



جمعية صوت العامل النقابية

Sawt el-Amel: The Laborer's Voice  
Defending the Rights of Unemployed and Working Poor  
Arab Citizens of Israel



# When the Cost Exceeds the Benefit

An Alternative Report on the First Six Months of the Wisconsin Plan  
in Nazareth, August 2005 – January 2006



Nazareth,  
March 2006



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Cover Photo: Demonstration against the Wisconsin Plan in Nazareth,  
August 24, 2005 (© by *Sawt el-Amel*)

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***When the Cost Exceeds the Benefit* is dedicated to Mr. Khair Khalaileh, a 35-year-old Wisconsin participant, who died on March 6, 2006, on his way home from the Wisconsin centre. According to witnesses, his case manager had repeatedly refused to let him go or to call an ambulance upon Mr. Khalaileh's request. Mr. Khalaileh leaves his wife and four children.**



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## Executive Summary

The report *When the Cost Exceeds the Benefit* by Sawt el-Amel provides the first comprehensive description and analysis of the Wisconsin Plan in Nazareth in particular and Israel as a whole. In order to present a complete picture, the publication gives detailed background information on the history of welfare-to-work plans in general, the socio-economic context of the Palestinian Arab population in Israel and applies an international human rights perspective. The report dedicates particular attention to problems faced by women and children due to their specific vulnerabilities and illustrates the human rights violations resulting from the implementation of the Wisconsin Plan with the help of individual case studies. The description and arguments presented in this publication are backed up with original research and statistical data, which are the result of extensive field surveys and interviews with hundreds of Wisconsin participants conducted by Sawt el-Amel.

This alternative report uncovers both structural deficits of the government-initiated Wisconsin Plan itself and abusive – sometimes illegal - policies of the implementing private companies. Its findings provide evidence that:

- The Wisconsin Plan in Nazareth offers no solution to the root causes of poverty and unemployment among its target group, which are of a structural nature, such as: systematic discrimination in budget allocation, lack of education and industrial infrastructure, lack of work support services, and ethnic discrimination;
- The implementing agencies exploit the existing socio-economic obstacles in order to reach the objectives of the project and to make profit;
- The implementation of the Wisconsin Plan leads to serious violations of the participants' social and economic rights and threatens the core structure of human social life, the family.

One year after the establishment of the Alternative Wisconsin Centre (AWC), Sawt el-Amel's project dealing with the Wisconsin Plan, Sawt el-Amel can argue and prove that the Wisconsin Plan is designed and implemented to reach one overall goal – a radical reduction of the welfare caseload. There is no sign of interest in how the participants make a living after they have left the Plan.

Sawt el-Amel asserts that Arab communities in Israel are in dire need of development programmes to combat poverty and unemployment, including temporary special measures and comprehensive action to eradicate ethnic discrimination against Arab citizens, and that the social safety net must be safeguarded as a last resort for citizens in need. The Wisconsin Plan is not an answer, and Sawt el-Amel is committed to contributing to more sustainable solutions.

This report is also an attempt to emphasise the wider dimensions of the issue, which goes far beyond the borders of Nazareth and even of Israel. Not only is a foreign company (the Dutch Calder Groep) involved and profiting from the Wisconsin Plan in Nazareth, but the Plan's implementation leads to clear violations of the participants' internationally acknowledged economic and social human rights. Moreover, Palestinian citizens constitute an ethnic minority inside Israel and are as a collective an important stakeholder in the search for a just solution in Israel and Palestine. Continuous discrimination and dispossession of this population group by Israel, be it by commission or by omission, is a major obstacle to sustainable peace in the region and thus of international concern.

*When the Cost Exceeds the Benefit* concludes with the following observations and recommendations:

- The Wisconsin Plan pilot project must be suspended immediately;
- Public resources including temporary special measures need to be allocated to infrastructural development and the education system for Israel's Arab citizens;
- A comprehensive action plan to combat unemployment and to eradicate poverty, including specific initiatives for women, should be designed in consultation with the target population;
- A social safety net should be provided as a last resort for all citizens in need;
- Israel needs to take steps to combat systematic and incidental discrimination against Arab citizens;
- Israel should take steps to safeguard and to promote the social and economic rights of its Arab population.
- Joint advocacy activities on the international level highlighting the international aspects – human rights violations and the involvement of a foreign company – is an effective tool to increase our impact. *Sawt el-Amel* is ready to join forces with partners from abroad.

Immediate action is called for as the situation of thousands of Wisconsin participants in Nazareth and the other pilot areas is critical: their very means of subsistence are at stake.

## Introduction

On 1 August 2005, the Israeli pilot project of the Wisconsin Plan (the Plan), also referred to as *Mehalev* ("from the heart" or an acronym for "from welfare to work" in Hebrew), a welfare-to-work programme for chronically unemployed, facilitated by four international consultant companies and their local partners, began for 14,000 poverty-stricken households in the regions Ashkelon, Jerusalem, Hadera and Nazareth/Upper Nazareth. The Plan is supposed to help the long-term jobless, who are dependent on state welfare,<sup>1</sup> to break out of the cycle of unemployment and poverty. This envisaged revolution in the job market relies on the skills of private consultant companies, who are expected to help cut public welfare spending by facilitating job placements for the participants. If the Wisconsin job centers, run by private companies, do not succeed in cutting welfare expenses by 35% in the first six months of the project, the companies will not profit from the Plan. In case of non-cooperation or work refusal by a participant, his/her income benefits are cut for one or two months respectively. In Nazareth, the Wisconsin Plan is implemented by *Agam Mehalev Ltd.*, a consortium of *Marmamet* from Israel and *Calder Groep B.V.* from the Netherlands.

According to *Agam Mehalev*,<sup>2</sup> the programme in Nazareth and Upper Nazareth has so far been an outstanding success. In the first six months of operation, the welfare-to-work project facilitated job placements for more than 600 long-term unemployed, and – most importantly – saved the government 35% of its welfare expenses. *Sawt el-Amel* concurs that *Agam Mehalev* succeeded in its objective to reduce welfare spending by 35%. However, it argues that the money was saved at the expense of participants who lost their benefits without finding an alternative source of income.

***Sawt el-Amel concurs that Agam Mehalev succeeded in its objective to reduce welfare spending by 35%. However, it argues that the money was saved at the expense of hundreds of participants who lost their benefits without finding an alternative source of income.***

This report explains why the Wisconsin Plan and its aggressive sanction policies constitute a serious threat to the livelihoods of Nazareth's poor, and it provides alternative data on the fate of hundreds of Wisconsin participants who have allegedly found a job or who just "disappeared". The report further describes the abusive policies of the Wisconsin centres that drive participants – particularly women – into waiving their right to social welfare. Furthermore, it emphasises the discriminatory nature of the Plan, as it focuses on Palestinian Arab citizens of Israel and other marginalised groups, without taking notice of cultural aspects and special needs of disadvantaged population groups.

Chapter I provides a comprehensive context to the Wisconsin Plan in Nazareth. It gives a brief history of welfare-to-work plans in general and explains how the Israeli Plan functions. Subsequently, the socio-economic situation of the Palestinian Arab population inside Israel in general and in Nazareth in particular is described. Due to specific problems faced by female Wisconsin participants and their children, a separate section deals with their issues. Finally, Chapter I highlights international human rights standards relevant in the context of the Wisconsin Plan in Nazareth.

<sup>1</sup> Israel is a welfare state, and National Insurance Law acknowledges the state's duty to provide for its citizens in need: income benefits (social welfare) are paid to "any person and family in Israel not capable of ensuring a basic minimum income for subsistence." All contributory and non-contributory transfer payments from the state to its citizens – such as unemployment support, income benefits, income supplements for low-earning workers, child allowances, old-age pensions etc. – are made by the National Insurance Institute (NII).

<sup>2</sup> *Agam Mehalev*, "The Facts Speak *Agam Mehalev*" (December 2005). Hebrew and Arabic only.

Chapter II presents *Sawt el-Amel's* point of view and its involvement in challenging the Plan from the preparation phase until today. It also summarises *Sawt el-Amel's* community initiatives and legal work within the project "Alternative Wisconsin Centre (AWC)". Particular attention is given to the run-up as some abusive features of the Plan have their roots in the planning phase.

Chapter III constitutes the core of the report as it contains original and previously unpublished research. It analyses the results of our extensive field research and interviews with participants and thus provides a comprehensive picture on the fate of Nazareth's Wisconsin participants.

The last chapter introduces individual case studies as complementary information to the field data. Five stories of female Wisconsin participants exemplify *Agam Mehalev's* abusive policies.

The conclusion and recommendations affirm *Sawt el-Amel's* rejection of the Wisconsin Plan as a possible solution for Nazareth's unemployed. The organisation calls for the immediate suspension of the Plan while asserting that a sustainable solution must include programmes that create decent work opportunities in Nazareth. *Sawt el-Amel* is committed to contributing to initiatives that make way for sustainable employment instead of dependence on social welfare. In order to achieve this goal, structural changes rather than band-aid approaches are needed. Unemployment and poverty among the Palestinian Arab citizens of Israel can only be overcome if the state applies temporary special measures and invests in infrastructure in the Arab communities, including transportation, industrial zones, childcare facilities, and long school days. Moreover, systematic discrimination in budget allocations for the Arab school system must be combated, and concrete steps need to be taken to eliminate racial discrimination against Arab citizens, also among employers. The Wisconsin Plan addresses none of these issues; on the contrary, it even exploits the harsh socio-economic circumstances tormenting Nazareth's poor.

## I. Background Analysis

The following chapter provides an introduction to the context of this report. It explains the main structure of the Wisconsin Plan and gives background information on the socio-economic environment within the Palestinian Arab community in Israel. Due to the nature of the Wisconsin Plan and the social patterns within Nazareth's society, it is important to point out some specific problems faced by the female participants of the Plan and their children. Due to the involvement of a foreign company and to *Sawt el-Amel's* argument that the implementation of the Wisconsin Plan causes violations of the participants' social and economic human rights, this chapter includes a section on relevant international conventions.

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### What is the Wisconsin Plan?

The name of this welfare-to-work plan is derived from the U.S. state where a similar project was first implemented in the mid-1990s. The Wisconsin Works programme (W-2) was created in 1995 under the auspices of Governor Tommy Thompson in order to help participants achieve economic self-sufficiency through employment. W-2 is administered at the state level by the Department of Workforce Development (DWD), and locally through contracts with public and private agencies. It is funded primarily by the federal Temporary Assistance for Needy Families (TANF) programme. All states in the U.S.A. have such TANF programmes; W-2, however, is famous for its pioneer status and its aggressive use of sanctions against "non-cooperative" participants.

The experience with such programmes in the United States has shown that, while the number of welfare recipients in many cases decreased, poverty rates remained steady or even increased. Profit-oriented "work-first" plans create a growing mass of working poor in temporary and low-paid jobs.<sup>3</sup> Moreover, statistics suggest that the design of programmes like W-2 facilitates exploitation and ethnic discrimination. The Institute for Wisconsin's Future found that,

"From 1995- 2001, the racial and ethnic composition of the welfare caseload in Wisconsin shifted dramatically. Popular stereotypes had long suggested that the typical welfare recipient was a black woman, but historically in Wisconsin this has not been the case. In 1995, the year before Congress authorized welfare reform, white families comprised the largest single racial category in Wisconsin's welfare caseload. The implementation of W-2 radically changed the nature of welfare provision in Wisconsin, resulting in thousands of families getting off the caseload. But the evidence suggests that white participants left the caseload much more quickly than did people of color. While white participants made up 43% of the caseload in 1995 (when AFDC was in effect) they were only 23% of the caseload in 2001, five years after welfare reform began. In 2001, African-Americans constituted the majority of welfare recipients, accounting for 54% of all W-2 participants. In total, people of color comprised 64% of the caseload. The change suggests that welfare reform affected white families differently than families from other ethnic and racial groups".<sup>4</sup>

Companies contracted to implement W-2 were also involved in a number of scandals. A major Wisconsin newspaper summarised:

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<sup>3</sup> Work-First Plans work under the assumption that finding work is an absolute priority for the unemployed and that all other problems (education, language barriers, social obstacles) will then be solved automatically. Such approaches often take only minor notice of social aspects (the person's "job readiness"), educational or other work support services.

<sup>4</sup> Institute for Wisconsin's Future and Center for Economic Development, "Unfair Sanctions: Does W-2 Punish People of Color?" (2002).

"Opportunities Industrialization Center of Greater Milwaukee, once the largest W-2 contractor, closed its doors in February after a criminal kickback scandal and earlier audits faulted the firm for improper spending of W-2 money. Employment Solutions Inc. closed in 2002 after the Journal Sentinel and state auditors found the Goodwill subsidiary had spent several hundred thousand dollars of W-2 money seeking welfare reform business in other states. In addition, Maximus Inc. was faulted for improperly spending W-2 money on parties and other non-essentials. "These problems resulted from a lack of appropriate internal controls instituted by the W-2 agencies and inadequate contract oversight" by the state, the audit says."<sup>5</sup>

On 1 August 2005, the Israeli pilot project of the Wisconsin Plan (the Plan), also referred to as *Mehalev* ("from the heart" or an acronym for "from welfare to work" in Hebrew), a welfare-to-work programme for chronically unemployed, facilitated by four international consultant companies and their local partners, began for 14,000 poverty-stricken households in the regions Ashkelon, Jerusalem, Hadera and Nazareth/Upper Nazareth. The Plan is supposed to help the long-term jobless, who are dependent on state welfare, to break out of the cycle of unemployment and poverty. This envisaged revolution in the job market relies on the skills of private consultant companies, who are expected to help cut public welfare spending by facilitating job placements for the participants. If the Wisconsin job centers, run by private companies, do not succeed in cutting welfare expenses by 35% in the first six months of the project, the companies will not profit from the Plan. In case of non-cooperation or work refusal by a participant, his/her income benefits are cut for one or two months respectively. In Nazareth, the Wisconsin Plan is implemented by *Agam Mehalev Ltd.*, a consortium of Marmanet from Israel and Calder Groep B.V. from the Netherlands.



Security check at the gates of Nazareth's Wisconsin centre "Bir Abu Jesh". In the background: Israeli border police guarding the employment centres in Nazareth.

In early January 2006, the Israeli Treasury reported the state has saved 35 percent in income benefits, and that the Wisconsin Plan has put 2,800 people back to work.<sup>6</sup> On January 17, 2006, State Comptroller Micha Lindenstrauss announced that his office would investigate the implementation of the Wisconsin Plan at the request of the Knesset State Control Committee. The foreign and Israeli companies operating the programme are to be scrutinised in particular. Lindenstrauss said the request from the Committee had come following the numerous complaints about the programme during the first six months of operation.<sup>7</sup> *Sawt el-Amel* submitted a detailed report to the State Comptroller upon request.

At the end of January 2006, *Agam Mehalev* reported to the Ministry of Industry, Trade and Labor that the Wisconsin Plan in Nazareth is a great success, using statistics showing the large

<sup>5</sup> Schultze, Steve, "W-2 Poor Stay Poor, Audit Says", *Milwaukee Journal Sentinel* (April 7, 2005).

<sup>6</sup> Sinai, Ruth, "State Comptroller to look into Wisconsin Plan Implementation", *Haaretz*, English edition, (January 18, 2006).

<sup>7</sup> Ibid.

number of people who allegedly found employment. *When the Cost Exceeds the Benefit*, on the other hand, will prove that the Wisconsin Plan in Nazareth has failed and that the data produced by Agam Mehalev are simply not true.

## The Socio-Economic Situation of Israel's Arab Citizens

The 1.2 million Palestinian Arab citizens of Israel – almost 20% of the population - are treated as second-class citizens in all spheres of life. Marginalisation and exclusion based on systematic discrimination against Palestinian Arabs by the Israeli state and the general public constitutes a continuous threat to this community's socio-economic well-being:

- 20% of Israel's citizens are Palestinian, and about 3% of the state's development budget is spent on this community;<sup>8</sup>
- In 2001, 46 of 47 towns with higher-than-average unemployment rates were Palestinian; one was a mixed city;<sup>9</sup>
- In 2003, 46% of Palestinian families in Israel lived below the official poverty line, compared to 15% of Jewish families;<sup>10</sup>
- In 2003, 54% of children in the Arab community were poor as opposed to an already worrying 20% among Jewish children;<sup>11</sup>
- In 2003, Israel's social safety net saved only 16% of Palestinian families from poverty, compared to 49% of Jewish families.<sup>12</sup>

The disproportionately high poverty rates among the Palestinian population in Israel are a result of systematic discrimination in budget allocation, e.g. in the fields of education, social services and infrastructure, and this situation is perpetuated by an increasingly hostile discourse that excludes Arab citizens from employment in the public service and with Jewish employers.

The tables below illustrate the deep gaps between Arab and Jewish citizens of Israel.

Years of Education	Percentage of the overall Arab population (%)	Percentage of the overall Jewish population (%)
0	6	2.4
1-4	4.3	1.2
5-8	19.75	7.5
9-10	18.3	9.7
11-12	32.2	36.6
13-15	10.5	23.2
16+	8.4	19.4

<sup>8</sup> Mossawa Centre, *The 2005 State Budget and Arab Citizens: A Socio-Economic Report* (Dec. 24, 2004).

<sup>9</sup> Adalah, UN CESCR INFORMATION SHEET # 1: Social and Economic Rights - Palestinian Citizens of Israel (MAY 2003). Derived from Employment Services, "Data Regarding Workforce, Employment Seekers, and Rate of Employment by Town (in which at least 1000 belong to the workforce)" (February 2003).

<sup>10</sup> National Insurance Institute, *Annual Survey 2004* (April 2005). In Israel, the poverty line is defined as 50% of the median income, adjusted to family size.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Derived from: Central Bureau of Statistics (CBS) Israel, *Labour Force Survey 2003* (collected by Galilee Society, Rikaz - Databank for the Palestinian minority in Israel), at: [www.rikaz.org](http://www.rikaz.org).

Table 1 shows that,

- 30% of the Arab population have between zero and eight years of education, while only 11% of the Jewish population fall under this category;
- Only 19% of Arabs have entered tertiary (post 12<sup>th</sup> grade) education; in the Jewish community, the percentage is 42.6%;
- It should be noted that the approximately 70,000 residents of so-called unrecognised villages<sup>14</sup> are not included in these statistics; the government does not keep any records about this group of citizens.

%	Unskilled workers	Manufacturing, Construction, and Other Skilled Workers	Skilled Agricultural Workers	Agents, Sales and Service Workers	Clerical Workers	Managers	Associate Professionals and Technicians	Academic Professionals
Jews	7	15.5	1.4	19.7	17.9	7.8	16.2	14.6
Arabs	11.9	41.9	2	15.7	6.3	2.9	10.5	8.8

Table 2 illustrates that more than 50% of the employed Arab workforce are manual laborers (unskilled workers/Manufacturing, Construction, Agriculture and other skilled workers).

<b>Towns with Higher than Average Unemployment Rates</b>	
Arab	46
Jewish	0
Mixed	1
Total	47
<b>Towns with Lower than Average Unemployment Rates</b>	
Arab	28
Jewish	114
Mixed	6
Total	148

<sup>14</sup> Unrecognised villages are Palestinian – mostly Bedouin – communities in Israel that are not recognised by the state. As a result, the residents do not receive public services (electricity, water, garbage collection) and their homes are under the constant threat of demolition. The Central Bureau of Statistics does not keep any records about the residents, who are Israeli citizens.

<sup>15</sup> Derived from: CBS Israel, *Statistical Abstract of Israel 2004*, Table 12.18.

<sup>16</sup> Adalah, UN CESCR INFORMATION SHEET # 1: Social and Economic Rights - Palestinian Citizens of Israel (MAY 2003). Derived from Employment Services, "Data Regarding Workforce, Employment Seekers, and Rate of Employment by Town (in which at least 1000 belong to the workforce)," February 2003.

Table 4: Poverty Among Arabs and Jews, 2002 and 2003 <sup>17</sup>								
		Arabs			Jews			
		Poverty reduction from transfer payments (after direct taxes) (%)	After transfer payments and direct taxes	Before transfer payments and direct taxes	Poverty reduction from transfer payments (after direct taxes)	After transfer payments and direct taxes	Before transfer payments and direct taxes	
2002	The poor population	Families		87,300	108,500		237,800	504,500
		Persons		455,900	566,400		756,100	1,387,600
		Children		241,900	287,600		314,500	472,500
Incidence of poverty (%)	Families	19.5	44.7	55.6	52.8	14.5	30.8	
	Persons	19.5	46.8	58.2	45.3	14.9	27.3	
	Children	15.9	54.4	64.7	33.4	20.4	30.7	
2003		Arabs			Jews			
		Poverty reduction from transfer payments (after direct taxes) (%)	After transfer payments and direct taxes	Before transfer payments and direct taxes	Poverty reduction from transfer payments (after direct taxes)	After transfer payments and direct taxes	Before transfer payments and direct taxes	
The poor population	Families		96,000	114,000		260,300	509,700	
	Persons		483,800	572,100		843,000	1,453,300	
	Children		247,300	282,900		343,800	504,700	
Incidence of poverty (%)	Families	15.9	46.6	55.4	49.0	15.7	30.8	
	Persons	15.4	48.3	57.1	42.2	16.3	28.2	
	Children	12.6	54.3	62.1	31.8	22.1	32.4	

Note: The statistics do not include residents of East Jerusalem.

Table 4 demonstrates that,

- Poverty rates are rising for all of Israel's citizens;
- 46.6% of Arab families inside the Green Line<sup>18</sup> live below the official poverty line (defined as 50% of the median income adjusted to family size), compared to 15.7% of Jewish families;
- More than half of the Arab children inside Israel are poor;

<sup>17</sup> Derived from: National Insurance Institute, *Annual Survey 2004* (April 2005). Please note: On January 25, 2006, the National Insurance Institute issued its most recent poverty report covering 2004 and the first half of 2005. The statistics, however, focus on family composition and work patterns and do not distinguish between Jews and Non-Jews. The report revealed a further increase in poverty in Israel, especially among children, and a growing number of working poor. The report is available in Hebrew at: <http://www.btl.gov.il/index.asp>

<sup>18</sup> The Green Line marks the armistice line of 1949, thus excluding the Golan Heights, the West Bank, East Jerusalem and the Gaza Strip.

- Israel's safety net works comparably well for its Jewish citizens: 49% of families escaped poverty due to transfer payments from the state (see: poverty reduction from transfer payments); however, the safety net worked for only 15.9% of the Arab citizens;
- Here it should be repeated that the approximately 70,000 residents of so-called unrecognised villages are not included in these statistics.

Nazareth, the largest Palestinian Arab town inside Israel with 64,000 inhabitants, reflects the socio-economic situation of the country's overall Arab population. According to the latest available official statistics, its unemployment rate stands at 17.2%;<sup>19</sup> the country's average is currently about 10.5%. Nazareth is overcrowded and offers few employment opportunities as there are no major industrial zones. The population density is 4,523/km<sup>2</sup>, while the population density in the neighbouring Jewish town Upper Nazareth (Nazerat Illit) is 1,352/km<sup>2</sup>.<sup>20</sup> Within Israel's socio-economic ranking, an evaluation method of the Central Bureau of Statistics, Nazareth is ranked 74 out of 210 localities (210 being the richest) and situated in Cluster Three out of 10 (Cluster One includes the poorest towns; Cluster 10 the richest). Nazareth is the largest population centre ranked in the first (i.e. poorest) three Clusters; all other low-ranking localities are villages and small towns.<sup>21</sup>

On August 1, 2005, approximately 4,000 people started attending the Wisconsin Plan in Nazareth. The participants' monthly income from the National Insurance Institute ranges between NIS 1,070/month<sup>22</sup> for a single person and NIS 3,309 for a couple over 55 with two or more children, according to the official income benefit rates of the National Insurance Institute. Moreover, spouses of low-earning workers who receive income supplements (between NIS 500-700) are required to attend the Wisconsin centres, too. However, it is difficult to assess the exact amount of available income for the participants because many factors decide on the amount of transfer payments, such as ownership of real estate. At any rate, it should be noted that Israel's income benefit rates are generally lower than the official poverty line. In 2003, the poverty line for a single person was NIS 1,736 and that of a couple with two children was NIS 4,443.<sup>23</sup>

Compared to the other Wisconsin pilot areas Jerusalem, Hadera, Ashkelon and Upper Nazareth, where only particular neighbourhoods were selected for the project, Nazareth is faced with a unique challenge: all of the city's welfare recipients (including those on income supplements) are required to attend the Wisconsin Centers. Therefore, the typical participant profile is that of an unschooled woman, above 40 years, with more than two children.

Many citizens of Nazareth believe that the Wisconsin Plan is a continuation of their dispossession by Israel. A large number of Nazarene families are internal refugees,<sup>24</sup> who settled in Nazareth after the war in



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<sup>19</sup> Employment Services, "Data Regarding Workforce, Employment Seekers, and Rate of Employment by Town (in which at least 1000 belong to the workforce)," February 2003.

<sup>20</sup> CBS Israel, *Statistical Abstract 2005*, Table 2.14.

<sup>21</sup> CBS Israel, *Social Ranking*, Table 1 (2002).

<sup>22</sup> The Bank of Israel's average exchange rate for the New Israeli Shekel (NIS) in 2005 was USD 1 = NIS 4.5 / Euro 1 = NIS 5.6 – i.e. NIS 100 had an equivalent value of USD 22,22 or Euro 17,86.

<sup>23</sup> National Insurance Institute, *Annual Survey 2004* (April 2005).

<sup>24</sup> Exact data are not available. For more information about Palestinian IDPs inside Israel, contact the Arab Association for Human Rights (HRA) at [www.arabhra.org](http://www.arabhra.org).

1948 – a war which Jewish Israelis refer to as the War of Independence, while Palestinians call it the *Nakba* (catastrophe). Nazareth's internal refugees have their roots mainly in the neighbouring Arab villages that were destroyed in 1948, such as Mjedel (today's Migdal Ha'Emek) and Saffuriya (the ancient Sefhorris). Other families are from more distant towns like Tabbariya (Tiberias) at the Sea of Galilee.

After their uprooting in 1948, these families started a new life in Nazareth, which was under military rule until 1967. Deprived of their agricultural land and barred from white-collar jobs and academia, the vast majority of Nazarene breadwinners are either small retailers or construction workers. Arab women traditionally worked in the textile industry. With the wave of new immigrants in the early 1990s – mainly citizens of the former Soviet Union – and the arrival of large numbers of migrant workers in the mid-1990s, combined with the outsourcing of textile production to low-tax and cheap labor countries like Jordan and Egypt, unemployment among the Arab population in the Galilee became rampant. In 2000, Nazareth's labour force was dealt a final blow by the outbreak of the second *intifada*, which paralysed the last source of income for the city – tourism. Now, 60 years after their displacement and dispossession, and a decade since the ongoing employment crisis, Nazareth's poor feel they are being deprived even of their last resort – the social safety net.

### Specific Vulnerabilities of Arab Women and Children



Women demonstrating against the Wisconsin Plan in Nazareth.

Apart from concerns related to the structure of the Wisconsin Plan itself and to all citizens participating in it, special attention needs to be drawn to particular issues faced by Arab women and children in Israel's Wisconsin Plan. Specific vulnerabilities of Arab women stem from two main factors – discrimination based on their ethnicity and belonging to an unrecognised national minority in Israel<sup>25</sup> and discrimination and social restrictions due to their gender. Arab children in Israel are also faced with the double jeopardy of being members of an ethnic minority and their vulnerability due to their young age.

Not only is the Wisconsin Plan in Nazareth insensitive to social patterns within Arab society and the under-development of Nazareth's infrastructure, but it exploits the socio-economic situation of the participants. The following paragraphs will point out the various interlinked factors leading to serious human rights violations of women participants and their children.

The majority of Wisconsin participants are women, many of whom are over 40, have little formal education and more than two children. Social patterns in this generation put the woman in the traditional role of housewife and mother, a societal position that earns her the respect of the community. *Sawt el-Amel* does not aim to preserve these restrictive gender roles; it rather argues that a social revolution forced upon older generations when their very means of existence are at stake cannot lead to any sustainable long-term solution. The table below shows the extremely low labour force participation of Arab women, both in relation to Arab men and to Jewish women.

<sup>25</sup> Israel does not officially recognise its Arab citizens' collective identity as members of the Palestinian people. The Arab citizenry is usually identified as "Israeli Arabs" or "Non-Jews", or divided into subgroups such as Muslims, Christians, Druze, or Bedouin.

Women			Men		
Jewish	Arab	Total	Jewish	Arab	Total
54.6	17.3	49.1	59.8	60.3	60.1

The Economic Recovery Law (2003)<sup>27</sup> provides that all income benefit recipients with children between the age of two and seven must actively seek employment. In the past, spouses of recipients or single mothers with children in that age were not required to attend the job offices. Due to this law, mothers with young children must attend the Wisconsin centres full-time, as they are officially considered jobseekers, even if their husbands are working on low wages and receive income supplements from the state.

In Nazareth, both mothers and their children do not have the necessary coping mechanisms to adjust to this situation. Their situation is exacerbated from two angles – from social patterns within their own society and from the systematic discrimination in resource allocation by the state. The following factors contribute to this unsustainable situation:

- Most female Wisconsin participants from Nazareth have no work experience and consider their role as wife and mother to be their central responsibility. The requirements of the Wisconsin Plan take away their means of social production as they are no longer able to fulfill their role within society;
- The Wisconsin Plan offers few educational or vocational training opportunities as it is focused on “work first”;
- The available work support services – transportation, childcare, long school days, care for the sick and elderly – are insufficient;
- Female participants are the main target of sanctions and psychological warfare by the Wisconsin officials, assumingly because of their vulnerable position within society;
- Children are left alone at home without a guardian or forced to attend the Wisconsin centres together with their parents;
- Children are often required to wait for their mothers to come home from the Wisconsin centres in the late afternoon before they get lunch.

Accordingly, approximately 70% of *Sawt el-Amel's* clients in the Alternative Wisconsin Centre are women whose stories are appalling. Many are forced to leave their young children or sick family members at home while they serve time in the Wisconsin centres; others are forced to work long hours for salaries below the minimum wage level, in places with no or sub-standard restroom facilities.

Apart from the specific obstacles faced by Arab women and children in Nazareth, the Wisconsin Plan constitutes a clear human rights violation for all female participants and their children, notwithstanding their social or ethnic background. International legal standards clearly define the family as the central basis of society, and states are obliged “to encourage the provision of the

<sup>26</sup> Derived from: CBS Israel, *Statistical Abstract of Israel 2004*, Table 12.1.

<sup>27</sup> Shortly after the inauguration of the Sharon government in 2003, the Ministry of Finance launched a strict economic recovery program, based on neo-liberalist economics – reducing the cost of labor, welfare cuts, privatisation. Ever since the implementation of the economic recovery plan, poverty rates have been rising considerably, especially those of groups with specific needs, such as children, single parents, and ethnic minorities.

necessary supporting social services to enable parents to combine family obligations with work responsibilities and participation in public life, in particular through promoting the establishment and development of a network of child-care facilities".<sup>28</sup>

## An International Human Rights Perspective

*Sawt el-Amel* takes a rights-based approach to fighting poverty within the Arab community as we believe that unemployment and poverty are the result of systematic human rights violations against Arab citizens of Israel. Through its project "The Laborer's Legal Clinic", *Sawt el-Amel* makes extensive use of the Israeli court system and domestic legislation; however, it is of utmost importance for our work to refer to international human rights instruments as well, because:

- Israel has a dualist legal system, i.e. international covenants ratified by Israel do not automatically become domestic law;
- Israel grants no constitutional right to equality;
- Arab citizens do not fully benefit from Israeli citizenship rights because Israel defines itself as the state for the Jewish people.



"Decent Work is a Right"

Moreover, the implementation of the Wisconsin Plan has added an international component to our work as a foreign company is involved in the Plan. Even though the contracted agency *Agam Mehalev Ltd.* is registered as an Israeli company with limited liability, it was established by the Israeli consultant company *Marmanet* and the Dutch *Calder Groep BV*. Therefore, human rights violations committed by the implementing agency have a clearly international aspect, and coordination or even joint advocacy activities with civil society groups from the Netherlands or from countries with similar experiences in welfare reform would be highly effective.

In the following paragraphs, applicable human rights instruments and relevant articles shall be introduced. The implementation of the Wisconsin Plan seriously infringes the participants' social and economic rights. Moreover, *Sawt el-Amel* maintains that the participants' rights to non-discrimination and temporary special measures are not guaranteed. Finally, the Wisconsin Plan violates specific rights of women and children. Therefore, the following human rights instruments should be taken into account:

- International Covenant on Economic, Social and Cultural Rights, ICESCR (ratified by Israel in 1991);
- Convention on the Elimination of All Forms of Racial Discrimination, CERD (ratified by Israel in 1979);
- Convention on the Elimination of All Forms of Discrimination against Women, CEDAW (ratified by Israel in 1991);
- Convention on the Rights of the Child, CRC (ratified by Israel in 1991).

<sup>28</sup> Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), Article 11.2 (c).

The following articles of the applicable conventions should be highlighted:<sup>29</sup>

### I) International Covenant on Economic, Social and Cultural Rights:

#### *Article 6*

1. The States Parties to the present Covenant recognize the right to work, which includes **the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts**, and will take appropriate steps to safeguard this right.

2. The steps to be taken by a State Party to the present Covenant to achieve **the full realization of this right shall include technical and vocational guidance and training programmes, policies and techniques to achieve steady economic, social and cultural development and full and productive employment under conditions safeguarding fundamental political and economic freedoms to the individual.**

#### *Article 7*

The States Parties to the present Covenant recognize **the right of everyone to the enjoyment of just and favourable conditions of work** which ensure, in particular:

(a) Remuneration which provides all workers, as a minimum, with:

(i) Fair wages and **equal remuneration for work of equal value** without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work;

(ii) A **decent living for themselves and their families** in accordance with the provisions of the present Covenant;

(b) **Safe and healthy working conditions;**

(c) Equal opportunity for everyone to be promoted in his employment to an appropriate higher level, subject to no considerations other than those of seniority and competence;

(d) Rest, leisure and reasonable limitation of working hours and periodic holidays with pay, as well as remuneration for public holidays.

#### *Article 9*

The States Parties to the present Covenant recognize **the right of everyone to social security, including social insurance.**

#### *Article 11.1*

1. The States Parties to the present Covenant recognize the **right of everyone to an adequate standard of living for himself and his family**, including adequate food, clothing and housing, and to the continuous improvement of living conditions. **The States Parties will take appropriate steps to ensure the realization of this right**, recognizing to this effect the essential importance of international co-operation based on free consent.

### II) Convention on the Elimination of All Forms of Racial Discrimination

#### *Article 2.2*

2. **States Parties shall, when the circumstances so warrant, take, in the social, economic, cultural and other fields, special and concrete measures to ensure the adequate**

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<sup>29</sup> Note: all emphases were added by the author.

**development and protection of certain racial groups or individuals belonging to them, for the purpose of guaranteeing them the full and equal enjoyment of human rights and fundamental freedoms.** These measures shall in no case entail as a consequence the maintenance of unequal or separate rights for different racial groups after the objectives for which they were taken have been achieved.

**Article 5(e)(i)(iv)**

In compliance with the fundamental obligations laid down in article 2 of this Convention, States Parties undertake to prohibit and to eliminate racial discrimination in all its forms and to guarantee the right of everyone, without distinction as to race, colour, or national or ethnic origin, to equality before the law, notably in the enjoyment of the following rights:

[...]

(e) Economic, social and cultural rights, in particular:

[...]

(i) The rights to work, to free choice of employment, to just and favourable conditions of work, to protection against unemployment, to equal pay for equal work, to just and favourable remuneration...

(iv) The right to public health, medical care, social security and social services...

**III) Convention on the Elimination of All Forms of Discrimination against Women:**

**Article 4**

**1. Adoption by States Parties of temporary special measures aimed at accelerating de facto equality between men and women** shall not be considered discrimination as defined in the present Convention, but shall in no way entail as a consequence the maintenance of unequal or separate standards; these measures shall be discontinued when the objectives of equality of opportunity and treatment have been achieved.

**Article 11.1(c) (e) and (f) and 11.2 (c)**

**1. States Parties shall take all appropriate measures to eliminate discrimination against women in the field of employment** in order to ensure, on a basis of equality of men and women, the same rights, in particular:

...

(c) **The right to free choice of profession and employment**, the right to promotion, job security and all benefits and conditions of service and the right to receive vocational training and retraining, including apprenticeships, advanced vocational training and recurrent training;

...

(e) **The right to social security, particularly in cases of retirement, unemployment, sickness, invalidity and old age and other incapacity to work**, as well as the right to paid leave...

(f) The right to protection of health and to safety in working conditions, including the safeguarding of the function of reproduction.

**2. In order to prevent discrimination against women on the grounds of marriage or maternity and to ensure their effective right to work**, States Parties shall take appropriate measures:

...

**(c) To encourage the provision of the necessary supporting social services to enable parents to combine family obligations with work responsibilities and participation in public life, in particular through promoting the establishment and development of a network of child-care facilities;**

**Article 13(a)**

States Parties shall take all appropriate measures to eliminate discrimination against women in other areas of economic and social life in order to ensure, on a basis of equality of men and women, the same rights, in particular:

(a) The right to family benefits...

**IV) Convention on the Rights of the Child:**

**Article 5**

**States Parties shall respect the responsibilities, rights and duties of parents or, where applicable, the members of the extended family or community as provided for by local custom, legal guardians or other persons legally responsible for the child, to provide, in a manner consistent with the evolving capacities of the child, appropriate direction and guidance in the exercise by the child of the rights recognized in the present Convention.**

**Article 26**

**1. States Parties shall recognize for every child the right to benefit from social security, including social insurance, and shall take the necessary measures to achieve the full realization of this right in accordance with their national law.**

2. The benefits should, where appropriate, be granted, taking into account the resources and the circumstances of the child and persons having responsibility for the maintenance of the child, as well as any other consideration relevant to an application for benefits made by or on behalf of the child.

**Article 27**

**1. States Parties recognize the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development.**

2. The parent(s) or others responsible for the child have the primary responsibility to secure, within their abilities and financial capacities, the conditions of living necessary for the child's development.

**3. States Parties, in accordance with national conditions and within their means, shall take appropriate measures to assist parents and others responsible for the child to implement this right and shall in case of need provide material assistance and support programmes, particularly with regard to nutrition, clothing and housing.**

...

*Sawt el-Amel* maintains that the Wisconsin Plan and its implementation constitute violations of the participants' social and economic rights quoted above. As a signatory to the above-mentioned international conventions, Israel is obliged to promote all its citizens' human rights.

## II. Sawt el-Amel's Work Related to the Wisconsin Plan

*Sawt el-Amel* (The Laborer's Voice) supports unemployed and working poor Palestinian Arab citizens of Israel in their struggle for socio-economic justice and against discrimination in the labour market and welfare system. The organisation works towards legal and political change through collective and individual legal action, advocacy and public awareness campaigns, and empowerment of the Arab population in Israel. *Sawt el-Amel's* programme activities are based on the universal right of everyone to an adequate standard of living, free from want and free from fear.

The organisation was founded by workers and unemployed Palestinians from Nazareth and its surrounding villages in 1999. The organisation became widely known within our community and beyond after the clashes between Palestinian citizens of Israel and the Israeli police in October 2000, which escalated and resulted in the killing of 12 Palestinian citizens and a labourer from Gaza by the Israeli security forces. In the subsequent wave of ethnic hatred and xenophobia, 200 Arab workers were fired from their workplaces at a major Israeli restaurant chain and others were prohibited to speak Arabic at work. 37 workers returned to their jobs after 15 cases were won by *Sawt el-Amel* in the Labour Court in Tel Aviv. *Sawt el-Amel* is a grassroots membership organisation that is non-religious and non-partisan and aims to achieve constructive change from the bottom up. As of December 2005, the organisation has 960 members.

The launch of the Wisconsin Plan has had a tremendous impact on the well-being of our core constituency – Nazareth's unemployed and working poor citizens. Therefore, challenging this unsustainable welfare-to-work project has become *Sawt el-Amel's* major goal in 2006.

*Sawt el-Amel* took a highly critical attitude towards the Wisconsin Plan already its preparation phase. Six months after its official launch in August 2005, *Sawt el-Amel* maintains that the Wisconsin Plan cannot offer sustainable solutions for Nazareth's unemployed. Moreover, evidence suggests that *Agam Mehalev* follows a policy of forcing people to waive their rights to social benefits for being "uncooperative". Therefore, *Sawt el-Amel* campaigns for the substitution of the Wisconsin Plan with a sustainable long-term project addressing the root causes of poverty and unemployment in Nazareth. *Sawt el-Amel* is committed to contribute to finding viable alternatives for Nazareth's underprivileged population.

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### The Run-Up to the Wisconsin Plan

*Sawt el-Amel* was among the first civil-society organisations in Israel to realise that the Wisconsin Plan would have devastating effects on its target group – the poorest among Israel's welfare recipients. Originally, the Plan was supposed to begin in 2001, but it was postponed due to the economic recession in Israel. The preparations, however, went on rather unnoticed by the public eye. The first time *Sawt el-Amel* was confronted with the term "Wisconsin" in connection with the unemployed in Israel was in February 2004 when the Central Employment Service announced it would close down a number of small and uneconomical branches and merge them with bigger job offices nearby.<sup>30</sup> Among the offices to be closed down and merged with the Nazareth branch

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<sup>30</sup> For details see: Arab Association for Human Rights and *Sawt el-Amel*, "Urgent Call for Support of the Unemployed in Nazareth District (Israel): Merger of Kufr Kana and Nazareth employment bureaus violates basic economic and social rights of the Arab minority citizens and demonstrates a policy of double-standards in Israeli public sector" (June 8, 2004), at: <http://www.laborers-voice.org/english/publications/>

was Kufr Kana, an employment bureau serving about 12,000 unemployed from 10 Arab villages, approximately 4,000 of whom received income benefits. While investigating the larger context of this reform plan and the seemingly illogical decision to merge two of the major job offices in the Galilee, which were already overcrowded and understaffed, *Sawt el-Amel* came across a pilot project designed for Nazareth's income benefit recipients, the Wisconsin Plan. In response to a joint petition by *Adalah* and *Sawt el-Amel*, the Supreme Court held in May 2005 that the Ministry of Industry, Trade and Labor revise its decision to close down the Kufr Kana employment bureau.<sup>31</sup> Otherwise, the 4,000 welfare recipients from Kufr Kana and the surrounding villages would now be participating in the Wisconsin Plan as well.

The Wisconsin Plan exacerbates the socio-economic problems in Nazareth and feeds upon the very mechanisms that led to poverty and exclusion of the Arab community from Israeli society. The lack of employment opportunities, low levels of education, low workforce participation among Arab women, and insufficient work support services such as transportation and childcare make a sustainable implementation of the Plan impossible. Especially, as the typical participant profile is that of an unschooled woman, above 40 years, with more than two children.

At this point, it should also be mentioned how the pilot areas were chosen. According to the Israeli legislation enabling the Wisconsin Plan,<sup>32</sup> an expert committee was to be set up to select four pilot areas in the North, the South, Tel Aviv and Jerusalem. This committee was to be made up of employees of the Ministries of Industry, Trade and Labor and of Finance, from the National Insurance Institute, the Central Bureau of Statistics, and a representative of the public who is an expert in the labor market.<sup>33</sup> Given the fact that Arab citizens constitute the largest percentage of Wisconsin participants, it is noteworthy that there was no Arab representative on the expert committee responsible for selecting the pilot areas. Hence, three out of the four selected areas are situated in Arab population centres: Nazareth is Israel's largest Arab town, and the parts selected from Upper Nazareth include neighbourhoods where Arabs from Nazareth have recently settled; Hadera is located in the Triangle region in central Israel, another major Arab population centre, and though Hadera itself is a Jewish town, the Plan includes surrounding Arab communities such as Baqa al-Gharbiya and Wadi 'Ara; and in Jerusalem, the Plan is implemented in parts of occupied East Jerusalem.<sup>34</sup> Moreover, it should be noted that the other half of the Wisconsin Plan participants are overwhelmingly new immigrants from Russia and Ethiopia, who are faced with similar socio-economic problems as the indigenous Palestinian Arab population, such as language barriers, discrimination by the Ashenazi establishment, and social patterns that differ from those of the rather "Westernised" lifestyle of mainstream Israel.

**Given the fact that Arab citizens constitute the largest percentage of Wisconsin participants, it is noteworthy that there was no Arab representative on the expert committee responsible for selecting the pilot areas.**

At first sight, it seems logical that most Wisconsin participants are members of marginalised groups as those are usually the ones who depend on the state's welfare system. However, this argument is only partly true. Firstly, *all* pilot areas are predominantly Arab, Russian or Ethiopian. The metropolitan area including Tel Aviv, Herzliya and Netanya, which makes up for about 20%

<sup>31</sup> Adalah, "Supreme Court Issues Injunction Preventing Closure of Employment Office, Which Serves more than 4,000 Unemployed Individuals from Nine Arab Villages", *Adalah's Newsletter*, Volume No. 5, September 2004.

<sup>32</sup> Parts of the enabling legislation are available on the website of the Israeli Ministry of Industry, Trade and Labor at [www.moit.gov.il](http://www.moit.gov.il), under the link "Mehalev English".

<sup>33</sup> Mehalev, Enabling Legislation, Chapter VII, Article 6(f).

<sup>34</sup> The fact that the Wisconsin Plan, an Israeli government initiative enabled by domestic legislation, is being implemented in occupied Palestinian territory opens a whole new range of issues to be discussed - mainly related to international law - which this report cannot cover.

of the country's population, is not part of the Plan. Secondly, in Arab Nazareth, *all* of the town's income benefit recipients are required to participate, and in the run-up, the government even tried to extend the pilot area to the surrounding Arab towns and villages (through the merger of the employment bureaus of Kufr kana and Nazareth). Finally, why should a work-first plan be implemented only in areas with no employment opportunities?

*Sawt el-Amel* began its campaign challenging the Wisconsin Plan in March 2005, four months before the projected launch of the Plan in July. In the run-up to the Plan, *Sawt el-Amel* carried out an awareness-raising and information campaign in the local Arab media and in public places. In the months before the actual beginning of the Wisconsin Plan, *Sawt el-Amel* raised the following main concerns:

- There is no demand for Arab workers in the Galilee, and the Wisconsin Plan is not a job creation project;
- Many Arab participants in the Wisconsin Plan are not able to read Hebrew and are insufficiently informed about the project;
- The contracted manpower companies are profit-oriented and have to think in terms of "strength in numbers" rather than sustainability;
- Will there be minimum standards for the protection of workers' rights, e.g. will minimum wages be guaranteed?
- Does the fact that the participants disappear from the statistics of the National Insurance Institute really mean that they found sustainable employment?
- Who follows up on the participants and monitors whether they have found decent work and whether their and their families' right to an adequate standard of living is guaranteed?
- The Supervision Committee for the implementation of the Plan is part of the Ministry of Finance and thus cannot be entirely objective.

These concerns were based on both a profound knowledge of Nazareth's community, especially the welfare recipients, and on research related to similar welfare-to-work plans implemented elsewhere.

For instance, in April 2005, the Wisconsin State Legislative Audit Bureau published an independent evaluation of Wisconsin Works (W 2), a welfare-to-work programme currently implemented in Wisconsin, U.S.A. The report describes the project as a "mixed success":

"Although the W-2 program has been successful in helping some participants obtain unsubsidized employment, a substantial proportion of former participants remain in poverty".<sup>35</sup>

Barbara Swirsky, Director of Adva Center in Israel, stated that:

"The program [Wisconsin] is good mainly for young, educated people with less health problems and fewer children."<sup>36</sup>

In July 2005, Community Voices Heard, an NGO from New York City, published the report *Revolving Doors*, which concludes that New York City's "Work First" programme does not help the ones who are most in need of assistance:

"The hardest to employ, those with significant barriers to employment, have not benefited from "work-first." Due to a variety of reasons – including low levels of education, limited English proficiency, inadequate access to childcare and supportive services – many recipients

<sup>35</sup> Legislative Audit Bureau, *W 2: An Evaluation* (April 2005).

<sup>36</sup> Sinai, Ruth, "Adva Worried by Wisconsin Failure", *Haaretz*, English Edition (May 25, 2005).

are still stuck in a welfare system that pushes them to move to work, even if they do not yet possess what they need to get and keep a job and move beyond the public assistance system.”<sup>37</sup>

The vast majority of Nazareth's participants fit into the profile described by Community Voices Heard as “hardest to employ”.

### The Alternative Wisconsin Centre (AWC)

Sawt el-Amel established the Alternative Wisconsin Centre (AWC) in Nazareth in March 2005, as already before the launch of the Wisconsin Plan serious concerns relating to the sustainability of this welfare-to-work plan were raised. As a result of the average participant profile, about 70% of the AWC's clients are women, and therefore, Sawt el-Amel facilitated the establishment of the Women's Platform on the Wisconsin Plan, a solidarity forum for women that advises Sawt el-Amel in its strategic planning and organises community events.



Demonstration against the Wisconsin Plan in Nazareth, August 2005

The AWC works as a union for the Wisconsin participants. It conducts information campaigns in the local media, runs a full-time legal advice centre, keeps an archive of testimonies of Wisconsin participants, is constantly present in the field, organises community events and is part of the NGO Coalition against the Wisconsin Plan. Since January 2006, the AWC has – upon request from participants - extended its activities to the Wisconsin centre "Prague" in Upper Nazareth (Nazerat Illit).

After the first six months of the Wisconsin Plan in Nazareth and extensive field surveys and consultations with the participants of the Plan, the main goal of the AWC is to stop the Wisconsin Plan in Israel and to campaign for an alternative and sustainable job creation and job readiness programme for Nazareth and other Arab population centres inside Israel. In the meantime, the AWC supports the participants of the Wisconsin Plan in Nazareth (upon request also in other pilot areas) and defends their rights to decent work and social security. Furthermore, the AWC acknowledges the specific issues faced by female Wisconsin participants and facilitates the Women's Platform, catalyses empowerment and encourages social activism and public participation of women.

<sup>37</sup> Community Voices Heard, *Revolving Doors* (July 2005).

**The Activist's Diary: Challenging the Wisconsin Plan in Nazareth, 05/2005 – 01/2006**May 2005:

- Publication of information brochure about the Wisconsin Plan in Arabic

June 2005:

- Awareness-raising campaign in local Arabic media
- Community Information Day on Wisconsin Plan; result: establishment of the Popular Committee to Monitor the Wisconsin Plan in Nazareth

August 2005:

- Demonstration against the Wisconsin Plan, organised by *Sawt el-Amel* and the Popular Committee; app. 300 people attended, including Knesset members

September 2005:

- 128 families did not receive their income benefits due to administrative problems in the Wisconsin centres; the benefits were returned after a complaint by *Sawt el-Amel*
- Establishment of the Women's Platform against the Wisconsin Plan, facilitated by *Sawt el-Amel*

November-December 2005:

- The Women's Platform organises sit-ins in front of the Wisconsin centres on a weekly basis

December 2005:

- Joint conference with ACRI (Association for Civil Rights in Israel): The Wisconsin Plan in Nazareth: Success or Failure?
- Second awareness-raising campaign in the local Arabic media
- After extensive campaigning, the Wisconsin centres announced the end of the "forced volunteer programme" (Community Service Jobs) in Nazareth

January 2006:

- 16 January: A demonstration in front of a Wisconsin centre escalates when three women are pushed by police and private security personnel. Two members of *Sawt el-Amel* are subsequently arrested by the police but later released without charges. The Wisconsin administration sanctions the female participants of the demonstration
- On 17 January, the State Comptroller announces an official investigation into the implementation of the Wisconsin Plan as a result of complaints and civil society pressure
- A follow-up demonstration on 19 January is attended by fewer people; Wisconsin participants were threatened by officials and denied access to the demonstration by regular police and border police
- *Sawt el-Amel's* director speaks at the conference "Six Month after Wisconsin" in Jerusalem on 22 January, organised by the New Israel Fund, Shatil, and the Van Leer Jerusalem Institute. The conference was attended by government officials and representatives of the implementing companies

### III. Facts and Figures: Alternative Information from Sawt el-Amel's Field Work

Chapter III constitutes the core of the report as it contains original, previously unpublished research. The information provided in this chapter suggests that:

- The Wisconsin Plan itself is unsuitable for Nazareth, and that
- The conduct of the implementing company is unethical, and in some instances also unlawful.

After providing general demographic data on the Wisconsin participants and listing the related obstacles, this chapter identifies six main areas of concern - virtual jobs (manipulation of job placement statistics), aggressive sanction policies and psychological warfare, a large number of "disappeared" participants, problems faced by the sick and elderly and by mothers and children, and a generous interpretation of the so-called "Community Service Jobs" - and backs up its arguments with facts and figures.

It should be noted here that it is extremely difficult to determine exact data related to the Wisconsin participants, as the statistics are changing virtually on a daily basis - firstly, because new participants (such as long-term unemployed, who move into the income benefit section) are constantly joining the Plan, and secondly, because participants leave the project (either because they found employment or because they give up) and others return (participants who lost their jobs again). Therefore, the numbers presented in this chapter should be considered benchmarks rather than exact statistical data.<sup>38</sup>

*Sawt el Amel* researched the following demographic data for Nazareth's Wisconsin participants in August 2005:

<b>Wisconsin Participants in Nazareth, August 2005</b>			
<b>Participants by age group</b>	<b>TOTAL</b>	<b>Men</b>	<b>Women</b>
<b>0-30</b>	664	162	502
<b>31-40</b>	1,149	454	695
<b>41-50</b>	1,165	423	742
<b>51-60</b>	987	398	589
<b>61+</b>	104	103	5
<b>TOTAL</b>	<b>4,073</b>	<b>1,540</b>	<b>2,533</b>

<b>Participating Families and Number of Children ( below 18), August 2005</b>											
No. of Children in Family	1	2	3	4	5	6	7	8	9	10	<b>TOTAL: 3,110</b>
No. of Families	423	293	206	188	96	27	10	2	1	1	<b>TOTAL: 1,247</b>

<sup>38</sup> Note: all figures presented in this chapter – unless attributed to other sources - are results of *Sawt el-Amel's* field investigations. Moreover, part of the information was provided by sources that prefer to remain anonymous.

The data show that:

- More than 60% of the participants are women (*note: the official labour force participation rate for Arab women in Israel stands at 17%*);
- More than 50% of the female participants are over 40 years (*note: the majority of these women has no secondary education and has never worked; the women who did work are former textile workers who were laid off when the Galilean textile companies outsourced production to Jordan and Egypt in the mid-1990s and have been unemployed ever since*);
- More than 25% of all participants are over 50 years (*note: the majority of the income benefit recipients over 50 suffer from serious health problems. Most male participants in this category are former construction workers who had to quit working due to poor health*);
- Only 16% are 30 years or younger (*note: participants of this age group are statistically most likely to find employment*);
- The participants have a total number of more than 3,000 children below 18 (*note: there is an insufficient number of daycare facilities available in Nazareth and no long school-day programme*);
- More than 40% of the participating families has more than 3 children (*note: the vast majority of these families has only one breadwinner, the husband/father, while the wife/mother leads the household*).

As a result of this demographic constellation, the Wisconsin centres met the following obstacles:

- Nazareth's two Wisconsin centers were unable to host the initial 4,000 participants - whose number had by January 2006 grown to app. 5,000 - because the premises are too small for such a large clientele, and as no jobs are available, the participants are required to spend their time in the Wisconsin centres. The overcrowded centres create tension and high levels of stress;
- Nazareth's two Wisconsin Centers are unable to offer any solution for the participants' children. In the past six months, several serious incidents have taken place involving young children who were left without a guardia;<sup>39</sup>
- Due to the administrative chaos in the Wisconsin Centers, 128 families did not receive their income benefits for August 2005. After *Sawt el-Amel's* intervention, the National Insurance Institute transferred all withheld payments as it was understood that the fault was with the registration procedure in the Wisconsin Centers;
- As a direct result of the administrative shortcomings, *Sawt el-Amel* urged the Wisconsin Centers to give the participants some written proof of their attendance. *Agam Mehalev* complied and started handing out attendance certificates to the participants which prove their entitlement to income benefit payments;
- In the beginning, participants were sent to a work place without any reference letter and thus they could bring no proof that they had sought employment but were rejected. After *Sawt el-Amel's* intervention, *Agam Mehalev* started issuing a standard reference letter to be shown to and signed by the potential employer.

The first six months of implementation of the Wisconsin Plan have shown that the centres are unable to deal with Nazareth's clientele, which is generally considered "unemployable", because all recipients of income benefits are enrolled in the programme. It seems virtually impossible for *Agam Mehalev* to reach the objectives of the plan – to save the state 35% of its income benefit expenses in the first six months - and generate profit without saving resources at the cost of the

<sup>39</sup> See: case studies of Fatma Ghazzawi and Manal Abdeljawwad in Chapter IV of this report.

participants. The following sections discuss the main tools the Wisconsin administration and/or the companies use to embellish the statistics and to reach the objectives of the Plan.

## Virtual Jobs

According to the *Agam Mehalev*, more than 600 participants from Nazareth and Upper Nazareth found work in the first six months of implementation<sup>40</sup> – an extraordinary success. *Sawt el-Amel*, however, was convinced that the statistics were manipulated, and it went on to investigate the issue. For Nazareth, the field research produced the following outcomes:

- At least 350 participants listed as success cases are low-earning workers on income supplements who were urged by their case managers to ask their employers to at least “officially” upgrade their job to a full-time position;
- Approximately 75% of participants found a job without any support from the Wisconsin centres;
- A large number of participants (probably in the hundreds) who were sent to a job opening and were either rejected or laid off again appear as success cases;
- Random control phone calls to employers suggest that in many cases, the job simply does not exist;
- In more than 800 interviews with participants, *Sawt el-Amel* did not find a single person who found employment for more than a few months.

Those participants on part-time jobs and low wages who were really offered a full-time position by their employer belong to the small group of people who actually benefit from the Wisconsin Plan. However, it is not correct that *Agam Mehalev* claims that it found work for these participants, as they already had a job before the launch of the Plan.

When asked about those participants who found jobs by themselves but are listed as success cases, Dorit Novak, the Director of Mehalev (the Wisconsin Administration), argued that the most important thing is that the participants find work; it is not important how they do it<sup>41</sup>. This position is quite commendable; however, it raises the question of what is the added value of the Wisconsin Plan. Furthermore, the practice of hijacking the participants' very

**What is the added value of the Wisconsin Plan?**

own successes assumed an air of suspicion when *Sawt el-Amel* found out that case managers were instructed to call participants who stopped coming and to tell the ones who had found a job that they had to bring their pay slips to the centres for documentation. That way *Agam Mehalev* acquired the data and registered the participant as a success – i.e. in the internal records, these participants are labeled as “sent to work by *Agam Mehalev*”. On the other hand, there seems to be no interest to follow up on participants who stopped coming without having found employment.

Examples of non-existing jobs and lay-offs registered as success cases are manifold, and the major part of *Agam Mehalev*'s statistics are made up of these virtual jobs. Moreover, *Sawt el-Amel* found that once a case is registered as a success – i.e. the participant no longer receives income

<sup>40</sup> *Agam Mehalev*, “The Facts Speak *Agam Mehalev*” (December 2005). Hebrew and Arabic only.

<sup>41</sup> According to an unpublished interview.

benefits – there is no follow-up. *Sawt el-Amel* has taken the case of a woman to the labour court in Nazareth, who was laid off by her employer after three months and never received a salary.<sup>42</sup>

The case of Sam'an Jibran is also noteworthy because he was hailed as a success case in *Agam Mehalev's* information brochure "The facts Speak *Agam Mehalev*" in December 2005. In the article "It Suits Me", he says that "so many lies have been told about the Wisconsin Plan, for example that people are sent to unsuitable jobs. In reality *Agam Mehalev* helps us a lot, and the case managers listen to us." Mr. Jibran is a 26-year-old academic professional with a degree in Business Administration from the Polytechnic "Technion" in Haifa. Two years, he had looked for a job without success until his Wisconsin case manager found work for him as a full-time accountant at a local engineering company. In January 2006, however, he was laid off again and was then sent to work as a launderer. He refused this job and thus lost his income benefits for two months. He visited *Sawt el-Amel* to let off steam because he is angry at being *Agam Mehalev's* showpiece.

***In the first six months of implementation, all of 20 participants refused to work.***

Finally, there is one waterproof piece of evidence for *Sawt el-Amel's* claim that in reality there are no jobs for Nazareth's unemployed, and this is the number of so-called job refusers. According to the law, participants who refuse to take on a job they were offered are subject to punishment and have their benefits cut for two months. In the first six months of implementation, all of 20 participants refused to work. This could certainly mean that all participants are over-motivated and

would never refuse any job, but the alternative explanation is more likely – namely that there are no actual job openings to be refused.

## Sanction Policies and Psychological Warfare

While the first section showed how the success rates were beefed up, the following paragraphs will outline how participants are driven to waive their entitlement to social welfare by an arbitrary use of sanctions and psychological warfare. While the number of job refusers is impressively low, the number of people sanctioned for being "uncooperative" is rampant. Between August 2005 and January 2006, 1,388 participants had their income benefits cut for at least one month as a result of sanctions. If we assume an average benefit rate of NIS 1,000 per sanctioned person, it means that the state of Israel saved more than 1 million shekels at the expense of welfare recipients who were late for their appointments, refused to participate in workouts in the gym or who displayed "inappropriate" behaviour in the Wisconsin centres. The sanction system works as follows: participants are allowed to have two so-called "zeros" in their file – the third zero means that their income benefits will be suspended for one month. Case managers can punish a participant with a zero for being "uncooperative", i.e. for being late or for laughing and talking in the centres. A particularly worrying



Female Wisconsin participants were sanctioned for exercising their Freedom of Association

<sup>42</sup> See: Chapter IV, the case of Widad Odeh.

case included 12 women who were sanctioned for participating in a demonstration; this is an infringement of their freedoms of expression and association.

In connection with the disproportionately high number of sanctioned participants, *Sawt el-Amel* was alerted to an internal memo from *Agam Mehalev's* General Director Tirza Bar Haim to the employees on September 9, 2005.<sup>43</sup> The correspondence required each of the 70 case managers to facilitate at least 10 job placements per week – or rather, to get 10 people off welfare. By the way, in the meantime, the number of case managers decreased to 50; 20 officials resigned for conscientious reasons, among them the director of one of the two *Wisconsin* centres in Nazareth.

At this point, a few paragraphs should be dedicated to the way the *Wisconsin* participants are treated by their case managers and other officials of *Agam Mehalev*. Considering the above-mentioned internal instruction, one may come to the conclusion that disrespectful treatment of the unemployed is part of the policy to expel participants from the state's welfare system.

First of all, the premises of the *Wisconsin* centres are unsuitable for such a large clientele. In the first months, participants had to stand in line for hours in order to enter the buildings, which are not designed to host thousands of people. The *Wisconsin* centre "Markaz al-Abiad" (the White Centre), for example, is situated on the fourth and fifth floors of a building whose upper floors are designed for residential purposes and not as office space. The second branch in Bir Abu-Jesh is on the far outskirts of town. Several times, participants fainted, either from waiting in the sun or from sitting in over-crowded waiting rooms. In terms of cultural sensitivity, the centres are inappropriate, too, as they do not offer a space for women who feel uncomfortable in the company of men they do not know. Social and cultural differences were also neglected in the design of the participants' personal plans, which include workout in the gym, online job search and educational/psychological tests. These components are part of a Western model for empowerment training; however, the *mens sana in corpore sano* mania has not yet reached the Arab world, and 50-year old, illiterate women will most likely have little success finding work via the internet. Moreover, hundreds of people feel taken for fools when they have to fill in questionnaires about their favourite movies or draw flowers to express their personality. The majority of the participants live in abject poverty, and many worked half of their lives – either as manual laborers or as care givers – and they feel that *Agam Mehalev* is not taking them seriously.

While the above-mentioned issues show that the implementation of the Plan has major flaws, they may not suffice to speak of psychological warfare. The following examples shall give an impression of what participants have to put up with in the *Wisconsin* Plan:

- When a mother requested to be released early from the centre because her four-year-old daughter went missing after nursery school, her case manager suggested: "You should buy your daughter a mobile phone, so she can call you";<sup>44</sup>
- A mother held *Agam Mehalev* responsible for her daughter's street accident; the five-year-old was hit by a car on her way home from nursery school. In response, a *Wisconsin* official was reported saying: "Let them roam the streets. It's none of our business";<sup>45</sup>
- An employer who requested volunteers for the potato harvest, allegedly said to young female *Wisconsin* participants: "I want to see your manicured fingers dig in the dirt;"

<sup>43</sup> The correspondence was forwarded to *Sawt el-Amel* by an employee who prefers to remain anonymous.

<sup>44</sup> See: Chapter IV, case study Fatmi Ghazzawi.

<sup>45</sup> See: Chapter IV, case study Manal Abdeljawwad.

- A course coordinator teaching women cosmetics noted that one of the first rules was that they themselves should improve their outer appearance. She demanded that the women dress “sexy” – i.e. short skirts and low-necked tops;
- Oftentimes, participants are not excused for the day, even if they are obviously feeling ill;
- Case managers intimidate participants, particularly women, by telling them, for instance, that they will lose their income benefits if they participate in demonstrations.

At the end of this section, again, a striking statistical feature - in this case related to the participants' use of their right to appeal - should be scrutinised. According to the law, sanctioned participants have the right to appeal before an internal complaints committee established by the implementing agency. So far, only three out of 1,388 affected persons have appealed the suspension of their welfare payments.<sup>46</sup> While *Sawt el-Amel* admits that it could have made better use of the appeals procedure, the main criticism remains: *Agam Mehalev* obviously failed to mention the existence of the right to appeal.<sup>47</sup>

***Agam Mehalev obviously failed to mention the existence of the participants' right to appeal.***

## The “Disappeared”

This section will deal with two groups of people – the “welfare fraudsters”, who worked illicitly and at the same time cashed their monthly welfare cheque, and the “disconnected”, who have simply left the welfare system without an alternative source of income. 577 people either never came to the centres or left in the first month.

The first category, the welfare fraudsters, are the ones for whom the Wisconsin Plan was originally designed, and in their case the Plan may actually work. The illegal workers who chose not to attend the Wisconsin centres and thus gave up their income benefits probably continued their current work and maybe even got a proper work contract. For this very specific target group, the Plan fulfilled at least parts of its objectives; however, eliminating welfare fraud committed by some does not justify “collective punishment” of welfare recipients as practiced by the Wisconsin Plan.

***Hundreds of participants simply decided to waive their right to social welfare because the exercise of this right created insurmountable obstacles.***

The second and larger group of the “disappeared” are people who have weighed the pros and cons of the Wisconsin Plan and come to the conclusion that the cost exceeds the benefit. In most cases, these people are sick and/or elderly and mothers, two groups that will be discussed in more detail in the following two sections. However, what needs to be mentioned here is that *Sawt el-Amel* collected tens of testimonies in which

people stated that whole families returned to traditional social support networks where close and extended family members provide for their relatives in need.

<sup>46</sup> The three claimants were women who were sanctioned for attending a demonstration. The appeals committee decided to revise the decision; the participants' benefits were not suspended.

<sup>47</sup> The participants' right to complain to an appeal committee is guaranteed in: Mehalev, Enabling Legislation, Chapter VII, Article Four: Objection and Appeal.

### Community Service Jobs (Workfare)

Community service jobs, also called workfare, are part of the Wisconsin Plan. According to the regulations, community service is an internship that:

- Is not employment;
- Is aimed at preparing the volunteer for future employment;
- Must not exceed nine hours/day and four months/year;
- Must be performed in a non-profit or public entity, which is authorised by the Wisconsin administration to accept volunteers;
- Must not replace salaried positions;
- Must be within a range of 60km of the volunteer's home.

On January 1, 2006, *Agam Mehalev* officially suspended the community service job project after pressure from the participants and *Sawt el-Amel*. However, some internships are still ongoing. Between August and December 2005, 414 volunteers were sent to community service jobs, 280 of whom were women. 245 out of the 414 volunteers were over 40; 80 were over 50 years.

*Sawt el-Amel* opposes the community service job project in general because the amount of work volunteers are required to perform is in many cases disproportionate to the amount of money they get as income benefits. Many volunteers were women whose husband's are on low wages. Thus, many had to volunteer full-time in exchange for an extra NIS 500 per month, and at the same time, their children were left alone while both parents were working or volunteering.

Apart from the general criticism, *Sawt el-Amel* found that *Agam Mehalev* did not implement the project according to the regulations. For instance,

- Many volunteers were sent to work places that were not authorised by the Wisconsin administration (e.g. the municipality of Tur'an, and a number of public institutions from Nazareth as the municipality did not agree to sign all contracts), some of which were private profit-making companies (e.g. clothes stores or barbershops);
- In many cases, the community service was in fact work, such as the unlawful internships at profit-making companies, "volunteers" who were sent to pick olives or tomatoes or to dig out potatoes, participants who were sent to clean prison facilities or to collect garbage in other towns;
- A number of women were sent to work places up to 90km away from Nazareth. 15 participants were sent to Kibbutz Eliakum near Netanya and another group of 12 women was sent to Moshav Olesh near Tulkarem in the West Bank to dig out potatoes;
- According to an unconfirmed rumour, a local kindergarten asked for volunteers from *Agam Mehalev* and laid off the employed cleaning staff.<sup>48</sup>

*Sawt el-Amel* detected a clear link between the internal policy to send at least 10 people to work per week and the abuse of the Community Service Job project. Participants told *Sawt el-Amel* that their case managers asked them to find any employer who would attest them an internship. *Agam Mehalev* had to get as many participants as possible out of the centres because the premises are too small to host thousands of people full-time.

<sup>48</sup> The volunteers who were sent to said kindergarten did not agree to speak to *Sawt el-Amel*, and the rumour could not be confirmed.

In order to illustrate the dangers related to the workfare project, one case study – the Lajoun theatre in Nazareth's old city - shall be discussed in more detail. The Lajoun theatre is situated in a picturesque building in the maze of Nazareth's old market area and attracts local intellectuals and tourists from both abroad and from other parts of Israel alike. The Lajoun, which is a registered non-profit organisation, hosts plays, concerts and art exhibitions in an oriental atmosphere. Its owners are proud of the theatre's eclectic and leftist flair.

But since the beginning of the Wisconsin Plan, it has turned into a sweatshop. Being an NGO, the Lajoun was authorised to accept volunteers from the community service job project. Since last autumn, the theatre hosts a group of app. 25 women who produce traditional Palestinian embroidery and beadwork full-time. At first glance, this sounds like a great opportunity for unemployed women to make their way into self-sufficiency, but after taking a closer look at the initiative, the following questions arose:

- Why does the course coordinator only accept women who are skilled in embroidery?
- What happens to the embroidery produced by the women?

The course coordinator explained enthusiastically to a group of tourists that the embroidery course is a real chance for the women. Their products are exhibited in the Lajoun gallery and can be sold, and in the long term, an extension of the activities is planned – the Lajoun theatre is thinking about training the women to become puppeteers and to establish a circus project for their children. One of the tourists wondered later on whether there was a large demand for puppeteers in Nazareth and whether Nazareth's unemployed were interested in becoming artists.

Only towards the end of the discussion with the course coordinator, when a tourist asked how much the women are earning, the coordinator mentioned that the women are actually volunteers and will not be paid in the first four months (according to the regulation of the community service job regulation). So, who profits from the sale of the craftwork? Who took the NIS50 a tourist paid for a small item of traditional Palestinian embroidery without getting a receipt?

Some of the women who attend the course say that the Dutch director sells the products in the Netherlands. Others say the products are being sold in HaMeshbir, a major Israeli department store. These rumours are unconfirmed; however, the question remains: Who profits from the skills of unemployed and unpaid women? *Sawt el-Amel* maintains that this is clearly a case of exploitation.

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## **The Sick and Elderly**

As already mentioned in the beginning of this chapter, more than 25% of the participants are over 50, and also many younger participants are out of work for health reasons. Moreover, many participants have sick or elderly family members at home who are in need of attention. The following aspects give rise to serious humanitarian concerns related to the treatment of the sick and elderly in the Wisconsin Plan:

- *Agam Mehalev* does not recognise health certificates from the National Insurance Institute as decisions are taken according to the assessment of the internal physician;
- Sick and elderly people are required to attend the Wisconsin centres because their spouse receives income supplements for low wages;
- Participants are only excused when they have a child below 18 who is 100% incapacitated; other needy family members are not an acceptable reason for exemption.

In relation to the health assessment, the internal physician is confronted with a conflict of interest as he is employed by the company and is thus dependent on its success and internal policies. As a result, *Sawt el-Amel* is following up appalling cases of participants who, according to the National Insurance Institute, are 100% unfit to work but are required to attend the Wisconsin centres full-time (up to 40 hours a week). Hundreds of participants suffer from serious health problems such as heart disease, cancer or disabilities due to work accidents, many of whom worked and contributed to the social insurance fund for decades and are now required to participate full-time in the Wisconsin Plan in exchange for their income benefits.

Moreover, hundreds of women over 50, who are leading large households and never sought employment outside their home, are attending the centres in exchange for a few hundred shekels worth of income supplements their husbands are entitled to.

Finally, many participants are forced to leave their close relatives in need of care alone at home. For instance, parents with a mentally or physically challenged child are only excused if the child is a) 100% incapacitated and b) below the age of 18.

## Mothers and Children



Mothers and their children waiting for their daily appointment at the Wisconsin employment centres

The root problem for mothers and children lies in a regulation of the 2003 Economic Recovery Law, which provides that in case a family on income benefits has at least one child between the age of two and seven, both spouses (or a single parent) have to actively seek employment – i.e. sign at the job office or, in the pilot areas, attend the Wisconsin centres. This regulation is the reason why thousands of women involuntarily entered the job market in 2003. In Nazareth's Arab society this new regulation caused serious social problems as the majority of women are care givers – they lead the household, rear the children and attend to needy or elderly family members. Due to this social structure, combined with under-developed social services in the Arab sector, there are no alternative solutions for day care.<sup>49</sup>

The Wisconsin Plan has exacerbated this situation as all participants have to attend the centres full-time. The past six months have caused a top-down revolution of family life in Nazareth, and as these changes came unannounced and unwanted, people find it extremely hard – and are unwilling – to cope with the new situation. Many mothers have reported to *Sawt el-Amel* that they feel disempowered because their main social responsibility was taken away from them without any compensation (e.g. in the form of sustainable employment). Moreover, parents complain that their children's performance in school is deteriorating as most school children are used to doing their homework under the supervision of their mothers.

***The past six months have caused a top-down revolution of family life in Nazareth***

<sup>49</sup> It should be noted here that this regulation also has devastating effects on single parent families as single parents are forced to leave their young children either alone, or – if available – in day care facilities. Mothers (and fathers) are not given the choice to raise their children full-time. As single parent families constitute a small minority in Nazareth this report cannot go into further detail.

Apart from these general problems, there have been a number of incidents when children or other needy family members were left without a guardian. For instance, one four-year-old girl fell asleep in a parked car in the midday sun when she had found no-one at home after coming back from nursery school by herself.<sup>50</sup> Two young children were hit by cars on their way home from school, and one 12-year-old girl, who was ill with influenza, had to be hospitalised after she fainted in a Wisconsin centre. Her mother had seen no other way than taking her sick daughter to the centre because she did not want to leave her alone at home.

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<sup>50</sup> See Chapter IV, case study Fatma Ghazzawi.

## IV. The People behind the Statistics: Five Case Studies of Wisconsin Participants from Nazareth

The five case studies in this chapter were originally published as "Laborers of the Month". The "Laborer of the Month" is *Sawt el-Amel's* monthly English-language publication, which discusses an individual case as an example for the multi-layered problems faced by *Sawt el-Amel's* constituency. It is moreover our objective to give a voice to dispossessed citizens by telling their stories to an audience they cannot reach by themselves, but which may help make a difference.

This chapter introduces five women from Nazareth – Fatma Abu Shehadi, Fatma Abdallah, Fatma Ghazzawi, Manal Abdeljawwad, and Widad Odeh. Ms. Abu Shehadi attends the Wisconsin centres on a daily basis even though the National Insurance Institute considers her 100% incapacitated for work. Ms. Abdallah was summoned to the centres at age 70 but released after *Sawt el-Amel's* intervention. Ms. Ghazzawi decided to waive her family's right to income supplements because she wants to be at home when her four-year-old daughter comes back from nursery school, while Ms. Abdeljawwad continues her full-time volunteer job even though there is no full-time daycare facility for her youngest daughter. Ms. Odeh volunteers full-time at the Lajoun theatre while her 86-year-old mother is alone at home

These five case studies exemplify how the implementing agency *Agam Mehalev* pressures Wisconsin participants – particularly women – to waive their right to social benefits by following a policy that makes it difficult for the participants to cooperate.

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### Ms. Fatma Abu Shehadi, 55, Nazareth: Unfit for Work but Fit for Wisconsin<sup>51</sup>

Ms. Fatma Abu Shehadi turned to *Sawt el-Amel* because she is afraid that she and her husband will lose their income support benefits from the National Insurance Institute (NII), their only means of subsistence. The Abu Shehadis receive NIS 2,800 per month from the National Insurance Institute (NII), and one of their four children is still below 18. Fatma Abu Shehadi has not worked in 30 years. Before her first child was born in 1976, she worked in a textile factory in the Galilee. After her first child, she decided to stay at home and care for the children. Mr. Abu Shehadi, 60 years, is incapacitated for work and has a certificate from the NII that states that he cannot participate in the labour force.



Fatma Abu Shehadi in *Sawt el-Amel's* office

Since 1996, Ms. Abu Shehadi, too, has such a medical certificate. According to the NII's medical committee, she is 100% incapacitated for work, and therefore, she and her husband had to sign up for their income benefits only on an irregular basis.

Nevertheless, in June 2005, Ms. Abu Shehadi received an invitation to the Wisconsin Center in Nazareth, requiring her to attend the centre at least 30 hours a week and to actively look for employment. If she does not keep her daily appointments, the Abu Shehadis will lose their income benefits.

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<sup>51</sup> Edited and updated version of original publication: *Sawt el-Amel*, Laborer of the Month, Case Study No. 4 (August 2005), at: <http://www.laborers-voice.org/english/publications/month/Index.htm>

Fatma Abu Shehadi is desperate because her health problems – a weak heart and high blood pressure – do not allow for the daily exertion at the Wisconsin Center, which offers insufficient facilities for the participants. Usually, people have to wait in line for a long time before they can enter the centre. A number of people have already fainted in the midday sun while waiting to enter the building. The fact that Fatma Abu Shehadi is required to attend the Wisconsin Center even though according to the NII she is unfit for work is a clear proof of the arbitrariness with which Nazareth's unemployed are treated by the implementing agencies.

During its work with the participants of the Wisconsin Plan in Nazareth, *Sawt el-Amel* found that a large number of the unemployed summoned to the Wisconsin Centers suffers from serious health problems. *Sawt el-Amel* therefore campaigned for the establishment of a medical committee that examines the participants and assesses their fitness for work.

As an immediate result of *Sawt el-Amel's* intervention, participants between 45 and 60 who could produce a certificate from a doctor stating that they are unfit to work needed to come and register in the Wisconsin Centers only twice a month. According to our estimates, up to 900 people were affected by this measure.

In October 2005, the Wisconsin centres employed a physician for the participants. At first sight, this new service was evaluated as a success by *Sawt el-Amel*; however, it turned out that the health assessments of the captive physician are biased. Only very few of the participants whom the National Insurance Institute certified as unfit to work were issued this certificate also by the Wisconsin centres. In January 2005, most of the participants between 45 and 60 who suffer from poor health – among them Fatma Abu Shehadi – had to return to the Wisconsin centres for six hours per day.

### Ms. Fatma Abdallah, 70, Nazareth: Fit for Work at Age 70?<sup>52</sup>



Fatma Abdallah in her house in Nazareth's Safafra neighbourhood

Fatma Abdallah was born under the British Mandate in Palestine and has always lived in Nazareth's Safafra neighbourhood. She has worked a lot in her life: she raised 12 children of her own and is now proud grandmother of 50 grand-sons and daughters. Today, at age 70, she suffers from the usual health problems that haunt the elderly – she cannot walk long distances and has an impaired vision. Fatma Abdallah is a widow; her husband passed away in 1979. Mr. Abdallah used to work as a construction worker. She never learned how to read and write and never sought formal employment as leading a household of 14 took up all her time. Currently, she receives NIS 1,200 old-age benefits

per month from the National Insurance Institute, and before she reached the retirement age (for details, please see Box 1 below), she lived on income benefits – Israel's non-contributory social welfare payments to needy citizens who cannot provide for themselves.

In July 2005, Ms. Abdallah received a letter that threatened her very means of subsistence. The director of *Agam Mehalev*, the Israeli-Dutch consortium of manpower agencies that implements the Wisconsin Plan in Nazareth, formally invited her to participate in the welfare-to-work programme

<sup>52</sup> Edited and updated version of original publication: *Sawt el-Amel*, Laborer of the Month, Case Study No. 5 (September 2005), at: <http://www.laborers-voice.org/english/publications/month/Index.htm>

in the Wisconsin Center in Nazareth Bir Abu-Jesh. This invitation was compulsory. From August 1, 2005, Fatma Abdallah was required to attend the Wisconsin Center on the other side of town five days a week for eight hours and look for employment. Otherwise her income benefits would be withdrawn. Ms. Abdallah was desperate. When she visited *Sawt el-Amel's* office for the first time, she said, "What do they want from my life? Am I in my age fit for work? I need someone to help me in the house." Fatma Abdallah's questions are justified.

**Why would a 70-year-old, retired woman be eligible for a welfare-to-work programme, especially in a situation where work opportunities are scarce even for the younger generations of Israel's Palestinian community?**

In the case of Fatma Abdallah, *Sawt el-Amel's* intervention was successful. On 15 August 2005, she was informed that she was exempt from the Wisconsin Plan.

**Box 1: Israel - Retirement Age Law (2004)**

On January 5, 2004, the Knesset passed the Retirement Age Law (2004), under which the retirement age, and consequently, the age of entitlement to old-age pension, is gradually raised, beginning on July 1, 2004, as follows: the conditional age or retirement age (age of entitlement to old-age pension conditional on means test) will be gradually raised until it eventually reaches 67 for men and 64 for women and the absolute age or pensionable age (age of entitlement to old-age pension that is not conditional on a means test) is gradually raised for women until it eventually reaches 70 (the same as for men.) Previous to the change, the conditional age of entitlement to old-age pension was 65 for men and 60 for women, while the absolute age was 70 for men and 65 for women.

Recipients of general disability pension or income support will continue to receive this benefit until the conditional age of entitlement to old-age pension, in accordance with the conditions of entitlement.

Source: National Insurance Institute, at:  
<http://www.btl.gov.il/>

However, extensive field surveys and interviews with Wisconsin participants *Sawt el-Amel* conducted in the past months revealed that a disproportionate number of participants are women over 50. Firstly, field research proved that the percentage of women participants is significantly higher than that of men (approximately 3:2). This does not reflect the employment pattern in Israel's Palestinian community where only 17% of women are in the labour force, compared to 60% of men.<sup>53</sup> This does not mean that *Sawt el-Amel* supports the *status quo*; our position is rather that social change should not be forced upon the elderly but rather facilitated by offering educational incentives and employment opportunities for the young generations.

Moreover, *Sawt el-Amel* estimates that among the approximately 2,500 women who were asked to attend the Wisconsin Centers in Nazareth, up to 600 are aged 50 and older. This means that about 15% of all Wisconsin participants in Nazareth are middle-aged women (>50), who are by many employers considered "unemployable". The fact that the National Insurance Institute did not reveal any data about the age and gender composition of the Wisconsin participants upon *Sawt el-Amel's* request supports the notion that there are major flaws in project implementation.

Fatma Abdallah may have been the oldest Wisconsin participant, but *Sawt el-Amel* maintains that many other elderly and sick women should be exempt from the Wisconsin Plan as well, since they will not be able to find sustainable employment. The decision to excuse Fatma Abdallah from the Plan shows that Wisconsin officials, too, are convinced that her participation would not lead to any improvement of her situation.

<sup>53</sup> CBS Israel, *Statistical Abstract of Israel 2004*, Table 12.1.

During its work with the participants of the Wisconsin Plan in Nazareth, *Sawt el-Amel* found that a large number of the unemployed – particularly women – summoned to the Wisconsin Centers are aged 50 and older. Many Palestinian women over 50 have had no or little formal education and never joined the work force.

As a direct result of *Sawt el-Amel's* campaign and the publication of Fatma Abdallah's case, the Wisconsin administration released all women between 65 and 70 from the Plan. This affected approximately five participants.

### Ms. Fatma Ghazzawi, 38, Nazareth: When the Cost Exceeds the Benefit<sup>54</sup>

Fatma Ghazzawi (Umm Muhammad) has made a choice: she waived her family's right to income supplements for low-earning workers. This choice was certainly not a voluntary one; it was a choice between the extra NIS 700 per month from the National Insurance Institute or the well-being of her children.

On August 1, 2005, Fatma and her husband 'Amer Ghazzawi started attending the Wisconsin Plan in Nazareth. Mr. Ghazzawi is a construction worker, but his wages are so low that he is entitled to income supplements from the state (for details on income supplements, see Box below). Umm Muhammad finished formal education after ninth grade and has never worked. Today, at age 38, she is a housewife and mother of five children between four and 16.

#### What are income supplements?

**Income Supplement** - A partial benefit paid to a person whose income from work or from any other source is lower than the minimum income level for subsistence, as determined in the Law.

#### **Guaranteed Minimum Income (Income Benefit Rates), January 2005 (in NIS)**

*Higher Rate - Aged 25-54, and those aged 20-25 and are exempt from registering at the Employment Bureau*

Single Person	1,337
Single Person with one child	2,240
Single Parent with Two or more Children	2,607
Couple without children	1,838
Couple with one child	2,005
Couple with two or more children	2,240

Source: National Insurance Institute

In Nazareth, all recipients of income benefits (including income supplements) are required to participate in the Wisconsin Plan if they want to keep their entitlement to income benefits or find employment. In the other pilot areas Jerusalem, Ashkelon, Hadera and Nazareth Illit, only particular neighbourhoods were selected for the Wisconsin experiment, and the fact that in Nazareth every welfare recipient has to attend the centers created a unique clientele for *Agam Mehalev*.

In order to keep the 700 shekels income supplements per month from her husband,

Fatma Ghazzawi also has to look for work, or – if there is no work for her – she has to follow the schedule of her personal plan designed by her case manager in the Wisconsin Center in Nazareth's southern neighbourhood Bir Abu-Jesh. For Umm Muhammad, that means that she has to

<sup>54</sup> Edited and updated version of original publication: *Sawt el-Amel*, Laborer of the Month, Case Study No. 6 (October 2005), at: <http://www.laborers-voice.org/english/publications/month/Index.htm>

attend the centre five days a week from 12 noon to 4 pm. In the first two hours, she is supposed to look for a job through the internet (even though she has probably never before googled or yahooed), and then she is scheduled for two hours of workout in the gym (sic).

Bus No. 9 from Nazareth Safafra, where the Ghazzawi's live, to Nazareth Abu-Jesh takes about 30-40 minutes on the over-crowded main road, so Umm Muhammad is out of the house for almost six hours.

On September 27, at 1pm, when her youngest daughter Arkan (4) came home from nursery school, Umm Muhammad was probably surfing the net. The Ghazzawi's oldest son was supposed to be at home at that time but he wasn't, so Arkan found nobody at home. At 1:15, Fatma Ghazzawi got a phone call from her neighbour, wondering about Arkan. Umm Muhammad was worried by 1:30 and asked her case manager to let her leave. According to Ms. Ghazzawi, the Wisconsin official laughed and said, "You should buy your daughter a mobile phone, so she can call you". She then went to the director of the Wisconsin Center, who let her go at quarter to two.



Fatma Ghazzawi and her daughter Arkan

When Umm Muhammad arrived at home around three o'clock, her neighbours were looking for Arkan, and only by coincidence, the little girl was found in time. A neighbour and relative of the family had to run an errand and found Arkan asleep on the backseat of his car. It was a very hot day, and Arkan was covered in sweat after lying in the car for about two and a half hours. Had she stayed there for much longer, she would have been dehydrated. Arkan said that she had been looking for her mother but found no-one at home.

**Fatma Ghazzawi asked *Sawt el-Amel*: Who is responsible for this incident? Why doesn't the company open day care facilities? It's because they want the people to leave the project.**

The Ghazzawis no longer participate in the Wisconsin Plan. Umm Muhammad decided that she wants to be at home when her youngest children come back from school, at least until there are alternative solutions for childcare. Thus, the family lives with 700 shekels per month less, and *Agam Mehalev* has saved the government the same amount. However, the mandate of the programme – from welfare to work – has not been realised.

During its work with the participants of the Wisconsin Plan in Nazareth, *Sawt el-Amel* found that the participants have all together more than 3,000 children below 18. So far, *Agam Mehalev* has not offered sustainable solutions for the large number of young children who are left alone while their parents attend the Wisconsin centres, even though the program contract with the government prescribes the provision of so-called "work support services" (such as daycare facilities and transportation). *Sawt el-Amel* has initiated correspondence with the company in order to remind the officials of their contractual duties. Parents should not be forced to waive their right to social welfare in exchange for their children's safety.

**Ms. Manal Abdeljawwad, 35, Nazareth: A Forced Volunteer<sup>55</sup>**

Since the beginning of the Wisconsin Plan in Nazareth in August 2005 until November 2005, 940 people have left the project and thus lost their entitlement to welfare payments - without having found employment.<sup>56</sup> And the Wisconsin Plan's success is built upon the welfare money saved on these 940 people and their children. Certainly, there are always people who exploit the state and who live at the expense of others, but the vast majority of Nazareth's poor has different stories to tell – and in many cases, it is one of forced volunteerism. This month's story introduces Ms. Manal Abdeljawwad, who decided not to leave the Wisconsin Plan and to keep on “volunteering” as a full-time cleaning person at a Nazareth primary school.

Until August 2005, Manal's life, just as the lives of most other Nazarene women, has been dedicated to her family. She, her husband and their three children between five and 11 live in Nazareth's al-Kurum neighbourhood. Mr. Abdeljawwad is a construction worker in Netanya, a Jewish town near Tel Aviv, about 100 kilometres away from Nazareth, and his wages are so low that he is entitled to income supplements from the state. Manal has never worked, and for the past 11 years, her life has revolved around her three children. In the mornings, she walks her youngest daughter Shaima', who is five years old, to the kindergarten and picks her up again at 1:30 pm. In the meantime, she cleans the house and prepares lunch, and in the afternoons, she helps the children with their homework.

Since August 1, 2005, Manal's life and those of her children have undergone dramatic changes because Manal is out of the house full-time. According to Israel's Economic Recovery Law 2003, in families who receive income benefits, both spouses have to actively seek employment if they have children between the age of two and seven. In the case of Nazareth, it means that Manal has to attend the Wisconsin centre while her husband is at work in Netanya.

Israel's Economic Recovery Law 2003 also defines the nature of “voluntary community work”. According to the law, which also works as part of the enabling legislation of the Wisconsin Plan, income benefit recipients should serve as volunteers at social institutions (such as NGOs, hospitals, schools, or homes for the elderly) for no more than eight hours a day and no more than four months a year in order to contribute to society. Moreover, the law stipulates that the volunteer position has to be within 60 km of the benefit recipient's place of residence. The Wisconsin programme contract defines volunteer work as an integral part of the welfare-to-work plan.

In Nazareth, however, *Agam Mehalev* seems to use the volunteer work for another purpose – namely to encourage the participants to leave the project and thus to waive their entitlement to transfer payments. Nazareth offers no employment opportunities, and the Wisconsin Plan is not designed to tackle this structural problem within Israel's Arab community. Nonetheless, *Agam Mehalev* is under pressure of success as it needs to have saved the government 35% of its welfare expenditures by the end of January 2006. This is where the volunteerism trick comes in. Though utterly insensitive to Arab society and culture, *Agam Mehalev* obviously understood that forcing Arab women out of their houses will in the long run lead to success.

On top of the social issue, *Agam Mehalev* assumed that Nazareth's participants would not be knowledgeable about the Wisconsin Plan legislation. Thus, hundreds of women were taken to dig out potatoes in Kibbutzim almost 90km away from Nazareth, or to clean prisons and collect the garbage in other towns. At the same time, no so-called work support services, such as child care, after-school programmes or nurses for the elderly were made available to the forced

<sup>55</sup> Edited and updated version of original publication: *Sawt el-Amel*, Laborer of the Month, Case Study No. 7 (November 2005), at: <http://www.laborers-voice.org/english/publications/month/Index.htm>

<sup>56</sup> *Sawt el-Amel*, Field Research, August to November 2005.

volunteers.<sup>57</sup> *Sawt el-Amel* also knows of a kindergarten in Nazareth, whose director asked for volunteers from the Wisconsin Plan, and when the volunteers arrived, the salaried cleaning personnel was laid off.<sup>58</sup> Due to *Sawt el-Amel's* intervention referring to the legal basis of the Wisconsin Plan, such exploitative tactics are usually discontinued.

Manal Abdeljawwad volunteers at a local primary school, for five days a week from 8am-2pm. This means that she is not at home when Shaima', her youngest daughter, comes back from nursery school. On December 1, 2005, she should have been there. One of her relatives called her around 1:30, saying that Shaima' had been hit by a car on her way back from nursery school and that she was in hospital. Shaima' was released after several hours with a sprained ankle. Two weeks later, she is still in orthopaedic treatment. Manal continued volunteering full-time.

***“Let them roam the streets! It's none of our business.”***

Apart from rage, Manal feels desperation. She told *Sawt el-Amel*: “With Wisconsin, all my life has changed. I used to keep the house, be responsible for raising the children and helping them with their homework; I'm no longer in charge.” When confronted with Shaima's accident, a Wisconsin official from Nazareth commented: “Let them roam the streets. It's none of our business.”

The voluntary community service, which is part of the Wisconsin Plan, is neither voluntary, nor is it a service to the community. Though the idea to encourage income benefit recipients to dedicate part of their time to social institutions is very reasonable, it is implemented in a socially unsustainable fashion. Firstly, most of Nazareth's forced volunteers are sent to work in places that do not qualify as social institutions. Secondly, they are asked to put in much more work time than the amount of transfer payments they receive requires. Thirdly, and most importantly, *Agam Mehalev* targets specifically women with the voluntary work project.

For Arab society in Nazareth, this has devastating social effects as women still occupy a very traditional gender role, compared to most Western countries including Israel's Ashkenazi Jewish society. The majority of Arab women consider household keeping, the upbringing of their children, and caring for elderly family members their central role and social responsibility.

Moreover, Nazareth's infrastructure offers no alternative solutions in the form of daycare centres, after-school programmes or homes for the elderly.

On December 18, *Agam Mehalev* decided – after pressure from *Sawt el-Amel* and the Wisconsin participants – to suspend the voluntary work project by the end of the year. From January 2006 onwards, the Wisconsin centres will no longer send participants to new volunteer positions. Manal Abdeljawwad, however, still volunteers full-time.



Manal Abdeljawwad and her daughter Shaima' (5)

<sup>57</sup> For more information about other cases, please contact us. *Sawt el-Amel* keeps an archive of several hundred testimonies of Wisconsin participants from Nazareth.

<sup>58</sup> No details of this case are available; the involved volunteers did not agree to speak about the issue.

### Ms. Widad Odeh, 43, Nazareth: Faced with “Real Practical Difficulties”<sup>59</sup>

Widad Odeh (Umm Yussef) is a widow, who returned to her hometown Nazareth from Egypt where she used to live with her husband and two children. Her husband, an Egyptian citizen, passed away in 1999, and in 2004, Umm Yussef decided to return to her hometown, in search of a better life for herself and her children Yussef, 12, and Nurhan, 11. The Odehs moved in with Widad's mother, an 86-year-old woman in need of care and attention.

Therefore, Widad did not seek employment outside the house; looking after her mother, keeping the household and raising her two children, who are growing up without their father, take up more time than a full-time job.

Like thousands of other women from Nazareth, Widad Odeh was summoned to participate in the Wisconsin Plan. In September 2005, she was sent to work part-time as a cleaning person in a local business. After three months, she was dismissed and returned to the Wisconsin centre; up to date, she has not been paid her salary. *Sawt el-Amel* filed a complaint at the labour court in Nazareth, demanding the disbursement of three months worth of salaries for Ms. Odeh. The case is pending.



Widad Odeh's 86-year-old mother and her two children Yussef and Nurhan

Since the beginning of January 2006, all Wisconsin participants are required to either attend the centres full-time (30-40 hours a week) or to engage in job-readiness activities like community service jobs. Though the community service programme was stopped at the end of 2005 as a result of pressure from *Sawt el-Amel* and the participants, some projects are still ongoing. Widad attends an embroidery and bead work course, even though she is more skilled than the course coordinator. She is now producing fine craftwork for the local Lajoun theatre, which cooperates with *Agam Mehalev*, in exchange for the NIS 2,200 income benefits she and her children get from the National Insurance Institute.

Some time in the morning of January 23, 2006, while Widad Odeh was doing her crochet and the children were at school, her mother got hungry and lighted the gas stove to heat up the lunch Widad had prepared for the afternoon. Then she went back to bed and fell asleep. In the early afternoon, Widad's brother and his wife, who are also Wisconsin participants and live in the same building upstairs, left the house for their daily appointment at the Wisconsin centre.

They immediately smelled something burned and saw smoke come out of the apartment downstairs. Mr. Atef Odeh called out for his mother, and when there was no reply from inside, he broke the door open. The whole house was covered in thick layers of smoke, and some rugs and curtains had already caught fire. Mr. Odeh finally found his mother who was awake in her bed but could not speak because she had difficulties breathing in the smoke. Had Widad's brother not

<sup>59</sup> Edited and updated version of original publication: *Sawt el-Amel*, Laborer of the Month, Case Study No. 8 (December 2005), at: <http://www.laborers-voice.org/english/publications/month/Index.htm>

been there, her mother could have died in the flames, and the whole house could have burned down. Fortunately, only the saucepan and some curtains and rugs became victims of the fire – and



Widad Odeh in her kitchen; the wall above the stove still shows signs of the fire

Ms. Odeh Sr.'s sense of dignity as she feels responsible for the incident and is ashamed of admitting that she simply forgot about the food on the stove.

After the accident, Widad Odeh submitted a claim to the National Insurance Institute (NII), requesting day care for her mother. The NII is currently processing her application, and in the meantime, Widad is doing crochet for the Wisconsin company.

The enabling legislation for the Wisconsin Plan states that “**a special cases manager may reduce the minimum length of time of a personal program that has been prepared with regard to a particular participant [...] if [...] the special cases manager is of the opinion that the participant is faced with real practical difficulties [...]**”<sup>60</sup>

Widad Odeh is faced with real practical difficulties, and these difficulties cannot be solved by a welfare-to-work programme that is neither capable of finding work for Ms. Odeh nor is it in the position or even willing to provide day

care services for needy family members.

Thousands of Nazareth's Wisconsin participants are faced with real practical difficulties for a number of reasons - poor health, old age, dependent family members in need of care, no formal education or work experience – and the implementing agency has not yet provided any solution for these hardship cases.

*Sawt el-Amel* maintains that these shortcomings are a clear sign of the company's inability to handle the situation and of the unsuitability of the Wisconsin Plan itself. The Wisconsin Plan does not offer solutions for Nazareth's poor, and as a result of its failure, the implementing agency is seeking profit in other ways - through exploitation, or at least by condoning it.

*Sawt el-Amel* and its members are calling for an end of the Wisconsin Plan in Nazareth and the other pilot areas Upper Nazareth, Hadera, Jerusalem and Ashkelon.

<sup>60</sup> Mehalev, Enabling Legislation, Chapter 7, Article 2, Personal Program. English translation available at: <http://www.moit.gov.il/NR/exeres/1542CBBC-A359-47C8-A2B3-5AFC423B1F90.htm>

## Conclusion and Recommendations

This report shows that the Wisconsin Plan does not address the root causes of unemployment and poverty in Nazareth, the largest Palestinian Arab town in Israel. It rather feeds upon the socio-economic disadvantages Nazareth's participants are faced with, such as the demographic characteristics of the participants, low education and labour force participation levels of Arab women, the lack of work support services, and the absence of employment opportunities. *Sawt el-Amel's* experience and field interviews further suggest that *Agam Mehalev*, the implementing agency, manipulated its statistics and abuses its discretion to impose sanctions in order to make profit. Moreover, *Sawt el-Amel* detected a pattern of policies aimed at driving the participants to give up and waive their right to social benefits. Such policies include forcing mothers to leave their children without a guardian, intimidation, psychological warfare and exploitative job placements.

*Sawt el-Amel* concludes that, since the Wisconsin Plan does not offer sustainable solutions for Nazareth's income benefit recipients, the implementing agency is seeking profit through alternative channels – namely at the cost of the participants, who are left with nothing, no social safety net and no job.

*Sawt el-Amel* welcomes the State Comptroller's decision to investigate the implementation of the Wisconsin Plan and supported the proceedings with a detailed report upon request. In order to assist Nazareth's poor in achieving economic self-sufficiency, *Sawt el-Amel* would like to put forward the following recommendations to complete this report:

- The Wisconsin Plan pilot project must be suspended immediately;
- Public resources including temporary special measures need to be allocated to infrastructural development and the education system for Israel's Arab citizens;
- A comprehensive action plan to combat unemployment and to eradicate poverty, including specific initiatives for women, should be designed in consultation with the target population;
- A social safety net should be provided as a last resort for all citizens in need;
- Israel needs to take steps to combat systematic and incidental discrimination against Arab citizens;
- Israel should take steps to safeguard and to promote the social and economic rights of its Arab population.
- Joint advocacy activities on the international level highlighting the international aspects – human rights violations and the involvement of a foreign company – are an effective tool to increase our impact. *Sawt el-Amel* is ready to join forces with partners from abroad.

Immediate action is called for as the situation of thousands of Wisconsin participants in Nazareth and the other pilot areas is critical: their very means of subsistence are at stake.

For the Khalaileh family, our urgent call comes too late. Mr. Khair Khalaileh, 35 years old, married with four children and unemployed, died on March 6, 2006, on his way home from the Wisconsin centre. According to witnesses, he had beseeched his case manager repeatedly to call an ambulance as he was feeling very sick – but his request was refused, reminding him that he could not leave the building before the end of his six-hour appointment. At the time of publication, the cause of death was still unclear. In the name of the family, *Sawt el-Amel* has requested an autopsy and a thorough investigation of Mr. Khalaileh's death. It is our supreme objective to help prevent further tragedies for Wisconsin participants.

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*Sawt el-Amel* (The Laborer's Voice) was founded by Arab workers from Nazareth and its surrounding villages in 1999, in order to support low-income and unemployed Palestinian Arab citizens of Israel in their struggle for socio-economic justice and against discrimination in the labour market and welfare system. The organisation works towards legal and political change through collective and individual legal action, advocacy and public awareness campaigns, and empowerment of the Arab population in Israel.

*Sawt el-Amel* is a grassroots membership organisation that is non-religious and non-partisan and aims to achieve constructive change from the bottom up. As of December 2005, the organisation has 960 members. In order to tackle the multi-layered problems Israel's Palestinian community is faced with, *Sawt el-Amel* takes an integrated, rights-based approach to fighting poverty and discrimination. Our three projects—the Laborer's Legal Clinic, the Alternative Wisconsin Centre and the Alternative Solutions Initiative—are closely interlinked and draw from each others resources.

All programme activities are based on the universal right of everyone to an adequate standard of living, free from want and free from fear and aimed at achieving our vision that all Palestinian Arab citizens of Israel have the means and opportunity to achieve economic self-sufficiency as equal citizens in a democratic state.



*Sawt el-Amel's* Women's Platform activists demonstrate against the Wisconsin Plan and for sustainable employment on International Women's Day, March 8, 2006

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