

The Allocation of the Welfare Ministry's Budget and Social Worker Positions to Social Services Departments in the Arab Local Authorities – A Summary

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Introduction

This paper focuses on the issue of budgeting the social services departments in the local authorities. It compares the distribution of the Welfare Ministry budget to the social services departments in the Arab local authorities with the distribution of the same resources to the Jewish and mixed local authorities. The paper has two main goals:

First, to examine the state of equality or inequality in the distribution of the Welfare Ministry's budget to the social services departments of Arab local authorities as compared with local authorities in the rest of Israel. Second, to locate, define and map the principal barriers to equality between the Arab local authorities and the local authorities in the rest of Israel regarding the allocation of social worker positions for social services departments and formulate recommendations for removing them.

This paper is based upon data on the Welfare Ministry's budget for the local authorities and the allocation data of the quota of social workers for December 2009, which we received from the Welfare Ministry as part of the Freedom of Information Law. We also used research data from the Welfare Ministry that was published in February 2011 entitled: "A Survey of Social Services for 2009" as well as data from the Central Bureau of Statistics and the National Insurance Institute.

Since the population of the Arab local authorities is characterized by a low socioeconomic level, it has a high potential for needing social services. It follows that the Arab local authorities require more welfare spending as compared with the other local authorities, even as its potential sources of income are far smaller. In this state of affairs, many of the Arab local authorities are in financial difficulty, and when they try to provide social services to citizens, they encounter many financial limitations that often prevent them from implementing programs and using earmarked budgets.

The Arab Local Authorities' Portion of the Welfare Ministry's Budget for Social-Services Departments (December 2009 data)

This chapter examines the degree of equality in the distribution of the Welfare Ministry's social services budget among Arab local authorities and local authorities in the rest of Israel. In order to accomplish this, we used the Welfare Ministry's published needs assessment evaluation of the various fields in which the ministry works and by population group. Based on this, we estimated the percentage of residents of Arab local authorities out of the overall population of people requiring assistance in areas serviced by the ministry (see Table 1).

Table 1: The proportion of people requiring social services in the Arab local authorities out of the general population of people requiring social services in areas serviced by the ministry

Area of Service	Local Authorities Total	Arab local authorities	Percentage
Physical handicaps	89,700	26,800	29.9
Blindness	21,333	4,800	22.5
Mental disabilities	34,274	7,985	23.3
Children at risk	330,100	87,200	26.4
Elderly	257,900	20,987	8.1
Drug addiction	14,457	2,600	18.0
Alcoholism	7,781	2,022	26.0
Total	755,545	152,394	20.2

Source: Estimate according to the data published in "A Survey of Social Services for 2009," Welfare Ministry, 2011.

In the next stage, we compared the percentage of residents of Arab local authorities of the general population of people in need, noting the percentage of the budget that the former received, according to the various areas of assistance. **As a rule, when distribution is equal, it is to be expected that the Arab local authorities will have a share equal or similar to that of their share of the general population of those in need of social services.** For example, if the residents of the Arab local authorities comprise 28 percent of the general population of disabled people in Israel, it would be expected that 28 percent of the rehabilitation department's budget would be allocated to them (see Table 2 below).

Table 2: The share of the Arab Local authorities of all those requiring social services and of the budget allocated to social services according to areas of activity in 2009

Area of Assistance	% Arabs of all those requiring social services	Total spending (millions of shekels)	Spending for Arab local authorities (millions of shekels)	Percent of total spending
Rehabilitation Department	28.8%	451.6	43.0	9.5%
Department for Treatment of People with Mental Disabilities	20.1%	1,310.1	122.7	9.4%
Department of Social and Community Services		1,928.3	223.7	16.6%
Individual and family welfare services	14.4%	113.4	16.4	14.4%
Services for children and youth	26.0%	960.7	121.1	12.6%
Daycare centers	22.0%	211.9	40.0	19.0%
Out-of-home treatment centers		570.3	46.1	8.1%
Community centers and programs		178.3	34.8	19.5%
Services for the elderly	8.1%	273.3	14.1	5.2%
Department for children and youth and corrective services		86.0	10.8	12.6%
Testing services for children and youth		1.1	0.2	18.2%
Center for treatment of drug addiction	17.9%	10.3	0.4	4.0%
Center for treatment of alcohol addiction	25.9%	13.4	2.2	16.0%
Children and youth disconnected from society	20.0		1.4	15.0%
Young girls and teenage girls in distress	22.0	21.6	1.6	7.8%
Youth rehabilitation	19.2%	21.9	4.4	20.0
Total budget of social-service departments	20%	3,790.9	401.7	10.6%

Table 2 demonstrates that in each of the areas examined, the share of the Arab local authorities in the budget of the Welfare Ministry is smaller than their percentage of all those in need.

The Portion of the Arab Local Authorities in the Allocation of Social Worker Positions in the Social Services Departments (data from December 2009)

In the previous chapter, we investigated the distribution of the budget according to the ministry's various work areas. Now, we will focus on the budget for social work positions in the local authorities. In this chapter, we will delve more deeply and investigate, in addition to the allocation of positions, the main barriers that cause the unequal allocation. We shall do this by using the Barriers to Opportunities model³ that we developed at Sikkuy to locate, identify and map the barriers to equality and propose ways to overcome them.

We examined the distribution of the allocation of social work positions from three angles:

To what extent does the allocation formula allocate positions equally – in other words, sufficient for the percentage of people requiring services in each of the local authorities?

To what extent does the Welfare Ministry allocate the positions according to the formula?

How successful are the local authorities in staffing the positions that the Welfare Ministry allocates to them?

To what extent does the allocation formula distribute positions equally, sufficient for the percentage of people requiring the services?

According to the allocation formula, the basis for the division of social work positions among the local authorities is the size of the population. In other words, the percentage of positions that the local authority receives, out of all the positions that are allocated during any given year, is based on the size of each local authority relative to Israel's population. But in order to allocate the positions equally among all the local authorities with their varying demographic and socioeconomic characteristics, criteria and standards must be established that will reflect the dimensions of the disparity that stems from the various characteristics. The allocation formula includes six criteria. Four of them stipulate additional positions for the Arab local authorities: the average salary of wage earners, per-capita income, the dependency ratio of children, and the number of files and the intensiveness of their handling. Two of the criteria subtract positions from the Arab local authorities: the dependency ratio of the elderly, because the proportion of the elderly is

³ The barrier-mapping model is on the Sikkuy website at <http://www.sikkuy.org.il/english/hasamim/mediniuteng.pdf>

low in the Arab local authorities, and the proportion of those who receive unemployment payments – which does not reflect the employment situation accurately, but rather the percentage of those eligible for unemployment payments. This criterion is discriminatory, since it reflects the number of those eligible for unemployment payments rather than the percentage of unemployed. The number of those eligible for these payments in the Arab population is low relative to the Jews (particularly after the toughening of conditions for such eligibility in 2003). But the percentage of the unemployed among Arabs is higher than among Jews.

According to our findings when we ran the allocation formula, in the year 2009 the formula allocated 16.5 percent of all positions to the Arab local authorities, while the percentage of those needing services in the Arab local authorities was estimated at approximately 20 percent. This finding is proof of allocation inequality that stems from the allocation formula itself.

To what extent were the positions allocated according to the allocation formula?

After examining the manner in which the allocation formula distributed the positions, we checked whether the Welfare Ministry allocates the positions according to the formula. According to our findings, the Arab local authorities were supposed to receive 16.5 percent of the positions, but only 15.4 percent of the positions were actually allocated to them. We found various levels of under-allocation in 53 of 82 Arab local authorities.

Although the allocation formula determined that the Arab local authorities should receive 16.5 percent of the positions, they received only 15.4 percent.

The staffing rate of positions in the Arab local authorities as compared with the rest of the local authorities

Not all the local authorities succeed in staffing all the positions that are allocated to them in a given year. Between 2007 and 2009, the disparity in the percentage of staffed positions between Arab local authorities and the rest of the local authorities increased from 3.5 to 9 percentage points, evidently because of a relatively large increase in positions in the Arab local authorities in 2008 and 2009. (This was a 20 percent increase in positions in the Arab local authorities.) **In Arab communities, the decrease in the staffing rate appears more acute than in Jewish and mixed communities.** This may be explained by several factors:

1. A shortage of Arab social workers in the social service departments in the Negev
2. Financial problems in the Arab local authorities
 - The issue of matching funds – the Welfare Ministry funded 75 percent of welfare spending in all local authorities, with the local authorities obligated to fund 25 percent of the expenses as a condition for receiving a budget from the Welfare Ministry. Since the matching funds increase the local authority's spending, it is difficult to meet the conditions, particularly in local authorities under a recovery

plan, or those that work with an accompanying accountant or an appointed committee.

- Insolvency and seizures of the accounts of local authorities often lead to a failure to pay local authority employees – a more frequent occurrence in Arab local authorities.
- Many Arab local authorities are in financial crisis. As a result, they are in recovery plans drawn up by the Interior Ministry. The Interior Ministry imposes strict supervision on any personnel increases for local authorities under recovery plans. Since this makes it more difficult for Arab local authorities to obtain vital hiring permits from the Interior Ministry, in many cases the local authorities cannot fill the additional positions.

3. Political/social difficulties in internal organization in the Arab local authorities.

The staffing difficulties in the Arab local authorities have resulted in their utilizing only 87 percent of the positions allocated to them (as compared with 96 percent in Jewish and mixed local authorities). As a result, they were able to make use of only 14 percent of the total number of positions that were staffed in 2009.

Inequality in the Allocation of Social Work Positions to Arab Local Authorities 2009

- The percentage of people in need from the Arab local authorities, out of the general population of people in need, is estimated as at least 20 percent
- According to the allocation formula, Arab local authorities may receive only 16.5 percent of the positions
- The Welfare Ministry allocated only 15.4 percent of the positions to Arab local authorities
- In practice, the Arab local authorities used only 14% of the social work positions which were allocated in that year.

Work Positions

Sikkuy has developed the Barriers to Opportunities model for mapping and analyzing barriers to equality and making policy recommendations. The model includes three components that have a circumstantial connection: barriers, which are the deep causes, lead to problems, which cause symptoms, which are the disparities and unequal situations that exist in reality.

Symptom

Inequality between the Arab local authorities and the rest of the local authorities in Israel as regards the caseload per social work position: 14 percent of the positions for approximately 20 percent of those who require such services.

Problems

Problem 1: Under-budgeting. According to the allocation formula, the Arab local authorities receive a smaller number of social work positions than the percentage of people in need of such services.

Problem 2: Under-allocation of social work positions for the Arab local authorities in relation to their fair percentage according to the allocation formula

Problem 3: Relatively low rates of staffing in the Arab local authorities in proportion to the total number of positions allocated to them

Barriers

Barrier 1: The lack of regular information and follow-up regarding the number of people in need, by population group and in general: Today there is substantial recognition among the professional echelons regarding the difference in the percentage of people in need, which stems from the socioeconomic situation and socio-demographic characteristics. Yet there is still no regular periodical process of information-gathering and follow-up regarding the percentage of people in need of the population in various segments, among other things according to population group. This lack of information prevents the equal allocation according to the formula and reduces the ability to reach parity between the manner in which the allocation apportions the positions and the percentage of people in need in each of the local authorities.

Barrier 2: The components of the allocation formula – in other words, the total criteria and the weighting given to each individual criterion – do not show the size of the disparity in the percentage of those requiring services. In order to discover all the reasons that the formula does not allocate positions according to the rate of need, the formula should be run in various combinations and versions. In any case, the criterion of the percentage of unemployed people obviously does not show the extent of the shortage of jobs for Arab local authority residents, but only the number of people eligible to receive unemployment compensation – and there is a weak connection between the two. This is how the Arab local authorities lose positions rather than becoming eligible for additional ones.

Barrier 3: The Welfare Ministry's difficulty in transferring positions from those local authorities which, according to the allocations formula, have too many positions, to local authorities that have too few. Welfare Ministry officials claim that a redistribution of the positions creates, of necessity, political pressure on the Welfare Ministry, since this involves the dismissal of workers, or their transfer among the local authorities. The claim is also made that doing so might cause substantial harm to the welfare services in the local authorities where the redistribution of positions could cause large-scale cutbacks.

Barrier 4: Difficulty making the “pie” bigger by using a budget supplement to make up for the positions that are missing according to the allocation formula. Another way to make up for the missing positions for the Arab local authorities and in general is by using

supplements from the national budget in order to increase the number of positions available to the Welfare Ministry. Supplements of this kind were actually provided in 2008 and 2009, but not in an amount that made up for the total under-allocation according to the formula.

Barrier 5: Financial difficulties often delay or prevent the staffing of positions allocated to the Arab local authorities. The Arab local authorities have more difficulty than others in making use of the allocated social worker positions. This difficulty stems from the local authorities' financial crisis and the policies of the Interior Ministry, the Finance Ministry and the Welfare Ministry.

Barrier 6: A shortage of Arab social workers in the Arab local authorities in the south. Over the past decade, the percentage of Arab social work graduates has increased, but there is still a shortage of Arab social workers in the southern district. Until 2011, there were no incentives for social workers living in the north to relocate to the south, as there were for teachers, in order to help the Arab local authorities in the south to staff a higher percentage of positions.

Barrier 7: Organizational, social and political difficulties in recruiting professional personnel in the local authorities. The Welfare Ministry and officials of the Arab local authorities themselves claim that often the recruitment of a worker to fill an allocated position is delayed and even prevented due to internal differences of opinion in the local authorities, which are political rather than professional in nature.

Policy Recommendations

We have set ourselves the goal of reducing, as much as possible and as quickly as possible, the disparities in the allocation of social work positions among the Arab local authorities and the rest of the local authorities in proportion to the percentage of people requiring social services. In order to do this, three main goals must be met:

The allocation formula must distribute the positions among the local authorities according to each local authority's percentage of the entire population of people requiring social services (Recommendation No. 1)

The Welfare Ministry must allocate positions to the local authorities based on the allocation formula (Recommendation No. 2)

The local authorities must make full use of their ability to staff the positions that the Welfare Ministry allocates to them (Recommendations 3-7)

Therefore, we propose the following measures:

- 1. The allocation formula should be revised such that positions will be allocated to local authorities based on their percentage of the entire population in need. In other words, 20 percent of the positions for 20 percent of the needy.**

In order to accomplish this, the percentage of the general population requiring services must be tracked methodically and at set periods.

All the components of the formula must be re-examined and changes made such that positions in a local authority will be allocated according to its percentage of the entire population in need.

In addition, the criterion “percentage of unemployed” must be changed or removed. There is no reason why positions should be taken away from the Arab communities while the problem of employment in these communities is one of the main causes of distress. The existing statistical findings must be re-examined and one statistic, or a combination of statistics, used in order to reflect more faithfully the extent of distress in the field of employment.⁴

2. Social work positions must be allocated according to the allocation formula.

A specific target date must be determined to reduce the disparity between allocation based on the formula and actual allocation until the disparity no longer exists. This can be done by increasing the size of the “pie” – in other words, budget supplements from the Finance Ministry used to increase the number of allocations, and by the redistribution of existing positions.

3. Equal sharing of the welfare expense burden among the local authorities by differential matching funding

In addition to the financial crisis from which most of the Arab local authorities are suffering, the percentage of people in need in the Arab local authorities is higher. This means that given a 25-percent uniform rate of participation in welfare spending in general and on social work in particular, they need to spend more on welfare per resident (of course, on condition that budgets are allocated to them according to their percentage of all the people in need). This can and must be balanced by means of *differential matching funding*.

Differential matching funding can be based on two principles, which can also serve as alternatives:

Alternative 1 – based on the principle of equal spending per resident in all the local authorities. As stated above, every local authority will pay its share of the matching funding according to its share of the population, while budgets will be allocated to it on the basis of its share of the population in need. Thus, welfare spending per resident will be equal in all the local authorities, while spending per person in need will be differential.⁵

⁴ The recommendation about changing the criterion “percentage of unemployed” was made after consultation with Professor Yaakov Kop, who was a member of the committee that determined the criteria and a member of the committee that constructed the allocation formula.

⁵ According to this principle, the Arab local authorities whose share of the population is 14 percent will participate in funding 25 percent of the cost of 14 percent of the positions, but will benefit from 20 percent of the positions (based on their percentage of the entire population in need). Accordingly, they will participate, on average, in 17 percent of the cost of each social work position allocated to them. The rest of the local authorities, whose share of the population is 86 percent, will participate at a rate of 25 percent of the cost of 86 percent of the positions, since based on their share of the

Alternative 2 – differential matching funding according to the socioeconomic ranking of the local authorities. Since the socioeconomic ranking also reflects the potential for neediness as well as the local authority's economic situation, levels of participation will be determined for the local authorities according to their socioeconomic rankings.

4. Opening a separate bank account for budget transfers in order to pay social workers

The social services departments were not the only ones affected by delayed payment of salaries resulting from stopped payments. Municipal schools suffered from it too, and a solution was found by opening a separate bank account solely for the transfer of workers' salaries. We believe that since the welfare services are so vital, particularly in weaker communities, this measure should also be taken regarding social-service workers' salaries in the same local authorities that are forced to delay the payment of salaries to their employees.

5. Providing incentives to Arab social workers to relocate to Arab communities in the south in order to work there

The shortage of social workers in the Bedouin communities in the south is one of the causes of the particularly low staffing rates there. Incentives such as rent assistance and attractive salaries can encourage Arab social workers to relocate to communities in the south in order to work there.

6. Strengthening the professional management infrastructure in the Arab local authorities

The Interior Ministry must invest resources to improve the management of the Arab local authorities by massive investment in the training of managers in the local authorities. At the same time, the ministry should establish an ombudsman's office to provide a quick and efficient response to complaints by residents and workers of impractical management in the local authorities.

The leaders of Arab society must also deal directly with the management problems in the Arab local authorities and ensure that the required social resources are invested in order to change the current situation. Despite the state's direct responsibility for the state of the Arab local authorities, change cannot take place without mobilizing Arab society and its leaders to deal with the issue.

7. Preparation of a community master plan for the welfare of the Arab local authorities that will define all the community's welfare needs and the social-services department's short-, medium- and long-term goals.

This will enable more efficient use of the welfare budget in general and of the social-work positions in particular despite the strong financial restrictions.

entire population in need, 80 percent of the positions will be allocated to them. Their rate of participation in the positions allocated to them will be 27 percent on average.

Summary

We place particular emphasis on the necessity to make the required changes in the allocation formula, since an egalitarian formula is the most basic condition for the equitable distribution of positions.

We are aware that barriers regarding the level of implementation of the allocation formula could raise doubts about the effectiveness of providing supplementary positions if they cannot be put to use in any case. Nevertheless, we believe that the larger the disparity between allocations according to the formula and their implementation, the greater will be the pressure on the Welfare Ministry, the Interior Ministry, the Finance Ministry and the Arab local authorities to put them into effect. In the end, the number of social workers available to people in need in the Arab communities will increase, and the inequality will decrease.

It is also important to note that even if there is a connection between the barriers, each barrier stands mainly on its own. Thus, the implementation of any one of these recommendations by itself carries a high potential for changing the situation for the better and reducing inequality. **Therefore, all the relevant authorities - the government ministries, and first and foremost the Welfare Ministry, as well as the Arab local authorities - have a responsibility to act immediately to put the recommendations into practice.**

Diagram 2: The Barriers Model – symptom, problems, barriers and policy recommendations – allocation of social worker positions to social services departments in the Arab communities

