

## **TABLE OF CONTENTS**

	<u>page</u>
Introduction	1
Old-Age and Survivors	4
Long-Term Care	6
General Disability	7
Mobility	9
Income Support	10
Alimony	13
Children	15
Maternity	16
Work Injury	19
Prisoners of Zion	20
Hostile Action Casualties	21
Reserve Service	22
Unemployment	23
Rehabilitation	25
Insurance and Collection of Contributions	27
Counseling Service for the Elderly	28
Fund for Demonstration Projects	30
Fund for Development of Services for People with Disabilities	35
Fund for Development of Long-Term Care Services for Dependent Elderly	38
Fund for Activities of Safety and Hygiene in the Workplace	39
Fund for Development of Services for Children and Youth	40
International Conventions on Social Security	42
Future Changes	45

## **INTRODUCTION**

In 2007, the National Insurance Institute of Israel (NII) continued its efforts to improve its service to the public, with the aim of reducing the number of visitors to the local branches, enabling faster and more thorough responses to those clients who still visit the branches and promoting take-up of rights in the various social security schemes. There are now 105 kiosks (self-service stations, offering a wide variety of authorizations and forms) dispersed all over the country, outside local branches as well as in municipality buildings, operating beyond reception hours – almost 24 hours a day.

Three nationwide *call centers* operate in northern, central and southern Israel. They may be reached almost 24 hours a day, and provide both general and personal information to callers. The secret code necessary for the latter has been distributed to most of the population and is available to all upon request. It is now possible to pay insurance contributions through the *call centers*, by means of credit cards.

This year the NII web site underwent improvements to provide better services and more information to the public. Clients are able to pay insurance contributions through the Internet, and in future will be able to make personal status inquiries through the site. It should be noted that the site in English as well is constantly updated, and contains press releases and information on rates of benefits, rules of entitlement, and more. (The NII address on the internet: <http://www.btl.gov.il>. The e-mail address: [btfeed@nioi.gov.il](mailto:btfeed@nioi.gov.il)).

The scope of changes that came into effect in the Israeli social security system in 2007 reflects mainly attempts on the part of the National Insurance Institute to assist needy population groups in various ways, under amendments to the law or administrative changes.

A new law for compensating polio victims came into effect in 2007, providing a lump-sum compensation and allowance or grant (depending on degree of medical disability) to polio victims, in addition to their existing disability pension or mobility allowance.

The scope of the population eligible for benefits was actually widened in 2007: car-owners may now be eligible for an income support benefit, depending on their income and the size and age of their car, and women may be eligible for a risk pregnancy benefit not only due to medical factors, but also due to factors related to their job or workplace.

In Long-term Care Insurance, a new level of entitlement to the benefit was introduced, at the same time raising the rate of benefit (care hours) to persons completely dependent on others for the performance of every-day tasks.

Benefits were also raised in the Maternity branch, where the regular maternity leave was lengthened from 12 to 14 weeks – with the resulting increase in the maternity allowance – and the extension of the maternity leave for multiple births was also lengthened from 2 to 3 weeks. Also in Maternity Insurance, the hospitalization period for a mother or infant no longer has to be consecutive in order for the mother to be entitled to a lengthening of her maternity leave.

In Unemployment Insurance, on the other hand, conditions of entitlement to benefits were made more stringent – and rates of benefit were reduced – for young unemployed persons. Moreover, demobilized soldiers are no longer exempt from a qualifying period for entitlement to an unemployment benefit.

Many changes in the system were introduced this year in order to improve administrative procedures or correct distortions that had previously existed, for the benefit of various population groups. In the Mobility branch, a recent legal opinion determined that the name of a relative or caregiver may be listed on the license of a vehicle acquired by means of a standing loan, in addition to the name of the person with limited mobility.

Furthermore, in Income Support, eligibility for benefit is no longer ruled out for elderly persons who go abroad for a total of up to 72 days a year. Also in Income Support, persons with disabilities are now exempt from the employment test, and persons aged 45 or over are no longer required to register with the occupation centers of the experimental Welfare-to-Work program. In the Children branch, the date of payment of the study grant to needy families has been moved up, in time for them to buy school supplies before the beginning of the school year. Finally, in the Maternity branch, a man can now replace his wife on maternity leave if she is ill or disabled, even during the first weeks of the maternity leave, and employees are now obligated to pay sick pay for short periods of absence from work due to risk pregnancy. .

As in previous reports, the present report includes a chapter on the Rehabilitation Bureau, whose task is to provide vocational rehabilitation services to various population groups, such as the work injured, disabled and widows. This task has been compounded in recent years with the growing number of civilian victims of terrorist acts, provided with all-round assistance by the Bureau staff.

Aside from the granting of benefits and the provision of vocational rehabilitation, the National Insurance Institute allots a significant share of its budget each year to a number of Funds, responsible for developing services for various groups in the community. For example, the NII sponsors a wide range of *demonstration projects*, which set up services new in content, in method of operation or in target population. These projects are aimed at improving and expanding the variety of community services available to the Institute's beneficiaries, such as: senior citizens, families, mothers, children and youth, the disabled, widows, orphans, the unemployed and military reservists. About 300 demonstration projects were in operation in 2007 alone, and the new ones are briefly described in the chapter on the *Fund for Demonstration Projects*.

Other Funds are devoted to services for the disabled (such as in the occupational, social and housing areas), described in a separate chapter on the *Fund for the Development of Services for the Disabled* – in which the goals and scope of the Fund are outlined, and the main types of services it has developed are briefly reviewed – long-term care services for the elderly (such as day centers and beds in institutions), activities aimed at work safety and the prevention of work accidents, and services for children and youth exposed to neglect, poverty or abuse, described in chapters on the *Fund for Development of Long-Term Care Services*, the *Fund for Activities of Safety and Hygiene in the Workplace* and the *Fund for Development of Services for Children at Risk*.

As in previous reports, this report also includes information on international Conventions, both bilateral and multilateral, to which Israel is signatory, along with various Western European countries. Israel is in the process of negotiation with additional countries in order to expand the scope of international cooperation by means of such Conventions.

The report includes a chapter on the *Counseling Service for the Elderly*, a professional service operating in all local branches of the NII, providing counseling and support to the elderly by means of elderly volunteers, and from 2005, with the closure of the Authority for Retirement, offering assistance to new retirees as well.

Changes covered in the chapter on *Future Changes* include an adjustment of all social security benefits, a rise in the rate of old-age and survivors' pensions, an experimental project in the framework of Long-term Care Insurance under which entitled persons may receive a cash benefit instead of an in-kind benefit, if they so choose, a longer period during which a person with disabilities may choose between a pension from the National Insurance Institute and a benefit from the Ministry of Defense – even if the former had already determined a permanent disability degree for him – and a new bilateral social security Convention with Norway.

## **OLD-AGE AND SURVIVORS**

Every elderly person in Israel, regardless of his income or work history, is entitled to a basic old-age pension. This basic pension is calculated as a set percentage of the average wage and guarantees a minimum level of basic subsistence. Persons who have no source of income other than the pension or whose other income is very low receive an *income supplement* up to a level determined in the Income Support Law, and financed by the general revenue.

Every Israeli resident reaching the age of 18 is insured in old-age insurance, except for new immigrants who were aged 60-62, depending on their month and year of birth, upon their arrival in the country (who receive a special old-age pension not under the National Insurance Law, conditional on means test).

When an insured person dies, his survivors – spouse and children – are entitled to a monthly survivors' pension or to a lump-sum grant.

No major changes in Old-age and Survivors' Insurance took effect in 2007.

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The number of recipients of old-age and survivors' pension increased in 2007 by 0.2%, to 728,890 recipients as a monthly average.

The old-age and survivors' pension rates for 2007, basic and including income supplement, are shown below.

**Old-Age and Survivors' Pension Rates**  
2007(NIS)<sup>1</sup>

<b>Old-Age</b>	<i>Adult</i>	<i>Adult with one child</i>	<i>Adult with two or more children</i>	<i>Couple without children</i>	<i>Couple with one child</i>	<i>Couple with two or more children</i>
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- *basic*

	1,159	1,524	1,889	1,738	2,103	2,468
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- *with income supplement*

	2,181	3,464	4,237	3,229	4,002	4,775
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<b>Survivors</b>	<i>Young widow/er</i>	<i>Widow/er</i>	<i>Widow/er with one child</i>	<i>Widow/er with two children</i>	<i>Orphan</i>	<i>Two orphans</i>
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- *basic*

	873	1,159	1,703	2,247	722	1,444
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- *with income supplement*

	2,181	2,181	3,464	4,237	1,640	2,386
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<sup>1</sup> The rates in this and all other tables are given in Israeli new shekels. In 2007 the average exchange rate was approximately \$1 = NIS 4.11.

## LONG-TERM CARE

### Third level of long-term care benefit

A change implemented as of January 1, 2007 gradually adds a new, third level of entitlement to long-term care benefit to be granted to elderly persons very dependent on the help of others for the performance of everyday activities. At the end of the process (in 2009), the rate of benefit at the highest level paid to entitled persons shall be 15% higher than the rate that they receive today. The rates of benefit at the two other levels have been slightly reduced.

Following are the new levels of entitlement:

Level	Degree of dependence	Number of points	Level of benefit <sup>1</sup>	Number of care hours per week
A	Dependent	2.5-5.5	91%	9.75
B	Very dependent	6-8.5	150%	16
C	Completely dependent	9+	168%	18

Previously, there were only two levels of long-term care benefit: 93% of the full individual disability pension for one who is dependent to a large extent on the help of others for the performance of everyday activities or is in need of supervision, and 150% of the full individual disability pension for one who is completely dependent on the help of others for the performance of everyday activities or is in need of constant supervision.

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 The number of recipients of long-term care benefits rose in 2007 by about 4.3%, reaching about 125,600 recipients as a monthly average.

The long-term care benefit rates for 2007 are shown below.

### Long-Term Care Benefit Rates 2007 (NIS)<sup>2</sup>

<i>Partially dependent</i>				<i>Very dependent</i>				<i>Fully dependent</i>			
<i>Eligible for full benefit</i>		<i>Eligible for half benefit<sup>3</sup></i>		<i>Eligible for full benefit</i>		<i>Eligible for half benefit<sup>1</sup></i>		<i>Eligible for full benefit</i>		<i>Eligible for half benefit<sup>1</sup></i>	
<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>	<i>services</i>	<i>cash</i>
1,647	1,318	824	659	2,715	2,172	1,358	1,086	3,041	2,433	1,521	1,217

<sup>1</sup> In percentages of full disability pension.

<sup>2</sup> The sums that appear here are after the reductions of 4% and 7% in accordance with the Economy Arrangements Law.

<sup>3</sup> 50% reduction as a result of income test.

## GENERAL DISABILITY

### Law for Compensation for Polio Victims

A new Law for Compensation of Polio Victims came into effect in January 2007, with the aim of compensating polio victims struck in the State of Israel (on May 14, 1948 or thereafter) with infantile paralysis. The medical disability degrees relevant for entitlement under the new law are the ones determined in the medical tests for general disability or percentages of mobility limitation, the higher of the two.

A claimant who is recognized as a polio victim under the new law, and a degree of medical disability has been determined for him, is entitled to the following benefits:

- A lump-sum compensation of NIS 50,000, NIS 100,000 or NIS 120,000 in accordance with his degree of permanent medical disability;
- A monthly allowance or grant, depending on his degree of medical disability:
  - 20% medical disability degree or more – a monthly allowance;
  - Lower than 20% medical disability degree – a grant of a sum paid in accordance with the medical disability degree.

These benefits are in addition to the general disability and/or mobility benefit to which the polio victim may be entitled.

### Change in definition of disabled housewife

Article 195 of the National Insurance Law, dealing with the definition of *disabled housewife*, has been changed. Under the amendment (no. 93), a non-married woman who received a disability pension as an *earner* and then got married will continue to automatically receive the pension as an *earner*, and not as a *disabled housewife*. The amendment is in force as of March 1, 2007 and applies retroactively 24 months previous to that date – that is, to women who married as of March 1, 2005.

Previously, such women were eligible either as an *earner* or as a *disabled housewife*, depending on their period of work.

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In the year 2007 the number of general disability allowance recipients grew by 5.2%, reaching about 187,525 as a monthly average. The number of attendance allowance recipients and recipients of benefit for disabled child rose by 6.9% and 7.2%, respectively.

The general disability benefit and attendance allowance rates for 2007 are shown in the following table.

**General Disability Benefit and Attendance Allowance Rates**  
2007 (NIS)<sup>1</sup>

	<i>Single person</i>	<i>Couple</i>	<i>Couple with child<sup>2</sup></i>
<b>General Disability</b>	1,937	2,905	3,680
	<i>For performing most daily tasks most hours of the day</i>	<i>For performing all daily tasks most hours of the day</i>	<i>For performing all daily tasks all hours of the day</i>
<b>Attendance Allowance</b>	905	1,810	2,715

<sup>1</sup> The rates that appear here are of benefits to disabled persons with 100% disability. Benefits to persons with a lower degree of disability are percentages of the full benefit, according to the degree of disability.

<sup>2</sup> The increment is paid for each of the first two children only.

## **MOBILITY**

### Ownership of vehicle acquired with standing loan

In accordance with a recent legal opinion, it was decided that the ownership of a vehicle acquired by means of the standing loan under the Mobility Agreement does not have to be in the sole name of the person with limited mobility, in order for this person to continue to be entitled to mobility allowance; it has now been determined that a *relative* or *caregiver* (as defined in the Mobility Agreement) may be listed as additional owners of the vehicle.

Under the new legal interpretation, the name of the person with limited mobility must still appear on the license of the vehicle, but not necessarily as the sole owner, as was the case according to the previous legal interpretation.

If the vehicle of the person with limited mobility was acquired not by means of the standing loan, he may continue to receive the mobility allowance even if he is not registered as the sole owner of the vehicle, as was the case previous to the change.

The new legal interpretation is in effect as of late 2007.

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The number of recipients of mobility allowance grew in 2007 by 4.7%.

## **INCOME SUPPORT**

### Ownership of vehicle in income support

Under an amendment passed to the Income Support Law on December 26, 2006, as of January 2007, ownership of a vehicle no longer rules out eligibility for an income support benefit, under the following conditions:

- The claimant has an income of over 25% of the average wage or he has reached retirement age and has an income of over 17% of the average wage;
- He owns or uses a car of up to 1300 cc that is at least seven years old, or of up to 1600 cc that is at least 12 years old;
- He has no other car.

Previously, a person who owned a vehicle (except a motorcycle) was not eligible for an income support benefit, unless he was disabled in his legs or needed the vehicle for medical reasons.

The change aims at removing obstacles from income support recipients who need a vehicle in order to work.

### Income support recipient who goes abroad

Under the Income Support Law (article 14A), a person who goes abroad more than once in a calendar year, or a person who was not entitled to benefit for the month preceding the month that he went abroad, is not eligible for an income support benefit for the month that he left or for the month that he returned from abroad. If he was abroad for a full month, he is not eligible for that month.

According to a change in effect as of January 2007, eligibility for income support benefit is not ruled out to a person who has reached retirement age and goes abroad three times in a calendar year, if the total number of his days abroad in the calendar year does not exceed 72 days.

### Exemption from employment test for persons with disabilities

One of the basic conditions of eligibility for an income support benefit is the employment test: registration at the labor exchange as a job-seeker (or participation in the welfare-to-work program). Only if the labor exchange can offer no job for him may the claimant be eligible for an income support benefit. There are several categories of persons exempt from this requirement, such as single parents with small children, persons caring for a sick relative, etc.

A new amendment to the Income Support Law determined that persons aged 25 or over with a 75% (or more) degree of disability, as well as disabled housewives, are also exempt from the employment test. The amendment is in effect as of July 1, 2007.

*Trends and Developments 2007*

These categories were inadvertently omitted from the original list of categories of persons exempt from the employment test.

Amendment to the Welfare-to-Work Law

The Knesset authorized a new amendment to the experimental Welfare-to-Work (Integration of Benefit Recipients into Work) Law, under which persons who have reached age 45 and who have already participated in the program will be transferred to the care of the employment service (labor bureau). That is, they may choose between registration at the labor exchange as job-seekers or participation in the experimental program. Furthermore, the amendment determines that the program shall be extended for another two years, from August 2007 until July 2009.

The amendment is in effect as of October 1, 2007.

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The number of families receiving income support benefits decreased by 78% in 2007, down to about 120,218 recipients as a monthly average.

The income support benefit rates for 2007 are shown in the following table.

**Income Support Benefit Rates<sup>1</sup>**  
2007(NIS)

Family composition	<i>Under age 55</i>		<i>Aged 55 or over</i>
	<i>Regular rate<sup>2</sup></i>	<i>Increased rate<sup>3</sup></i>	
<i>Single person</i>	1430	1,609	1,788
<i>Single person with 1 child<sup>4</sup></i>	2,146	2,396	2,534
<i>Single person with 2 or more children<sup>4</sup></i>	2,396	2,682	2,963
<i>Couple</i>	1,967	2,146	2,682
<i>Couple with 1 child</i>	2,146	2,396	3,111
<i>Couple with 2 or more children</i>	2,396	2,789	3,540
<i>Single parent with 1 child</i>	2,396	2,396	2,892
<i>Single parent with 2 or more children</i>	2,789	2,789	3,607

<sup>1</sup> As of July 2002, the actual sum of this benefit received by beneficiaries was reduced by 4%, in accordance with the Economy Arrangements Law.

<sup>2</sup> Paid to persons who had been entitled to the regular rate of the benefit in December 2002 or who began receiving the benefit in January 2003.

<sup>3</sup> Paid to persons who had been entitled to the increased rate of benefit in December 2002.

<sup>4</sup> Not defined as a single parent in the Single-Parent Families Law.

## **ALIMONY**

The Alimony-Guarantee of Payment Law, which came into effect in 1972, aims at guaranteeing means of subsistence to a woman who possesses a judgment for alimony, and to her children, regardless of her capacity to enforce this judgment. When the husband obligated does not voluntarily comply with the judgment and does not pay the woman the alimony to which she is entitled according to the judgment, the law enables the woman to turn to the National Insurance Institute in order that the Institute enforce the judgment; that is, pay an alimony benefit to the woman and in parallel, collect this money from the person obligated by means of enforcement procedures.

The payment is granted to the woman for as long as the husband is obligated to pay her alimony. The rate of the payment is as determined in the judgment or under the regulations (of the Alimony-Guarantee of Payment Law) – whichever is the lower rate. With the NII guaranteeing to pay the woman and her children the alimony to which she is entitled, it also takes upon itself all that is involved in collecting the amount specified in the judgment. Therefore, only a woman who does not take steps to enforce the judgment on her own or who ceases enforcement procedures before she applies to the NII is entitled to payments.

No major changes in Alimony Insurance came into effect in 2007.

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In 2007 an average of 21,771 women received alimony benefits from the National Insurance Institute every month.

The alimony rates for 2007 are shown in the following table.

**Alimony Rates**  
2007 (NIS)

Family composition	<i>Woman under 55</i>	<i>Woman aged 55 or over</i>
<i>Single woman without children</i>		
<i>Previously entitled<sup>1</sup></i>	1,609	
<i>Newly entitled<sup>2</sup></i>	1,430	1,788
<i>Single woman with children</i>		
<i>With one child</i>	2,396	2,892
<i>With 2 or more children</i>	2,789	3,607
<i>Woman who remarried</i>		
<i>With one child</i>	1,640	1,640
<i>With 2 or more children</i>	2,386	2,386
<i>Children alone</i>		
<i>One child alone</i>	1,640	
<i>2 children alone</i>	2,386	
<i>Each additional child</i>	715	

<sup>1</sup> Entitled to alimony before January 1, 2003.

<sup>2</sup> Entitled to alimony as of January 1, 2003.

## CHILDREN

### Change in date of payment of study grant

In the framework of the Children insurance branch, a study grant is paid to needy families with school-age children at the beginning of every school year, for purposes of purchasing school supplies.

Under Amendment no. 91 to the National Insurance Law, article 74 of the Law was amended, allowing for payment of the study grant to most families in the beginning of August of every year, before the school year. The amendment determines that the conditions of entitlement to benefit must be met in July or August – rather than in August or September, as previously.

The amendment is in effect regarding claims for study benefit for the 2007-2008 school year and thereafter.

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 In 2007, the number of families receiving child allowance grew by 1.3%, and about 980,600 families (as a monthly average) receive allowances for about 2.3 million children.

The child allowance rates for 2007 are shown below.

### **Child Allowance Rates (per family)<sup>1</sup>** **2007(NIS)**

	<i>One child</i>	<i>Two children</i>	<i>Three children</i>	<i>Four children</i>	<i>Five children</i>	<i>Six children</i>
	148	296	474	803	1,132	1,461

<sup>1</sup> The rates are for children born before June 1, 2003. A uniform sum of NIS 148 per month is paid for every child born on that date or thereafter, regardless of his place in the family.

## **MATERNITY**

### Lengthening of maternity leave

Under Amendment no. 37 to the Women's Work Law, the maternity leave has been lengthened from 12 to 14 weeks, out of which 7 weeks or less may be taken before the birth, according to the mother's wishes. The National Insurance Law was amended accordingly (Amendment 94) and the full maternity allowance is now paid for a period of 14 weeks, rather than 12 weeks as previously.

Specifically, the maternity allowance is now paid for a period of 14 weeks if insurance contributions were paid for the mother for 10 months out of the 14 or for 15 months out of the 22 months preceding the *determining date* (the day on which she ceased working, while pregnant). If contributions were paid for her for only 6 months out of the 14 months preceding the *determining date*, the maternity allowance is now paid for a period of 7 weeks, instead of 6 weeks, as previously.

The change is in effect regarding women who began their maternity leave on May 8, 2007 or thereafter.

### Extended maternity leave due to multiple birth

A woman who gives birth to more than one child in the same birth is entitled to extend her maternity leave for an additional period for every child born in the same birth, beginning with the second child. Under Amendment no. 37 to the Women's Work Law, this additional period has been lengthened from two weeks to three weeks.

The National Insurance Law was amended accordingly, and an additional maternity allowance is paid to a woman who extends her maternity leave due to her giving birth to more than one child in the same birth – for an additional three weeks, if she is entitled to the full maternity allowance, and for an additional two weeks, if she is entitled to the partial maternity allowance.

This change too is in effect regarding women who began their maternity leave on May 8, 2007 or thereafter.

### Extended maternity leave due to hospitalization of mother or child

A mother who gives birth, and she or her newborn baby is hospitalized during the period of her maternity leave for a period of more than two weeks, may extend her maternity leave and in such a case, is entitled to maternity allowance for a longer period (up to four weeks, but not longer than the period of her hospitalization).

Under Amendment no. 34 to the Women's Work Law, the above also applies to mothers whose period of hospitalization (for themselves or their babies) is not consecutive.

The change applies to women whose maternity allowance began on June 5, 2007 or thereafter.

Previous to the change, a hospitalization period of at least 15 consecutive days had been considered necessary for permitting an extension of the maternity leave.

#### Special payment of maternity allowance for fathers

Under Amendment 39 to the Women's Work Law, a man can replace his wife on maternity leave if his wife is not capable of caring for their infant due to her health condition (in accordance with a physician's written authorization), even if six weeks have not yet elapsed since the birth – if the infant is in the father's custody and in his sole care. This maternity leave for the father includes extension of the leave due to a multiple birth or hospitalization of the infant, but does not include extension of the leave due to hospitalization of the mother.

Article 49 of the National Insurance Law was amended accordingly, and maternity allowance will be paid for this leave, in accordance with the qualifying period of the father, to the mother's bank account.

The change applies to parents whose infants were born on September 6, 2007, or thereafter.

Previous to the change, a father could replace his wife on maternity leave only if six weeks had elapsed since the birth – even if she was not capable of caring for their infant due to her health condition.

It should be noted that the other conditions of entitlement to maternity allowance for fathers – completion of a qualifying period for both parents and the father's actual maternity leave of at least 21 consecutive days – remain unchanged.

#### Changes in risk pregnancy benefit

##### *Sick pay for women with risk pregnancy*

A woman who must cease work due to the need for precautionary rest – for at least 30 days – as a result of a risk pregnancy is eligible for a *risk pregnancy benefit* from the National Insurance Institute.

One of the conditions of entitlement to this benefit is non-receipt of payment for the period of absence from work (due to the risk pregnancy) from any other source, such as sick pay from the employer.

Under an amendment to the Women's Work Law, employers are now obligated to pay sick pay for periods of absence from work of under 30 days due to risk pregnancy, since the woman in such cases is not entitled to the *risk pregnancy benefit* from the NII.

Previous to the change, employers had not been compelled to pay sick pay for any periods of risk pregnancy.

*Work that endangers a pregnant woman or her fetus*

Article 58 of the National Insurance Law pertaining to the *risk pregnancy benefit* was amended so as to expand the definition of risk pregnancy. Under the amendment, the former definition – “a medical situation stemming from the pregnancy and endangering the woman or her fetus – has been expanded to include also “a type, place or method of work endangering the pregnant woman or her fetus...if no alternative suitable work has been found for her.”

It should be noted that a written authorization of a gynecologist remains a basic condition of entitlement to the *risk pregnancy benefit*.

Both above changes are in effect regarding women who submit a claim for benefit on September 6, 2007 or thereafter.

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The number of recipients of the hospitalization grant went up by about 2.5% and the maternity allowance by about 4.0% in 2007.

The rates of the various maternity benefits for 2007 are shown in the following table.

**Maternity Insurance Benefit Rates**  
**2007 (NIS)**

<b>Month</b>	<i>Hospital- ization grant</i>	<i>Maternity grant (for the first child)</i>	<i>Average (actual) daily maternity allowance</i>
<i>January</i>	7,993	1,390	190.0
<i>February</i>	7,993	1,390	183.7
<i>March</i>	7,993	1,390	183.1
<i>April</i>	7,993	1,390	189.2
<i>May</i>	7,993	1,390	185.9
<i>June</i>	7,993	1,390	189.8
<i>July</i>	7,993	1,390	191.7
<i>August</i>	7,993	1,390	180.5
<i>September</i>	7,993	1,390	193.2
<i>October</i>	7,993	1,390	198.8
<i>November</i>	7,993	1,390	192.7
<i>December</i>	7,993	1,390	195.3

## WORK INJURY

Under the National Insurance (Work Injuries) Law, all workers are insured against the risk of work accidents and occupational diseases.

It is compulsory for all employers to insure their employees (except for policemen, jailers, and defense employees) against the above risks. Such employees include those regularly or temporarily employed, for daily or monthly wages, full-time and part-time workers.

All employees working in Israel – as well as the self-employed – are insured, regardless of the age or nationality of the workers.

Upon the death of an insured person who suffered a work injury (work accident or occupational disease), his relatives – widow/widower, orphans, parents and any other relatives (hereinafter dependants) are entitled to work injury benefits.

No major changes in Work Injury Insurance took place in 2007.

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 In 2007, the number of recipients of work injury allowance increased by 5.2%. The number of recipients of permanent disability benefit (out of total work injured) grew by about 7.94%, while the number of recipients of dependents' benefit increased slightly – by 1.4%.

The maximum rates in 2007 for daily work injury allowance and monthly work disability benefit are shown below.

### **Maximum Work Injury Allowance and Work Disability Benefit Rates** **2007 (NIS)**

<i>Daily work injury</i> <sup>1</sup>		<i>Monthly work disability</i>	
<i>Employees</i> <sup>2</sup>	<i>Self-employed and employees</i> <sup>3</sup>	<i>Employees</i> <sup>2</sup>	<i>Self-employed and employees</i> <sup>3</sup>
543	905	16,290	27,150

<sup>1</sup> As of July 2002, the actual sum of this benefit was reduced by 4% in accordance with the Economy Arrangements Law.

<sup>2</sup> Employees injured before January 1, 1995.

<sup>3</sup> Employees injured after January 1, 1995.

## **PRISONERS OF ZION**

Under the Law of Benefits for Prisoners of Zion and their Families-1992, a resident citizen of Israel, recognized as a Prisoner of Zion by the competent authority in the Ministry of Absorption, is entitled to benefit from the National Insurance Institute.

Non-disabled Prisoners of Zion are also eligible for benefit, conditional on an income test. Furthermore, disabled Prisoners of Zion are eligible for an additional income-based benefit, in addition to their regular, basic benefit.

Disabled Prisoners of Zion are also entitled to in-kind benefits including medical care and vocational rehabilitation.

Relatives of Prisoners of Zion who are in jail, or who have passed away, may be entitled to various benefits.

No major changes in the Law took effect in 2007.

## **HOSTILE ACTION CASUALTIES**

Persons injured as a result of a hostile action by enemy forces in Israel or abroad are entitled to cash benefits as well as to benefits in kind such as treatment, hospitalization, convalescence, medical appliances, vocational rehabilitation and assistance in housing and in purchase of a vehicle.

Relatives of persons who died as a result of a hostile action receive a monthly dependents' benefit (equivalent to the benefit rate paid under the Families of Soldiers Killed in Action Law) as well as vocational rehabilitation and special benefits.

No major changes in Hostile Action Insurance came into effect in 2007.

## RESERVE SERVICE

All persons serving in the military reserves in accordance with the Defense Service Law or in training under the Emergency Work Service Law (including civil servants, students, etc.) are entitled to a reservist's benefit for every day of service or training, from the first day in the course of the year. The benefit is at the full rate of the reservist's daily income.

In addition, grants are provided to youth under the age of 18 who take part in pre-military training (*Gadna*), most of whose time is devoted to study, on condition that they worked for at least 30 working days during the three months that preceded their taking part in the pre-military training.

No major changes in the Reserve Service branch took effect in 2007.

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The minimum and maximum daily reserve service benefit rates for 2007 are shown below.

### Reserve Service Benefit Rates – Per Day 2007 (NIS)

<i>Month</i>	<i>Minimum</i>	<i>Maximum</i>
<i>Jan.- March</i>	111.17	1,192
<i>April - May</i>	115.22	1,192
<i>June - December</i>	119.51	1,192

## UNEMPLOYMENT

### Condition of suitable work in unemployment insurance

In order to be eligible for unemployment benefit, the unemployed person must be ready and able to work at any *suitable work* offered him by the labor exchange. *Suitable work* is defined by three conditions, loosely described as follows:

- It is suitable to his profession, education and health;
- The wages are at least equal to the unemployment benefit due him;
- It does not require a change in his residence.

Under a new change (amendment to article 165 of the National Insurance – Unemployment – Law) applying to unemployed persons whose determining date (the first of the month in which their unemployment began) is on March 1, 2007 or thereafter, the first and second above conditions do not apply to the following categories of unemployed persons:

- Persons under the age of 25, after 14 days from their determining date;
- Persons over 25 but not yet 28, after 30 days from their determining date;
- Persons over 28 but not yet 35, after 60 days from their determining date.

Previously, the first two conditions in the definition of *suitable work* did not apply to unemployed persons under the age of 35, from the third month of their unemployment.

### Shortening of maximum period of entitlement for young unemployed persons

Article 171(A) was added to the Unemployment Insurance Law, under which the maximum period of entitlement to unemployment benefit for a person between the ages of 25 and 28, with no dependents, is 67 days – as of March 1, 2007 – rather than 100 days as previously.

### Reduction of benefit rate for young unemployed persons

As of March 1, 2007, the daily unemployment benefit paid to unemployed persons under 28, as well as to demobilized soldiers, has been reduced.

The benefit rate is calculated as a percentage of the unemployed person's previous average daily wages, and is a combination of the following:

- 80% of the share of wages that is up to half the sum of the *basic amount*;
- 50% of the share of wages from half to  $\frac{3}{4}$  the *basic amount*;
- 45% of the share of wages from  $\frac{3}{4}$  to the full *basic amount*;
- 30% of the share of wages that is over the *basic amount*.

Under the change, the benefit paid to young unemployed persons is a combination of 60%, 80%, 35% and 25% of his previous wages, respectively.

Qualifying period for demobilized soldiers

Soldiers who are released from compulsory army service on July 1, 2007 or thereafter are no longer exempt from a qualifying period for entitlement to unemployment benefits. Such soldiers (as well as girls who complete a 24-month period of volunteer national service) are now required to accumulate a qualifying period, just as all unemployed persons. Up to 180 days of military or volunteer national service may be taken into account in the counting of days for the qualifying period.

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 The number of recipients of unemployment benefit decreased in 2006 to a monthly average of about 50,000 recipients. The unemployment benefit rates for 2007 are shown below.

**Unemployment Benefit Rates<sup>1</sup>**  
**2007 (NIS)**

<i>Maximum daily benefit to a single person</i>		<i>Demobilized soldier's benefit</i>	
<i>First period<sup>2</sup></i>	<i>Second period<sup>3</sup></i>	<i>Regular work (daily benefit)</i>	<i>Preferred /required work (one-time grant)</i>
301.48	200.67	87.96	7,578

<sup>1</sup> As of July 2002, the sums that appear here are after the reduction of 4% in accordance with the Economy Arrangements Law.

<sup>2</sup> During the space of 4 years, benefits are paid for a period of up to 180% of the "maximum period" to which the unemployed person is entitled.

<sup>3</sup> For any additional period of unemployment within the space of 4 years, benefits are paid up to a rate of 85% of the sum to which the unemployed person is entitled.

## **REHABILITATION**

Under the National Insurance Law (Comprehensive Version) – 1968, and Amendment 13 to this law (1974), the right to vocational rehabilitation is granted to work-related injured persons, general disabled persons (disability caused at birth, by an accident or illness) and survivors (widowers, widows and orphans). Under the Benefits to Hostile Action Casualties Law (1974), a basket of services, benefits and rights – including the right to vocational rehabilitation – is granted to injured victims of hostile or terrorist acts and to families of persons killed as a result of such acts.

The vocational rehabilitation services are provided by means of the rehabilitation departments located in all local branches of the NII throughout the country. These departments, staffed by rehabilitation officers who are professional social workers trained in the field of vocational rehabilitation, implement the law and policy determined in the Rehabilitation Bureau at the head office of the NII, while maintaining ongoing contacts with other NII branches, relevant community agencies and public bodies.

The rehabilitation process commences with the location of candidates for vocational rehabilitation, by means of referral from a NII branch or community body, self-referral or “reaching-out” initiatives. Every rehabilitee undergoes diagnosis, after which an individual rehabilitation plan is built for him in accordance with his specific needs and capabilities. In most cases the plan includes a vocational course or completion of academic studies. Upon completion of the plan, the rehabilitee may use placement services or undergo on-the-job training. Most services are purchased by the NII in the open market, while services from segregative frameworks (such as rehabilitation centers) may be acquired for those in need.

In 2007 the Rehabilitation Bureau referred 2,200 persons to placement services for persons entitled to vocational rehabilitation – about half of this number comprised those who can be placed as part of the regular work force and half were those who require comprehensive rehabilitative support – in order to promote the work integration of persons with special needs.

The Rehabilitation Bureau cared for about 15,000 rehabilitees in 2007.

In the past decade, special focus has been placed on the accessibility of rehabilitation services and on their adaptability to the needs of the severely disabled. *Support baskets* – including services such as translation into sign language, tutoring and special transportation – were set up to provide “crutches” to rehabilitees with special needs.

Another recent trend, notable since 2000, is the establishment of a special network of intervention to cope with victims of the growing number of hostile or terrorist acts against the civilian population. During this period, there have been over 1,100 such acts, injuring over 7,500 people (many of them children and youth) and leaving about 800 families bereaved. The Rehabilitation Bureau has set up a special community service for these victims, in which about 300 volunteers work in all areas of the country. In addition, a rehabilitation officer is assigned to and accompanies each victim, beginning with a visit to the hospital or to the home in a condolence call, and continuing with ongoing cash and in-kind assistance in all areas of their lives and

throughout their lives. In 2007 the Bureau cared for victims of 119 hostile acts – mostly in the southern area of Israel – in which 12 people were killed and 237 injured.

Despite the great burden on the Rehabilitation Bureau as a result of the numerous terrorist acts, the Bureau continued in 2007 to care for the other entitled population groups as well, by means of vocational rehabilitation plans and take-up of welfare rights.

## INSURANCE AND COLLECTION OF CONTRIBUTIONS

### Continued reduction in rates of insurance contributions

In 2007, the gradual reduction in contributions paid by employers continued, and is expected to continue until 2009.

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The contribution rates for December 2007 for the various insurance branches, in addition to health insurance contributions, are shown in the following table.

### **Insurance Contribution Rates** **December 2007 (percentages)**

Insurance branch	Employee						Self-employed	
	Total <sup>1</sup>		On employee's account		On employer's account			
	full rate	reduced rate <sup>2</sup>	full rate	reduced rate <sup>2</sup>	full rate	reduced rate <sup>2</sup>	full rate	reduced rate <sup>2</sup>
Old-age and Survivors	5.99	1.78	3.85	0.22	2.14	1.56	5.21	3.09
Long-term Care	0.21	0.06	0.14	0.01	0.07	0.05	0.18	0.12
General Disability	2.30	0.43	1.86	0.11	0.44	0.32	1.86	1.11
Accident Injury	0.09	0.02	0.07	0.01	0.02	0.01	0.08	0.06
Work Injury	0.61	0.45	--	--	0.61	0.45	0.68	0.39
Maternity	1.04	0.17	0.87	0.04	0.17	0.13	0.82	0.56
Children	2.17	1.58	--	--	2.17	1.58	2.40	1.39
Unemployment	0.25	0.04	0.21	0.01	0.04	0.03	--	--
Bankruptcy	0.02	0.01	--	--	0.02	0.01	--	--
<b>Total Insurance Branches</b>	<b>12.68</b>	<b>4.54</b>	<b>7.00</b>	<b>0.40</b>	<b>5.68</b>	<b>4.14</b>	<b>11.23</b>	<b>6.72</b>
Health	5.00	3.10	5.00	3.10	--	--	5.00	3.10
<b>Total Contributions</b>	<b>17.68</b>	<b>7.64</b>	<b>12.00</b>	<b>3.50</b>	<b>5.68</b>	<b>4.14</b>	<b>16.23</b>	<b>9.82</b>

<sup>1</sup> These rates include the share of the employee and the employer in payment of insurance contributions. In addition, the government participates in the financing of the insurance branches instead of the employer and the self-employed at a rate of 0.69%.

<sup>2</sup> On income of up to 60% the average wage.

## **COUNSELING SERVICE FOR THE ELDERLY**

The Counseling Service for the Elderly was set up in 1972 as a demonstration project of the National Insurance Institute, at the initiative of Mr. Leo Blumensohn. His idea was to have volunteer pensioners support other elderly persons and help them take up their rights at the NII and at other organizations.

The Service began modestly with a handful of volunteers working in three local branches. Over the years it expanded considerably, and today includes thousands of volunteers in all local branches throughout the country.

The Service is a professional one, managed by social workers whose expertise is in the fields of gerontology and volunteerism. Its aim is to provide support and assistance to the elderly living in the community, by means of existing resources. The basic perception underlying its work is that there should be a direct link between the elderly person and the volunteer – *elderly to elderly* – in order that the volunteer be able to reach the elderly person's inner feelings stemming from problems related to old age.

The volunteers are required to undergo a four-month training course, during which he learns about the perception of the Institute he represents, the special needs of the elderly, the changes that occur at this age, and the skills needed in work with the elderly.

The work of the Service includes:

- Preliminary home visits – hundreds of visits are conducted throughout the country to predefined population groups, in accordance with information from NII data banks. Groups targeted for these visits include: recipients of long-term care benefits, persons whose claim for this benefit was deferred, elderly widows, the very old (over 88), etc. In the course of the visits, conducted by specially-trained volunteers, questionnaires are filled out by means of which we may ascertain whether or not the elderly receive proper treatment, and then act accordingly.
- Regular home visits – a continued link to those elderly persons found to be in need. The volunteers assigned to these elderly become their main intermediaries and defendants.
- Counseling – elderly persons and members of their families visit the offices of the Service and are provided with counseling on all their problems, mediating services (both with the NII and other organizations), and above all, a listening ear.
- Support groups for widows/widowers – aimed at lifting the widows and widowers out of their loneliness and depression, and helping them get back to daily functioning and social involvement.
- Support groups for spouses of ill or handicapped elderly – aimed at easing the burden of intensive care.

- Joint projects in the community – in accordance with the specific needs of the town or community. The aim is to strengthen the elderly who live in the community, providing them assistance in a wide range of fields.

As of August 2005, following the closure of the *Authority for Retirement*, which had operated at the auspices of the NII, the Counseling Service began operating retirement workshops in order to help new retirees become aware of their rights under the NII and other community bodies. The workshops also deal with the various changes in one's life as a result of retirement.

## FUND FOR DEMONSTRATION PROJECTS

In 2007 the Fund for Demonstration Projects of the NII dealt with 300 *demonstration projects* and project proposals. The Fund assists the initiators of the projects in a number of ways: it helps to define the project's aims and to plan the project, it provides financial assistance during the initial experimental period (the participating organizations must commit themselves to continue financing the project on their own beyond the experimental stage); it carries out ongoing research for the project and it actively participates in the steering committee responsible for running the project.

The Fund's annual budget is NIS 15 million.

Research evaluations of projects completed – and with reports published in 2007– are described below.

### Dror: a shelter for homeless LGBT youths

Dror House, an emergency shelter for LGBT (lesbian, gay, bisexual and transgender) homeless youths, was opened in May 2002. An evaluation study followed the development of the house in its second and third years, May 2003 to April 2005. Evaluation methods included interviews with residents and staff, observation, feedback questionnaires administered to former residents and their parents, analysis of intake and case summary forms, and more. In addition to findings of the evaluation the report includes a detailed review of the literature dealing with problems and needs of young homosexuals, and responses to such needs.

From the follow up of Dror House in its first three years of existence it was concluded that a shelter for LGBT youth was needed, that Dror represents an appropriate response to this need and an important addition to the network of services for youth in distress. At the time Dror was established there were no models of shelters for LGBT youths available in Israel or elsewhere. Thus the organizational and therapeutic aspects of the home were developed in a process of trial and error. During the three first years Dror underwent many changes in the composition of the staff, the patterns of operation, the characteristics of the residents and the organizational auspices. Through all this the home developed modes of operation that answer the needs of gay, lesbian, bisexual and transgender youngsters.

### A business of your own

This report sets out the results of a study evaluating a micro-enterprise project conducted by the Haifa-based Economic Empowerment for Women between 2002 and 2006. The strategy investigated was the development of micro-businesses through a course for empowerment and business training, at the end of which participants receive subsidized business guidance and a loan without guarantors. The research traced 15 groups begun in various parts of Israel (totaling 239 individuals), of diverse ethnic and national background: Jews (including immigrants, Mizrahi, Ashkenazi, and former kibbutz members) and Arabs (Muslims, Christians, and Druze) residents of the center and the periphery.

To sum up the findings, business training among women living in poverty in Israel seems to be a worthwhile strategy. Profits, even when small, are significant in raising the families' living standard. It was likewise found that the chances of the women to enter and succeed in business activity increase when their environment is supportive and stable, even if it is not economically well-founded.

#### The unit for prevention and treatment of violence against elderly in Haifa

The Department for Elderly in the municipality of Haifa network of social and community services, the municipal Center for Prevention and Treatment of Family Violence and the Shilo Association for Development of Services for the Elderly jointly initiated founding a Unit for the Prevention and Treatment of Violence against Elderly. Its aims are: (a) immediate protection of elderly victims of violence, (b) reduction/eliminating and prevention of violence against elderly, (c) increased awareness with respect to the phenomenon amongst caregivers and in the community, and tracing population in risk, (d) to serve as information and professional knowledge center in the area of family violence against elderly, (e) development and adaptation of services for the elderly population.

The major achievements of the program are: increased visibility of the program, competence and professionalism of the Unit staff, developments of knowledge and tools for care of family violence and abuse of elderly and the contribution of the Unit coordinator to the development and advancement of the Unit.

#### Community exchange club

The Community Exchange Club was established and operated by Community Advocacy, a non-profit organization in Jerusalem. This project was designed for residents in the South Jerusalem neighborhoods of Gonen Aleph through Vav and Gonen Chet and Tet (the "Katamonim"), as well as residents of Neveh Pat. This target population is characterized by a large percentage of elderly residents, single-parent families, disabled individuals, unemployed people, and workers who earn minimum wage or less.

The goal of the project was to build mutual and cooperative relations in a community that is defined geographically and socio-economically, by means of a system in which services are exchanged between members with no use of money. This project is based on the premise that exchange transactions contribute to personal empowerment while improving the economic situation of residents at the same time. Empowering residents personally and economically also has a significant communal and political dimension, since the interactions that take place between different residents of the community around their exchanges are intended to raise awareness of social issues and activities in the community.

The most pronounced achievement of the exchange club was found on the level of the group rather than the level of the individual resident. This was manifest in the form of groups of residents with common interests within the community, and especially in the creation of a group of artists, whose success reverberates resonantly in the community.

### Supported academic education for people with psychiatric disabilities

The Supported Academic Education Program was implemented over the past three years at the University of Haifa and in academic institutions in Jerusalem, with the aim of helping students coping with psychiatric disabilities (students with a psychiatric disability of at least 40%, who are entitled to the basket of rehabilitative services) to persevere with their studies and to complete an academic degree. The program was run by the REUT Association, and funded by the Ministry of Health and the National Insurance Institute's Fund for Special Activities.

The findings of the study relate to the mentoring aims, the role of the mentors, the contents of the program's assistance, the nature of the relationship between mentors and students, and the boundaries of the mentoring relationship, the characteristics of the mentors, the program's contribution as perceived by the students, the level of satisfaction and burnout among the mentors, the training circles in the program. Another part of the report relates to the establishment of the principles for running the program and its future development. The recommendations, among other aspects, address the need to refine the goals of the program at the ideological and practical levels, to increase emphasis on assistance within the social domain, to relate to and address the impact that mentor turnover has on the students, and to continue the emphasis on group meetings for the mentors.

### Leadership development program for senior citizens

This report presents an evaluation of an innovative leadership development program for senior citizens. The program was developed and implemented by the Department for Senior Citizens in the Israel Association of Community Centers and funded by the Department of Demonstration Projects in the National Insurance Institute. The program is aimed at meeting the needs of senior citizens in developing personal skills and in establishing them as involved and contributing citizens.

An evaluation study was carried out over two years (2002-2004) by the Myers-JDC-Brookdale Institute, with the participation and support of the National Insurance Institute. The evaluation examined the program's implementation and contribution. The findings from the evaluation include:

- ◆ The program was implemented in four centers that had no activities for retired persons. In all, about 100 people were recruited (approximately 25 in each center). The participants were relatively young; some had previous experience in leadership roles or as volunteers.
- ◆ Ninety three percent of the participants reported that the training contributed greatly to improving their leadership skills. The training contributed to the formulation of a cohesive group and increased motivation.
- ◆ The in-depth interviewed with the program graduates revealed that there were differences of opinion as to the necessity of training a nucleus of leaders prior to the local training sessions at the centers.
- ◆ About half of the participants said that something was missing in the training or that they had suggestions for its improvement. However, they differed in their suggestions for recommended changes.
- ◆ A follow-up of the program, conducted six months after the training was completed, revealed that the participants had begun implementing projects "in the field", mainly organizing leisure and cultural activities for the elderly in the

community. By this time, a third of the graduates were no longer involved in the program, and a similar number of people who had not participated in the training had joined the program.

- ◆ Interviews held with the center directors several months after the training revealed that they were concerned that the activity could not be continued if they could not employ a coordinator and obtain more funding for their activities.
- ◆ The graduates stated that the program gave them new opportunities for activity and contributed to their self image. They also said that compared for senior citizen clubs, where the members are passive clients, this program allowed them to determine and shape activities for themselves.

#### Therapeutic mini-zoo for child cancer patients and their families

The goal of the therapeutic program at Oranit Center, run by the “Ezer MeZion” association, is to employ interactions between child cancer patients and pets as a means of mobilizing resiliency and mental strength in these children and their families in coping with the disease.

The program consists of a mini-zoo that fosters interactions between sick children and families with animals, as a means of getting acquainted with a wide array of concepts pertaining to relationships with animals.

The research findings indicate that sick children, their siblings and parents benefit from participating in the program, attaining an elevated sense of self-confidence, self-efficacy and resiliency in coping with cancer. The staff, through their relationship with the children while interacting with the animals, was found to be effective in helping these sick children and their families resume a normal routine. Hence, the staff and the animals in the mini-zoo served as interacting factors in helping the children cope with the disease. The main factors that were found to operate independently in the program to bring about these gains were: relaxation and unconditional acceptance by the animals, improvement in the children’s sense of self-esteem and feelings of belonging.

#### A "warm home" for adolescent girls and unmarried women in Pardes and Shfaram

This project for adolescent girls and young adult women at risk and in distress was evaluated over a two-year period (2004-2005). The program was run in part of an elementary school that had been specially renovated and equipped for the program. The goals of the program were: emotional reinforcement, creating a social meeting place, providing individual and family therapy, furthering education, reinforcing capabilities and skills for independent employment, providing professional training, and imparting life skills and tools to prepare the participants for independent lives.

It was found that the center provided a reasonably appropriate response to the girls and the young women emotionally, in terms of studies, and with regard to the leisure and enjoyment goals. At the same time, the program responded only partially to helping the young women acquire a profession, and the activities did not meet the needs of the older groups. In general it was found that the center provides a response to the program's covert goal of giving content to the young girls' lives.

The Beyachad program in Tirat Carmel

The Beyachad [Together] program, which operates in Tirat Carmel, provides home instruction for mothers of children at risk of between one and three years old who attend day-care centers. The main goal of the program was to respond to the needs of one- to three-year-old children whose development is at risk. The program was evaluated for about two years (2004-2006).

Members of the Department of Social Services expressed great satisfaction with the program. They indicated that they were more tranquil as a result of the fact that another body was taking care of these families, keeping track of what was going on and reporting difficulties. The mothers too were satisfied with the program. Most of the general goals of the program (recruitment of manpower according to clear criteria, the process of recruiting the families, implementation of the program by professional manpower and cooperation between the bodies involved in the family treatment) were accomplished.

The “Ilan” center for active learning and social empowerment

The Spivak Sports Center functions under the framework of the “Ilan” association, and serves a vast and varied population of people with disabilities– children, youth and adults. A pedagogical center has been established under its roof, to deliver information and tools to professionals, volunteers, parents and children by organizing seminars, workshops and private counseling, in order to assist them to develop programs for the integration of people with disabilities and disadvantaged people in the normative frameworks – educational, sportive or social.

The main conclusion of the research evaluation is that the mission of integration, as well as the preparation to integration, is a difficult and complicated one, psychologically as well as organizationally. The awareness of the importance of this idea is still relatively low and the knowledge of the ways of activating such integrating programs is little. Therefore, the role of the pedagogical center is very important, as it tries to expose more and more members of the community to the idea and to make the information about carrying it out more accessible.

## **FUND FOR DEVELOPMENT OF SERVICES FOR PEOPLE WITH DISABILITIES**

In addition to the provision of various benefits for the people with disabilities, the National Insurance Institute provides funding for the development of new and the enhancement of the existing network of services for the people with disabilities in Israel, through the Fund for the Development of Services for People with Disabilities.

The Fund has for the past thirty years provided major assistance for the purchase of new equipment, renovations and for new building to a multitude of governmental, municipal and voluntary non-profit service providers. In the year 2007 there were about 1,700 projects (including applications and projects in process); 200 of these approved in the course of that year.

The Fund draws its budget from the annual allocation earmarked for the General Disability Insurance branch (NIS 97 million in 2007), and it provides allocations for a very wide range of disabilities – including the developmentally disabled, emotionally disabled, blind, visually disabled, deaf and hearing-impaired, motor-function disabled, autistic, learning disabled and individuals with disease-related disabilities.

The Fund considers its main goal as one of fostering the integration of the disabled in the community at large. It provides assistance for the initiatives of only those service-providers who can provide proof of their ability to maintain and operate their services for an extended period. To date, it has provided funding for hundreds of services in virtually every town and city in the country. The main types of services developed by the Fund are community residences, vocational rehabilitation and sheltered workshops, leisure activities, and special education and early childhood intervention programs.

Community Residences – The Fund has been a primary catalyst in the development of residential services for the disabled, which have experienced an enormous expansion in the past five years. Funding is provided for a continuum of different residential options, such as hostels, sheltered apartments and training apartments. Support for community residences is provided for individuals who are either developmentally disabled, emotionally disabled, autistic or learning disabled.

Employment Services – the Fund has assisted in improving basic work conditions throughout the country. These workshops provide a basic work situation for individuals aged 18 or older who lack the basic skills for full employment in the work force. In the past several years the Fund has helped establish twenty new workshops, mostly located in outlying areas and in the Arab sector. The Fund is currently supporting the building of twenty additional workshop centers, some of which are intended to integrate individuals with various disabilities. The Fund also provides extensive assistance for establishing pre-employment therapeutic centers for individuals with severe cognitive, emotional and physical disabilities who are unable to function in a sheltered employment center. Assistance is also provided for the establishment of small businesses operated by individuals with disabilities such as catering services, direct-mail services, a variety of packaging services and laundry services. Extensive assistance is also provided for expanding employment training centers which provide short-term intensive training and placement services for individuals with disabilities

who seek employment in the workforce at large. Recently, the Fund has expanded its assistance to students with a variety of disabilities in major universities and institutions of higher learning. The Fund has been instrumental in establishing Support Centers for students with visual disabilities in all the main universities and is currently embarking on a nationwide effort to establish Support Centers for Students with Learning Disabilities, in conjunction with the *Council for Higher Education*.

Special Education – the Fund has provided assistance to scores of special education programs for the purchase of equipment in the following areas: therapeutic programs, pre-work training programs, independent living training, specialized playground and group activities and specialized computer accessories and software. Increasingly in recent years, the Fund has become more involved with integrative and mainstreamed varieties of special education, as these begin gradually to replace the more traditional segregated forms of education, especially for the more mildly disabled.

Early Intervention – Having recognized the importance of early detection and intervention of developmental disabilities in the 0-5 population, the Fund has been a primary mover in the establishment of community-based treatment centers. These centers provide physical occupational speech and psychological therapy under the guidance and supervision of the main Child Development Centers. With the passage of the Rehabilitative Nursery School Law, the Fund has expanded its assistance to establishing special nurseries throughout the country.

Recreational Activities – recognizing the importance of recreational activities as an essential component in the well-being of the developmentally-disabled individual, the NII has provided support for a multitude of both segregate and integrative recreational programs. These include afternoon community clubs for young adults, evening recreational social clubs for adults, sports facilities and music and drama centers.

Hydrotherapy – In 2007, the Fund approved renewed funding for the building of therapeutic swimming pools. During this year, an extensive study was carried out on all existing therapeutic pools, and clear guidelines were established for building and operating these pools. Organizations that meet these guidelines will be eligible for funding as of 2008.

Accessibility – In order to facilitate the full integration of the disabled in Israeli society, the Fund has expanded its traditional role of developing services that primarily serve the disabled. In 1998, the Fund embarked on a national program to ensure accessibility of the disabled to all public services. These include Government offices, municipal buildings, schools, universities, museums, theatres, and courts as well as outdoor recreational sites such as the National Parks' nature reserves and picnic areas. Assistance is provided for special adaptations required by the physically disabled, such as ramps, paths, elevators, chair-lifts and adapted restrooms. Additionally, special adaptations have been provided for the visually and hearing disabled such as Braille signs, "ringing" traffic lights, special 3-D models, audio guides and FM systems for screening background noises. The Fund intends through these efforts to enhance public awareness of the need for accessibility to all services and to serve as a catalyst for additional funding sources. In 2005, as a result of growing public awareness and partly due to the involvement of the NII in funding accessibility projects, a new accessibility law was passed by the Knesset, as part of the "Equal Rights for People with Disabilities Law" of 1998. During 2007 and 2008, and until the full implementation of the law, the Fund is focusing its efforts on expanding accessibility in institutional residences,

*Trends and Developments 2007*

universities and colleges, as well as in informal education settings such as community centers and libraries. The Fund has earmarked NIS 6 million during 2007-2008 for the development of accessibility infrastructure at major tourist locations around the country. The program, being funded jointly by the Ministry of Tourism, will focus on major sites such as nature preserves, world heritage sites, museums and public recreation facilities. Priority will be given to sites that are already partially accessible, with special focus on accessibility adaptations for individuals with a sight, hearing or cognitive disability.

Finally, in addition to its commitment to the development of community services, the Fund has since 1994 embarked on a massive program – together with the Ministry of Social Affairs – to improve the quality of life in twenty large governmental and public voluntary residences for the developmentally disabled. Efforts have been concentrated on refurbishing residential pavilions, building new housing to cope with chronic overcrowding, building day activity centers and improving basic infrastructure.

For the first time, the Fund has earmarked approximately 7% of its annual budget for 2006 and 2007 for renovations in privately owned and operated institutions and community residences for the developmentally disabled.

## **FUND FOR DEVELOPMENT OF LONG-TERM CARE SERVICES FOR DEPENDENT ELDERLY**

Under Article 237A of the National Insurance Law, the National Insurance Institute finances the development of community and institutional services for frail elderly individuals who are limited in activities of daily living and require long-term care services.

In 2007 the Fund's assistance to developing new services amounted to about NIS 42 million. The Minister of Social Affairs and the Minister of the Treasury authorize projects approved by the NII, after consultation with the Public Council.

The Fund assists public bodies in the development of infrastructure and equipment for services, contingent on the commitment to finance operating expenses of the program for which assistance is requested.

The Fund supports service development in four primary areas: building, expanding and enhancing day centers for the elderly, including raising the standard of day centers by adding functions such as physiotherapy, health fitness equipment and therapeutic gardening; expanding and developing sheltered housing environments; additions and upgrading of beds and physical environment in nursing homes; developing training programs for geriatricians and courses for home care attendants who provide personal care for elderly eligible for Long-Term Care Insurance benefits.

In 2007 the Fund approved 32 new programs, which included 17 community and 15 institutional projects. During this year, a total of 212 projects received funding from the Fund. It should be noted that in the course of 2007, the Fund began fortifying day-care centers and old-age homes in towns in southern Israel suffering from Kassam rockets from the Gaza strip.

## **FUND FOR ACTIVITIES OF SAFETY AND HYGIENE IN THE WORKPLACE**

Under Article 149 of the National Insurance Law, the National Insurance Institute participates in the funding of activities aimed at safety and the prevention of work accidents in factories or in other workplaces. The Fund's current budget in 2007 is about NIS 10.8 million, of which the Fund committed to spent about NIS 10.7 million.

Such activities include:

- research in the area of safety and hygiene in the workplace, aimed at formulating conclusions which are widely applicable to prevent or reduce work accidents;
- examining the conclusions of the above research by means of their experimental application in a certain workplace, in order to examine the extent of their applicability and contribution to the promotion of work safety and hygiene;
- the survey, mapping and evaluation of existing and future risks in workplaces, and the proposal of solutions to remove these risks;
- activities of information, training and practice of behavior to prevent work accidents in workplaces;
- developing or improving means, tools and accessories aimed at increasing safety and hygiene in the workplace, in order to offer them to other employers;
- conducting nationwide information campaigns by means of the mass media and other means of publication, aimed at developing awareness concerning safety and hygiene at work.

In 2007, the Fund operated about 85 projects, some of them new and others carried on from previous years.

## **FUND FOR DEVELOPMENT OF SERVICES FOR CHILDREN AND YOUTH**

The Fund for The Development of Services for Children and Youth was established in 2004 with the aim of developing services for children and youth at risk. In Israel there are well over 350,000 children whose functioning is impaired due to conditions of neglect, poverty or abuse (physical, sexual or emotional). All these factors affect the normal development of these children and leave them exposed and in distress. In these difficult times, children are often in the most sensitive position and their welfare is the most threatened.

There is no doubt that we are facing a social crisis, and the development of this Fund heralds a decision by the National Insurance Institute to put this important topic in the forefront of its agenda.

The strategic aims of the Fund as defined for the first three years were to develop programs in the following areas:

- a) *To provide a "second chance" to at-risk youth for matriculation exams, higher education and provision of job skills;*
- b) *To prevent and reduce violence among children and youth, by means of intervention in educational and community frameworks;*
- c) *To treat and support children who are victims of sexual abuse;*
- d) *To develop programs for at-risk youth and young girls in distress;*
- e) *To promote programs for enhancing parenting skills.*

The Fund participates in welfare programs aimed at developing local, regional and nationwide services in the community by means of assistance in funding these programs for defined periods, with other bodies – the government, local authorities or public bodies – committing themselves to operate the program after this initial period.

In the first years, a call for proposals elicited a large number of requests for funding new programs. As a result, 100 projects were approved and have begun to be implemented.

For the year 2008 different strategic aims were decided upon, with the emphasis being on preparing underprivileged and at-risk youth for the future work force. Preference is given to programs that stress life skills and work skills, hopefully better preparing youth for employability. In order to be effective in this goal, it is important to start working intensively with children already at the middle-school level.

Although the emphasis in the Fund's call for proposals is changing, it will continue to work intensively with the projects already approved. These projects are of a very large range and focus on working with children from every sector of the population, whether these are ultra-Orthodox, national religious, Beduin, or other. In each of these sectors special emphasis is placed on working with girls at risk and each project is matched with the special needs of each community. Furthermore, the Fund has been instrumental in the establishment of treatment centers for children who are victims of sexual abuse. With the Fund's intervention it is hoped to be able to develop services

that with time will be an integral part of the network of services for children at risk, remembering all along that children are the country's future, and that the children of today need to be given better opportunities so that they will have a better future and will not need to depend on benefits from the National Insurance Institute.

## **INTERNATIONAL CONVENTIONS ON SOCIAL SECURITY**

International social security Conventions, bilateral and multilateral, are designed to assure equality of treatment or reciprocal treatment, the right to export benefits, as well as to protect rights of persons and their families who move from one country to another for employment or other reasons. The need for such Conventions stems from the fact that social security programs do not usually give adequate consideration to the special needs of persons who are outside its jurisdiction. Israel, as an immigration country, is interested in such Conventions in order to assure each beneficiary an adequate benefit for prior social security credits in their country of origin.

Another dimension of these international Conventions is the need to avoid dual coverage and contributions for workers posted temporarily by their employer in another country, while assuring continuity of protection and adequate benefits under the social security legislation of their country of origin.

### Bilateral conventions

Israel signed the first bilateral Convention in 1957. Since then, continuous efforts have been made to enlarge the scope of our international cooperation through bilateral Conventions. At the present time, fifteen such Conventions have been concluded and are in force.

No new bilateral Conventions came into force in 2007.

The bilateral Conventions presently in force between Israel and other countries are shown in the following table.

**Bilateral Conventions**

<b>Country</b>	<b>Date of Signature</b>	<b>Operative Date</b>	<b>Coverage</b>	<b>Insurance Branches</b>	<b>Competent Institution</b>
<i>United Kingdom</i>	April 29, 1957	Nov. 1, 1957 Amending protocol: April 1, 1984	British or Israeli citizens who are employees or self-employed and members of their families	Old-Age, Survivors, Maternity, Children, Work Injury and Occupational Diseases	The Pension Service, International Service, Newcastle upon Tyne, England NE98 1BA <sup>1</sup>
<i>Netherlands</i>	April 25, 1963	Nov. 1, 1963 New Agreement: Sept. 1, 1985  Amendment: December 1, 2003	Dutch or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, <sup>2</sup> Children, Unemployment, Work Injury and Occupational Diseases	SVB Vestiging Roermond Postbus 1244 6040 KE Roermond Netherlands
<i>France</i>	December 17, 1965	October 1, 1966	French or Israeli citizens who are employees, and members of their families	Old-Age, Survivors, Maternity, Children (Family Assistance), Work Injury and Occupational Diseases	C.L.E.I.S.S. 11 rue de la Tour des Dames, 75436 Paris, Cedex 09, France
<i>Belgium</i>	July 5, 1971	May 1, 1973	Belgian or Israeli citizens who are employees, and members of their families	Old-Age, Survivors, Work Injury and Occupational Diseases	Office Nationale de Securite Sociale, Place Victor Horta 11, 1060 Bruxelles, Belgique
<i>Austria</i>	November 28, 1973	December 1, 1974	Austrian or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Children (Family Assistance), Unemployment, Work Injury and Occupational Diseases	Pensionsversicherungs-Anstalt Friedrich Hillegeist str 1, 1021 Wien, Postf 1000, Austria
<i>Germany</i>	December 17, 1973	May 1, 1975	German or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Work Injury and Occupational Diseases	DRV Bund 10704 Berlin, Germany ----- DRV Rheinprovinz 40194 Dusseldorf 1 Germany
<i>Sweden</i>	June 30, 1982	July 1, 1983	Swedish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Maternity, Children, Unemployment, Work Injury and Occupational Diseases	Forsakringskassan Stockolms Lan Utlandsavdelningen S-105 11 Stockholm, Sweden

<sup>1</sup> An additional institution in UK: Inland Revenue, Centre for Non-Residents-BP1301, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ, England.

<sup>2</sup> Cash benefits only (not hospitalization).

**Bilateral Conventions**  
**(cont'd)**

<b>Country</b>	<i>Date of Signature</i>	<i>Operative Date</i>	<i>Coverage</i>	<i>Insurance Branches</i>	<i>Competent Institution</i>
<i>Switzerland</i>	March 23, 1984	October 1, 1985	Swiss or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors and Disability	Caisse Suisse de Compensation, 18 Ave Ed Vaucher, CH-1211 Geneva 28, Switzerland
<i>Italy</i>	January 7, 1987	November 21, 1989	Italian or Israeli residents employed in the territory of the other country	None	Ministero del Lavoro e della Previdenza Sociale 17, Via della Trezza 00187 Roma, Italy
<i>Poland</i>	October 31, 1991	December 31, 1991	Polish or Israeli citizens entitled to work injury or occupational disease benefits	Work Injury and Occupational Diseases	Zaklad Ubezpieczen Spolecnych Biuro Rent Zagranicznych ul. Senatorska 10 00-082 Warszawa, Poland
<i>Denmark</i>	July 3, 1995	April 1, 1996	Danish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury and Occupational Diseases, Maternity and Children	Den Sociale Sikringsstyrelse, Landemaerket 11, 1119 Kobenhavn K, Denmark
<i>Finland</i>	September 15, 1996	September 1, 1999	Finnish or Israeli citizens, refugees and stateless persons who are employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	The Social Insurance Institution KELA Office for Int'l Affairs, P.O. Box 72 00381 Helsinki Finland <sup>1</sup>
<i>Uruguay</i>	March 31, 1998	November 1, 1999	Uruguan or Israeli citizens, employees or self-employed, and members of their families	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	Banco de Prevision Social, Gerencia de Area de Investigacion, y Asuntos Internacionales, Calle Colonia 1921 Piso 1 Montevideo Republica Oriental del Uruguay
<i>The Czech Republic</i>	July 16, 2000	July 1, 2002	Czech or Israeli citizens, refugees and stateless persons and their dependants	Old-Age, Survivors, Disability, Work Injury, Maternity and Children	Caska sprava socialnino zabezpeceni, Krizova 25, 225 08 Praha 5 Czech Republic
<i>Canada</i>	April 9, 2000	September 1, 2003	Canadian or Israeli citizens, refugees and stateless persons who are employees or self-employed.	None	Canada Customs and Revenue Agency (CCRA) CPP/EI Eligibility Division 25 McArthur Rd, Tower C Room 764, 7th Floor Vanier, Ontario K1A 0L5 Canada

<sup>1</sup> An additional institution in Finland: Elaeketurvakeskus, 0065 Elaeketurvakeskus, Finland.

## **FUTURE CHANGES**

### Adjustment of benefits

As of January 2008, all national insurance benefits will be adjusted by 2.8%, according to the rate of the rise in the Consumer Price Index in 2007. In addition, the 4% reduction that is presently made in the payment of certain benefits – income support, unemployment, work injury, grant following decease and bankruptcy – will be canceled.

### Rise in old-age and survivors' pensions

In April 2008 the old-age and survivors' pensions paid to the elderly population will be raised – from 16.2% to 16.45% of the basic amount for a single person. Needy elderly aged 80 and over will receive an additional NIS 200 to their monthly pension, on average. The policy of raising the old-age and survivors' pensions, and by a higher rate to the needy elderly, is expected to continue in the years 2009 and 2010.

### Cash payment of long-term care benefit

Under a temporary order (Amendment no. 92) for a period of two years, to begin in 2008, sub-article 225A is added to the National Insurance (Long-Term Care) Law, pertaining to payment of benefit directly to the entitled person, in the framework of an experimental project.

The change will apply to entitled persons who live in one of the defined “experimental areas” of the project, and who receive long-term care services – from a caregiver who is not a family member – for most hours of the day, six days a week. Under the project, such persons may receive a cash benefit instead of the in-kind benefit they presently receive, at the rate of 80% of the in-kind benefit, if they so choose.

A research study accompanies the experiment, at the end of which it shall be decided whether or not to expand it to the rest of the country on a permanent basis.

Presently, a cash benefit is paid only if long-term care services are not available and if the entitled person lives with a family member who cares for him.

### Choice between disability pension from the NII and disability benefit from the Ministry of Defense

Under an amendment to article 323 of the National Insurance Law, if a person with disabilities does not submit a claim for benefit under the Disabled Persons (Benefits and Rehabilitation) Law – of the Ministry of Defense – within three years of the day that he submitted a claim for a disability pension under the National Insurance Law, he will be considered as having chosen the latter benefit.

Once a permanent degree of disability is determined under both laws, the person must choose the benefit he wishes to receive – the NII benefit or the IDF (army) benefit – within sixty days. If a permanent degree has not yet been determined under one of the laws, he may change his choice two times.

The amendment will be in effect as of February 1, 2008.

Presently, once the National Insurance Institute has determined a permanent degree of disability for the person with disabilities, the Ministry of Defense consistently defers his claim for a disability benefit, resulting in the NII having to determine a temporary degree of disability for lengthy periods of time.

#### Bilateral social security Convention with Norway

On April 1, 2008, a bilateral social security Convention with Norway will come into effect.

The Convention will guarantee continuity of social security rights to insured persons who are residents of Israel or Norway and who move from one country to the other.

The Convention will apply to the following social security branches: old-age and survivors, general disability, work injury, maternity and children.

Furthermore, it will arrange for an exemption from double payment of insurance contributions for workers from one country sent by their employers to work in the other country for specific periods of time.