



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م)

מרכז מוסאווה
לזכויות האזרחים
הערבים בישראל
(ע.ר)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

Main findings of the 2009-2010 State Budget Proposal and the needs of the Arab citizens in Israel

An analysis of the 2009-2010 State Budget proposal and what has been allotted to the Arab citizens in Israel has revealed that although this group comprises 19% of the total population they will receive less than 5% of the governmental development funds and less than 6% of the salary budget allotted to government employees. Currently, a database that records a breakdown of the percentage of funds in the budget that are allocated to the Arab minority does not exist, however a breakdown of the budgets of most ministries shows that the percentages of funds allotted to Arabs are consistently and proportionately lower than the population.

The main findings concerning the budgets, as researched and recorded by the Mossawa Center, are based on data dating back to 1998 and are as follows:

The Ministry of Interior

The current budget proposal will bring about a 25% cut to the grants allocated for local councils. This cut translates into a reduction of 250 million shekels in support of the various Arab local councils. In light of this reduction, 30 Arab local councils are predicted to enter a financial crisis that would undermine their ability to provide wages for their staffs. Already, because of the financial crisis in which the Arab local councils are in, the ministry of interior finds itself managing 18 Arab local councils through nominated administrative committees, of whom 10 cannot afford to pay their employees wages. Druze local councils have been on strike for the past month and the proposed budget cuts may lead to their total collapse. Furthermore, such cuts will most likely lead to the corrosion of local leadership and dilute local democracy and provoke general strikes that may paralyze the market as had happened in 2003 due to similar cuts.

The Ministry of Interior Affairs is not committed to its duty to promote plans for the development of Arab localities. In 2008, a mere 21% of the planning budget for the Arab localities was utilized. As a result of this, there appears to be over 40,000 unlicensed houses, most of which have been fined or prosecuted.

The budget for the construction of religious institutions has been proposed to be reduced by 80%, which only leaves 2 million shekels for the Arabs citizens of Israel to construct and renovate religious buildings.

The Ministry of Transport and Road Safety

Less than 2% of the Ministry of Transport's 2008 budget was allotted to solve the transportation crisis in the Arab localities. While this ministry is predicted to receive a raise in its budget for the next two years, and despite the high rate of car accidents in



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م.)

מרכז מוסאוא
לזכויות האזרחים
הערבים בישראל
(ע.ר.)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

localities, the ministry has chosen not to allot a part of their budget to treat the crisis in the Arab localities.

The Ministry of Housing and Construction

A specific budget cut targeting Arab localities will take place in this Ministry, which will severely affect these communities by reducing the allowance for new construction as well as the allowance for the development of old localities. Compared to the previous year, the 2009 proposed budget would cut down the amount allotted to Arab localities from 116 million shekels to 85 million shekels. This should be considered in light of the fact that in 2008, the ministry used only 12 million shekels of the original 21 million shekels that it had committed to spend on new construction in Arab localities, this translates into an implementation rate that stands at a mere 57%.

In 2010, a proposed increase will raise the amount to 157 million shekels, which would be allotted to both construction and renovation.

The Ministry of Education

A Ministry of Education committee recognized the lack of classrooms in Arab localities. According to a report prepared by the committee there is a need to close this gap by opening a further 9,300 new classrooms. The government made a decision to build 2,850 new classrooms in the next two years; the budget proposal does not guarantee the implementation of this decision. As a result of a deficiency in classrooms, the average number of students per class in the Arab educational system is as high as 29.2 per cent. This number is reduced to 25.4 per cent in the Hebrew educational system where the dropout rate is also half that of the Arab educational system which is as high as 8.7 per cent.

In addition, the Arab educational system also suffers from large gaps in teaching capacities and other pedagogical programs. In the Arab educational system the average of ratio of teaching hours per student stands at 1.66 hours in comparison to the average of 1.93 at the Jewish educational system. Furthermore, while 52% of students in the Jewish education systems are eligible for a complete high school diploma, only 30% of students in the Arab educational system are eligible. The five year plan that was created with the goal of dealing with the pedagogic gap was not fully implemented and according to the 2008 yearly report it appears as though the ministry only spent 4.4 million shekels out of the allotted 25 million shekels which it had originally planned and put aside to spend. In other words, only 18% of the money that was budgeted to promote pedagogic programs was in fact applied adequately.

The Free Education Law: According to data published by the Knesset Center for Research and Information, this law was first amended in 1984. According to the law, it applies to all children over the age 3 instead of 5, as has been the case previously. Only in 1999 was the law re-legislated and it was decided that its enforcement would begin immediately. While its implementation advanced between the years 1999-2001 in certain neighborhoods and districts, it was not expanded to include all. In 2008, the number of



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م.)

מרכז מוסאוא
לזכויות האזרחים
הערבים בישראל
(ע.י.)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

children, which this law had been enforced over, stood at 108 thousand, only 50% of the total number of children around the said ages.

This law has been constantly pushed aside ever since and this postponement is expected to continue for the next 10 years given the current budget proposal for the years 2009-2010. In the past, the implementation of this law has been delayed six times.

The Ministry of National Infrastructure – sewage systems:

The budget that is meant to finance projects in Arab localities sums up to 81 million shekels per year for the years 2009 and 2010. This is 50 million shekels less than the funds spent in 2008 but higher than the originally proposed budget, which stood at 67 million shekels. It is important to note that the authorization budget to commit to the sewage systems in the Arab localities in 2009-2010 currently stands at 115 million shekels.

This budget is meant to fund grants that make up 50% of the cost of development of sewage infrastructure by local Arab councils. This clause makes up 35% of the ministry's budget for sewage systems.

The Israel Land Administration (ILA)

The budget that is meant for urban planning and development in Arab localities makes up less than 1% of the planning and development budget. In 2007, the ILA allotted about 117 million shekels, but out of these only 60 million were put in use and the execution level stood at a low 50% when compared to what had been planned.

Another budget which the ILA sets aside is one dedicated to land agreements in the Negev for which the 2009-2010 budget proposal suggests a total of 249 million shekels for 2009 and 144 million shekels for 2010. The money that was allotted to this domain in 2008 ranged around 246 million shekels yet only 132 million of those were put to use.

The Mossawa center's position regarding the ILA is that it must recognize the citizens' ownership over their own land. While the ILA proposes granting ownership rights for lands and properties that have been leased, it continues to evacuate citizens of the Negev that have lived on their lands for decades.

Ministry of Tourism

The ministry does not clearly outline what the allowance for the Arab localities are in the budget. However, it is clear that the ministry did not choose to include Arab cities that are a center for tourism, such as Nazareth, and other Arab localities such as Jisser il Zarka and Kufir Kanna as part of its tourism development and investment plans. Such locations lack the adequate resource to develop and Arab entrepreneurs are in desperate need of the support of the ministry and access to its financial resources.



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م)

מרכז מוסאווה
לזכויות האזרחים
הערבים בישראל
(ע.ר)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

Ministry of Agriculture

0% of the ministry of Agriculture's budget has been allocation Arab localities. It appears as though the ministry has committed itself to only support Jewish farmers around the country.

The Ministry of Health

Less than 1% of the ministry's development budget has been allotted to Arab localities. Although most of the budget is divided by health maintenance organizations (HMOs), some special circumstances and needs exist in the Arab localities that require special attention and expansion. Problems such as infant mortality, a shortage in psychologists, a lack of emergency mobile units, are all issues that are not being addressed adequately and require special attention. The ministry invested in the safeguarding and the expansion of the HMOs in Nazareth as part of special funds that were allocated following the war on Lebanon.

The Ministry of Science, Culture and Sport

No special funds have been allocated in the 2009-2010 budget for science culture and sport. Looking back at the 2008 budget, it shows that under the culture section of the budget, the ministry allocated the Arab community different clauses that add up to 29.2 million shekels that make up 6.1% of the culture section of the budget.

In 2008, the ministry allocated 5 million shekels from the science section of the budget for the support of the Arab research institutes. The ministry does not specify what part of the sports budget is relevant to Arab communities in the 2009-2010 budget. The only part that was clearly set aside for the Arab localities totals 600 thousand shekels and is listed as funds dedicated for sports sites and facilities.

The Welfare and Social Services Ministry

The project for children at risk and the pooling of resources to treat the shortage of social workers are two of the most important programs which the ministry uses to combat poverty. The ministry does not specify the parts of the budget that are meant to target Arab localities but an examination that is being conducted by the Mossawa center shows that many localities are included in the Ministry's new plans.

A new fund that is being set up by the ministry, which will aim to assist welfare associations, is currently setting up its working criteria. As these criteria for eligibility are being set up, it is important to expand the support of such associations in Arab localities.

The Prime Minister's Office

The budget for the development of Arab localities by the PM's office has been reduced from 130 million shekels to 69 million shekels for the coming year. An additional budget of 18 million shekels will be allocated to the committee for financial development that functions from within the PM's office. For the year 2010, the Minister of Minorities will receive a budget of 22 million shekels from the PM's office for the administration of various projects.



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م.)

מרכז מוסאוא
לזכויות האזרחים
הערבים בישראל
(ע.י.)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

According to a commitment made by Minister of Finance Yuval Steinitz and Minister of Minorities Avishay Braverman on 06.07.2009, an investment fund dedicated to the promotion of business in Arab localities will be launched in 2009, the budget for this fund is supposed to come out of the PM's office.

Ministry of Trade and Industry

The proposed budget for the branch of professional training for the years 2009-2010 totals at approximately 1.2 billion shekels, a yearly addition of around 100 million shekels when compared to 2008. While this branch of the ministry does not take advantage of its budget to the fullest, many projects in the field of professional training initiated by different NGOs and civil society associations cannot be implemented due to insufficient funding and a lack of resources. The full implementation of such projects has the potential of raising the labor force participation rate amongst women and youth in the Arab communities. In 2008 out of a budget of 72 million shekels dedicated to courses for adults, the branch only utilized 43 million shekels; an execution level of only 60% of what had originally been planned. It is important to note that the general execution level for the branch is much higher than that and stands at 80% for the year 2008.

The budget for the branch for the employment of women mainly funds systems that aid women in integrating into the labor forces, mainly in the field of kindergartens and daycare centers. The branch funds the incorporation of 91 thousand children into the daycare center system. The government decided to enlarge this budget by approximately 150 million shekels every year and by 200 million starting 2010. While only 3.7% of the children in the Arab sector are included in this framework, 16.3% of children in the Jewish sector are able to enjoy it.

The Ministry of Trade and Industry reports that during the 2007-2008 school year, 470 new daycare centers were scheduled to be opened in the Arab sector and they were as follows: 240 in the district of Haifa; 200 in the southern district; 27 in the central district; 3 in the district of Jerusalem. Such daycares were supposed to allow the registration of 2,350 children into the system and to create job opportunities for 470 principals/managers and 37 daycare coordinators. The budget meant for creating new daycare centers stands at 23 million shekels. In addition, a budget of 2 million shekels is planned to fund training for 500 new caretakers.

The foundation of industrial areas: The Ministry proposes to cut the budgets that are meant for the development of industrial areas for the years 2009-2010 by 53 million shekels.

This year's budget for the cultivation of initiatives will double in comparison to 2008 and the ministry plans to increase it even further in 2010 by an additional 73 million shekels.

Encouragement for business expansion: The Ministry suggests increasing the budget meant for encouraging investors to expand businesses by 150 million shekels with the



מרכז مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م.)

מרכז מוסאוא
לזכויות האזרחים
הערבים בישראל
(ע.י.)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

aim of increasing employment in the next two years and with a legislated commitment to each year.

A national priority map: There must be a guarantee that Arab localities be included in the national priority map of the different ministries, including the Ministry of Trade and Industry. The aforementioned localities that are in an employment crisis require specialized treatment.

Economic Legislation

The new periphery map on which the Knesset voted will negatively affect the benefits for Arab localities. Criteria such as level collection of property tax, the security status, distance from central Israel, and reception of immigrants were all included in the map. Such criteria further exacerbate the situation.

The Municipality Fund, which is made up of collected property tax from the different ministries and governmental offices, was canceled during discussions of the budget. The fund that was originally put forth by the government was supposed to pool a budget of 1.2 billion shekels. According to an assessment conducted by the Knesset Center for Research and Information as per MK Hanna Swaid's request, only 0.2 per cent of the income from property tax from government offices ever reaches Arab localities.

Children allowances: the stipulation of children allowances on school registration and on immunization will hurt those children who live in unrecognized villages and whose financial, social and health situation is already poor. Such stipulations must be overturned.

The Israel Land Administration (ILA)

The governmental proposal to make structural changes to the ILA, which include the privatization of land and property does not only hurt the weakest classes of society but also violates international standards for rights of refugees whose property had been confiscated. In Israel, 250 thousand citizens have had their lands confiscated in their absence due to their status as internal refugees. Hundreds of thousands of acres have been confiscated for different alleged reasons. In the current proposal for a settlement, the state of Israel is not offering to recognize the ownership of Bedouins over their lands in the Negev. Lands that were not leased by the state to Bedouins are still in danger of state expropriation. It is important to note that the land surrounding the Islamic Waqf (Muslim Sacred sites in Israel, including the Temple Mount area) are still held by the ILA. The new law proposal calls for maintaining the widespread representation of the ILA in the various administrative offices. Such representation will severely impede the advancement of equality in the government given that the ILA has persistently declared its intent to implement policies that discriminate against Arabs.

This document is the exclusive work of the Mossawa Center's socioeconomic unit July 2009



مركز مساواة
لحقوق المواطنين
العرب في إسرائيل
(ج.م.)

מרכז מוסאווה
לזכויות האזרחים
הערבים בישראל
(ע.ר.)

Mossawa Center
The Advocacy
Center for Arab
Citizens of Israel

###

The Mossawa Center, the Advocacy Center for Arab Citizens in Israel, is a non-profit, non-governmental organization that works to promote equality for the Arab Palestinian citizens of Israel. Established in 1997, the Mossawa Center strives to improve the social, economic and political status of the Arab citizens of Israel, while preserving their national and cultural rights as Palestinians.