

HISTADRUT

By Palestine New Federation of Trade Unions (New Unions), April 2017

Histadrut (The Israeli Labour Union), an organisation that is made up of the Israeli settlers working class. One of its prominent members was former Israeli Prime Minister Golda Meir who was on the Histadrut Executive Committee describing the Trade Union not as labour organisation but “a great colonizing agency.” In 1960, Pinhas Lavon, secretary-general, remarked that Histadrut was “a general organization to its core... [N]ot a trade union...” Israel’s first prime minister, David Ben-Gurion, said that without Histadrut, “I doubt whether we would have had a state.” Without a doubt Histadrut was built on

Histadrut has used its privileged position in the Jewish State to take advantage of Palestinian workers for their own ends. It has failed to represent any Palestinian workers inside Israel and the New Union is forbidden from defending Arab workers in such areas. Until today Histadrut has played a key role in supporting and facilitating Israeli policies of discrimination, the occupation and colonisation of Palestinian land.

Inside Israel, the Histadrut and other Jewish Zionist institutions formed a set of para-statal bodies that continued to focus on strengthening Jewish labor against Palestinian workers. Trying to relegate Palestinian workers to low level and highly exploited labour, Zionist institutions sought to exclude Palestinians, as much as was possible, from the skilled labor market to ensure that new Jewish immigrants could find employment.

The Economy of the Occupation report compiled by the Alternative information Centre (AIC) outlines the calculations of amounts that the Department of Payments deducted from the salaries of Palestinian workers from the Occupied Palestinian Territories (OPT) who were employed in Israel, and deductions for them from their employers, from 1970-2009. Supposedly these deductions were made in order to finance various social rights for the workers, however this was not the case as a majority of the money was transferred to the Israeli Ministry of Finance and the Histadrut. The calculation presents that over decades, the State of Israel accumulated a debt of **billions of shekels** to the Palestinian workers. Two groups of Palestinian workers are excluded from this report: Palestinian workers in the Israeli settlements in the OPT and informal Palestinian workers, whose salaries were not transferred through the Department of Payments.

DEDUCTIONS TO NATIONAL INSURANCE

- 92.37% of money supposedly deducted for National Insurance (old age payments, disability, unemployment and child payments) was transferred to the Ministry of Finance. Money was only transferred to National Insurance only if a work accident took place or the employer declared.
- 7.63% of the payment for National Insurance (deducted from employees’ wages and collected from their employers) arrived at its legal destination.

- The amount of excessive deduction for National Insurance reaches NIS 1.354 billion (in 2008 prices).

EXCESSIVE DEDUCTIONS 1970-2009 (IN MILLIONS OF NIS)

Deduction for National Insurance (transferred to the Ministry of Finance)	1,354.0
"Equalization tax" (from 1995)	941.0
Organising fees – Histadrut	132.0
Provident fund	152.0
Promotion of construction sector (from 1990)	219.0
Sick pay deductions	275.0
Worker disability deductions	8.4
Sum of Israel's debt before interest	3,082.0
Debt of Israel with interest	8,350.0

EQUALISATION TAX (*The surplus collection for National Insurance*)

- 2/3 of equalisation tax from workers wages are deducted deducted for expenses of the Department of Payments, and for health insurance payments for occupational health services. 1/3 third was deposited in a fund for the benefit of the workers.
- From 1995-2003 NIS 67 million accumulated in commercial bank account.
- NIS 627 million (in 2003 prices) was collected from the Palestinians during the same time period (1995-2003).
- Even with 0% interest on the fund, up until 2003 NIS 560 million of the funds disappeared into the budget of the Finance Ministry (State Comptroller, 2005).
- Under the Israeli Arrangements Law the equalisation tax funds were transferred to the Civil Administration of the Israeli military.
- From 1995-2009 an estimation of NIS 941 million was deducted from Palestinian workers (in 2008 prices).

HISTADRUT BENEFITS FROM FUNDS

- Palestinians were forced to pay organising fees to Histadrut. (0.7% of their salaries)
- Those who did not hold Israeli citizenship (Palestinian workers) were excluded from joining the organisation. However, many Palestinians did work for Histadrut's construction company, Solel Boneh, which built most of the early settlements.
- Those allocated to defend Palestinian rights did not fulfil their duties.
- In 2008 Histadrut signed an agreement with the Palestinian General Federation of Trade Unions transferring 12.7 million NIS that supposedly represented the fees collected since 1993.

- However AIC's calculations from 1993-2008 show that Histadrut collected NIS 66.2 million (not including interest) from Palestinian workers. This is five times the amount returned by Histadrut.
- Histadrut agreed that half of the fees would be transferred to PGFTU.
- So far 0.7% has been paid back – 116 million NIS still remaining.
- Under the false definition of Palestinians as “daily” or “temporary” workers, a majority of the benefits determined in the collective bargaining agreements of the *Histadrut* with the employers were stolen from Palestinian workers.
- This includes increments for security, family upkeep, grants for not missing work, a 13th salary in the agricultural sector and more.
- In the past decade, each Palestinian worker had to pay 1% of their wages as dues to Histadrut. Workers saw nothing in return and now a fraction of this money has been returned (stated above), as a propaganda ploy, to the Palestinian General Federation of Trade Unions.
- When the Shin Bet intelligence service used work permits as a means to coerce Palestinian workers to collaborate, with those who refused being placed on a blacklist and their work permits cancelled, Histadrut again did nothing.

SOURCES

Alternative Information Centre (AIC)

Electronic Intifada

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