

1. Benefits in the Old-Age and Survivors' Division

Old-age and survivors' pensions represents the first layer of the Israeli pension system, and assure a basic income for elderly insureds and their survivors after death. Together with a pension from work, the second layer of the pension system¹, old-age and survivors' pensions are designed to ensure a reasonable standard of living during retirement and old age.

Old-Age Pension

An old-age pension is paid to every insured person universally and without a means test at the age of entitlement (the absolute age²). At retirement age (the conditional age³) the pension is paid only if the recipient meets the means test of income from work and capital. The amount of the basic pension per individual is 17.7% of the basic amount (NIS 1,531 in 2016).

In mid-2004, the Retirement Age Law was implemented. This law gradually raises the age of entitlement to an old-age pension: for men from 65 to 67, and for women from 60 to 62. These ages have not changed through 2016. In the course of 2016, a public committee met, within the framework of the law, in order to discuss a further increase in retirement age and submitted its recommendations to the Minister of Finance. In 2017, the Minister of Finance is supposed to submit his own recommendations to the Finance Committee for discussion on the matter.

1 See Annual Survey 2007, Old-Age and Survivors' Chapter, Box: Comprehensive Pension Mandatory for Entire Economy in Israel

2 The age at which entitlement to the pension is not conditional on a means test.

3 The age at which entitlement to the pension is conditional on a means test.

In 2016, the age of entitlement for women was 68 and 8 months, and it will be raised gradually to 70. The age of entitlement for men was unchanged, and remains 70.

Increments to the Basic Old-Age Pension

- **Dependents' Increment** – Paid for the spouse and children dependent on the insured (in accordance with the conditions prescribed by law, such as a means test).
- **Seniority Increment** – Paid to anyone who has been insured for more than 10 years. Its rate is 2% of the pension for each year of insurance beyond the first 10 years, and not more than 50%.
- **Pension Deferral Increment** – Paid to those who deferred receipt of their pension at ages when a means test of income from work or capital is performed (from the conditional age until the absolute age). Its rate is 5% of the pension for each year of deferral of the pension due to income from an occupation.
- **Increment for Insured who has Reached the Age of 80** – At the rate of 1% of the basic amount.

Survivors' Pension

The survivors' pension is paid to the survivors of an insured after his/her death. A widower is entitled to the pension as long as his children are still living with him, or he passes the means test as required by law. To the basic pension that amounts to 17.7% of the basic amount are added to following increments:

- **Dependents' Increment** – For children who were dependent on the deceased (according to the conditions prescribed in the law, such as a means test).
- **Seniority Increment** – For a deceased person who was insured for more than 10 years. Its rate is 2% of the pension for each year of insurance beyond the first 10 years, and not more than 50%.
- **Increment for Relative (Survivor) who has Reached the Age of 80** – At the rate of 1% of the basic amount.

Income Supplement for the Elderly and Survivors

An income supplement is paid to recipients of old-age or survivors' pensions who have no income or whose income is low, up to the amount defined by the Income Support Law. The old-age and survivors' pensions with income supplement are paid at different rates according to age group: up to 70, 70-79, and 80 and older.

Pensions Based on Other Agreements

Elderly people and survivors who are not entitled to a pension under the National Insurance Law, receive pensions fully financed by the government (**special pensions**). Those entitled to these pensions are mainly immigrants who on the date of their arrival were 62 years old or older, and thus are not insured under the National Insurance Law. The amounts of the pension are identical to the pension rates set by Law, subject to a means test.

An age increment is paid to those who have reached the age of 80, but there are no seniority or pension deferral increments. The maximum income supplement for these recipients is equal to the amount paid to recipients of the pensions based on the Law. The changes in the age of entitlement to a pension based on the Law also apply to recipients of the special pensions.

Death Grant

Paid for those entitled to an old-age or survivors' pension (under the National Insurance Law) who died and left a spouse, and in the absence of a spouse – a child as defined by the National Insurance Law.

Burial Allowance

All deceased in Israel are entitled to be buried at no charge. The National Insurance Institute (NII) pays a burial allowance intended to cover the costs of the funeral day for any deceased buried in Israel by an appropriately licensed burial society. Populations who do not customarily use burial societies can receive this burial allowance personally.

The burial allowance tariff is set by age of the deceased and the size of the town in which the burial society operates. The burial society is authorized in certain circumstances to charge a fee for burial (purchase of a grave while alive, purchase of a special plot after death, and burial in a closed cemetery). In 2016 burial allowances were paid for approximately 46 thousand burials.

Counseling Service for the Elderly

As part of national insurance, a counseling service for the elderly has been operating since the 1970s, in which elderly volunteers support other elderly people (see section 6 below).

2. Legislative Changes 2014-2017

The Date of Payment of the Seniority Increment was Advanced

Under the Arrangements Law for 2017-2018, the seniority increment for NII pensions recipients, so far paid from the 11th year of insurance, are now paid from the first year of insurance. The change will be gradually implemented over four years: as of January 2017 the increment is paid from the tenth year, in 2018 it shall be paid from the ninth year, in 2019 from the fifth year and in 2020 from the first year.

Increased Assistance to Holocaust Survivors

In 2014, the Disabled Victims of Nazi Persecution Law and the Benefits Law were changed in order to increase the assistance to Holocaust survivors living in Israel and to expand the number of those eligible for assistance. In accordance with these changes the Holocaust Survivors' Authority examines eligibility for a monthly benefit and those who qualify lose their right to an income supplement to the old-age and survivors' pension (but remain entitled to ancillary benefits).

Increased Pensions with Income Supplement

As part of the recommendations of the War on Poverty Committee (Alaluf Committee), and as a result of coalition agreements, the old-age and survivors' pensions including income supplement were increased in order to bring them near to poverty line income.

- **December 2015** – In addition to raising pensions the position of single people and couples with regard to poverty line was equalized, while maintaining the distinction between the three age groups (up to 70, 70-79, 80 and older). For example, the pension for a single person under 70 increased by NIS 178, and for a couple of that age, by NIS 542.
- **The Arrangements Law for 2017-2018:** The pension will be increased gradually over two years in different amounts according to family composition and age group. For example, as of January 2017 a single person under 70 receives a supplement of NIS 131, those aged 70-79 – NIS 98, and those aged 80 and above – NIS 60; a couple in which the older partner is under 70 receives a supplement of NIS 212, aged 70-79 – NIS 154, and aged 80 and above – NIS 95. The Income Support Law was changed so that in the table setting out pension amounts are shown rates increased by 7% (Section 5(a)(1) of the law was revoked accordingly).

The amount which is not taken into account in the work income test (disregard) was increased by 1.5% of the average wage, reaching 21.5% for a single person and 25.5% for a non-single person.

Modification of Single Parents' Means Test

In January 2017, there was a change in the means test for single parents receiving benefits under Income Support Law, including those receiving old-age and survivors' pensions with an income supplement. Therefore, the rate of offset of income from work exceeding the disregarded amount dropped from 60% to 25% regarding gross salary up to NIS 3,270; for higher salaries, offset rate remains at 60%. The program is being operated as a temporary order for two years, in order to assess the policy change effect on employment and income rate. Single parents may receive a work grant from income tax authorities, only if the benefit supplement resulting from this change is lower than the work grant. The difference is added to the work grant by tax authorities.

Extension of Eligibility for Heating Grant

A heating grant is paid to recipients of old-age and survivors' pensions with an income supplement and to elderly people receiving an additional disability pension (under the Senior Citizens Law), who live in a "cold area" determined by the Minister in an order, in accordance with an agreement signed between the NII and the Treasury. As of 2016, the grant is also paid to pension recipients living in other areas (not defined as cold areas) in a reduced amount – NIS 182.

3. Pension Recipients

Old-Age and Survivors' Pension Recipients

In 2016, the NII paid old-age pensions based on the National Insurance Law and other agreements (hereafter: **special pensions**) to approximately 836 thousand elderly people, and survivors' pensions to approximately 97 thousand survivors on average each month, most of them women (Table 1). The overall number of old-age and survivors' pension recipients increased by 4.2% and 3.6% respectively in 2016, in comparison with 3.7% for the latter group in 2015. As regard to pensions based on National Insurance Law in particular, the number of recipients of old-age pensions increased in 2016 by 4.7%, and the number of recipients of survivors' pensions only dropped by 0.9%.

Among the old-age pension recipients were approximately 111 thousand who received a full old-age pension and half a survivors' pension and approximately 70 thousand disabled elderly people who received a disability pension supplement (see details below).

Table 1
**Old-Age and Survivors' Pension Recipients, by Pension Type and Legal Basis
 (Monthly Average), 2014-2016**

Pension type	Number of recipients (average)			Annual rate of increase (%)	
	2014	2015	2016	2015	2016
Total	868,346	900,788	933,371	3.7	3.6
Old-Age – Total	769,219	802,716	836,220	4.4	4.2
Base on NII Law	714,181	750,466	785,673	5.1	4.7
Based on other agreements	55,038	52,249	50,547	-5.1	-3.3
Survivors- Total	99,127	98,073	97,151	-1.1	-0.9
Based on NII Law	98,822	97,782	96,875	-1.1	-0.9
Based on other agreements	305	291	277	-4.6	-4.8

The number of recipients of special pensions (usually immigrants) continued to decline in 2016 at a rate of 3.3%, a lower rate than the decrease in 2015 – 5.1%. Their share among all old-age and survivors' pension recipients grew from 8.4% in 1990 to 18.7% in 1996, but since 1997 this percentage has gradually dropped to 5.4% in 2016. This development is the continuation of a declining trend in growth for this population since the second half of the 1990s – the result of the drop in number of immigrants arriving in Israel at an advanced age, and of mortality among the oldest of them, which is expected to continue and to reduce the size of this population as the years pass.

Recipients of Old-Age and Survivors' Pensions with Income Supplement

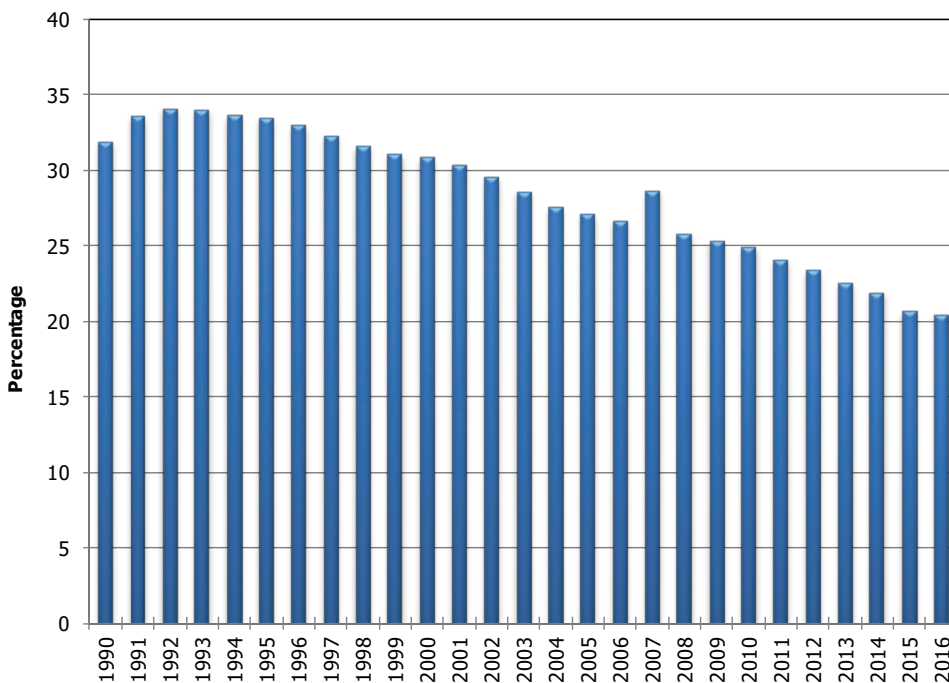
Recipients of old-age and survivors' pensions who do not have additional sources of income, or whose income from other sources is extremely low, are entitled to receive a supplement to their pensions under the Income Support Law. The number of families who received income supplements in the years 1990-2001 grew continuously due to the addition of many new immigrants to the system, who received special pensions with an income supplement. Since 2008, the number has gradually declined, mainly due to a drop in the number of immigrants receiving special pensions. In 2013, for the first time since 2001, the number of families receiving income supplements rose and continued to do so in 2014 – 189.4 thousand recipients on average per month compared with 187.5 thousand in 2013.

As a result of the changes in the Disabled Victims of Nazi Persecution Law and the Benefits Law (see section 2 above), the number of income supplement recipients decreased from 190 thousand in December 2014 to 185 thousand at the beginning of

2015. At the end of 2015 their number was 186 thousand and the monthly average was the same in both years; in 2016, their number continued to increase reaching 190,061 families on average per month.

The percentage of families receiving income supplements among all old-age and survivors' pension recipients reached a peak in 1992, 34%, and has since been in decline (except for 2007), which is mainly the result of a drop in the number of recipients of special pension recipients (Figure 1). As expected, among recipients of old-age pensions under the Law, the percentage of eligible families rose moderately during the years that the pension rate grew.

Figure 1
Percentage of Recipients of Old-Age and Survivors' Pensions with Income Supplement (Monthly Average), 1990-2016



The figure data appear in the appendix at the end of this file on the Internet.

As expected, in December 2016 the percentage of families receiving income supplements was highest among recipients of special old-age and survivors' pensions, a group which is mainly composed of new immigrants: 88.7% of recipients of special old-age pensions, and 66.7% of recipients of special survivors' pensions (Table 2). Pensions paid based on other agreements are conditional on a means test, and thus it is not surprising that the percentage of those entitled to income supplements is very high

among immigrants. Nevertheless, there has been a noticeable drop in the percentage of income supplement recipients among special pensions recipients since December 2011, when it was 94.4%. This drop increased in 2015 as a result of change of legislation in the Disabled Victims of Nazi Persecution Law and the Benefits Law, and continued in 2016 when their percentage reached 88.6%.

Table 2
Old-Age and Survivors' Pension Recipients, by Pension Type and Number of Dependents*, December 2016

Pension type	Total	Without dependents	One dependent	Two dependents	Three or more dependents
Old-age and survivors' pension – total	948,470	881,664	56,029	6,351	4,426
% receiving income supplement	20.3	18.8	42.5	21.8	20.6
Old-age pension based on NII Law	802,180	757,384	41,232	2,454	1,110
% receiving income supplement	15.1	13.7	39.3	31.0	45.9
Old-age pension based on other agreements	49,713	42,219	7,253	143	98
% receiving income supplement	88.7	88.5	89.6	84.6	92.9
Survivors' pension based on NII Law	96,313	81,849	7,516	3,737	3,211
% receiving income supplement	27.8	30.4	14.7	13.1	9.6
Survivors' pension based on other agreements	264	212	28	17	7
% receiving income supplement	66.7	66.0	75.0	64.7	57.1

* Includes spouse or children – for old-age pension, and children – for survivors' pension.

Recipients of Old-Age and Half Survivors' Pensions

There are those who receive both old-age and survivors' pensions (hereafter: **both pensions**), which are paid by virtue of their insured's rights in these Divisions. Regardless of the first pension to which they are entitled, those entitled to both pensions receive the full old-age pension and half the survivors' pension to which they are entitled. Only those whose pension are based on the Law are entitled to both pensions. Recipients of pensions based on other agreements receive their pension because of an agreement, and not through insurance rights in the Old-Age and Survivors' Division.

In December 2016, 112,178 widows and widowers, constituting 14.2% of all old-age pension recipients based on the Law, 93.7% of them women, received both pensions (Table 3). The high percentage of women is not surprising, for several reasons: (a) The percentage of male insureds is higher than that of females, as only women insured as workers confer insurance with survivors' pensions on their spouses, while all men confer entitlement to insurance on their spouses. (b) The right to survivors' pensions for widowers without children is dependent on a means test. (c) Women usually marry men older than themselves, and have a longer lifespan than men.

The growth rate for recipients of half survivors' pensions is lower than that for total old-age pension recipients based on the Law (3.3% and 4.7% per year, respectively). In December 2016, the average total of both pensions together was NIS 3,213, approximately one-third of which was the survivors' pension. The average total of both pensions to which men are entitled was higher than those received by women, since generally men's old-age pensions are higher essentially due to higher seniority increments.

As expected, the percentage of income supplement recipients among those receiving both pensions is not high – only 8.4%, as the total of both pensions is itself generally higher than the total of the pension plus income supplement. The percentage of men receiving income supplements is nearly double that of women, because widowers (without minor children, as defined by the NII) have to pass a means test to establish entitlement to the survivors' pension, as opposed to widows, who are exempt from it. Since only widowers who meet means test requirements are entitled to receive a survivors' pension, the economic position of widowers tends to be worse than that of widows, who are not required to pass this test as a condition for receipt of pension.

The average age of recipients of both pensions is higher than the age of all those entitled to an old-age pension based on the Law: men - 79.2 years compared with 76.0 respectively, and women - 78. Compared with 72.9 respectively, as the spouse's death usually occurs at a more advanced age.

Table 3
Characteristics of Recipients of Old-Age Pension and Half Survivors' Pension,
December 2016

	Total	Men	Women
Total of all recipients	112,178	7,030	105,148
Percentage receiving income supplements	8.4	14.2	8.0
Average pension (NIS)	3,213	3,266	3,209
Of which: Half survivors' pension (NIS)	1,084	925	1,095
Average age	78.4	79.2	78.3

Old-Age Disability Pensions

Disability pensions are paid to the disabled until they reach retirement age, after which they receive old-age pensions. In the wake of 2002 legislative amendments to improve pensions for the disabled, the old-age pension paid to a disabled person reaching retirement age after 1.1.2002 is level with the disability pension, including an **additional monthly pension** (hereafter: **AMP**), which was paid before reaching retirement age.

An additional monthly pension is paid to those whose degree of medical disability is at least 50% and whose degree of earning incapacity is at least 75%, and its amount in most cases was NIS 252-372 in December 2016, according to the degree of medical disability. Upon reaching retirement age the insured continues to receive the amount which was paid to him as a disability pension and the AMP (if he was entitled to it) as an old-age pension.

In December 2016, approximately 70 thousand disabled elderly people (48.7% of them women) received old-age pensions with a supplement to the amount of the disability pension or with an AMP (or both) – a rise of 6.9% compared with December 2015 (Table 4). Approximately 84% also received an AMP. The average amount of the old-age pension for the disabled elderly was NIS 2,901, approximately 18% of which was a supplement to the disability pension, including AMP. 22.9% of recipients of a disability supplement or AMP were also entitled to income supplements, with the percentage of men being slightly lower than that of women: 22.7% and 23.2% respectively.

Table 4
Characteristics of Recipients of Old-Age Disability Pensions by Gender,
December 2016

	Total	Men	Women
Total recipients	69,819	35,801	34,018
Of whom: Receive an additional monthly pension	58,374	30,287	28,087
Average pension (NIS)	2,901	2,926	2,876
Of which: Disability supplement and AMP (NIS)	534	448	623
Average age	70.6	72.9	68.2

Seniority Increment Recipients

A seniority increment to the old-age pension is granted to elderly people who have been insured with the NII for more than ten years, and its rate is 2% of the basic old-age pension for each additional year of insurance beyond the initial ten years of insurance, and not more than 50% of the pension. In 2016, the percentage of women and men to whom a seniority increment was paid continued to rise, reaching 80.4% and 95.5% respectively

(Table 5). The average increment paid to a recipient of pension based on the National Insurance Law also rose, from 32.1% of the basic pension in 2015, to 32.6% thereof in 2016. The average increment rate is 37.8% (for increment recipients), which means payment for 18.9 years on average beyond the initial ten years of insurance. Therefore, the data indicate that the percentage of seniority increment recipients rose, and the average number of years for which the increment is paid has also rose. The average increment received by men was higher than that received by women – 42.5% compared with only 26.3%, respectively (the average increment rate paid to those entitled is 44.5% for men and 32.8% for women).

The percentage of those receiving a seniority increment among newly entitled men rose slightly from 2015 to 98.8%, while among women it decreased to 89.4%. The gap between men and women in the percentage of seniority increment recipients continues to narrow (Table 5). Thus, in 2012 the gap was approximately 12 percentage points in favor of men and closed to less than 10 percentage points in 2016.

The level of the increment is higher those now joining the ranks than for the overall group of recipients (men 43.8% compared with 42.5%, women 32.1% compared with 26.3% respectively). The average seniority increment paid to new recipient men and women in 2016 increased compared with the increment for those who were new recipients in 2015, but the gap between women and men remained large: 43.8% for men and 32.1% for women. With the increase in the rate of women's participation in the labor force and in their number of years at work, the percentage of women receiving seniority increments, especially the maximum increment, is expected to continue to rise.

An examination of the percentage of immigrants⁴ among new recipients shows that in the years 2008-2010 their number dropped, but since 2010 it has risen significantly: among the men the percentage of immigrants rose from 10.6% in 2012 to 18.4% in 2013, 19.7% in 2014, and 19.1% in 2015 and 2016; and among women the percentage rose to 21.8% in 2014, 20.6% in 2015 and 22.5% in 2016. It is clear that immigrants are entitled to an average seniority increment which is significantly lower than that of senior citizens (men 21.6% compared with 49.1% and women 14.7% compared with 37.1% respectively), but despite this gap we see an increase in the average increment for new recipient men and women.

Recipients of survivors' pensions are granted the seniority increment to which the deceased was entitled. Most of them (both those entitled only to a survivors' pension and those entitled to half a survivors' pension in addition to an old-age pension) - 87.7% - are entitled to this increment, and, as expected, the percentage of female recipients of the increment accumulated by their spouses is higher than the percentage of men receiving this increment: 88.7% compared with 75.6% respectively. The average increment of all

4 Who came to Israel since 1990.

Table 5

Recipients of Old-Age Pensions Based on National Insurance Law, by Rate of Recipients of Seniority and Pension Deferral Increments, and Rate of Average Increment, 2012-2016

Year	Rate of increment recipients among all recipients (percent)			Rate of average increment rate for all pension recipients (percent)		
	Total	Men	Women	Total	Men	Women
Seniority increment						
2012*	83.0	94.0	76.0	30.7	42.0	23.7
2012**	90.9	98.2	85.9	35.0	44.0	28.7
2013*	83.5	94.4	76.7	31.0	42.1	24.2
2013***	92.2	98.3	87.3	35.6	42.9	29.7
2014*	84.5	94.8	78.1	31.6	42.2	24.9
2014**	94.1	98.5	90.3	36.8	42.9	31.4
2015*	85.4	95.2	79.3	32.1	42.3	25.7
2015**	92.7	98.7	87.9	36.8	43.5	31.5
2016*	86.3	95.5	80.4	32.6	42.5	26.3
2016**	93.7	98.8	89.4	37.4	43.8	32.1
Pension deferral increment						
2012*	13.1	14.2	12.5	2.3	2.3	2.2
2012**	11.1	10.4	11.6	1.8	1.2	2.2
2013*	13.0	13.8	12.5	2.2	2.2	2.2
2013 ***	11.5	9.7	12.3	1.9	1.2	2.4
2014*	13.1	13.6	12.8	2.2	2.1	2.3
2014**	13.2	10.6	15.4	2.1	1.3	2.8
2015*	13.4	13.6	13.2	2.2	2.1	2.4
2015**	15.0	13.5	16.2	2.4	1.6	2.9
2016*	13.7	13.9	13.6	2.3	2.1	2.4
2016**	16.6	15.9	17.2	2.6	1.9	3.1

* All recipients.

** New recipients that year.

*** New recipients that year, not including housewives born prior to 1931 (Law Amendment 138)

the women receiving the pension is greater than that of the men: 29.9% compared with 25.1% respectively. The average increment among those entitled to it is 33.7%, which translates into an increment for 16.8 years beyond the initial ten years of insurance.

Recipients of Pension Deferral Increment

The old-age pension in the range between retirement age and the entitlement age is conditional on a means test. A single person whose income from work does not exceed

57% of the average wage is entitled to a full pension (for a couple – 76% of the average wage). High level income from capital is also taken into account for the means test (as specified in the Law and regulations). For each additional shekel beyond 57% for a single person (76% for a couple), 60 agorot are deducted from the old-age pension (reduced pension) up to a pension of zero. Those with higher income are not entitled to a pension and receive a pension deferral increment at a rate of 5% of the basic pension for each year of deferral. Those entitled to a reduced pension are permitted to choose not to receive the pension and will be entitled to a retirement deferral increment. This increment is less significant than the seniority increment, in respect of both number of recipients and rate.

In 2016, the percentage of men who received a pension deferral increment increased to 13.9%, after years of slow decrease and stabilization in 2015 (Table 5). The average increment for men remained 2.1%. The percentage of women entitled to the increment increased to 13.6%, and the increment rate remained as it was – 2.4%. The average increment for women was higher than for men because women may delay the pension for more years than men (explanation below). The average increment for its recipients was 16.7%, in other words an average deferral of pension for 3.3 years.

Among new recipients the percentage of increment recipients rose, as did the average amount. The percentage of women rose to 17.2%, and the increment rate rose to 3.1%. The percentage of men increased to 15.9% and the increment rate to 1.9%.

The increment paid to new recipient men for pension deferral in 2016 was lower than the increment paid to all men, 1.9% compared with 2.1 respectively, but the percentage of those receiving this increment among new ones rose – 15.9% compared with 13.9%. Therefore, more new retirees defer the date of pension receipt, but for fewer years than the early retirees, whether because they prefer to receive the pension earlier or because of the reduction of the number of years for which it is possible to defer the pension from 5 to 3. This is not true among the new women recipients, who tend to defer receipt of pension more than earlier women recipients and can defer it for more years than in the past – 5 compared with 6 or more (see explanation below).

The new recipient men who delayed their pensions are entitled to an increment of 12.2% on average, in other words the average pension deferral is 2.4 years – nearly the entire deferral period - three years. Among women, the maximum deferral period is longer (see explanation below), and the new recipient women who deferred their pensions were entitled to an increment of 18.2%, in other words 3.6 years.

In the wake of the Retirement Age Law, the increment rate among women is expected to grow in the future. Until mid-2017, the retirement age for women will remain 62, while the entitlement age will continue to rise gradually and reach 70 in 2020. Therefore, the number of years for which women can be entitled to a pension deferral increment has gradually grown from 5 to 8, and a continued raising of retirement age is being discussed in 2017. On the other hand, a man is able to defer his pension for only 3, and thus it is

possible that the average increment rate for women will continue to rise and be higher than the rate for men (as has already been observed over the last three years among all recipients and over the last six among new recipients).

4. Pension Levels

In 2016, the basic old-age and survivors' pensions without income supplements remained as they were in 2014 and 2015, because the consumer price index (based on the November 2015 CPI in comparison with the November 2014 CPI) decreased (Table 6). The rate of the basic pension as a percentage of average wage for a salaried employee decreased to 16.0% for a pension without dependents for a person under the age of 80 – this is evidence of the erosion of the pension arising from the continued increase in average wage. Old-age and survivors' pensions with income supplement remained unchanged until December 2015, when they were increased for those without dependents and under the age of 70, by 5.4% for those aged 70-79 and by 4.5% for those aged 80 or more. The pension with a dependent spouse increased for these age groups by 13%, 12.2% and 11.4% respectively.

Table 6
Amount of Basic Old-Age and Survivors' Pensions, by Composition of Dependents, 2012-2016

Year	No dependents		With dependent spouse		Widow/er with 2 children*	
	2016 prices (NIS)	% of average wage	2016 prices (NIS)	% of average wage	2016 prices (NIS)	% of average wage
Not yet 80 years old						
2012	1,493	16.9	2,244	25.3	2,894	32.7
2013	1,491	16.7	2,248	25.1	2,890	32.4
2014	1,513	16.7	2,274	25.1	2,932	32.4
2015	1,523	16.4	2,288	24.6	2,951	31.7
2016	1,531	16.0	2,301	24.1	2,967	31.0
At least 80 years old						
2012	1,578	17.9	2,329	26.3		
2013	1,576	17.6	2,326	26.0		
2014	1,598	17.7	2,359	26.1		
2015	1,608	17.3	2,374	25.5		
2016	1,617	16.9	2,387	25.0		

* Does not include child allowances

growth of pensions with income supplement, and therefore, unlike in previous years, we see an increase of 12.6% in scope of those payments despite the drop in the number of those receiving special pensions (Table 1). Contrary to the declining trend observed in recent years, the share of benefit payments based on other agreements among all old-age and survivors' payments reached to 13.7% in 2016, compared with 12.9% in 2015.

Table 7

Amount of Average Old-Age and Survivors' Pensions, December 2016

Composition of pension	For recipients of pension without income supplement		For recipients of pension with income supplement	
	2016 prices (NIS)	Percentage of average wage	2016 prices (NIS)	Percentage of average wage
Single person receiving pension in his own right	2,350	24.6%	3,052	31.9%
Single person receiving increment for spouse*	3,217	33.6%	4,812	50.3%
Couple with each partner receiving a pension in his/her own right	4,700	49.1%	4,812	50.3%
Widow/er receiving an increment for 2 children	3,975	41.6%	6,128	64.1%

* The spouse is not entitled to a pension in his/her own right.

Despite the information in Table 6, most recipients are entitled to a pension in an amount which is higher than the basic pension, which includes the increments in accordance with the entitled person's characteristics (increments for spouse or child, seniority, pension deferral, age, income supplement, etc.). Table 7 presents the average pensions for selected family compositions.

5. Total Payments

In 2016, the amount of the payments from the Old-Age and Survivors' Division (not including administrative expenses), at fixed prices, rose by 5.9%. Benefit payments based on the National Insurance Law increased by 4.9% in real terms, and benefit payments based on other agreements increased by 12.6%. Payments based on other agreements include special pensions and income supplements to all pensions, even those paid under National Insurance Law.

growth The rise in payments based on other agreements observed in 2016 arises from the growth of pensions with income supplement, and therefore, unlike in previous years, we see an increase of 12.6% in scope of those payments despite the drop in the number of those receiving special pensions (Table 1). Contrary to the declining trend observed in recent years, the share of benefit payments based on other agreements among all old-age and survivors' payments reached to 13.7% in 2016, compared with 12.9% in 2015.

The total of all payments for NII allowances (not including administrative expenses) grew in real terms in 2016 at a lower rate than the rate of increase in payments in the Old-Age and Survivors' Division – 4.3%, and therefore the share of the Division's payments among NII payments reached 39.5% in 2016, compared with 38.9% in 2015 (Table 8).

Table 8
Pension Payments in the Old-Age and Survivors' Division (Not Including Administrative Expenses, in Millions of NIS), 2012-2016

	2012	2013	2014	2015	2016
Current prices (millions of NIS)					
Total payments	24,524	25,690	27,218	28,174	29,661
Based on NII Law	20,689	21,911	23,465	24,544	25,596
Based on other agreements	3,835	3,779	3,753	3,630	4,065
2016 prices (millions of NIS)					
Total payments	24,723	25,509	26,898	28,020	29,661
Based on NII Law	20,857	21,757	23,189	24,411	25,596
Based on other agreements	3,866	3,752	3,709	3,610	4,065

6. Counseling Service for the Elderly

The rights granted to the elderly by the NII - whether in money or in kind (services) – form a significant basis for their maintenance: old-age pension, survivors' pension, income supplement and long-term care. The Counseling Services for the Elderly generally focus on making services accessible, on assistance in fully exercising their rights and on providing regular and supportive social contact for those who need it, as will be set out below.

Counseling

Because of the characteristics of old age, many elderly people have difficulty exercising their rights, both at the NII and other bodies in the community. A volunteer from the Counseling Service for the Elderly assists them to do so in various ways – translation, conversation, active referral and practical assistance. Counseling is provided at branches or by telephone - at a national telephone center in various languages or by initiated calls, mainly in the periphery. In 2016, approximately 199 thousand elderly people received counseling, compared with approximately 196 thousand in 2015 – an increase of 1.4% (Table 9).

Initial Home Visits

Initial home visits take place at the homes of elderly people who have been defined as risk groups, such as those over the age of 80, invalids, elderly people for whom a pension recipient has been appointed, elderly people whose claim for long-term care has been rejected and widows/widowers. The visits are means of control and locating elderly people who are at risk and neglected. The information which is received enables the NII to verify that the pensions being paid are indeed being used for the elderly person's benefit. The initial visits are also an important tool for the full exercise of the rights of those who have difficulty in taking them up due to physical handicaps (income supplement to the old-age or survivors' pension and long-term care benefit).

Volunteers for the initial visit receive regular training and guidance. Their impressions form the basis for an assessment of the elderly person's situation by a professional in the Service, for the purpose of continued involvement and referral to appropriate parties at the NII and in the community. In 2016, there were approximately 26,700 initial home visits, compared with approximately 27,600 visits in 2015 – a decrease of 3.2% (Table 9).

Regular Home Visits

Elderly people who are confined to their homes and do not have regular and supportive social contact may feel lonely, even if they meet caregivers or service providers or there is a spouse who takes care of them. The volunteers from the Counseling Service for the Elderly pay regular home visits to those who have expressed a wish for this and maintain regular personal contact with them. Over the years the relations which are established

between elderly people and volunteers, sometimes close friendships, have proved their great contribution to the quality of life and welfare of the elderly. In 2016, there were more than 350 thousand regular weekly home visits to approximately 8,600 different elderly people, approximately 6,500 visits on average per month. The data are similar to the 2014 and 2015 data.

Support Groups for Widows/Widowers

Losing one's spouse in old age is a crisis which affects quality of life in various ways. For about 30 years the Counseling Service for the Elderly has been running support groups for aged widows and widowers at all branches of the NII, which assist with organization to continue their lives. The contact is usually established shortly after the crisis. In 2016, there were 79 support groups all over the country – a decrease from 2015, when there were 86 groups (Table 9).

Information Days

Information days are a means of providing information and establishing direct and ongoing contact with the insureds on various matters concerning old age, such as full exercise of rights at the NII and in the community, information for new retirees, widows' and widowers' rights, Holocaust survivors' rights and support for dementia patients. The departments send personal letters of invitation to the target group for each matter. In 2016, 150 information days were held – a decrease from 2015, when 167 information days were held (Table 9).

In the periphery, where services and representatives of the official institutions are lacking, information days are held in cooperation with social service departments in the area, which provide individual replies to each member of the audience who approaches them.

Local and National Projects

Departments providing counseling for the elderly at the branches sometimes initiate projects designed to promote new services, such as support groups for main caregivers of elderly invalids or to increase awareness of Alzheimer's disease. The projects are carried out in cooperation with parties at the NII or with others.

Table 9

Number of Recipients of Counseling Services for the Elderly, by Type of Service, 2015-2016

Type of service	2015	2016
Counseling	195,805	198,641
Initial home visits	27,638	26,741
Regular home visits	6,549	6,549
Support groups	86	79
Information days	167	150

Appendix: Figure Data

Figure 1 Data
 Percentage of Recipients of Old-Age and
 Survivors' Pensions with Income Supplement
 (Monthly Average), 1990-2016

Year	Percent
1990	31.8
1991	33.5
1992	34.0
1993	33.9
1994	33.6
1995	33.4
1996	32.9
1997	32.2
1998	31.5
1999	31.0
2000	30.8
2001	30.3
2002	29.5
2003	28.5
2004	27.5
2005	27.0
2006	26.6
2007	28.6
2008	25.7
2009	25.2
2010	24.8
2011	24.0
2012	23.3
2013	22.5
2014	21.8
2015	20.6
2016	20.4