

## Work Injury Insurance

### General

Work Injury Insurance is intended to assist insured persons who have been injured at work and to compensate them for the loss of their income in the period after the injury in which they became unfit to work, or for the physical or mental damage from the injury. Work injury insurance also helps the injured in returning to work through vocational rehabilitation.

A work injury is an accident at work (during and due to the work, including on the way to and from work, and under the circumstances specified in the law) or an occupational disease (which the insured contracted due to his work, as specified in the regulations).

The following are covered by work injury insurance: salaried employees (from 1954) and the self-employed (from 1957); those who are in vocational rehabilitation or vocational training, those who are examined according to the Apprenticeship Law or the Employment Service Law (during the examination only); working prisoners; foreign residents employed by an Israeli employer (since 1970); Israeli residents abroad under certain conditions (since 1970); those whose wages are determined by law; workers under the Emergency Labor Service Law.

### Benefits and payments

#### Injury allowance

An injury allowance is paid to those who have been injured at work or have contracted an occupational disease and, as a result, are unable to work in their job or another suitable work and have not actually worked, and they need medical treatment. The injury allowance is paid from the first day after the injury and for a maximum period of 91 days (13 weeks). The rate of payment is 75% of the average wage of the injured person in the three months preceding the injury up to the maximum amount (January 2018 – NIS 1,097.88 per day).

#### Disability pensions

Pensions for disability from work are paid to work-injury victims who remained temporarily or permanently disabled as a result of the work injury.

- **Temporary disability pension:** paid to those with a degree of temporary disability of at least 9%, and its amount is 75% of the income in the three months preceding the injury, multiplied by the degree of disability.
- **Permanent disability pension:** paid to those with a degree of permanent disability of at least 20%. The amount of the payment is determined according to the degree of medical disability at a rate relative to the insured's salary in the three months before the injury (maximum amount in January 2018 – NIS 32,936 per salaried and self-employed worker). The benefit level is 75% of income in the three months prior to the injury, multiplied by the degree of disability.
- **Disability grant:** a one-time payment for those with a permanent degree of disability of 9%-19%, and amounting to the monthly allowance multiplied by 43.
- **Special allowance:** paid in addition to the monthly pension for those with a permanent degree of disability of at least 75% (and other parties eligible by law), who need help with daily activities (maximum amount in January 2018 - NIS 8,234).
- **Special grant:** paid to people with degree of disability of at least 75% to finance one-time expenses due to the disability: housing adjustment, purchase of accessories and purchase of a vehicle to assist in mobility (for people with limited mobility only), 60% of a full work disability pension.

### **Dependents' benefits**

Dependents' benefits are paid to the widow/widower, orphans and parents (in special circumstances also to other family members) who were dependent on the income of the person who died due to an injury at work. The benefits paid include: dependents' pension, a dependents' grant, a marriage grant, vocational rehabilitation for the widow/widower who receives a dependents' benefit, maintenance payments for orphans, a bar mitzvah grant and a death grant.

A widow or widower with children, or who has reached 40 years of age, or is unable to support himself/herself, is entitled to a dependents' pension. Pension rate is 40%-100% of the full pension that would have been paid to the insured (who died), if he/she had degree of disability of 100% and depending on the number of children<sup>1</sup>.

The rate of dependents' pension is defined as a work disability pension at the maximum rate – that is, 75% of the salary earned by the deceased in the three months preceding the day he stopped working or engaging in his occupation due to the injury. A widow or widower with at least one child are entitled to a benefit for themselves and an increment for the child/children, as long as the children live with them.

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<sup>1</sup> The rate of dependents' benefit depends on the number of dependents and relation as detailed in the law.

- **Widow or widower with children**

With one child – 80% of full work disability pension (20% of which is an increment for the child); with two children – 90% (30% including an increment for the children); with three or more children - 100% (40% of which is an increment for the children).

- **A widow or widower with no children**

- A widow under the age of 40 - a one-time grant at the rate of 60% of a full work disability pension multiplied by 36; a widow aged 40-50 – a monthly allowance at a rate of 40% of full work disability pension; a widow aged 50 years or older – a monthly pension at the rate of 60% of a full work disability pension.

Widows without children will be entitled to a monthly pension at a higher rate (60% of the full disability pension) even if they are under 50 years old, in the following cases:

- At the time of death, they lived with a child who was entitled to a pension and is no longer entitled now;
- At the time of death, the widow was pregnant (until the birth she will receive an allowance of 60% and after the birth at a rate of 80, including 20% for the child);
- The widow/widower were unable to support themselves from work close to or within a year of the death (if a one-time grant was paid to them, it shall be deducted from the allowance).

- **Children**

The child allowance is usually paid as an increment to the parent's pension, but if the child is orphaned from both parents or the remaining parent is not entitled to a pension (divorced or remarried widowed), the allowance will be paid separately and at following rates: for one child – 60%; for two children – 80%; for three children – 90%; for four or more children – 100%.

- **Other family members**

If the insured did not leave behind a spouse or children who are entitled to an allowance, but left behind parents, grandparents, or siblings who were completely dependent on him financially, these relatives will be entitled to an allowance at the following rates: one dependent – 50%; two dependents – 75%; three dependents – 90%; four dependents – 100%.

If the insured left behind a spouse or children who are entitled to an allowance, and the parents were also recognized as financially dependent (partial dependence), they will be paid a benefit for reasons of equity.

### **Treatment expenses**

Provided under State health insurance. Treatments that are not included in the health insurance and treatments for those who are not insured with health insurance, continue to be provided and funded

by the National Insurance Institute (NII). Treatment expenses include hospitalization and medical rehabilitation.

### **Vocational rehabilitation**

Provided to those with a permanent degree of disability of at least 10%, who due to the injury are unable to return to their previous job or to any other job, and to the widows of those who died due to work injury.

## **Legislative changes**

### **Work injury insurance also for the security forces**

Following the Arrangements Law of January 1<sup>st</sup>, 2017, work injury insurance was also applied to the security forces – Israel Prison Service, Israeli Security Agency, the police and Knesset guards – in cases where the activity that preceded the injury is not unique to the framework and activity in which it was performed. Thus in some of the injuries (e.g. certain illnesses or road accidents), the same compensation will be paid as for victims of work injuries, while others will continue to be paid under the Rehabilitation Laws of the Ministry of Defense (amendment following the Goren Committee).

The payment is made by the NII and is financed by the Ministry of Finance at the expense of the body to which the victim belongs. The indemnification will also be in respect of the proportionate share of the administrative expenses incurred by the NII in implementing these provisions.

### **Extension of entitlement to injury allowance at the expense of employers**

In 2005, the period of entitlement to injury allowance at the expense of employers was extended from 9 to 12 days, including for domestic workers (those who do not have an employer – for example self-employed workers, are not entitled to injury benefits for these days). For the first two days after the injury the injury allowance is paid only to those who cannot work 12 days or more.

For previous legislative changes see previous annual reports.

## **Recipients of Injury Allowance**

Injury allowance is a benefit paid to a person injured at work for a limited period – 91 days at most. In 2018, the number of recipients reached 67,836 – a decrease of 0.75% in comparison with 2017, as part of a continuous declining trend (Table 1). The number of work incapacity days, on the other hand, increased by 1.8% between the two years and reached 2,809,379 days, and the average number of work incapacity days per injured person increased by 2.6% and reached 41.4 days (Tables 1 and 2). Compared to 2014, the average number of days per victim increased by about 5 days. A rise in

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average number of incapacity days may indicate an aggravation of accidents over the years, along with a decrease in their number.

The number of injury allowance recipients declined in relation to the increase in the number of employed people in the economy – in 2018, they constituted 1.62% of all employed people in comparison with 1.66% in 2017 (Table 2).

The rate of recipients of injury allowance among all employed people has gradually decreased over the years. The decline began in 1996 and continued until 2012 following two amendments to the law (in 1997 - charging the employer with payment for the first few days, and in 2005 canceling eligibility for this payment for those who do not have an employer). In 2013, the rate of recipients rose to about 2% of the employed, and since then has steadily dropped to 1.62% of all employed.

**Table 1: Employees, Injury Allowance Recipients and Days of Work Incapacity, 2014-2018**

Year	Employees* (thousands)	Recipients of injury allowance	Work incapacity days	
			Average per injured	Total
2014	3,843.8	74,555	35.7	2,658,441
2015	3,930.2	74,027	37.3	2,763,001
2016	4,020.2	71,357	39.2	2,796,847
2017	4,122.0	68,351	40.4	2,759,898
2018	4,196.7	67,836	41.4	2,809,379

\* According to the national accounting data, the CBS. Israeli workers, foreign workers (reported and unreported) and residents of the Territories.

Figure 1: Recipients of Injury Allowance, 2014-2018

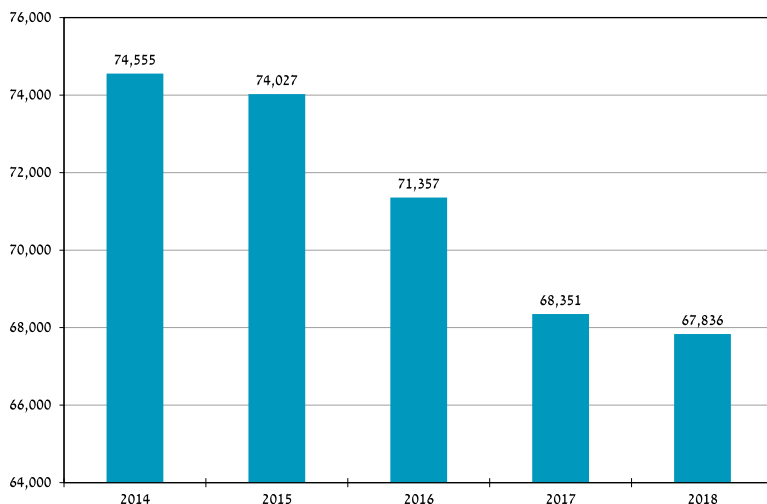


Table 2: Changes in the Number of Employees, Injury Allowance Recipients and Days of Work Incapacity (Percentages), 2014-2018

Year	Recipients of injury allowance as percentage of all employees	Average change rate per year (percentages)		
		Employees	Recipients of injury allowance	Average work incapacity days
2014	1.93	2.8	-0.3	-2.5
2015	1.88	2.2	-0.7	4.5
2016	1.77	2.3	-3.6	5.1
2017	1.66	2.5	-4.2	2.9
2018	1.62	1.8	-0.75	2.6

### Employers who pay injury allowance

The Work Injuries Law has two arrangements (regulation 22 and Section 343 of the law), according to which the employer must pay the injury allowance to the employee and in return receives a commission or discount on insurance contributions from the NII. In these cases, the employer pays on behalf of the NII the injury allowance at the time the employee’s salary is paid. Employers who are not in the arrangement are required to return the payment for these days to the NII.

According to Regulation 22, the employer receives from the NII a refund for the 13<sup>th</sup> day onwards plus a commission at a rate of 2.5% of the injury allowance. If the insured/s claim is denied, the employer does not receive a refund. Under section 343 of the law, which applies to large employers (of more than 500 employees), the employer absorbs the payment in exchange for a discount on insurance contributions of 15% of their normal rate.

26.5% of salaried employees who were eligible for injury allowance in 2018 (16,570 out of 62,436) received the payment under Regulation 22, and 0.9% (572 people) under Section 242 of the law. The number of employers in an arrangement under section 343 of the law was 16.

### **Severity of injuries**

The number of incapacity days is one of the main means of measurement of the severity of the injuries. According to this indicator, the number of serious injuries for which claims have been submitted to the NII increases over the years (Table 3). In 1996, the last year before enforcement of payment for first days by the employer, injured workers with fewer than 14 days of incapacity represented approximately half of all injury allowance recipients, compared to 28.3% in 2018. At the same time and with the shortening of the maximum payment period, the rate of injured workers increased with 61 or more days of incapacity – from 13% to 30.6% between the two years. The share of injured with 15-45 days of incapacity remained stable at a level of about a third over the years.

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Table 3: Injury Allowance Recipients, by Number of Incapacity Days, 2014-2018

Year	Total employee s*	Total incapacity days	Total recipients of injury allowance	Number of incapacity days								
				0	1-14	15-30	31-45	46-60	61-75	76-90	91	92 and more**
<b>Absolute numbers</b>												
2014	3,843,826	2,658,441	74,555	14	27,070	16,053	8,064	5,295	3,888	7,328	6,816	27
2015	3,930,185	2,763,001	74,027	12	24,881	16,296	8,306	5,416	4,132	7,688	7,291	5
2016	4,020,225	2,796,847	71,357	10	22,235	15,548	8,238	5,408	4,170	7,574	8,165	9
2017	4,121,976	2,759,898	68,351	10	22,295	14,906	7,829	5,260	4,151	7,791	8,104	5
2018	4,196,676	2,809,379	67,836	8	19,253	14,720	7,905	5,169	4,217	8,034	8,526	4
<b>Percentages</b>												
2014			100.0	0.0	36.3	21.5	10.8	7.1	5.2	9.8	9.1	0.3
2015			100.0	0.0	33.6	22.0	11.2	7.3	5.6	10.4	9.9	0.0
2016			100.0	0.0	31.2	21.8	11.5	7.6	5.8	10.6	11.4	0.0
2017			100.0	0.0	32.6	21.8	11.5	7.7	5.8	11.4	11.8	0.0
2018			100.0	0.0	28.3	21.7	11.6	7.6	6.2	11.8	12.6	0.0

\* From the National Accounting, CBS, the series 2006-2013 has been updated and it is impossible to compare the new series to the old one.

\*\* Persons injured up to 31.1.2002 who received injury allowance after that date.



**Foreign workers and residents of the Territories**

The report of injuries for foreign workers, manpower company workers or contract workers is probably deficient due to under-reporting, it is therefore likely that the information on injury rates and the level of safety in the workplace is also biased.

The rate of injury allowance recipients among foreign workers and residents of the Territories is lower in all years than their rate among Israelis, although it should rationally be higher, due to the rather dangerous industries (agriculture and construction) in which they are employed. The low rate may indicate that victims in this population refrain from reporting injury at work, for several reasons: the fear of losing their job if they are absent due to an accident, their illegal status and the fear of their fate if it becomes known, and probably the lack of information about their rights. In the case of serious injuries, these employees have no choice but to seek medical treatment and file a claim for work injury and disability benefits.

The NII directly pays the expenses of the one-time emergency room treatment of foreign workers, and from April 2008 also of workers from the Territories who were injured in work accidents and did not submit a claim for injury allowance. A foreign worker is insured with work injury insurance even if he is staying in the country illegally, but the allowance is paid to him only from the date of his departure from the country. The payment does not include the period during which the benefit was denied.

In 2018, as in previous years, the average number of incapacity days for a foreign worker who was injured was lower than that of Israeli residents - 34.2 days compared to 41.4 days, respectively – although it was expected to be higher due to the nature of their occupations (Table 4). On the other hand, the average number of days of workers living in the Territories remained relatively high (45.1 days).

Table 4: Employees\* Who Receive Injury Allowance and Incapacity Days, by Residency, 2016-2018

Recipients	Total	Residents of Israel	Residents of the Territories	Foreign workers
<b>2016</b>				
Employees	4,020,225	3,733,190	99,700	187,335
Of whom: injury allowance recipients – Numbers	71,357	69,240	1,073	1,044
Percentages	1.8	1.9	1.1	0.5
Average days of incapacity	39.2	39.2	43.4	32.5
<b>2017</b>				
Employees	4,121,976	3,822,066	113,325	186,585
Of whom: injury allowance recipients – Numbers	68,351	65,989	1,120	1,242
Percentages	1.7	1.7	1.0	0.7
Average days of incapacity	40.4	40.4	43.3	33.5
<b>2018</b>				
Employees	4,196,676	3,902,164	108,400	186,112
Of whom: injury allowance recipients – Numbers	67,836	65,329	1,233	1,274
Percentages	1.6	1.7	1.1	0.7
Average days of incapacity	41.4	41.5	45.1	34.2

\* Source: National Accounting, CBS.

### Manpower companies' and contract workers

Like foreign workers and workers from the Territories, it is difficult to obtain the data regarding employees who are paid by manpower companies and contractors. In manpower surveys of the Central Bureau of Statistics, these employees are identified by the question "Who pays the wages?". These workers are not identified in the work injury system of the NII, and it is therefore impossible to check to what extent they are exposed to dangers compared to other workers, and whether the employer takes less responsibility for their safety, because they are employed through a third party.

The problem also exists in contractual companies that do not provide workers but services. These companies are not required to demonstrate compliance with labor laws and safety regulations at work in order to obtain or renew a license, as is required of other companies.

The definition of wage earners from a manpower company does not include salaried employees working through a subcontractor, who is responsible for the performance and their safety. These are mainly the workers employed in the secondary industry sector guarding, security and cleaning, and home care.

### Self-employed in comparison with salaried employees

In 2018, 5,400 self-employed people received injury allowance – a decrease of 2.1% compared to 2017 (Table 5). The self-employed constitute about 8% of the total recipients of injury allowance, a little less than their representation in the population. The average number of incapacity days among the self-employed was approximately 45.5% higher than that of salaried employees (58.1 days compared to 40 days, respectively), because the self-employed do not file claims with the NII for short absences of less than 12 days.

The distribution of salaried employees who received injury allowance by economic sector<sup>2</sup> in 2018 is similar to previous years: 15.2% were injured in trade and repair of motor vehicles and motorcycles, the same rate in industry and manufacturing, and 11.9% in construction (Table 6). In terms of severity of the injury (measured as stated by the number of incapacity days), the most serious injuries have been occurring for years in the construction sector (50.9 days), followed by art, entertainment and leisure (46.8 days), transportation services, storage, mail and couriers (45.8), education (42.1 days), and households as workplaces or producing goods and services for self-use (41.9).

**Table 5: Injury Allowance Recipients and Average Incapacity Days – by Employment Status, 2018**

	Recipients of injury allowance		Average days of incapacity
	Absolute numbers	Percentages	
<b>Total</b>	<b>67,836</b>	<b>100</b>	<b>41.4</b>
Salaried employees	62,436	92	40.0
Self-employed	5,400	8	58.1

<sup>2</sup> In 2012, few changes were observed in the distribution of victims by industrial sector, with the switch to the new sector classification. The uniform classification of industrial sectors 2011, published by the CBS replaces the uniform classification of industrial sectors 1993, and is based on the UN recommendation for a uniform classification of industrial sectors: ISIC 4 (International Standard Classification of All Economic Activities), Rev. 4

Table 6: Injury Allowance Recipients, by Employment Status and Economic Sector, 2018

Economic sector	Recipients		Incapacity days		
	Absolute numbers	%	Absolute numbers	%	Average per victim
<b>Total</b>	<b>67,836</b>		<b>2,809,379</b>		<b>41.4</b>
<b>Total salaried workers</b>	62,436	100.0	2,495,462	100.0	40.0
Industry and production	9,157	14.7	330,671	13.3	36.1
Wholesale and retail trade, repair of motor vehicles and motorcycles	9,493	15.2	385,844	15.5	40.6
Construction	6,967	11.2	354,886	14.2	50.9
Local Administration, public administration and security, compulsory services of the NII	5,819	9.3	208,757	8.4	35.9
Management and support services	4,778	7.7	191,913	7.7	40.2
Transport, warehousing, mail and courier services	4,337	6.9	198,642	8.0	45.8
Health and welfare services	4,300	6.9	161,078	6.5	37.5
Accommodation and food services	3,959	6.3	145,276	5.8	36.7
Professional, scientific and technical services	2,474	4.0	93,204	3.7	37.7
Education	1,509	2.4	61,353	2.5	40.7
Other services	1,687	2.7	70,969	2.8	42.1
Real estate activities	1,559	2.5	49,039	2.0	31.5
Information and communication	1,303	2.1	44,319	1.8	34.0
Agriculture, forestry and fishing	1,393	2.2	53,388	2.1	38.3
Financial services and insurance services	1,248	2.0	43,260	1.7	34.7
Art, entertainment and leisure	1,103	1.8	51,647	2.1	46.8
Power supply, gas, steam and air conditioning	312	0.5	10,761	0.4	34.5
Water supply, sewerage services, garbage and waste treatment and sanitation services	322	0.5	12,487	0.5	38.8
Mining and quarrying	130	0.2	4,981	0.2	38.3
Households as places of employment, households that manufacture goods and services for personal use	13	0.0	538	0.0	41.4
International organizations and entities	21	0.0	773	0.0	36.8
Unknown	552	0.9	21,676	0.9	39.3
<b>Total self-employed workers</b>	<b>5,400</b>		<b>313,917</b>		<b>58.1</b>

### Women and young adults

With growing industrialization and the increase in the share of women in the labor force that have characterized the last two decades, the share of injured women also gradually increased: the rate of female injury allowance recipients increased from 19.8% in 1995 to 32.1% in 2018 (Table 7), but it is still low compared to men, possibly due to the nature of their occupations.

Among the young adults (up to the age of 34), men constitute 75.7% of all recipients, compared to their proportion among adults – 6% (45-65+) (Table 8). Among those aged 65 and over (most of whom do not work in demanding physical jobs) the proportion of men and women was similar.

The average number of incapacity days for women is lower than that of men – 36.6 compared to 43.7, respectively – probably due to the higher level of risk in the industries in which young men are employed.

Table 7: Injury Allowance Recipients by Gender, 2014-2018

Gender	2014	2015	2016	2017	2018
<b>Total - absolute numbers</b>	<b>74,555</b>	<b>74,027</b>	<b>71,357</b>	<b>68,351</b>	<b>67,836</b>
Men	51,181	50,587	48,786	46,434	46,074
Women	23,374	23,440	22,571	21,917	21,762
<b>Total - percentages</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Men	68.6	68.3	68.4	67.8	67.9
Women	31.4	31.7	31.6	32.2	32.1

Table 8: Injury Allowance Recipients, by Age and Gender (Absolute Numbers and Percentages), 2018

Age	Total		Men		Women	
	Numbers	Percent	Numbers	Percent	Numbers	Percent
<b>Total</b>	<b>67,836</b>	<b>100.0</b>	<b>46,074</b>	<b>100.0</b>	<b>21,762</b>	<b>100.0</b>
Up to 17	123	0.2	105	0.2	18	0.1
18-24	6,716	9.9	5,127	11.1	1,589	7.3
25-34	15,182	22.4	11,144	24.2	4,038	18.6
35-44	14,966	22.1	10,615	23.0	4,351	20.0
45-54	14,094	20.8	9,050	19.6	5,044	23.2
55-64	6,605	9.7	3,646	7.9	2,959	13.6
65 and older	5,550	8.2	3,307	7.2	2,243	10.3

## Injury Circumstances

The share of road accidents while working or on the way to or from work has remained stable in the last three years (2016-2018) – about 24% of all work accidents (Table 9).

Distribution of injury allowance recipients by cause of injury is fairly stable over the years. The most common causes in 2014<sup>3</sup> were road accidents (26.6%); Fall (from a scaffold, ladder or crane, from a building or structure, slipping or tripping on stairs), slipping or tripping on a plain (25.7%); and injury from falling objects, pressing or hitting objects (16.1%) (Table 10).

The distribution of recipients according to the **severity of the injury** (measured by the number of incapacity days) shows that occupational diseases caused the most serious injuries – an average of 53.8 days of incapacity for the injured victim. While the list of occupational diseases is closed, if an illness does not appear in it, but according to the experts it was clearly caused by the working conditions – it will be recognized as an injury at work. Other serious injuries, beside diseases, were mainly caused by falls (41.5 days of incapacity on average per victim), which mainly resulted in dry blows, crushes, fractures of the limbs, pulls and sprains.

**Table 9: Injury Allowance Recipients, by Location of Injury and Incapacity Days, 2016-2018**

Year	Total	Accidents at work		Accidents on the way to work		Other
		During work	Road accidents	Road accidents	Non-vehicle accidents	
<b>2016</b>						
Absolute numbers	71,357	47,711	4,592	12,904	4,928	1,222
Percentages	100.0	66.9	6.4	18.1	6.9	1.7
Average incapacity days	39.2	39.5	43.5	36.1	40.4	39.8
<b>2017</b>						
Absolute numbers	68,351	45,578	4,264	12,286	4,922	1,301
Percentages	100.0	66.7	6.2	18.0	7.2	1.9
Average incapacity days	40.4	40.4	44.5	38.0	42.4	41.8
<b>2018</b>						
Absolute numbers	67,836	45,045	4,174	12,127	5,322	1,168
Percentages	100.0	66.4	6.2	17.9	7.8	1.7
Average incapacity days	41.4	41.4	45.9	40.0	42.9	42.9

<sup>3</sup> The most updated data on the cause of accident and type of injury refer to injuries from 2014.

\* Wounds and injuries at work other than road accidents.

Table 10: Injury Allowance Recipients and Incapacity Days, by Cause of Injury, 2014\*

Cause of injury	Recipients		Incapacity days	
	Absolute numbers	Percent	Average per victim	Total
<b>Total</b>	<b>74,756</b>	<b>100.0</b>	<b>36.6</b>	<b>2,734,432</b>
Road accident	19,868	26.6	37.1	737,241
Fall	19,188	25.7	41.5	795,869
Falling object, blow, pressure from an object	12,040	16.1	33.3	401,424
Machines, tools	9,919	13.3	31.9	316,246
Overexertion	6,151	8.2	38.6	237,334
Fire, hot substance, vapor, acid	1,177	1.6	22.0	25,879
Brawl	756	1.0	31.7	23,974
Foreign body in the eye	752	1.0	15.0	11,302
Poisoning	521	0.7	22.5	11,717
Environmental factor	193	0.3	20.4	3,931
Occupational disease	133	0.2	53.8	7,152
Explosive	102	0.1	34.6	3,533
Other and unknown	3,956	5.2	40.2	158,830

\*

See footnote 3.

Distribution by **nature of injury** is also fairly stable over the years: crushing (33.2%), skeletal or muscular injury (14.5%), dry blow (12.7%) and upper limb incision (9.2%) (Table 11). In terms of the severity of the injury, measured by the number of incapacity days, the most severe injuries were lower limb fracture (63.8 days on average per victim), damage to the vascular system (60.8 days), upper limb fracture (59.3 days), back or skull fracture, or spinal cord injury (57.9 days) and dislocation without fracture (49.5 days). The upper limbs are the most vulnerable limb in work accidents: fractures and cuts related to them caused work absence for 15% of injury allowance recipients.

Table 11: Injury Allowance Recipients and Incapacity Days, by Type of Injury, 2014\*

Type of injury	Recipients		Incapacity days	
	Absolute numbers	Percent	Average	Total
<b>Total</b>	<b>74,756</b>	<b>100.0</b>	<b>36.6</b>	<b>2,734,432</b>
Crushing	24,840	33.2	35.4	880,319
Skeleton and muscles	10,869	14.5	33.6	365,346
Dry blow	9,460	12.7	31.6	298,495
Upper limb laceration	6,848	9.2	29.5	202,070
Upper limb fracture	4,347	5.8	59.3	257,561
Pull, sprain	4,141	5.5	35.3	146,286
Lower limb fracture	3,093	4.1	63.8	197,374
Burn	1,377	1.8	23.8	32,821
Skull, back, spinal fracture	1,045	1.4	57.9	60,520
Head, neck, back laceration	956	1.3	21.6	20,609
Lower limb laceration	889	1.2	27.3	24,276
Symptoms	887	1.2	30.2	26,822
Foreign body penetration	767	1.0	14.5	11,108
Poisoning	345	0.5	19.5	6,732
Dislocation without fracture	271	0.4	49.5	13,412
Vascular system	123	0.2	60.8	7,481
Abrasion	128	0.2	21.3	2,731
Other and unknown	4,370	5.8	41.3	180,469

\*

See footnote 3.

## Work Disability Pensions

Disability pensions are paid to those who remained disabled as a result of the injury. Victims with a permanent degree of disability of 20% or more receive a permanent disability pension.

### Permanent disability pension

The number of recipients of a permanent disability pension is steadily increasing and reached, in December 2018, 49,393 compared to 47,069 in December 2017 – a 4.9% rise – (Table 12, Figure 2). Most recipients (61.6%) had low degree of disability (20%-39%) and the proportion of women in this group was higher than that of men (65.7%). 64.3% of women had a degree of disability of 20%-39% compared to 57.8% of men, due to the different nature of occupations. 9.6% of men and 7% of women had a degree of degree of disability higher than 80% (Insurance Divisions Tables Appendix, Table 25).



Table 12: Recipients of Permanent Disability Pension, by Employment Status, 2014-2018 (December)

Year	Total		Salaried employees	Self-employed
	Absolute numbers	Annual change (%)		
2014	40,162	5.0	35,184	4,978
2015	42,098	4.8	36,875	5,223
2016	44,604	5.9	39,048	5,556
2017	47,069	5.5	41,163	5,906
2018	49,393	4.9	43,234	6,159

The characteristics of disability pension recipients differ slightly from those of recipients of injury allowance (Table 25 of the Insurance Divisions Tables Appendix). Since the age of reference is not the age at the time of injury, but the age of eligible persons at the end of 2018, so most of recipients are in the older age groups – 50 or older: men aged 50-59, for example, make up 24.9% of all men entitled to a pension, and women – 31.5% of all women. The average age of new entrants to permanent disability in 2018 was 41.5 (men 41, women 43), and of recipients 56.5 (men 56.7, women 55.1). Their average degree of disability was 40.5% (men 40.8%, women 38.7%).

### Temporary disability pension

A temporary disability pension is paid to those with a degree of temporary disability of at least 9%. The number of recipients of this pension is also steadily increasing, and in December 2018 their number increased by 0.7% in comparison with 2017 (Table 13). 8.8% of them were self-employed and 91.2% were salaried employees, and their average degree of disability was 39.3% (men 41.2%, women 34.1%).

### Disability grant

A disability grant is paid to a work injury victim whose degree of disability is stable – from 9% to less than 20%. The grant amounts and conditions of eligibility have changed in the last two decades<sup>4</sup>. In 2018, 15,234 grants were paid for the various injuries (compared to 14,997 in 2017, an increase of 1.6%) – 13,386 for salaried employees and 1,848 for the self-employed (Table 14). This increase is moderate compared to 2016 and 2017, when payments soared at rates of 10%-11%. The average payment to salaried employees in 2018 was about NIS 42.6 thousand compared to NIS 41.3 thousand in 2017, and NIS 41.3 thousand to the self-employed, compared to NIS 40.3 thousand, respectively.

<sup>4</sup> The grant amount changed in 2003 from 70 benefits to 43 benefits.

Figure 2: Permanent Disability Pension Recipients – Salaried Employees vs. Self-Employed, 2014-2018 (December)

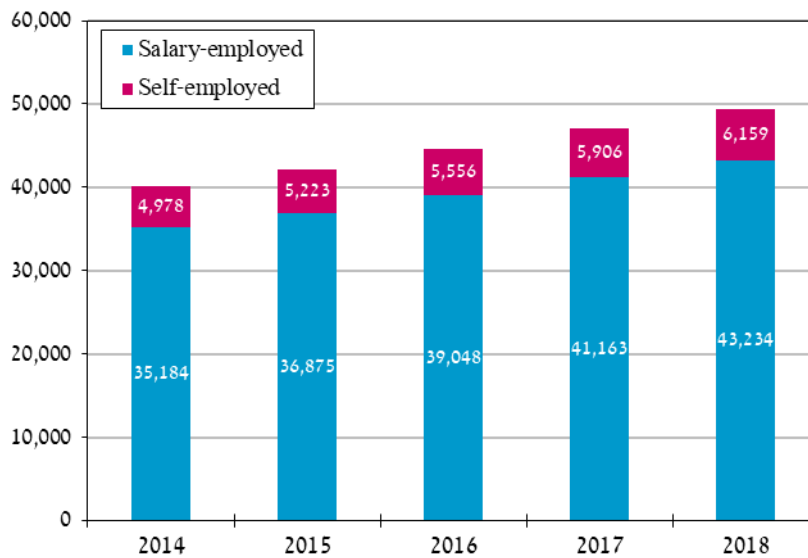


Table 13: Temporary Disability Pension Recipients, by Employment Status, 2014-2018 (December)

Year	Total		Salaried employees	Self-employed
	Absolute numbers	Annual change (%)		
2014	5,080	3.3	4,632	448
2015	5,238	3.1	4,783	455
2016	5,335	1.8	4,874	461
2017	5,675	6.4	5,212	463
2018	5,714	0.7	5,213	501

Table 14: Disability Grant Recipients, by Employment Status, 2014-2018 (December)

Year	Total		Salaried employees	Self-employed
	Absolute numbers	Annual change (%)		
2014	11,872	7.1	10,332	1,540
2015	12,322	3.8	10,733	1,589
2016	13,701	11.2	11,946	1,755
2017	14,997	9.5	13,155	1,842
2018	15,234	1.6	13,386	1,848

### Special disability pension and special grants

Work disabled persons with a degree of disability of 75% or more, as well as disabled persons with walking difficulties and a degree of disability of 65%-74% are also entitled to a special pension or a special grant. The payment is intended to finance personal aid, travel, housing, one-time expenses for the purchase of a car or expenses for the purchase of special equipment arising from the disability. The assistance is provided through the Rehabilitation Division.

In December 2018, a special pension was paid to 3,993 people and 157 grants were paid (compared to 3,848 and 144 in December 2017, respectively). The average amount of the pension and the grant was NIS 3,714 (like 2017), and NIS 35,165 (NIS 35,007 in 2017), respectively. 62 of the grants were paid as housing assistance (NIS 45,726 on average), 38 for the purchase of a car (NIS 46,210), and 57 for other assistance (NIS 16,316).

### Dependents' pensions

In December 2018, 4,796 people received dependents' benefits, compared with 4,776 in December 2017 – a 0.4% rise (Table 15). Families with one child and widows or widowers without children constitute the vast majority of recipients of the pension (approximately 84%) (Table 16).

Table 15: Recipients of Dependents' Benefit, by Employment Status, 2014-2018 (December)

Year	Total		Salaried employees	Self-employed
	Absolute numbers	Annual change (%)		
2014	4,721	0.6	4,082	639
2015	4,717	-0.1	4,071	646
2016	4,754	0.8	4,112	645
2017	4,776	0.5	4,126	650
2018	4,796	0.4	4,144	652

Table 16: Recipients of Dependents' Benefit, by Family Composition\*, 2014-2018 (December)

Year	Total	Young widow**	One child or a widow/er without children	Two children or a widow/er with one child	3 children or a widow/er with 2 children	4 children or a widow/er with 3 children	Other combinations
2014	4,721	179	3,748	359	219	184	32
2015	4,717	172	3,767	353	222	176	27
2016	4,754	174	3,824	345	211	175	25
2017	4,776	156	3,869	336	229	165	21
2018	4,796	141	3,907	349	228	151	20

\* According to Section 132 (2) of the Law.

\*\* Family compositions were determined by level of eligibility.

## Level of Benefits and Scope of Payments

In 2018, the average **injury allowance** per day for salaried and self-employed workers increased by 3% in real terms, in comparison with 2017. As a percent of the average wage, it remained unchanged for salaried employees, and increased by 3% for the self-employed (Table 17).

Table 17: Average Injury Allowance Per Day, by Employment Status, 2014-2018

Year	Salaried employees			Self-employed		
	Current prices (NIS)	2018 prices (NIS)	% of average wage	Current prices (NIS)	2018 prices (NIS)	% of average wage
2014	196.1	195.8	64.3	222.9	222.6	73.1
2015	201.0	202.0	64.5	235.9	237.1	75.7
2016	209.4	211.6	65.7	242.1	244.6	76.0
2017	216.8	218.5	66.1	250.4	252.4	76.3
2018	225.9	225.9	66.5	268.8	268.8	79.1

Table 18: Amount of Permanent Disability Pension, by Employment Status (Monthly Average), 2014-2018

Year	Salaried employees			Self-employed		
	Current prices (NIS)	2018 prices (NIS)	% of average wage	Current prices (NIS)	2018 prices (NIS)	% of average wage
2014	3,481.6	3,476.9	38.1	3,726.0	3,721.0	40.7
2015	3,505.7	3,523.2	37.5	3,723.8	3,742.4	39.8
2016	3,536.3	3,573.5	37.0	3,735.5	3,774.8	39.1
2017	3,567.5	3,596.3	36.2	3,744.4	3,774.6	38.0
2018	3,622.0	3,622.0	35.5	3,765.5	3,765.5	37.0

The average **permanent disability pension** for salaried employees increased slightly in 2018, and reached NIS 3,622, and decreased slightly for the self-employed, down to NIS 3,765. As percentage of the average wage, the pension decreased for both salaried and self-employed workers.

The average monthly **dependents' pension** for salaried employees remained nearly identical to its 2017 level, and increased for the self-employed by 1% in real terms. As a percentage of the average wage, the benefit decreased both for salaried and self-employed workers (Table 19).

Table 19: Average Monthly Dependents' Pension, by Employment Status, 2014-2018

Year	Salaried employees			Self-employed		
	Current prices (NIS)	2018 prices (NIS)	% of average wage	Current prices (NIS)	2018 prices (NIS)	% of average wage
2014	6,361.6	6,353.0	69.6	6,738.4	6,729.3	73.7
2015	6,382.0	6,413.9	68.3	6,803.0	6,873.0	72.8
2016	6,396.5	6,463.7	66.9	6,798.5	6,869.9	71.1
2017	6,430.2	6,482.1	65.2	6,818.2	6,873.2	69.2
2018	6,486.3	6,486.3	63.6	6,889.7	6,889.7	67.6

In 2018, the **total payments** in the Work Injury Division amounted to approximately NIS 5.1 billion, in comparison with approximately NIS 4.8 billion in 2017 – a real increase of 5.4% (Table 20). For some pensions, payments remained stable in 2018. In disability pensions, which constitute the bulk of expenditure, payments increased between the two years by a similar rate from NIS 3.8 billion to NIS 4 billion (Table 21 and Figure 3).

Since the introduction of work injury insurance, there have been significant changes in the composition of payments in the Division (Table 20). In the first years, most of the payments – 54% – were intended for injury allowance, compared to about 40% for disability pensions. Over the years, the share of long-term disability pensions has increased, and the share of injury allowance has decreased: injury allowance is paid short-term and to different people throughout the year, while disability pensions are paid long-term (until retirement age and beyond). Today, disability pensions make up the bulk of payments in the Division – about 80%, and injury allowance only about 10% (Table 21). The rest of the payments are allocated for treatment and rehabilitation expenses, as well as dependents' pensions.

Table 20: Payments\* in Work Injury Division (Thousands of NIS), 2014-2018

Year	Current prices (Thousands of NIS)	2018 prices (Thousands of NIS)	Real change (%)
2014	4,353,308	4,347,414	6.2
2015	4,549,638	4,572,397	5.17
2016	4,510,628	4,521,554	-1.1
2017	4,761,477	4,799,889	6.1
2018	5,057,504	5,057,504	5.4

## Work Injury Insurance

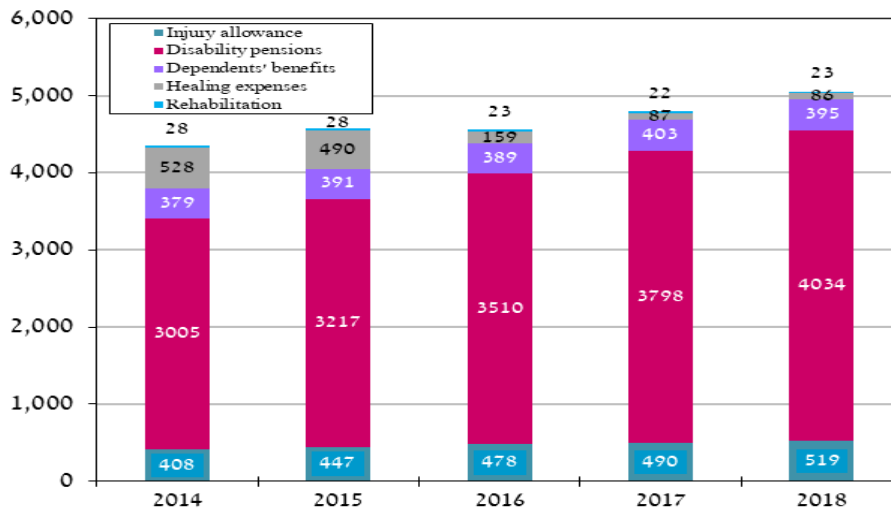
\*Including payments for injury allowance, disability pensions, dependents' pensions, treatment expenses and rehabilitation expenses. The series was updated in 2017, hence previous years were updated accordingly.

Table 21: Payments\* in Work-Injury Division, by Benefit Type (Percentages), 2014-2018

Year	Total	Injury allowance	Disability pensions	Dependents' benefits	Treatment expenses	Rehabilitation expenses
2014	100.0	9.4	69.1	8.7	12.1	0.6
2015	100.0	9.8	70.3	8.6	10.7	0.6
2016	100.0	10.5	77.0	8.5	3.5	0.5
2017	100.0	10.2	79.1	8.4	1.8	0.5
2018	100.0	10.3	79.8	7.8	1.7	0.5

\* Excluding payments for accident prevention activities or for promotion of safety at work, research, special projects, legal aid, medical boards, expert opinions and administrative payments to third parties. The series was updated in 2017, hence previous years were updated accordingly.

Figure 3: Payments\* in Work Injury Division, by Benefit Type (Millions of NIS), 2014-2018



\* Excluding payments for accident prevention activities or for promotion of safety at work, research, special projects, legal aid, medical boards, expert opinions and administrative payments to third parties.