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SUBJECT: SUMMARY OF SOME BASIC PROVISIONS OF ISRAELI EMPLOYMENT LAW
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Employment Contract/Statement of Employment Conditions: generally only required to be in writing for “foreign” workers, HOWEVER, employers must, within 30 days of commencing employment, provide ALL employees with a statutory statement of employment conditions OR a contract which includes those terms.

Minimum Wage: ₪ 5,000 gross per month and ₪ 26.88 gross per hour

Work Week: 43 hours. **Work Day:** 8.6 hours for a 5 day work week. **Overtime:** IF permitted, 125% for first 2 hours and 150% thereafter with additional 50% for weekends IF permitted.

Breaks: up to 45 minutes for a 9 hour work day (6 hour work day for manual laborers) for a 5 day work week - of which half an hour is on the employee’s account UNLESS the employer requires the employee to remain at his/her work station.

Vacation Allowance: 12 days for years 1-4. **Sick Pay:** Allowance accrues at 1.5 days per month up to maximum of 90 days; first sick day: no pay, days 2 and 3: 50% pay, day 4+: full salary.

Mandatory Pension: after 3 months retroactive if pension in place and if not, after 6 months; employee pays 6% for retirement pension, employer pays 6.5% for retirement pension plus 6% on account of severance pay – percentages on lower of actual salary and national average salary.

Keren Hishtalmut/Education Fund: generally optional; savings plan; employer pays 7.5% and employee 2.5%.

Commuting Reimbursement: generally cost of public transportation (or monthly pass) up to a daily cap of ₪ 22.60.

Right of Shimuah: generally required upon reasonable (standard is 4 days but could be less) advanced, written notice stating the reason why the employer is considering terminating the employment and offering the employee to bring someone (e.g. lawyer, relative or friend) to the hearing.

Notice of Termination/Resignation: must be in writing and provide the statutory minimum advanced notice. The amount of notice required accrues differently between employees who are paid on a fixed monthly or longer basis (1 calendar day for each of the first 6 months and 6 plus 2.5 per month after until a cap of one month at the end of one year) versus those who are paid on a shorter, e.g. hourly, daily or weekly, basis (1 calendar day for each of the first 12 months, in second year it is 14 plus 1 day for every other month and in the third year it is 21 plus 1 day for every other month until a cap of one month at the end of 3 years).

Severance Pay/Pitzui Piturim: generally payable if fired after 1 year of employment with that employer at the rate of 1 month salary (generally, the last regular salary) for each year worked for that employer (the amount payable is reduced by the amount of the severance pay component of the pension plan/manager’s insurance) unless S’If 14 was signed at beginning of employment with that employer.

Confirmation of Employment Period: must be provided to every employee at the end of employment

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