

## Rights of foreign workers employed in Israel

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| <b>Minimal wage</b>   | Minimum wage for full-time (186 hours) employment during a month as of <b>01.01.2017</b> : <b>5000</b> NIS.<br>Daily wage: <b>200</b> NIS, Hourly wage: <b>26.88</b> NIS.  |
| <b>Payment date</b>   | The employer is to pay the wages no later than the 9 <sup>th</sup> of the month (for the previous month).  |
| <b>Travel expenses (for employees not staying at the house)</b> | In case the employee pays travel expenses, the employer is obligated to reimburse him/her for travel expenses until a sum of 26.4 NIS per day (this amount is updated from time to time).  |
| <b>Overtime payment</b>   | <p>An overtime hour is any work hour after 8 hours in case of a six weekly work days, or any work hour after 9 hours in case of five weekly work days. Overtime is calculated only based on the number of hours on that specific day (offsetting work hours on other days is not allowed). For part-time employees - as long as the number of employee's work hours does not exceed the maximal number of work hours set forth for a work day by law, additional hours will not constitute as overtime, but rather extra hours which entitle to regular wages. Overtime remuneration: first two hours - 125% per hour. Third hour and onwards - 150% per hour.</p> <p><b><u>Note: This provision regarding overtime payment does not apply to employment of foreign workers at the employer's residence</u></b></p>  |
| <b>Annual vacation/vacation payment</b>                         | <p>The employee will be entitled to receive a vacation under coordination with his/her employer, whereas the stated quota pertaining to the utilization of vacation days will be subject to the provisions of the expansion ordinance regarding work week shortening. Net 14 days (not including a weekly rest day) during the first 5 years, 16 days for the sixth year, 18 days for the seventh year, 19 days for the eighth year, 20 days for the ninth year, 21 days for the tenth year, 22 days for the eleventh year, 23 days for the twelfth year, and 24 days for the thirteenth year.</p> <p>It should be emphasized that the employee will not be able to accrue vacation days beyond allowed accumulation, yet subject to employer consent, the employee is entitled to take only seven vacation days, and to combine remaining vacation days with the vacation that will be granted during the next two work years, in accordance with the provisions of the Annual Vacation Law, 5711-1951. In case of work discontinuation prior to receiving due vacation until the date of work discontinuation, the employer will reimburse the employee for vacation at an amount which equals to the vacation fees that would have been paid if the employee went on vacation at the work discontinuation date.</p> |
| <b>Sick days</b>  | Entitlement to sick days subject to submittal of a medical statement. Payment by the employer is as follows: First day - without pay. Second and third days - 50%. Fourth day and onwards - 100%. An employee is entitled to payment for 18 sick days per year, but may accrue up to 90 sick days.   |
| <b>Work accident</b>  | Any employee whose injury was recognized as a work accident, is entitled to coverage of days of absence from work, medical treatment expenses, and disability pension. An employee who was injured at work should report it at a hospital and provide the details of the employer which operates via Social Security. All expenses will be carried by the social security insurance.   |
| <b>Convalescence pay</b>  | Paid after work year end, based on a fixed daily tariff (currently NIS 378), which is updated every year. Number of days based on years of experience: after the first year - 5 days, second and third year - 6 days, fourth to tenth year - 7 days. 11 <sup>th</sup> -15 <sup>th</sup> year: 8 days. 16 <sup>th</sup> -19 <sup>th</sup> year: 9 days. 20 <sup>th</sup> year and onwards: 10 days.   |
| <b>Holidays</b>   | <p><b>Holiday pay:</b> The Caregiver will be entitled for 9 holidays for Israel holidays, or holidays celebrated in his/her religion, in accordance with the provisions of the extension ordinance regarding holiday fees. The Caregiver hereby clarifies that he chooses to celebrate holidays of the Caregiver's/Employer's religion.. Attached is the list of holidays.</p> <p>The employee shall not be paid for holidays that coincide with Resting day. An employee who works during holidays shall be entitled for a 150% salary for the overall working hours..</p>  |
| <b>Mourning days</b>  | After working for three months, an employee that commemorates mourning due to religion or custom is entitled to seven mourning days in case of close relative demise.  |
| <b>Severance pay</b>  | In case of <u>dismissal</u> by the employer (including the demise of the employer, or his/her transfer to a nursing home), or work termination due to <u>worsening working conditions</u> (wage reduction etc.); <u>health condition</u> , <u>work accident</u> , etc., employees which were employed for more than a year are entitled for payment. In case of resignation, all sums accrued in the severance fund in favor of the employee should be released.   |

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| <b>Severance calculation</b>      | Gross monthly wage (including allowance) multiplied by the number of work years.  |
| <b>Rest day</b>                   | Under the Hours of work and rest Law, workers are entitled to a weekly rest period of at least 36 hours, which should include either Friday, Saturday or Sunday. As per relevant case law, the above 36 hour rule may not apply to live-in caregivers, who must nonetheless receive a weekly day of rest of at least 25 hours. In case the employee works during the rest day, he/she is entitled to reimbursement at rate of 150% of work day wages.   |
| <b>Advance resignation notice</b> | <p>An employee that was employed for at least 7 days and is interested in terminating employment is obligated to provide advance notice to the employer and the private office through we he/she was employed. The employee is to provide advance notice in written form prior to resignation, based on his/hers employment period:</p> <p>7 days - 3 months: 7 days; fourth month until the end of 6 months - 14 days; seventh month until the end of a work year - 21 days; one year and onwards - one month.</p>   |
| <b>Advance dismissal notice</b>   | The employer is to provide advance notice <u>in written form</u> prior to dismissal, based on the employment period: First 6 months - one day for each month; from seventh month until a year - 6 days + 2.5 days for each month, one year and onwards - one month. <u>Payment</u> - an employer that did not provide advance notice is obligated to compensate the employer for the wages due for this period. Note: The employee is entitled to advance notice fee even in case of employer demise.   |
| <b>Pension</b>                    | According to the extension ordinance from 2008, every employee in Israel is entitled to pension from the employer. In 2008, the wage rate of employer provision is 1.66%, out of which 0.833% due to severance pay; In 2009, the wage rate of employer provision is 3.32%, out of which 1.68% due severance. 2010: 5%, out of which 2.5% due to severance pay. 2011: 6.67%%, out of which 3.34% due to severance pay. 2012: 8.34%%, out of which 4.18%% due to severance pay. 2013: 10%%, out of which 5%% due to severance pay. 2014 -06/2016: 12%%, out of which 6%% due to severance pay. 01/2017 and onwards: 12.5%, out of which 6%% due to severance pay. According to provisions by the Ministry of Economy, the employer of a foreign worker is to maintain monthly provision sums in an interest bearing account in the name of the employee, and to transfer the sums accumulated in the account to the employee upon employment termination. |
| <b>Pregnancy and birth</b>        | <p>Dismissal of a pregnant employee due to her pregnancy is prohibited. A pregnant employee which has been employed for more than six months at the same work place cannot be dismissed unless the employer requests and receives dismissal approval from the Ministry of Economy. This also applies to impairment to employment terms and/or wages, and return from maternity leave: an employee that returned from maternity leave cannot be dismissed for a period of 60 days after her return date.</p> <p>An employee that gave birth is entitled to receive coverage of hospitalization expenses, one-time birth benefit, and a vacation of 14 weeks from Social Security.</p>  |
| <b>Medical insurance</b>          | The employer must pay medical insurance to the employee during the entire employment period. Upon termination, it is recommended that the employee is paid for the policy at that company so as to not loss rights.   |
| <b>Social security</b>            | The employee must insure the employee with social security at an amount of 2% from paid wages. It is important that the employee receives a copy of the social security payment receipt (which includes the employer's file number) that he/she can use in case of hospitalization (due to work accident or birth).   |

**This information does not substitute Israel labor laws. The Employment of Foreign Worker Law, the regulations in its virtue, Minimal Wage Law, extension ordinances, or any other law amendment should be periodically reviewed for modifications.**