Page 17

19A.

1. Any sum which an employer owes a provident fund will be construed as unpaid salary, whether that sum is due from him directly or whether the employer must deduct it from the employee’s salary, provided that the sum which the employer is mandated to deduct was not paid to the fund within 21 days from the date on which the salary, from which he was obligated to so deduct, is deemed to by unpaid salary, or if the sum which the employer undertook to pay otherwise than by way of a deduction was not paid within 21 days from the date on which the salary with respect to which the liability arises is deemed unpaid; and all whether the salary was unpaid or not.
2. Unpaid Salary Compensation under this section shall be –

(Amendment No. 11) 1976-5736

* + - 1. With respect to a sum which the employer must deduct from the employee’s salary – under Section 17;

(Amendment No. 16) 1985-5745

* + - 1. With respect to a sum which an employer directly owes the provident fund (hereinafter: the Debt) – linkage differentials for the period from the date of payment of the salary in respect of which the liability to the provident fund arises, until the date of actual payment, plus 20% on the overall amount of the Debt, and linkage differentials as aforementioned for each month in which the Debt remains unpaid; for a portion of a month, the aforementioned 20% increment will be paid *pro rata*.

Page 18

(c) An employer who deducted sums from an employee’s salary, but failed to pass them on to such party to whom the sums were designated, contrary to the provisions of Section 25A, shall be liable to – two years’ incarceration or a fine five times the fine prescribed by Section 61(a)(4) of the Penal Code Act.

Page 19

61.

(a) Notwithstanding the prescriptions of any enactment, in any instance in which a court has been empowered by law to impose a fine, it is entitled to impose –

(1) If the penalty for the offence is a sentence of up to 6 months incarceration or exclusively a fine, or a fine in an undesignated amount – a fine of up to 14,400 NIS;

(2) If the penalty for the offence is a sentence of more than 6 months incarceration, but not more than one year – a fine of up to 29,200 NIS;

(3) If the penalty for the offence is a sentence of more than one year incarceration, but not more than three years – a fine of up to 75,300 NIS;

(4) If the penalty for the offence is a sentence of more than three years’ incarceration – a fine of up to 226,000 NIS.