, 1.2% in 2010 and 2.9% in 2011. In 2012 the decrease rose again to almost 4%. In all, in 2012 maintenance payments were paid to an average of about 18,700 women each month. In addition, as noted later, the number of women receiving both maintenance payments and income support benefit continued to decline.

**Table 8**  
**Recipients of Maintenance Payments,**  
**by Marital Status (numbers and percentages), 2007-2012**

Year	Total		Marital status			
	Number	Percent	Married to debtor	Divorced	Remarried	Other
2007	21,771	100.0	13.8	72.1	8.2	5.9
2008	20,784	100.0	14.0	71.4	8.4	6.2
2009	20,253	100.0	13.7	70.6	8.7	7.0
2010	20,012	100.0	13.8	69.4	8.7	8.1
2011	19,438	100.0	13.7	68.7	8.7	8.9
2012	18,745	100.0	13.2	68.2	9.2	9.4

The demographic characteristics of the women who received maintenance payments in 2012 were similar to those in previous years: approximately 68% of the women were divorced, 13% were separated from their spouses but still married to them, 9% had remarried, and the remainder, about 10%, were common-law wives. It should be noted that a slight downtrend is evident in the ratio of divorcées to total recipients of maintenance payments – from 72.8% in 2005 to 68.2% in 2012 – and a parallel increase in the ratio of unmarried women to total recipients – from 5% in 2005 to 9.4% in 2012. In 2012, the majority of women who received maintenance payments (approximately 80%) had one or two children (compared with 63% of all families with children in the population), while only about 8% had four or more children (compared with 17% of all families with children in the population).

The percentage of women who received maintenance payments under a court ruling and their employment characteristics were affected by the legislative amendment in 2003, but remained unchanged from 2004 to 2012. 74% of the women received maintenance payments under a court ruling, while the rest received payments under the regulations: 5% received the full rate specified in the regulations while about 21% received a reduced payment due to earnings from work. The average amount paid to women was approximately 21% of the average national wage (NIS 1,820 per month), but there was a significant gap between the amount received by women under a court ruling and the amount received under the regulations. In 2012, the average amount paid under a court ruling was only 20% of the average wage, while under the regulations it was 36% for women receiving the full rate and approximately 19% for women receiving a reduced rate (Table 10). Maintenance payments as a percentage of the average wage rose – an increase that might be explained by the fact that maintenance payments (updated in accordance with the Cost of Living Index) went up by more than the average wage, which has remained more or less the same over the past decade.

In 2012, approximately 45% of the women receiving maintenance payments were working (compared with 75% of all women in the population who are married with children), but their economic situation was poor. For most of them, the amount awarded by the court was so low that a means test was unnecessary (since a court ruling takes

The demographic characteristics of the women who received maintenance payments in 2012 were similar to those in previous years: approximately 68% of the women were divorced, 13% were separated from their spouses but still married to them, 9% had remarried, and the remainder, about 10%, were common-law wives

In 2012, approximately 45% of the women receiving maintenance payments were working, but their economic situation was poor

**Table 9**  
**Recipients of Maintenance Payments,**  
**by Type of Payment (numbers and percentages), 2007-2012**

Year	Total		Type of payment (percentages)		
	Number	Percent	Under the regulations		By court ruling
			Full	Reduced	
2007	21,771	100.0	6.3	22.7	71.0
2008	20,784	100.0	6.2	23.5	70.3
2009	20,253	100.0	5.7	22.0	72.3
2010	20,012	100.0	4.9	21.6	73.5
2011	19,438	100.0	5.2	21.7	73.1
2012	18,745	100.0	4.9	20.9	74.2

**Table 10**  
**Average Amount of Maintenance Payments**  
**as Percentage of the National Minimum Wage,**  
**by Type of Payment and Whether Working, 2007-2012**

Year	Total	Type of payment			Work	
		Under the regulations		By court ruling	Working	Not working
		Full	Reduced			
2007	19.1	35.0	17.2	18.3	15.2	22.6
2008	19.3	34.6	17.6	18.6	15.3	22.9
2009	20.3	36.2	18.6	19.6	16.2	23.8
2010	20.4	35.9	18.7	19.9	16.3	23.9
2011	20.6	35.8	18.8	20.1	16.5	24.2
2012	20.7	35.6	18.9	20.2	16.6	24.1

into account the woman's income from work). The average maintenance payment that working women received was 17% of the average national wage. Even after adding their earnings from work, their aggregate income was less than half of the average national wage – only 30% more than the maintenance payments to women who received the full payment under the regulations.

**The Maintenance Law per se does not guarantee a minimum income to all women who need it**

These figures show that the Maintenance Law per se does not guarantee a minimum income to all women who need it. Therefore, women to whom the courts have awarded low maintenance payments and who have no other income, or whose income from other sources is very low, are eligible for an income supplement from the NII under the Income Support Law, as long as they meet all other eligibility criteria specified under this law. Indeed, in 2012, an average of 3,910 women who received monthly maintenance payments also received an income supplement under the Income Support Law, compared with 6,892 in 2006. In 2006, these women constituted approximately 30% of all women receiving maintenance payments, but by 2011, this percentage had fallen to approximately 21%.