

# **The Uniqueness of National Insurance in Israel**

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National insurance (social security) institutes (NII) exist in 125 countries, and most of them are very similar, though each has its particular flavour, adapted to national needs and the national character. Israel's approach to National Insurance is special in that it takes into consideration the needs of immigrants; is based on principles of universalism and mutual help, and seeks to help the needy without stigmatising them. Israel's NII recognises the special needs of new immigrants, who effectively receive a pension even if they spent few, or even no years in Israel before reaching retirement age; it grants a universal pension to all, but matches individual contributions to the level of income and it pays burial costs for everyone who dies in Israel, thus doing away with the concept of a pauper's grave. Israel's NII also provides the solution for those pensioners, whether elderly or survivors, whose income is insufficient, through payment of a supplementary benefits not as a means-tested welfare payment which has to be explicitly requested and tested for, but as a right, based on the income information already held by the NII. The NII also covers the needs of soldiers serving in the reserve forces and of civilians injured in hostile acts. Other special aspects of Israel's national insurance cover include study grants for widows and orphans and the insurance of the self-employed (and not just employees) against work accidents. Israel is unique in requiring mothers to give birth in a hospital in order to receive a maternity grant - a stipulation that has led to almost 100 per cent hospital births and the lowest level of infant and maternal mortality in the developed world.

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1 Dr. Giora Lotan (1902-1974) was the first Director General of the National Insurance Institute of Israel (1954-1969).

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