

The Alternative Poverty Report

2017

Israel

15th Edition



לאתגרת

Ending Poverty Together

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LATET Organization

Mission

Latet (To Give) - was established in order to reduce poverty, for a better and just society, by providing assistance to needy populations, mobilizing Israeli civil society towards mutual responsibility, and leading change in the national priorities.

Activity

The LATET Organization initiates and operates programs in various fields

'Nutritional security' - LATET has been operating for the past 21 years as a leading umbrella organization with considerable influence. It enjoys the broad support of Israeli society and cooperates with a network of 180 NGO's operating in 105 cities throughout Israel, in all sectors of society. Latet and its partner NGOs support and provide ongoing aid on a permanent basis to 60,000 families suffering from severe nutritional insecurity.

'LATET Youth' - LATET's youth is aimed at educating youth about voluntary work, cultivating leadership skills and social initiatives.

'LATET Aid for Life' - A holistic program granting physical and social aid while creating a personal support network for impoverished Holocaust survivors.

'City Without Hunger' - LATET's social laboratory, which is researching the most effective intervention model in the field of nutritional insecurity and is developing pioneering solutions for solving community issues in the urban sphere.

Additionally, LATET initiates activities aimed at enhancing social awareness and leading change in national priorities, among those: the publication of the "Alternative Poverty Report".



Essence and Goals of the Report

This is the 15th issue of the Alternative Poverty Report, which sheds light on the most up-to-date trends on the subject of poverty and nutritional insecurity in Israel in 2017, as perceived by LATET, which operates throughout Israel in collaboration with 180 local NGO's and aid organizations.

The report constitutes as an alternative tool for understanding the poverty phenomenon. Unlike other official statistical analysis, this report reflects the human aspects of poverty by presenting a broad perspective and in-depth analysis of trends on the one hand and by providing a voice to the needy and to the NGOs supporting them.

Throughout the various chapters of this report, we chose to place quotations of our aid-recipients, expressing their dreams and elaborating on the difficulties they contend with.

The report includes the Multi-Dimensional Alternative Poverty Index, which shows the depth and characteristics of poverty by

analyzing one's state of scarcity according to the most basic livelihood needs.

Since 2014, the Multi-Dimensional Alternative Poverty Index has indicated significantly higher poverty rates than those of the official poverty index published by National Insurance Institute, which is based on income alone. Therefore for the first time this year, we have conducted a study to understand what causes the discrepancies between the numbers, and what characterizes the large group of people defined as poor by the Multi-Dimensional Alternative Poverty Index but not defined as such by the National Insurance Institute. This study enables in-depth discussion of the poverty phenomenon, its definition, as well as the differences between the various indexes.

The Alternative Poverty Report is published by the LATET Organization in order to expose Israeli society to the human meaning of poverty in a direct and authentic manner. Society is usually aware of poverty only from afar and

primarily through the media, common preconceptions and prejudices. The report is designed to acquaint the general public with the causes of poverty, its characteristics and the barriers preventing people from escaping it.

Additionally, the report aspires to serve as a means for pressuring decision-makers in the government and Knesset to take responsibility for the welfare of Israel's citizens, as well as take far-reaching and

long-lasting action to solve the issue of poverty and social gaps.

We at LATET believe that it is incumbent on the Israeli government to place social inequalities and poverty at the top of the national agenda. This should include allocating the necessary funds and implementation of a government plan including all ministries aimed at attaining the average poverty rates of developed countries within ten years.



Methodology

The Alternative Poverty Report is a unique document that draws a picture of poverty and social gaps in Israel in 2017. The report refers to the various components of poverty in Israel's society.

The report is based on the integration of findings collected through four questionnaires:

- 1. Study of People Receiving Aid** – Analyzes the characteristics and struggles of people living in poverty.
- 2. Aid-Giving Trends in NGO's** – A research conducted among Latet's partner NGO's. The study aims to examine trends in poverty, needs and processes on the field.
- 3. Survey of the Public's Perceptions** – research implemented among the general public, designed at examining the general public's concepts regarding poverty and the social gaps in Israel.
- 4. The Multi-Dimensional Poverty Index** – A tool for measuring poverty and its depth among the general public.

The preparation of questionnaires, data collection, examination and analysis of findings were carried out by LATET's Research Department with the assistance of and in consultation with leading research institutes in Israel:

Rotem ar. Institute – a research and analysis institute owned and managed by Dr. Arie Rotem. The research needed this report was led by Dr. Arie Rotem and Ms. Miriam Chonen.

Statnet Institute – a unique research institute specializing in Arab society in Israel, public opinion polls and exhaustive interviews, market research and statistical consultation.

ERI Institute – a social enterprise providing research and consulting services, combining expertise from the academic world and NGOs, a consultation committee of senior experts and a rich pool of analysts from various fields and disciplines. The institute is headed by Gilad Tanay, an expert in the research of poverty and social justice, former director and member of the founding team of the association 'Academics Stand Against Poverty' and lecturer in the Global Justice Program at Yale University.

Main Findings

The Multi-Dimensional Poverty Index for 2017 reflects a gloomy reality: 2,525,000 people live in poverty in Israel (29.1%) of whom 1,464,000 are adults (25.8%) and 1,061,000 are children (35.4%).

Poverty is very widespread and affects roughly 30% of the Israeli population. Despite a deepening of poverty and an increasing difficulty to get out of it, in recent years, data has shown a trend towards some stabilization in the poverty rates in Israel.

1,061,000
Children (35.4%) **+** **1,464,000**
Adults (25.8%)

2,525,000
people live in poverty in Israel (29.1%)

(Multi-Dimensional Poverty Index, 2017)

- 9.2% of the population defined as poor by the the Multi-Dimensional Poverty Index of LATET are not defined as poor by the National Insurance Institute. Nevertheless, they suffer from a similar level of scarcity with regards to housing and health and even higher levels of scarcity in nutritional security and education.
- Out of those defined as poor by the Multi-Dimensional Poverty Index and not by the National Insurance index, during 2017, 47.6% suffered from having their electricity or water cut off, or their bank accounts foreclosed, 48.1% reduced or skipped meals, roughly half (50.4%) refrained from purchasing medication or vital medical treatments for financial reasons and 46.1% didn't acquire a higher education since they couldn't afford it.



92.2%

of the elderly receiving aid stated that their pension does not enable them, or only partially enables them, to live with dignity.

Children and the elderly

23.7% of the children receiving aid always or often go to school without a sandwich, which is an increase over the past year, when this datum stood at 20%.

The main ingredient in the diets of **75.7%** of children receiving aid, is bread and spread (28.3%) and/or other carbohydrates (47.4%), which constitutes an increase of 11.8% in comparison with last year (67.7%)

32.8% of the children receiving aid reduced the size of their meals or skipped meals due to financial difficulties, a slight decrease compared to last year (34.4%).

17.6% of the children receiving aid did not eat for an entire day due to financial reasons, a significant increase since last year (11.1%). Among 51.6% of them, this situation recurred every month.

5.8% of the aid-supported children were compelled to beg for money, a significant increase since last year's (+1.6%).

92.2% of the elderly receiving aid stated that their pension does not enable them, or only partially enables them to live with dignity. This data is similar to last year's (92.6%).

78.3% of the elderly receiving aid refrained from purchasing medications or vital medical care and 80% refrained from obtaining dental treatment due to their financial situation.

78.9% of the elderly receiving aid experienced loneliness often or occasionally, compared to 74% last year. 44.4% experienced loneliness often, a 21.6% increase since last year (36.5%).

85.7% of the elderly receiving aid could not afford to pay for nursing when needed, indicating an increase over last year (83.4%).

65.1% of the elderly receiving aid have homes in need of renovations but cannot afford it.



80.1% of the public hold the government as responsible for reducing poverty, but only a quarter (25.9%) believe that the government is actually dealing with the poverty issue.

Responsibility for alleviating poverty

70.5% of the public believe that poverty and socio-economic gaps constitute the most pressing issue that need to be addressed by the government this year (in first and second place). This number decreased since last year (74.8%).

80.1% of the public hold the government as the main responsible for reducing poverty, but only a quarter (25.9%) believe that the government is actually dealing with the poverty issue. public hold the government as the main responsible for reducing poverty more than any other entity, but only a quarter (25.9%) believe that the government is actually dealing with the poverty issue.

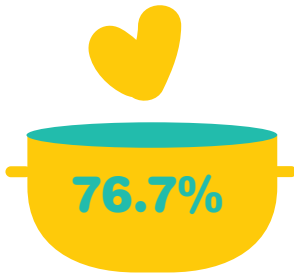
38.2% of the public believe that the Israeli government is refraining from setting a measurable goal for reducing poverty because it is not interested in solving the problem, a significant increase over last year (27.5%).

The public gave the Prime Minister, Finance Minister and Welfare Minister a 'failing grade' for their poor handling of the poverty issue. The Welfare Minister, Haim Katz scored 3.8 (out of 10). Finance Minister, Moshe Kahlon received a grade of 4.7, while the Prime Minister, Benjamin Netanyahu scored the lowest with just 3.1.

76.2% of the public believe that the time it takes for a person to deteriorate to a state of poverty as a result of job loss, disease or another crisis is several months to a year. 65.2% of the public believe that there is a high probability or very high probability that a child growing up in a poor family will remain poor during adulthood.

70.8% of NGO managers reported that there was an increase in requests from people in need for food, a decrease since to last year (78.2%).

76% of aid recipients are referred to NGOs by social workers in local authorities, while just 29.9% of the associations are supported by the welfare departments in the local municipalities.



76.7%

Of aid recipients report not eating balanced meals during the past year due to their financial situation

Nutritional insecurity

76.7% of aid recipients report not eating balanced meals during the past year due to their financial situation (consistently or occasionally). This is an increase over last year (73.9%) and 3.5 times more than the overall population.

49% of the supported families partially gave up on using milk substitutes for their children due to their high cost and had to dilute them in water or give less than the recommended amount.

9.2% of aid recipients had to search for food in garbage bins and/or begged in order to purchase food this year, compared to 8% last year.

Cost of living

50.8% of the aid recipients report that they don't own cooling or heating devices in their homes, or cannot afford to use them. This is an increase of 19.8% over last year (42.4%).

77.4% of the aid recipients are deep in debt, an increase of 17.8% over last year, when 65.7% were in debt.

53.5% of the aid recipients had their bank accounts locked or seized last year; this occurs only to 10.5% of the general population.

53.8% of aid recipients have experienced an occasional or regular lack of food, compared to 7.9% within the general population.

55.2% of aid recipients turn to local NGOs for food more than once a month, 10% turn to them on a daily basis.

33.9% of aid recipients report that the food packages they receive allow them to use money to purchase medications or medical treatment budget (42.6% last year). 51.2% of them can allocate more funds for expenses such as housing or debt repayments (53.7% last year).

47.2% of the aid recipients define themselves as belonging to the middle class in recent years, before they descended to poverty, a drop compared to last year (50.6%).

12.8% of the aid recipients attempted or planned to commit suicide last year due financial hardship, similar to last year (13.3%).



62.6% of aid recipients at working age do work, but still live in poverty

Employment

62.6% of aid recipients at working age do work, but still live in poverty.

49.8% of aid recipients who are unemployed do not work due to a medical condition, like last year (48.7%).

33.1% of aid recipients who work declare that it is probable or highly probable that they will lose their current job; 48.9% fear that they might not succeed to find other work if they lose their current job.

63.8% of the aid recipients who work do not receive full social rights at their job, a decrease relative to last year (67.2%).

58% of the aid recipients declared that they do not receive all the rights they are entitled to from the National Insurance Institute, while 56.6% testified that this situation is the result of complicated bureaucracy.

Housing

73.6% of the aid recipients did not repair serious defects in their homes last year for a long time for economic reasons. This was the case for just 34.6% of the general population.

58.2% of the aid recipients testify that last year their children were ashamed to invite friends to their homes due to their housing conditions and financial situation.

49% of the aid recipients had their electricity or water disconnected because they could not afford to pay the bills; 29.2% had both their electricity and water cut off. A third (33.3%) have to purchase electricity by means of a prepaid meter.

23.5% of the aid recipients testify that their living area is characterized by physical violence to a large or very large extent; 22.5% testify that in their living area there are people who openly sell or use drugs.

19.8% of the aid recipients assess that it is probable or highly probable that they might have to vacate their residence due to their inability to keep up with their rental or mortgage payments. Over a quarter (26.2%) of them assess that in the abovementioned case, they might have to live in the street or in a shelter.

Education

78.5% of the aid recipients do not possess a high school diploma, compared to 31.4% of the general population.

62.8% of the aid recipients cannot afford private tutoring for their children; about half (49%) cannot afford to buy basic equipment for school.

42.4% of the aid recipients are unable to finance summer camps for their children and over a third (34.6%) must forego school outings and parties due to their financial situation.

53.4% of the aid recipients would like to acquire higher education and testified that the high tuition fees prevent them from doing so; this is an increase of 16.1% over last year (46%). 37.3% refrained from doing so due to the need to look after their children, similar to last year (39.5%).

51.2% of the aid recipients believe that had they lived in a more prosperous neighborhood/city they would have benefited from better education services. 54.6% believe that in that case their children would have received better-equipped classrooms at their schools; about a half (50.4%) believe that their children would have benefited from better group activities and 37.9% believe that the teaching would have been of higher quality.



78.5%
of the aid recipients do not possess
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Health

70.7% of the aid recipients testify that they suffer from a chronic disease of some kind, compared to 42.2% of the general population. 28.4% suffer from high blood pressure and about a quarter (25.1%) are diabetic.

69.7% of the aid recipients forwent medication or vital medical treatment due to economic hardships, a slight decrease compared to last year (71.9%). This is in comparison with just 18.9% of the general population.

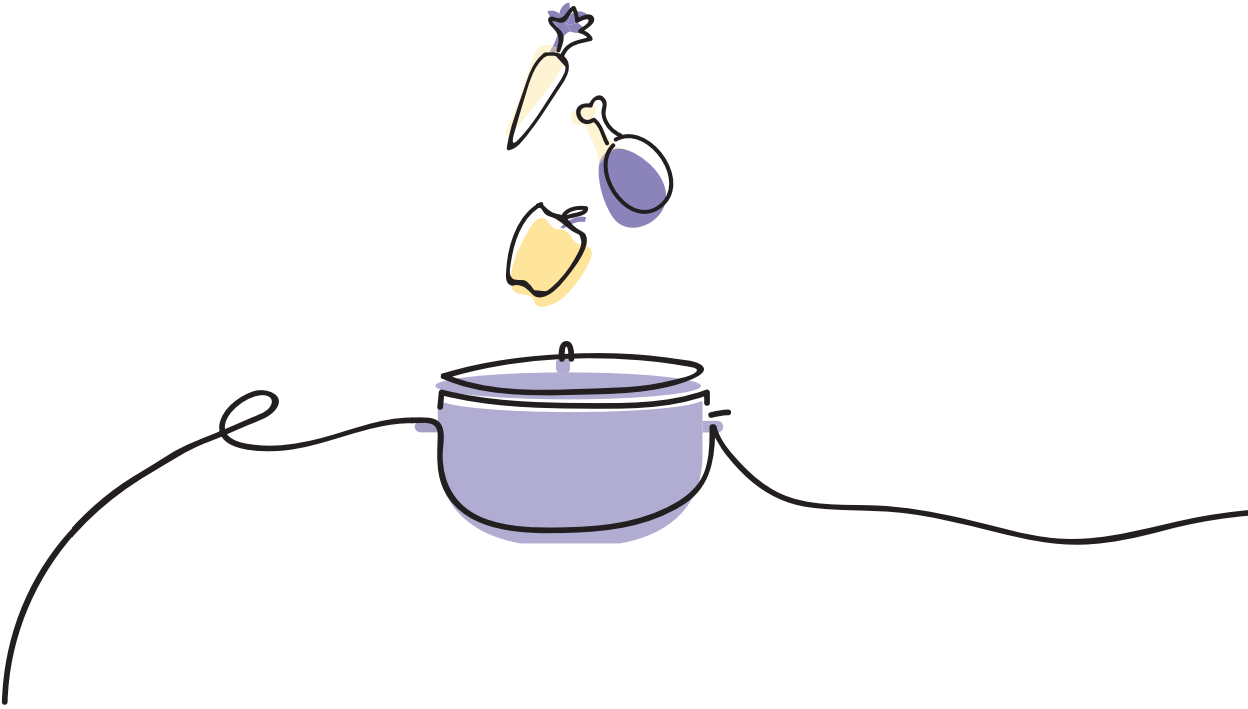
82.3% of the aid recipients went without dental care last year, 34.6% of them permanently, compared to 84.5% and 32.7% respectively last year.

64.8% of the aid recipients have a basic public health insurance, and only 31.8% have supplementary health insurance; compared to 78.2% of the general population who have either a supplementary or comprehensive health insurance.

58.2% of the aid recipients had to forego mental health care in the past year due to economic hardships, an increase of 11.7% compared to the year before (52.1%).



69.7%
of the aid recipients forwent
medication or vital medical
treatment due to economic
hardships



Nutritional Insecurity

Nutritional insecurity

Guaranteeing the nutritional security of Israel's citizens

Nutritional insecurity is one of the most severe signs of poverty, manifested by the lack of sufficient economic resources to obtain regular and basic nutrition required for maintaining a proper and balanced life. Nutritional security is defined as the situation in which all people at all times have regular access, both physically and economically, to sufficient quantities of healthy and nutritious food, in accordance with their preferences and nutritional needs, and enables them to live an active and healthy life (UN Food and Agriculture Organization).

The official data of the National Insurance Institute indicate a very high correlation between the poverty data and nutritional insecurity. 532,000 families (18.8%) and 755,000 children (30.9%) live in a state of nutritional insecurity, of which 243,000 families (8.6%) and 285,000 children (11.7%) in severe nutritional insecurity (the National Insurance Institute, 2014; data from 2012).

Since the expense on food is deemed flexible, unlike set expenses such as housing or taxes, families living in poverty are forced to give up basic foods in order to pay for other vital expenses. Nutritional insecurity impairs the day-to-day functioning and development of children, as well as the ability of the families to maintain a decent and dignified standard of living.

Latet's "Hunger Threshold", based on the Ministry of Health's recommendations for minimum nutrition required for nutritional security, calculates the cost of the food package required for ensuring the minimum nutritional security for a family of five. As per the study conducted

in 2017, the cost of the basic food package stands at NIS 3,449 a month. In order to meet this expense, an average family in the lower fifth-bracket must spend 40.5% of its expenditure on food. In practice, these families spend an average of NIS 2,296, which is NIS 1,153 less than the recommended sum, comprising 26.9% of their expenditure on food. This means that they must always reduce the amount of food consumed, or compromise on its variety and quality (Central Bureau of Statistics; Household Expenditure Survey, 2017).

The data on the severe situation of families living in a state of nutritional insecurity have been assembled and presented by LATET to the Israeli government resolutely for the past decade. Over the years, the Ministers of Finance and Welfare have presented numerous commitments to tackle the issue and allot budgets to this end. In practice, however, no significant government action has been taken to deal with this acute problem and the issue has been repeatedly pushed off the governmental order of priorities, failing to appear in the state budget. As well, the social services branches in the local municipalities do not consider themselves responsible for dealing with the issue; therefore, most of the coping with the problem is left to the NGOs, which are attempting to fill the deep void left by the government, via philanthropy and public contributions.

The highest-ranked expense among the aid-recipients is food. The aid recipients spend an average of NIS 2,300 on food per month, 36.6% of their monthly expenses. 69.8% of the aid recipients assess that the monetary supplement

My dream:
 “To not need the food package anymore”

required for basic food for a balanced life is over NIS 1,000 a month, while over a third (37.4%) assess that the required supplement is over NIS 1,500 a month.

LATET is a national food bank that is an umbrella organization for 180 local NGOs operating in 105 urban centers among all sectors of Israeli society. Among its activities, it distributes food to these organizations through three different sources: food salvaging from the food industry (companies, manufacturers and retail networks), wholesale food and food drives. The food is distributed with the effort to maintain the self-respect of its recipients and ensure their nutritional security from the viewpoints of balanced nutrition and its quality. The operational concept of LATET is based on an effective economic model, which exercises maximum leverage of the investment in the aid program: for every NIS invested in the infrastructure, operation and logistics, NIS 9 worth of food is distributed. Food originating from food salvaging also is an excellent opportunity to use

existing resources (protecting the environment due to less burying and destruction of food), and enables in helping more families. In recent years, there has been an ongoing populist based claim that it is worthwhile to distribute food cards, since it is a more dignified solution. However, the food card solution has numerous weaknesses and disadvantages, including the following. It does not allow for budget leverage (the food card’s value is simply the face value of the money loaded in the card) as compared to food salvage or obtaining food; the needy often purchase unhealthy foods; the solution is not suitable for the elderly and those with special needs; and cases of trading in these cards have been witnessed too.

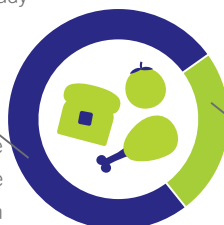
A survey conducted for the first time in this report reveals that 72.6% of aid recipients prefer to receive a food package worth NIS 500 delivered to their home rather than a food card worth NIS 250 for self-purchase at the food distribution chains.

What would you rather receive?

From the aid recipients study

72.6%

A varied food package delivered to your home (including dry and fresh products worth NIS 500)



27.4%

A NIS 250 food card for independent purchase of food at supermarkets



Over half of the aid recipients (53.8%) have experienced lack of food often or sometimes during the past year

Nutritional insecurity among aid recipients

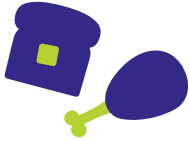
The aid recipients experience an everyday reality of nutritional insecurity, and report distress and constant lack of vital foods necessary to lead a balanced and proper life. The families receiving the aid live with the constant fear that their food supply might run out, that they will be unable to afford to buy more food, and unable to provide their families with balanced and regular meals.

Over half of the aid recipients (53.8%) have experienced lack of food often or sometimes during the past year, similar to the previous year (51.4%). This compares with just 7.9% of the general population. Approximately 74.1% of the aid recipients have feared regularly that their food supply would run out before they could afford to purchase more, an increase of 6.6% from the year before (69.5%).

73.3% of aid recipients indicated that the food they purchased was insufficient, and that they did not have the money to buy more, compared to 18.8% of the general population. 76.7% of the aid recipients could

not afford to purchase balanced meals regularly or sometimes during the past year, an increase of 3.8% over the previous year (73.9%) and 3.5 times more than the general population (20.5%).

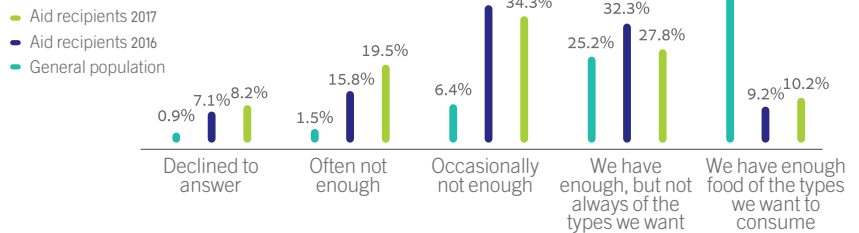
46.9% of the aid recipients reduced the size of their meals or skipped meals last year due to their economic hardship (a decrease relative to the previous year - 51.8%). Among 44% of them, that situation repeated itself every month. About a third (32.4%) of the aid recipients noted that they were hungry but refrained from eating because they could not afford to purchase food, a decrease relative to the year before (35.3%). Approximately half of the aid recipients (52.2%) ate less than they would have liked during the past year year because they could not afford to buy more food. 9.2% of the aid recipients searched for food in garbage bins or begged in order to purchase food during the past year, a slight increase over the 8% of the previous year.



73.3% of the aid recipients indicated that the food they purchased was not enough, and that they could not afford to buy more

Which of the following sentences best describes the food consumed in your home last year?

From the Aid recipients study and the Multi-dimensional Poverty index



We feared that we would finish all our food before we could afford to buy more

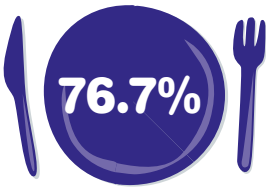
From the Aid recipients study

	Aid recipients 2017	Aid recipients 2016
Usually correct	21.6%	18.8%
Occasionally correct	52.5%	50.7%
Incorrect	15.4%	17.6%
Declined to answer	10.5%	12.9%

The food we purchased was not enough, and we did not have the money to buy more

From the Aid recipients study and the Multi-dimensional Poverty index

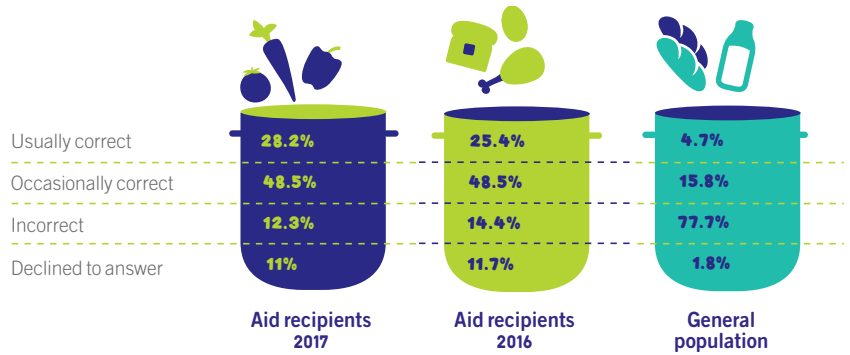
	Aid recipients 2017	Aid recipients 2016
Usually correct	21.4%	3.6%
Occasionally correct	51.9%	15.2%
Incorrect	15.7%	79.4%
Declined to answer	11%	1.8%



76.7% of the aid recipients could not afford to eat balanced meals regularly or occasionally, an increase of 3.8% compared to the previous year (73.9%) and 3.5 times more than the general population (20.5%).

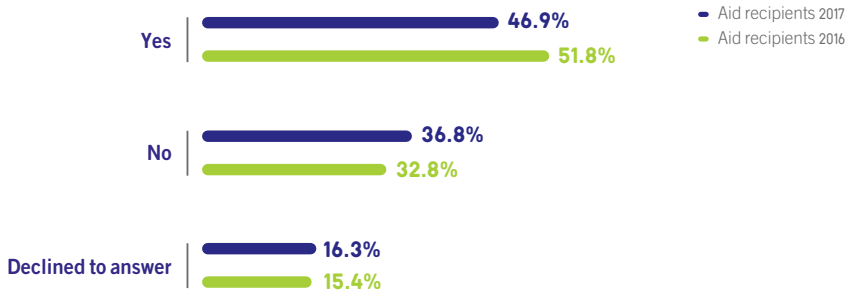
We did not have enough money to eat balanced meals

From the Aid recipients study and the Multi-dimensional Poverty index



During the past year, did you and/or other adults in your household reduce the size of meals or skip meals because there was not enough money for food?

From the Aid recipients study





9.2% of the aid recipients searched for food in garbage bins or begged for money in order to buy food last year, a slight increase over the previous year's 8%

With what frequency did this occur?

From the Aid recipients study

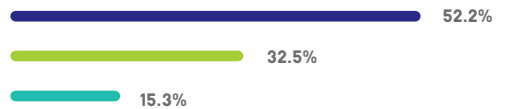
Aid recipients 2017

Almost every month	44%
Some months yes and others not	42.8%
Just one month or two during the year	7.9%
Declined to answer	5.3%

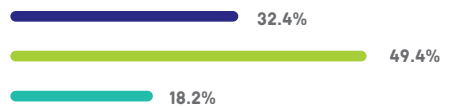
From the Aid recipients study



Last year, did you **eat less than you wished** because you could not afford to buy more food?



Last year, were you and/or other adults at home **hungry and did not eat** since you could not afford to buy food?



Declined to answer ■ No ■ Yes ■

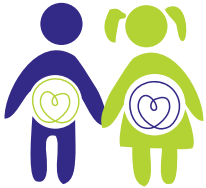
Last year did you search for food in garbage cans and/or did you beg to buy food and/or eat discarded leftovers?

From the Aid recipients study

Aid recipients 2017

Aid recipients 2016

Yes	9.2%	8%
No	90.8%	92%



Around a third (32.8%) of the aid recipient parents were forced to cut down on meal sizes or skip meals for their children due to economic hardship

Children Suffering from Nutritional Insecurity

Every third child in Israel (30.9%) suffers from nutritional insecurity (the National Insurance Institute, 2014; 2012 data). Children suffer the most from economic hardships and its direct consequences on nutritional security, as it influences their mental and physical development. Nutritional insecurity among children is manifested in their failure to consume the major food groups vital for their development, as well as feeling hungry, skipping meals and unbalanced nutrition. These affect not only their physical state, but have far-reaching implications on their emotional and social wellbeing too.

About a third (32.8%) of the aid recipient parents had to reduce the size of the meals or skip meals for their children due to the economic distress, a slight decrease relative to the previous year (34.4%). 23.7% of the aid recipient children felt hungry, and did not eat because they could not afford to, an increase of 24.1% over the previous year (19.1%).

The aid recipient families find it difficult to afford the high prices of milk substitutes for their children, and despite the fact that these are vital for babies' healthy development, about half (49%) of the aid recipient families indicated that they had to forgo milk substitutes for their children due to their high cost. Therefore, they had to dilute it with water

or give less than the recommended amount.

For 75.7% of the aid recipient children, the main ingredient in their diet is bread and spread (28.3%) or carbohydrates (47.4%), an increase in carbohydrate consumption of 11.8% relative to the year before (67.7%). This indicates an unbalanced diet that leaves out vital nutritional elements. During the past year, 17.6% of the children receiving aid did not eat for an entire day due to their parents' economic hardship, a significant increase over the previous year (11.1%). Amongst 51.6% of these kids, this situation reoccurs every month.

23.7% of the aid recipient children go to school without a sandwich (regularly or occasionally). This is an increase over the previous year (20%). About half (49.9%) of the diet of the aid recipient children is based on carbohydrates (24.5%), bread and spread (25.4%). Such an amount of carbohydrates indicates unbalanced nutrition, as vital food groups in the children's diet are lacking.

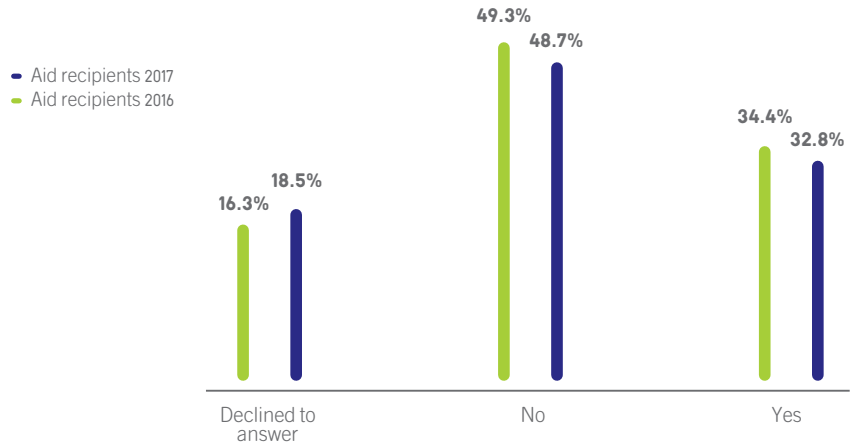
Last year, the children had to cope with humiliating activities to obtain food: 5.8% of the children were forced to beg, an increase over the previous year's 1.6%. 3.8% of the children were forced to steal food, and 1.7% gathered leftovers from the floor or trash cans.



About half (49%) of the aid recipient families indicate that they had to forgo milk substitutes for their children due to the high cost; therefore, they diluted it with water or gave less than the recommended amount

Over the past year, did the children in your household reduce the size of their meals or skip them because of the lack of financial resources?

From the Aid recipients study



Over the past year, have the children in your household experienced hunger and did not eat because you did not have enough money to buy food?

From the Aid recipients study

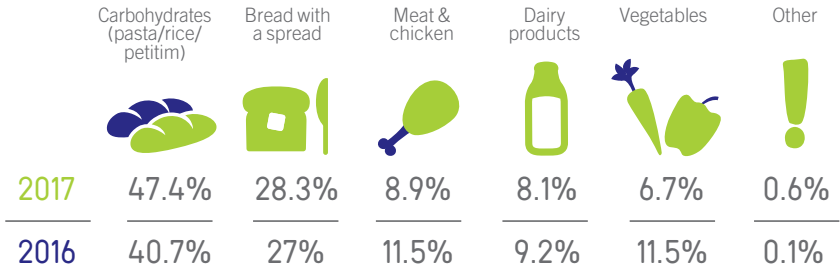
	Aid recipients 2017	Aid recipients 2016
Yes	23.7%	19.1%
No	53.8%	63.5%
Declined to answer	22.5%	17.4%



The main ingredient in the diets of 75.7% of children receiving aid is bread and spread (28.3%) and/or other carbohydrates (47.4%), which constitutes an increase of 11.8% in comparison with last year (67.7%).

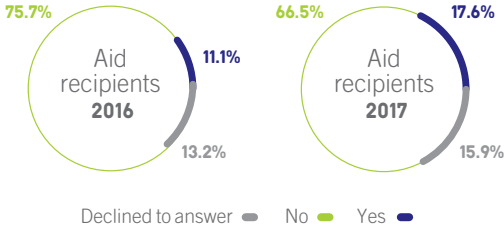
What is the main product in your children's diet during a week?

From the Aid recipients study



During the past year, did the children in your household not eat for an entire day because there was not enough money for food?

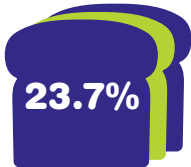
From the Aid recipients study



How often did this occur?

From the Aid recipients study

Aid recipients - 2017	
Almost every month	51.6%
Some months yes and others not	37.6%
Just one month or two during the year	3.2%
Declined to answer	7.6%



23.7% of aid recipient children go to school without a sandwich on a regular or occasional basis

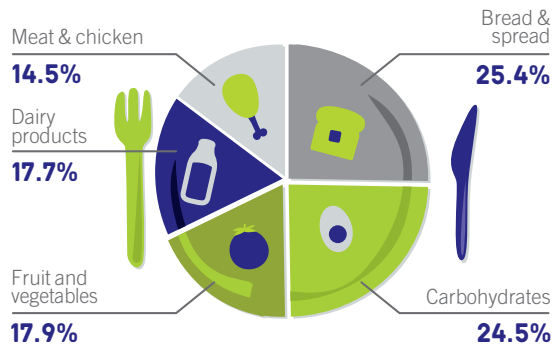
In the past year, have your children gone to school without a sandwich or other food for the day?

From the Aid recipients study



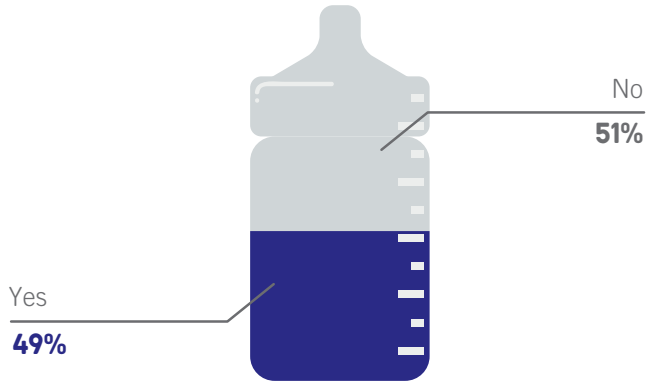
What is the percentage of the following products in your children's diet?

From the Aid recipient study



In view of your economic situation, did you have to forego milk substitutes for your children or give less than the recommended amount (dilute with water/skip meals)?

From the Aid recipients study



Which of the following situations did your children experience over the past year?

From the Aid recipients study

The percentage is over 100% since it was possible to provide more than one answer.

	Aid recipients 2017	Aid recipients 2016
My children begged	5.8%	1.6%
My children had to steal food to overcome the food shortage	3.8%	3.3%
My children picked up food from the floor or from trash cans	1.7%	0.5%
None of these situations	88.9%	94.6%



55.2% of aid recipients receive food from NGOs over once a month, while 10% of them are assisted on a daily basis.

Receiving aid from NGOs

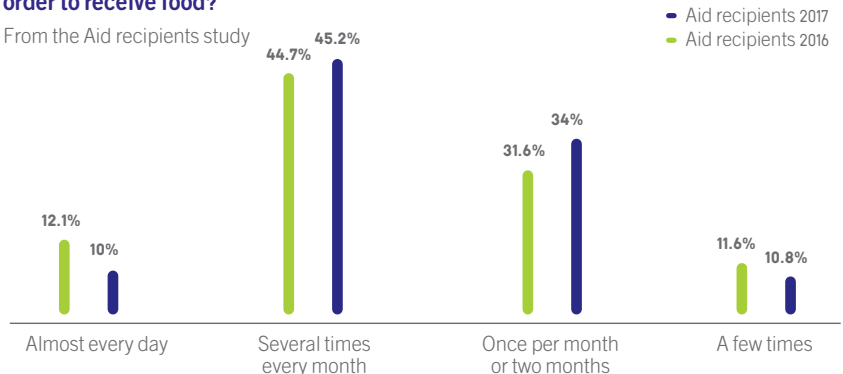
Following severe economic distress, families are forced to turn to food NGOs in order to receive aid in food packages. 55.2% of the aid recipients are assisted by the food NGOs more than once a month, while 10% of them are assisted on a daily basis. The frequency of aid has not changed significantly since last year. Despite the high frequency of aid, roughly half (46.6%) of the families report that it helps them to maintain adequate basic nutrition, and about a third indicate that it helps them to maintain fairly adequate nutrition. This testimony indicates that the response of the food NGOs, which have to cope with the acute needs of the families and rely on donations alone, is not enough. There is an urgent need for governmental intervention to allot budgets, to regulate the subject and propel a national project for nutritional security

that could provide comprehensive solutions to the problem.

The food packages that aid recipients receive from the food NGOs help them in other ways, beyond the scope of nutritional security: 33.9% the aid recipients testify that the food package enables them to allocate funds for medications or medical treatment, compared to 42.6% from the year before. Additionally, 51.2% claim that the food package enables them to allocate funds for hard expenses, such as housing or paying off debts (53.7% the previous year). The aid recipient families use the budget that is saved by the food aid on additional food, in order to reduce the family's nutritional insecurity (59%). However, allocating the resources to other needs could help cut the severity of a family's poverty.

During the past year, on average, how frequently did you turn to a local food NGO in order to receive food?

From the Aid recipients study





33.9% of aid recipients indicate that the food package enables allocation of funds for medications or medical treatment

To what extent does the aid in food packages you receive from the food NGOs help you to maintain adequate basic nutrition?

From the Aid recipients study

Aid recipients 2017	
Not at all	4.5%
To a small extent	16%
To a fair extent	32.9%
Considerably	28.2%
To a very large extent	18.4%

Does the food package you receive from the NGOs help you in other ways?

From the Aid recipient study

The percentage is over 100% since it was possible to provide more than one answer.



The food package enables me to allocate funds to pay for **rent and/or bills**



The food package enables me to allocate funds for **medications and medical care**



The food package enables me to procure **more food** and my family need



The food package enables me to allocate funds to **repay debts**



The food package does not help me in **other ways**

The National Nutritional Security Project – situation in 2017

LATET has been attempting to promote the establishment of a national nutritional security project for over a decade, but unfortunately without success so far. A national nutritional security project has not been set in motion, and in the national budget for 2017-2018, no funds were allocated for the subject.

During the past year, a pilot has been ongoing on the ground for distributing food cards with a government budget of NIS 17-19 million. It is meant to operate in about 32 urban centers and help around 10,800 families.

The money allotted for the project from government funding provides a response to just one percent of the need, which is at least NIS 1.45 billion a year, for the 243,000 families living in severe nutritional insecurity.

Additionally, the project, in its current format, is based primarily on food cards, with a small component of dry food, and food salvaging of fruit and vegetables. This solution is ineffective, since it fails to utilize the money invested in it optimally. The project was also intended to somewhat alleviate the burden resting on the shoulders of the food NGOs, which provide aid to the families referred to them on a daily basis by social services in the local municipalities. In effect, the project bypasses the local food NGOs and does not provide aid to families receiving aid regularly through them. This occurs despite the fact that, as previously mentioned, most of those receiving aid from them were referred by social services in the local municipalities.

It is our firm belief that a national project based on food salvage, combined with food purchasing, is the most

effective way to assist the largest number of families. This project would include numerous advantages, both concerning nutritional security and economic effectiveness, as well as social and environmental advantages.

- Economic effectiveness - In a project based on food procurement and salvage, there is a much higher leverage potential than in food cards, which do not enable leverage at all, since the cards must be loaded with money equal to the aid. Food salvage has the greatest and most effective leverage potential of the investment of public money. With a project operating on a large scale, it will be possible to leverage every NIS invested in operation and logistics to salvage food worth NIS 3.
- Nutritional security - A project based on food procurement and salvage enables supervising the composition of the food package the families receive, as well as providing the major food groups necessary to ensure nutritional security, which is not possible with food cards. Other limitations in using food cards would be the fact that they are negotiable, not suitable for the elderly and prone to accessibility problems.
- Social advantage - Food salvage enables the use of existing resources to help families with nutritional insecurity.
- Environmental advantage - Food salvage reduces the need to bury and destroy food, which contaminates the environment.

LATET will continue to act and fight in order to achieve the implementation of an effective solution to the problem. It also calls on the Welfare Minister to take full responsibility for the problem, and allocate NIS 100 million in the state budget for the establishment of a national enterprise for nutritional security based on food salvage, as promised on multiple occasions in the past.



My dream:

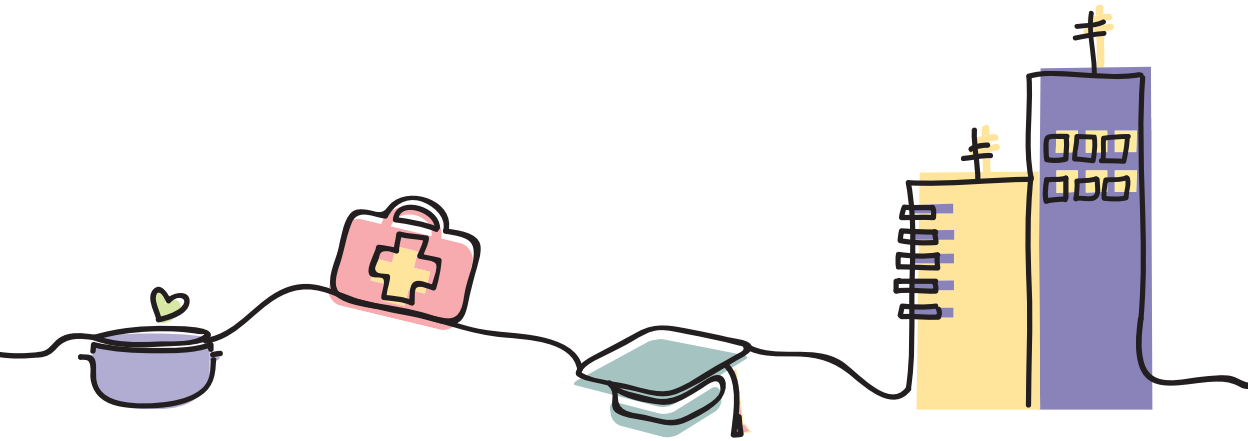
“I have stopped
dreaming”

Myth?

“There are no hungry children in Israel”

We often hear from various interest groups that there are actually no hungry children in Israel, but the majority of the population (88%) do not back this statement, and believe that this is widespread and deeply-embedded in Israeli society.

- 755,000 children (30.9%) live in a state of nutritional insecurity. Of these, 285,000 (11.7%) have severe nutritional insecurity (the National Insurance Institute, 2014).
- About a third (32.8%) of the aid receiving parents were forced to reduce the size of meals or skip meals for their children due to their difficult economic situation.



The Multi-Dimensional Poverty Index

The Multi-dimensional Poverty Index – 2017

The findings of the Multi-dimensional Poverty Index, which was developed by the ERI Institute for LATET, have now been published for the 4th successive year. In contrast with the official ‘poverty line’ employed by the National Insurance Institute, which solely defines poverty based on the household’s income, the new index relies entirely on a different approach to the concept of poverty, and provides a complete and thorough look at the problem.

The guiding principle is that in order to assess whether a person is in a state of poverty, one must ask three fundamental questions:

1. What are a person’s basic needs in order to live with dignity in Israel?
2. How does one evaluate the extent of an individual’s deficiency in relation to these needs?
3. At what rate of deficiency should a person be defined as impoverished?

In other words, the Multi-dimensional Poverty Index defines poverty as a state of extreme deficiency relative to the needs and conditions that are vital for a dignified life. More specifically, the index assesses an individual’s deficiency in relation to five components, which comprise, in our eyes, a

person’s welfare: housing, education, health, nutritional security and the ability to cope with the cost of living.

This year, as in every other year, we assessed the general poverty rate in Israeli society with the aid of a representative sample of the population in Israel. **However, in order to improve the accuracy of the survey, and decrease the sampling error, we increased the population sample to 1,000 people, constituting a representative cross-section of the Israeli population.** As in previous years, including this year, the poverty rates that the Multi-dimensional Poverty Index indicates are significantly higher than those of the National Insurance Institute. This year, for the first time, data was used in order to better understand the reason for the discrepancy between poverty rates of the National Insurance Institute and those of this index. In order to accomplish this, we examined what characterizes the people considered poor by the Multi-dimensional Poverty Index, but not considered poor by the National Insurance Institute. The findings of the study are provided later in this chapter.

How should one read the index?

The Multi-dimensional Poverty Index presents two types of data:

1. Data regarding the deficiency rates in all five components:

- The index gives each person surveyed a score indicating his/her deficiency rate relating to a specific component. The score given is set on a scale ranging between 1 and 5, according to the following classification:

1 = Very severe deficiency

2 = Severe deficiency

3 = Deficiency

4 = Slight deficiency

5 = Absence of deficiency

- In the findings presented below, we show the rate of those surveyed at each deficiency level, in each of the components - which are an assessment of the real poverty rate within Israeli society.

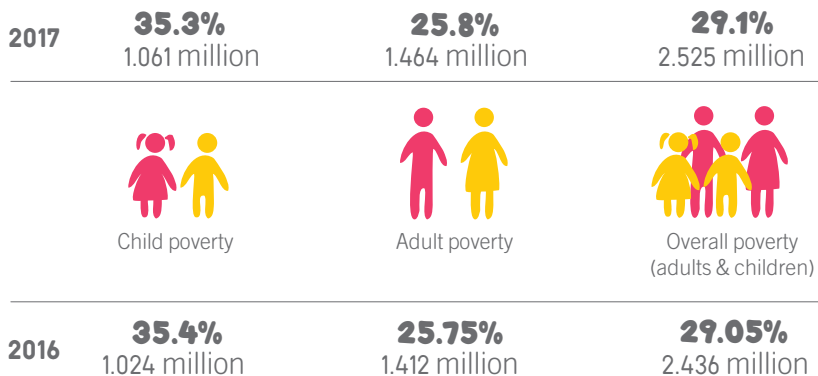
2. Data on the percentages and numbers of surveyed people who are impoverished:

- The index gives each of the surveyed people a combined score, which determines whether they are in **severe poverty, poverty or the absence of poverty**, based on the rate of deficiency they experience in each of the five components.
- In the findings presented below, we show the rate of the surveyed who are subject to poverty, while dividing them into adults and children, which is an assessment of the actual poverty rate in Israeli society.



Comparison of Poverty Rates: 2016¹ - 2017

As in previous years, we obtained the poverty rates for 2017 using the most up-to-date data on the median salary in the economy², as well as the Israeli demography³



¹As in previous years, in the index presented here, only people currently over 18 years of age were sampled; therefore, the data presented above are based on measuring the poverty incidence of adults. In order to calculate the overall poverty incidence, one must add the poverty rates among children. In order to gauge the poverty rates among children, we relied on the ratio we found in 2016 between the number of poor adults and poor children. Full details on the calculation of the number of children can be found in the chapter on methodology.

²The 2016 annual National Insurance Institute report on poverty and social gaps.

³Based on the latest data of the Central Bureau of Statistics (List 2.3, average for 2016), where there is subdivision according to age (children 0-18, adults 19-95).

The connection between the National Insurance Institute Poverty Index and the Multi-dimensional Poverty Index of LATET

In 2016, the National Insurance Institute published that, according to the official index, 1,712,900 people in Israel lived in poverty. In parallel, LATET published that 2,436,000 people in Israel live in poverty according to the Multi-dimensional Poverty Index. In this chapter, we will attempt to explain the discrepancy between the different indices, focusing on people defined as poor based on the Multi-dimensional Poverty Index, but are not considered poor according to the measuring method of the National Insurance Institute.

The Multi-dimensional Poverty Index measures poverty according to the deficiency relating to needs in five realms defined as essential for maintaining a basic standard of living for a person living in Israel. The official poverty line of the National Insurance Institute, on the other hand, measures poverty based on income alone, and determines that a person with an income of 50% less than the median per capita income in Israel is poor⁴. Since the development and inception of the Multi-dimensional Poverty Index by LATET in 2014 to measure poverty rates in Israel, the index

has been consistently indicating significantly higher poverty rates compared to the official poverty rates of the National Insurance Institute. The question is: What explains the discrepancies? What characterizes the large group of people defined as poor by the Multi-dimensional Poverty Index but not by the index of the National Insurance Institute?

To analyze this issue, we divided the sample into four groups:

1. The poor according to both indices
2. The poor based on the Multi-dimensional Poverty Index alone
3. The poor based on the National Insurance Poverty Index alone
4. Those not defined poor by either index

Secondly, we characterized the differences between the various groups with emphasis on the key question: What characterizes the group defined as poor by the Multi-dimensional Poverty Index but not the official poverty line of the National Insurance Institute?

⁴ Report on poverty and social gaps, National Insurance Institute, 2016

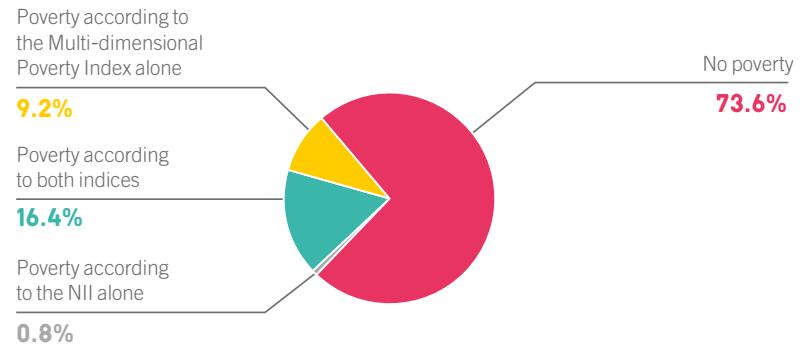
he rate of poor adults (over 18) in the sample according to the National Insurance Institute measurement method was 17.2%. This is similar to the poverty rate published last year in the National Insurance poverty report (17% poverty among men and 18.4% among women⁵).

16.4% of the adults were found to be in poverty according to both indices, while less than one percent (0.8%) were poor only according to the National Insurance poverty index. That

is, **the Multi-dimensional Poverty Index includes almost all those defined as poor according to the National Insurance index.**

The rate of poverty according to the Multi-dimensional Poverty Index is 25.6%⁶ while 9.2% are not defined as poor based on the National Insurance index. This means that **there is a significant group not identified as poor based on the National Insurance index (its income level is higher than the poverty line), but is poor according to LATET's Multi-dimensional Poverty Index.**

The discrepancies between the Multi-dimensional Poverty Index and the National Insurance Institute Poverty Index



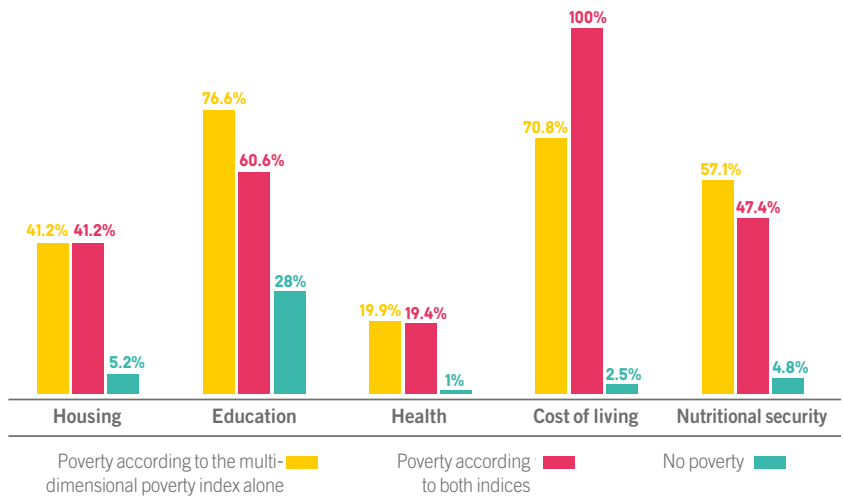
⁵ Report on poverty and social gaps, National Insurance Institute, 2016, List 6, p. 20

⁶ As mentioned above in footnote 2, this rate is close to the poverty rate to be found in the index.

So what characterizes the group of people found to be poor based on the Multi-dimensional Poverty Index alone? Do they suffer from deficiency to the same extent as those who were found to be poor according to the National Insurance Index? Generally speaking, in order to be defined poor according to the Multi-dimensional Poverty Index, a person must have deficiencies in several indices; it is not enough to be deficient based on just one index. For example, if a person is found to be deficient in education, housing or health alone, he will not be considered poor according to the Multi-dimensional Poverty Index. In order to be considered poor by the Multi-dimensional Poverty Index, one must be deficient in at least three indices, deficient in two if one is severe, or severely deficient in any one of the critical indices (nutritional security or cost of living).

An examination of the deficiency rates in each of the indices indicates that besides the cost of living index, which is affected by the income level, the deficiency rates among the poor according to the Multi-dimensional Poverty Index alone are similar or higher than deficiency rates among the poor of both indices, while both groups differ significantly in the deficiency rate from the group of people found not to be poor according to both indices. However, in the nutritional security and education indices, just those considered poor according to the Multi-dimensional Poverty Index suffer from a higher deficiency rate compared to the group classified as poor by both indices (57.1% in nutritional security compared to 47.4%; 76.6% in education compared to 60.6%). In other words, **the poor, according to the Multi-dimensional Poverty Index only is roughly 9.2% of the population, while according to the National Insurance index that percentage is not considered poor (their income level is higher than the official poverty line), but suffer from similar deficiency rates as the majority of those considered poor by the National Insurance in housing and health, as well as from higher deficiency rates in nutritional security and education.**

Deficiency in the various indices, in cross-section of the poverty definitions



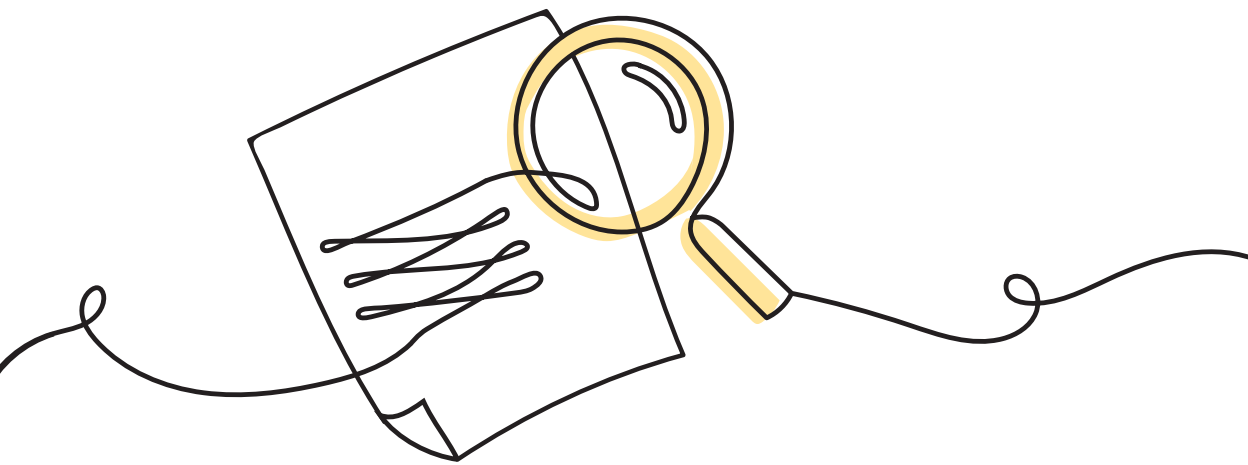
These statistics confirm the claim that the official poverty index as calculated by the National Insurance Institute (income alone) gives an inadequate assessment of the poverty rates in the population. This conclusion is manifested, among other things, through the fact that the group not defined as poor as per the official poverty line is characterized by very high levels (around 57.1%) of nutritional security deficiency, a clear sign of poverty. In order to demonstrate this claim, we calculated the deficiency in various fields with specific questions

connected to the poverty situation. Of those defined as poor by the Multi-dimensional Poverty Index alone, over the past year, 47.6% suffered from their electricity or water being disconnected, or their bank accounts being locked-in or attached, 48.1% reduced or skipped meals, about half (50.4%) did not buy medications or essential medical treatment for economic reasons and 46.1% could not afford to acquire higher education; i.e., a large portion of this group was in significant economic difficulty over the past.



In summary, despite the high overlap between the poverty calculation according to the “poverty line” of the National Insurance Institute and the Multi-dimensional Poverty Index, the latter encompasses more people. An examination of the characteristics of the group considered poor by the Multi-dimensional Poverty Index alone reveals that they suffer from similar and sometimes greater deficiencies than those classified as poor by the National Insurance index

as well. These findings indicate that, under some circumstances, income higher than that defined as the “poverty line” does not ensure immunity to deficiency situations, with some being acute, such as food deficiency or impaired basic living conditions. These findings strengthen the claim that although a test of deficiency rates is more complex than a test of income alone, it reflects more accurately the population’s situation, and its actual poverty rates.



Social Lab

LATET's Social Lab

LATET has established, for the first time in Israel, a social lab constituting an incubator for developing innovative solutions in the realm of poverty and nutritional insecurity.

The purpose of the laboratory is to develop a highly effective model for intervention in the field of nutritional insecurity, as well as formulate a pioneering plan that is applicable on a large scale in the urban and national arenas.

The laboratory was established by LATET in July 2016, and overseen by the **ERI** Institute

in order to provide responses to the following key questions:

1. What is the most effective intervention model for achieving enhancement in the nutritional security situation throughout the population suffering from severe nutritional insecurity (with hunger)?
2. What is required to rescue a household from severe nutritional insecurity?
3. How is it possible to develop the model so that the intervention will be sustainable?

Measuring Nutritional Insecurity

Nutritional insecurity is the most severe sign of poverty, manifested through economic distress and lack of regular access to the basic nutrition required for maintaining a balanced and normal life. Nutritional insecurity is defined as a situation where people, at all times, do not have regular physical and economic access to adequate quantities of healthy and nutritious food, in line with their preferences and nutritional needs,

which enables them to lead an active and healthy life (UN Food and Agriculture Organization).

Nutritional insecurity is closely related to economic hardship. In Israel, there is a high correlation between the poverty rates and nutritional insecurity. In 2012, 23.4% of Israel's population was in a state of nutritional insecurity¹, and in the same year, 21.8% of the population was in poverty².

¹ 2012 nutrition security report, NII (2014)

² Poverty & Social Gaps in 2012, NII (2013)



Israel is not a Third-World country. One does not see children with stomachs swollen from starvation in the streets, but nevertheless, hundreds of thousands of families live in a state of ongoing hardship and severe deficiency in the amount, variety and accessibility of food.

Nutritional security is measured on the basis of the USDA (US Department of Agriculture) index, which is accepted in most developed countries and employed by the Israeli National Insurance Institute too. The tool used is an 18-question survey that divides those answering to it into 4 categories:

Nutritional security (rate 0) - This category is characterized by ongoing access to a variety of adequate food.

Slight nutritional insecurity (rate 1) - This category is characterized by some deficiency in adequate food supply, feelings of anxiety, as well as accommodating the food budget and variety of food consumed.

Nutritional insecurity with moderate hunger (rate 2) - This category is characterized by a feeling of hunger especially among adults in a household.

Nutritional insecurity with hunger (rate 3) - This category is characterized by a more

severe feeling of hunger among adults, along with food deficiency among children.

The lab was set up after an assessment study conducted in 2016 by the ERI Institute for an aid program regarding nutritional security operated by LATET showed that although aid of a varied food package worth NIS 500 was provided, there was no improvement in the nutritional security of the families.

The study provided the following evidence:

- The aid had a beneficial effect on the extent of poverty of families, but not on their nutritional security.
- The effect of aid interventions in food on nutritional security is moderated by the “first shekel” problem: Households in poverty often use the money saved thanks to the food aid to cover other expenses (e.g. rates, rent, electricity bills, debts, etc.). Therefore, the total amount of food that households consume following the aid can be less or roughly the same as that consumed beforehand.
- A mix of products (variety, quality, animal protein, etc.) significantly affects nutritional security.

A study of articles dealing with interventions

in the realm of food in developed countries shows that only about 30% or less of the participants involved were alleviated from nutritional insecurity. Therefore, despite the existence of a variety of solutions, it is still necessary to develop a research-based model for effective intervention in the nutritional insecurity realm that would optimize the rates of nutritional insecurity alleviation.

Moreover, from the activity of LATET, which constitutes an umbrella organization for 180 NGOs jointly active in 105 urban centers in Israel and specialize in the subject of aid in the nutritional security realm, it transpires that most of the entities involved in food distribution operate with inadequate resources. They tend to distribute food according to availability rather than desirability of the amount, or according to the

mix of products whose effect on extrication from poverty was checked by research. Additionally, in most cases, interventions in the food realm measures the amount of food a family has received and not how the intervention has influenced the nutritional insecurity rate of families.

In light of the above, and in order to draw up an optimum model for intervention in the nutritional insecurity realm, it was decided within LATET to establish a “social lab”, designed by LATET staff and ERI Institute. This followed a wide review of relevant literature, conducting focus groups, interviews, satisfaction surveys regarding the food package and lesson learning with respect to the previous study.

The lab is being conducted in consultation with senior nutritionists Nava Rosenfeld and Shlomit Dilion of the company **Avocado's**.

LATET's Social Lab

Methodology

The lab operates in accordance with the methodology of randomized control trials (RCT), which is considered the leading method for impact assessments. This is the first time that this technique has been applied methodically in Israel in the context of extrication from poverty and nutritional insecurity. In order to operate the innovative lab, a homogeneous target group of 129 families suffering from severe nutritional insecurity (rates 2 and 3) was selected, by means of which the intervention was studied. After the families were selected, the target population was placed randomly in two test groups working in parallel.

The lab participants

- 129 families started the intervention process and underwent random placement into two groups:
 - Group A - food package: 65 families
 - Group B - food package and supplementary voucher: 64 families
 - All the families were in a state of severe nutritional insecurity (rates 2 and 3) when starting the process.
 - All household heads were under 65.
 - All the families provided their consent to be included in the program (to fill in questionnaires in several stages).
 - Dropouts during the program (in both groups) for various reasons: A total of 18 families (14%).
- Demographic data of the participants:**
- Religiosity: 41% secular, 47% traditional, the rest (12%) orthodox and ultra-orthodox
 - 68% of the household heads were born in Israel, 14.7% in the former Soviet Union and 6.9 % in Ethiopia.
 - 66% of the participants do not have a high school diploma.
 - The average number of persons in a household - 4.3.

Lab stages



The Aid Mix

The “food package”

The “food package + voucher” group



Both groups received aid worth approximately NIS 600.

The aid mix was implemented utilizing the knowledge accumulated within LATET during its 20 years of activity. It is founded on food salvage as a prime component, enabling extensive leveraging of resources and reliance on existing resources, as well as using mass procurement, enabling effectiveness as a result of the large amount. This ensures consumption of the mix and the desirable variety of the major food groups in order to achieve balanced and healthy nutrition. The mix was formulated in consultation with nutritionists, but was also based on conclusions that came up during the focus groups held with the families.

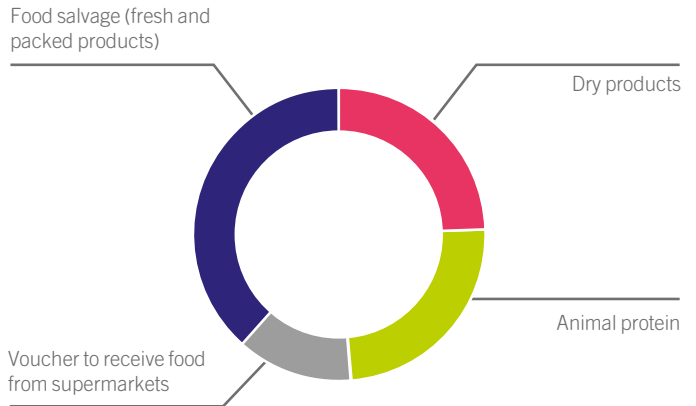
Stage 1

Food package optimization – analyzing the composition of the optimal food package

The “food package” group



The “food package+voucher” group



- The first stage lasted four months.
- The food package's composition underwent enhancement and optimization based on frequent satisfaction surveys conducted during the distribution of the food packages.
- The food package included a significant element of animal protein, according to recommendations from the focus group and analyses of previous studies.
- The difference between the two groups was designed to test whether the addition of the voucher component, instead of food, would affect the nutritional security of the participants.
- Aid frequency - The aid was provided in a fixed and regular manner: products from food procurement and a food-purchase voucher - once a month, products from food salvaging and animal protein - once every two weeks.
- Maintaining the self-respect of the aided families: the food was delivered by volunteers directly to their homes.

The results of the study after Stage 1:

- 42% of the families were extricated from hunger and moved from a situation of severe nutritional insecurity (rates 2 and 3) to a situation of nutritional security or moderate nutritional insecurity (rates 1 and 0).
- 72% of the families experienced some improvement in their nutritional security score.
- 58% experienced a categorical improvement in nutritional security rates.
- No differences were found in the nutritional security score between the "food package" group and the "food package+voucher" group.
- The intervention led to a distinct change in the average nutritional security score of all the participants. The scoring average passed from the upper limit of the nutritional insecurity category with moderate hunger (rate 2) to the lower limit of that category.
- The participants' satisfaction with the project was very high, although the satisfaction of the "food package+voucher" group's participants was distinctly lower than that of the "food package" group (4.25 on average, against 4.71 out of 5 on average).



Stage 2

Developing knowledge and skills

The second stage lasted four months and focused on developing and acquiring knowledge on healthy nutrition, as well as acquiring skills for optimal utilization of the food package products in order to see if this has a bearing on the nutritional security rate of the families. The food aid remained present in both groups like in the first stage, in order to isolate the checking of the effect of the knowledge and skills element. The intervention at this stage comprised the following steps:

- Nutrition workshops provided by nutritionists - three sessions revolving around correct nutrition via adaption of the content to the target audience.
- Cooking workshops provided by chefs - focusing on healthy cooking of the food package products.
- Regular nutrition tips available on WhatsApp, which include information on nutrition and health, directed personally to the program's participants
- A book of recipes for food package products
- Printed nutrition information attached to the food packages

The results of the study after Stage 2 of the lab:

- 51% of the families were alleviated from hunger and moved from a situation of severe nutritional insecurity (rates 2 and 3) to a situation of nutritional security or slight nutritional insecurity (rates 0 and 1).
- 72% experienced a categorical improvement between the nutritional security rates.
- 84% of the families experienced some improvement in their nutritional security score.
- No differences were found in the nutritional security score between the “food package” group and the “food package+voucher” group.
- The intervention led to a distinct change in the average nutritional security score of all the participants from the point of entry into the program, up until the end of the second stage with categorical improvement. The scoring average passed from the nutritional insecurity category with slight hunger (rate 2) to moderate nutritional insecurity (rate 1).
- Despite the preliminary working assessment, there were no signs of a change in knowledge and skills of the participants, but there was evidence of a change in awareness (for example, an increase in the importance of the nutritional quality of food consumed).
- 35% of the participants did not decrease their expenditure on food in light of the aid, in comparison with 14% in the previous study. The average reduction in the current study was NIS 229 (out of all the participants). In fact, by this step, the impact of the “first shekel” problem on alleviating the family from nutritional insecurity was moderated³.



84%

Some improvement



72%

Categorical improvement



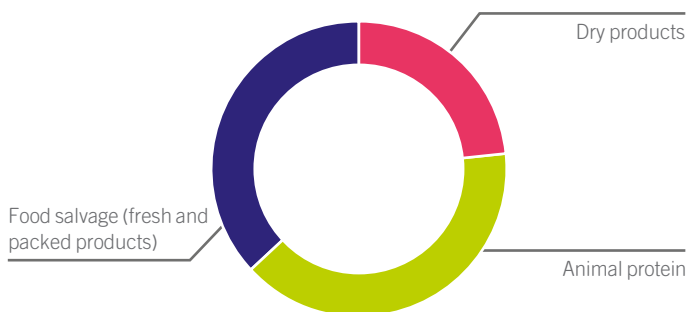
51%

Extrication from hunger

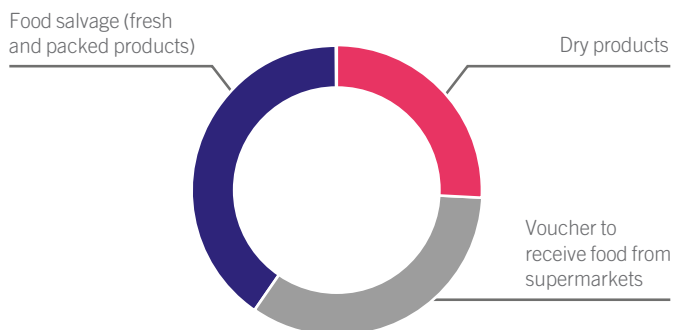
³ The “first shekel” problem: households in poverty often use the money saved from food aid provided to cover other expenses. Therefore, the total amount of food that households consume following receipt of the aid would be less or about the same as that procured beforehand.

Stage 3 **Extending the choice option of the families**

“Food package” group



“Food package+voucher” group



The third stage lasted four months during which an agency element was added, which enabled extending freedom of choice of the products comprising the food package, to adapt them to the needs and personal preferences of the aid recipient families. The purpose of this stage was to check whether extending the freedom of choice would affect the nutritional security of the families.

In order to increase choice options of the families, and study their effect on nutritional security, LATET set up an innovative website that works as a virtual supermarket, enabling

the aid recipient families to choose the food products they would receive in their food package.

The voucher of the “food package+voucher” group was increased from NIS 100 (in the first and second stages) to NIS 250 (in the third stage) with the aim of extending their freedom of choice for these families as well.

The third stage concluded only recently, while the data is currently being analyzed and the effects on the nutritional security, as well as the differences between the groups, are under study.

What's next?

Qualitative interviews with the families not taken out from hunger

Despite the significant improvement during the lab's stages, we assume that the intervention will not improve the situation of all the families, and that some of them will remain in a state of severe nutritional insecurity. This state of affairs could stem from various factors, including the particular circumstances of each individual family. In order to thoroughly investigate these factors, after completing the third stage,

a final stage of this study will follow, which will include exhaustive interviews with the families still defined as hungry throughout the project. These interviews will help to map out the variables and conditions in which intervention proves inadequate to improve the nutritional security situation, and will provide vital information for developing more focused interventions.

Follow-up research

Long-term alleviation from nutritional insecurity

In the next stage of the social lab, our goal will be to build a joint model for long term extraction from nutritional insecurity and poverty.

We will do this by cooperating with an holistic poverty intervention program which aims to increase income from employment.

We believe that the joint model will be successful and applicable at a wider scale.

We believe that a permanent supplement of food in the framework of a holistic poverty program could considerably improve both interventions.

The joint model will check whether the additional food aid added to a long-term intervention intended to enable sustainable extrication from poverty influences the effectiveness of the intervention in two mutually-dependent

parameters:

1. **Increasing the rates of extrication from poverty/alleviating the extent of poverty**
2. **Sustainable improvement of nutritional security**

In the first part of the intervention, the food package (apart from raising the participants' nutritional security) will also serve as an incentive for further support to increase income. The assumption is that this incentive might significantly improve the willingness of the participants to remain in the intervention program for extrication from poverty, thus increasing its effectiveness.

The lab's results could have far-reaching implications, if it was implemented on a larger scale in Israel and the world as a whole.

So what have we witnessed until now?

Worldwide studies that tested nutritional security interventions in developed countries revealed that only 30% of the participants were taken out from hunger.

At the end of the second stage of LATET's social lab, however, the results showed very significant success in extrication from severe nutritional insecurity situations:

- 51% of the families were extricated from hunger
- 72% underwent a categorical improvement in nutritional security rates
- 84% of the families experienced some improvement in their nutritional security score

Thank You :)

Latet would like to express its deep appreciation to all who supported and worked for the success of the study and the production of the 2017 Alternative Poverty Report.

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And above all, thank you to **the people and to the brave families** who, despite the difficulty, agreed to expose their complex conditions and ways of life, in order to testify about the face of poverty in Israel 2017, and by doing so, became partners in the civil effort to make a difference and change the social reality in Israel.