

8. Work-Injury Insurance

A. Benefits of the Work-Injury Division

Work-injury insurance is designed to compensate insured persons¹ who are hurt at work or in an accident,² or who suffer from an occupational disease,³ for the loss of salary or income for the period of time after the injury during which they are unfit to work, or for physical or mental damage due to the injury. Work-injury insurance also assists the injured in returning to work through vocational rehabilitation. Assistance to work-disabled persons is provided in a number of ways:

1. Work-Injury Allowance

A payment during absence from work, at most for 91 days (13 weeks⁴) from the first day after the injury, for a person hurt at work or who contracted an occupational disease, who consequently is incapable of working at his/her job or at another suitable job, and who actually did not work, and requires medical treatment. The rate of payment is 75% of the injured party's average salary in the three months preceding the injury up to the maximum work injury allowance (in January 2014 – NIS 1094.63 per day).

2. Work-Disability Pension

Paid to victims of a work-injury who remain temporarily or permanently disabled as a result.

- **Temporary Disability Allowance** – Paid to work-disabled persons with a temporary disability level of at least 9%.⁵
- **Permanent Disability Allowance** – Paid to work-disabled persons with a permanent disability-level of at least 20% in accordance with the level of medical disability, at a rate relative to the salary of the three months preceding the injury (maximum amount

1 Persons qualifying for work-injury insurance include the following: salaried workers (as of April 1954), self-employed workers (as of July 1957), individuals undergoing vocational rehabilitation or vocational training, individuals who are being examined according to the Apprenticeship Law or the Employment Service Law (only during the examination), working prisoners, foreign residents employed by an Israeli employer (as of 1970), Israeli residents abroad under certain conditions (as of 1970), individuals whose salaries are determined by law (such as Members of Knesset), individuals employed under the Emergency Labour Service Law.

2 An accident in the course of and due to work, including an accident on the way to work or returning from it, and an accident under circumstances specified by the law.

3 A disease contracted by the insured person due to his/her work, and which appears on the list of occupational diseases determined by the law. Occupational diseases are specified in the second addendum to the National Insurance Regulations (Work Injury Insurance), 1954.

4 Until 31.1.2002 victims of work injuries were entitled to a work-injury allowance for a maximum period of 181 days (26 weeks). For the two days following the injury, the allowance was not paid except to people incapacitated for 12 days or more. Following an amendment to the law in 2005, the entitlement for work-injury allowance at the expense of employers was expanded from 9 to 12 days. An individual who does not have an employer, such as the self-employed, is not entitled to payment for the first 12 days, except for employers of a household worker.

5 Until 2005, the work-disability grant and temporary disability allowance were paid starting from a disability level of 5%.

in January 2014 – NIS 32,839 for a salaried worker and self-employed worker). The amount of temporary or permanent disability allowance has been set at 75% of income in the three months preceding the injury, multiplied by level of disability.

- **Work-Disability Grant** – A one-time payment at the rate of the monthly allowance times 43 paid to a work disabled person with a permanent disability level of 9%-19%.⁶
- **Special Allowance** - Paid in addition to the monthly allowance for individuals with a permanent disability level of at least 75% (and other parties entitled by law) who require assistance in daily activities (maximum amount in January 2014 – NIS 8210).
- **Special Grant** – Paid to work-disabled persons with a disability level of at least 75% for financing one-time expenses due to the disability: housing customization, purchase of equipment, and purchase of a vehicle to solve mobility problems (only for individuals with mobility disability).

3. Benefits for Dependents of Work-Injured Persons

Paid to the widow/widower, orphans, parents (and in special circumstances also to other family members) – of a person who died due to a work-injury, was dependent on his/her income: dependent allowance, dependent grant, marriage grant, vocational rehabilitation for widow/widower receiving a dependent allowance, living expenses for orphans, bar mitzvah grant, and death grant.

Dependent allowance – an allowance at a rate of 40%-100% of the full allowance to which the insured party would have been entitled if he/she had a disability level of 100%, in accordance with number of children. Entitled to the dependent allowance are: a widow with children, or who has reached 40 years of age or who is incapable of supporting herself, and a widower with a child, or has reached 40 years of age and is incapable of supporting himself. The full allowance amount is 75% of the deceased's salary in the determining period. The partial allowance amount shall be set in accordance with level of entitlement.⁷

4. Medical Expenses (Including Hospitalization and Medical Rehabilitation)

The National Insurance Institute (NII), through the health funds (which received payment from it), provides full medical treatment for persons suffering a work-injury, also including if necessary medical rehabilitation, recuperation, long-term care services, etc.

5. Vocational Rehabilitation

Provided for a disabled party with a permanent disability level of at least 10%, who due to his/her injury is incapable of returning to previous job or any other work. Vocational rehabilitation is provided also to the widows of those who suffered a work-injury.

6 An individual injured prior to 1.7.2003 received a grant at a level of 70 allowances.

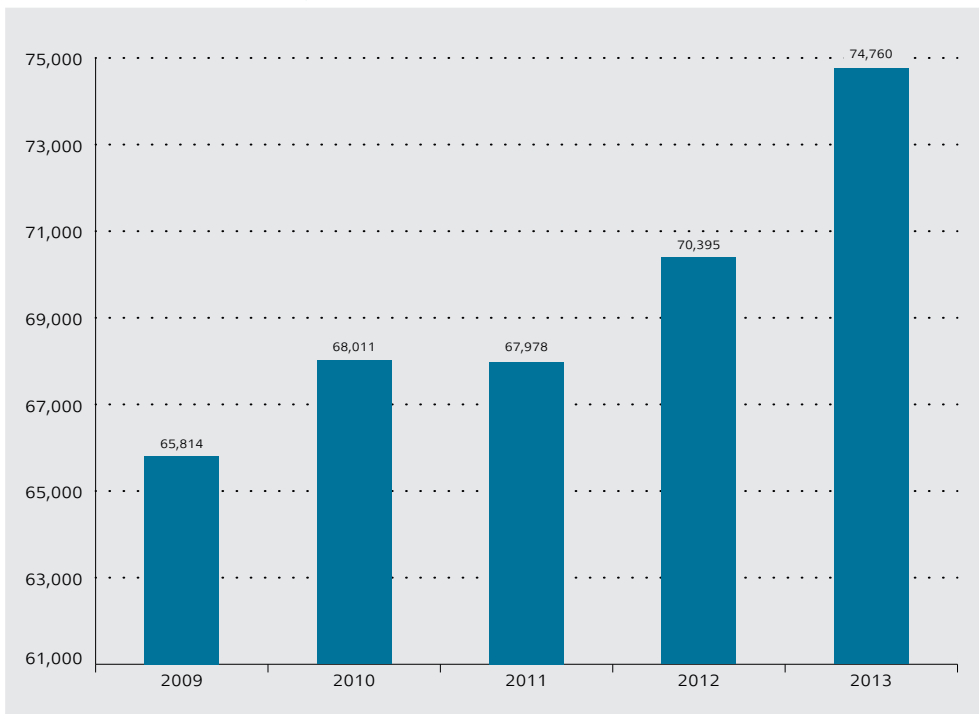
7 The level of dependent allowance depending on the number of dependents and their relation is specified in section 132 of the National Insurance Law.

B. Work-Injury Allowance Recipients

1. General

The work-injury allowance is a short-term benefit paid to a person injured at work for a maximum period of 91 days. In 2014, the **number of recipients** reached 74,555 – a drop of 0.3% in comparison to 2013⁸ (figure 1).

Figure 1
Work-Injury Allowance Recipients, 2010-2014



The number of days of work-disability also declined, reaching 2,658,441 days – a drop of 2.8% versus 2013. **The average number of disability days per injured worker** declined to 35.7 days – a drop of 2.5% (tables 1 and 2). The number of work-injury allowance recipients declined versus an increase in the number of people employed in the workforce. In 2014, work-injury allowance recipients represented 1.9% of all workers (table 2).

The percentage of work-injury allowance recipients out of total workers declined over the years and has remained stable in recent years despite the rise in number of recipients and number of workers. This gradual drop began in 1996 and continued until 2012, and occurred in parallel to legislative changes – obligation of the employer to pay

⁸ The statistics regarding recipients of work injury allowance from 2010 to the present have been updated.

Table 1
Workers, Work-Injury Allowance Recipients
and Days of Work Disability, 2010-2014

Year	Workers (thousands)*	Work injury allowance recipients	Days of work disability	
			Total	Average per injured worker
2010	3,214.0	68,011	2,478,106	36.4
2011	3,321.6	67,978	2,488,540	36.6
2012	3,426.8	70,395	2,546,960	36.2
2013	3,753.4	74,760	2,734,723	36.6
2014	3,854.4	74,555	2,658,441	35.7

Table 2
Rate of Change in Work-Injury Allowance Recipients
and Days of Work-Disability (percentages), 2010-2014

Year	Work injury allowance recipients as a percentage of all workers	Average annual rate of change		
		Workers	Work injury allowance recipients	Average days of disability
2010	2.0	3.0	3.3	4.0
2011	1.9	3.0	-0.1	0.5
2012	1.9	4.0	3.6	-1.1
2013	2.0	2.9	6.2	1.1
2014	1.9	2.5	-0.3	-2.5

for the first days and cancellation of entitlement to this payment for those without an employer (in years 1997 and 2005). In 2014, there was a slight decline, from 2% to 1.9%.

Average days of disability for an injured worker reached its height in 2001 (40 days), followed by a sharp decline in 2002 stemming from among other things, a legislative change (shortening of the maximum period of payment for a work-injury allowance from 26 to 13 weeks, as of 1.2.2002). This decline was halted in 2003, and since then the rate has increased and reached 36.6 days in 2013. In 2014, the average number of disability-days per injured worker dropped to the level of 35.7 days (table 1).

In the Work-Injury Law there are two arrangements (regulation 22 and section 343 of the law) according to which the employer pays the work-injury allowance to the worker in return for a discount or additional fee that the NII credits him. Out of 68,159 salaried workers who received work-injury allowances in 2014, 20,072 (29%) were employed by **authorized employers in accordance with regulation 22**, according to which the NII does not reimburse them for paying the allowance for the 12 first days of entitlement. This is a payment that other employers are required to give back to the NII. In this case, the NII is authorized to permit the employer to pay the work-injury allowance in its name, on the dates the employer generally pays salaries. The employer must submit a claim to the NII for the worker's accident, and is reimbursed for the amounts paid (for

Table 3
Recipients of Injury Benefit by Number of Days of Unfitness, 1996, 2000, 2006–2014

Year	Total number of employed**	Total number of unfit days	Total recipients of injury benefit	Number of days of unfitness for work								
				0	1-14	15-30	31-45	46-60	61-75	76-90	91	92 and over
Absolute numbers												
2006	3,003,700	2,170,751	64,296	37	23,432	15,469	7,245	4,547	3,218	5,182	5,101	65*
2007	3,132,310	2,291,149	67,657	42	24,582	16,298	7,695	4,673	3,432	5,424	5,476	35*
2008	3,241,790	2,408,514	69,734	35	24,831	16,606	7,981	4,931	3,569	5,837	5,933	11*
2009	3,312,340	2,306,267	65,814	40	23,159	15,447	7,456	4,786	3,499	5,947	5,468	12*
2010	3,214,000	2,478,106	68,011	35	23,388	15,493	7,490	4,840	3,478	6,826	6,433	28*
2011	3,321,600	2,488,540	67,978	25	23,351	15,283	7,502	4,829	3,636	6,730	6,605	17*
2012	3,426,800	2,546,960	70,395	11	24,361	16,039	7,923	5,096	3,659	6,566	6,625	115*
2013	3,753,360	2,734,723	74,760	9	25,556	17,150	8,284	5,502	3,907	7,275	6,830	247*
2014	3,854,400	2,658,441	74,555	14	27,070	16,053	8,064	5,295	3,888	7,328	6,816	27*
Percentages												
2006			100.0	0.1	36.4	24.1	11.3	7.1	5.0	8.1	7.9	0.1
2007			100.0	0.1	36.3	24.1	11.3	6.9	5.1	8.0	8.1	0.1
2008			100.0	0.1	35.6	23.8	11.4	7.1	5.1	8.4	8.5	0.0
2009			100.0	0.1	35.2	23.5	11.3	7.3	5.3	9.0	8.3	0.0
2010			100.0	0.1	34.4	23.8	11.0	7.1	5.1	10.0	9.5	0.0
2011			100.0	0.0	34.4	23.5	11.0	7.1	5.3	9.9	9.7	0.0
2012			100.0	0.0	34.6	22.8	11.3	7.2	5.2	9.3	9.4	0.0
2013			100.0	0.0	34.2	22.9	11.1	7.4	5.2	9.7	9.1	0.3
2014			100.0	0.0	36.3	21.5	10.8	7.1	5.2	9.8	9.1	0.3

* Injured up to 31.1.2002 who received injury benefit after this date.

** From the National Accounting, Central Bureau of Statistics. The 2013–2016 series has been updated and it was not possible to compare the new series with the old series.

13 days and more) with an additional fee at a rate of 2.5% of the work-injury allowance. If the NII rejects the claim, the employer does not receive reimbursement for the money paid to the worker.

Of all salaried workers who received work-injury allowances in 2014 – 618 (approximately 1%) worked for **employers who joined section 343** of the law. 14 employers chose to join this arrangement as of 2011 (these are large employers – with more than 500 workers) and they pay reduced insurance fees to the work-injury division (85% of the regular rate). In return for the insurance fees, they absorb the payment of the work-injury allowance to the injured worker.

Over the years, there has been an increase in the number of serious injuries for which claims have been submitted to the NII (table 3). In 1996, the last year before the change in law according to which the first days are paid by the employer, injured workers with less

than 14 days of disability represented some half of all work-injury allowance recipients, while today the rate is 36%. At the same time, with the shortened maximum period for receiving the work-injury allowance, the rate of allowance recipients with 61 or more days of disability rose from 13% of all recipients in 1996 to 25% in 2014. The percent of injured workers with 15-45 days of disability remained stable at a level of approximately 32% over the years.

2. Foreign Workers, Manpower Agency Workers, and Contract Workers

Reporting of accidents occurring to foreign workers, manpower agency workers, and contract workers, is apparently deficient, and it is thus probable that the information on injury rates and workplace safety levels are biased.

The rate of work-injury allowance recipients among foreign workers and residents of the territories was lower in all years than the rate among Israelis. It might ostensibly be expected that these rates would be at least equal to those of Israeli residents, due to the fairly dangerous economic sectors in which they are employed (agriculture and construction). The low rate apparently reflects underreporting of work-injuries for this population, stemming from the fear of losing a job if they are absent due to an accident, their illegal status and fear for their fate should it be found out that they were in Israel without a permit, and perhaps also from the lack of information regarding their rights. In cases of severe work-injuries, these workers have no choice but to seek medical care and submit a claim for work-injury and disability. NII directly pays the one-time emergency room treatment expense of foreign workers, and as of April 2008 also of workers from the territories who were injured in work accidents and did not submit a claim for work-injury allowances.

A foreign worker is insured with work-injury insurance even if he/she is in Israel in violation of the law. Until 28.2.2003, foreign workers and residents of the territories who were injured at work were entitled to the full benefits granted persons suffering work-injuries, whether they worked with a permit or without. On 1.3.2003, there was a change in law according to which the benefit was revoked for a foreign worker who is not registered. Upon his/her leaving the country, the benefit that the worker was entitled to is paid, starting from his/her date of exit. The payment does not include the period in which the allowance was revoked. The gradual decline in number of foreign workers during the years 2003-2006 was expected due to legislative amendments and the activities of the immigration police. In 2007, a rise was again observed, which continued until the end of 2009. In January 2010, the Prime Minister announced a new immigration policy that toughened the conditions for employment of foreign workers, intended to lower their number by approximately 30,000-50,000. Another population for whom it is difficult to obtain data regarding workplace safety is that of salaried workers who are paid by manpower agencies and contractors. In manpower surveys of the Central Bureau of Statistics (CBS) these salaried workers are

identified by the question, “Who pays your salary?” In the NII’s work-injury system, manpower companies are not identified by a special code (economic sector or legal status of the employer), and thus it is impossible to check whether such workers are exposed to dangers in the same way as workers receiving their salary from their workplace, and whether the fact that they are different from other employees leads their employers to accept less responsibility for their safety conditions.

This problem exists also in contracting companies that do not provide workers, but rather services, and which do not have the same obligations that apply to manpower

Table 4
,Workers, Recipients of Injury-Allowances
and Disability-Days, by Residency, 2010-2014

	Total	Israeli residents	Residents of territories	Foreign workers
2010				
Workers*	3,411,530	3,120,687	60,621	230,225
Work-injury allowance recipients	68,011	66,656	490	865
Work-injury allowance recipients as a percentage of all workers	2.0	2.1	0.8	0.4
Average disability-days	36.4	36.5	45.8	29.9
2011				
Workers*	3,515,040	3,220,048	65,869	229,125
Work-injury allowance recipients	67,978	66,827	484	667
Work-injury allowance recipients as a percentage of all workers	1.9	2.1	0.7	0.3
Average disability-days	36.6	36.6	42.1	31.6
2012				
Workers*	3,655,270	3,358,974	65,550	230,741
Work-injury allowance recipients	70,395	68,987	604	804
Work-injury allowance recipients as a percentage of all workers	1.9	2.1	0.9	0.3
Average disability-days	36.2	36.1	46.5	35.7
2013				
Workers*	3,753,360	3,449,510	81,900	221,950
Work-injury allowance recipients	74,760	73,074	738	948
Work-injury allowance recipients as a percentage of all workers	2.0	2.1	0.9	0.4
Average disability-days	36.6	36.5	47.3	32.6
2014				
Workers*	3,854,400	3,555,762	90,663	207,975
Work-injury allowance recipients	74,555	72,751	811	993
Work-injury allowance recipients as a percentage of all workers	1.9	2.1	0.9	0.5
Average disability-days	35.7	35.6	44.5	30.2

* Source: National accounting, Central Bureau of Statistics.

Table 5
Work-Injury Allowance Recipients
and Average Disability-Days by Employment Status, 2014

Employment status	Work-Injury Allowance Recipients		Average disability- days
	Absolute numbers	Percentages	
All recipients	74,555	100.0	35.7
Salaried workers	68,159	91.4	34.2
Self-employed workers	6,396	8.6	51.3

companies, especially the licensing obligation. The condition for receipt of a license and its renewal is compliance with labor and workplace safety laws.

In defining those who receive salaries from manpower companies, the CBS does not include workers employed through a subcontractor, upon whom falls the responsibility for both the execution of the work and worker safety. These are salaried workers employed mainly in three economic sub-branches – guarding, security and cleaning, and home caregiver services.

In 2014, (as well as in previous years) the average number of disability-days per injured worker for foreign workers was lower than that for Israeli residents – 30.2 days versus 35.6 days respectively – even though the number was expected to be higher due to their fields of occupation. The average days of disability for residents of the territories (Judea and Samaria) remained fairly high (an average of 44.5 days per injured worker), even though their fields of occupation are ostensibly similar to those of foreign workers, perhaps because many of the latter are employed as long-term care givers, who are injured less than those employed in dangerous fields of occupation.

Since 1997, there has been a reduction in the number of self-employed workers receiving injury-allowances, from 9,483 to 6,396 in 2014, while their share of the total number of recipients declined from 11.3% to 8.6% (table 5). This reduction was effected apparently by both the change in law according to which the first days of disability are financed by the self-employed worker, as well as the wave of small business closures during periods of economic recession. In 2014, there was a slight rise in the rate of self-employed workers receiving injury allowances (8.6%) versus 2013 (8.2%). The average days of disability among the self-employed was some 50% higher than that of salaried workers (51.3 days versus 34.2 days), apparently because the self-employed tend not to submit claims to the NII for short absences (less than 12 days).

The distribution of salaried workers with work-injuries by economic sector changed somewhat in 2012 due to a transition to a new classification⁹ of the branches of the

9 The 2011 Uniform Classification of Economic Sectors published by the CBS, replaces the 1993 Uniform Classification of Sectors in the Economy, and is based on UN recommendations for uniform classification: ISIC 4 (International Standard Classification of All Economic Activities), Rev. 4.

Table 6
Work-Injury Allowance Recipients by Employment Status and Economic Sector

Economic sector	Recipients		Disability-days		
	Numbers	Percentages	Numbers	Percentages	Average disability-days per injured worker
Total	74,555		2,658,441		35.7
Total salaried workers	68,159	100.0	2,330,480	100.0	100.0
Industry and manufacturing	10,939	16.1	334,528	14.4	28.2
Wholesale and retail trade, repair of motor vehicles and motorcycles	10,293	15.1	365,047	15.7	37.6
Construction	7,061	10.4	323,071	13.9	35.5
Local administration, public administration and security; mandatory services of the NII	6,073	8.9	181,387	7.8	34.6
Management and support services	5,264	7.7	187,718	8.1	29.9
Health and welfare and support services	4,729	6.9	150,430	6.5	39.3
Transport, storage, mail, and courier services	4,720	6.9	177,707	7.6	30.9
Hospitality and food services	4,534	6.7	140,241	6.0	28.4
Professional, scientific, and technical services	2,404	3.5	80,422	3.5	35.7
Education	1,745	2.6	60,398	2.6	31.8
Agriculture, forestry, and fishing	1,641	2.4	52,564	2.3	35.9
Financial and insurance services	1,636	2.4	46,230	2.0	28.1
Other services	1,535	2.3	54,702	2.3	42.5
Real estate activities	1,530	2.2	42,984	1.8	33.5
Information and communications	1,412	2.1	40,038	1.7	28.3
Art, entertainment, and recreation	1,018	1.5	39,988	1.7	35.6
Electricity supply, gas, steam, and air-conditioning	466	0.7	13,162	0.6	34.1
Water supply, sewage services, waste treatment and purification services	361	0.5	12,293	0.5	45.8
Mining and quarrying	127	0.2	4,557	0.2	30.6
International organizations and entities	19	0	726	0	34.2
Households as places of employment, households that produce goods and services for self-use	13	0	553	0	38.2
Unknown	639	0.9	21,734	0.9	32
Total of all self-employed workers	6,396		327,961		51.3

economy, however in 2014 the trends also remained similar to preceding years: 16.1% of injured workers were hurt in industry and manufacturing, 15.1% in trade and repair of motor vehicles and motorcycles, and 10.7% in construction. In respect to severity of injury (as measured by number of disability-days), the most severe injuries have for many years occurred in the construction industry (45.4 days) followed by: non-state organizations and entities (43.2 days), art, entertainment and recreation (40.0 days), other services (36.4 days), and trade and repair of motor vehicles and motorcycles (35.9).

3. Women and Young Adults

With the stronger industrialization process, and growing rate of women participating in the civilian workforce which have characterized the last two decades, the share of women receiving work-injury allowances has also risen. Their rate rose gradually and consistently from 19.8% in 1995 to 31.4% in 2014 (table 7). Their share of all recipients is lower in comparison to their share of total salaried workers in the labor force, due to the nature of their occupations.

Table 7
Work-Injury Allowance Recipients by Gender, 2010-2014

Gender	2010	2011	2012	2013	2014
Numbers					
Total	68,011	67,978	70,395	74,760	74,555
Men	47,354	46,668	48,449	51,906	51,181
Women	20,657	21,310	21,946	22,854	23,374
Percentages					
Total	100.0	100.0	100.0	100.0	100.0
Men	69.6	68.7	68.8	69.4	68.6
Women	30.4	31.3	31.2	30.6	31.4

An examination of the distribution of work injury-allowance recipients by gender and age reveals that men's share (up to age 34) at younger ages is 75%, and at older ages (45-59) only approximately 61% (table 8). The average number of disability days for women is lower than the average for men – 31.3 versus 37.7, respectively – apparently due to the difference between the high risk- level of young men's occupations and the lower risk level for older men.

Table 8
Work-Injury Allowance Recipients by Age and Gender (numbers), 2014

Age	Total	Men	Women
Total	74,555	51,181	23,374
Up to 17	129	112	17
18-24	7,535	5,852	1,683
25-34	16,784	12,424	4,360
35-44	16,481	11,817	4,664
45-54	15,539	9,867	5,672
55-64	10,897	8,176	5,721
65+	4,190	2,933	1,257

C. Accident Circumstances

Road accidents (at work, on the way to or back from work) in 2014 represented 22.5% of all work-accidents, and this number has remained stable over the years. The number

Table 9
Work-Injury Allowance Recipients by Place of Injury
and Disability days, 2010-2014

	Total	Accidents at work		Accidents on way to work		Other
		Accidents during work*	Road accidents	Road accidents	Non-vehicle accidents	
2010						
Numbers	68,011	47,520	4,721	10,683	4,094	993
Percentages	100.0	69.9	6.9	15.7	6.0	1.5
Average disability-days	36.4	36.2	42.0	34.3	38.0	35.8
2011						
Numbers	67,978	47,174	4,540	10,976	4,287	1,001
Percentages	100.0	69.4	6.7	16.1	6.3	1.5
Average disability-days	36.6	36.4	42.3	34.3	37.9	38.3
2012						
Numbers	70,395	48,589	4,908	11,229	4,647	1,022
Percentages	100.0	69.0	7.0	16.0	6.6	1.5
Average disability-days	36.2	36.0	41.8	33.8	37.9	37.1
2013						
Numbers	74,760	51,239	5,005	12,148	5,138	1,230
Percentages	100.0	68.5	6.7	16.2	6.9	1.6
Average disability-days	36.6	36.2	42.7	34.9	37.6	38.9
2014						
Numbers	74,555	51,166	4,599	12,116	5,495	1,179
Percentages	100.0	68.6	6.2	16.3	7.4	1.6
Average disability-days	35.7	35.4	40.4	33.4	37.8	37.6

* Wounds and injuries at work other than road accidents.

of road accidents on the way to work grew from 14.4% of all work-accidents in 2006 to 16.3% in 2014 (table 9). In 2014, road accidents in the context of work represented 6.2% of all work-accidents – lower than the 6.7% in 2013. Road accidents caused more severe injury, as expressed in the greater number of days of disability (40.4 days) in comparison to other accidents (35.4 days).

The distribution of work-injury allowance recipients by **cause of accident** has been rather stable over the years. The most common causes in 2012¹⁰ were road accidents (26.1%); falls (from scaffold, ladder, crane, building or structure, slipping or tripping on stairs); slipping or tripping on a flat surface (25.9%), and injury from objects (falling,

10 The most up-to-date data regarding cause of injury and nature of injury is for 2012.

squeezing, blows– 16.2%) (table 10). Insofar as severity of injury as measured by number of days of disability is concerned, the most severe injuries were caused mainly by falls (42.2 days).

Falls mainly caused dry wounds, fractures and crushed limbs, pulls and strains. **Occupational diseases** ranked first in severity of injury (58.1 days). While the list of occupational diseases is closed, if a disease does not appear on it and an expert opinion holds that there is a clear causal relationship between the disease and work conditions – it will be recognized as a work-injury. Most of the claims for work-injury allowance for occupational disease are submitted for purposes of determining level of disability.

Table 10
Work-Injury Allowance Recipients by Cause of Injury, 2012

Cause of injury	Recipients		Disability days	
	Numbers	Percentages	Average disability- days per injured worker	Total days
Total	70,395	100.0	36.2	2,546,960
Falls	18,223	24.1	42.2	769,362
Road accidents	18,354	25.9	37.2	682,792
Falling objects, blows, pressure from object	11,364	17.1	34.0	386,223
Machines, tools	9,085	11.7	32.7	296,649
Overexertion	5,745	9.0	38.0	218,505
Fire, flammable material, steam, acid	1,083	1.5	22.2	24,046
Foreign object in eye	741	1.0	15.3	11,349
Fights	677	1.1	33.3	22,533
Poisoning	500	0.7	21.7	10,834
Environmental factors	187	0.3	20.7	3,869
Occupational diseases	118	0.2	58.1	6,860
Explosives	116	0.2	34.6	4,008
Other and unknown	4,202	6.0	26.2	109,930

The distribution of work-injury allowance recipients by **nature of injury** has been fairly stable over the years. The most common injuries are crushed body parts (34.5%), injury to skeletal muscle (14.5%), dry wounds (12.8%), and laceration of upper extremities (9.2%). As far as **severity of injury** (measured by number of disability-days), the most severe injuries were fracture in the lower extremities (66.2 days), injury to vascular system (61.3 days), fracture in the upper extremities (60.3 days), fracture in back or skull or spinal injury (59.8 days), and dislocation without fracture (51.8 days).

The upper extremities are the most vulnerable organ in work-accidents: fractures and lacerations (only) in the upper extremities caused absences of approximately 15% of work-injury allowance recipients (table 11).

Table 11
Work-Injury Allowance Recipients by Nature of Injury, 2012

Nature of injury	Recipients		Disability-days	
	Numbers	Percent-ages	Average days	Total
Total	70,239	100.0	37.2	2,610,900
Crushed body parts	24,290	34.5	36.4	883,001
Skeletal and muscular	10,203	14.5	34.0	346,818
Dry wounds	9,008	12.8	32.4	291,478
Upper extremity lacerations	6,461	9.2	30.0	193,723
Upper extremity fractures	4,041	5.8	60.3	243,625
Pulls, strains	3,212	4.6	33.7	108,178
Lower extremity fractures	2,763	3.9	66.2	182,953
Burns	1,318	1.9	23.8	31,306
Skull, back, spinal fractures	893	1.3	59.8	53,393
Head, neck, back lacerations	891	1.3	19.9	17,704
Lower extremity lacerations	885	1.3	28.6	25,322
Symptoms	757	1.4	29.8	22,523
Penetration of foreign body	747	1.1	14.6	10,913
Poisoning	297	0.4	19.3	5,718
Dislocation without fracture	215	1.1	51.8	11,140
Vascular system	129	0.3	63.1	8,142
Abrasions	98	0.2	25.1	2,460
Other and unknown	4,187	6.0	25.9	108,563

Requests for Income Tax Exemption

General

According to Section 9 (5)(a) of the law, a blind or disabled person who has been determined to have a 100% disability level, or a disabled person with at least a 90% disability level - if he/she is disabled in a number of organs - is eligible for an exemption from tax on income from work (also eligible for this exemption are those determined to have these disability percentages in accordance with the National Insurance Law).

The exemption section is designed to encourage a severely disabled person to reintegrate into the workforce. It is intended only for extreme cases of disability, or, as defined by Justice Eliyahu Matza: "...The most severe cases among those stricken with a number of impairments, whose various disabilities create a level close to the disability of a blind or disabled person of 100% disability level." The exemption is granted for income from work up to NIS 600,000 annually, after which taxes are paid on the balance of income from the lowest tax bracket.

Statistical Data

Since 1980, the National Insurance Institute has operated medical committees that rule regarding income tax exemptions in complex cases of multiple medical impairments. In 2014, the Institute initiated the handling of 5,049 exemption requests (a rise of approximately 21% versus 2013), and completed the handling of 3,911 requests (table 1).

Table 1
Medical Committees for Income Tax First Degree –
Initial Proceeding in 2010-2014

Year	Requests handled (numbers)		Change vs preceding year (percent)	
	Started	Completed	Started	Completed
2010	3,669	3,603	3.9	4.6
2011	3,947	3,649	7.6	1.3
2012	4,099	3,960	3.9	8.5
2013	4,161	3,868	1.5	-2.3
2014	5,049	3,911	21.3	1.1

The exemption handling time also increased: from 59.5 days in 2013 to 63.8 days in 2014 – a rise of 7.3% (table 2). Handling is taking longer due to bureaucratic backlog, escalation in requests, and increased complexity of cases over the years.

Table 2
Handling Time in Medical Committees for Income Tax -
First Degree, Initial Proceeding in 2010-2014

Year	Average handling time	
	Days	Change vs preceding year (percent)
2010	47.2	-8.6
2011	43.0	-8.8
2012	52.5	22.0
2013	59.5	13.3
2014	63.8	7.3

In addition to the initial claims for an exemption, insureds are permitted to submit a request concerning an exacerbated condition. In 2014, 2,072 such requests were submitted to the National Insurance Institute (a decrease of approximately 19% versus 2013), and 2,864 requests were handled (an increase of approximately 9% versus 2013) (table 3). The number of requests handled was larger than the number submitted because each year there are open requests carried over from the previous year.

Table 3
Medical Committees for Income Tax First Degree –
Requests Concerning Exacerbated Condition, 2010-2014

Year	Requests handled (numbers)		Change vs preceding year (percent)	
	Started	Completed	Started	Completed
2010	1,358	1,639	11.4	4.9
2011	1,561	1,738	14.9	6.0
2012	2,559	2,325	63.9	33.8
2013	2,568	2,626	0.4	12.9
2014	2,072	2,864	-19.3	9.1

The number of decision appeals increased each year: in 2014, 1,457 appeals were submitted – an increase of approximately 3% versus 2013.

Table 4
Medical Committees for Income Tax Second Degree (Appeals),
2010-2014

Year	Requests handled (numbers)		Change vs preceding year (percent)	
	Started	Completed	Started	Completed
2010	911	978	4.7	11.9
2011	984	994	8.0	1.6
2012	1,237	1,141	25.7	14.8
2013	1,414	1,284	14.3	12.5
2014	1,457	1,506	3.0	17.3

D. Recipients of Disability-Benefits from Work

Disability-benefits are paid to persons suffering work injuries who remain disabled due to the injury. A permanent disability allowance is paid to workers with a level of permanent disability of 20% or more.

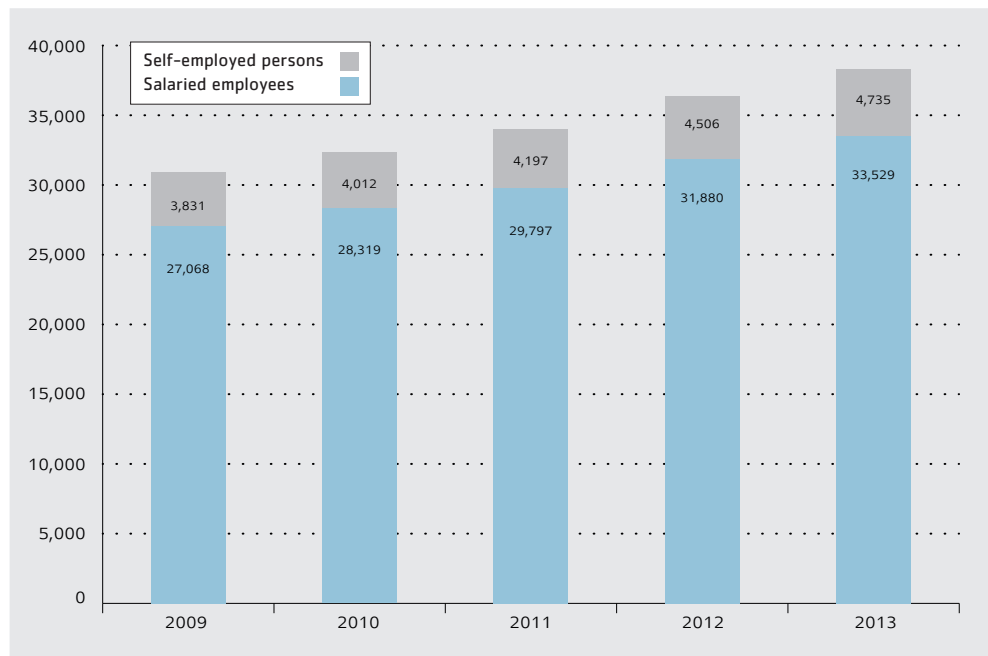
1. Permanent Disability-Allowance

The number of permanent disability-allowance recipients has been rising continually, and in 2014 reached 40,162 versus 38,264 in 2013 (table 12). Most recipients of the allowance (62.2%) have low disability levels (up to 39%). Among women, this group is even larger (65.2%): 63.4% of them have a disability level of 20%-39%, versus 57.9% of the men. 9.5% of the men and 7.2% of the women have a disability level higher than 80% (Appendix of Tables, section G, table 1).

Table 12
Permanent-Disability Allowance Recipients
by Employment Status (December), 2010-2014

Year	Total		Salaried workers	Self-employed workers
	Numbers	Annual percent change		
2010	33,079	4.7	28,994	4,085
2011	34,688	4.9	30,393	4,295
2012	36,390	4.9	31,883	4,507
2013	38,264	5.1	33,529	4,735
2014	40,162	5.0	35,184	4,978

Figure 2
Permanent Disability-Allowance Recipients by Employment Status, 2010-2014



The characteristics of the various permanent disability-allowance recipients differ slightly from those receiving work-injury allowances (the distribution of permanent disability- allowance recipients by gender, age, and percent of disability is presented in table G/2 in the Insurance Division Table Appendix). Most of the recipients are in older age groups – age 50 and above: for example, men ages 50-59 represent 26.3% of all men entitled to the allowance, and this is also true for women: women ages 50-59 represent 32.6% of all women receiving permanent disability-allowances. The referenced age is that of entitled persons as of the end of 2014, and not the age at the time of injury. The population of disability allowance recipients is one that gradually ages over time.

2. Disability-Grant

A disability-grant is paid to a work-disabled person whose disability level is stable, and more than 9% but less than 20%. The grant amounts and terms of eligibility have undergone far-reaching changes in recent years.

Until legislation of the program for rehabilitation of the economy in June 2003, the grant was at a level of 70 monthly allowances, but the new law mandated that anyone injured from 1.7.2003 forward would receive a grant equal to 43 monthly allowances. For this reason, there was a sharp decline in the level of average disability grant, but not in the number of payments. In 2014, 11,872 grants were paid for the various types of injury (versus 11,090 in 2013) – 10,332 to salaried workers, and 1,540 to self-employed workers. In 2014, the average grant payment for salaried workers was approximately NIS 39,000, versus NIS 37,600 in 2013; while for self-employed workers, approximately NIS 36,800 versus NIS 34,500, respectively.

Table 13
Disability Grant Recipients by Employment Status 2010–2014

Year	Total		Salaried workers	Self-employed workers
	Numbers	Annual percent change		
2009	8,706	2.2	7,648	1,058
2010	8,821	1.3	7,697	1,124
2011	8,927	1.2	7,897	1,030
2012	9,729	9.0	8,544	1,185
2013	11,090	14.0	9,700	1,390
2014	11,872	7.1	10,332	1,540

3. Special Disability-Allowance and Special Grants

Work-disabled persons with a disability level of 75% or more, and disabled persons who have difficulty walking and a disability level of 65%–74% are entitled in addition to any other benefit, to financial assistance for personal aid (grant or allowance), financing of travel and a grant for one-time expenses – purchasing a vehicle, housing, or special equipment needed due to the disability.

In December 2014, 3,517 disabled persons received a special allowance through the Rehabilitation Division, at an average total of NIS 3,732, versus 3,413 in December 2013 who received on average NIS 3,651.

In 2014, 169 rehabilitation grants were paid at an average total of NIS 33,791 versus 169 grants at an average total of NIS 32,479 in 2013. These grants were paid as assistance for housing (57 grants of NIS 51,298), assistance for vehicle-purchase (36 grants of NIS 41,528), and other assistance (65 grants of NIS 14,154).

4. Benefits for Dependents

The number of recipients of dependent allowances has risen gradually over the years, and in 2014 dropped slightly to 4,691 versus 4,695 in 2013. The rate of change was 0.2%-1.2% (table 14).

Table 14
Dependent Allowance Recipients by Employment Status, 2010-2014

Year	Total		Salaried workers	Self-employed workers
	Numbers	Annual percent change		
2010	4,565	-0.2	3,941	624
2011	4,603	0.8	3,981	622
2012	4,638	0.8	4,013	625
2013	4,695	1.2	4,040	632
2014	4,691	-0.1	4,054	637

5. Payments

The average work injury payments per day for salaried workers and self-employed workers rose in 2014 in nominal terms, in real terms, and as a percentage of average salary (table 15).

In 2014, the average **permanent disability allowance** for salaried workers was NIS 3,482 (versus NIS 3,394 in 2013) and NIS 3,726 for self-employed workers (versus NIS 3,650 in 2013). The allowance level for salaried workers and self-employed workers rose in real terms and as a percentage of average salary, and the allowance level as a percentage of average salary for self-employed workers remained unchanged (table 16).

Table 15
Average Work-Injury Payments Per Day
by Employment Status, 2010-2014

Year	Salaried workers			Self-employed workers		
	Current prices (NIS)	2014 prices (NIS)	אחוז מהשכר הממוצע	Current prices (NIS)	2014 prices (NIS)	Percent of average salary
2010	176	189	64	205	220	75
2011	179	185	63	195	202	68
2012	187	190	64	203	207	69
2013	190	191	63	213	214	71
2014	196	196	64	223	223	73

The average monthly **dependent-allowance** for salaried workers in 2014 was NIS 6,362 (versus NIS 6,239 in 2013), and for self-employed workers was NIS 6,738 (versus NIS 6,576 in 2013). The allowance rose in real terms and as a percentage of average

Table 16
Amount of Permanent Disability-Allowance
by Employment Status (Monthly Average), 2010-2014

Year	Salaried workers			Self-employed workers		
	Current prices (NIS)	2014 prices (NIS)	Percent of average salary	Current prices (NIS)	2014 prices (NIS)	Percent of average salary
2010	3,419	3,670	42	3,403	3,653	41
2011	3,240	3,362	38	3,490	3,621	41
2012	3,330	3,397	38	3,574	3,646	41
2013	3,394	3,410	38	3,649	3,667	41
2014	3,482	3,482	38	3,726	3,726	41

salary, except for the allowance as percentage of average salary for salaried workers, which remained unchanged (table 17).

Table 17
Average Monthly Dependent-Allowance
by Employment Status, 2010-2014

Year	Salaried workers			Self-employed workers		
	Current prices (NIS)	2014 prices (NIS)	Percent of average salary	Current prices (NIS)	2014 prices (NIS)	Percent of average salary
2010	6,712	7,204	81	6,055	6,498	73
2011	6,010	6,236	70	6,296	6,532	74
2012	6,128	6,251	70	6,480	6,610	74
2013	6,239	6,269	69	6,576	6,608	73
2014	6,362	6,362	69	6,738	6,738	74

The **total of payments from the Work Injury Division** in 2014 was approximately NIS 4.4 billion (versus NIS 4.1 billion in 2013) – a real increase of 6.05% (table 18). The increase stemmed from a rise in the share of disability benefits and medical expenses in all payments in the Division. The payments for other benefits, within all payments in the Division, were lower in 2014 (table 19).

Table 18
Payments* in the Work-Injury Division (thousands of NIS), 2010-2014

Year	Current payments	2014 prices	Rate of real change (percent)
2010	3,279,105	3,519,484	3.43
2011	3,450,150	3,579,566	1.71
2012	3,767,946	3,843,647	7.38
2013	4,082,600	4,102,031	6.72
2014	4,350,224	4,350,224	6.05

* Including payments of work-injury allowance, disability benefits, dependent benefits, medical expenses, and rehabilitation expenses.

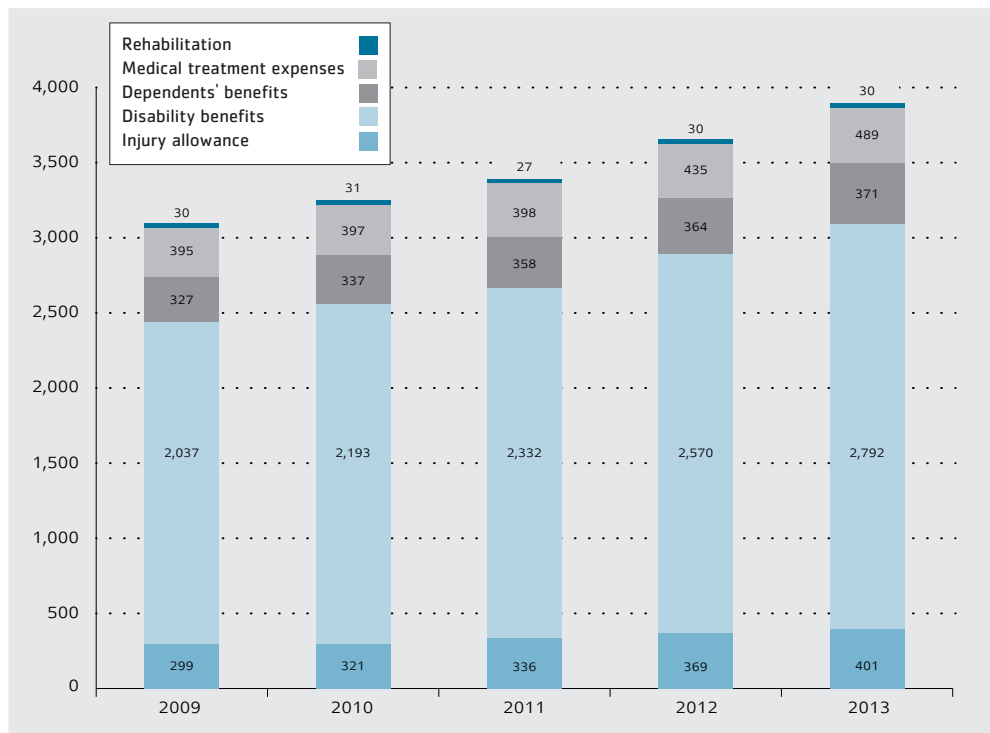
Since the work-injury insurance law has come into effect, significant changes have occurred in the makeup of payments within the Division (table 19). When the law first came into effect, most of the payments (54%) were work-injury payments versus the disability allowance payments (approximately 40%). The work-injury payments are

Table 19
Payments* in the Work-Injury Division
by Benefit Type (Percentages), 2010-2014

Year	Total	Work injury allowance	Disability benefits	Dependent benefits	Medical expense	Rehabilitation expenses
2010	100.0	9.8	66.9	10.3	12.1	0.9
2011	100.0	9.7	67.6	10.4	11.5	0.8
2012	100.0	9.8	68.2	9.7	11.6	0.8
2013	100.0	9.8	68.4	9.1	12.0	0.7
2014	100.0	9.4	69.1	8.7	12.1	0.7

* Does not include payments for actions taken to prevent accidents or to promote workplace safety, for research, special projects, legal aid, and medical testimony and opinions.

Figure 3
Payments* in the Work Injury Division by Benefit Type
(millions of NIS), 2010-2014



* Does not include payments for actions taken to prevent accidents or to promote workplace safety, for research, special projects, legal aid, medical testimony and opinions.

short-term and recipients change over the course of the year, while disability-allowance payments are paid long-term (until old age, and sometimes even longer). Some of the payments for disability-allowances gradually increase with the years (in relative terms) while some of the work injury payments gradually decrease. Currently, disability benefits represent the lion's share of Division payments - approximately 69%, while work-injury payments represent only approximately 9% of total payments in the Division.

