

Acknowledgments

This is the twenty-second volume in the Israel's Social Services series, which has been published since the Center was established a quarter of a century ago. This is an appropriate time, I feel, to look around and survey those who have been, and still are, partners in this venture.

Throughout the years, from the time when the first volume appeared, I have been accompanied by Joel Blankett, who joined me when the Center was established and today coordinates the work of the core research team. I thank him for his long-term perseverance and devotion. Shortly after Joel joined me, Dalit Nachshon-Sharon, my associate in our previous work at the Maurice Falk Institute for Economic Research in Israel, joined us. She began as a rank-and-file researcher and advanced to her current position as publications editor. I take great pleasure in her loyalty and friendship. As the Center's work developed, our staff took on additional members. Yehudit Agassi has worked at the Center for many years, initially as a typist and later as an administrative secretary. It is hard for me to imagine the Center's activity without her presence and involvement. Israeli society considers immigrant integration a national mission, and it was our pleasure to take part in it by hiring Marina Kunin and Yulia Cogan. Enlisting them proved to be not only a mission but also a source of great reward. They have made major contributions, each in her unique way, and I thank them for their conscientious and enjoyable camaraderie as

members of the team. I managed to lure Laura Brass to the Center at a time when she was totally disinclined to return to work. I am pleased to have ruined her early retirement plans. She came to us as an English language secretary and advanced to the position of director of external relations, which she handles successfully.

As the Center's activity steadily developed, it became necessary to strengthen the staff. Nachum Blass was my co-author in studies on education and subsequently joined the core team as a permanent member and as a coordinator of activity in the education team. Roni Barzuri specializes in research on issues related to employment and wages; her contribution to the Center's Annual Reports and other activities of the Center speaks for itself. Dr. Tuvia Horev, originally involved in the Center's activities as a researcher, accepted the position of deputy director last year. The Center had then reached the critical juncture of moving to its new home, and Tuvia made a crucial contribution to the smoothness of the transition while continuing his research activity. Ruti Lerner reinforced the administrative staff this year, Miriam Greenstein bolstered the research team, and Aharon Cohen continues to be in charge of maintenance.

The Area Team coordinators elevate the Center's prestige and successfully steer the teams' activities. I thank the current coordinators, Prof. Chaim Adler, Prof. Dov Chernichovsky, Prof. John Gal, Prof. Yosef Katan; Yaacov Lifshitz, and Prof. Shlomo Mor-Yosef; and their predecessors, Professors Jacob Menczel, Jacques Michel, Emanuel Sharon, Arie Shirom, and Jimmy Weinblatt. I express my profound gratitude to them and to the other members of the teams who play important roles in Israel's various social systems. By serving on the Center's teams along with their other duties, they express their recognition of the importance of the Center's activity and mission.

In my work as director of the Center, I have had the honor and pleasure of associating and working with the former Governor of the Bank of Israel, Arnon Gafny. His willingness to join the Center in the early 1990s and to continue participating in its work, in his refined style, until his retirement two years ago, made an immense contribution to our work in the field of economics. His colleague and ours, the late Prof. Zvi Sussman, wrote several key articles for the Center on the link between society and the economy.

Throughout the years, I have called on the wisdom and the vast experience of Prof. Shmuel Eisenstadt. I also availed myself of the contribution of the members of the Center's Interdisciplinary Council – Professors Rivka Bar-Yosef, Sergio DellaPergola, Ruth Gavison, and Moshe Lissak – and many others who serve the Center in different capacities. Their participation in our deliberations adds an important dimension to the Center's studies and reports. I offer them my heartfelt gratitude.

I wish to express my appreciation to many people who hold positions in Israel's social systems – government ministers, members of the Knesset, ministry director-generals, and other senior officials – for being attentive and responsive to Center initiatives and for taking part in our discussions. Reams of paper would not suffice to list all of them by name.

Finally, I thank the Taub Center directors, foremost Prof. Ephraim Katzir and Henry Taub, the honorary chairs; the current chair, Caryn Wolf Wechsler; President of the American Jewish Joint Distribution Committee, Ellen Heller; JDC Executive Vice-President, Steve Schwager; and, last but not least, Ralph Goldman, who has been our escort all the way. Above all, I thank Dr. Israel Katz, who upon founding the Center invited me to be his partner in the venture. I learned from him and am deeply indebted to him. Indeed, anyone who deals in social policy is indebted to Dr. Katz – a remarkable teacher, initiator, and social leader.

I began these acknowledgments by referring to the twenty-two volumes of this series; and, those who might regard my remarks as a summary ahead of imminent retirement would not be mistaken. I have been pleased to serve for all these years in an executive role while being able, thanks to my colleagues, to keep up my research work – the imprints of which are evident even in the chapters that do not bear my name. By expressing it this way, I accept responsibility for any missteps that may have been taken.

Yaakov Kop

Jerusalem, April 2008

Foreword

The Israeli economy has been expanding rapidly for several years, and the accepted estimates for this year point to continued strong growth by the standards of developed European countries. The social services provide a less encouraging picture. Israeli society has faced difficult challenges in its history and has stood up to some of them with considerable success, but some of its basic problems remain unsolved. Foremost among them are income polarization and a high incidence of poverty – meaning that not all Israelis are benefiting from current or past economic growth.

As a welfare state in the classic sense of the term, Israel offers many arrangements that are designed to ensure a reasonable standard of living for the population at large. Some are implemented through the social security system, i.e., a set of programs including child allowances, benefits for the elderly, the unemployed, persons with disabilities, etc. Others are delivered in-kind: education, health care, and other social services. These tools, however, are not sufficient to correct social and economic ills and address their root cause. Furthermore, there has been a serious and continuous policy bias in the direction of eroding the welfare state.

Some of the pressures that the social systems constantly face are related to political ideology. From the “conservative” side, there is continual pressure to cut the social budgets. Whenever the economy is contracting or growing slowly and an effort to keep the budget in balance is needed, there are calls for “temporary” cuts in social spending. Those who endorse this approach, however, persist in cutbacks even when the economy rebounds and grows briskly. They preach tough budget discipline “in order to keep the previous no-growth situation from recurring.” From the other side of the spectrum, “social advocates” support the expansion of the

welfare state, often irrespective of economic limitations and constraints.

The tension between social and economic considerations is understandable and cannot be ignored. For example, the existence of a generous system of benefits must have some potential adverse effects on the incentive to work. Nevertheless, the welfare state is duty bound to maintain a safety net for individuals and households whose income is insufficient or non-existent. In much the same way, various features of the pension system may impair the system's actuarial solvency in view of population aging, changing interest rates, and other factors. Still, the system cannot be revised in a haphazard way for fear of undermining the most fundamental well-being of those who reach retirement age.

Similarly, health care services are always in strong demand and the tendency to allow unlimited use of services may result in overuse or abuse of the system. However, the effort to contain costs by imposing co-payments – i.e., by shifting some of the funding burden from government to households – has proven to have the opposite effect from the one desired: the higher the percentage of private funding of health care services, the faster overall health care spending increases in terms of percent of GDP. The answer to the increase in health care expenditure should be found elsewhere, including imposing ceilings on service development and, perhaps, instituting managed competition.

The education system has long been in crisis, as reflected by the recent lengthy teachers' strike and long and recurrent strikes in the higher education systems. The debate over how much to spend on education is not new; neither is the debate over teachers' status, the need to raise scholastic achievements and to narrow education disparities. Israel's education gaps are especially grave due to the association between them and the social and economic makeup of the population, differences between center and periphery, and differences between population groups. The education system can

attain better results if a concerted effort to narrow educational disparities is made. In a simulation analysis that was performed by the Taub Center researchers, it was found that if the achievements of the lowest quintile of the student population are improved, Israel's standing on international exams would improve significantly.

Incentives to find worthwhile and rewarding employment should be given through a combination of controlled economic pressure and the creation of employment opportunities including vocational training. In this way, unemployment compensation for a reasonable period of time allows the unemployed to seek appropriate jobs in which they can maximize their gains to themselves and the economy.

These are only a few examples of arrangements in the social service system that needs to be both strengthened and balanced. Foremost, there is a need for an approach that is open to integrating progress toward social goals within the general framework of the economic goals.

The recent halting of the cutbacks in social spending over the past four years shows that the two principal targets – social development and economic growth – can proceed in tandem and lead to the desired results even if it may take a few more years to reduce the national debt to a reasonable level.

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The Report that follows reviews Israel's main social systems and discusses their development and trends in recent years. It begins with a summary of the main findings by the Report's editor, Dalit Nachshon-Sharon.

The next chapter analyzes government expenditure on social services, its share in the total budget, and the trends in recent years. Yaacov Lifshitz wrote the chapter on the basis of an analysis of

budget and final expenditure data prepared by the permanent Center team – Joel Blankett, Yulia Cogan and Marina Kunin.

Recent developments in the various social services are discussed in reviews prepared by a team that was expanded this year to include Nachum Blass in education; Marina Kunin, Dr. Tuvia Horev, and Prof. Dov Chernichovsky in health care; Roni Barzuri in employment and wages; Prof. Yosef Katan in personal social services; and Prof. John Gal in income security.

To complement the objective analysis of the budget and developments in the services, the Taub Center Social Survey presents the public's views on various social issues. The survey conducted by Smith Research & Consulting, was designed and analyzed by Joel Blankett and Nachum Blass, with the participation of Roni Barzuri, Dalit Nachshon-Sharon, Marina Kunin, and Miriam Greenstein.

This book, like those of previous years, was produced and readied for printing at the Center. Ruti Lerner did the chapter layout and monitored the work until the final versions were ready. Laura Brass worked in preparing the English version and publishing the Center's work on our web site. Yehudit Agassi coordinated the administrative activity.

The discussions that took place during the year in the Center's various forums, including those of the Area teams listed on the cover page, also contributed to the preparation of this Report.

Yaakov Kop

Summary of Findings

Economic Developments

1. Economic activity has continued to expand steadily since the middle of 2003, bringing with it considerable macroeconomic improvements. The economy continued to grow in 2006 and at an even faster pace in the first half of 2007. In 2006, Gross Domestic Product grew by 5.1 percent and business sector product grew by 6.4 percent. In the first half of 2007, the respective growth rates were 6.6 percent and 7.9 percent (in annual terms). The outlook for the next few years is of further improvement in all main economic indicators, including price stability and a stable balance of payments.
2. Despite the economic upturn, many population groups remain in distress, as the benefits of the economic growth have not trickled down to them. The number of households under the poverty line decreased by 1.5 percent in 2006 but the number of working poor households grew by 4.7 percent. Most new members of the labor force have post-secondary education whereas those with lower education seem to be dropping out of the labor market altogether. Even though the unemployment rate has been falling, the long-term unemployment situation has worsened. The government must initiate more direct and focused employment policy measures in view of evidence about the structural nature of Israel's unemployment and the characteristics of its incidence of poverty.
3. Because Israel's technology and information industries have been growing more rapidly than its traditional industries, the country has developed a dual economy over the past decade, with widening variance between ICT industries and the others. This variance and its reflection, unbalanced economic growth,

are expected to exacerbate the economic and social gaps. To narrow them, balanced long-term growth is needed, i.e., parallel growth in most industries and sectors. It may be attained by means of technological innovation and the promotion of research and development in traditional industries, which employ a large share of manufacturing workers countrywide.

Employment and Wages

1. The labor market has been rebounding in the past three years (2005-2007): the civilian labor force participation rate rose from 54 percent at the beginning of the decade to almost 57 percent in the third quarter of 2007, and the number of persons employed increased from 2,300,000 to 2,800,000.
2. After reaching a high of nearly 11 percent in the second half of 2003, the unemployment rate has been falling steadily to 7.8 percent in the third quarter of 2007 – the lowest rate measured since 1997 but still high by OECD standards (6.6 percent in 2005). The decrease in unemployment was noticeable mainly among the well educated. The unemployment gap between the extremes in education level was more than three times even after the recession ended, at 4 percent among those with higher education versus more than 12 percent among those with low education levels in 2006. This state of affairs reinforces the claim that the stronger population groups are benefiting more from the economic growth. Unemployment continued to decline in 2007, mainly among those with medium and high levels of education.
3. Israel's labor force participation rates are rather low by OECD standards. Participation in the main working-age cohort – ages 25-54 – was 77 percent on average in 2006 as against an average of 80 percent in other OECD countries. Men in Israel have especially low participation rates – 82.7 percent as against 92 percent on average in the developed Western countries. In

contrast, the participation of Israeli women in the main working age cohort was 71 percent in 2006, approximating the OECD norm.

4. Israel has notable gender gaps by Western standards as the participation rate of its men exceeds that of women by more than 10 percent. Disparities among geographic regions and, especially, between center and periphery have persisted over the years, but the most significant factor behind the steadily widening participation gap is education. In the new world of work, the growing demand focuses on the well educated.
5. Since 2004, the resurgence of economic growth has been accompanied by the resumption of moderate increases in wages. The average real wage increased by 1.4 percent in 2006 following a 1 percent rise in 2005. Real wage growth continued in the first half of 2007.

Government Expenditure on Social Services

1. The ratio of government expenditure (excluding debt servicing) to GDP has fallen since the beginning of the current decade, from 36 percent to 31.7 percent in 2006. The main reason was a relative decrease in the share of social expenditure, which accounted for more than 90 percent of the total decline in the expenditure/GDP ratio (again, excluding debt servicing). This happened despite the repeated government declarations in its official economic and budget policy documents of its aim of “strengthening society.”
2. The reduction of the domestic deficit – from 7.2 percent of GDP in 1990 to 2.6 percent in 2006 – reflects the high priority that was given to the maintenance of economic stability and the influence of a conceptual approach that favored decreasing government involvement in the economy – an approach that all governments have shared since the inflation crisis of the mid-1980s.

3. In 2006 (the last year for which final data exist), NIS 102 billion was spent for social purposes thus ending the steady decline in social expenditure. The final expenditure estimate for 2007 also indicates a real increase in social expenditure, assuming the budget program is utilized in full. Despite the seeming change of trend in the past two years, the 2008 budget stipulates a lower level of social expenditure than in 2007.
4. Large deviations between program and performance remain typical of Israel's budget management in various fields and often reflect a lack of implementation of the policies and priorities set by the government and the Knesset. Thus, total utilization of government budget in 2006 was 6 percent less than the final approved budget and underutilization is also projected in 2007. The expenditure items that are typically underutilized include the social services.
5. In 2006, NIS 61 billion was allocated for in-kind (direct) social services and NIS 41 billion for social transfer payments. Generally speaking, the share of expenditure for in-kind services has been trending down over the years and the share of transfer allowances has been rising. Contrary to the conventional wisdom, however, the cutbacks in social spending in recent years reduced both expenditure categories equally, leaving their relative share in total social expenditure unchanged.
6. According to the final expenditure estimates for 2007, expenditure on both social service categories is expected to increase – by 11 percent in the-kind services and 2.3 percent in transfer payments as most of the increase in social expenditure accrued to the former. The planned decrease in social spending in 2008, however, focuses on the in-kind services, whereas transfer payments are expected to continue growing by 3.5 percent.

7. The ratio of total national education and health care expenditure to GDP has been declining since 2002. At the same time as the share of government financing for these services has been decreasing, household funding has been growing. The shifting of a growing share of the funding burden to households is contributing to the widening of inequalities in the consumption of education and health care services.
8. To demonstrate the widening of the inequalities, a comparison of the trend in per capita private consumption with the trend in government social expenditure (on per capita average) in 2002-2006 shows that per capita private consumption increased by 6.4 percent while average per capita government social expenditure declined by almost 20 percent. In 2007, despite what appears to be an upturn in government social expenditure, the disparity remains unchanged.

The Education System

1. The changes in the age composition of Israel's various population groups and, especially differences in the proportions of children in each group, are reflected in the education system in the form of changes in the composition of enrollment. Thus, the share of Arab pupils is growing rapidly at all levels of education and came to 27 percent at the primary and lower secondary levels in 2007. Meanwhile, the changes in the Jewish sector are reflected in a substantial increase in enrollment in *Haredi* ("ultra-Orthodox") schools in the past decade, to about one-fourth of total enrollment at the primary level and one-fifth at the upper secondary level in 2007.
2. The teacher population is aging and the share of elderly teachers in it is rising with levels of education, so that 37.5 percent of teachers at the upper secondary level are over fifty years of age. The process is slower in the Arab sector than in the Jewish sector because the rapid growth of the Arab sector in recent

years necessitated the hiring of young teachers, especially at the preschool and post-primary levels.

3. The rising rate of degree holders among teachers is one of the education system's most important achievements. Especially noteworthy is the drastic decline in the number of non-certified teachers in the Arab sector, bringing it on a par with the Jewish sector in the proportion of teachers who have academic degrees – 70 percent at the primary level and 85 percent or more at the post-primary level.
4. Government expenditure per pupil has been declining steadily in recent years. The development of this trend has varied according to the level of education. At the pre-primary level, expenditure increased by 10 percent between 2000 and 2006. At the primary level, it appears to be unchanged, but this is due to an increase in special education budgets, meaning that the budget for mainstream primary education has actually contracted. Finally, spending at the post-primary level has fallen by almost 20 percent.
5. Taking a comparative look at national education expenditure, it is found that the relative disparities between Israel and the OECD countries have widened in the past decade. In 2004, Israel spent less than the OECD average in per student terms at all levels of education, and at all levels other than primary the situation has worsened in the current decade relative to the mid-1990s. In the past decade, the rate of increase in national education expenditure per student was only 5 percent in Israel as against 38 percent on average in the OECD countries.
6. In mainstream primary education the budgeting method that promotes the narrowing of educational gaps was recently changed, allegedly as a result of the reduction of per student teaching hours. The new method, instead of helping to reduce inequalities, has actually dealt a severe blow to the affirmative

action policy that has been a mainstay of education policy for years.

The Health Care System

1. National health care expenditure stabilized in 2006 at the level of 7.8 percent of GDP after continuous decreases since 2001. The trend in most OECD countries is the opposite; in these countries, the health care expenditure/GDP ratio rose gradually to 9 percent, on average, in 2005.
2. As the expenditure/GDP ratio fell, so did the share of government funding in total national health care expenditure, from 74 percent in 1996 to 64 percent in 2006. The latter rate is low by the standards of developed countries; in most OECD countries, it ranges from 70 percent to 80 percent of total national health care expenditure. At the same time, private (non-tax) expenditure for medical services has been growing and the progressivity of health care system funding has been declining steadily in the past decade.
3. In the inpatient system, the ratio of general and psychiatric care beds to population is trending down and that of beds for long-term illnesses and rehabilitation is trending upward, relative to both the total population and the population of the elderly. As a result of this decline in average beds per capita, the bed occupancy rate in inpatient general care has been increasing steadily in recent years, from 83 percent to 95 percent – one of the highest rates in the world and in contrast to the 75 percent average in the OECD countries.
4. Another notable trend in the inpatient system is the shortening of the average hospital stay in the past two decades, to 4.1 days (2006) as against 6.9 days, on average, in the OECD countries.
5. The ratio of doctors to population has been trending down since 2000 and resembles the OECD average at around 3 per

thousand, whereas only some years ago the Israeli rate was substantially higher than the standard in these countries. The outlook points to a potential crisis in medical personnel in Israel, mainly due to the decline in possible sources of immigrant doctors but also reflecting the aging of the doctor population. Thus, 62 percent of doctors employed in the health care services are aged 45+ today, as against 40 percent in the 1980s and the early 1990s.

6. In most developed countries, the ratio of nurses to population has been rising rapidly since the 1990s, but in Israel it has hardly changed since 1995 (at around five per thousand). The total ratio of nurses employed in Israel is rather low by the standards of developed countries and the ratio of nurses to doctors is also low, at 1.6 as against 3 on average in the OECD countries. However, the share of registered nurses among all nurses has been rising and stands today at 74 percent of all nurses up to age 60. This makes a contribution to the quality of care and helps to reduce patient mortality.
7. The health care system and its inequalities is a microcosm of the country's socioeconomic disparities. Even though the health system has recorded a great number of accomplishments, there are health disparities among various population groups that, in certain cases, are actually widening. Inequality in the health care system is reflected in an infrastructure gap between periphery and center, differences in health promoting lifestyle, and differences with respect to prevention. These factors are contributing to the formation of disparities in chronic morbidity, life expectancy, and mortality.

Personal Social Services

1. Government expenditure on personal social services has been growing in recent years, mainly due to increased expenditure on long-term care services. Expenditure for population groups with

mental and other disabilities and for children has also continued increasing somewhat, largely for the development and expansion of community-based services. Despite the extra spending, government expenditure on these services, which address society's weakest and most vulnerable groups, has not kept up with the growth of the client population.

2. To cope with the high poverty rates, parallel and coordinated efforts on the national and local levels are needed. This has become conventional wisdom in many countries in recent years. In order to relieve the distress of the poor, specific action plans should be based (among other things) on social care at the personal, family, and group levels that strive to modify behavior patterns and are predicated on close personal supervision. The same approach is needed in various settings of community work, encouraging clients to take responsibility for the exercise of their entitlements, and providing information about existing services.
3. Israel's personal social services are typified by the existence of disparities among localities in the scope and quality of the services that residents receive. These disparities are particularly notable in a comparison between Jewish and Arab localities, although disparities also exist between localities in each of these sectors.
4. The socioeconomic characteristics of Arab localities suggest that the services of local welfare departments should be in high demand. The Arab population's greater need for social services, however, is not reflected in larger expenditure on social services in these localities. Instead, the findings point to gaps not only in local expenditure due to the dire economic circumstances of many Arab local authorities, but also in central government expenditure.
5. Between 2000 and 2005, total average per capita expenditure on personal social services (central government and local) was

some 50 percent greater in Jewish localities than in Arab localities. Average per capita central government expenditure on social services was 54 percent greater in Jewish localities and local expenditure was 40 percent greater.

The Social Security System

1. The cutbacks imposed on the social security system have exacted a heavy socioeconomic price. The mitigating effect of taxes and transfer payments on income distribution inequality has been declining in recent years. Thus, the effect of these factors on reducing inequality (as measured by the Gini index) declined from 32.5 percent in 2001 to 26 percent in July 2005-June 2006. Similarly, taxes and transfers contribute less and less to the reduction of poverty. In 2001, the number of poor households in terms of disposable income was 47.5 percent lower than the number of poor households by economic income, whereas in July 2005-June 2006 the difference was only 39 percent.
2. No significant progress was made in 2006 with respect to two central goals of the social security system. The poverty rate declined only slightly and income distribution inequality and economic gaps increased. The cutbacks of the beginning of the decade to programs that were designed to alleviate poverty and social disparities, such as income maintenance and child allowances, have not yet been adjusted; therefore, the extent of program effectiveness remains inadequate.
3. One of the social security goals that policymakers have stressed in recent years is encouraging welfare benefit recipients to return to work. For this purpose, the employment tests of the income maintenance program were revised significantly, a welfare-to-work program was initiated, and the unemployment compensation program was extensively revised. These changes helped to ease the transition of benefit recipients to the labor

market but proved at the same time detrimental to the well-being of the unemployed, as benefits were reduced before beneficiaries could find jobs that would guarantee them a reasonable living.

4. The number of income maintenance and unemployment compensation beneficiaries continued to decline in 2006 and during 2007 whereas the numbers of recipients of old-age and survivors' benefits and long-term care benefits increased. Against the background of a standstill, or only a moderate increase, in most types of benefits, the rate of increase in the disability benefit population stands out: this group of beneficiaries has grown each year during the decade and continued to grow in 2006 and 2007 as well.
5. In recent years, the government has come under severe criticism due to the economic distress of many Holocaust survivors. In the past year, after the Minister of Social Affairs and Social Services established a committee and survivors' organizations conducted protest actions and negotiated intensively with the government, it was decided to award survivors of camps and ghettos, not currently receiving compensation, a monthly benefit of NIS 1,200 in addition to their old-age pension and income maintenance benefits, to give Holocaust survivors who receive income maintenance an annual grant of NIS 3,000 starting in 2008, and to introduce a package of additional benefits for survivors of camps and ghettos.

The 2007 Social Survey

1. The public's sense of socioeconomic confidence is continuing to improve, as demonstrated by findings of the annual Taub Center Social Survey and by the Taub Index of Social Confidence. The 2007 Taub Index score¹ was 60.3 points in

¹ The Index ranges from 100, denoting an optimum situation, to 0, denoting a complete lack of social confidence

2007 as against 58.3 in 2006, the highest level measured since the Index was constructed in 2001.

2. All population groups indicated an improved level of socioeconomic confidence this year. The Index score for the group of respondents with “far-above-average” income was 70 points in 2007, while that for respondents with “far-below-average” income was 50. The greatest improvements were among those with an academic education and far-above-average income.
3. This year the Taub Index was also analyzed by district of residence and size of localities. The resulting scores were 56 points for residents of the north, almost 60 points for inhabitants of the south, and 62 points for those in the central district.
4. A more positive sense of employment security was found this year than in previous years, as reflected in a relatively low proportion of respondents who indicated a fear of losing their jobs and an increase in the overall sense of security for all respondents, including members of weaker population groups. The proportion of those afraid of dismissal was less than that of those who felt secure in their jobs. However, if those who were greatly concerned about dismissal (18 percent) and those who were somewhat concerned (26 percent) are aggregated, 44 percent of survey respondents still expressed concern for losing their jobs – a possible reflection of both past experience and lack of confidence in the present.
5. The public is of two minds about the need to adopt an affirmative action policy toward weaker social groups. About half of the respondents expressed opposition to any affirmative action for two of the weaker groups in society, the Arabs and the *Haredim* (“ultra-Orthodox”), and affirmative action was more strongly opposed for *Haredim* than for Arabs.