**Improved minimum wage, a study fund, increased gift for holidays, and perseverance and excellence grants: a national collective agreement was signed in the catering sector for businesses and institutions-4.1.22**

**The agreement was signed for a period of four years and includes five phases \*\*\* From the third phase, the workers in the sector will earn at least 16% above the minimum wage in the Israeli economy \*\*\* From the fourth phase, the workers will be entitled to a study fund \*\*\* The gift for each holiday will be NIS 230** **(approximately $74.43) per worker \*\*\* The workers will receive an annual perseverance grant for the previous year or excellence grants \*\*\* Histadrut Chairman Arnon Bar-David: "An agreement that strengthens workers and takes care of their wages and employment conditions" \*\*\* President of the Federation of Israeli Chambers of Commerce, Attorney Uriel Lin: "An important agreement that improves the work conditions of the workers and takes into account the true ability of the employers in the sector "**

The Food and Pharmaceutical Workers Union-Histadrut and the Tel Aviv and Central Region Chamber of Commerce - the Catering for Business and Institutions Division - signed on 4.1.22 in the Histadrut headquarters in Tel Aviv a national collective agreement in the catering sector for a period of four years, starting with issuing an extension order by the Ministry of Economy.

The agreement will apply to all catering company workers who work for service clients, in central kitchens in full-time and part-time jobs, including site managers, shift managers, head chef, cook assistants, waiters, dishwashers, and administration workers in sites and central kitchens. The agreement will apply to employers engaged in providing service in the field of catering, through their workers, at and/or for their customers (companies, businesses, institutions and bodies - private or public - who have internal catering through a permanent contract).

The agreement includes five phases, whose dates will be determined in accordance with the publication date of the extension order. From the first phase, the minimum wage in the sector will stand at 10% above the minimum wage in the Israeli economy. From the second phase, the minimum wage in the sector will stand at 13% above the minimum wage in the Israeli economy, and from the third phase onwards, the workers in the sector will earn 16% above the minimum wage in the Israeli economy.

It was also determined that from the fourth phase of the agreement, the workers in the sector will be entitled to a study fund, with the employer's deposits standing at 2.5% and from the fifth phase 5%. The share of workers in the study fund will be 2.5%.

From the first phase of the agreement, workers in the sector will be entitled to a gift for the holiday, at the Jewish New Year and Passover. The amount of the gift will reach up to NIS 230 (approximately $74.43) in the third phase for a worker with at least three months of seniority and over 50% job. Workers with less than three months of seniority will receive half of the value of the gift. The value of the gift will be updated according to the increase in the Consumer Price Index.

The agreement also determined that the workers would receive a perseverance grant for the previous year, which will be calculated by multiplying the worker's normal working hours and an amount per hour, according to the phases. Employers' organization members will be able to convert the perseverance grant into an excellence budget for outstanding workers, courses and vocational training, incentives and welfare activities.

The employer will provide at his expense to the employees clothing and equipment at the sites that require this. It was further determined that the Histadrut will work to promote welfare activities and benefits for workers in the agreement, in accordance with the characteristics of the sector.

The following people were involved in the signing of the agreement: on behalf of the Histadrut, **Eliezer Belo**, Chairman of the Food and Pharmaceutical Workers Union-Histadrut, **Adam Blumenberg**, Deputy Director General of Economy and Policy in the Histadrut, **Aviv Snir**, Director of National Division of the Union, **Attorney Hanna Schnitzer**, Head of the Legal Bureau of the Trade Union Division, and Attorneys **Oren Shrem** and **Hila Gever** from the Legal Bureau; and on behalf of the Tel Aviv and Central Region Chamber of Commerce: **Attorney Amir Ofer**, Director of the Food Sector and Institutional Catering Field, **Udi Ben Shimol**, CEO of Sodexo, **Ran Katzman**, CEO of Idit Food Logistics from the Dan Hotels Group, **Attorney Sigal Sudai**, Director of the Labour Relations Division, and **Attorney Efrat Deutsch** and Attorney **Shimrit Noy** from the Efrat Deutsch & Co law firm.

**Histadrut Chairman Arnon Bar-David**: "I welcome the agreement that strengthens the workers in the catering sector and improves their wages and employment conditions. I call on the employers to work with us to reduce unemployment and improve the workers' conditions in the Israeli economy. I would like to thank Eliezer Belo, the Chamber of Commerce and all those involved in the work for their efforts to reach the sectorial agreement. The Histadrut, the home of the workers in Israel, will continue to work for their well-being and employment security."

**President of the** **Federation of Israeli Chambers of Commerce, Attorney Uriel Lin** welcomed the agreement: "The Chamber of Commerce has a great interest in creating collective labour agreements in coordination with the Histadrut, which have the potential to improve workers' work conditions, given the true ability of employers in the sector and the direct participation of the representatives of the sector to which the agreements applies, as done in this important agreement. I would like to thank the representatives of the institutional catering sector in the Chamber of Commerce, Udi Ben Shimol and Ran Katzman, and all the partners in the Chamber of Commerce and the Histadrut for creating this important agreement."

**Chairman of the Food and Pharmaceutical Workers' Union-Histadrut, Eliezer Belo**: "After long and complex negotiations, we have reached an unprecedented achievement. The agreement lays the foundation for improving the employment conditions of workers in the sector. Thanks to the achievements of the agreement, the work in the field of catering will be attractive to more workers, in a sector that is begging for working hands. I would like to thank all the partners in this historic agreement: Histadrut Chairman Arnon Bar-David for the support and push to regulate the labour relations system in the sector; Directors of the Divisions in the Union, Heads of the Employees' Committees at Food House and Sodexo, Adam Blumenberg, Attorney Hanna Schnitzer, Attorney Oren Shrem and Attorney Hila Gver. Special thanks to Udi Ben Shimol, CEO of Sodexo, and Ran Katzman, CEO of Idit Food Logistics, who were among the leaders in the negotiations and the agreement. I would also like to thank Yaron Malka, Director General of North Food, Attorney Sigal Sudai, Director of the Labour Relations Division, Attorney Amir Ofer, Director of the Food Sector and Institutional Catering Field of the Federation of Israeli Chambers of Commerce, and Attorneys Efrat Deutsch and Shimrit Noy."

**Udi Ben Shimol, CEO of Sodexo Israel**: “We have reached the finish line of four challenging years in which we worked to find the right formula for a significant improvement in the employment conditions of catering workers in Israel. The last two years have been very challenging for the catering sector, when COVID-19 harmed and continues to harm the sector. I am very proud of the agreement and thank all the parties who acted in cooperation and full transparency for the benefit of the issue."

**Ran Katzman, CEO of Idit Food Logistics of the Dan Hotels Group**: "This is a very important and significant step for the catering sector workers, which for the first time defines their status and wage conditions. I welcome and am proud of this."

**Director of the Food Sector and Institutional Catering Field of the Federation of Israeli Chambers of Commerce, Attorney Amir Ofer**: "The agreement was reached after a complex process and prolonged deliberations between the catering companies and the Histadrut. I would like to thank all those involved in the work who were partners in bringing real news to tens of thousands of workers in the institutional catering sector."