

Reserve Service Benefits

The National Insurance Institute (NII) pays reserve service benefits to everyone who is called to reserve service under the Defense Service Law, and to those who are called to training under the Emergency Labor Service Law. The NII also pays grants to working youths up to the age of 18, who have been absent from work due to their participation in pre-military education (provided they have attended it for at least two consecutive days and worked for at least 30 working days in the three months preceding the activity).

The NII may, after consulting with the Public Committee on Reserve Duty, provide grants for the development of welfare services for reservists and their families.

Participation in the Welfare Basket Project

Since 1999, the NII participates in the IDF's **welfare basket** project, which is intended to increase social cohesion and to create solidarity and sympathy for reservists. The project, operated by IDF Manpower Directorate (known by the abbreviation AKA), provides recreational activities, evening gatherings for units, tribute evenings and other team-building activities. The total of the grants do not exceed 0.5% of the estimated overall annual amount of reserve service benefits paid by law, and the entire budget for this branch is funded by the Ministry of Finance as part of the defense budget. In 2014, NIS 6.5 million were transferred for each of the years 2014-2016. In 2017, NIS 5.5 million were transferred and in 2018 – NIS 6 million.

Payment of Advances in Emergency Situations

In times of emergency, the Reserve Service Division of the NII works in cooperation with the IDF and the defense system to pay advance payments on reserve service benefits to all employers whose employees were called up for reserve service duty, and to all non-salaried reservists: self-employed, students, unemployed and so on. Thus for example in 2014, during Operation **Protective Edge** (Zuk Eitan), approximately 78% of the reservists were employees whose employers received advance payments totaling approximately NIS 184 million, and approximately 22% were non-salaried, who received personal advance payments totaling approximately NIS 44 million.

Benefit Rate and Scope of Payments

The daily benefit rate is determined according to the employee's gross salary (which is subject to insurance contributions) in the three months preceding the 1st of the month in which the service began, divided by 90 days. For the purpose of calculation, additional income is taken into account, including reserve service benefits, unemployment benefits, work injury benefits and maternity allowance. The benefit should not be less than the minimum – 68% of the basic amount divided by 30 (in January 2018: NIS 196.61 per day, NIS 5,898 per month), and should not exceed the maximum – 5 times the basic amount divided by 30 (in January 2018: NIS 1,445.67 per day, NIS 43,370 per month).

The scope of payments is affected by security incidents and therefore subject to many fluctuations (Table 1). In 2014, in the wake of Operation **Protective Edge** (Zuk Eitan), payments increased by 22.5% in real terms reaching NIS 1.4 billion, and in 2015 decreased by about 24%, to about NIS 1 billion. Since 2016, payments have been rising steadily and reached, in 2018, NIS 1.2 billion (a real increase of 7.5%).

Table 1: Payments to Reservists (Thousands of NIS), 2014-2018

| Year | Current prices | 2018 prices | Real-term change (%) |
|------|----------------|-------------|----------------------|
| 2014 | 1,357,530 | 1,355,692 | 22.5 |
| 2015 | 1,021,479 | 1,026,589 | -24.3 |
| 2016 | 1,118,126 | 1,129,876 | 10.1 |
| 2017 | 1,137,306 | 1,146,481 | 1.5 |
| 2018 | 1,232,404 | 1,232,404 | 7.5 |