

EMPLOYMENT SERVICE LAW, 5719-1959

CHAPTER ONE: ORGANISATION OF THE SERVICE

Establishment of Employment Service.

1. There is hereby established the "Employment Service", under which shall operate within the framework of this Law and the regulations made thereunder.

Scope of Activity of the Service.

2. The Employment Service shall collect information as to the situation and trends of development on the labour market with a view to regulating it; it shall concern itself, through the employment service bureaux established under this Law, with obtaining employment for those seeking personnel, and shall cooperate with other bodies in matters of vocational training and vocational guidance. The Employment Service shall also concern itself with advising work-seeking young persons on the choice of an occupation and directing them to suitable work and shall maintain a follow-up of their placement and continuance in employment.

Non-interference in labour relations and terms of employment.

3. Labour relations and terms of employment shall not be within the competence of the Employment Service, and it shall not interfere in these matters.

The service - a corporation.

4. The Employment Service shall be a corporation and shall be competent to acquire and transfer any right, to contract any obligation and to be a party to any legal or other proceeding.

Exemption from taxes.

4A. For the purposes of the duty of paying taxes, fees and other compulsory levies, the Employment Service shall be treated in like manner as the State.

Inspection by the State Comptroller.

5. The Employment Service shall be subject to the inspection of the State Comptroller in accordance with section 9(6) of the State Comptroller Law, 5718-1958 (Consolidated Version).

Supervision by the Minister of Labour and Social Affairs

6. The Employment Service shall be under the general supervisions of the Minister of Labour and Social Affairs.

Power of Minister of Labour and Social Affairs to act in place of the Service.

7. Where one of the authorities of the Employment Service is required to do any act under this Law or under the regulations or under Rules mentioned in section 21 (hereinafter referred to as “the Rules of the Service”), and it has not done such act, and such act is, in the opinion of the Minister of Labour and Social Affairs, necessary in order to ensure the proper functioning of the Service, the Minister may order that authority to do what is required for the performance of such act in such manner as he shall prescribe in the order; and if the authority does not comply with the provisions of the order, the Minister may do the act himself or through another person, and an act done by the Minister shall have the effect of an act done by the authority.

Service Board.

8. The supreme authority of the Employment Service shall be the Employment Service Board (hereinafter referred to as “the Board”), which shall be appointed by the Minister of Labour and Social Affairs.

Composition of Board and publication thereof.

9. The Board shall consist of representatives of the employees and the employers, in equal numbers, and of representatives of the Government, the number of which shall not exceed one-third of the number of the members of the Board; notice of the composition of the Board shall be published in *Reshumot*.

Appointment of representatives of employees and employers.

10. The representatives of the employees shall be appointed after consultation with the national organisation of employees representing the greatest number of employees in the State, and the representatives of the employers shall be appointed after consultation with the national organisations of employers which in the opinion of the Minister are representative and concerned.

Chairman of the Board.

11. The Minister of Labour and Social Affairs or a person appointed by him in that behalf shall be the Chairman of the Board.

Functions of the Board.

12. The Board shall -
- (1) supervise the activities of the authorities of the Employment Service;
 - (2) be authorised to initiate, and recommend to the Minister, activities within the scope of the Employment service;
 - (3) be authorised to recommend to the Minister the making of regulations.
 - (4) carry out the other functions assigned to it by this Law and by the Rules of the Service.

Committees of the Board.

13. The Board may appoint committees and delegate powers to them.

Procedure of Service Board.

14. The Board and its committees shall themselves prescribe the procedure for their deliberations and work to the extent that it has not been prescribed by regulation or by the Rules of the Service.

The Management

15. The directing and executive authority of the Employment Service shall be the Management of the Service, the members of which, shall be the Director of the Service, his Deputy - if a Deputy has been appointed - and the holders of those posts in the Service which the Minister, after consultation with the Board, has designated as managerial posts. The Director of the Service shall be the Chairman of the Management.

Appointment of Management.

16. The Minister of Labour and Social Affairs shall, after consultation with the Board, appoint the Director of the Service, his Deputy and the employees of the Service whose posts are managerial posts.

Appointment of other employees.

17. The other employees of the Employment service shall be appointed by the Management of the Service within the framework of the establishment approved by the Minister of Labour and Social Affairs; the appointment shall be *mutatis mutandis*, in accordance with the rules for the appointment of the State employees. The appointment of the directors of district bureaux shall require also the approval of the Minister of Labour and Social Affairs.

Terms of employment of employees of Service.

18. The terms of employment of employees appointed under sections 16 and 17 shall be the same as the terms of employment of State employees, with such modifications as the Management of the Service may, with the approval of the Minister, determine.

An employee of the Service - a public servant.

19. For the purposes of the Penal Law Amendment (Public Servants) Law, 5717-1957, an employee of the Service shall be regarded as a public servant.

Acts of Director on behalf of the Service.

20. Any act or power which this Law, the regulations or the Rules of the Service does or do not reserve to any other authority may be done or exercised by the Director on behalf of the Employment Service.

Rules of the Service.

21. Within one year from the coming into force of this Law, the Board shall prepared Draft Rules of the Service and shall bring them before the Government for approval.

Publication of Rules.

22. Notice of the enactment of the Rules of the Service shall be published in *Reshumot*. A copy of the Rules shall be available at every employment service bureau and shall be open for inspection by any person.

Employment Service Bureaux.

23. The Minister shall, on the recommendation of or after consultation with the Management of the Service, establish, by order published in *Reshumot*, employment service bureaux and determine their area of jurisdiction; and he may, in the same manner, recognize existing bureaux as employment service bureaux established under this Law, and abolish or amalgamate employment service bureaux. The Minister of Labour and Social Affairs also establish zonal and district bureaux of the Employment Service and may amalgamate zonal bureaux into district bureaux.

Classes of employment service bureaux.

24. An employment service bureau may be for all occupations and trades or for a particular class thereof and for the whole area of the State or for a particular region or locality, as may be prescribed by order under section 23.

Sections, branches and registration centres.

25. The Management of the Service shall, with the approval of the Minister of Labour and Social Affairs, establish sections at all employment service bureaux or at particular bureaux - provided that it shall not establish sections for the allocation of employment on a religious-national basis - and branches of employment service bureaux and centres for the registration of persons seeking employment and of places of employment; a section or branch for youth shall be in a separate place.

Powers of section, branch and registration centre.

26. A section, a branch or a registration centre shall have such of the powers of an employment service bureau as Management of the Service may confer on it with the approval of the Minister.

Employment service bureau board.

27. Every employment service bureau shall have an employment service bureau board attached to it, but the Minister of Labour and Social Affairs may, after consultation with the Management of the Employment Service, establish one board for several employment service bureau. The powers, composition, mode of establishment, number of members and term of office of an employment service bureau board shall be prescribed by the Rules of

the Service, provided that the board attached to the employment service bureaux shall include representatives of employees and employers in equal numbers and shall have their chairman appointed by the Minister of Labour and Social Affairs.

Committees of bureau board.

28. An employment service bureau board may appoint committees and delegate powers to them.

Procedure of bureau board.

29. An employment service bureau board and its committees shall prescribe the procedure of their deliberations and work to the extent that it has not been prescribed by regulations or by the Rules of the Service.

Employment service bureaux management.

30. The directing and executive authority of an employment service bureau shall be the employment service bureau management, the members of which shall be the manager of the bureau and the holders of those posts in the Employment Service which are designated in the Rules of the Service as managerial posts at an employment service bureau.

Acts of the manager on behalf of the bureau.

31. Any act or power which the Rules of the Service do not reserve to another authority may be done or exercised by the manager of the bureau on behalf of the bureau.

CHAPTER TWO: RESORT TO, AND MODES OF OPERATION OF, AN EMPLOYMENT SERVICE BUREAU

Compulsory resort.

32. (a) In this Law, "a foreign worker" means - an employee or a person who is about to be accepted for employment as an employee, who is neither a citizen nor a resident of Israel
- (b) A foreign worker shall not be accepted for employment, unless the Employment Service has in writing approved the engagement of the foreign worker with the same employer, and in accordance with the terms of such approval; the said approval may be for a certain quota of foreign workers who are to be employed by the same employer or by a list of names, all at the decision of the Employment Service with the approval of the Minister of Labour and Social Affairs.
- (c) Notwithstanding the provisions of subsection (b), the Minister of Labour and Social Affairs may in regulations prescribe directives, rules, conditions and restrictions concerning the transfer of a foreign worker between employers who have received a permit under subsection (b).
- (d) the provisions of this section shall not apply to the employment of a foreign worker of a category prescribed by the Minister of Labour and Social Affairs and the Minister of the Interior under section 2(c) of the Entry into Israel Law 5712-1952.
- (e) The provisions of this section do not derogate from the provisions of the Entry into Israel Law, 5712-1952.

Brokerage.

33. Nothing by virtue of the provisions of section 32 shall derogate from the power of the Employment Service to act as an intermediary between employers and applicants seeking work under section 2.

Imposition of conditions.

34. (a) The Minister of Labour and Social Affairs may prescribe -
- (1) Conditions for the granting of the Employment Service's approval for the employment of a foreign worker in accordance with section 32, including in connection with the following matters:
- (a) the category of work in which the foreign worker is to be employed;
- (b) the performance of the employers obligations to those foreign workers that he employs;
- (c) compliance with provisions under the Foreign Employees (Prohibition of Unlawful Employment and Assurance of Fair Conditions) Law, 5751-1991 (hereinafter - the Foreign Employees Law),

(2) Provisions concerning the obligation of an employer who applies for a permit to employ a foreign worker as provided in section 32, to submit to the Employment Service or to such other body as the Minister shall prescribe, a sample of a contract of employment made in accordance with section 21 of the Foreign Employees Law, under which those foreign workers in respect of whom such permit is required, are to be employed, and concerning the non granting of such a permit by the Employment Service, where it appears that the form of such contract of employment does not conform to the provisions of the Foreign Employees law or any other enactment.

(b) Where an employer has not complied with a condition that has been imposed pursuant to subsection (a) or provisions under the Foreign Employees Law or with an obligation that he has toward his employees, the Employment Service may, after affording the employer an opportunity of stating his case to it, wholly or partially revoke the permit granted to the employer for the employment of foreign workers, and also on that ground alone, to refuse an application by the employer for a permit for the employment of foreign workers for a period of not exceeding one year.

Extension of permit.

35. Where a permit for the employment of foreign workers has been revoked as provided in section 34(b), the Employment Service may grant a temporary permit for the employer to continue employing them for a certain period that the Employment Service shall determine and which shall not exceed three months, where it appears to the Employment Service to be necessary for the workers' protection and having regard to the circumstances in which the permit was revoked.

Notification by persons requiring employees.

36. (a) Any person who requires an employee in branches of work, professions and classes of employment shall so inform the Employment Service Bureau in whose area of operation the work is located (hereinafter referred to as "the competent employment service bureau"); but if the work is of a country-wide character, he may also apply to the Management of the Service.

"Work of a country-wide character" means work which, as regards its execution or extent, exceeds the area of operation of one employment service bureau, and work which, in the opinion of the Minister of Labour and Social Affairs, exceeds the area of operation of one employment service bureau owing to its importance for the treatment of employment problems.

(a1) the provisions of subsection (a) shall not apply -

(1) to a person who is in need of an employee who is not a foreign worker, for an administrative or managerial position or that requires that the employee for the vacant position have an academic education or a special degree of personal trust;

(2) to those employees or categories of employees that the Minister has prescribed.

(b) The Minister of Labour and Social Affairs may, by regulations, designate classes of employers who, on receiving a request for particulars as to employees required by them to whom subsection (a1) does not apply, shall, within seven days of receiving the request, furnish the competent employment service bureau with the particulars requested as aforesaid.

(c) A private employment bureau, within its meaning in section 62, which is permitted to function under the Law, may obtain from a regional office of the Employment Service, on its request, particulars of information received under this section, the Employment Service Office may charge a fee for delivering such information, at a rate prescribed by the Minister of Labour and Social Affairs by agreement with the Minister of Finance, in accordance with the costs of an incidental thereto.

(Four) The Minister of Labour and Social Affairs may, by regulations, make changes in the Second Schedule.

Notice of dismissal.

37. (a) An employer who delivers dismissal notices to ten or more employees or delivers dismissal notices for ten or more employees to the employees' representative shall notify the competent employment service bureau, in conformity with subsection (c), of the dismissals.

(b) The duty imposed on an employer by the provisions of subsection (a) shall also fall on him if he delivers to the employees' representative advance notice of his intention to dismiss ten or more employees.

- (c) Notification to the employment service bureau under subsection (a) or (b) shall be made -
- (1) if the employers notices relate to the simultaneous dismissal of ten or more employees at the time when the notices are delivered to the employees or to the employees' representative, as the case may be;
 - (2) if the employer's notices relate to the successive dismissal of ten or more employees in the course of one month when notice is delivered to the tenth employee or to the employees' representative for him, as the case may be.

Transmission of notification within the service.

38. Where a notification under section 36 or 37 is delivered to an employment service bureau other than the competent employment service bureau, the person who delivers the notification shall have fulfilled his duty, and the bureau to which the notification has been delivered shall transmit it to the competent employment service bureau. A competent employment service bureau which has received a notification concerning work of a country-wide character shall deliver it to the Management of the Service.

Registration of persons seeking employment.

39. Every person seeking employment in a trade or an occupation in respect of which the employment service bureau acts as an intermediary is entitled to be registered at the employment service bureau.

Registration procedure.

40. The Rules of the Service shall prescribe procedure for registration and the delivery, of notifications under sections 32 to 39.

Sending to work.

41. (a) The Persons registered at an employment service bureau shall be sent to work in accordance with the method prescribed in the Rules of the Service.
- (b) The method of sending to work may be general or special to a particular trade, kind of employment, employment service bureau or section; it may also include special instructions in favour of discharged soldiers, invalids, elderly persons, or other classes of persons whose special situation warrants it.

Prohibition of discrimination.

42. (a) In sending to work, the employment service bureau shall not discriminate against a person on account of his age, sex, race, religion, ethnic group, country of origin, views or party affiliation, and a person requiring an employee shall not refuse to engage a person for work on account of any of these whether or not the person has been sent to work by the Employment Service.
- (b) It shall not be considered as discriminating if the character or nature of the task or considerations of State security prevents or prevent a person's being sent to or engaged for some particular work.

Prohibition of discriminatory advertising.

42A. A person requiring employees shall publish no such advertisement offering employment, as is discriminatory within the meaning of section 42.

Objections.

43. A person who considers himself aggrieved by an act of an employment service bureau in connection with sending to work, including harm caused to him by non-compliance with the provisions of section 42, may lodge objection with an objection committee, appointed by the board of the employment service bureau, and the decision of the objection committee shall be appealable to a Regional Court, all within the times prescribed by regulations. The procedure of objection before an objection committee shall be prescribed by regulations.

Non-intervention in strikes and lockouts.

44. An employment service bureau shall not send employees to a place of employment where there is a strike or lockout, and shall not send striking employees to work, so long as the strike or lockout lasts.

An employer who employs striking or locked-out employees, and employees who work in an undertaking where there is a strike or lockout, shall not be criminally prosecuted therefor.

Apportionment of work of a country-wide character.

45. The Minister of Labour and Social Affairs shall, in consultation with the Management of the Service, allot to employment service bureaux in accordance with the Rules of the Service, places of employment in works of a country-wide character; and every employment service bureau to which places of employment as aforesaid have been allotted shall send persons registered at the bureau to the works in question as if notification of those works had been delivered to it by a person requiring an employee.

CHAPTER THREE: SKILLED WORKERS

Proof of trade in case of compulsory resort.

46. A person wishing to be registered at an employment service bureau as a worker skilled in a trade to which section 32(a) applies, shall prove his vocational skill and the degree or type thereof by a trade certificate issued under this chapter; but this provision shall not apply to a trade, the members of which, are required by enactment to hold a licence granted on the strength of their vocational skill.

Proof of trade in case of voluntary resort.

47. Repealed.

Application for trade certificate.

48. A person desiring a trade certificate shall make written application in the form prescribed by regulations and in accordance with the directions laid down thereby.

Appointment of trade committees.

49. (a) The Minister of Labour and Social Affairs shall appoint trade committees, upon whose recommendation trade certificates shall be granted; notice of the appointment and address of a trade committee shall be published in *Reshumot*.

(b) A trade committee may be national, regional or local, and for one trade or for a number of trades.

Composition of trade committee.

50. (a) A trade committee shall consist of three persons who in the opinion of the Minister of Labour and Social Affairs are competent in matters of the trade in question, viz:

(1) one person appointed to be chairman;

(2) one person appointed from a list of candidates submitted to the Minister by the employees' organisation representing the greatest number of employees in the State in the trade in question;

(3) one person appointed from a list of candidates submitted to the Minister by an organisation which, in the opinion of the Minister, is the representative employers' organisation in the trade in question.

(b) Where an employers' organisation or employees' organisation does not submit a list of candidates under subsection (a) (2) or (3), as the case may be, within three months from the day on which it was requested to do so by the Minister of Labour and Social Affairs, the Minister may appoint as a member of the trade Committee any person who seems suitable to him to represent the interests of the organisation on the trade committee.

(c) The Minister shall not appoint a member of trade committee under subsection (b) unless at least thirty days before the appointment a reminder was delivered to the organisation concerned, indicating that the Minister intended to appoint a member of the trade committee in accordance with subsection (b).

Recommendation of trade committee.

51. A trade committee shall recommend the issue of a trade certificate after it has satisfied itself by an examination or in any other manner prescribed by regulations or approved in writing by the Minister of Labour and Social Affairs, that the applicant is skilled in the trade in question. In the letter of recommendation, the trade committee shall determine the grade or type of the applicant's skill.

Procedure in respect of trade veterans.

52. A trade committee shall recommend the issue of a trade certificate to a person who proves to its satisfaction that he has worked in the trade before the coming into force of this Law for a period prescribed by regulations in respect of that trade, provided that he applies for the issue of the certificate within two years after the coming into force of this

Law or within one year after the day on which he became an Israeli resident, whichever period ends later. Where the committee has recommended a person as aforesaid, a person to whom that person has been sent or work may demand of the committee that it determine the grade or type of that person's skill.

Minister's programme of examinations.

53. The Minister of Labour and Social Affairs may, after consultation with the organisation of employees representing the greatest number of employees in the State in a particular trade and with an organisation which, in his opinion, is the representative employers' organisation concerned in the matter, prescribe a programme of examinations for that trade, and upon his doing so, the examinations for that trade shall be in accordance with the programme prescribed as aforesaid.

Committee's programme of examinations.

54. So long as a programme of examinations has not been prescribed under section 53, a trade committee may hold examinations in accordance with the programme prescribed by it and approved by the Minister.

Inspection of programme of examinations.

55. The Service shall enable every person so requiring, to inspect a copy of every programme of examinations, and there shall be no obligation to publish any such programme in *Reshumot*.

Procedure of trade committees.

56. A trade committee shall prescribe the procedure of its work to the extent that it has not been prescribed by regulations, and shall decide every matter by majority vote. In the absence of a majority, the chairman shall have a casting vote.

Trade certificates.

57. A trade certificate shall be drawn up in the form approved by the Minister of Labour and Social Affairs, shall be signed by him or in his name and shall contain the particulars required to be entered in the register of skilled workers under section 60.

Effect of trade certificates.

58. The contents of a trade certificate shall be sufficient evidence for the purposes of any matter dealt with by this Law or pertaining to the implementation thereof.

Copies and fees.

59. (a) Notwithstanding the provisions of section 72, a fee may be charged for a copy of a trade certificate issued in addition to the original copy.

(b) The Minister of Labour and Social Affairs may, with the approval of the Knesset Labour and Social Affairs Committee, prescribe by regulations a fee for a trade examination under this chapter either for all examinees or for particular classes of

examinees or trades. Such regulations shall be in force for two years, but the Labour and Social Affairs Committee may extend them from time to time for an additional period of not less than two years which it shall prescribe.

Register of skilled workers.

60. There shall be kept a register of trade certificates issued under this Law, in which the following particulars shall be entered:

- (1) name and surname of the holder of the certificate;
- (2) the trade;
- (3) the grade or type of trade;
- (4) date of issue and number of the certificate;
- (5) any such other particular as shall be prescribed by regulations.

Transitional provision.

61. Repealed.

CHAPTER THREE 'A': PAYMENTS SECTION

Definitions.

61A. In this chapter -

“Agreement” “The Area”, “Gaza and Jericho Region” and “Equalization Levy” - shall have their meanings as defined in the Law for The Implementation of the Agreement on the Gaza Strip and the Jericho Region (Economic Arrangements and Ad Hoc Provisions) (Law Amendments) 5755 - 1994.

“Employee” means an employee whose permanent place of residence is in the area and in the Gaza and Jericho Region and who is not registered in the Population Register.

“Terms of Employment” means the terms of employment that apply to an employee under any enactment, collective agreement or extension order, within their meaning in the Collective Agreements Law 5717-1957 including a collective arrangement or in an employment contract.

“Social Payment” means a payment to Social Insurance, for the accumulation of social rights or to finance other benefits for employees, except for insurance contributions.

“Work Remuneration” means wages, insurance contributions, social payments and every other payment made by an employer in connection with an employee’s employment under the terms of such employment.

“Insurance Contributions” and “National Insurance Institute” - as defined in the National Insurance Law (Consolidated Version) 5728-1968 and in Regulations thereunder.

“Payments Section” means a section that has been established by the Management of the Service, which has been charged with implementing the provisions of this Chapter; the payment section may be centrally located or at Employment Service Bureau.

“Population Register” - within the meaning thereof in the Population Registry Law 5725-1965.

Payment of Remuneration through the Payment Section.

61B. (a) Employees shall pay work remuneration to their employees through the Payments Section, or in part through the payment section and in part directly, as the payments section shall prescribe under rules to be made by the Ministry of Labour and Social Affairs in Regulations; such Regulations may apply to all employer, categories or employers or to a specific employer.

(b) Notwithstanding the provisions of Section 6 of the Wage Protection Law 5718-1958, the employer of the payments section, as the case may be, may pay the work remuneration prescribed in subsection (a) to the employee, as notified in writing by the employee, through a bank in the area or in the Gaza and Jericho Regions.

(c) The payments section may give directions from time to time to employers, as to the components of the work remuneration that they must pay or make for their employees, the rates and the manner of calculation thereof, or in accordance with the terms of employment.

(d) The provisions of the Taxes (Collection) Ordinance shall apply to the collection or work remuneration by the payments section, as if it was a tax, and it may also be recovered by way of a civil action.

(e) Where work remuneration or part thereof is not paid to the payments section but within the time prescribed for the same in rules made under subsection (a), then the provisions of Chapter 14 of the Valued Added Tax Law 5736-1975 shall apply to it, *mutatis mutandis*, as if it were value added tax; for this purpose the Minister of Labour and Social Affairs shall have the

powers conferred by the said Law on the Ministry of Finance, and the Director General of the Employment Service shall have the powers conferred by the said law on the Director, within the meaning of that Law.

(f) Where an employer has paid his employee's work remuneration, or part thereof, to the Payments Section, then in respect of the amount that he has paid as aforesaid, he shall have fulfilled his obligation toward his employee and toward any other person for whom part of such work remuneration is intended under the terms of employment; this provision shall not derogate from the right of the employee or of any other aforesaid person against the employer, which arises from any delay by the employer in payment of the work remuneration.

Payment of wages to employees and transfer of deductions.

61C. (a) When wages or part of wages have been paid through the payments section as provided in Section 61B(a), the payments section shall transmit to the employee the amount of wages that it has collected, less insurance contributions and less any amount which must or may be deducted under any enactment or under the terms of employment or to the deduction of which the employment agreed to in writing; the payments section shall also transmit to the employee, with the aforesaid deductions, the amounts to which he is entitled as fringe benefits by virtue of the social payments collected by the payments section, save for those that arise from social payments that have been transmitted to some other body under the provisions of this Chapter.

(b) Where the payments section fails to transmit to an employee the amount of wages under subsection (a) by the eighth day after the day on which it collected the said amount from the employer (hereinafter in this subsection referred to as "the determining day"), then the payments section shall pay the employee linkage differentials and interest, within the meaning thereof under the Interest and Linkage Adjudication Law 5721-1961, on the said amount in respect of the period from the determining day until the day of actual payment.

(c) Where an amount collected by the payments section or deducted or deducted from an employee's wage, other than a social payment, is intended for a body in Israel under an enactment or under the terms of employment, then the payments section shall transmit it to such body; the payments section may also, with the approval of the Minister of Labour and Social Affairs, transmit part of the social payments to a body in Israel in order to finance the provision of benefits to employees in accordance with the terms of employment; in this subsection, "body in Israel" - shall include the Civil Administration set up by the Commander of the Israel Defense Forces in Judea and Samaria.

(d) Where the payments section has deducted insurance contributions, it shall transmit them to the National Insurance Institute.

(e) The payments section may transmit social payments or other amounts that it has collected or deducted from wages, to the Palestinian Authority or to a body authorised by it for such purpose, if the Agreement and the conditions prescribed therein, so provide.

(f) The payments section may deduct from the amount that it transmits pursuant to the provisions of subsections (b) and (d) an amount to cover the expenses that it has incurred in collecting such amounts and in the making of such payments, as prescribed by the Minister of Labour and Social Affairs with the agreement of the Minister of Finance.

Reports and determination of conditions and arrangements

61D. (a) Employers shall deliver to the payments section, on forms to be prescribed by regulations, monthly reports on every employee employed by the, the place, category and scope of the employment, the remuneration for work due to and for the employee and paid to and for him, including an itemized breakdown of its components and the manner of the calculation thereof in accordance with the terms of the employment such regulations may be applicable to all employers or to classes of employers or to a specific employers, and they may prescribe additional particulars that must be included in the report, as well as the obligation to deliver relevant documentation.

(b) The Management of the Service may lay down conditions for sending an employee to an employer, the purpose of which is secure the payment of work remuneration and of an equalization levy, and also the orderly employment of such employees in Israel, including making the sending of employees conditional on the fulfillment of obligations imposed on the employer under this Chapter or on the employees under any enactment or agreement.

(c) The Management of the Service may prescribe special registration arrangements for employees or for persons seeking employment who are not registered in the Population Register.

Reservations

61E. (a) The provisions of this Chapter shall have effect notwithstanding any other provision in any enactment or in the terms of employment.

(b) The provisions of this Chapter do not impose on the Employment Service or on the payments section any obligation toward an employee or toward any other person in respect of any amount of work remuneration which the payments section have not collected from the employee and in respect of any right deriving therefrom, and the employee or the person to whom the said amount is due may sue for it in a Labour Court, including a claim under the provisions of the Wage Protection Law 5718-1958; a claimant as aforesaid shall notify the payments section, in a manner to be prescribed, of the filing of such a suit.

Extension

61F. The Minister of Labour and Social Affairs may by order and with the approval of the Knesset Labour and Social Affairs Committee prescribe, that the provisions of this Chapter shall also apply to employees other than those defined in section 61A who are not registered in the Population Register, with such modifications as shall be specified in such order.

CHAPTER FOUR: PRIVATE EMPLOYMENT BUREAUX

Definitions.

62. (a) In this chapter -

“Private bureau” means anyone carrying on job placement, whether for payment or for some other material benefit or without remuneration, except the Employment Service and newspapers or other publications the main purpose of which is not job placement.

Licence.

63. (a) A person shall not manage or maintain a private employment service bureau unless he has obtained a licence from the Minister of Labour and Social Affairs.

(b) A license under this section shall be for a period of one year.

(c) Where the Minister decides not to renew a license, he shall so inform the holder of the license not later than 30 days prior to its expiration; where he has not given notice as aforesaid, the licence shall be renewed each time for an additional period of one year”.

Limitation and conditions of licence.

64. (a) The Minister of Labour and Social Affairs may make the grant of a licence under section 63 conditional on the existence of suitable physical and environmental conditions for the provision of appropriate services by the applicant for the licence.

(b) The Minister of Labour and Social Affairs may refrain from granting a licence under section 63, if the Applicant for the license or who ever holds a position of rank under him has been - during the proceeding 5 years - found guilty of an offence which, in the circumstances of the case, is one of moral turpitude.

(c) The Minister may by regulations, prescribe conditions as provided in subsection (a) for categories of private employment offices, on condition that he does not prescribe conditions that are required under any other statutory provision”.

Effect of provisions.

64A. (a) The provisions of section 42 and 44 shall also apply to job placement by a private employment bureau.

(b) A private employment bureau shall not unreasonably refuse its services.

International job placement.

65. A private bureau shall not carry on job placement in respect of work the location of which is abroad or in respect of the employment of persons who are abroad, except with the express permission of the Minister and upon the conditions prescribed in the permit.

Prohibition on receipt of payment.

66. A private employment office shall not demand, nor collect or receive any payment whatsoever, directly or indirectly, in Israel or abroad, from a job applicant or from another person acting as an employment broker representing the interests of the job applicant in Israel or abroad.

Supervision of private bureaux.

67. A private bureau shall be under the supervision of the Minister of Labour and Social Affairs.

Amendment and cancellation of licence and permit.

68. If the holder of a licence contravenes any of the provisions of this Chapter or any condition of such licence or permit, or any of the provisions of the Foreign Workers Law has not been complied with, the Minister of Labour and Social Affairs may, after giving the holder of the Licence an opportunity to be heard, limit or cancel the license or permit.

Delegation of powers and objection.

69. (a) The Minister of Labour and Social Affairs may delegate powers vested in him by this chapter.
(b) Where the Minister has delegated his power to grant, limit or cancel a licence or permit, a person who considers himself aggrieved by the refusal, limitation or cancellation of a licence or permit may lodge objection with the Minister. The decision of the Minister shall be final.

Unlawful job placement.

69A. (a) Where the owner or hirer of any vehicle, either himself or through another, conveys therein to work not less than three employees in respect of whom resort to the labour exchange is compulsory but who have not been sent by it, such fact shall be *prima facie* evidence that he manages or maintains a private exchange.
(b) Where a person orders transportation in a vehicle for a purpose and under circumstances as specified in subsection (a), such fact shall be *prima facie* evidence that he manages or maintains a private exchange and the provisions of subsection (a) shall not apply to the owner or hirer of the vehicle.
(c) The provision of subsection (a) shall not apply to transportation by a public bus or taxi service.
(d) Where a person receives payment for placing another in employment, such fact shall be *prima facie* evidence that he manages or maintains a private bureau.

CHAPTER FIVE: FINANCIAL**Draft budget.**

70. The Management of the Service shall prepare, to a date prescribed by the Minister of Labour and Social Affairs, a draft annual expenditure budget of the Service and shall submit it to the Board, which will forward it to the Minister of Labour and Social Affairs with its observations and recommendations.

Approval of budget.

71. The Minister of Labour and Social Affairs shall present the expenditure budget, as proposed or with alterations, for the approval of the Knesset, and when the approval has been given, the Budget shall be signed by the Minister of Labour and Social Affairs and the Director of the Service and shall be published in such manner as the Minister of Labour and Social Affairs may direct.

Budget of the Service to be covered out of Treasury funds.

72. The expenditure of the Employment Service under the approval budget shall be covered out of Treasury funds, and the Service shall demand no payment from those resorting to it.

CHAPTER SIX: IMPLEMENTATION AND PENALTIES

Supervision of fulfillment of duty to resort to employment service bureau.

73. A State employee, or an employee of the Service, empowered in that behalf in writing by the Minister of Labour and Social Affairs, may, at any reasonable time, enter any place where persons are employed, or where he has reasons to believe that employees are employed, to whom section 32 applies.

Right of entry to private employment bureau.

74. A State employee whom the Minister of Labour and Social Affairs has empowered in that behalf in writing may, for the purpose of supervision under section 67, enter at any reasonable time any private employment service bureau.

Auxiliary powers at the time of entry.

75. A person empowered under section 73 or 74 may -

- (1) examine, either alone or before another person, any person found in the place in question as to any matter relating to this law, but a person shall not be required to give an answer or evidence likely to incriminate him;
- (2) make a record of the answers and statements of the person examined, and the record shall be treated in like manner as a statement taken under section 2 of the Criminal Procedure (Evidence) ordinance, and sections 3 and 4 of that Ordinance shall apply to it;
- (3) inspect, and make extracts from, any book, document, confirmation or other instrument the keeping or maintenance of which by employer is a duty under this Law or under any other enactment with the implementation of which the Minister of Labour and Social Affairs is charged; and in the case of a private bureau, he may, for the purpose of supervision under section 67, inspect and make extracts from any book, document, or instrument relating to the business and activities of the bureau.

Secrecy.

76. An employee of the Service shall not disclose, except to employees of the State of the Service in connection with their functions, anything that has come to his knowledge in the exercise of the powers vested in him under sections 73 to 75.

Offences in connection with Chapter Two.

77. An employer, or a person requiring an employee, who contravenes any of the provisions of Chapter Two except section 32 and 42A, shall be liable to a fine not exceeding 9,600 new Shekalim in respect of every person in respect of whom the offence is committed, or, where the offence concerns the engagement or non-engagement of a person as an employee a fine not exceeding 9,600 new Shekalim for every such person and an additional fine of 9,600 new Shekalim per day in respect of every day on which he employs an employee in contravention of a provision as aforesaid.

Discriminatory publication - penalty.

77A. A person who, requiring an employee, contravenes the provisions of section 42A shall be liable to twice the fine prescribed by section 61(a)(1) of the Penal Law, 5737-1977.

Accepting employment in contravention of this Law.

78. Repealed.

Offences under Chapter Three "A".

78A. (a) Where a person has delivered false information for the purposes of Chapter 3A, or where he has concealed facts that are important for the purposes of that Chapter, he shall be liable to double the fine specified in Section 61(a)(1) of the Penal Law 5737-1977, for each employee in respect of whom such offence was committed.

(b) Where an employee has failed to fulfill an obligation imposed upon him under Section 61B or 61D then he shall be liable to the fine specified in Section 61(a)(2) of the Penal Law

5737-1977, for each employee in respect of whom such offence was committed, and to an additional fine as prescribed in Section 61(c) of the said Law for each employee and for each week in which such offence was committed.

Offences in connection with private bureaux.

79. Whosoever manages or maintains a private bureau in contravention of section 63 or 65, or infringes a prohibition imposed by section 65 or is actually responsible for any such act as aforesaid is liable to imprisonment for a term of six months or to a fine not exceeding 9,600 new Shekalim and to a fine not exceeding 9,600 new Shekalim in respect of every employee in relation to whom the offence is committed.

Various offences.

80. (a) A person who commits one of the following offences -
- (1) obstructs a person in the exercise of his powers under section 73, 74 or 75;
 - (2) contravenes an order relating to a private bureau or fails to fulfill the conditions prescribed the Minister of Labour and Social Affairs, under sections 64 to 66, for the operation of a private bureau, is liable to a fine not exceeding 9,600 new Shekalim.
- (b) A private employment bureau that has collected or received any payment whatsoever in contravention of the provisions of section 66, shall be liable to double the amount of the fine prescribed in section 61(a)(2) of the Penal Law 5737-1977.

Order to discontinue work.

81. In a proceeding in which a person is charged with an offence under section 77 or 78, the Court may, either by interim order or by the final judgment, order that the work of the person in connection with whose employment or work the action was brought be discontinued.

Responsibility of directors and managers.

82. Where a company, a cooperative society or any other body of persons has committed one of the offences specified in section 77 or 78, every manager, partner or responsible official of that body shall also be regarded as responsible for the offence, and he may be prosecuted and punished as if he had committed it, unless he proves -

- (1) that it was committed without his knowledge, or
- (2) that he took all appropriate steps to prevent it.

Jurisdiction of Labour Court.

82A. The Labour Court shall, subject to Section 43, have sole jurisdiction in any Civil Proceedings arising out of the provisions of this Law.

Dissolution of former bureaux.

83. The general employment service bureaux specified in the Third Schedule (hereinafter referred as "the former bureaux") and the corporations holding any assets on their behalf or for their purposes are hereby dissolved.

Transfer of assets and liabilities of former bureaux.

84. (a) The assets, liabilities and obligations of the former bureaux, of the corporations mentioned in section 83 and of other trustees of former exchanges, are hereby transferred to the Service in so far as they related to such bureaux.
- (b) Everything transferred to the Service under subsection (a) that is an asset the ownership of which or the rights in which requires or require registration under any law shall be registered in the name of the Service without payment of any tax or fee. For the purpose of this section -
- "asset" includes immovable and movable property and rights and interests of any kind;
- "asset of a former bureau" includes an asset which actually belongs to a former bureau though it may not be registered in its name.

Employees of former bureaux.

85. Notwithstanding the provisions of sections 18 and 84, a person who, immediately before the coming into force of this Law, was an employee of a former bureau is entitled to be engaged by the

Employment Service; his rights arising from length of service with a former bureau shall be determined in accordance with an agreement, approved by the Minister of Labour and Social Affairs, between the Employment Service and them employees' organisation representing the greatest number of employees of employment service bureaux.

Interim Rules.

86. The Minister of Labour and Social Affairs shall, after consultation with the Management of the Service enact Interim Rules for the period between the coming into force of this Law and the approval of Rules of the Service under section 21, and he may enact as Interim Rules the Statute of the existing bureaux, wholly or in part and with the variations arising from this Law; the Interim Rules shall have the same force as Rules of the Service.

Applicability to the State.

87. This law shall, with the modifications prescribed by regulations, apply to the State as an employer.

Repeal.

88. There are hereby repealed -

- (a) section 98 (10) of the Municipal Corporations Ordinance, 1934;
- (b) section 25(a)(4) of the Wage Protection Law, 5718-1958.

Implementation and regulations.

89. The Minister of Labour and Social Affairs is charged with the implementation of this Law and may make regulations as to any matter relating to such implementation.

Duty to consult.

90. The Minister of Labour and Social Affairs may not make regulations under sections 36(d) and 52 save after consultation with the national organisation representing the greatest number of employees in the State, with employers organisations which in his opinion are representative and concerned, and with the Board.

Delegation of powers.

91. The Minister may delegate powers vested in him by sections 18, 26, and 45; notice of any delegation of powers shall be published in *Reshumot*.

Commencement.

92. (a) This Law shall come into force on the 22nd Adar Bet, 5719 (1st of April, 1959); provided that section 1 shall come into force on the day on which this Law is published in *Reshumot*.
- (b) Notwithstanding any other law, the Minister of Labour and Social Affairs may on appointing a Board and Management of the Service before the coming into force of this Law, empower them to do any act deemed necessary by him for putting this Law into operation of the day on which it comes in force.

Repeal of Schedule.

The First Schedule to the principal Law is hereby repealed.

SCHEDULE TWO (Section 36).

1. Any work in the building trades, including demolition and alteration of buildings, earth work in connection with building, and work in connection with the installation of lighting and water supply for buildings.
2. Any work in structural engineering, including the paving, repair and maintenance of roads.
3. Any work in industry of handicrafts in connection with the manufacture, destruction, alteration, cleaning or adoption for the sale of products.
4. Any work in connection with the generation of electric current and its transmission from place to place, and with the supply of water and fuel and the conveyance thereof from place to place.
5. Any work in connection with the mining and processing of materials and minerals, including work in quarries.
6. Any work in the transport industry, including loading, unloading and stevedoring.
7. Any work in agriculture, gardening, deep-sea fishing and afforestation.

8. Watchman's duties.
9. Cleaning work and service in restaurants cafes and hotels and places of entertainment within the meaning of the Public Entertainment Ordinance 1935.
10. General clerical work, secretarial work, bookkeeping, typing and service in industry, commerce and the services.
11. Selling and general service work in commercial establishments.
12. Any manual work in work and service branches, other than households.

SCHEDULE THREE (Section 83).

There is a list of 59 general Employment Service Bureaux, 9 Government Employment Service Bureaux and 14 general Employment Service Bureaux for youth with their branches, all of which are deemed to be "former offices".