



## ***The Rosshandler Bulletin Series***

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### **From the Director**

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This edition of the Bulletin is devoted to brief summaries of three central issues in social services: education, health and welfare. The articles present the main findings from the Center's annual *State of the Nation Report – Society, Economy and Policy 2009*.

Best wishes for a new year of good health and peace.

#### **Prof. Dan Ben-David**

*Executive Director, Taub Center for Social Policy Studies in Israel* ■

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## **How Healthy?**

*A comparative look at Israel, the US and the OECD that might surprise you.*

The Israeli health system has shown notable achievement in improving outcomes for all citizens both in absolute and relative terms compared to other developed countries, and also in narrowing the gaps within Israel. However, the disparity in health outcomes, particularly between Jewish and Arab Israelis, is still considerable, and this gap is one of the challenges that the system faces going forward. The Taub Center's *"The State of the Nation Report: Society, Economy and Policy 2009"* provides a

detailed examination of Israel's health system (Dov Chernichovsky, "The Healthcare System"). This article highlights some of the main findings.

Health can be compared along many different dimensions, but one of the most useful measures is life expectancy at birth. This is a very popular overall measure of national health and it is the public health indicator used in the UN Human Development Index.

*(continued on p. 2)*

### **In This Issue:**

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#### **How Healthy?**

(page 1)

*A comparative look at Israel, the US and the OECD that might surprise you.*

*In welfare services, a relatively new approach that is gaining strength is the "supportive communities for the elderly."*

#### **Trends in Welfare Benefits and Services**

(page 4)

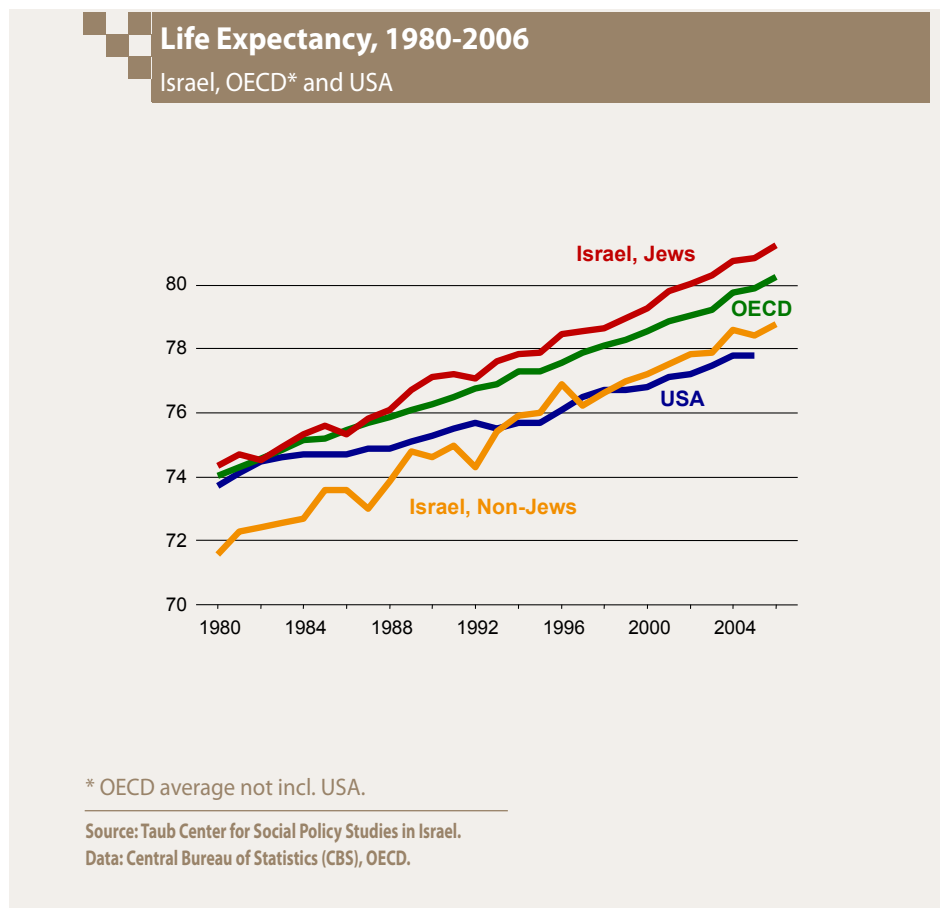
*Over the last two decades, the total amount of support to people with disabilities rose substantially, while the proportion of transfer payments directed to child allowances and unemployment benefits declined.*

#### **Mind the Gap: An Inside Look at Israel's Education System**

(page 6)

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How does life expectancy in Israel compare to life expectancy in other countries? Three decades ago, in 1980, life expectancies for Israeli Jews, for the US, and for OECD countries (commonly considered the group of developed countries) excluding the US were almost identical, at approximately 74 years; life expectancies for Israeli Arabs were lower by over two years (see figure).



Since then, the gains in life expectancy for Israelis have far outpaced those of other countries. Life expectancy in the US grew by four years, and those in the rest of the OECD grew by six years. But for Israelis, both Jews and Arabs, the gain was over seven years. Israelis as a whole now have a longer life expectancy than the non-US OECD countries, and even Israeli Arabs have a noticeably longer life expectancy than Americans.

The second figure provides a country-by-country comparison in 2005 of life expectancy among Israeli Jews and Arabs to life expectancy in OECD countries and in neighboring countries in the Middle East.

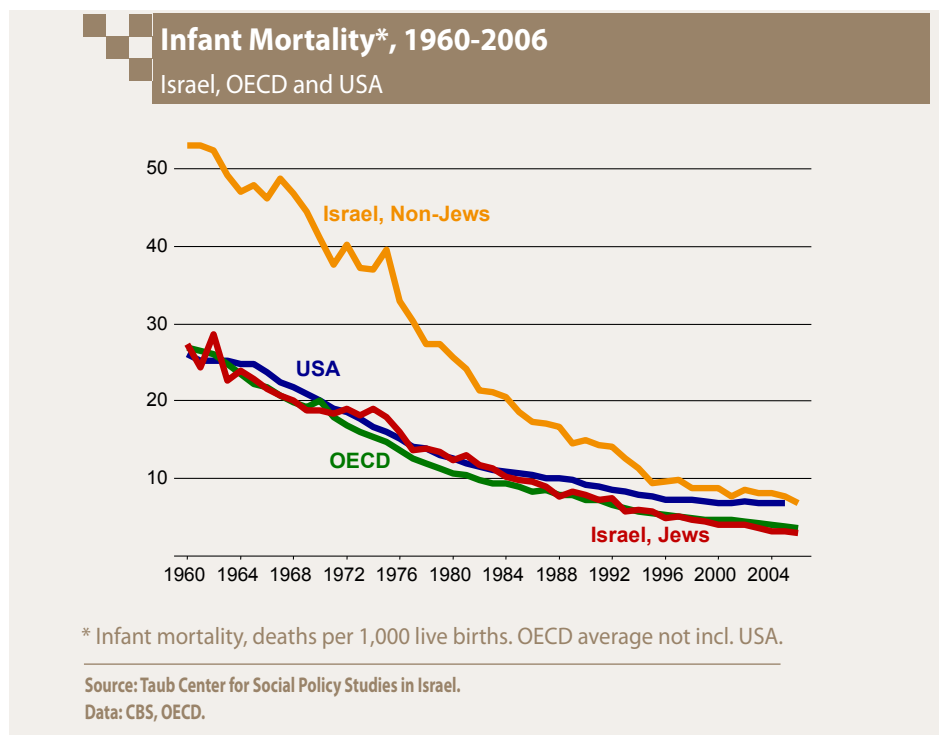
Israeli Jews live longer than the citizens of all but four countries in the world. Despite the substantial increase in life expectancy among Israeli Arabs, and the fact that their life expectancies are already longer than those in the neighboring countries, the US and Denmark, they are still below the OECD average and all other advanced Western countries.

Another very widely used indicator of health outcomes is infant mortality. While life expectancy aggregates information about health outcomes over the entire life cycle, infant mortality focuses on one narrow and acute aspect of health care: the survival of infants



during the first year of life. The third figure reflects a similar story with regard to health outcomes: In 1960 infant mortality rates for Israeli Jews, for the US and for the rest of the OECD were nearly identical; the rates for Israeli Arabs were much higher, approximately double. Since then, all countries show substantial declines in

infant mortality, from over 25 per 1,000 live births to less than 10. But the decline in Israel is greater than that for the US and slightly exceeds that of the rest of the OECD. Israeli Arabs show the greatest decline of all, reaching American infant mortality rates by the middle of this past decade. ■



## Trends in Welfare Benefits and Services

Over the last two decades, the total amount of support to people with disabilities rose substantially, while the proportion of transfer payments directed to child allowances and unemployment benefits declined. In welfare services, a relatively new approach that is gaining strength is the "supportive communities for the elderly."

In the area of welfare benefits and services, 2009 was a year of changing trends alongside the creation of a basis for more substantive changes that may affect the face of welfare services in years to come. These changes are described by John Gal in the Taub Center's *"The State of the Nation Report: Society, Economy and Policy 2009"* and the main findings follow.

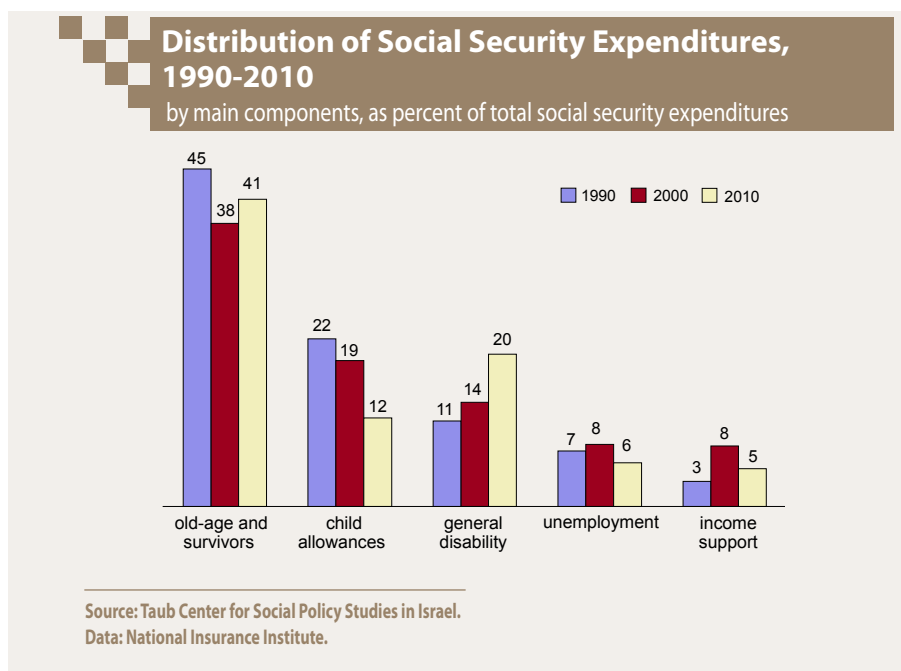
### Welfare Benefits in Israel – The Broad Picture

Alongside gradual, persistent growth in the total amount of transfer payments since 1990, it is possible to discern certain trends. Child allowances, which were cut sharply from the beginning of the decade until 2008, began in 2009 to rise again and are continuing to rise in 2010. Even so, their share of total allowances has been gradually declining since 1990 (see figure). At that

time, child allowances were 20% of total allowances; their share declined to 19% in 2000 and to 13% in 2010.

Expenditures on unemployment insurance grew by more than 20% in 2009 compared with 2008. The increase stemmed from an increase in the number of unemployed due to the economic crisis which began at the end of 2009, as well as an easing of some restrictions on entitlements. In 2010, as Israel emerges from its recession, a near 5% decline is anticipated in this component. Even so, as evidenced in the figure, the share of unemployment in total benefits in the recession year 2010 was only about half what it was in the boom year 2000.

One area which grew substantially in recent decades was general disability. In 2008, general disability



benefits were NIS 2.3 billion (in 2008 prices). In 2010, the total amount of benefits is expected to reach NIS 10.3 billion (in 2008 prices). The share of disability benefits rose from 11% of total benefits in 1990 to 14% in 2000 and 20% in 2010.

Despite these increases, the assistance provided for individuals living below the poverty line by transfer allowance programs is limited. This constraint reduces the government's ability to deal effectively with high levels of income inequality and poverty in Israeli society and it reduces the likelihood of raising families with children above the poverty line.

### **Income Maintenance and the Supreme Court**

The income maintenance program was intended to provide a safety net for those of working age who lack sufficient means for a minimum, dignified standard of living. The program was built around those who seek yet are unable to find paid work. Assistance was conditioned on efforts to enter the labor market. Recipients were required to report to the employment office or employment center at fixed intervals, to investigate employment opportunities, and to make an effort to accept employment opportunities.

With the institution of this program in 1982, a parallel program was established for *Haredi* (ultra-Orthodox) men who study in *kollel* (advanced Torah study academy). This program provides an allowance to *Haredi* men with at least three children and studying on a full-time basis in a recognized *kollel*. A relative low percentage of those studying receive this allowance: of the 63,000 *kollel* students in 2009, some 11,000 were eligible for the program. In 2000, this track was challenged in the Supreme Court on the grounds that it discriminated unfairly in favor of one group of students – *kollel* students – to the disadvantage of other students, particularly college students. The Supreme Court delayed a decision on this petition for ten years, in the hopes that the government would formulate an arrangement that would make a legal resolution unnecessary, but no such arrangement was

reached. In June 2010, the Supreme Court ruled that the arrangement is illegal. The program will be able to continue only if the Knesset legislates a program that sets substantive criteria that justify the preference given to *kollel* students.

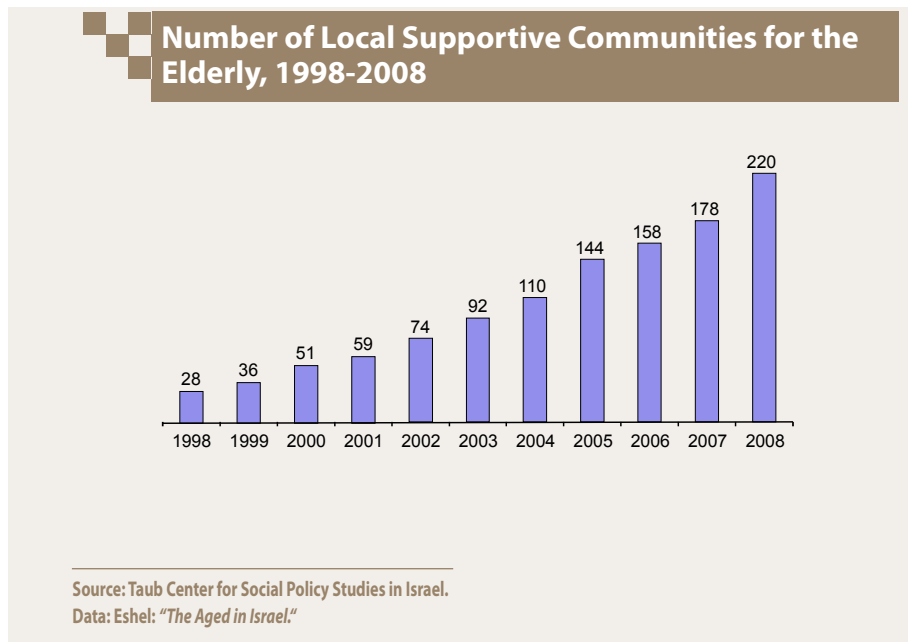
### **Welfare Services**

Welfare services are provided to a wide variety of the weakest populations. Assistance is in the form of programs as well as individual, family and group therapy and supervision and provision of community and institution-based services. These services are provided by municipal welfare departments, the Ministry of Social Affairs and Social Services, as well as through non-government organizations (NGOs and the business sector).

Government expenditure on welfare services has been rising continuously since the beginning of the decade. Judging by the proposed budgets for the next two years, this upward trend is expected to continue.

Services for the elderly are an important component of personal social services with the majority of the budget designated to funding long-term care services for the elderly and for elderly people with disabilities who continue to live in the community. Alongside these services, one of the important developments in the area of welfare services is "supportive communities for the elderly" located in geographic areas with high concentrations of elderly. Individuals are provided with "panic buttons," assistance from a community coordinator, emergency medical services when needed, and participation in social activities.

The communities were developed following an initiative of JDC Israel's "Eshel" organization during the years 1995-1996, and are operated with the aid of the Ministry of Social Affairs and Social Services. The following figure shows that there has been a rapid increase in the number of such communities over the past decade, from only 28 in 1998 to 220 in 2008. While 6,400 households took part in these communities at the beginning of the decade, the number neared 30,000 towards the decade's end.



A policy move that may have major ramifications for the future of welfare services in Israel was the creation of a public commission under the auspices of the Minister of Social Affairs and Social Services, Isaac Herzog, and chaired by Yekutiel Sabah. The recommendations of the reform commission constitute a comprehensive effort to re-examine the existing personal social services system, with all its characteristics, variations and limitations, while defining the outlines of a new policy suited to the coming years. Central to the recommendations is

the preservation of the division of responsibilities and financing between the Ministry and the social services departments; support for a Social Services Law; and increased involvement in dealing with issues of poverty and unemployment in Israeli society. These recommendations are not accompanied by a detailed timetable. However, it is anticipated that their impact will be felt in the coming years, and they will lead to a social service system better suited to the needs of the service users and the abilities of the providers. ■

## Mind the Gap: An Inside Look at Israel's Education System

*Affirmative action policies have managed to reduce resource inequalities between different socioeconomic groups within school sectors, but have been much less successful in reducing inequalities between sectors.*

The Israeli educational system has been undergoing some major transformations. These include demographic changes within the Arab Israeli and *Haredi* (ultra-Orthodox) sectors that have in recent years gone from being a small minority to constituting nearly half of the primary school system today. The evolution of public education in Israel is examined in greater detail in Nachum Blass's chapter "Israel's Education System – A Domestic Perspective,"

in the Taub Center's *State of the Nation Report: Society, Economy and Policy 2009* with some of the main points highlighted here.

### Teacher's Status

It has often been suggested that, as a result of changes in Israeli society and in the relative pay of teachers, the teaching profession is attracting less talented young people than in the past and is suffering from a loss of

prestige in Israeli society. The problem is purported to be most acute in underprivileged areas. A Taub Center study by Blass and Romanov examined these perceptions and discovered that Israelis continue to hold teachers in relatively high esteem and have good reason to do so. Among their findings and those of other supporting studies:

- The pay of teachers across Israel is uniform, with a slight advantage to teachers in the weakest regions.
- The quality of new teachers, as measured by their performance on standardized psychometric tests prior to enrolling in higher education, is higher than that of the veteran teachers.
- In relatively poor communities, the pay and cognitive abilities of teachers are above average for their communities and in many instances are even higher than those of members of other professions with an academic education.
- The Social Survey of the Central Bureau of Statistics shows that on the whole, teachers have a high degree of satisfaction from their work (though a much lower degree of satisfaction from their pay). Over 90% of teachers report that they are satisfied with their work.
- The prestige of teachers as measured by survey data indicates that teaching is a respected profession in all parts of Israel while in the most disadvantaged areas, it is particularly admired.

Though further study is certainly warranted, it would seem that there is no crisis in the status of the teaching profession or in the abilities of new entrants to the teaching profession in Israel.

### **Affirmative Action in Education**

Since the 1960's, the Ministry of Education has made it a priority to reduce educational inequality by adopting "affirmative action" policies to provide additional education resources to disadvantaged pupils. These

extra additions to the budget are meant to provide smaller classes, more class hours and increased teacher hours for the disadvantaged population.

This policy has been effective in reducing gaps in these areas within each education sector, but has contributed little toward lowering inequality between sectors. This outcome is partially due to the Ministry of Education's tendency to focus its attention on the secular and religious Jewish State sectors at the expense of the rapidly growing Arab and *Haredi* school sectors.

The figure on the next page focuses on one of the affirmative action targets: class size. It divides primary school students into groups based on their socioeconomic background: the upper third, middle third, and weakest third. Average class size is indicated for each group. The graph presents the outcomes separately for each sector of the education system: Arab education, Jewish State secular system, State-Religious system, the "Independent" or mainstream *Haredi* system, and the Sephardi *Haredi* "*Ma'ayan HaHinukh HaTorani*" system.

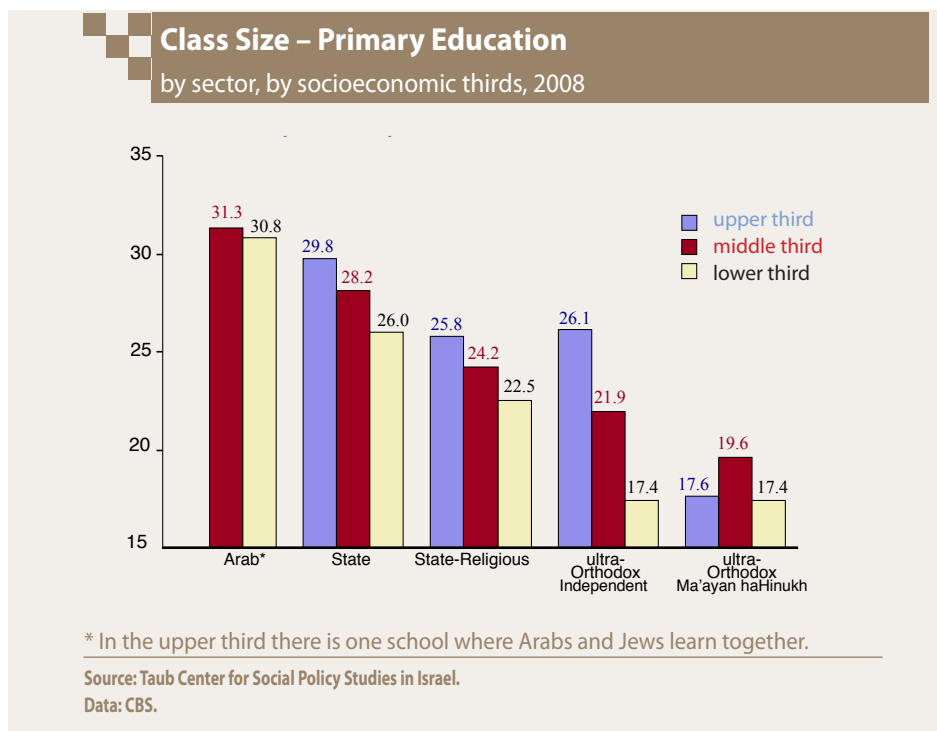
Within each system, the affirmative action program is relatively effective. The upper socioeconomic third in each sector has the largest class size, and the weakest third the lowest class size. The only exceptions are the Sephardi *Haredi* system, the smallest of the five, where the better-off students have smaller classes than those in the middle, though even here the poorest students have the smallest classes. Not enough Arab students from the top socioeconomic third were represented to enable its inclusion in the graph.

While affirmative action policies appear to have an effect within sectors, the figure shows that affirmative action policies have been less effective between sectors. Class size among the least advantaged students in the Arab sector is larger than that of the most advantaged students in the other sectors. Furthermore, the extent of affirmative action within the Arab sector is minimal; the difference in class size between the two thirds is less than one student, whereas in all the other sectors it is at least two students.

Instruction hours show a similar pattern. Each sector provides more hours of instruction to the lower socioeconomic levels, but the total number of hours of instruction between sectors varies widely. The number of hours of instruction given to the most disadvantaged students in the State-Religious system, 2.4, is 50% greater than the number of hours provided to the most disadvantaged students in the Arab sector, 1.6.

These findings were in the primary education system. Similar trends are found in secondary education. One place that affirmative action does not provide an

advantage to poorer students is in measures of teacher quality. Teachers in higher socioeconomic areas tend to have greater seniority and higher levels of education than teachers in schools with disadvantaged students. However, the gap in teacher quality in Israel is smaller than the gap in other countries. Ministry of Education's policies favoring disadvantaged students appear to have had an impact not only in class hours and class size where the disadvantaged students have a clear advantage, but also in teacher quality where the gaps are lessened due to policy. ■



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