



Myers-JDC-Brookdale Institute
The Center for Research on Disabilities and
Special Populations



National Insurance Institute
Research and Planning Administration

Evaluation Study of *Mehalev* – the Israeli Experimental Version of the From Welfare to Work Program: Summary Report

**Findings from a Study Monitoring the Impact of
the Program on Persons Eligible for Income
Support at the Start of the Program (the Stock)
after Fifteen Months of Implementation and
on New Applicants (the Flow) Six Months After
Applying for Income Support
(Report No. 6)**

Research Team
Myers-JDC-Brookdale Institute

Denise Naon
Jack Habib
Assaf Ben-Shoham
Judith King
Noam Fischman
Abraham Wolde-Tsadick
Pnina Neuman

Research Team
National Insurance Institute

Leah Achdut*
Miriam Shmelzer
Gabriela Heilbrun
Alexander Gealia
Tami Eliav
Netanela Barkali

* Senior Fellow at the Van Leer
Jerusalem Institute

The study was commissioned and funded by
the Government of Israel



Published Reports* on the Evaluation of *Mehalev*

- Report No. 1: ***Work Patterns of the Case Managers at the Employment Centers, Difficulties Facing Them, and the Factors that Help Them in their Work – Findings from the First Six Months of Implementation of the Program.*** July 2006. Research teams, Myers-JDC-Brookdale Institute and the National Insurance Institute, Jerusalem.
- Report No. 2: ***Participants Referred to the Program upon Implementation: Employment Status, Receipt of Income Support, Participation in Activities of the Center, and their Evaluation of the Program – Findings for the 6–9-Month Period Following Implementation of the Program,*** February 2007. Research teams, Myers-JDC-Brookdale Institute and the National Insurance Institute, Jerusalem.
- Report No. 3: ***Patterns of Entry into and Exit from the Income-Support System: A Report Comparing the Experimental Areas of the Program with the Control Areas and the Rest of Israel – January 2005–February 2006.*** January 2007. Research teams, Myers-JDC-Brookdale Institute and the National Insurance Institute, Jerusalem.
- Report No. 4: ***Findings from a Study Monitoring the Impact of the From Welfare to Work Program on Persons Eligible at the Start of the Program (the Stock) after the First Fifteen Months of Implementation and on New Applicants (The Flow) Six Months after Submitting Application.*** July 2007. Research teams, Myers-JDC-Brookdale Institute and the National Insurance Institute, Jerusalem. (Hebrew and English)
- Report No. 5: ***Patterns of Cooperation between the Center and the Employers.*** August 2006. Research teams, Myers-JDC-Brookdale Institute and the National Insurance Institute, Jerusalem

***The reports, which are available on www.jdc.org.il/brookdale, are in Hebrew only, with the exception of the summary of Report No. 4, which has been translated into English**

Review of the International Literature on From Welfare to Work Integration to Employment Programs. 2007. Habib, J., Myers-JDC-Brookdale Institute, Jerusalem (Hebrew and English). The Review is available from the Center for Research on Disabilities and Special Populations at the Myers-JDC-Brookdale Institute

Executive Summary

Introduction

The experimental program *Mehalev*, which is the Israeli equivalent of From Welfare to Work and has been implemented in four parts of Israel (Ashkelon, Hadera, Jerusalem and Nazareth) since August 2005, serves recipients of income support who are required to take an employment test. The program is based on legislation stipulating that the implementation of the program is to be monitored by an evaluation study. The evaluation aims to help the government and the Knesset formulate future policy regarding various aspects of the employment test – the means used to establish eligibility for income support. The study findings are intended to provide decision makers with the factual foundation on which to base their decision whether to adopt the program's guiding principle as policy that should be extended to additional areas of the country and, if so, in what format and with which modifications.¹ The study indicates the extent to which the program's objectives have been achieved and, at the same time, notes its inherent risks, thus serving as a source of feedback about the implementation. Its findings provide a foundation for an analysis of the program's cost effectiveness and the basis for designing an administrative database. The findings from the joint study, conducted by the Myers-JDC-Brookdale Institute and the National Insurance Institute (NII), have to date been published in five reports (in Hebrew) on the websites of both institutes.

This report discusses the entire set of issues relating to the program and summarizes various aspects of the research findings. It also includes findings about the impact of the program on participants' employment and wellbeing and their evaluation of the program. As in the earlier reports, the analysis of the findings presents the differences among the various groups of applicants and among the centers implementing the program. The differences among the centers obviously reflect not only the differences in the strategies adopted at each, but also the differences in the characteristics of the population registered at each center.

The report monitors persons receiving income support benefits when the program was launched (the Stock) over a period of fifteen months from the start of the program and presents findings that compare the experimental group with a control group, which makes it possible to appreciate the impact of the program. It also presents findings about the program's impact on new applicants to the centers (the Flow). The number of respondents in the Flow group was relatively small and findings of the analysis of the subgroups should therefore be viewed with caution.

Furthermore, the report devotes considerable space to subjects that were not covered in previous reports and to multivariate analyses that make it possible to assess the net effect of the centers separately from the effect of the demographic, health, and employment characteristics of the program participants.

¹ In the course of implementation of the program, several modifications and allowances have been made for certain groups of participants. Only a few of these changes were implemented during the period that the study was conducted.

Study Design

The study design is quasi-experimental. This type of design allows us to evaluate the impact of the program on the participants' status in various areas of life, since it is based on a monitoring of two groups: an experimental group, comprising a sample of participants in the four areas where the program was tested, and a control group comprising benefit recipients who live in comparable areas to the experimental areas and who have similar characteristics to those of the benefit recipients in the experimental areas.² The similarity between the experimental area and the control area, coupled with the similarity between the individuals in the experimental area and the control area, enabled us to look at the differences between the two groups with regard to various output measures of the program's impact. The impact of the program is calculated using the "difference in the differences" calculation. This works out the difference between the changes that occurred in the experimental group between the two points in time measured in the study (before the start of the program in August 2005 and fifteen months later, in November 2006) and those that occurred in the control group over the same period.

The information was gathered through telephone interviews, conducted in the appropriate language, with the program's participants and with individuals in the control group and from data provided by the program's management and from administrative databases of the National Insurance Institute (NII).

The experimental group and the control group each had two separate categories:

1. The Stock – persons receiving income support immediately before implementation of the program whom the NII required to take an employment test, i.e., those entitled to benefits on the grounds of being "jobseekers" or "earning low wages," who were referred to the program in the experimental areas, or recipients of income support immediately prior to implementation of the program in the control areas. Interviews were conducted with persons in the Stock group at three points in time: At the start of the program, after 7–9 months (experimental group only), and 15–17 months after the start of the program.
2. The Flow – new applicants to the employment centers (or branches of the NII, in the control areas) during the second half of the experimental year, i.e., between early February 2006 and mid-July 2006, who were required to take an employment test. The interviews with the Flow group were conducted at two points in time – when each individual applied for income support and again 6-8 months later.

Main Findings

The report presents findings concerning the impact of the program on four areas of the participants' lives: (1) Change in employment status; (2) Receipt of income support; (3) Family income from work and other sources; and (4) The wellbeing of the children in families referred to

² Due to the difficulty finding a control area comparable with the neighborhoods of east Jerusalem, it was decided to match the control group with the city's Jewish residents only.

the program and their performance in the education system. The report also presents information about the services received by individuals in the experimental group at the employment centers and their assessment of the program. The Stock population is covered extensively in this report, while the Flow group receives less attention. For the convenience of the reader, a box at the start of each chapter presents the main findings, which are then itemized in greater details.

1. Findings about Persons Eligible for Benefits at the Start of the Program (the Stock) after Fifteen Months of Implementation

1.1 Population Characteristics

The population of income support recipients is heterogeneous with regard to its demographic characteristics and the resources and barriers to employment. A large proportion of recipients reported health problems and functioning disorders that impair their ability to work.

- ◆ Two-thirds of the individuals referred to the program are women.
- ◆ Fifty-five percent are aged 45+ and 25% are aged 55+.
- ◆ Forty percent are Arabs and 33% are immigrants who arrived in Israel in or after 1990 (about half of them have arrived since 1996).
- ◆ Seventeen percent are single parents, 31% are married and have children below age 18 (two-thirds of them are Arabs), and 52% are married or single and are childless.
- ◆ Approximately 28% of the applicants have children below age 10 and 15% have children below the age of 5.
- ◆ Approximately 12% of the families referred have a large number of children (four or more); 60% of these are Arabs.
- ◆ With regard to the level of education, the population is extremely heterogeneous – about 30% of the applicants have up to eight years of schooling, while a similar percentage have 13 or more years of education.
- ◆ Some 40% have little or no command of Hebrew.
- ◆ Fifty-two percent of those referred have an employment history of job continuity (at least three months at the same place) or temporary employment during the five years prior to the start of the program. In contrast, 26% have never worked.
- ◆ Seventy-seven percent reported that their physical and/or mental health limit their ability to perform certain types of work and/or restrict the amount of hours they are capable of working, and/or said there are times (lasting days or weeks) when they are unable to work at all. About 50% reported inability in all three respects.
- ◆ Eighteen percent have at least three serious disorders (out of a possible four) in the functioning of their upper and lower limbs.
- ◆ Program participants reported suffering from a plethora of illnesses. The most common problems are neck and back pain (73%), problems with joints and vision (42%), hypertension (35%), pulmonary and respiratory difficulties (31%), and cardiac problems (21%).

- ♦ Mental problems are also common among program participants: 31% of them reported taking regular prescription medication to help them cope with pressure; 10% said they were under regular care of a psychologist or psychiatrist, and 45% were identified by the GHQ questionnaire (which measures the risk of emotional distress) to be at high risk of emotional problems.

1.2 Changes in Employment between August 2005 (Start of the Program) and November 2006

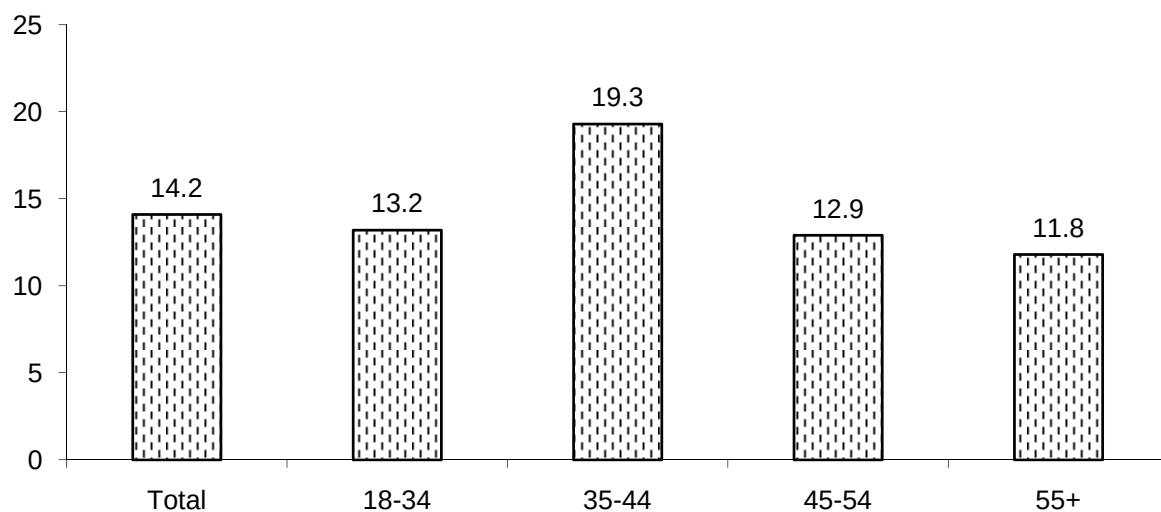
During the first fifteen months of the program, the percentage of employed individuals in the Stock increased and between August 2005 and November 2006, some of those who were already working at the start of the program increased the number of hours in their working week. The program's positive impact on employment status (entry to employment plus increased number of weekly hours among those already employed at the start of the program) is estimated to be 14.2 percentage points. A positive impact was found at all the centers. The greatest impact was on single mothers – 20 percentage points. An analysis by age revealed that the program had the greatest impact on the 35–44-years age cohort – 19.3 percentage points. It also had a considerable impact on the 45–54-years age cohort – 19.3 percentage points – and even on those aged 55–64 – 11.8 percentage points.

- ♦ The increase in the percentage of persons employed fifteen months after the start of implementation is 10.3 percentage points higher in the experimental group than in the control group. In the experimental group, the percentage of employed individuals increased from 24.7% before implementation to 38.8% in November 2006, an increase of 14.1 percentage points, compared with an increase of 3.8 percentage points in the control group during the same period.
- ♦ The percentage of individuals in the experimental group who increased their number of weekly hours is 3.9 percentage points greater than in the control group. The increase among individuals in the experimental population who were employed at the start of the program and who increased the (net) number of hours in November 2006 is 7.5 percentage points compared with 3.6 percentage points in the control group.
- ♦ The program had a positive impact on employment of 14.2 percentage points. Altogether, 21.6% of (net) referrals,³ compared with 7.4% in the control population, reported a positive change in employment status (i.e., had found work or increased the number of weekly hours by at least one hour a week).
- ♦ The percentage of full-time workers increased from 21.3% to 36.2% in the experimental group, while it increased from 11.1% to 21.0% in the control group.

³ This is after deducting individuals who stopped working or reduced the number of hours worked.

- ♦ The program's greatest positive impact on employment status was seen in Ashkelon – 17.3 percentage points. The figure was 14.1 in Nazareth, 13.2 in Hadera, and 11.9 percentage points in west Jerusalem.⁴
- ♦ The force of the program's impact varies from one age cohort to another. In the 35–44-years age cohort, it was 19.3 percentage points; in the 45–54-years age cohort – 12.9 percentage points; in the 55+ group, it was 11.8 percentage points (see Figure ES-1).

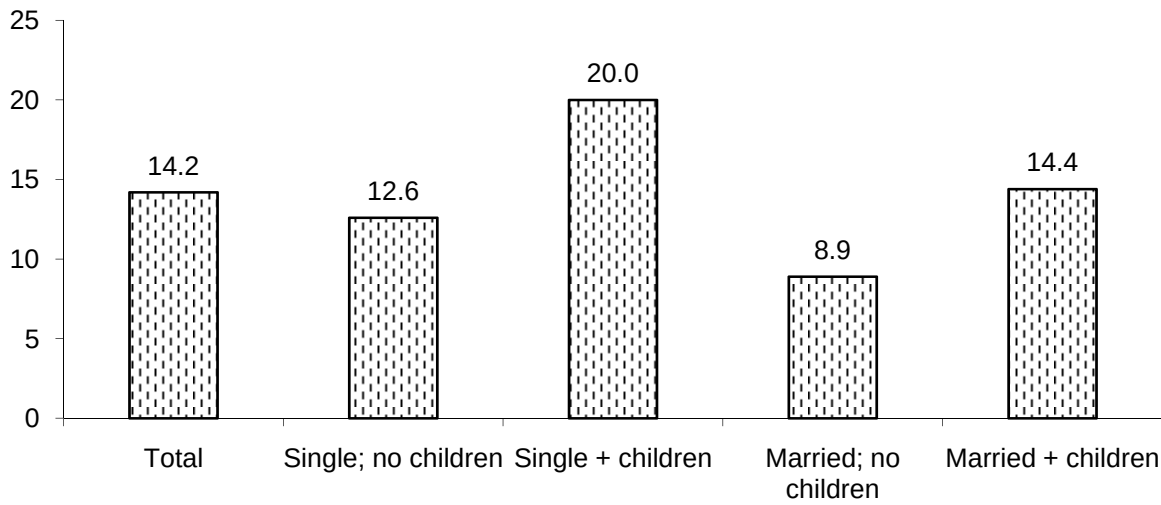
Figure ES-1: Program's Positive Impact on Employment Status of the Stock Group, by Age Cohort (Percentage Points)



- ♦ The program's positive impact on employment status does not differ significantly between men and women (14.7 percentage points, compared with 14.0 percentage points, respectively).
- ♦ The program's positive impact on the employment status of single mothers is 20 percentage points and on married individuals with children, 14.4 percentage points (see Figure ES-2).

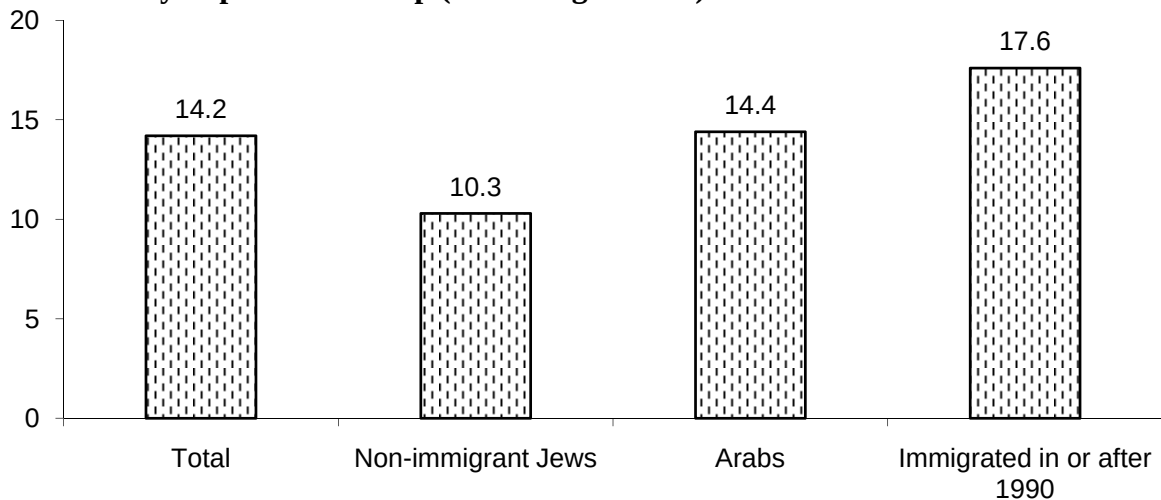
⁴ In analyses based on a comparison with the control group, the experimental population in west Jerusalem does not include Arabic speakers from east Jerusalem, who account for a quarter of all referrals to the program in this area. This is due to the difficulty finding a suitable corresponding control area. The population therefore only includes people from west Jerusalem.

Figure ES-2: Program's Positive Impact on Employment Status of the Stock Group, by Family Status (Percentage Points)



- ♦ The program has had a greater impact on immigrants (17.6 percentage points) and Arabs (14.4 percentage points) than on the non-immigrant Jewish population (10.3 percentage points) (see Figure ES-3).

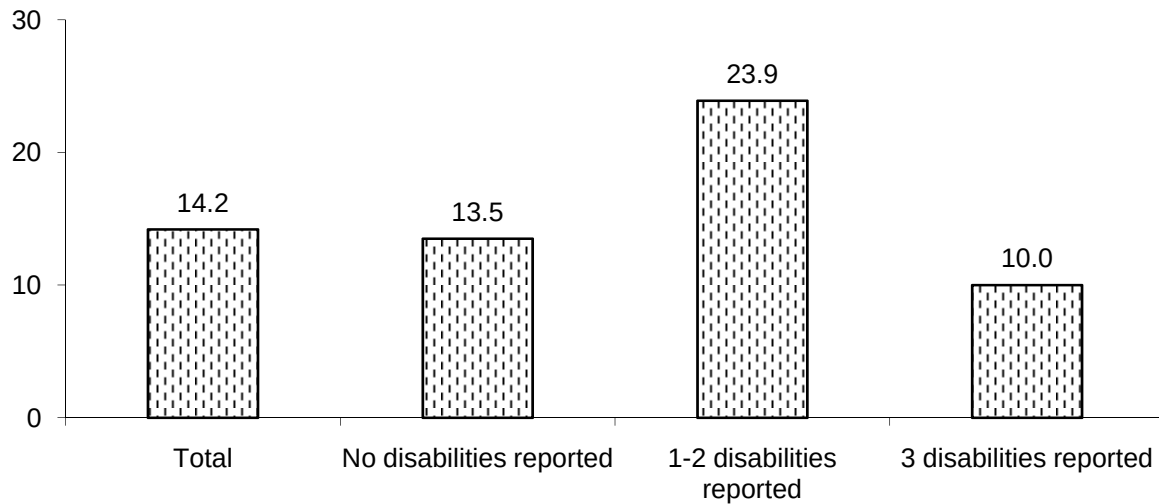
Figure ES-3: Program's Positive Impact on Employment Status of the Stock Group, by Population Group (Percentage Points)



- ♦ The program had less of an impact on individuals with physical or mental disabilities affecting their ability to work. However, it contributed to an improvement in the employment of persons with disabilities as well.
- ♦ The program had the strongest impact on individuals who reported one or two physical disabilities affecting their ability to work – 23.9 percentage points – and the least impact on individuals reporting three such disabilities – 10 percentage points. Among those who did not

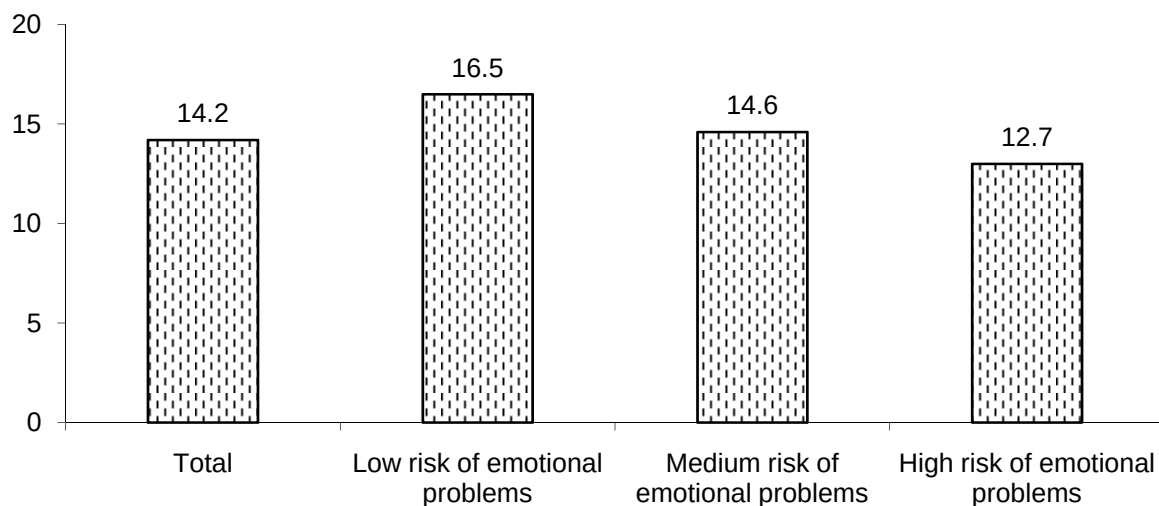
report any disability, the impact was 13.5 percentage points, since there was considerable improvement in the corresponding group in the control group as well (see Figure ES-4).

Figure ES-4: Program's Positive Impact on Employment Status in the Stock Group, by Physical Disability Reports (Percentage Points)



- ♦ The program's impact declines as the likelihood of emotional problems increases. It is estimated at 16.5 percentage points among individuals with a low risk of emotional problems, 14.6 percentage points among individuals with a medium risk, and 12.7 percentage points among high-risk individuals (see Figure ES-5).

Figure ES-5: Program's Positive Impact on the Employment Status of the Stock Group, by Score in Measure of Risk of Emotional Problems (GHQ) (Percentage Points)



1.3 Changes in Average Monthly Wage among Individuals Employed in August 2005 (Start of the Program) and Those Employed in November 2006

The increase in the average monthly wage was significantly higher among employed persons in the experimental group than among their counterparts in the control group. Since no significant difference was found between the groups in the hourly wages of employed persons, the greater increase in the average monthly wage in the experimental group stems mainly from the higher proportion of individuals employed full time in the experimental group and from the fact that the individuals in the experimental group who had part time work worked for more hours than those in the control group. There was no difference between the change in the average monthly wage of full-time employees in the experimental group and that of those in the control group. The difference in the increase of average monthly wages only partially reflects the program's impact, since those who began to work in the experimental group include individuals with a greater number of barriers than those who began to work in the control group and therefore their wage-earning ability is different.

- ◆ No significant difference was found between the hourly wage of employed individuals in the experimental group and that of those in the control group. The average hourly rate of pay was close to the minimum wage.
- ◆ The average monthly wage of employed persons in the experimental group increased by NIS 400 more than it did in the control group. In the experimental group, the average monthly wage rose from NIS 1,745 to NIS 2,479, i.e., an increase of NIS 734. In the control group, it rose from NIS 1,527 to NIS 1,859, an increase of NIS 332.
- ◆ The greater wage increase among employed individuals in the experimental group in comparison with the control group derives from an increase in the number of weekly hours worked in the experimental group.
- ◆ The average monthly wage of part-time employees in the experimental group increased by NIS 358 more than it did in the control group. In the experimental group, the increase was NIS 436, compared with NIS 78 in the control group. As noted, this difference can be attributed to the higher percentage of individuals in the experimental group who increased their number of working hours.

1.4 Other Measures of Quality of Employment among Newly Employed Individuals (Unemployed at the Start of the Program and Employed 15 Months Later)

The distribution of occupations and general satisfaction among those placed in employment is similar among individuals in the experimental group and those in the control group, although the percentage of those with barriers is higher among the newly employed individuals in the experimental group than in the control group.

- ◆ Approximately 75% of the newly employed in the experimental group are employed directly by their place of work and 25% are employed through employment agencies or contractors.
- ◆ Thirty-five percent found unskilled work, mainly cleaning; 33% were employed in sales and services, chiefly as nursing caregivers; 17% found skilled work in construction and industry; 16% are employed in academia, the liberal professions, and technical and clerical work. The distribution of occupations within the experimental and control groups is similar.

- ♦ For a considerable proportion of those placed in jobs, physical difficulties are intrinsic to the work. Some 40% of the employed individuals (over 60% of those reporting restricted limb function) complained that the need to stand for a long time and/or carry heavy loads makes it hard to perform their work.
- ♦ Nevertheless, 65% are satisfied with their work in general, particularly with relationships with their colleagues and their superiors (85%–92%), but less with the possibility of applying their knowledge and skills and the content of the work (59%–66%); only 30% are satisfied with the pay and promotion opportunities. A similar proportion of individuals in the control group are satisfied or very satisfied with their work.

1.5 Changes in Receipt of the Income Support Benefit

In November 2006, fifteen months after the program was launched, the percentage of families in the experimental group who reported they were eligible for the income support benefit was lower than the corresponding percentage in the control group by 27 percentage points. The percentage of families that reported being ineligible for the benefit was 47% in the experimental group and 20% in the control group. Fifty-six percent of the ineligible families in the experimental group reported that they earned income from work; the percentage in the control group was similar (54%). The positive change in the employment status can explain 43% of the decline in the number of families that were ineligible for benefits in the experimental group, which was similar to the percentage in the control population (40%). Among ineligible families, the percentage of those without income from either work or a benefit was similar in both control and experimental groups. However, since a much higher percentage of families in the experimental group were ineligible for income support than in the control group, we found that 13% of all families in the experimental Stock population were ineligible for income support and did not receive income from work or other NII benefits either, compared with 5% in the control group, i.e., a difference of 8 percentage points (see figure ES-6 and ES-7). The group of ineligible persons with no income from work or other benefits is particularly weak in terms of education, work experience, and risk of emotional problems. It also has a much higher concentration of single people, young people, and Arabs.

- ♦ Forty-seven percent of the families in the experimental group that reported they were eligible for income support in August 2005 were no longer eligible in November 2006, compared with 20% in the control population.
- ♦ Individuals referred to the program who did not report to the centers at the start of the program and did not receive benefits (approximately 5% of all referrals) constitute a small percentage of those who were ineligible for the benefit in November 2006.
- ♦ Twenty-six percent of all families in the experimental population that were referred to the program (56% of the families that were not eligible in November 2006) were not entitled to income support but were earning income from work. Eight percent of all the families (16% of the ineligible families) were not eligible for income support and were not earning income from work, but they were receiving a different type of NII benefit (half were receiving a disability pension). In other words, 34% of all families referred to the program (72% of ineligible families) had income either from work or from other types of benefit.

- ◆ Among families ineligible for income support, the percentage of those with no income from work or other benefit is similar in both the control and experimental groups. However, since the percentage of families ineligible for income support is very much higher in the experimental group than it is in the control group, it was found that 13% of all Stock families in the experimental group were ineligible for income support and did not have income from work or from another form of NII benefit, compared with 5% in the control group. In other words, there was a difference of 8 percentage points (see figures ES-6 and ES-7).
- ◆ An extremely low percentage reported income from pension plans from work.
- ◆ We did not carry out an in-depth examination of income from sources other than benefits and work. Some of the families reported they were receiving help from their families in the form of financial support or being allowed to share accommodation. Note that the law does not place responsibility for supporting those who are no longer eligible on their families and we did not examine the implications of providing such help to a family member for the family as a whole.
- ◆ A comparison of the characteristics of eligible and ineligible persons revealed the group of ineligibles to be stronger in many ways than the group of those still eligible. It has fewer people aged 50+ (33% vs. 49%, respectively), fewer people with only up to eight years of education (22% vs. 31%), more people with employment experience in the previous five years (56% vs. 47%), fewer people unable to work due to physical disability (62% vs. 83%) and/or mental problems (29% vs. 47%, respectively), and a lower percentage of individuals with a high risk of emotional problems (36% vs. 52%) (figures ES5 and ES6).
- ◆ The group of persons ineligible for income support in effect comprises two subgroups – those who have income from work or other benefits and those who do not (Figure ES-6).

Figure ES-6: Change in Sources of Income for the Experimental Group Compared with the Control Group within the General Population (Percent)

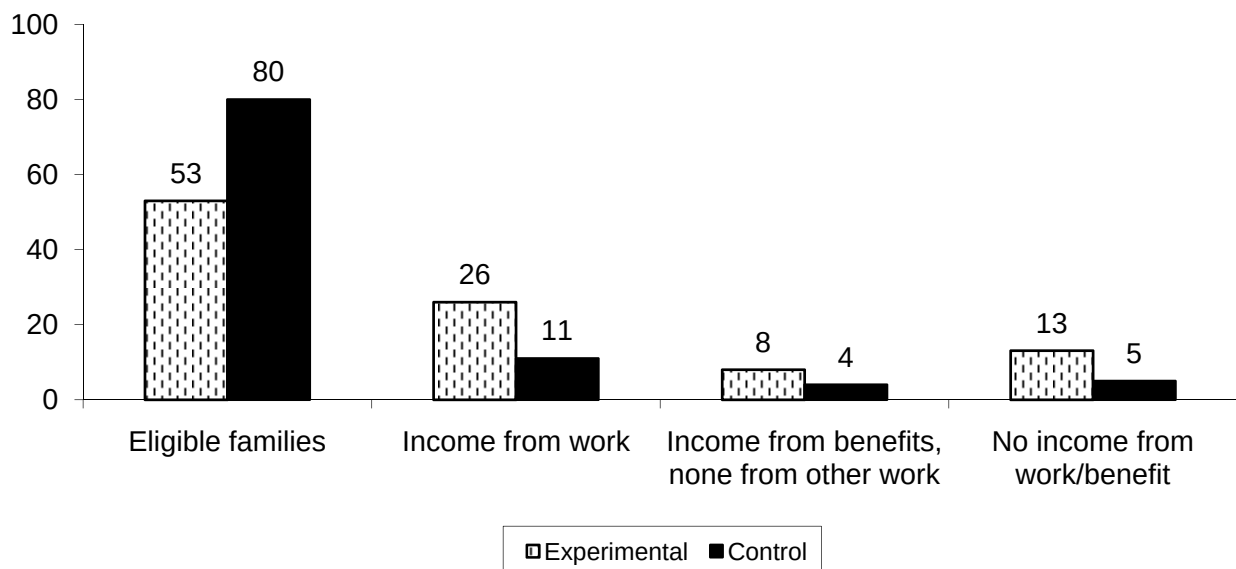
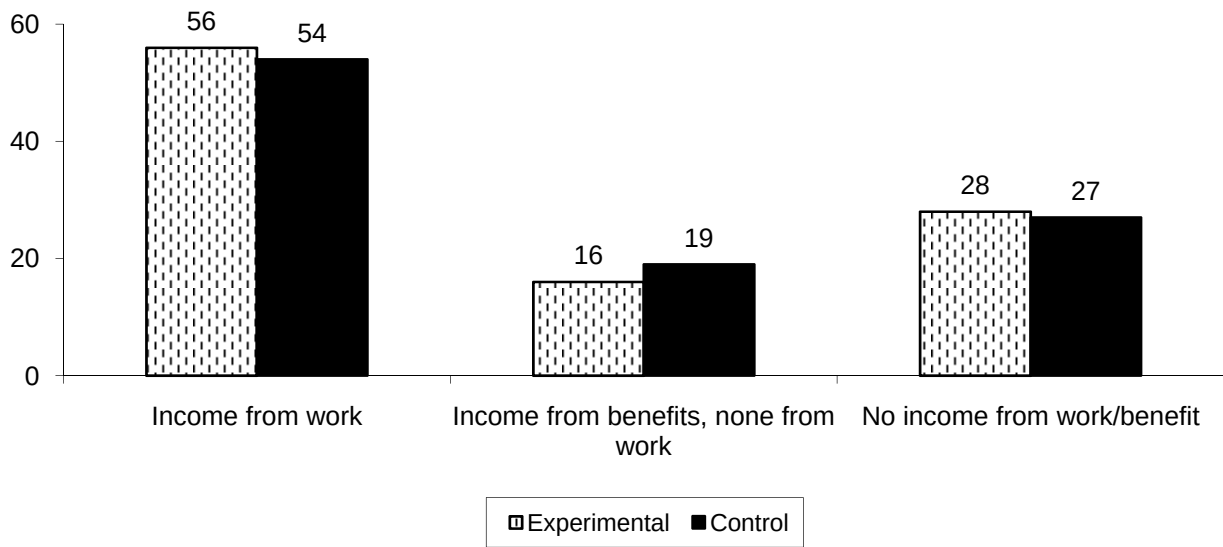


Figure ES-7: Changes in Sources of Income for the Experimental Group Compared with the Control Group among Individuals Ineligible for Income Support (Percent)



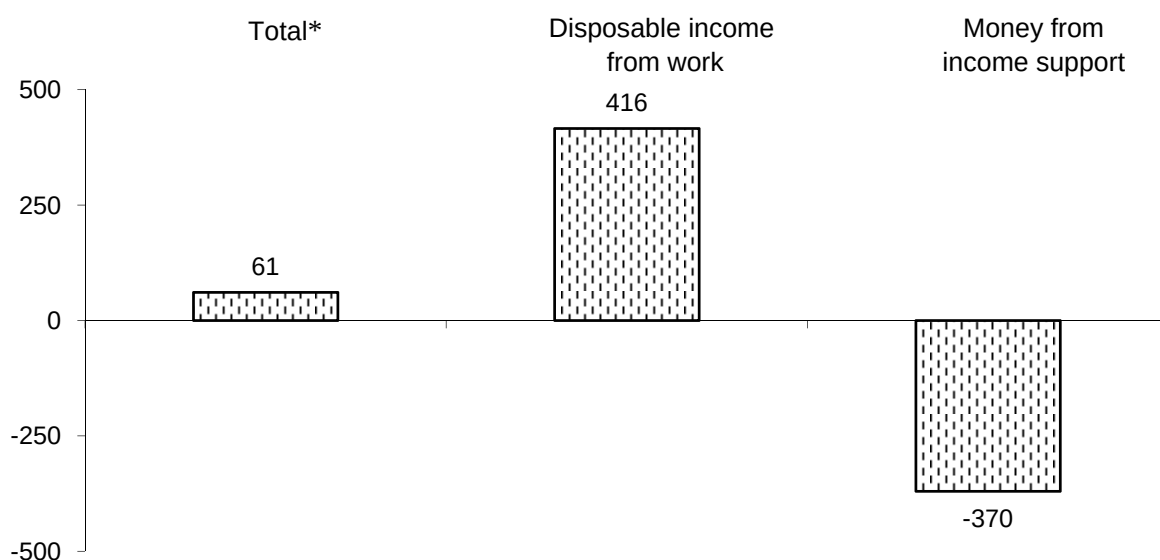
- ♦ The group of persons ineligible for income support in fact comprises two subgroups: those who have income from work or other benefits and those who do not have any income of that kind.
- ♦ The group of ineligible who do not have income from work or other benefits has a higher percentage of single people than does the group of ineligible who do have an income from work or benefits (55% vs. 30%). It also has a higher percentage of younger people aged 18–35 (36% vs. 26%) and Arabs (47% vs. 36%) and a lower percentage of immigrants (16% vs. 30%) and single-parent families (6% vs. 14%). The group of ineligible with no wages or income from benefits is weaker than that of ineligible who do have income from work or other benefits. It has fewer individuals with 12 or more years of education, fewer individuals with work experience, more people with a high risk of emotional problems, and more people with emotional disabilities hindering their ability to work.
- ♦ A comparison between the ineligible without income from work or other benefits and those eligible for income support revealed demographic differences (more singles, young people, and Arabs in the ineligible group) and found they had fewer physical and emotional disabilities. Both the groups are weaker than the group of ineligible who have income from work or other benefits.

1.6 Impact of the Program on Family Income

In examining the impact of the program on family income, we examined the changes that occurred in the main sources of income among the population of income support recipients: income from work, income support and disability pensions, and housing subsidies. Disposable income from work – for those who started working – was calculated after deducting the non-refundable expenses associated with going out to work, such as childcare arrangements and travel expenses. The program was found to have a positive impact on couples' disposable income from work and, as expected, a negative impact on what they received in income support benefits. When we examined overall family income from all the above sources, the program was not found to have an impact on change in income in the general population. A positive impact was, however, found among families where there had been a positive change in the employment status of at least one of the spouses. The program's impact on income from various sources and on total income was found to differ from one center to another.

- ♦ In the experimental population, the average family income from work increased between the start of the program and November 2006 by NIS 415 more than it had in all families in the control group. The couples' average income from work, after deducting the associated expenses, increased from NIS 556 to NIS 1,140 – an increase of NIS 584. The corresponding increase in the control group was from NIS 434 to NIS 603 – i.e., NIS 169 (Figure ES-8).
- ♦ The program had the greatest impact on income from work in Nazareth (NIS 537) and Ashkelon (NIS 464). It had the least impact in Jerusalem and Hadera (NIS 305 and NIS 317, respectively).
- ♦ Family income from income support in the experimental group declined by NIS 370 more than it did in the control group. In the experimental group, there was a decline of NIS 868, compared to NIS 498 in the control group (Figure ES-8).

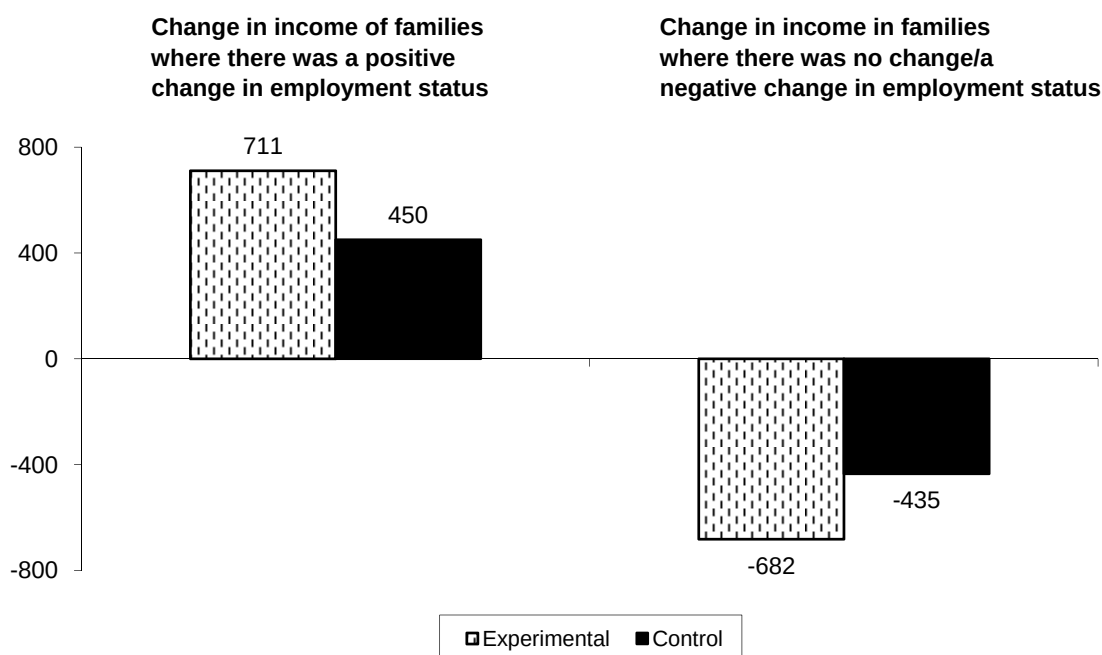
Figure ES-8: Program's Impact on Total Income and Disposable Income from Work and Income Support, Fifteen Months after Start of Program (NIS)



* Including work, income support, disability pension, and rent subsidy

- ♦ The program had the greatest impact on income support in Hadera (a decline of NIS 528) and the least impact in Ashkelon (a decline of NIS 228). Nazareth and Jerusalem were in the middle (a decline of NIS 340 and NIS 404, respectively).
- ♦ A higher percentage of people in the experimental group than in the control group began receiving disability pensions. Five percent of the experimental group began receiving disability pensions. In the control group, there was no such increase; in fact, there was a decline.
- ♦ The program was not found to have an impact on the percentage of persons receiving reductions in their municipal property taxes. In contrast, it was found to have a negative impact on the percentage of persons receiving rent subsidies. In the experimental group, this declined from 12.4% to 7.2%, i.e., a decline of 5 percentage points. In the control group, there was almost no change in the percentage of persons receiving rent subsidies.
- ♦ The program did not affect the total family income from all sources because the increase in income from work was offset by a decline in that from income support (Figure ES-8). Ashkelon was the only place where the program was found to have a positive impact (NIS 296).
- ♦ The total income in families where there had been a positive change in employment status increased in both the experimental and control groups. However, the increase in the experimental group was NIS 261 more than in the control group (Figure ES-9).
- ♦ The total income of families where there was a negative change or no change in employment status declined significantly in the experimental group and the control group; however the decline was greater in the experimental group (Figure ES-9).

Figure ES-9: Change in Income among Stock Families, by Change in Employment Status, Fifteen Months after Start of the Program (NIS)



1.7 Differences in the Program's Impact among the Centers

When controlling for differences in population characteristics and regional characteristics, e.g., the labor market, we found no significant differences from one center to another with regard to the impact on employment status fifteen months after the start of the program among individuals who were unemployed at the start of the program. Nor did we find significant differences among the centers regarding change in the number of weekly hours worked by all individuals referred to the program.

The program's impact on the change in the amount of weekly hours worked by individuals who were employed at the start of the program in Jerusalem was found to be three hours greater than in Hadera, after controlling for differences between areas and population characteristics. No significant differences were found among the other centers.

The program was not found to have a significant impact on income in Hadera and Jerusalem fifteen months after the start of the program, after controlling for differences among the regions and population characteristics. In Ashkelon and Nazareth, the program was found to have a positive impact on income, reflected in an average supplement of NIS 354 and NIS 417, respectively.

1.8 Services Provided by the Centers

The findings indicate that in the first fifteen months of implementation of the program, the centers applied the philosophy of "placement first" rather than "upgrading human capital." Although there was an increase in the percentage of participants who took a vocational and/or academic course, the centers still chiefly provided short activities that focused on soft skills. Looking for work independently and participating in workshops to enhance life skills and job-hunting skills were the main activities of about half of the participants at the centers. The group of people who continued to come to the center after the first seven months, which included people with greater barriers whom the center was unable to place, participated more in occupational testing, vocational training, and academic courses during the second period than they did in the first.

- ♦ During the first fifteen months of implementation of the program, 51% of the participants took part in independent job hunting, 46% in workshops to learn life skills and job-seeking skills, 29% in community service, 31% in academic courses (mostly Hebrew studies), and 22% in vocational courses.
- ♦ Compared with the first 6–9 months (the data were published in Report No. 2), there were increases in the percentage of referrals to community service (from 24% to 29%) and workshops teaching life skills and job-hunting skills (from 40% to 46%). However, by far the greatest increase was in the percentage of participants taking vocational courses (from 13% to 22%) and academic courses (from 20% to 31%). Despite the small numbers, there was a significant increase in the percentage of participants undergoing occupational testing (from 2% to 7%).
- ♦ Twenty-six percent of the participants who attended the centers during both periods reported that they did not participate in any training or studies.
- ♦ Fourteen percent of all the participants reported that they did not participate in any activity other than meetings with the case manager. Approximately 40% of them were working at the time of interview and evidently came to the center only to hand in their wage slip.

1.9 Evaluation of the Program's Contribution by Participants who Remained at the Centers after the First Fifteen Months

The participants who continued going to the centers during the second period retained their low evaluation of the program's contribution to helping them integrate into work. Their evaluation of their case manager was more positive than their evaluation of their center itself. It was, however, lower in all aspects than the evaluation given by participants from the first period. The difference may reflect the fact that the population that had to participate in the program for a long time without finding work felt that the program had contributed less to them.

- ♦ With regard to each of the five measures of the program's contribution to integration at work (e.g., increasing motivation to work, enhancing the effectiveness of job seeking), 7%–11% of all participants in the second period believed that the program had helped strengthen their ability to integrate into work.
- ♦ Twenty percent of the participants in the second period reported that the program had helped them in at least one respect, compared with 25% in the first period.
- ♦ Forty-three percent of the participants in the second period (compared with 63% in the first) felt that the case manager wanted to help them. Twenty-six percent (compared with 40%) reported that he/she had given them job offers; 19% (compared with 29%) reported that he/she had offered them courses that could help them integrate into work.
- ♦ Only about 17% felt that the center "cared about them" to a great or very great extent and fewer than 10% felt that it helped them seek work and provide suitable courses to a great or very great extent. Twenty-eight percent felt that the center "pressured" them to accept unsuitable work.

1.10 Program's Impact on the Children's Wellbeing and Performance in the Education System

The following aspects of the children's wellbeing were examined: performance in school, participation in leisure activities outside of school, parental care and supervision, children's material wellbeing, and non-normative behavior. In most of these, the program was not found to have an impact on the children, but a positive impact was found in several measures of scholastic performance.

- ♦ The program had a positive impact on three measures of children's performance in the education system: the percentage of children failing two or more subjects; the percentage of children with a good or very good grade average; and the percentage of children who regularly did their homework. In contrast, the program had a negative impact on the absence-from-school measure.
- ♦ The program was not found to have an impact on participation in leisure activities, parental care and supervision of the children, children's material wellbeing, and non-normative behavior.

1.11 Special Groups

The continuation of the From Welfare to Work program, Lights to Employment, will develop tailor-made tracks for groups such as college graduates, immigrants, people with disabilities, and long-standing recipients of income support, who have been registered at the centers for over a year without at least one placement. There is a large degree of overlap among these four groups. Additionally, there is a large group of individuals aged 45+ who are being transferred to the care of the employment service but are eligible to remain in the program if they so wish. The program's impact on the employment status of college graduates, immigrants, and those aged 45+ is similar to its impact on the employment status of all the participants in general.

Participants Aged 45+

- ♦ Fifty-six percent of all those referred are aged 45–64.
- ♦ Forty-three percent of those aged 45+ are immigrants.
- ♦ Again, this is a very heterogeneous population with regard to its demographic characteristics and employment resources/barriers. For example, 34% have 13+ years of education and 35% have 0–8 years. Fifty percent have worked at some time during the previous five years while 23% have never worked at all.
- ♦ As expected, a high percentage reported physical and/or mental disabilities; the percentage is higher among those with little education than it is among the educated.
- ♦ The program's impact on the overall positive change in employment status among those aged 45+ was 12.4 percentage points, which is only slightly lower than its impact on all the participants in general (14.2) and younger persons aged 18–34 (13.2).

College Graduates

- ♦ Twelve percent of those referred to the program are college graduates.
- ♦ Seventy-eight percent of them are immigrants.
- ♦ Seventeen percent are single parents.
- ♦ Approximately 50% are aged 55–64.
- ♦ Forty-seven percent reported three disabilities impairing their ability to work, a similar percentage to that found among all persons referred, although the graduates are older.
- ♦ Forty-five percent were working when the program began – double the percentage of all referrals together – and only 10% had never worked, compared with 28% of all referrals as a whole.
- ♦ The program had a very much greater positive impact on the employment status of graduates referred to the program than on all referrals as a whole – 22 percentage points vs. 14.2 percentage points.

Immigrants

- ♦ Immigrants make up 33% of all persons referred to the program.
- ♦ Twenty-eight percent of the immigrants are single mothers.

- ♦ The immigrants are generally older than the other referrals – 68% are aged 45+.
- ♦ The immigrants are better educated: 64% have 13+ years of education (compared with 30% of the referrals in general).
- ♦ Forty-one percent were working at the start of the program (compared with 25% of all referrals) and only 13% (vs. 26%) had never worked.
- ♦ One of the main barriers for immigrants is that they have little or no command of Hebrew (56%).
- ♦ Thirty-seven percent have been receiving income support for five or more years.
- ♦ Nevertheless, the program has had a greater impact on immigrants than on referrals in general – 17.6 percentage points compared with 14.2 percentage points.

Long-standing Recipients of Income Support

- ♦ Among those who have been in the system for a long time, there is a higher proportion of women, Arabs, participants aged 45+, and people with 0–11 years of education than among all referrals in general.
- ♦ The percentage of persons reporting three disabilities impairing their ability to work is very much higher among long-standing recipients of income support than among all referrals in generally – 76% vs. 51%.

2. Findings about the Flow (New Applicants) Six Months after Applying for Income Support Benefits

This section examines the Flow, i.e., the new applicants in the experimental population who applied for the income support benefit during the period between early February and mid-July 2006. We examined their status six months after they submitted their application and compared it to a comparable group in the control areas. The new applicants were found to be a stronger group than those in the Stock with regard to their occupational resources. The program's impact on the new applicants is reflected both in the lower percentage of families that became eligible for income support (49% vs. 69% in the control group) and in the higher percentage of eligible persons who were no longer in the income-support system after six months (60% vs. 46%). The database available to us did not allow for an examination of another aspect of the program's impact, namely its effect on patterns of application to the income-support system. We examined only the new applicants and do not have information about those who would have applied were it not for From Welfare to Work. At the end of the six months, 20% of the participants in the experimental group, compared with 37% in the control group, were eligible for income support. As was found with the Stock, the program was again found to have a positive impact on the employment status and ability to leave the income-support system for those in the Flow group. All applicants who went to a center participated chiefly in independent job seeking and in workshops to acquire job-seeking skills. The percentage of those receiving help with transportation was slightly lower. In general, the patterns of services received were similar to those received by participants in the Stock and were for a similar duration.

2.1 Characteristics of the Flow versus the Stock

- ♦ The new applicants form a stronger group than the Stock. They have a higher proportion of men, young people, people with 12+ years of education, Hebrew speakers, people with computer skills, people who do not have physical disabilities impeding their ability to work, and people who are not at risk of emotional problems. They have more work experience, a higher proportion of them were working when they applied, and a higher percentage of those who were working were employed full time.

2.2 Program's Impact on Employment

- ♦ In the case of the Flow, we report only entries into employment. The report does not include increases in the number of hours worked among those who were working when they applied.
- ♦ The increase in the employment rates among the experimental group was higher after six months by 8 percentage points than the increase among the control group; this finding reflects the impact of the program.
- ♦ The program's impact was similar across the age cohorts, with the exception of the 18–34 age group, on which the program did not have an impact, because there was a similar increase in the percentage of people entering work in both the experimental and control groups. However, the number of respondents on which the analysis by age group was based was small and the findings should therefore be treated with caution.

2.3 Program's Impact on Eligibility for the Income Support Benefit

- ♦ Not all applicants were granted eligibility; in some cases, the application was rejected. The reasons for rejection may have been connected to the NII eligibility criteria, e.g., education, amount of income, car ownership, etc., and/or to failing the employment test, which – in the case of the experimental group – means non-participation in the centers' activities as required. Therefore, the program's impact is reflected both in different percentages in the control and experimental groups of applicants who became eligible and in the change of the percentage of eligible persons over time, i.e., the rate of exit from income support.
- ♦ A lower percentage of families in the experimental groups became eligible after applying: 49% compared with 69% in the control group. This disparity may stem from the decision made by some applicants to forego their application to the center and the difficulty fulfilling the program's demands experienced by other applicants. In addition, note that applicants are required to participate in activities at the center from the moment they submit their application and it is therefore possible that some use the center to find work, succeed in so doing, and are therefore not eligible for income support.
- ♦ Sixty percent of eligible persons in the experimental group, vs. 46% in the control group, had left the income-support system after six months.
- ♦ At the end of six months, 20% of families in the experimental group, vs. 37% in the control group, were eligible for income support.

2.4 Services Provided by the Centers

- ♦ As expected, applicants who became eligible participated in more activities than those who were not found to be eligible, but the latter also participated in activities, particularly in job-seeking workshops and independently seeking work.
- ♦ In general, the percentages of eligible persons who participated in activities are similar to the equivalent percentages among the Stock during the first eight months of program implementation, except that a lower percentage in the Flow was referred to community service and a higher percentage took vocational courses. This corresponds to the modifications to the personal plans element of the program made in 2006.

3. Entries Into and Exits From the Income Support System in the Experimental and Control Areas and Nationwide

Analysis of the NII administrative files concerning those eligible for income support in the experimental area, the control area, and nationwide indicate that there was a considerable decline in the number of benefit recipients in the experimental area compared with a slight decline in the control area and throughout Israel. This indicates that the program had a considerable impact on the amount of benefit recipients. Note that in other parts of the country, there was a moderate, but persistent decline in the number of benefit recipients as from mid-2006.

The total decline in the number of recipients does not derive from any change in the pattern of applications for the benefit; rather, it is largely due to a change in the pattern of exiting the system of income support. The trend of entries in the experimental area shows similar stability to that in the control areas and the rest of Israel. In contrast, there was a considerable increase in the number of exits from the income support system in the experimental area at the start of the program, which diminished greatly over time during the second year of implementation of the program. In the control area and the rest of the country, the quantity of exits was stable until mid-2006, since when there have been signs of a moderate increase in the number of exits from the benefits system.

The number of individuals in the experimental area who received the benefit declined steadily from approximately 18,500 in January 2005 to 8,550 in January 2007, a decline of 54%. In the rest of Israel and in the control area, in contrast, there was a relatively small change in the number of people who had received benefits through the employment test eligibility clause since early 2005. The number of recipients declined from around 122,000 at the start of 2005 to 116,000 in the country as a whole and from 46,000 to approximately 42,500 in the control area, a decline of 5% and 7%, respectively. The decline in the number of benefit recipients slowed down in the second half of 2006 in the experimental area. In the control area and the rest of the country, there was a moderate decline in the number of benefit recipients. The four centers experienced a decline in the number of recipients, the largest of them in Hadera (62%).

Prior to implementation of the program, every month benefits were discontinued for about 5% of those who received them on the basis of the employment test requirement eligibility clause – about one percent were transferred into another category and the remaining 4% ceased to receive any benefit. Since the program has been implemented, the exit rate has stabilized at around 9%–

11%, out of which only 1%–2% have been transferred to other categories. In the final months of 2006, we observed a slight decline in the percentage of those leaving the program (around 8%–9%), which is still higher than it was before the program started. In the rest of Israel and the control area, no real changes were noted in the exit patterns throughout the entire period and the exit rates range from around 3%–5%.

When the program began, there was no significant change in the number and percentage of people who entered the income support system in the experimental area. The percentage of new recipients every month was between 4.5% and 6% of those eligible. Since mid-2006, the percentage of new recipients has risen slightly to 6%–7%. In the control areas and the rest of the country, no real changes were observed in the entry patterns throughout the whole period. The rate of new entries ranges from around 4%–5%.

The findings have been presented to the program management and to the public committee on the program to integrate benefit recipients into the cycle of employment (Yaari Commission) and other forums.

The study was commissioned and funded by the Government of Israel.

Acknowledgments

We would like to thank the members of the From Welfare to Work management who constantly showed great interest in our study and helped us to conduct it.

We express our heartfelt thanks to the directors and staff at the centers for their enormous help with the fieldwork and their readiness to answer our questions at all times.

We are grateful to the thousands of respondents who were kind enough to cooperate with us and take part in two or three repeat interviews and to share with us their experiences at various stages of the program.

Finally, our thanks to our colleagues in the Editing Unit of the Institute: Bilha Allon, who edited the report, Leslie Klineman, who prepared it for publication, and Sue Bubis, who helped with the graphics.

Table of Contents

1. Introduction	1
1.1 From Welfare to Work	1
1.2 Changes in the Program in the Course of Implementation	3
2. Methodology	5
2.1 Study Goals	5
a. Implementation of the Program and the Models at the Centers	5
b. Impact of the Program on Key Areas – Individual Level	5
c. Examination of Changes in the Benefits System	6
d. Examination of the Patterns of Cooperation between Employers and the Employment Centers	6
2.2 Study Design	6
a. Choice of Study Design	6
b. Construction of Experimental Sample	7
c. Construction of Control Group	7
d. Sources of Information and Follow-up Schedule	10
2.3 Study Instruments and Interview Methods	11
2.4 Fieldwork	13
a. Sample of Respondents in Experimental Stock	13
b. Sample Used as Basis of Analyses in this Report	14
c. Analysis Unit	18
d. Check If Non-respondents Produced a Sample Bias at T_0 and between T_0 and T_2	18
2.5 Comparison Between Experimental Group and Control Group and Calculation of Statistical Significance	20
2.6 Testing for Statistical Significance and Sampling Error in Estimates	20
3. Background Characteristics of Individuals Referred to the Program	21
3.1 Demographic Characteristics	21
3.2 Resources and Barriers to Employment: Education and Other Skills	24
3.3 Resources and Barriers to Employment: Employment Experience	26
3.4 Resources and Barriers to Employment: Work Habits and Job-seeking Skills	29
3.5 Barriers to Employment: Physical and Functioning Disabilities	30
3.6 Barriers to Increasing Employment and Entering Employment: Subjective Perception	36
3.7 Need for Help Finding Work: Subjective Perception	37
4. Employment	39
4.1 Employment Status at the Start of the Program and Fifteen Months Later	39
4.2 Changes in Employment Status	40
4.3 Program's Impact on Positive Change in Employment Status between August 2005 and November 2006, among Selected Subgroups	42
4.4 Full/Part-time Employment and Wages	45
a. Full/Part-time	45
b. Wages	48
4.5 Measures of Quality of Employment among the "Newly Employed"	51
a. Employed by Place of Work or by Agency/Contractor	51
b. Social or Other Benefits	51
c. Occupations in which the "Newly Employed" have been Placed and Suitability of the Occupations to their Level of Education	52

d. Adaptation of Job to Participant's Health and Functional Limitations	53
e. Job Satisfaction	53
4.6 Number of Months' Employment during First Fifteen Months	55
4.7 Job-seeking	56
5. Registering for the Program at its Inception and Discontinuation of Participation in Center Activities Fifteen Months After Start of Program	57
5.1 Number of Individuals Who Did/Did Not Report to the Centers	57
5.2 Reasons for Failing to Report	58
5.3 Discontinuation of Participation in the Program Fifteen Months after the Start	59
6. Eligibility for Income Support among Individuals in the Stock Fifteen Months after the Start of the Program	62
6.1 Eligibility Rates	62
6.2 Sources of Income from Work and National Insurance Institute Benefits for Families in the Stock that Were Ineligible for Income Support Fifteen Months After the Start of the Program	63
6.3 Comparison of Characteristics of those Eligible and Not Eligible for Income Support in the Stock Fifteen Months After the Start of the Program	66
7. Impact of the Program on Family Income	71
7.1 Income from Work	71
7.2 Income from Income Support	72
7.3 Income from Disability Pension	73
7.4 Rent Subsidies	74
7.5 Impact of the Program on Total Family Income	75
7.6 Change in Income Linked to Change in Employment Status	76
8. Differences among the Centers	79
8.1 Employment Status After Fifteen Months among Individuals Who Were Not Employed at the Start of the Program	80
8.2 Change, After Fifteen Months, in the Number of Weekly Hours Worked by Individuals Employed at the Start of the Program	82
8.3 Change, After Fifteen Months, in the Number of Weekly Hours among All Individuals Referred to the Program	83
8.4 Family Income Fifteen Months After Start of the Program	85
9. Special Groups	87
9.1 Individuals Aged 45+ Referred to the Program + (Stock) and the Program's Impact on Them	87
a. Demographic Characteristics and Resources/Barriers to Employment at Age 45+	87
b. Impact of Program	90
9.2 College Graduate Participants in From Welfare to Work (Stock) and the Program's Impact on Them	92
a. Demographic Characteristics and Resources/Barriers to Employment	92
b. Impact of Program	94
9.3 Immigrants (as from 1990) Referred to the Program (Stock) and the Program's Impact on Them	94
a. Demographic Characteristics and Resources/Barriers to Employment	94
b. Impact of Program	96

9.4 Long-standing Participants in From Welfare to Work and in the Income Support System	97
a. Demographic Characteristics	97
10. Service Provision at the Center and Evaluation of Program	100
10.1 Receiving Services at the Center	100
10.2 Number of Weekly Hours of Activity at the Center	103
10.3 Support Services – Childcare Arrangements and One-time Assistance	104
10.4 Participants' Evaluation of the Program's Contribution to their Ability to Integrate into Work	105
10.5 Evaluation of Selected Aspects about the Case Managers and Their Performance and about the Center Staff	108
10.6 Application to Social Services (during the First Fifteen Months of Implementation) by Program Participants Not Registered at the Local Social Service Department in the Six Months Prior to the Program	109
11. Children's Wellbeing and Performance in the Education System	112
11.1 Children's Performance in the Education System	113
11.2 Participation of Children and Youth in Leisure Activities Outside of School	114
11.3 Childcare and Supervision	114
11.4 Children' Material Wellbeing	115
11.5 Non-normative Behavior of Children Aged 12–17	116
12. Impact of the Program on New Applicants (Flow)	117
12.1 Type of Impacts on the Flow	117
12.2 Comparison Between Characteristics of Flow and Stock	118
12.3 Program's Impact on Employment	120
12.4 Changes in Eligibility for Income Support	122
12.5 Receiving Services at the Center	122
13. Entry To and Exit From Income Support System (National Insurance Institute Administrative Data) in the Experimental Area, the Control Area, and the Whole of Israel During the First Seventeen Months of Implementation	124
13.1 Database	124
13.2 Findings	124
a. Changes in the Extent of Benefit Recipients	125
b. Changes in the Extent and Rate of Exit from Benefit System	125
c. Changes in the Extent and Rate of Entry into Benefit System	126
13.3 Conclusion	127
Bibliography	141
Appendices	
Appendix I: Comparison of Administrative Data for November	143
Appendix II: Comparison of Results of Significance of Variables on Rates of Change in Employment, Full/Part-time Positions, Positive Change in Employment Status, and Eligibility Rates Fifteen Months After the Start of the Program among Families Referred to the Centers	145
Appendix III: Referred Individuals Who Were Not Working in August 2005, but Found Work and Were Working in November 2006	148

List of Tables

Chapter 2: Methodology

Table 1:	Valid Interviews at Start of Program and Seven Months Later, Entire Sample, by Center	14
Table 2:	Comparison between Referrals to the Program with a Valid Interview and Non-respondents at T ₀ , by Selected Characteristics	18
Table 3:	Comparison between Interviewees Who Remained in Program From T ₀ to T ₂ and Non-respondents at T ₂ , by Selected Characteristics	19

Chapter 3: Background Characteristics of Individuals Referred to the Program

Table 4:	Distribution of Referrals, by Gender and by Center	21
Table 5:	Distribution of Referrals, by Age Cohort, by Center, and in Comparison with the National Population	21
Table 6:	Distribution of Referrals, by Family Status and by Center	22
Table 7:	Distribution of Families, by Type of Family and by Center	22
Table 8:	Distribution of Male and Female Participants, by Family Status	23
Table 9:	Distribution of Referrals, by Population Group	23
Table 10:	Distribution of Referrals, by Type of Family and by Center	23
Table 11:	Distribution of Referrals, by Years of Education and by Center	24
Table 12:	Distribution of Referrals, by Years of Education and Population Group	24
Table 13:	Referrals Identified as Having Potential Learning Difficulties	25
Table 14:	Command of Hebrew, Computer Skills, and Occupation or Profession, by Center	25
Table 15:	Employment History, by Center	26
Table 16:	Employment Status at Start of Program (August 2005), by Center	27
Table 17:	Full/Part Time Position, Agency Paying Wages (Place of Work, Contractor, etc.), and Type of Work – Referrals Employed at Start of Program, by Center	28
Table 18:	Wages of Referrals Employed at Start of Program, by Center	28
Table 19:	Monthly Income of All Families Referred to Program	29
Table 20:	Work Habits and Job-seeking Skills, by Center	30
Table 21:	Number of Self-reported Physical Disabilities Impairing Ability to Work, by Center	31
Table 22:	Number of Self-reported Mental Disabilities Impairing Ability Work, by Center	31
Table 23:	Individuals with Self-reported Physical or Mental Disabilities Impairing Their Ability to Work, by Center	32

Table 24:	Number of Severe Impairments to the Functioning of Upper and Lower Limbs, by Number of Physical Disabilities Impairing Ability to Work	33
Table 25:	Disabilities in Walking and/or Climbing Stairs, by Number of Physical Disabilities Impairing Ability to Work	33
Table 26:	Individuals Reporting Illness and Health Problems Impairing Ability to Work, by Number of Physical Impairments to Work	34
Table 27:	Profusion of Illnesses, by Physical Disabilities Impairing the Ability to Work	34
Table 28:	Physical Pain that is Debilitating to a Great Extent, by Number of Physical Disabilities Impairing Ability to Work	35
Table 29:	Applicants for Disability Pension, by Number of Physical Disabilities Impairing Ability to Work	35
Table 30:	Individuals with Characteristics of Mental Health Symptoms, by Number of Mental Disabilities Impairing Ability to Work	35
Table 31:	Main Reasons for Working Part-time at Start of Program among Referrals in That Situation at That Time, by Type of Family	36
Table 32:	Main Barrier to Integration at Work among Referrals Unemployed at the Start of the Program and Unemployed during the Previous Five Years, by Type of Family	37
Table 33:	Reported Need for Assistance in Order to Integrate at Work among Referrals Unemployed at the Start of the Program, by Type of Assistance and Type of Family	38

Chapter 4: Employment

Table 34:	Labor Market Entries and Exits – Experimental Group and Control Group	39
Table 35:	Impact of the Program on Percentage of Employed Persons in the Stock Fifteen Months after Start of Program, by Center	40
Table 36:	Impact of the Program on Increasing Extent of Part-time Work (Net) by Individuals in the Stock Employed at Start of Program and Fifteen Months Later	41
Table 37:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Center	42
Table 38:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Gender	42
Table 39:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Family Composition	43
Table 40:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Population Group	43
Table 41:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Age Cohort	44

Table 42:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Self-report of Physical and/or Mental Disability Impairing Ability to Work (Type, Number of Hours, Duration of Disability)	44
Table 43:	Positive Impact of the Program on Employment Status (Net) in the Stock Fifteen Months after Start of Program, by Score in Measurement of Risk of Emotional Problems (GHQ)	44
Table 44:	Full-time/Part-time Work among Individuals in the Stock Employed in August 2005	45
Table 45:	Full-time/Part-time Work among Individuals in the Stock who Were Unemployed at Start of Program and Working in November 2006	46
Table 46:	Increase in Extent of Part-time Work and Change in Average Number of Weekly Hours Worked by Individuals in the Stock Who Were Employed in August 2005 and Fifteen Months after Start of Program	46
Table 47:	Full-time/Part-time Work among All Employed Individuals in the Stock Fifteen Months after Start of Program	47
Table 48:	Impact of the Program on the Average Number of Weekly Hours Worked by All Individuals in the Stock Fifteen Months after Start of Program, by Center	48
Table 49:	Impact of the Program on Monthly Wages among All Individuals in the Stock Fifteen Months after Start of Program, by Center	48
Table 50:	Average Hourly Wage of Individuals in the Stock Employed at Start of Program and Those Employed Fifteen Months Later	49
Table 51:	Average Monthly Wage of Individuals in the Stock Employed at Start of Program and Those Employed Fifteen Months Later	49
Table 52:	Average Monthly Wage for Part-time Employment of Individuals in the Stock Employed at Start of Program and Those Employed Fifteen Months Later	50
Table 53:	Average Monthly Wage for Full-time Employment of Individuals in the Stock Employed at Start of Program and Those Employed Fifteen Months Later	50
Table 54:	Agency Paying the Wages of New Employees, by Center	51
Table 55:	Eligibility for Social and Other Benefits among the Newly Employed	52
Table 56:	Occupations in which New Employees in the Experimental Group Were Placed, by Education	52
Table 57:	Occupations in which New Employees in the Control Group Were Placed, by Education	53
Table 58:	Newly Placed Individuals Reporting Physical Difficulties Performing Their Jobs among Those with Three Disabilities Impairing Ability to Work	53
Table 59:	Overall Satisfaction with Current Employment	53
Table 60:	Satisfaction with Employment among Individuals in Experimental Group, by Occupation in which They Were Placed	54

Table 61:	Fear of Losing Job in Coming Year (Sense of Job Insecurity) among Those Placed in Work in the Experimental and Control Groups	54
Table 62:	Impact of the Program on Average Number of Months' Employment among All Participants in the Stock Fifteen Months after Start of Program	55
Table 63:	Average Number of Months' Employment among Individuals in the Stock Who Found Work during the Fifteen Months after Start of Program	55
Table 64:	Job-seekers among the Unemployed at Time of Interview, by Center	56
Table 65:	Main Reason for Not Seeking Work	56

Chapter 5: Registering for the Program at its Inception and Discontinuation of Participation in Center Activities Fifteen Months after Start of Program

Table 66:	Attendance and Non-attendance at Employment Center, by Center	57
Table 67:	General Reasons for Non-attendance at Employment Center, by Center	58
Table 68:	Reasons for Non-attendance at Center Given by Those Reporting Ineligibility for Benefits or Inability to Meet the Requirements of the Center	58
Table 69:	Referrals to Program Who Continued to Attend Employment Center and Those Who Did Not (Self-report), by Center	59
Table 70:	Reasons for Discontinuing Attendance at Employment Center, by Center	60
Table 71:	Reasons for Discontinuing Attendance at Employment Center, by Date of Discontinuation	60
Table 72:	Total Number of Individuals Who Stopped Receiving the Benefit from Choice or through Incapacity, by Reason	61

Chapter 6: Individuals in the Stock Eligible for Income Support Fifteen Months after the Start of the Program

Table 73:	Self-reported Eligibility for Income Support Benefit among Stock Fifteen Months after Start of Program, by Center	62
Table 74:	Sources of Income from Work and from NII Benefits for Participants in the Stock Ineligible for Income Support Benefit Fifteen Months after Start of Program (Self-report), by Center	63
Table 75:	Sources of Income from Work and from NII Benefits for Participants in the Stock Ineligible for Income Support Benefit in November 2006 (Self-report), by Center	65
Table 76:	Self-reported Eligibility for Income Support Benefit of Individuals in the Stock from East Jerusalem Fifteen Months after Start of Program, by Center	66
Table 77:	Characteristics of Individuals Eligible and Ineligible for Income Support in Experimental Stock Group Fifteen Months after Start of Program	67
Table 78:	Characteristics of Individuals Eligible and Ineligible for Income Support in Control Stock Group Fifteen Months after Start of Program	68

Chapter 7: Impact of the Program on Family Income

Table 79:	Couples' Average Income from Work after Deduction of Associated Expenses (Travel and Childcare Arrangements) Fifteen Months after Start of Program among All Families in the Stock, by Center	72
Table 80:	Impact of the Program on Couple's Average Income from Work among All Families in the Stock Fifteen Months after Start of Program, by Center	72
Table 81:	Impact of the Program on Average Income from Income Support Benefits among All Families in the Stock Fifteen Months after Start of Program, by Center	73
Table 82:	Impact of the Program on Average Income from Disability Pension among All Families in the Stock Fifteen Months after Start of Program, by Center	74
Table 83:	Impact of the Program on Monthly Rent Subsidy among All Families in Stock, Fifteen Months after Start of Program	75
Table 84:	Impact of the Program on Average Income from Work, Income Support Benefit, Disability Pension, and Rent Subsidy, after Deduction of Expenses Associated with Going Out to Work among all Families in the Stock Fifteen Months after Start of Program, by Center	76
Table 85:	Change in Average Income from Work, Income Support Benefit, and Disability Pension among Families in the Stock that Had Experienced a Positive Change in their Employment Status Fifteen Months after Start of Program	77
Table 86:	The Change in Average Income from Work, Income Support Benefit, and Disability Pension among Families in the Stock that Had Not Experienced a Positive Change or Experienced a Negative Change in their Employment Status Fifteen Months after Start of Program	77
Table 87:	Families in Stock that Had Increased or Reduced their Available Income by 10% or More Fifteen Months after Start of Program	78

Chapter 8: Differences among the Centers

Table 88:	Logistic Analysis of Employment Status Fifteen Months after Start of Program among Individuals Unemployed at Start of Program in Experimental and Control Groups	81
Table 89:	Linear Model Analysis of Change in the Number of Weekly Hours Fifteen Months after Start of Program among Individuals Employed at Start of Program in Experimental and Control Groups	83
Table 90:	Linear Model Analysis of Change in the Number of Weekly Hours Fifteen Months after Start of Program among All Individuals Referred to Program	84
Table 91:	Linear Model Analysis of Family Income Fifteen Months after Start of Program, Families in Experimental and Control Groups	85

Chapter 9: Special Groups

Table 92:	Referrals Aged 45+, by Gender, Population Group, Age, Education, and Employment Experience Prior to the Program	87
-----------	---	----

Table 93:	Referrals Aged 45+, by Profile	88
Table 94:	Those Working at Start of Program among Individuals Aged 45+, by Age and by Profile	89
Table 95:	Functional Impairments and Impediments to Work among Individuals Aged 45+, by Profile	90
Table 96:	Functional Impairments among Individuals Aged 45+, by Age	90
Table 97:	Positive Impact of Program on Change in Employment Status, by Age Cohort and by Type of Change	91
Table 98:	Impact of Program on Change in Employment among Various Profiles in the Population Aged 45+	91
Table 99:	Impact of Program on Families Leaving the Income Support System	92
Table 100:	All Referrals and College Graduates, by Gender, Family Status, Population Group, and Age	93
Table 101:	All Referrals and College Graduates, by Self-report of Impairments to Ability to Work	93
Table 102:	All Referrals and College Graduates, by Employment History	93
Table 103:	All Referrals and College Graduates, by Length of Time in Income Support System	94
Table 104:	Positive Impact of Program on Change in Employment Status of College Graduates and All Referrals	94
Table 105:	All Referrals and Immigrants, by Gender, Family Status, Age, Education, and Employment History	95
Table 106:	All Referrals and Immigrants, by Command of Hebrew-language Skills	96
Table 107:	All Referrals and Immigrants, by Reported Impairments to Ability to Work	96
Table 108:	All Referrals and Immigrants, by Length of Time in Income Support System	96
Table 109:	Positive Impact of Program on Employment	97
Table 110:	Comparison of Long-standing Recipients of Income Support and All Referrals, by Gender, Population Group, Age, and Education	98
Table 111:	Long-standing Recipients of Income Support by Reported Impairments to Ability to Work	98
Table 112:	Profiles of Long-standing Recipients of Income Support	99
Table 113:	Functioning Impairments among Long-standing Recipients of Income Support, by Profile	99

Chapter 10: Service Provision at the Center and Evaluation of Program

Table 114:	Participation in Center Activities over a Fifteen-month Period by Program Participants in the Stock Who Visited the Center at Any Time during the Fifteen Months	101
------------	--	-----

Table 115:	Participation in Center Activities by Program Participants in the Stock Who Visited the Center during Both Periods	102
Table 116:	Participants in the Stock Who Visited the Center during Both Periods and Did Not Participate in Activities	102
Table 117:	Participants by Weekly Hours' Participation in Workshops, Courses, Lectures, and Community Service in Month Preceding Interview, by Center	103
Table 118:	Reasons for Reducing the Number of Hours of Occupational Activity, by Center	104
Table 119:	Help with Childcare Arrangements Provided by Centers for Mothers with Children up to Age 10 during Activity Hours at the Center during Both Periods	104
Table 120:	Help with Childcare Arrangements Provided by Centers for Newly-employed Mothers with Children up to Age 10 who Attended the Center during the Second Period and Had Worked for at Least One Week Since February 1, 2006	105
Table 121:	Participants in the Stock who Considered that the Program had Contributed to their Ability to Integrate at Work, by Center, and by Date of Interview	106
Table 122:	Participants in the Stock who Participated during Both Periods and Changed/Did Not Change their Assessment of the Program, by Area of Contribution and by Positive/Negative Change	107
Table 123:	Comparison of the Assessment of the Contribution of Community Service by Participants Who Took Part in that Activity during the Second Period and Those Who Took Part during the First Period	107
Table 124:	Positive Responses about Attitude and Performance of Case Manager, by Center. Comparison between Populations Participating in First and Second Periods	108
Table 125:	Positive Responses about Professionalism and Attitudes at the Center, by Center	108
Table 126:	Applicants to the Employment Office during Various Periods among Program Participants	110
Table 127:	Reasons Given by New Applicants for Application to the Social Services Department during the Fifteen Months, by Self-report	110
Table 128:	Applicants by Number of Reasons for Application to the Social Services Department during the Fifteen Months	111
Table 129:	Reasons for Application to the Social Services Department after First Seven Months of Implementation and Percentage of Applicants Receiving Full or Partial Assistance, by Self-report	111
Chapter 11: Children's Wellbeing and Performance in the Education System		
Table 130:	Impact of the Program on the Scholastic Performance and Achievements of Children of Participants in the Stock, Fifteen Months after Start of Program	113

Table 131:	Impact of the Program on Participation in Leisure-time Activities of Children Aged 6+ of Participants in the Stock, Fifteen Months after Start of Program	114
Table 132:	Impact of the Program on Parental Supervision and Care among the Stock, Fifteen Months after Start of Program	115
Table 133:	Impact of the Program on Material Wellbeing of Children of Participants in the Stock, Fifteen Months after Start of Program, by Age	115
Table 134:	Impact of the Program on Non-normative Behavior among Children of Participants in the Stock, Fifteen Months after Start of Program	116

Chapter 12: Impact of the Program on New Applicants (Flow)

Table 135:	Demographic Characteristics of the Flow at Time of Application Compared with the Stock in August 2005, Experimental Group	118
Table 136:	Resources and Barriers to Employment in the Flow at Time of Application Compared with the Stock in August 2005, Experimental Group	119
Table 137:	Employment Status of the Flow at Time of Application Compared with the Stock in August 2005, Experimental Group	119
Table 138:	Impact of the Program on Employment Rates among New Applicants Six Months after Submitting Application	121
Table 139:	Selected Characteristics of Applicants in the Flow, by Age	121
Table 140:	Families Reporting Receipt of Income Support Benefit Six Months after Submitting Application among Applicants in the Experimental Group Who Were Paired with Applicants in the Control Group	122
Table 141:	Various Services Received by Applicants Who Attended Center More Than Once	123

Chapter 13: Entry To and Exit From Income Support System (National Insurance Institute Administrative Data) in the Experimental Area, the Control Area, and the Whole of Israel during the First Seventeen Months of Implementation

Table 142:	Benefit Recipients Obligated to Take Employed Test in Experimental Areas Before and After Opening of Employment Centers, January 2005–January 2007	134
Table 143:	Benefit Recipients Obligated to Take Employed Test at the Ashkelon Center Before and After Opening of Employment Centers, January 2005–January 2007	135
Table 144:	Benefit Recipients Obligated to Take Employed Test at the Jerusalem Center Before and After Opening of Employment Centers, January 2005–January 2007	136
Table 145:	Benefit Recipients Obligated to Take Employed Test at the Hadera Center Before and After Opening of Employment Centers, January 2005–January 2007	137

Table 146:	Benefit Recipients Obligated to Take Employed Test at the Nazareth Center Before and After Opening of Employment Centers, January 2005–January 2007	138
Table 147:	Benefit Recipients Obligated to Take Employed Test in the Rest of the Country Before and after Opening of Employment Centers, January 2005–January 2007	139
Table 148:	Benefit Recipients Obligated to Take Employed Test in the Control Areas Before and After Opening of Employment Centers, January 2005–January 2007	140

List of Tables in Appendices

Appendix I: Comparison of Administrative Data for November

Table I-1:	Individuals Working at Start of Program (August 2005) and Fifteen Months Later (November 2006) among Those Eligible in July 2005 – Program Administrative Data	143
Table I-2:	Individuals Working at Start of Program (August 2005) and Fifteen Months Later (November 2006) among Those Eligible in July 2005 – Evaluation Study Data	143

Appendix II: Comparison of Results of Significance of Variables on Rates of Change in Employment, Full/Part-time Positions, Positive Change in Employment Status, and Eligibility Rates Fifteen Months after the Start of the Program among Families Referred to the Centers

Table II-1:	Impact of the Program on the Percentage of Employed Persons in the Stock Fifteen Months after Start of Program, by Center	145
Table II-2:	Impact of the Program on the Change in the Percentage of Employed Persons in the Stock Fifteen Months after Start of Program, by Center	145
Table II-3:	Impact of the Program on the Percentage of Employed Persons in the Stock Who Increased the Amount of Hours Worked	146
Table II-4:	Impact of the Program on the Employment Status in the Stock Fifteen Months after Start of Program, by Center	146
Table II-5:	Impact of the Program on the Percentage of Eligible Individuals Fifteen Months after Start of Program, by Center	147

List of Figures

Executive Summary

Figure ES-1:	Program's Positive Impact on Employment Status of the Stock Group, by Age Cohort	v
Figure ES-2:	Program's Positive Impact on Employment Status of the Stock Group, by Family Status	v

Figure ES-3:	Program's Positive Impact on Employment Status of the Stock Group, by Population Group	vi
Figure ES-4:	Program's Positive Impact on Employment Status in the Stock Group, by Physical Disability Reports	vi
Figure ES-5:	Program's Positive Impact on the Employment Status of the Stock Group, by Score in Measure of Risk of Emotional Problems (GHQ)	vii
Figure ES-6:	Change in Sources of Income for the Experimental Group Compared with the Control Group within the General Population	ix
Figure ES-7:	Changes in Sources of Income for the Experimental Group Compared with the Control Group among Individuals Ineligible for Income Support	x
Figure ES-8:	Program's Impact on Total Income and Disposable Income from Work and Income Support, Fifteen Months after Start of Program	xi
Figure ES-9:	Change in Income among Stock Families, by Change in Employment Status, Fifteen Months after Start of the Program	xii

Chapter 2: Methodology

Figure 1:	Persons Sampled and Interviewed at T ₀ and T ₂ among All Eligibles in July 2005 who Were Obligated to Participate in the Program	15
Figure 2:	Persons Sampled and Interviewed at T ₀ and T ₂ in Experimental Group with Corresponding Control Group	16
Figure 3:	Persons Sampled and Interviewed among New Applicants (the Flow)	17

Chapter 13: Entry To and Exit From Income Support System (National Insurance Institute Administrative Data) in the Experimental Area, the Control Area, and the Whole of Israel During the First Seventeen Months of Implementation

Figure 4:	Number of Benefit Recipients in the Project Areas, Control Areas, and the Rest of the Country, from January 2005 to January 2007 (Baseline: January 2005)	128
Figure 5:	Number of Benefit Recipients in the Project Areas, by Center, from January 2005 to January 2007 (Baseline: January 2005)	128
Figure 6:	Monthly Rate of Exit from the From Welfare to Work Program among Total Benefits Recipients during Previous Month, in Project Areas, by Reason for Exit, February 2005 to January 2007	129
Figure 7:	Monthly Number of Exits from Income Support System (Payment Discontinued) in Project Areas, Control Areas, and Rest of Country, February 2005 to January 2007 (As a Percentage of the Baseline: January 2005)	129
Figure 8:	Monthly Rate of Exits from the Income Support System (Payment Discontinued) Out of Total Recipients in Previous Month, in Project Areas, Control Areas, and Rest of Country, February 2005 to January 2007	130

Figure 9:	Monthly Number of Exits from Income Support System in Project Areas, by Center, February 2005 to January 2007 (As a Percentage of the Baseline: February 2005)	130
Figure 10:	Monthly Rate of Exits from the Income Support System Out of Total Benefit Recipients in Previous Month, in Project Areas, by Center, February 2005 to January 2007	131
Figure 11:	Monthly Rate of Entry into the From Welfare to Employment Program among Total Benefit Recipients in Previous Month, in Project Areas, by Reason for Entry, February 2005 to January 2007	131
Figure 12:	Monthly Number of New Recipients of Income Support in the Project Areas, Control Areas, and Rest of Country, February 2005 to January 2007 (As a Percentage of the Baseline: February 2005)	
Figure 13:	Monthly Rate of New Recipients of Income Support among Total Eligibles in Previous Month in Project Areas, Control Areas, and Rest of Country, February 2005 to January 2007	132
Figure 14:	Number of New Recipients of Income Support in Project Areas, by Center, February 2005 to January 2007 (As a Percentage of the Baseline: February 2005)	132
Figure 15:	Monthly Rate of New Recipients of Income Support among Total Benefit Recipients in Previous Month in Project Areas, by Center, February 2005 to January 2007.	133