

ISRAEL

Items	Regulations in force on 1 January 2013
1: Notification procedures in the case of individual dismissal of a worker with a regular contract	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. Court decisions have held that the employer has a duty to consult with the employee's representative prior to dismissal. In some cases (e.g. dismissal of a pregnant employee, 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.
2: Delay involved before notice can start	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.
3: Length of notice period at different tenure durations (a)	<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.</p> <p>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> <p>Calculation (for EPL indicators): average of salaried and wage workers: 9 months: $(13.5+9)/2=11.25$ days; 4 years: 1 month; 20 years: 1 month.</p>
4: Severance pay at different tenure durations (a)	<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 also 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>
5: Definition of unfair dismissal (b)	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.
6: Length of trial period (c)	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. Even dismissals within trial period must be fair and just and on a basis of reasonable discretion by the employer. This is an outcome of Labour Courts decisions.
7: Compensation following unfair dismissal (d)	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/she filed a complaint against his employer or an employee of his/her 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 compensation without proving damages (according to the Protection of Employees (Exposure of Offences of Unethical Conduct and Improper Administration) Law (1997). Typical compensation at 20 years tenure: 6-9 months pay

8: Reinstatement option for the employee following unfair dismissal (b)	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
9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)	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.
10: Valid cases for use of standard fixed term contracts	No restrictions on the use of fixed-term contracts.
11: Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)	No limit
12: Maximum cumulated duration of successive standard FTCs	No limit
13: Types of work for which temporary work agency (TWA) employment is legal	No restrictions
14: Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)	No, within maximum time for assignments. No for the contracts between the agency and the worker.
15: Maximum cumulated duration of TWA assignments (f)	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. The employment contract between the agency and the worker can be open-ended.
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.
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.
18: Definition of collective dismissal (b)	Ten or more workers in a period of one month. Collective agreements may contain different definitions of collective dismissal.
19: Additional notification requirements in cases of collective dismissal (g)	The employer must give prior notice of dismissal to the Employment Service Bureau.
20: Additional delays involved in cases of collective dismissal (h)	No additional delays
21: Other special costs to employers in case of collective dismissals (i)	No additional costs.

Legend: d: days; w: weeks; m: months; y: years. For example “1m < 3y” means “1 month of notice (or severance) pay is required when length of service is below 3 years”.

Notes:

a) Three tenure durations (9 months, 4 years, 20 years). Case of a regular employee with tenure beyond any trial period, dismissed on personal grounds or economic redundancy, but without fault (where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment). Averages are taken where different situations apply – e.g. blue collar and white collar; dismissals for personal reasons and for redundancy.

b) Based also on case law, if court practice tends to be more (or less) restrictive than what specified in legislation.

- c) Initial period within which regular contracts are not fully covered by employment protection provisions and unfair dismissal claims cannot usually be made.
- d) Typical compensation at 20 years of tenure, including back pay and other compensation (e.g. for future lost earnings in lieu of reinstatement or psychological injury), but excluding ordinary severance pay and pay in lieu of notice. Where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment and that a court case takes 6 months on average. Description based also on case law.
- e) Maximum time period after dismissal up to which an unfair dismissal claim can be made.
- f) Description based on both regulations on number and duration of the contract(s) between the temporary work agency and the employee and regulations on the number and duration of the assignment(s) with the same user firm.
- g) Notification requirements to works councils (or employee representatives), and to government authorities such as public employment offices. Only requirements on top of those requirements applying to individual redundancy dismissal count for the OECD EPL indicators (cf. Item 1).
- h) Additional delays and notice periods in the case of collective dismissal (only delays on top of those required for individual dismissals – as reported in Items 2 and 3 – count for the OECD EPL indicators).
- i) This refers to whether there are additional severance pay requirements and whether social compensation plans (detailing measures of reemployment, retraining, outplacement, etc.) are obligatory or common practice.