

Chapter 5

National Insurance Institute Funds

1. NII Community Funds

A. General

The principal activity of the National Insurance Institute is providing cash or in-kind benefits to those entitled to them under the Law. These benefits are financed by the NII budget and by collection of national insurance contributions.

As a supplement to the benefits, the NII assists in developing community services with the aim of improving the welfare of at-risk populations and broadening their opportunities. This activity is carried out through the NII Funds.

This unique activity of the NII is carried out under the National Insurance Law (consolidated version), 5755-1995 through the Fund Division¹ (service development Division), which was established in 2002 in order to centralize the NII Funds under one roof². These Funds are designed to promote projects, programs and enterprises³ that will develop and implement social services and infrastructures according to the needs of the target population and the NII policy.

The division operates through five Funds: The Fund for Development of Services for Persons with Disabilities, The Fund for Promoting Long-Term Care Programs, The Fund for Demonstration Projects, The Fund for Funding Occupational Health and Safety Activities (Manof) and the Fund for Development of Services for Children and Youth at Risk.

The populations addressed within the framework of the Funds are children and adults with special needs, disabled elderly in the community and in institutions, economically and socially disadvantaged families and individuals, persons unemployed for an extended period of time, children and youth at risk and employees who are at risk of work accidents.

In 2013, further to the activity of recent years, the NII Funds focused primarily on assisting at risk populations with education integration, employment preparation and employment placement – which are among the cornerstones of the welfare and social security policy of the National Insurance Institute and a central area of activity of three Funds: The Fund for Development of Services for Persons with Disabilities, The Fund for Demonstration Projects and the Fund for Children and Youth at Risk. The target populations of this assistance are disabled persons, youth at risk, economically disadvantaged women, unemployed youth and other unique groups, such as inhabitants of outlying areas, Arabs and ultra-orthodox Jews.

As a supplement to the benefits, the NII assists in developing community services with the aim of improving the welfare of at-risk populations

.....

1 The Research Fund, which is also included in the Law, operates within the framework of the Research and Planning Administration. See below later in the chapter.

2 Up to this date each fund operated within the framework of the branch relevant to its activity, apart from the Children's Fund, which was established in 2004 and the Fund for Demonstration Projects, which operated within the framework of the Research Administration.

3 A **project** primarily deals with infrastructure construction and replenishment, a **program** is primarily operation of a service and an **enterprise** is a project or systemic program (in terms of the scope or the collaboration between several funds).

As stated, the authority of the Funds to develop welfare services is established in the Law, which also prescribes bylaws for each Fund, which detail the rules for reviewing the projects or the programs and for the NII's participation in the funding thereof. The activity is funded by a portion of the insurance contributions that are collected from the employers and from the insureds for each branch under which the Fund operates. The maximum annual budget for each Fund is prescribed under the Law.

The following are the NII Funds:

- **The Fund for Development of Services for Persons with Disabilities:** assists public entities in developing services for persons with disabilities in order to integrate them into the job market and into society and to improve their welfare. The Fund operates in the following areas: special education and early childhood, employment rehabilitation for disabled persons, protected housing in the community, sports and leisure activities, improving the physical conditions in institutions for the disabled and purchasing rehabilitation equipment and assistance with accessibility for the disabled in public buildings. The Fund also assists in improving the quality of life and the services at institutions.
- **The Fund for Promoting Long-Term Care Programs:** assists with the development of services for the disabled elderly and with the improvement of these services in the community and in institutions, establishing elderly day care centers, purchasing special needs equipment, training personnel to care for the elderly and improving the services at long-term care institutions.
- **The Fund for Demonstration Projects:** assists public and private entities in developing social services with an experimental and innovative component in a variety of fields and for diverse groups, most of them groups at risk: dysfunctional families, youth and children at risk, people with special needs and elderly persons suffering from violence. The goal is that these programs will constitute a model for development, be implemented in the community and spread to additional regions in the country and therefore most of them are accompanied by research evaluation.
- **The Fund for Development of Services for Children and Youth at Risk:** works to promote the care of children under the age of 18 years old who are at risk due to neglect, abuse, violence and sexual abuse, including children and youth who have broken the law, use drugs or are exposed to poor living conditions. The Fund primarily engages in developing programs to prepare adolescents for independent living and preventing future dependency on NII benefits, while developing employability. The Fund also assists in dealing with attention deficit disorders that constitute a basis for risk and care for children and youth who have been sexually abused. The Fund develops programs for rehabilitating these children and youth and assists in reconnecting them with education and welfare systems and preventing them from deteriorating to states of poverty and need.

- **“Manof” Fund:** intended to fund activities for the prevention of work accidents and to encourage programs for enhancing safety and health: funding of research in the field of occupational safety and health and implementation of their conclusions in experimental plants; development and improvement of innovative safety instruments; identification of professional risks and safety hazards in workplaces; and assistance with purchasing safety instruments, with training activities and with advocacy and advertising campaigns.

B. Volume of Activity

In 2013, the Funds signed agreements for developing welfare services in the volume of approximately NIS 183 million for 255 different programs.

As stated, the volume of assistance of each Fund is prescribed by law. The highest amount is allocated to the Fund for Development of Services for Persons with Disabilities, more than half the fund budget – and following, by descending order: the Long-Term Care Fund and the Fund for Demonstration Projects, the Fund for Children and Youth at Risk and the Manof Fund (Graph 1). Most of the activity of the Fund for Disabled and the Long-Term Care Fund focuses on infrastructure investment and hence the large volume of the assistance budgets. The Fund for Demonstration Projects and the Fund for Children and Youth at Risk engage in the development and operation of services and thus their statutory budgets are lower. The volume of activity, which as stated derives from what is prescribed by law and from the nature of the projects or the programs, may be seen in the average program budget of each Fund.

In 2013, the Funds signed agreements for developing welfare services in the volume of approximately NIS 183 million for 255 different programs

Table 1
Number of Programs Approved and the Amount of NII Assistance, by Fund, 2013

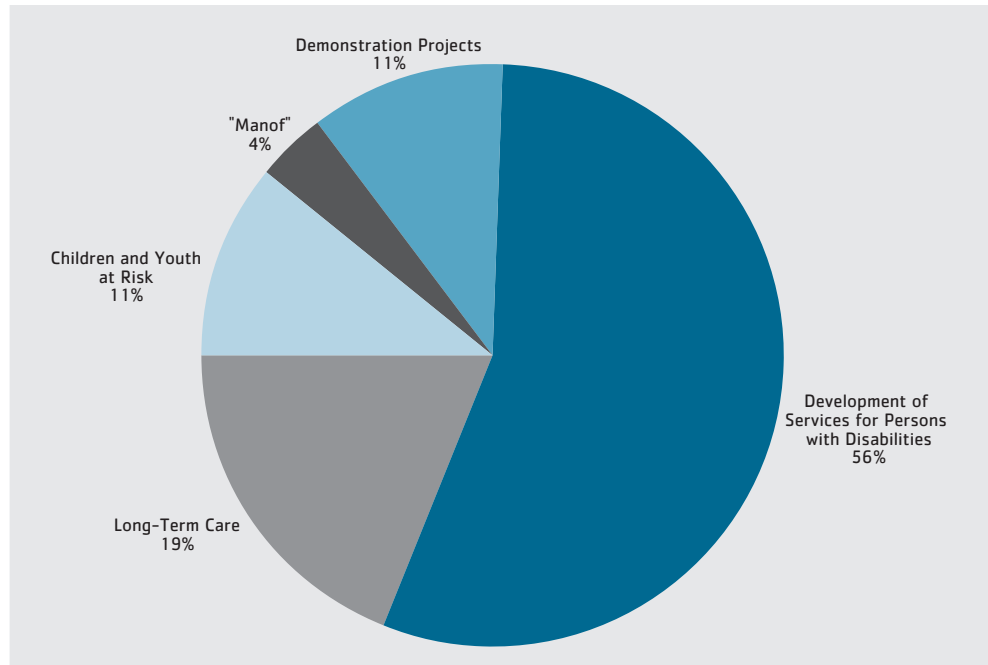
The fund	Number of programs approved	Amount of assistance approved* (NIS)	Percentage of the division's budget	Average budget per program (NIS)
Development of Services for Persons with Disabilities	143	102,269,269	56	715,170
Long-Term Care	32	34,215,574	19	1,069,237
Demonstration Projects	39	20,703,175	11	530,851
Children and Youth at Risk	25	19,580,946	11	783,238
Manof	16	6,676,549	4	417,284
Total	255	183,445,513	100	..**

* The financial data presented in the following tables pertains to amounts that were approved in a certain year and not to actual performance.

** The figure is irrelevant because of the differences in the nature of the programs of the various funds.

The NII Funds do not fully fund the programs in which they are partners, but rather pool resources from various entities. The maximum funding rate varies from Fund to Fund and is established in the bylaws of each Fund. For some of the Funds the funding rate is also set according to the social and economic characteristics of the target population or of the local authority (according to accepted statistical indices) and in the

Graph 1
The Assistance Approved, by Fund, out of all the Funds (percentages), 2013



event of the Long-Term Care Fund – according to the economic characteristics of the entity operating the service.

The most common participation rate of the NII, which is prescribed in the bylaws of the Fund for Development of Services for People with Disabilities, is 80% of the total cost of the project and, under certain conditions, up to 90% thereof. The maximum assistance level (the assistance threshold) is NIS 2,350,000. For the Long-Term Care Fund the maximum assistance in 2013 was NIS 3,200,000 and this amount is updated at the beginning of each year. Furthermore, there is a distinction between community projects (such as day centers) and institution projects (such as retirement homes). For community projects, the percentage of NII assistance is set according to the CBS clusters⁴ and it is 60% - 90% of the total cost of all the resources with other entities⁵. For institution projects, the percentage of NII assistance is set according to the recommendation of an accountant who inspects the financial strength of the applying entity and it is 50% - 70% of the total cost of all the resources. The Fund for Children and Youth at Risk assists with 50% of the program cost. The Fund for Demonstration Projects may fund an average of up to 80% of the program cost⁶ and the Manof Fund may also fund the full program cost.

.....

4 See Note 7.

5 Mainly Eshel and the Claims Conference.

6 For a program that the Fund funds for three years, the funding diminishes from 100% to 50%, depending on the year of operation.

For the Long-Term Care Fund the maximum assistance in 2013 was NIS 3,200,000 and this amount is updated at the beginning of each year

Table 2
Total Cost of Programs, Participation of Funds
and Assistance Rates, by Fund, 2013

Fund	Cost of programs (NIS)	Amount of assistance approved (NIS)	Rate of assistance out of total cost *
Persons with Disabilities	174,718,951	102,269,269	59
Long-Term Care	76,737,928	34,215,574	45
Demonstration Projects	47,453,150	20,703,175	44
Children and Youth at Risk	38,890,497	19,580,946	50
Manof	8,804,151	6,676,549	76
Total	346,604,677	183,445,513	53

* Taking into consideration the assistance threshold and the assistance percentages set in the bylaws.

In 2013, the assistance provided by all the Funds was NIS 183 million and by means thereof services were developed in the amount of approximately NIS 355 million (Table 2), so that the Fund monies enabled leveraging of the programs by their participation in an amount nearly double the amount of support of the Funds.

The leverage ratio is the ratio of the total cost of the program to the amount invested by the Funds. The leveraging of the Fund monies is very important: the activity of the programs is increasing significantly, as well as the potential for developing and operating additional programs, which could not have existed at all without the pooling of resources between the Funds and the entities. The higher the leveraging, the better the combination of the funding sources and the greater the pooling of resources. Leveraging has many other advantages beyond the economic advantage, for instance by it enabling national deployment, strategic perspective and standard setting up to regulatory change.

C. The Fund Activity in Communities

Most of the Funds' budget (approximately 80%) is invested in programs that are carried out in communities in the different municipal classes (cities, local councils and regional councils) and only approximately 20% are invested in enterprises or programs on a national level (such as the **Education Revolution** enterprise – support centers in institutions of higher education). The volume of investment in the outlying areas – south and north – reaches approximately 45% of the total Fund budget, while this population's proportion of the general population is approximately 30% (Table 3). In the Jerusalem, Southern and Northern districts the Funds invested more than their residents' proportion of the population and in the Tel Aviv, Haifa and Central districts a budget at a rate less than the residents' proportion of the population was invested. In the Judea and Samaria district a budget share corresponding to the size of the population in the region was invested.

The investment of all the Funds has been classified according to the socio-economic cluster of the CBS, where residents of the local authorities at the three lowest clusters of

In 2013, the assistance provided by all the Funds was NIS 183 million and by means thereof services were developed in the amount of approximately NIS 355 million

Table 3
Amount of NII Assistance to Programs, Percentage of Total Budget and Population*, by District and Sub-district, 2013**

District and sub-district	Amount of assistance approved by the NII (NIS)	Percentage of total budget	Population in the district and sub-district (percentages of total)
Jerusalem	20,265,852	14	12
Northern	33,889,232	23	16
Safed	8,257,758	6	1
Kinneret	2,100,974	1	1
Yizrael	14,278,560	10	6
Akko	9,251,940	6	7
Golan	-	-	1
Haifa	13,751,882	9	12
Haifa	10,196,107	7	7
Hadera	3,555,775	2	5
Central	21,653,007	15	24
Hasharon	5,688,398	4	5
Petah Tikva	1,725,248	1	8
Ramla	615,148	0.4	4
Rehovot	13,624,213	9	7
Tel Aviv	19,975,074	13	17
Southern	33,031,955	22	14
Ashkelon	12,850,194	9	6
Be'er Sheva	20,181,761	14	14
Judea and Samaria	6,434,484	4	4
Total community programs	149,001,485	100	100
National programs	34,444,028		
Total	183,445,513		

* The percentage is calculated from the total budget of the community programs.

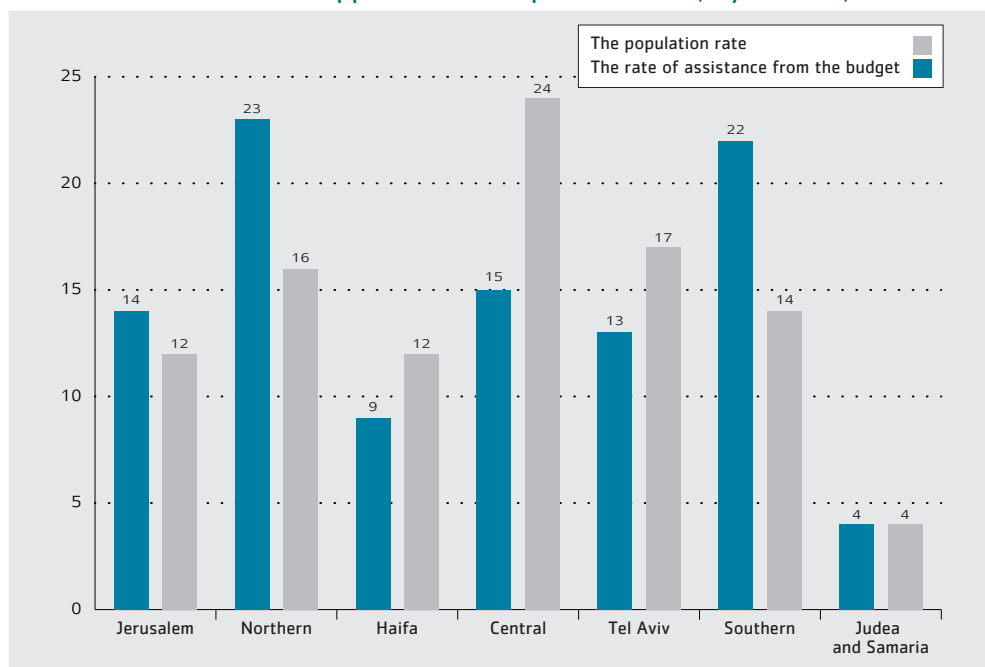
** The districts and the sub-districts have been defined according to the official administrative division of the State of Israel, whereby there are 6 districts and 15 sub-districts. From: The Central Bureau of Statistics, Statistical Abstract of Israel No. 63, 2012.

the index (1-3) were defined as belonging to a low socio-economic class (12%), at the 4-7 clusters – to a middle socio-economic class (68%) and at the 8-10 clusters – to an upper socio-economic class (20%) (Table 4).

16% of the budget was invested in the lower class communities, 60% in the middle class communities and 24% was invested in the upper class communities

An analysis according to this classification shows that 16% of the budget was invested in the lower class communities, 60% in the middle class communities and 24% was invested in the upper class communities (Table 4 and Graph 3). Therefore, the investment of the Funds in the lower socio-economic class communities was slightly higher than their proportion of the population (16% compared to 12% respectively), in the middle class communities – higher than their proportion of the population (73% compared to 68% respectively) and in the upper class communities the assistance rate was lower than their proportion of the population (11% compared to 20% respectively). The affiliation of a community with a certain socio-economic cluster is made according to the average socio-economic indices in said community and therefore all residents of the community

Graph 2
Rate of Assistance Approved and Population Rate, by District, 2013



belong to the same socio-economic cluster despite the difference in income level between them. Accordingly, also in communities that have a middle and also upper social class there is call for the funds' assistance to at risk populations.

Similarly, the financial investment of the Funds in the programs by the socio-economic cluster of the communities is also presented in Graph 3.

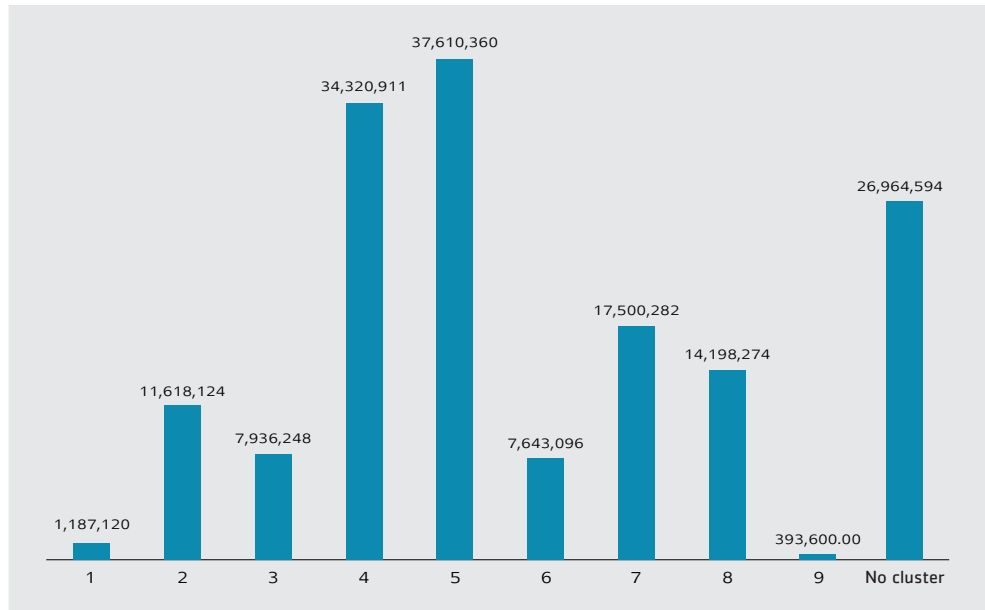
Table 4
Amount of Assistance Approved, by Socio-economic Cluster and by Fund (NIS) and Rate of Total Budget, 2013

Social cluster	Persons with disabilities	Long-term care	Demonstration projects	Children and youth at risk	Total amount	Rate of the total cluster budget*
1	887,120	300,000			1,187,120	0.9
2	4,625,570	3,489,754		3,502,800	11,618,124	9
3	7,390,420		545,828		7,936,248	6
4	24,981,585	3,545,109	3,552,441	2,241,776	34,320,911	26
5	23,463,164	7,746,810	3,510,636	2,889,750	37,610,360	28
6	4,803,153	2,788,284		51,659	7,643,096	6
7	13,109,928	2,720,853	1,074,001	595,500	17,500,282	13
8	6,992,566	4,599,380	2,321,328	285,000	14,198,274	11
9	393,600				393,600	0.3
Total**	86,647,106	25,190,190	11,004,234	9,566,985	132,408,015	100

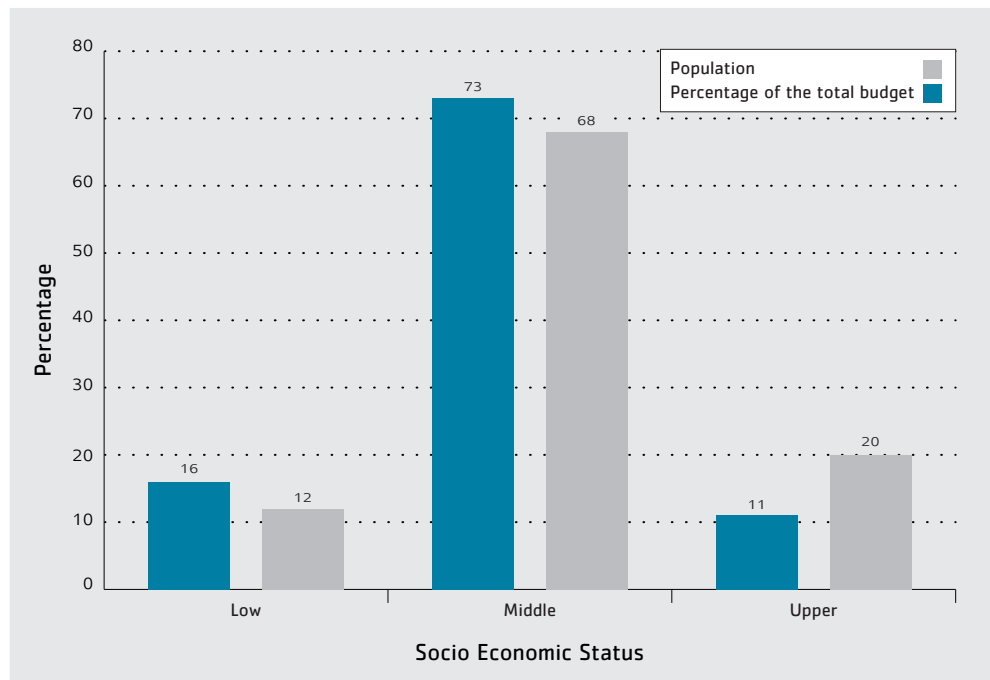
* The percentage is calculated from the total budget of the community programs.

** Total in the clustered communities.

Graph 3
Amount of NII Assistance, by Socio-economic Cluster (NIS), 2013



Graph 4
Population and NII Assistance, by Socio-economic Class of the Communities*, 2013



* The assistance amounts are correct as of 2013 and the population – as of 2010.

D. Assistance to Social Businesses

The NII Funds have developed numerous programs dealing with training and employment for at risk groups and within the framework thereof social enterprise programs have been developed with the cooperation of foreign entities. These programs showed both the potential of social enterprises and the problem of funding and market development that exists in this sector. Within the framework of these enterprises, a social business is provided with professional guidance for building a business plan that will help it be balanced and even earn a profit and concurrently social guidance is provided to the employees of this business in order to instill them with life and work skills and to integrate them into the open job market in due course.

The following are a few examples of social businesses that receive assistance from the funds:

- Since 2012, the Fund for Children and Youth at Risk has been a partner in the social enterprise operating in the **Liliyot Restaurant** – a prestigious restaurant in Asia House in Tel Aviv. The restaurant was established in the 1990s by the Kamerman – Handler family and was donated in 1999 to the Elem Association for the purpose of operating a socio-educational enterprise to rehabilitate youth at risk. After encountering financial difficulties, the restaurant was acquired in 2009 by a group of business people headed by the Dualis Fund and began operating as a social business. Each year, the restaurant trains and employs 15 youth in restaurant professions, with close supervision by a social and employment worker for 18 months.
- The Fund for Demonstration Projects is a partner in **Kelim Shluvim** – an enterprise participating in the social business program of IVN (Israel Venture Network). Within the framework of the enterprise a store was established for selling various gifts and products, which constitutes a place of employment and training for people suffering from mental disorders, with the aim of integrating them in the community and in the labor market. The products sold in the store are made by persons with disabilities who are employed by non-profit organizations for the rehabilitation of such people.
- The Fund for Development of Services for Persons with Disabilities is a partner in the activity of the **Creating an Opportunity** network of **Shekulo Tov**. The network operates sales stands in malls and in shopping centers throughout Israel where a rehabilitation process takes places, which includes employment and employment training for persons suffering from mental disorders.

As stated, the NII Funds, the Accountant General and the National Economic Council are currently working to establish the **Social Enterprise** Fund, which will cultivate, assist and guide social businesses that integrate these populations into the labor market – an area that is at the core of activity of social business in Israel and abroad. The decision to focus on this area stems from the great importance that the government attaches to investment in at-risk populations and from the recognition that development of the

social businesses contributes to the rehabilitation and integration of these populations in Israeli society. After a similar budget is allocated by the Ministry of Finance for the purpose of establishing the fund, it will be possible to choose two funds in the manner proposed above. The fund will be established by an entrepreneur that is to be selected in a tender, through a public benefit company (PBC), and it will be given a conditional grant from the NII in the amount of NIS 11 million for each fund. The entrepreneur is committed to a leverage ratio of at least 1:1.5, .i.e. he must raise a minimum amount of NIS 15 million, so that at least NIS 30 million is raised for both funds. The fund will make capital investments, will grant loans to social businesses that meet the criteria for investment and will provide them with business and professional guidance so that they can realize their economic and social goals.

The fund will periodically measure the social and economic return of the businesses in which it has invested in order to develop methodologies of professional doctrine pertaining to the establishment of social businesses in areas such as employee training, professional guidance, appropriate economic tools and the like. The NII will guide the fund in research evaluation, which will enable to draw conclusions and to review the contribution of the social – business model to the integration of the target populations in the labor market.

Social Businesses In Israel¹

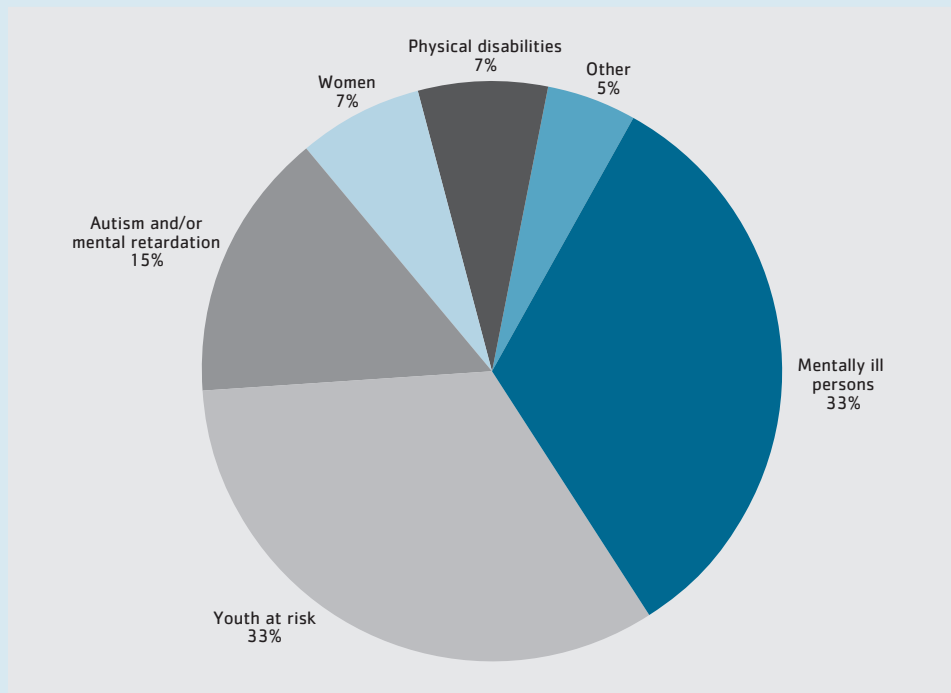
Social enterprises (hereinafter – social businesses) are organizations that use business activity in order to achieve social objectives.

The social business field has been developing in recent years, particularly in the United States, where a social business is defined as “an enterprise or organization whose primary social objectives are achieved using business methods”, and in Great Britain as “a business whose primary objective is social, its profits are reinvested in the business or in the community and the objective driving the business is other than profit maximization”. In Israel, the field has been developing rapidly in recent years and its importance was presented in the report of the Committee for Social and Economic Change (Trajtenberg Committee). The report noted social businesses as an additional tool for addressing the need to broaden and diversify the sources of funding of the third sector in order for it to succeed in fulfilling its objectives. This field was also mentioned in the **Round Table** headed by the Prime Minister, which discussed the

1 Rachel Benziman, *Not By Philanthropy Alone... - Social Enterprises in Israel, Preliminary Mapping and Comparative Study*, December 2009; *Social Businesses – Background Paper and Platform for Discussion*, the Eleventh Conference, The Interfacial Round Table, 28/11/2012; Benny Gidron and Inbal Abbou, *Social Enterprises in Israel: In Preparation for Definition*, The Israeli Social Enterprise Research Center, June 2012.

The social business field has been developing in recent years, particularly in the United States

Social Businesses in Israel, by Target Population, 2012



Source: Benny Gidron and Inbal Abbou (2012). *Social Enterprises in Israel: In Preparation for Definition*, The Israeli Social Enterprise Research Center.

issue and recommended the establishment of a government fund that would remove the funding barrier facing social businesses².

The social business field provides options for a wide variety of businesses – from a business that focuses on business objectives and gives absolute priority to generating revenues, to a business that focuses on social objectives and gives absolute priority to the social objective. Between the two extremes there is a wide range of businesses that combine and balance between the objectives in various ways.

In research conducted in 2012 by Prof. Benny Gidron for the Ministry of Industry, Trade and Labor, it was found that the two main target populations integrated with the social businesses in Israel are youth at risk and mentally ill persons (Graph 4).

The uniqueness of social businesses stems from the non-trivial connection between their different objectives, which makes it difficult to establish an integrated organization. The objectives can lead to pressure by market forces to compromise with regard to the social objectives and to withhold resources for social support on

2 The Fund, **Social Enterprise**, funded by the NII and in collaboration with the Accountant General and the National Economic Council, now being published for tender.

the one hand or to compromise on the financial performances on the other hand. Furthermore, it is difficult to accurately measure achievements in the social field.

The advantages of the social businesses are both social and economic. Socially, they provide optimal rehabilitation for the target population employed by them, prepare it or integrate it into the job market. Economically, the ability to rely on independent income as the main source of income weakens the organization, severs its dependence on donations and on government assistance and at the same time allows it to develop a long-term socio-economic strategy. However, the ability of these businesses to raise funding from commercial entities is nearly impossible, whereas the business aspect limits the philanthropic sources.

E. Promoting Employment Among At-risk Populations

In recent years, the activity of the Funds has focused primarily on assisting at-risk groups with education integration, employment preparation and job placement in the open market or in rehabilitation frameworks. These areas are among the cornerstones of the welfare and social security policy of the National Insurance Institute and are central to the activity of three Funds: The Fund for Development of Services for Persons with Disabilities, The Fund for Demonstration Projects and The Fund for Children and Youth at Risk. The target populations of this assistance are disabled persons, youth at risk, economically disadvantaged women, unemployed youth and other unique groups, such as inhabitants of outlying areas, Arabs and ultra-Orthodox Jews.

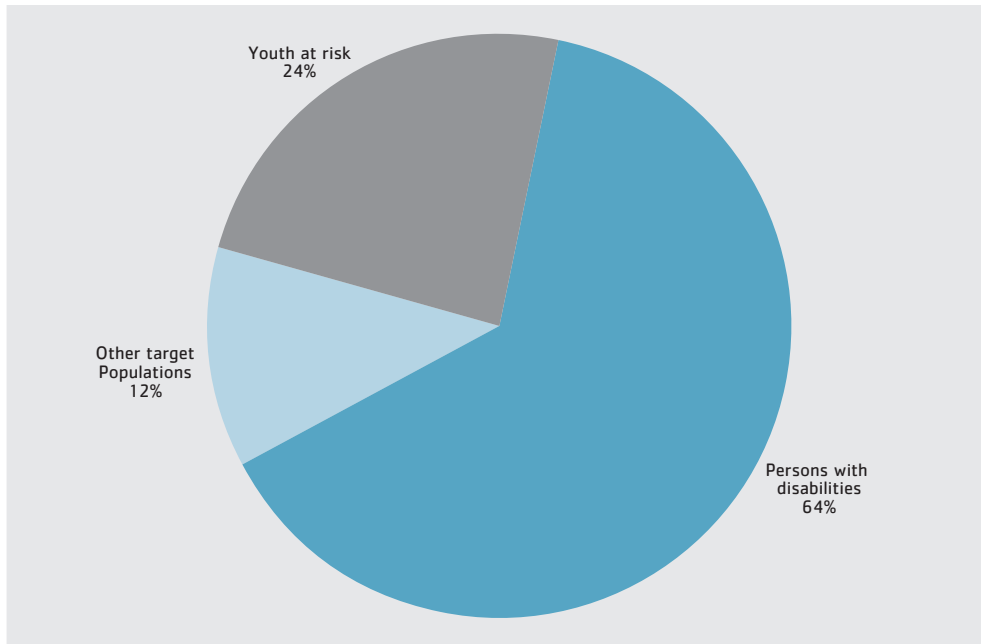
The poverty data⁷ shows a negative correlation between employment and poverty. Accordingly, the promotion of employment of at risk populations could constitute an effective tool for the war on poverty and therefore the NII works toward this goal also through the Funds in programs to encourage employment among persons with disabilities, youth and young adults at risk, women at social risk and adults aged 50 or older. These

Table 5
Amount of NII Fund Assistance, by Target Population (NIS), 2009-2013

Target population	Amount of assistance
Persons with disabilities	133,865,752
Youth at risk (up to 18)	50,839,714
Women at risk	10,772,530
Young adults at risk (20 – 35)	10,616,115
Adults	917,950
Others	2,806,600
Total	209,964,343

7 Dimensions of Poverty and Social Gaps Report 2012, National Insurance Institute.

Graph 5
Assistance of NII Funds, by Target Population (percentages), 2009-2013



programs incorporate both development and assistance of rehabilitative employment frameworks and assistance with employment integration in the open market.

In the last five years (2009-2013), assistance has been approved for projects and programs promoting employment in the total amount of approximately NIS 210 million, which constitutes approximately 25% of the total NII assistance within the framework of the Fund Division. Table 5 and Graph 5 present the distribution of assistance of the NII funds in the area of employment promotion, by target populations.

The following are a few examples of programs developed by the NII Funds in the area of employment:

- **The Fund for Development of Services for Persons with Disabilities** has been investing in **projects to promote employment among persons with disabilities** for many years, In view of the low employment rate of this population – approximately 51% compared to approximately 71% among persons without disabilities⁸. In 2009- 2013 assistance was provided to projects in this area in the total amount of approximately NIS 110 million – for the establishment and assistance with the renovation and the equipping of sheltered workshops, for employment clubs for persons with disabilities and employment centers for persons with disabilities.

In 2009-2013, assistance has been approved for projects and programs promoting employment in the total amount of approximately NIS 210 million, which constitutes approximately 25% of the total NII assistance within the framework of the Fund Division

8 Fefferman, B. (2013). *The Contribution of Persons with Disabilities to Raising the Employment Rate in the Economy and Loss of the GDP due to Non-employment*. Jerusalem: Ministry of Industry, Trade and Labor, Research and Economics Administration.

- **The Fund for Development of Services for Children and Youth at Risk assists in promoting employability among youth at risk** (up to the age of 18). Employability is the full range of abilities and skills that assist a person in being hired for a job, in persevering and advancing there or in transitioning to a new and advancing workplace. In 2009-2013 the Fund approved assistance to programs in this area in the total amount of approximately NIS 85 million, where a substantial part of the funding was allocated to programs within the framework of the **Secure Future – Youth** enterprise. This enterprise instills these youth with tools for becoming integrated in employment and in society and provides an employment outlook that is based on faith in their ability to function as independent adults and to diminish their dependence on the State institutions.

By the end of 2013, the model had been implemented in approximately 40 communities among approximately 2,000 youth at risk, aged 14-18. A majority of the communities where the program was implemented are characterized by various dimensions of risk and are included in the list of communities of the National Program for Children and Youth at Risk (**Schmid Program**). The communities have a particularly low socio-economic status (clusters 2-4) and are situated in the geographic and social periphery of the State of Israel, also within the Arab and ultra-orthodox Jew sector⁹. Towards the end of 2014, the Fund is planning to expand the enterprise to include guidance towards and during military service, through workshops for employment integration subsequent to discharge.

- In recent years, **The Fund for Demonstration Projects** has sponsored programs to **promote employment among marginalized groups**. This activity began in 2005, initially to address suggestions forwarded to the Fund and as of 2007, on the initiative of the Fund, through a public appeal to the relevant entities (“Kol Koreh”). In 2009-2013, the Fund approved assistance in the amount of NIS 43 million to develop these promotion programs.

The activity to **integrate at risk women in employment** began in 2009 and since then programs for other groups of women have been implemented: women receiving income support, women who have undergone sexual, physical and mental abuse and single parent women. The programs provide supplementary education, vocational training, personal empowerment, hired work placement, small business openings, development of entrepreneurship incubators and guidance following placement. Approximately 2,000 women have participated in the various programs.

In 2009-2013, in the area of **integrating young adults at risk** (aged 20-35) in employment, the Fund approved approximately 15 special purpose programs in dozens of urban and rural communities throughout Israel, primarily in the outlying areas or

In 2009-2013, the Fund approved assistance in the amount of NIS 43 million to develop these promotion programs

9 Chen Lifshitz. Evaluation of the Secure Future Program Operated by the Fund for Children and Youth at Risk (draft).

in distressed neighborhoods. Approximately 2,000 young adults have participated in these programs.

In 2007, the NII began assisting in the operation of **centers for ultra-Orthodox Jews** in Beitar Illit and in Ashdod, which offer employment training, vocational guidance and job placement – this in view of the high poverty rates among them (13% of the general population), inter alia, due to barriers that lead to low participation rates in the employment market¹⁰. Over the years, the model has been adopted by the Ministry of Economy and currently it operates employment guidance centers for ultra-Orthodox Jews, which are based on the model of these centers.

The Fund assists in the development of programs to **integrate adults into the open job market** (as of 2005 for those aged 50+ and as of 2009 also for those aged 60+), this in view of the growing awareness in Israel and abroad of the importance of developing employment among adults. Many countries in the West are promoting this area and are working toward this purpose in various ways¹¹. As part of the Fund's activity in this area, centers have been established in Tel Aviv and in Nahariya in recent years, which focus on recruiting employers, on training and on the placement of those aged 60+. Furthermore, the Fund continues to invest in the development of programs to promote employment among those aged 45+ and those aged 60+ in additional regions in Israel.

- **The Manof Fund** has been working in recent years to **promote workplace safety among youth at risk and persons with disabilities**. In 2009 – 2013, the Fund approved assistance in the amount of approximately NIS 3 million for these programs. The Fund has developed—in collaboration with the Ort school network—courseware that deals with safe behavior in the home, at school and at work and which is intended for job training workshops which are held within various frameworks of the Fund for Children and Youth at Risk and at YEP (Youth Employment Project), which is operated by the Ministry of Welfare.

The Manof Fund has been working in recent years to promote workplace safety among youth at risk and persons with disabilities. In 2009 – 2013, the Fund approved assistance in the amount of approximately NIS 3 million for these programs

F. Promoting Education among At Risk Populations

Studies show that the number of years of schooling is among the most important predictors of persons with disabilities being integrated in employment¹² and even contributes to improving health and welfare in general. Therefore, the NII Funds invest

10 Ben-David D. and Bleikh H. (2013). Poverty and Inequality in Israel: Developments over Time and in Comparison to the OECD, in: Dan Ben David (editor). **State of the Nation Report – Society, Economy and Policy 2013**. Jerusalem, Taub Center.

11 Ori Tal-Spiro, Ways to Integrate Adults in the Job Market in Several Western Countries, Knesset Research and Information Center, October 2013.

12 Berman E. and Naon D. (2004). **Blind and Vision Impaired University Graduates: The Contribution of ALEH during their Studies and a Follow Up of their Integration into the Job Market**. Research Report. Brookdale Institute. Fefferman B. (2010). The Integration of Persons with Disabilities into the Job Market: Changes in Perceptions, Development of Tools and Employment Programs. **Employment Accessibility**, 10.

in projects and programs to promote higher education among these people. One of the barriers to integrating students with disabilities in academic studies is the lack of appropriate support.

During the years 1999-2010, the Fund for Development of Services for Persons with Disabilities invested approximately NIS 18 million in the physical and sensory accessibility of institutions of higher education in Israel. Despite this large investment, there has been no change in the number of students or in the number of university graduates with disabilities. It was clear that physical and sensory accessibility is a necessary but insufficient condition to enabling equal integration of students with disabilities in the higher education system.

A study of other models in the world has led to an understanding that it is necessary to develop a unique service that will fully address the needs of students with disabilities and will assist in removing the many barriers that they face. For this purpose, in 2011 the Fund for Demonstration Project and the Fund for Development of Services for Persons with Disabilities began operating the **Higher Education Revolution** enterprise – assistance with establishing and upgrading support centers that operate a variety of services that assists students with different disabilities under the same roof. The goal of the enterprise is to increase the number of students with disabilities who are admitted to institutions of higher education, persevere in them, acquire a university education and consequently are integrated in employment in positions commensurate with their ability and skills.

The support centers render the following services to students:

- Individual services – guidance and advice from the study candidate stage up to graduation: personal mentoring, support services, workshops on learning skills, etc. The center also assists students in exhausting their relevant legal rights.
- Accessibility – The center provides advice in all matters relating to the accessibility of the studies (building accessibility, service accessibility and academic accessibility) and operates and maintains a reserve of accessibility instruments (FM devices for the hearing impaired, screen magnification using CCTV, software for magnifying computer texts, “smart board”, etc.).
- Advocacy and attitude changing activities – Many of the barriers encountered by students with disabilities are not related to their personal abilities, but rather to the people surrounding them – lack of awareness of their circumstances or prejudices. In order to overcome this problem, the support center conducts advocacy and training activities for faculty and administrative staff on the accessibility of studies.

The support centers are an integral part of the institutions of higher education and they operate under the Dean of Students as part of the system of services rendered to students requiring special assistance.

Currently, as part of Phase I of the enterprise, support centers are operating in 12 institutions of higher education. The NII has thus far provided assistance in the amount

of approximately NIS 10 million. As part of Phase II of the enterprise, applications have been submitted by 20 additional institutions— more than half of them have already been approved and the rest are in the process of approval. The assistance that has been approved for the institutions that will participate in Phase II is to date approximately NIS 9.8 million out of NIS 10 million that has been approved. Apart from the financial assistance to the enterprise, the Fund Division is conducting a training program and seminars for the coordinators who work at the support centers.

2. Research Fund And Research Room

The National Insurance Institute supports research by providing grants to researchers in the fields of social insurance, the labor market, the social situation and social policy. The research funding is provided pursuant to Section 36 of the National Insurance Law, 5715-1955. The researchers submit proposals to fund research in these fields until the month of December of each year and in the subsequent year decisions are made whether to approve the funding and if so at what level. The research proposal approval process has several stages: a hearing of the internal research committee of the NII and formulation of recommendations, a hearing of the research sub-committee of the NII Council according to the recommendations of the internal committee and decision by the finance committee of the NII Council. A research proposal that has been approved must also obtain the approval of the Minister of Welfare and Social Services. Funding priority is given to research that has a close connection to the goals of the NII and to its areas of activity, to research that adds knowledge to assist in shaping and evaluating socio-economic policy and to research that has a source of funding aside from the NII Research Fund.

The categories of assistance of the Fund are:

- Grant for regular research – partial or full funding for research that satisfies the necessary conditions.
- Grant for comprehensive research – The NII may initiate comprehensive research that is within its areas of responsibility or stipulate its participation in proposed research on the involvement of additional entities, including from the National Insurance Institute, if involving a topic that is within its work plan or among its priorities.
- Grant to establish and maintain large databases relevant to the work of the NII.
- Grant to students – In order to encourage young researchers to engage in the specified fields, grants are given to two-three researchers per year who are studying in Israel and submitting a doctoral thesis.

After the Minister approves the funding, a detailed agreement is executed with the researchers, which specifies the conditions for receiving the funding at the various research stages defined in the agreement.

Upon its completion, the research is usually posted on the NII website, indicating the fact that it has received the support of the Fund. All research conducted with the support

of Fund since its establishment has been uploaded onto the website, insofar as it could be found.

Since its establishment, the NII has partially or fully funded approximately 170 studies and assisted with databases and research grants to students

Since its establishment, the NII has partially or fully funded approximately 170 studies and assisted with databases and research grants to students, some of them having been completed and some of them are in various stages of work. The entitlement conditions for receiving funding from the Fund and the manner of submitting the applications are specified on the website of the National Insurance Institute under the “Funds” tab.

Research Room

As part of the broadening of the research options, a research room was opened in 2011 at the Research and Planning Administration of the NII (at the head office in Jerusalem), where researchers can use the NII database for their research, using files with no identifying information. The comprehensive database contains administrative files of the NII as well as of other entities with which the NII maintains a professional relationship, such as: the payroll file of the Tax Authority, data from the Population Registry, etc. Each application requires the preparation of a database tailored to the objectives and requirements of the research, which is done by NII employees.

The research room has three individual workstations and software suitable for data processing, such as STATA, SPSS and SAS. A committee on behalf of the Research and Planning Administration convenes once per quarter in order to discuss the applications received to use the research room and decides according to various criteria, such as: importance of the research, quality of the researchers, and the quantity of resources involved in the preparation of the files for the research by NII employees, etc. The other arrangements pertaining to use of the research room, such as collecting payment for the services being rendered to users by the National Insurance Institute, limiting the number of applications for a single study and so forth, are still being created.

Since the research room was established and up to the end of 2013, approximately 10 studies were conducted that made use of the data files existing in the database

The use of the room is subject to a procedure requiring the researchers who use it to undergo a security inspection that includes signing a confidentiality document.

Since the research room was established and up to the end of 2013, approximately 10 studies were conducted that made use of the data files existing in the database.

Similar to the practice of the Research Fund, upon completion of the research the researchers are requested to publish the research results in a manner coordinated with the NII. Some of the studies are conducted in collaboration with researchers of the Research and Planning Administration.

Prominent Research Conducted Using the Research Room

Ministry of Economy:

- The Office of the Chief Scientist – Dr. Shlomi Prizat: An Examination of the Past Policies of the Office of the Chief Scientist Supporting R & D in Large Companies,

Focusing on the Phenomenon of Knowledge Spillover between the Companies.

Based on the findings it is possible to examine the existing tools and the degree of their compatibility with the economic reality and if necessary, to propose new dedicated tools that will meet the needs of the large companies.

- **Research and Economics Administration – Assaf Malachi: The Contribution of the Employment Track of the Investment Center to the Integration of Special Populations in the Labor Market.**

The employment track of the Investment Center is one of the key government policy tools for encouraging demand for workers in outlying areas and among special populations (single parents, Arabs, ultra-orthodox Jews and persons with disabilities). The research examines the contribution of the employment track to the integration of various populations in the labor market.

- **Tavor Economic Consultants – Consultant to the Ministry of Economy, Mr. Amatzia Samkai: Shaping Policy and Determining Strategy to Encourage Employment within the framework of the Investment Center.**

The Hebrew University

- **Prof. Victor Lavy – a series of studies examining the long-term effects of environmental conditions during childhood and studies.**
- **Prof. Michael Beenstock – Multiplex Autism.**

The objective of the research is to examine the prevalence of Multiplex Autism in Israel; to explore the relationship between Multiplex Autism and the traits of the parents and the siblings, to attempt to identify environmental and genetic influences on the prevalence of Multiplex Autism.

Harvard University in collaboration with the Ministry of Health and the NII:

- **Dr. Raanan Raz – Harvard University and the Ministry of Health; Dr. Marc Weisskopf – Harvard University; Dr. Hagai Levine – The Hebrew University; Ofir Pinto – the NII: A Study of the Risk Factors and the Effect of Pollution in Particular on the Incidence of Autism Among Newborns in Israel between the Years 2000 and 2009.**

During the last 20 years, the number of children diagnosed as suffering from Autism has grown throughout the world and also in Israel. The medical – research literature contains evidence of several risk factors for Autism (genetic, metabolic and environmental factors). Recently, the voices claiming that pollution has a significant effect on the likelihood of contracting Autism have intensified. Most of the research in the field has been conducted on a non-random research group. The existing information in Israel allows such research to be conducted based on general population data.