

## Employment protection in Israel – 2008

Item 1 Notification procedures in the case of individual dismissal of a workers with a regular contract	<p>Notice of dismissal must be given in writing. Some collective agreements contain provisions requiring the employer to notify and consult with the employee's representative prior to dismissal. Recent court decisions have held that the employer has a duty to consult with the employee's representative prior to dismissal.</p> <p>In some cases (e.g. dismissal of a pregnant employee who has been working at the same workplace or for the same employer for at least 6 months, dismissal of a worker undergoing fertility treatment, dismissal of a worker within 60 days after maternity leave or dismissal of a worker on military reserve duty), an employee may be dismissed only with the permission of the Minister of Industry, Trade and Labour.</p>
Item 2 Delay involved before notice can start	<p>Written notice can be handed to the employee (1 day). If an employee is on maternity leave, dismissal notice will not be given during the leave or for 60 days following leave, or to a female employee while staying at a shelter for battered women or for 90 days after her stay.</p>
Item 3 Length of notice period at different tenure durations	<p>Salaried workers: tenure less than 6 months: 1 day per month of service; tenure 7-12 months: 6 days plus 2.5 days per month of service beyond 6 months; tenure more than one year: 1 month. Wage workers: in first year of service: 1 day per month of service; in second year: 14 days plus 1 day for every 2 months of service beyond 1 year; in third year: 21 days plus 1 day for every 2 months of service beyond 2 years; after third year: 1 month.</p> <p>Payment of wages for the duration of the notice period can be made in lieu of notice.</p>
Item 4 Severance pay at different tenure durations	<p>A person who has been employed continuously for one year or, in the case of a seasonal employee, has been employed for two seasons in two consecutive years, by the same employer or at the same place of employment and has been dismissed is entitled to receive severance pay from the employer who has dismissed him. The rate of severance pay shall be a month's wages per year of employment.</p> <p>For the purposes of determining severance pay, the following situations are deemed to be "dismissal": (i) where an employee resigns due to ill health or the ill health of a family member; (ii) where a parent resigns within nine months of the birth of a child or adoption of a child under 13 years of age to care for the child; (iii) where an employee resigns in order to transfer his/her residence after marriage or to work in an agricultural settlement or a settlement in a development area; (iv) where a fixed-term contract is not renewed by the employer; (v) where an employee resigns due to a deterioration in his/her conditions of work or for other labour-relations related issues; (vi) where a seasonal worker is not offered ongoing seasonal work; (vii) where an employee resigns to take up national, civil or military service or the Israel Police or the Israel Prison Service; (viii) where an employee resigns because he/she has been elected head or deputy head of a local authority; and (ix) if a female employee resigns due to a stay at a shelter for battered women which was approved by welfare services.</p>
Item 5 Definition of unfair dismissal	<p>Indefinite contracts can be terminated at the will of the employer for any reason except for (i) discriminatory reasons such as age, parenthood, fertility treatments, race sex, nationality, pregnancy, disability, military reserve duty; (ii) filing a complaint with a legal authority against his employer or an employee of the employer concerning violations of a law at the workplace; (iii) when a worker is absent from work according to instructions of security forces during an attack or other national emergency; or (iv) reasons specified in a collective agreement, employment contract or case law. Collective agreements typically contain provisions requiring employers to have a just cause for dismissing a worker and specify a consultation procedure to be followed. In any case and without any connection to collective agreements, the determination of labour relations must be bona fide.</p>
Item 6 Length of trial period	<p>Legislation does not regulate trial periods. Most collective agreements have trial periods ranging from 6 months to 3 years. The most common length of trial periods in collective agreements is 6-24 months. Employers have the power to extend trial periods under certain circumstances.</p>
Item 7 Compensation following unfair dismissal	<p>Compensation depends on the severity of the unlawfulness of the dismissal, the period of employment and the damage suffered. According to the Employment of Women Law (1954) the compensation is 150% of the wages the employee would have received had she worked during the period she was entitled to protection of the law. If an employee was dismissed because he filed a complaint against his employer or an employee of his employer, who violated a law at the workplace, the Labour Court is entitled to rule up to 50 000 NIS or 500 000 NIS punitive damages without proving damages (according to the Protection of Employees (Exposure of Offences of Unethical Conduct and Improper Administration) Law (1997)).</p> <p><b>Typical compensation at 20 years tenure: 6-9 months pay.</b></p>
Item 8 Reinstatement option for the employee following unfair dismissal	<p>In the private sector, the most common recourse following unfair dismissal is compensation, but the National Labour Court may order reinstatement in special circumstances. If the dismissal is in violation of the Employment of Women Law, the common route is reinstatement at the workplace.</p>
Item 9 Maximum time period after dismissal notification up to which an unfair dismissal claim can be made	<p>The time period is the period of limitation applied according to Israeli law to every financial claim (7 years). Claims according to the Employment (Equal Opportunities) Law (1988) – except for damages incurred by sexual harassment – and claims according to the Protection of Employees (Exposure of Offences of Unethical Conduct and Improper Administration) Law (1997) are limited to one year. Claims for dismissal on the basis of sexual harassment are limited to 3 years.</p>

Item 10 Valid cases for use of fixed term contracts	No restrictions on the use of fixed-term contracts.
Item 11 Maximum number of successive FTCs (initial contract plus renewals and/or prolongations)	No limit.
Item 12 Maximum cumulated duration of successive FTCs	No limit.
Item 13 Types of work for which temporary work agency (TWA) employment is legal	No restrictions.
Item 14 Are there restrictions on the number of renewals and/or prolongations of TWA contracts?	No, within maximum time for TWA contracts.
Item 15 Maximum cumulated duration of TWA contracts	An employee of a TWA shall not be employed with the user firm for a continuous period in excess of nine months. Employment will be deemed to be continuous even where employment has ceased for a period of up to nine months. The Minister of Industry, Trade and Labour may give his approval for an employee to be employed with a user firm for a period in excess of nine months provided that the total period of employment with the user firm does not exceed 15 months.
Item 16 Does the set-up of a TWA require authorisation or reporting obligations?	TWAs ("manpower contractors") must obtain a license by applying to the Minister of Industry, Trade and Labour. The license shall be granted for one year and may be renewed for periods of one year at a time. TWAs must report to the Minister once a year on their activities (number of employees, branches of employment, work places, periods of work, wages, payments, etc). The Minister has the authority to revoke or not to renew the permit.
Item 17 Do regulations ensure equal treatment of regular workers and agency workers at the user firm?	The Agency has to provide a guarantee ensuring workers' rights to the Labour Law Enforcement Administration. The provisions of a collective agreement applying at the user firm apply to TWA workers working at that firm. Where more than one collective agreement covers a TWA worker, the most favourable to the worker will apply. But if the working conditions of the TWA workers were regulated according to a general collective agreement, on which an extension order was issued, equalising the conditions of work will not apply.
Item 18 Definition of collective dismissal	Ten or more workers in a period of one month. Collective agreements may contain different definitions of collective dismissal.
Item 19 Additional notification requirements (compared to Item 1) in cases of collective dismissal	The employer must give prior notice of dismissal to the Employment Service Bureau.
Item 20 Additional delays involved (compared to Item 2)	No additional delays
Item 21 Other special costs to employers in case of collective dismissals	No additional costs.

*This summary was produced by the OECD based on responses to a questionnaire distributed to OECD accession countries. It describes the situation current as at 1 January 2008 and is the basis for calculating the OECD employment protection indicators. To find out more about the methodology used to calculate the OECD employment protection indicators, see [www.oecd.org/employment/protection](http://www.oecd.org/employment/protection).*