

WAGE PROTECTION LAW, 5718-1958

Definitions.

1. In this Law -

“wage” includes payments in respect of festival days, productivity and overtime, and other payments due to an employee by reason of and during his employment;

“declared wage” means a wage which has not been paid by the determining day;

“benefit fund” means any sic-fund, pension or insurance fund or other similar fund of which the employee is a member or a benefit fund within the meaning of section 47 of the Income Tax Ordinance to which only the employee and the employer have to make payments under a collective agreement or an extension order or under a contract of employment or any other agreement between the employee and the employer to which the benefit fund has given its consent, or any such benefit fund as aforesaid the object of which is insurance of the employee and his survivors and to which the employee alone has to make payments by virtue of a collective agreement or an extension order, or a body corporate payments to which the Minister of Labour and Social Affairs has approved for the purposes of section 14 of the Severance Pay Law – 5723-1963.

“the determining day” means the ninth day after the time for the payment of the wage or pension according to section 9, 10, 11, 13, 14 or 16(b), as the case may be and in respect of an employee on service work under Article 2A of Chapter 6 of the Penal Law 5737-1977 – the 21st day after the said date.

“linkage differentials”, in relation to a particular period, means differentials resulting from linkage to the consumer price index published by the Central Bureau of Statistics according to the rate of the increase of the index from the index last published before the beginning of the period under the index last published before the end thereof.

Due to pay in cash.

2. (a) A wage shall be paid in cash; but it may be paid by cheque or postal order if this mode of payment has been fixed by collective agreement or by contract of employment or if the employee has otherwise consented thereto, so long as the employee can obtain payment of the cheque or postal order from the drawee thereof at the time fixed in whichever is applicable of sections 9 to 14.
- (b) Where the cheque or postal order is presented for payments within two months after the delivery to the employee and is not paid, the employer's contention that payment could have been obtained at some earlier or later date shall not be heard.

Payment in money's worth.

3. Part of a wage may, with the consent of the employee, be paid in food and drink, other than intoxicating liquors, intended for consumption at place of work or in housing, if this mode of payment has been fixed by collective agreement or by contract of employment, or is a custom accepted as part of the terms of employment, so long as the value assigned to the benefit in question does not exceed the ordinary market value.

Prohibitions of restrictions.

4. (a) An employer shall not require his employee to buy any commodities from him or from anyone connected with him or with his undertaking or to avail himself of his services or the services of anyone as aforesaid, and shall not in any other manner restrict the employee's right to use his wage.
- (b) Where any commodities or services required by an employee, and which he is unable to otherwise obtain at his place of work, are supplied to him by his employer, either directly or through anyone connected with the employer or with his undertaking, such commodities or services shall be supplied to the employee at a fair price not involving any profit; and if they are, with the sanction of the employer, supplied by an outsider, they shall be supplied at a fair price. The price at which commodities or services as aforesaid are supplied is subject to the consent of the employees' committee in the undertaking; and in the event of disagreement, it shall be fixed by a person empowered in that behalf by the Minister of Labour and Social Affairs.

Inclusive wage.

5. Where the wage fixed for an employee to whom the Hours of Work and Rest Law, 5711-1951, applies includes a payment for overtime or a remuneration for work during the weekly rest, as provided in the Hours of Work and Rest Law, 5711-1951, or leave pay, a leave equivalent or leave

compensation, as provided in the Annual Leave Law, 5711-1951, the whole of such wages shall be deemed to be ordinary wage, unless otherwise provided in a collective agreement in respect of payment for overtime or remuneration for work during the weekly rest, the agreement having been approved for this purpose by the Minister of Labour and Social Affairs.

Mode of payment of wage.

6. (a) The wage shall be paid directly to the employee: Provided that, upon the written direction of the employee, the wage may be paid through his spouse, parent, child fellow employee, the kibbutz of which he is a member, a banking institution within the meaning of the Bank of Israel Law, 5714-1954, the Postal Bank, a labour exchange established under section 23 of the Employment Service Law, 5719-1959, or any corporation approved for that purpose by the Minister of Labour and Social Affairs with the consent of the largest organisation of employees and with the approval of the Knesset Labour and Social Affairs Committee.
- (b) The wage of an employee on service work, under section 2(A) of Chapter One of the Penal Law 5737-1977, shall be paid through the Prisons Service or through the Employment Service.

Wage of deceased employee.

7. Where an employee dies before the wage due to him has been paid, such wage shall, notwithstanding anything provided by the law of succession, be paid to such person as the employee has directed; in the absence of such a direction, the wage shall be paid to the employee's spouse or, if he has not left a spouse, to his heir.

Attachment, transfer and charge.

8. (a) Of the monthly wage, there shall not be capable of being attached, transferred or charged an amount equal to a pension at the increased rate under section 5(a) of the Assurance of Income Law, 5741-1981, which would have been payable in the month preceding the payment of the wage to that employee, according to the composition of his family, if he were entitled to such a pension. If the said amount exceeds 80 percent of the monthly wage, the amount not capable of being attached, transferred or charged shall be reduced to 80 percent of the monthly wage. For this purpose, "the monthly wage" means the wage remaining after deduction of any payment the employer is required to deduct from the wage under any enactment.

(a1) Where the wage is payable on a daily basis, the portion of the daily wage not capable of being attached, transferred or charged shall be equal to the twenty-fifth part of the amount mentioned in subsection (a).

(b) Subsection (a) shall not apply to any attachment, transfer or charge intended for the payment of maintenance.

(c) Where the wage is payable otherwise than on a monthly or daily basis, the Minister of Labour and Social Affairs may, by regulations, enact provisions as to the part of the wage which cannot be attached, transferred or made subject to a charge.

(d) Repealed.

(e) A pension payable by an employer or a benefit fund shall for the purposes of this section be regarded as wage. This provision shall not derogate from protection against any attachment, transfer or charge granted in respect of a pension as aforesaid under any enactment.

(f) The restrictions imposed by this section shall apply also to a wage which is in the hands of a labour exchange or corporation, as referred to in section 6, through which payment to the employee is effected; but the labour exchange or corporation may deduct any amount paid by it to the employee as an advance payment on account of the wage. Where the wage is paid through a banking institution of the Postal Bank, the restrictions imposed by this section shall apply to the wage in its hands for one month from the day on which such wage is paid to it.

(g) Any provision of an enactment which conflicts with a provision of this section shall not be followed.

Time for the payment of monthly wage.

9. A wage payable on a monthly basis shall be paid upon the expiration of the month in respect of which it is payable. Where a wage is payable on the basis of a period longer than a month, the proportional part falling on each month shall be deemed to be payable on a monthly basis.

Time for the payment of wage other than monthly wage.

10. A wage payable on an hourly, daily or weekly basis or according to output shall, unless a different time has been fixed by collective agreement or by contract of employment, be paid at the expiration of every half-month during which the employee has been employed; however, where an employee whose wage is payable on a basis as aforesaid has been employed for a full month and has, during that month, been paid advances under the terms of a collective agreement or a contract of employment, section 9 shall apply.

Time for the payment of wage for contract work.

11. A wage payable for the carrying out of a particular job the carrying out of which takes more than fourteen days shall be paid on the day on which the carrying out of the job is completed if during the carrying out of the job advances have been paid under the terms of a collective agreement or contract of employment; where advances as aforesaid have not been paid, the wage shall be deemed to be payable according to output.

Time for the payment of wage of person who has ceased to be employed.

12. Where an employee has ceased to be employed by a particular employer, his wage shall be paid at the time at which it would have been payable under section 9, 10 or 11 if he had continued to be employed.

Special times for the payment of wages.

13. The Minister of Labour and Social Affairs may, with the approval of the Knesset Labour and Social Affairs Committee, prescribe a time for a wage payment for which no time is prescribed in section 9 to 12.

Increase of wage.

14. (a) Where, by collective agreement or between the employee and the employer, an increase of or addition to the wage has been agreed upon in respect of a past period, and a time for the payment of the differences due to the employee under the agreement, respect of that period, has not been agreed upon, the differences shall be paid at the nearest time for the payment of wage; the Regional Court - as defined in the Labour Courts Law 5729-1969 may, on the application of the employer submitted to him before that time, and after hearing the employee, prescribe a different time for the payment of the differences or prescribe the payment thereof in installments.

(b) Where, by a collective agreement or by a written agreement, other than a collective agreement, between an employees' organisation and the employers, a wage increase for a future period has been agreed upon, the payment of the additional wage may be postponed until times fixed in the agreement, but which shall not be later than six months after the day on which the payment would have been due had it not been postponed.

Place and hours for the payment of wage.

15. The wage shall be paid to the employee at the place of work and not later than two hours after the termination of the work; but in the case of an employee working in a second or third shift or of a person who has ceased to be employed, the wage may be paid at the hours at which the wage of the other employees is paid. Wages shall not be paid in a place where intoxicating liquors are sold, except to persons employed in that place.

Pension and pension delay compensation.

16. (a) In this section -

"retirement pension" means periodical payments to an employee by an employer or a benefit fund after complete or partial retirement of the employee from employment otherwise than by reason of invalidity or illness;

"invalidity pension" means periodical payments to an employee by an employer or a benefit fund after complete or partial retirement from employment by reasons of invalidity or illness;

"survivors pension" means periodical payments by an employer or a benefit fund to a survivor of an employee or of a person who had been an employee and had retired from employment;

"pension" means, a retirement pension, an invalidity pension or a survivors pension;

"delayed pension" means a pension which has not been paid by the determining day.

(b) A monthly pension shall be paid upon the expiration of the month for which it is payable or, if it is payable for another period, upon the expiration of that period.

(c) A "pension delay compensation" shall be added to a delayed pension. It shall be computed, *mutatis mutandis*, in the same manner as wage delay compensation is computed under section 17.

(c1) A pension delay compensation shall in all respects, except as regard subsection (c), be a part of the pension.

(d) The provisions of section 14, 17A and 18 shall apply to a pension, *mutatis mutandis*, as if it were a wage, and every reference in the said sections to an employer shall be deemed to be a reference to the person liable to pay the pension.

(e) The provisions of section 20(d) shall apply also to the payment of pension delay compensation as if it were severance pay delay compensation.

First pension payment.

16A. (a) Notwithstanding anything provided in section 16, a pension shall not be regarded as delayed

(1) in the case of retirement pension payable by an employer to an employee who retires on his own initiative - until the expiration of the month following the month in which one hundred and eighty days have elapsed from the day on which the employee's notice of retirements is delivered to the employer;

- (2) in the case of a retirement pension payable by an employer to an employee who retires otherwise than on his own initiative - until the expiration of the month following the month in which sixty days have elapsed from the date of retirement;
 - (3) in the case of a retirement pension payable by a benefit fund to an employee who retires - until the expiration of the month following the month in which one hundred and eighty days have elapsed from the day on which the employee or the employer files the application for the pension with the benefit fund;
 - (4) in the case of an invalidity pension - until the expiration of the month following the month in which sixty days have elapsed from the date of the decision of the medical board under which the employee is entitled to an invalidity pension or from the day of retirement by reason of invalidity, whichever is the earlier;
 - (5) in the case of a survivors' pension - until the expiration of the month following the month in which ninety days have elapsed from the day on which one of the survivors files an application for a pension or, where under an enactment or the rules of a benefit fund the entitlement to the pension depends on the issue of a judgment decision of a civil or religious court, until the expiration of the month in which thirty days have elapsed from the day of service of the final judgment or decision, whichever is the later.
- (b) Notwithstanding anything provided in paragraph (1), (3) or (5) of subsection (a), where the person liable to pay the pension is in possession of sufficient data to determine the entitlement to and rate of the pension within the period stated in the relevant one of the aforesaid paragraphs, such paragraph shall not apply to him from the expiration of the month following the month in which sixty days have elapsed from the day on which he came into possession of the said data.
- (c) Where a person is liable to pay a pension is not in possession of sufficient data for calculating the amount of the pension due in the first four months after the date mentioned in paragraphs (1), (2), (3), (4) or (5) of subsection (a) or in subsection (b), and he makes an advance payment on the pension in an amount corresponding to the data that was in his possession in the month which preceded the month in which the advance payment is made, the balance of the pension shall not be regarded as delayed until the expiration of the month following the last month in which such a payment is made.

Payment of difference.

16B. In respect of a difference arising out of a change in the amount of a pension after its payment has begun, the pension shall, notwithstanding anything provided in section 16, not be regarded as delayed until the expiration of the month following the month in which sixty days have elapsed from the date on which the change was prescribed or came into effect, whichever is the later.

Filing of application.

16C. Where an employee is, under the terms of his employment, bound to retire on reaching a certain age or is required by his employer to retire before reaching that age, and he is, in consequence of his retirement, entitled to a retirement pension from a benefit fund, his employer shall file an application under paragraph (3) of section 16A (a) not later than six months before the retirement date. If he does not do so, the employee shall be entitled to receive from him pension delay compensation for the period in which the pension would have been regarded as delayed but for the provisions of that paragraph.

Wage delay compensation.

17. (a) Whichever of the following is the greater amount (hereinafter referred to as a "wage delay compensation") shall be added to a delayed wage:

(1) for the first week after the time for the payment of the wage, the twentieth part of the delayed wage, and for every subsequent week or fraction of a week, the tenth part of the delayed wage;

(2) linkage differentials for the period from the time for the payment of the wage until the day of its payment, with an addition of 20 percent to the aggregate of the delayed wage and the said linkage differentials for every month of the said period; for a fraction of a month, a proportionate part of the said 20 percent addition shall be paid.

(b) A wage delay compensation shall in all respects, except as regard this section, be part of the wage.

Prescription.

17A. (a) The right to wage delay compensation, as distinct from wage, shall be barred if an action is not filed in a Regional Court within the meaning of the Labour Court Law, (hereinafter referred to as a "Regional Court") within one year from the day on which the wage is regarded as delayed or within 30 days from the day on which the employee received the wage to which the compensation relates, whichever period ends first; however the Regional Court may extend the 60-day period to ninety days.

(b) Notwithstanding the provisions of subsection (a), where an employer has delayed payment of the employee's wage, or part thereof, three times during a consecutive period of twelve months within the three consecutive years after the day for payment of the wage to which the compensation relates, then the prescription period shall be the said three years.

(c) The provisions of subsection (b) shall not apply to wage delay compensation, in respect of which the one-year prescription period referred to in subsection (a) has elapsed.

Reduction of compensation.

18. A Regional Court may reduce or cancel a wage delay compensation if it is satisfied that the wage was not paid in time owing to a *bona fide* error or owing to a circumstance over which the employer had no control or in consequence of a disagreement - which in the opinion of the Regional Court, has some substance - as to the existence of the debt provided that the amount not in dispute was paid in time.

Application of Adjudication of Interest and Linkage Law.

18A. Where the right to wage delay compensation, pension delay compensation or to severance pay delay compensation pay has been prescribed, under section 17A or 20(d), or where Regional Court has canceled a wage delay compensation, pension delay compensation or severance pay delay compensation, under section 18 or 20(d), then, notwithstanding the provisions of section 6 of that Law, the provisions of the Adjudication of Interest and Linkage Law, 5721-1961, shall apply.

Bankruptcy; winding up of body corporate.

19. (a) Where an order under section 127CCC of the National Insurance Law (Consolidated Version), 5728-1968 is made in respect of an employer, the liquidator, within the meaning of section 127III(a) of the said Law, shall not have to pay wage delay compensation. However, in his decision as to the approval of the debt he may prescribe that linkage differentials shall be added to the delayed wage for the period from the time for the payment of the wage to the day of its payment; these differentials shall in all respects, except as regards this section, be a part of the wage.

(b) Subsection (a) shall not apply for the purposes of a wage to which the Official Receiver, a trustee in bankruptcy, the administrator of an estate in bankruptcy or the liquidator of a body corporate becomes liable after the making of the order.

Debt to benefit fund deemed to be delayed wage.

19A. (a) There shall also be regarded as delayed wage any amount due from an employer to a benefit fund, whether such amount is payable by him directly or whether the employer is required to deduct it from an employee's wage, if the amount required to be deducted by the employer is not paid to the fund within 21 days from the day in which the wage from which it was required to be deducted is regarded as delayed or if the amount which the employer is liable to pay otherwise than by way of deduction is not paid within 21 days from the day on which the wage in respect of which the liability exists would have been regarded as delayed; the foregoing shall apply whether or not the wage is delayed.

(b) Wage delay compensation under this section shall be -

(1) in respect of an amount required to be deducted by the employer from the employee's wage - as stated in section 17.

(2) in respect of an amount due from the employer directly to the benefit fund (hereinafter referred to as "the debt") - linkage differentials for the period from the time for the payment of the wage in respect of which the liability to the benefit fund exists until the day of its payment, with an addition of 20 percent to the aggregate of the said debt and linkage differentials for every month in which the debt is not paid; for a fraction of a month, a proportionate part of the said 20 percent addition shall be paid.

(c) A benefit fund shall in respect of every employee insured with it keep a personal card showing the particulars prescribed by regulations. An employer shall furnish a benefit fund with particulars in respect of all his employees, as the Minister of Labour and Social Affairs may prescribe by regulations.

(d) An amount due from an employer to a benefit fund as specified in subsection (a) shall for the purposes of the rights of the employee or his successor against the benefit fund be deemed to have been paid in time.

(e) Where six months have passed since the time prescribed in subsection (a) and before the debt in respect of the employee is paid, an event occurs entitling him or his successor to receive a payment or a service in kind from the benefit fund, the benefit fund may claim from the employer an amount equal to the amount paid or to be paid, or the monetary value of the service in kind provided or to be provided by it to the employee or his successor, less any amount which would have been payable to the employee or his successor, less any amount which would have been payable to the employee or his successor, or to the employer, or to both, by reason of that event either by way of lump payment or of future payments, if the employee had left the fund on the day the event entitling as aforesaid occurred.

(f) The capitalisation of future payments or the monetary value of future services in kind shall for the purposes of subsections (e) and (j) be calculated *mutatis mutandis* in the same way as the capitalisation of pensions and the monetary value of benefits in kind are calculated under section 185 of the National Insurance Law (Consolidated Version), 5728-1968.

(g) The Regional Labour Court may reduce a payment due to a benefit fund from an employer as an indemnification under subsection (e) if it finds circumstances justifying its doing so.

(h) Where six months after the time prescribed in subsection (a) the employer's debt to the benefit fund, referred to in subsection (a), has not been paid, the benefit fund may notify the employee to such effect in writing, with copy to the employer, and if six months after delivery of the notification the debt to the benefit fund has still not been paid, the provision of subsection (d) shall no longer apply to that debt if the Regional Labour Court finds that the delay in collecting it was due to no negligence on the part of the benefit fund or was due to circumstances otherwise justifying its not collecting the debt.

(i) Where entitlement to a payment or a service in kind by a benefit fund to an employee or his successor arises in the period between the time prescribed in subsection (a) and the expiration of six months after delivery of notification under subsection (h), the benefit fund shall not be entitled to divest itself of its liability to circumstances justifying its not collecting the debt.

(j) (1) Where a general collective agreement, or an extension order, within the meaning of the Collective Agreements Law, 5717-1957, applies to any employee, requiring the employer to pay an amount for him to a benefit fund, as specified in subsection (a), and the employer fails to pay such amount while not having given to the benefit fund particulars prescribed by regulations concerning the employee (or pay any amount for him) subsections (d) to (i) shall

not apply to the employee; but if the employer's debt in respect of the employee is paid to the said benefit fund within three years after the date referred to, as specified in subsection (a) and before an event occurs entitling the employee or his successor to receive a payment or a service in kind from the benefit fund, the debt shall for the purposes of the rights of the employee or his successor against the benefit fund be deemed to have been paid in time.

(2) Where the benefit fund makes any payment or provides any service in kind to the employee or his successor by virtue of paragraph (1) within one year from the day on which the employer's debt is paid as aforesaid, the Regional Labour Court may require the employer to indemnify the benefit fund therefore if it feels circumstances justify its doing so.

(k) The Minister of Labour and Social Affairs may prescribe by regulations modes of delivering notifications or particulars for the purposes of this section and modes of proving delivery thereof to the addressees.

Insurance with several benefit funds.

19B. (a) The provisions of section 19A(d) to (k) (hereinafter referred to as "the provisions") shall not apply in respect of a payment or a service in kind, as referred to in the provisions by a benefit fund if the employee or his successor is entitled to receive it in full, by reason of the same event, from another benefit fund by virtue of an agreement between the employer and the employee and not by virtue of the provisions.

(b) Where the employee or his successor is by virtue of an agreement as referred to in subsection (a) entitled to a payment or a service in kind not equivalent to the one he would have received from the first-mentioned benefit fund by reason of the same entitling event, or is by virtue of the provisions entitled, by reason of the same event, to a payment or a service in kind as aforesaid by another benefit fund, all the benefit funds shall jointly defray the payment or provide the service in kind, and the burden shall, in the absence of agreement between them, be distributed as the Regional Labour Court deems just in the circumstances of the case.

(c) When an employee or his successor applies to one of the benefit funds in order to realise his right under the provisions, that fund shall make the payment or provide the service in full, to the extent due to him, and upon its doing so that employee or his successor shall no longer, by reason of the same event, have a right against another benefit fund in respect of that payment or service, and the benefit fund which made the payment, or provided the service in kind, as aforesaid shall be entitled to be reimbursed by another benefit fund as referred to in subsection (b).

Saving of rights.

19C. The provisions of section 19A and 19B shall not derogate from the rights of an employee against an employer or a benefit fund under any enactment, agreement or the rules of the benefit fund or from the mutual rights and obligations of an employer and a benefit fund under an agreement or the rules of the benefit fund.

Severance pay delay compensation.

20. (a) In this section, "The date for the payment of severance pay", in relation to an employee or a person entitled to severance pay under an employee, means whichever of the following is the latest:

- (1) the date of discontinuance of the employee-employer relationship;
- (2) the date prescribed for the payment of severance pay under the provisions of a collective agreement, some other collective arrangement or an extension order applying to the employee;
- (3) where, under a contract of employment or some other agreement, a right to severance pay has been stipulated which is more advantageous than that prescribed by any enactment, collective agreement, other collective arrangement or extension order, the date fixed for the payment of severance pay under that contract of employment or agreement or, if no date has been so fixed and the said right was stipulated after the date of discontinuance of the employee-employer relationship, the date on which such right was stipulated;
- (4) where, under a collective agreement, some other collective arrangement or an extension order, a right of severance pay was stipulated after the date of discontinuance of the employee-employer relationship and no date was fixed for the payment thereof, the date on which such right was stipulated;
- (5) where, under a provision of any enactment, the right to severance pay is contingent on the fulfillment of a condition by the employee after the date of discontinuance of the employee-employer relationship or on the fulfillment of the said condition or the date of expiration of the

said period, then the day on which the said condition is fulfilled, or at the end of the period, as the case may be.

(b) Severance pay shall be regarded as delayed if it is not paid within fifteen days from the time for its payment. Severance pay delay compensation shall consist of the following:

(1) where the severance pay is paid in the period between the sixteenth and the thirtieth day after the time for its payment - linkage differentials for the period from the time for its payment until the day on which it is paid.

(2) where the severance pay is paid after the thirtieth day following the time for its payment linkage differentials for the period from the time for its payment until the day on which it is paid, with an addition of 20 percent to the aggregate of the severance pay and the said linkage differentials for every month in which the severance pay is not paid; for a fraction of a month, the said 20 percent addition shall be paid proportionally.

(b1) Severance pay delay compensation shall in all respects, except as regards subsection (b), be a part of the severance pay.

(b2) The employer may deduct from the severance pay of the delay compensation the amount of a debt due from the employee to the employer or an amount which the employer is required or entitled to deduct from the severance pay.

(c) Where a person is entitled to severance pay otherwise than by virtue of section 1(a) or 5 of the Severance Pay Law, 5723-1963, the date for the payment of severance pay under subsection (a) shall not apply in his case until a written demand for its payment, stating the ground therefor, has been delivered to the employer. Where the demand is delivered to the employer after the said date, the date for the payment of severance pay shall be the date on which the demand is delivered.

(d) The provisions of sections 17A, 18 and 19 shall apply *mutatis mutandis* to a delay of severance pay as if it were a delay of a wage; Provided that a Regional Court may reduce or cancel severance pay delay compensation, under section 18, also where severance pay was not paid for any of the following reasons:

(1) a difference of opinion, which in the opinion of the court has some substance to it, as to the existence of right

(2) a difference of opinion as to the date of discontinuance of the employee-employer relationship;

(3) the person entitled to receive severance pay had not delivered to the employer, at his request, particulars concerning himself (including where the person entitled is not the employee, particulars concerning the employee) and required in determining the right to or amount of severance pay.

(e) A person entitled to receive severance pay wholly or in part from a benefit fund by virtue of payments made to it by the employer shall not be entitled to delay compensation in respect of an amount due to him as aforesaid if within fifteen days from the date for the payment of the severance pay the employer informs the benefit fund in writing that he agrees to the payment thereof. The foregoing provisions shall not derogate from the provisions of section 14 and 20 of the Severance Pay Law, 5723-1963.

(f) Where an employee or former employee dies and the employer deposits an amount of severance pay with a Regional Court for transmission to the person entitled, then, for the purposes of subsection (b), such amount shall be deemed to have been paid to the person entitled on the date of the deposit.

21. Repealed.

21A. Repealed.

22. Repealed.

23. Repealed.

Wage Ledger.

24. An employer shall keep a ledger indicating the wage due to his employees and the wage which has been paid to them, and he shall also deliver to his employees, in writing, a detailed statement of the wage paid and the amount deducted; the Minister of Labour and Social Affairs shall determine, by notice published in *Reshumot*, the classes of employers to whom this section shall apply and the particulars to be recorded thereunder.

Deductions from wage.

25. (a) The following amounts only shall be deducted from the wage:

(1) an amount required or permitted to be deducted under any enactment;

- (2) contributions the deduction of which the employee has consented to in writing;
 - (3) membership dues of an employees' organisation of which the employee is a member, and which are to be deducted from the wage under a collective agreement or a contract of employment, or the deduction of which the employee has consented to in writing, and the ordinary payments to the employees' committee in the undertaking;
 - (3A) an addition to the membership due permitted to be deducted under paragraph (3), such addition being intended to finance party-political activities, unless the employee has notified the employer in writing of his opposition to the payment of the addition;
 - (3B) a trade-union services fee, for the benefit of the representative organisation, within the meaning of the Collective Agreements Law, 5717-1957, deductible under a collective agreement or a contract of employment from the wage of an employee who is not a member of an employees' organisation or which the employee has consented in writing to have deducted as aforesaid; the Minister of Labour and Social Affairs shall, after consultation with the employees' organisation representing the greatest number of employees in the State and with the approval of the Knesset Labour and Social Affairs Committee, prescribe by regulations the maximum trade-union services fee permitted to be deducted under this paragraph.
 - (4) an amount imposed as a disciplinary fine under a collective agreement or under any enactment;
 - (5) recurrent payments to benevolent funds, provided that such payments as aforesaid to a benefit fund to which the employee alone has to make payments shall not be deducted from his wage if he has notified the employer in writing that he objects to paying them;
 - (6) a debt under a written undertaking by the employee to the employer, so long as not more than the fourth part of the wage is deducted on account of the debt;
 - (7) wage advances, so long as they do not exceed the amount of three months wages; where the advances exceed the amount of three months wages, the provisions of paragraph (6) shall apply to the excess.
- (b) Notwithstanding the provisions of subsection (a), where an employee has ceased to work for a particular employer, such employer may deduct from the employee's last wage any such balance of a debt as the employee owes him, including advances.

Transmission of deducted amounts.

26. An amount deducted under section 25 shall, unless otherwise provided in any enactment, be transmitted by the employer to the person for whom it is intended within thirty days from the day on which the wage from which it has been deducted would be regarded as delayed; a person who contravenes the provisions of this section shall be liable to a fine not exceeding 9,600 new Shekalim.
27. Repealed.

Right of claim.

28. The following shall have a direct right of claim against the employer.
- (1) the person for whom an amount deducted under section 25 is intended;
 - (2) a benefit fund with regard to amount due to it from the employer as specified in section 19A and with regard to wage delay compensation in respect of any such amount.
 - (3) The Prisons Service or the Employment Service - in respect of an amount which must be paid by an employer to an employee on state service work, pursuant to Article 2A of Chapter 6 of the Penal Law 5737-1977.
29. Repealed.

New employer's liability for debt of predecessor.

30. (a) Where an undertaking has changed hands or been partitioned or been amalgamated with another undertaking, the new employer, too, shall be liable for any payment of wages, and for payments to a benevolent fund, due from the previous employer; but the new employer may, by notice published in the undertaking and the press in the manner prescribed by regulations, demand that claims for payment as aforesaid be submitted to him within three months from the day of the transfer, partition or amalgamation or, if he publishes the notice after that day, from the day of publication. The new employer shall not be liable for the settlement of claims submitted to him after the expiration of the period of three months as aforesaid.
- (b) The provisions of this section shall not apply to the transfer, partition or amalgamation of an undertaking in consequence of bankruptcy or in consequence of the winding up of a company or cooperative society by reason of insolvency.

Implementation and regulations.

31. 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.

32. The Minister of Labour and Social Affairs shall not make regulations under section 13 unless after consultation with the employees' organisation representing the greatest number of employees and with representative national organisations of employers which in the opinion of the Minister are concerned.

The State as employer.

33. For the purposes of this Law, the State as an employer shall have the same status as any other employer.

Saving of rights.

34. This Law shall not affect any right vested in an employer under any Law, collective agreement or contract of employment or by custom.

Repeal.

35. (a) The Second Book of the Mejelle shall not apply to matters dealt with by this Law.
(b) Articles 82 and 83 of the Ottoman Law of Execution are hereby repealed.

Commencement.

36. This Law shall come into force on the 11th Nisan, 5718 (1st of April 1958).