

MJB Data Snapshot: Poverty in Israel (March 2017)

Source: All information in this document comes from the *2015 Annual Report on Poverty and Social Gaps* of the National Insurance Institute of Israel (Social Security Administration), Research and Planning Administration.

Rates of Poverty

In 2015, 19.1% of families, or 460,800 families, lived in poverty. 21.7% of people, or 1.71 million people, lived in poverty. Of these, 30% of all children, or 764,000, lived in poverty.

The rate of families living in poverty rose somewhat, while the rates of people and of children living in poverty declined compared with 2014.

A decrease in poverty rates has occurred among ultra-Orthodox families, those with large numbers of children, single-parent families, and the elderly.

Table 1: Trends in Poverty by Disposable Income among Families, People, and Children, Rate and Absolute Numbers

	2004	2014	2015
Rate			
Families	20.3%	18.8%	19.1%
People	23.6%	22.0%	21.7%
Children	33.2%	31.0%	30.0%
Numbers			
Families	394,000	444,900	460,800
People	1,534,000	1,709,300	1,712,900
Children	714,000	776,500	764,200

International Perspective

The poverty rate among both families and children is the highest among developed countries.

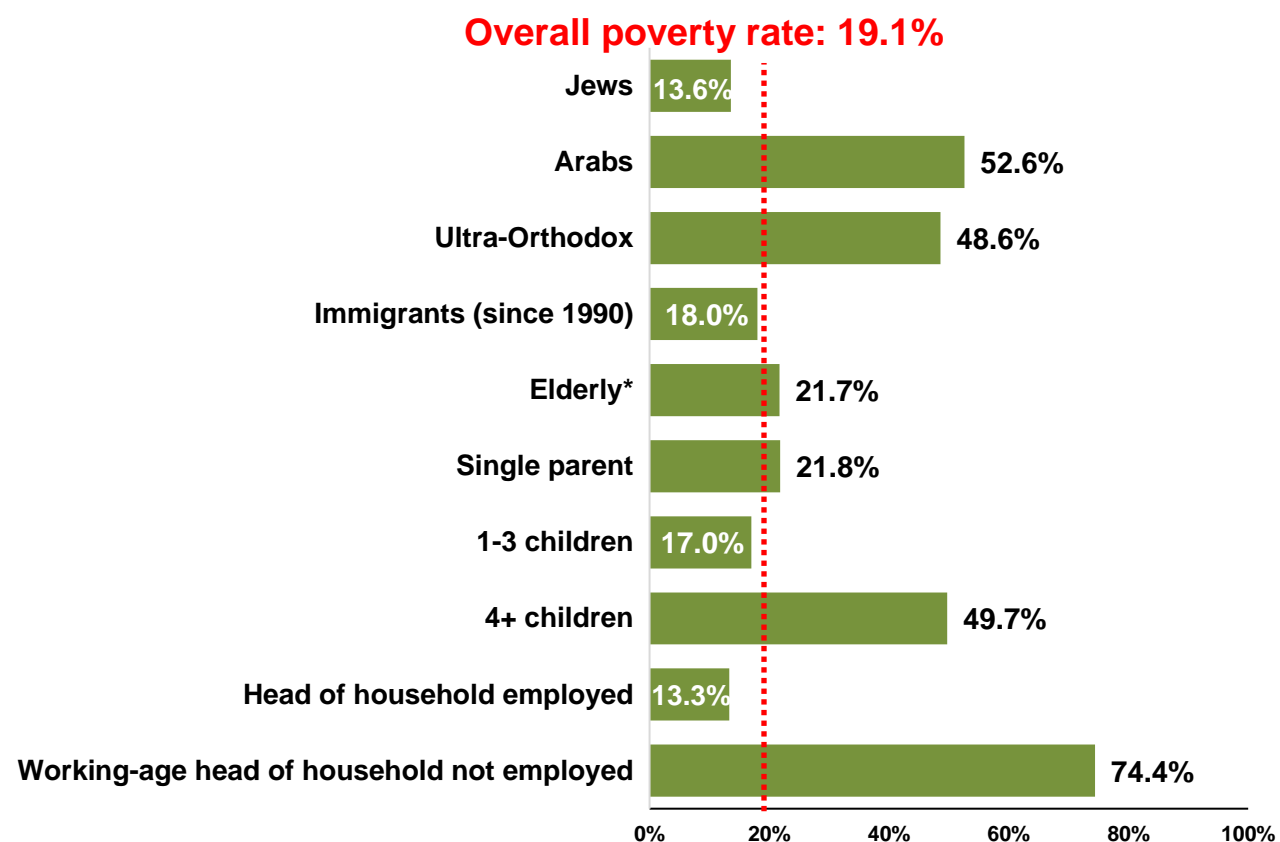
The Poverty Line

In Israel, the poverty line is defined as 50% of the disposable median income (including transfer payments and after deduction of taxes), adjusted to family size.

In 2015, the monthly poverty line for a couple was 5,053 NIS or US\$1,247 (2015 exchange rate was 1 NIS = US\$0.2467). For a couple with two children, the monthly poverty line was 8,086 NIS or US\$1,995.

Poverty Rates by Family Type

The Rate of Families Living in Poverty, by Family Type, 2015



* Age 60+ for women and age 65+ for men

Of note:

- Poverty rates are highest among families with a working-age head of household who is not employed, Arab families, ultra-Orthodox families and families with 4 or more children – all much higher than the national average. The high rates of poverty among Arab and ultra-Orthodox families are related to the large family sizes, lower rates of employment, and lower wages among those employed.
- Poverty is much lower among families with an employed head of household. However, it is still significant.

The Representation of Subgroups within the Poor Population

Although all major population groups are significantly represented among the poor, some groups are overrepresented – meaning that their percentage of all poor families is higher than their percentage of the overall population.

Table 2 indicates the representation of different subgroups within the poor population. The level of representation of each group is determined both by their rate of poverty and the percentage of the group in the overall population.

Table 2: The Representation of Subgroups within the Poor Population in Comparison to their Representation among the Overall Population, 2015

Population Group	% of all families	% of all poor families	# of poor families
Jews	87%	62%	287,700
Arabs	13%	38%	173,000
Ultra-Orthodox	5%	11%	53,200
Immigrants (since 1990)	20%	18%	84,100
Elderly*	23%	26%	118,900
Single parent	5%	6%	27,700
1-3 children	38%	34%	154,400
4+ children	7%	19%	85,900
Head of household employed	80%	56%	256,100
Working-age head of household not employed	5%	20%	92,500

* Age 60+ for women and age 65+ for men

Of note:

- Families with a working-age head of household who is not employed, Arab families, ultra-Orthodox families, and families with 4 or more children are all overrepresented among the population living in poverty.



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