

(No. 45)

NATIONAL INSURANCE (AMENDMENT No. 46) LAW, 5742-1982 *

1. In section 1 (1) of the National Insurance Law (Consolidated Version) 5728-1968¹, in the definition of "the average wage", the words "on the 15th of the month preceding the date of updating" shall be replaced by the words "on the day preceding the date of updating".

Amendment of
section 1

MENAHEM BEGIN

Prime Minister

AHARON UZAN

*Minister of Labour
and Social Affairs*

YITZCHAK NAVON

President of the State

* Passed by the Knesset on the 23rd Av, 5742 (12th August, 1982) and published in *Sefer Ha-Chukkim* No. 1059 of the 30th Av, 5742 (14th August, 1982), p. 126; the Bill and an Explanatory Note were published in *Hatza'ot Chok* No. 1592, p. 240.

¹ *Sefer Ha-Chukkim* of 5728, p. 108 - *LSI* vol. XXII, p. 114; *Sefer Ha-Chukkim* of 5740, p. 118 - *LSI* vol. XXXIV, p. 135; *Sefer Ha-Chukkim* of 5742, pp. 82 and 202 - *supra*, pp. 80 and 215.

(No. 46)

TELECOMMUNICATIONS LAW, 5742-1982 **

1. In this Law -

Definitions.

"telecommunication" means the broadcasting, transmission or reception of signs, signals, writing, visual forms or information by means of wire, wireless, an optical system or other electromagnetic systems;

"licensee" means a person having received a general or special licence to perform telecommunication operations and to provide telecommunication services;

"road" includes any track, highway, street, lane, square, passage, bridge or open place over which the public have a right of passage;

"the Company" means the Bezeq Israel Communications Company Ltd.;

"telecommunication installation" means any installation or appliance mainly designed for telecommunication purposes or, in relation to Chapters Seven and Eight, any installation or appliance used or intended to be used for the requirements of telecommunication;

** Passed by the Knesset on the 7th Av, 5742 (27th July, 1982) and published in *Sefer Ha-Chukkim* No. 1060 of the 3rd Elul, 5742 (22nd August, 1982), p. 218; the Bill and an Explanatory Note were published in *Hatza'ot Chok* No. 1537 of 5741, p. 355.

“telecommunication message” means a message broadcast, transmitted or received by means of a telecommunication installation or delivered for broadcasting or transmission by such means;

“telecommunication operation” means the operation, establishment, construction or maintenance of a telecommunication installation for the purposes of telecommunication;

“general licence” means a licence issued under this Law to perform telecommunication operations, or to provide country-wide telecommunication services, within a country-wide network or to provide international telecommunication services;

“special licence” means a licence issued under this Law to perform telecommunication operations, to provide telecommunication services or to provide international telecommunication services, limited to a particular type of telecommunication operations or telecommunication services or to a particular region;

“telecommunication service” means the performance of telecommunication operations for another or others;

“the Minister” means the Minister of Communications.

Chapter Two: Licensing

Right of the State and requirement of licence.

2. (a) The State has the right to perform telecommunication operations and to provide telecommunication services.

(b) No person shall perform telecommunication operations or provide telecommunication services unless such person has received a licence to do so from the Minister under this Law.

Restrictions on application.

3. The provisions of section 2(b) shall not apply to –

(1) a telecommunication operation performed by a person for his own purposes, whether by himself or through another, within a continuous area occupied by him, without a connection being established with a point outside that area;

(2) the manufacture of a telecommunication installation or any part thereof;

(3) an operation performed by a person by virtue of a licence under the Wireless Telegraphy Ordinance (New Version), 5732-1972¹, and a telecommunication operation exempted by that Ordinance from the requirement of a licence;

¹ *Dinei Medinat Yisrael (Nusach Chadash)* No. 25, p. 506; *NV* vol. II, p. 288.

- (4) the operation of a traffic light to regulate road traffic;
- (5) a telecommunication operation performed by a person by means of the installations of a licensee, provided that the licensee is authorised by the licence to permit another to perform that operation;
- (6) electronic data-processing.

4. (a) The Minister may grant a licence to perform telecommunication operations and to provide telecommunication services and may attach conditions thereto. The licence may be general or special. The issue of a general licence shall not prevent the issue of a special licence for an operation or service included in the general licence.

Grant, variation and withdrawal of licence.

(b) In issuing a licence, the following considerations shall, *inter alia*, be taken into account:

- (1) Government policy in the field of telecommunications;
- (2) the suitability of the applicant for the licence for performing the telecommunication operations and providing the telecommunication services for which the licence is requested;
- (3) the contribution which the issue of the licence will make to competition, and to the standard of services, in the field of telecommunications.

(c) An application for a licence shall be submitted to the Minister in writing and shall specify the particulars and modes of performance of the telecommunication operations and telecommunication services offered. The Minister may, by regulations, prescribe additional particulars to be included in the application.

(d) The Minister may approve the application, attach to its approval conditions to be fulfilled before or after its issue or reject it, stating the reasons for the rejection.

(e) The Minister may vary, add to or make deletions in the conditions of a licence. For this purpose, the considerations mentioned in subsection (b), as well as changes which have occurred in telecommunication technology, shall, *inter alia*, be taken into account.

(f) The Minister may, by notice in *Reshumot*, grant the holder of a general licence all or some of the powers and immunities mentioned in Chapters Six and Nine.

5. (a) Where the performance of telecommunication operations, or the provision of telecommunication services, by any licensee involves the use of telecommunication installations of another licensee, the Minister may, after weighing up the public interest and the interest of the other licensee, require

Use of telecommunication installations of another.

the other licensee to enable the first-mentioned licensee to use the installations and may prescribe the mode and extent of such use.

(b) A licensee whose telecommunication installations are used as aforesaid may charge a reasonable price for such use, and in the absence of agreement the Minister shall prescribe the price on the basis of the total cost of the use with the addition of a reasonable profit; the decision of the Minister shall be appealable to a competent court.

Revocation,
restriction
and suspension
of licence.

6. In any of the following cases, the Minister may at any time revoke, restrict or suspend a licence, as the case may be, provided that the licensee has been given a reasonable opportunity to be heard:

- (1) if the licensee asks for the revocation of the licence;
- (2) if the licensee infringes a material condition of the licence;
- (3) if the licensee does not begin, or ceases, to provide a service;
- (4) if the licensee is adjudged bankrupt;
- (5) if the licensee decides upon its voluntary winding-up or the court appoints a receiver for it or orders its winding-up;
- (6) if the performance of telecommunication operations or the provision of telecommunication services by the licensee does not, according to rules prescribed under this Law, maintain the level and standards appropriate to similar operations or services;
- (7) if reasons of public welfare indicate the necessity of revoking, restricting or suspending the licence.

Chapter Three: Advisory Council

Advisory council.

7. (a) The Minister shall appoint a council to advise him on any such matter relating to telecommunication services, including services provided by the Company, as is brought before it or is placed on its agenda upon the proposal of one of its members.

(b) The council shall consist of nine members appointed by the Minister, including one appointed upon the recommendation of the Minister of Finance, one upon the recommendation of the Minister of Justice, two who, in the opinion of the Minister, represent industry and two who, in the opinion of the Minister, represent consumers.

(c) The Minister shall appoint one of the members of the council, not being a State employec, to be the chairman thereof and one to be the vice-chairman.

(d) Notice of the appointment of the council, the chairman and the vice-chairman shall be published in *Reshumot*.

8. (a) The period of tenure of a member of the council shall be three years from the date of his appointment. A member of the council whose period of tenure has expired may be reappointed.

Tenure of member of Council.

(b) A member of the council shall cease to hold office before the expiration of his period of tenure if –

- (1) he resigns by delivering a letter of resignation to the Minister;
- (2) he is permanently unable to carry out his functions;
- (3) he is convicted of an offence which, in the opinion of the Attorney-General, involves moral turpitude.

(c) The tenure of a State employee appointed to be a member of the council shall terminate when he ceases to be a State employee.

9. (a) The council shall prescribe the procedure for its business and deliberations as far as it is not prescribed in this chapter.

Procedure.

(b) The council shall meet at least three times a year.

(c) The decisions of the council shall be passed by a majority of the votes of the members present and voting at the meeting.

(d) A representative of the Company shall be invited to all deliberations of the council save as the chairman or vice-chairman of the council otherwise decides.

10. The council shall submit to the Minister an annual report on its activities, and the Minister shall bring such report to the notice of the Economic Committee of the Knesset.

Annual report.

Chapter Four: Telecommunication Operations and Telecommunication Services by Licensee

11. A licensee shall perform telecommunication operations and provide telecommunication services properly and regularly within the framework of the licence granted to it and in accordance with the regulations and rules prescribed under this Law.

Duty to perform operations and provide services.

12. (a) The Minister shall prescribe by regulations, with the approval of the Economic Committee of the Knesset, in what cases and on what conditions a licensee may discontinue, delay or restrict telecommunication operations performed and telecommunication services provided by it.

Performance of operations and provision of services and restriction thereof.

(b) Subject to the provisions of Chapter Five, the Minister may prescribe by regulations provisions as to –

- (1) modes of performing telecommunication operations and providing telecommunication services, the order of priority for the

establishment of telecommunication installations with subscribers and special conditions for the provision of telecommunication services to places of settlement, groups or individuals;

(2) the putting into operation, and the management, of telecommunication services;

(3) modes of maintaining and protecting telecommunication installations;

(4) the power of a licensee to perform telecommunication operations and provide telecommunication services through others on its behalf and the conditions for doing so;

(5) modes of supervising the activities of a licensee and persons on its behalf.

(c) Regulations under subsection (b) shall be notified in advance to the Economic Committee of the Knesset.

Telecommunication services to the security forces.

13. (a) The Minister may, having regard to security considerations, issue to a licensee directions as to the mode and methods of providing telecommunication services to the Israel Defence Forces, the Israel Police, the General Security Service and the Intelligence and Special Duties Branch.

(b) The consideration to be paid to a licensee for services as aforesaid shall be fixed by agreement, and in the absence of agreement the matter shall be referred to the decision of the Government or a person empowered by it.

Rules.

14. (a) A licensee may, with the approval of the Minister, prescribe rules as to any matter not specified in section 12 relating to telecommunication operations performed or telecommunication services provided by it.

(b) Where a licensee has not prescribed rules under subsection (a) for a particular matter or the Minister has not approved rules submitted by the licensee for his approval, the Minister may request the licensee to prescribe or amend the same, as the case may be. If the licensee does not comply with the Minister's request within ninety days from the day on which it is made, the Minister may prescribe or amend the rules in the licensee's stead.

(c) The Minister may direct that the whole or part of rules prescribed under subsections (a) and (b) shall be published in the manner and place prescribed by him.

Chapter Five: Payments for Telecommunication Services

Power to prescribe payment.

15. (a) The Minister may by regulations, with the consent of the Minister of Finance and the approval of the Economic Committee of the Knesset, prescribe payments for services enumerated in the Schedule that are provided by a licensee.

(b) The Minister may, with the consent of the Minister of Finance and the approval of the Finance Committee of the Knesset, vary the Schedule.

(c) The Minister may, in consultation with the Minister of Finance, prescribe payments for telecommunication services not specified in the Schedule that are provided by a licensee. The Minister may direct that notice of payments prescribed under this subsection shall not be given in *Reshumot* but shall be published in such other manner as he may direct.

(d) The Minister may by regulations, with the consent of the Minister of Finance, prescribe provisions as to the linkage of payments under this section to the consumer price index or, in the case of payments for international telecommunication services, to the representative rate of a foreign currency designated by regulations.

16. The Minister may by regulations, with the consent of the Minister of Finance and the approval of the Economic Committee of the Knesset, prescribe a duty to pay, and conditions for the payment of, arrear interest, linkage differentials and collection expenses on payments due for telecommunication services and not made at the prescribed time.

Arrears.

17. A licensee may demand a reasonable payment for any service for which no payment is prescribed under section 15.

Service for which no payment is prescribed.

Chapter Six: Powers Relating to Immovable Property

18. (a) A licensee to which powers and immunities have been granted under section 4(f) (hereafter in this chapter referred to as a "licensee"), and any person authorised by it, may, for the purpose of providing telecommunication services –

Entry upon property and other acts.

(1) enter any property in order to carry out surveys and examinations required for planning a telecommunication installation;

(2) enter any property in order to establish, construct, set up or maintain a telecommunication installation intended to provide telecommunication services for that property;

(3) with the approval of the Minister or in accordance with rules prescribed by him – enter property in order to establish, construct, set up or maintain a telecommunication installation intended to provide a telecommunication service for other property;

(4) dig, remove any stone, earth or tree and carry out any other necessary acts required for exercising the powers mentioned in paragraphs (2) and (3);

(5) remove or clip, around any existing or planned telecommunication installation, any plant interfering with the construction, maintenance or proper functioning of the installation;

(6) enter any property in order to examine, repair or remove a telecommunication installation situated thereon, as well as carry out on a telecommunication installation any alteration not adversely affecting the extent of the use of that property;

(7) tear up any road in order to carry out works enumerated in this section, provided that immediately upon completing the work the licensee restores the road to its former condition.

(b) Entry upon a security installation under this section shall require approval in advance, specific to that installation, by the body competent in that behalf under law.

Notice to occupier.

19.(a) A licensee intending to exercise its power under section 18 (a)(1) where the property is a building, or under section 18(a)(2) to (5) or (7), shall deliver a written notice to the occupier of the property twenty-one days in advance.

(b) If the occupier of the property cannot be found, the licensee shall publish a notice in the manner prescribed by the Minister by regulations.

Appeal.

20. (a) In this section and in section 21 –

“notice” means a notice under section 19;

“the court” means the Magistrates’ Court in whose area of jurisdiction the property is situated.

(b) The owner or occupier of any property who considers himself aggrieved by the intended exercise of powers under section 18 may appeal to the court within twenty-one days from the date of delivery or publication of the notice.

(c) The court which hears the appeal may approve, attach conditions to, vary or disallow the exercise of powers as aforesaid and may grant any relief which a court hearing a civil matter is competent to grant.

(d) The filing of appeal shall not stay the exercise of the power of the licensee unless the court otherwise decides by reasoned decision on such special grounds as it sees fit.

Appeal procedure.

21. (a) The court shall hear the appeal in accordance with administrative procedure prescribed by the Minister of Justice; in the absence of such procedure, the court shall hear the appeal in the manner which appears to it most conducive to a just and speedy determination thereof.

(b) The Court which hears the appeal shall not be bound by rules of

evidence other than the rules set out in Chapter Three of the Evidence Ordinance (New Version), 5731-1971², concerning the immunity of witnesses and concerning privileged evidence.

(c) The court which hears the appeal may appoint a technical adviser to assist it as to technical questions but who shall not take part in rendering judgment.

(d) A technical adviser shall be entitled to a remuneration and the reimbursement of expenses, in amounts prescribed by the court, from the licensee who delivered or published the notice.

22.(a) In exercising a power vested in them under section 18, a licensee and any person on its behalf shall, as far as possible, avoid causing damage and restore the property to the condition in which it would be if the power had not been exercised.

Payment of compensation.

(b) Where damage is caused by the exercise of a power mentioned in section 18, the licensee shall pay compensation to the injured party.

(c) Where the licensee has decided to reject a demand for compensation under subsection (b), it shall deliver a written reasoned notice to such effect to the claimant within sixty days from the date of receipt of the demand.

23. A telecommunication installation to be set up above or below navigable waters, on or above a road or in an air lane shall be so set up as not to prevent, delay or interfere with passage in such waters, on such road or in such air lane.

Passage by land, air or water not to be obstructed.

24. Notwithstanding the provisions of section 12 of the Land Law, 5729-1969³, a telecommunication installation fixed to the property of another shall be owned by the person that lawfully established it.

Licensee's installations fixed to property.

25.(a) (1) A person who wishes to construct or alter a road shall, not later than thirty days before the beginning of the work, deliver a written notice to such effect to the licensee in the area of application of whose licence the work is to be carried out, accompanied by a detailed plan of the work; if he does not give notice aforesaid, he shall bear all the expenses caused to the licensee as a result;

Notice of construction of road.

(2) where a person who wishes to deliver a notice under paragraph (1) does not know the identity or address of the licensee, he shall send the notice to the Minister or a person empowered by the Minister in that behalf for delivery to the licensee.

² *Dinei Medinat Yisrael (Nusach Chadash)* No. 18, p. 421; *NV* vol. II, p. 198.

³ *Sefer Ha-Chukkim* of 5729, p. 239; *LSI* vol. XXIII, p. 283.

(b) Where notice under subsection (a) has been given, the licensee shall remove every telecommunication installation situated in the place where the work thereunder is to be carried out and shall within a reasonable time, after consultation with the local authority in whose area the road is to be constructed, transfer it, in a manner consistent with the planning of a telecommunications system, to a place consistent therewith.

(c) The expenses of the removal of a telecommunication installation lawfully situated in a place and its transfer in consequence of work as mentioned in subsection (a) shall be borne by the person required to give notice – whether it has been given or not – but the court may, in special cases, apportion them between the licensee and the person required to give notice.

Alterations
to property.

26. (a) If, where a licensee, under its licence, has set up a telecommunication installation on any property, the owner or occupier of such property (hereafter in this section referred to as “the owner of the property”) wishes to make alterations in the property calculated to interfere with the installation, he shall deliver a notice of his intention to the licensee, accompanied by a detailed plan of the work. The licensee shall carry out the acts necessary to enable the alterations to be made and shall furnish the owner of the property, within a reasonable time after receipt of the notice, with written approval for the alterations.

(b) A person shall not begin to make alterations as referred to in subsection (a) unless the owner of the property has received approval therefor from the licensee.

(c) Where the licensee refuses to give the approval or does not within a reasonable time reply to the notice of the owner of the property, the Minister may, on the application of the owner of the property, give the approval instead of the licensee.

(d) If the installation is in its place lawfully, the licensee may demand from the person wishing to make the alterations the expenses incurred by him to enable them to be made, but the court may, in special cases, apportion the expenses between the licensee and the person wishing to make the alterations.

Telecommunication
installations in
buildings.

27. A licensee may refuse to provide a telecommunication service in a building or other structure if the provisions of the Planning and Building Law, 5725–1965⁴, and the regulations thereunder, relating to telecommunication installations required for the provision of that service are not fulfilled in such building or structure.

⁴ *Sefer Ha-Chukkim of 5725*, p. 305; *LSI* vol. XIX, p. 330.

Chapter Seven: Offences

28. (a) A person who contravenes the provisions of section 2(b) shall be liable to imprisonment for three years or to a fine of 500,000 shekalim. Unauthorised provision of service.
- (b) Where it appears to the court that there are reasonable grounds for suspecting that a person has performed a telecommunication operation without having received a licence therefor from the Minister under section 2 (b), it shall order the seizure of the telecommunication installation with which the offence was committed. The provisions of sections 33 to 42 of the Criminal Procedure (Arrest and Searches) Ordinance (New Version), 5729-1969⁵, shall apply, *mutatis mutandis*, to such seizure.
- (c) Subsection (b) shall add to, and not derogate from, powers of seizure under any other law.
29. A person who wilfully and unlawfully does any of the following shall be liable to imprisonment for three years: Wilful harm to telecommunication installations.
- (1) spoils, damages or removes any telecommunication installation;
- (2) in any manner interferes with, prevents or delays the transmission or delivery of a telecommunication message.
30. A person who uses a telecommunication installation in a manner calculated to cause harm, or to intimidate, harass, alarm or annoy any person, unlawfully shall be liable to imprisonment for three years. Harassment.
31. (a) A person who obtains a telecommunication service by a trick in order to evade payment therefor shall be liable to imprisonment for six months or to a fine of 50,000 shekalim. Trick in using telecommunication installations.
- (b) The court may require a person convicted under subsection (a) to pay compensation to the licensee for the service obtained by a trick, as well as to another person adversely affected by the offence.
32. An employee of a licensee, or a person acting on behalf of a licensee, shall not disclose or transmit the contents of, or any information relating to, a telecommunication message which have or has reached him in the course of his work, except to a person to whom he is authorised to disclose or transmit the same. A person who contravenes the provision of this section shall be liable to imprisonment for three years. Duty to maintain secrecy.
33. A person who, himself or through his agents or contractors, unlawfully interferes with the lawful establishment, operation, maintenance, alteration, examination or repair of a telecommunication installation by a licensee or its Interference with work.

⁵ *Dinei Medinat Yisrael (Nusach Chadash)* No. 12, p. 284; *NV* vol. II, p. 30.

agents shall be liable to a fine and, if the interference continues, to an additional fine in respect of every day on which it continues.

Vegetation interfering with installation.

34. (a) A person shall grow no plants whatsoever knowing that they may harm, or interfere with, a telecommunication installation.

(b) A person who contravenes the provision of subsection (a) or prevents a licensee from exercising a power under section 18 (a)(5) shall be liable to a fine.

Serious damage to installation through negligence.

35. A person who negligently destroys or damages a telecommunication installation, thereby causing a telecommunication operation to be discontinued shall be liable to a fine of 100,000 shekalim.

Prohibited works.

36. (a) A person shall not, save under a permit from the Minister, carry out, either himself or through his agents or contractors, any digging, ploughing or planting to a depth of more than fifty centimetres at a distance of up to fifty metres from the axis of a road other than an urban road or up to thirty metres from the axis of an urban road. A person who contravenes the provision of this subsection shall be liable to imprisonment for six months.

(b) The provision of subsection (a) shall not apply to any customary work of digging, ploughing or planting done by a person for the purpose of cultivating his ornamental garden.

Prohibitory order.

37. Where an act is done in such manner and under such circumstances as to constitute a *prima facie* offence under section 28, 29, 31, 35 or 36, whether or not an information in respect of the offence has yet been filed in court, the court may order the accused or the person whom it regards as responsible for the commission of the offence, and his agents or contractors, to discontinue the act constituting the offence, and the order shall be in force until the court revokes or varies it.

Chapter Eight: Civil Wrongs

Compensation for damage to telecommunication installation.

38.(a) In this section, "engineering equipment" has the same meaning as in section 1 of the Registration of Engineering Equipment Law, 5717-1957⁶.

(b) A person who, in carrying out any work by means of engineering equipment, damages a telecommunication installation of a licensee in a manner likely to interfere with or endanger the provision of a telecommunication service shall reimburse the expenses incurred by the licensee for the repair of the damage to the installation, as well as the loss of income caused to the licensee as a result of the damage.

(c) The Minister or a person empowered by him in that behalf shall

⁶ *Sefer Ha-Chukkim* of 5717, p. 145; *LSI* vol. XI, p. 155.

determine the amount of the loss of income, and the determination shall be *prima facie* evidence of such amount.

(d) A person who damages a telecommunication installation as stated in subsection (b) shall be exempt from the payments mentioned therein if he proves either of the following:

(1) that he had received a permit under section 36 for the work in the course of which he damaged the installation and that he acted in accordance with all the conditions of the permit;

(2) that he had not been required to obtain a permit as aforesaid and that he took every reasonable precaution to prevent the damage.

(c) Damage under subsection (b) is a civil wrong, and the provisions of the Civil Wrongs Ordinance (New Version)⁷ shall apply thereto.

(f) The provisions of this section add to, and not derogate from, the provisions of the Civil Wrongs Ordinance (New Version).

Chapter Nine: Immunities

39. The Minister may prescribe by order that for the purposes of section 8 (a) of the Secret Monitoring Law, 5739-1979⁸, an employee of a licensee shall be treated as an employee of the Ministry of Communications.

Secret monitoring.

40. Subject to the provisions of section 41, a licensee to which, under section 4 (f), immunity has been granted for the purposes of this section (such a licensee referred to in this chapter as an "immune licensee"), its employees and all persons acting on its behalf shall not bear liability in tort except –

Restriction on liability in tort.

(1) for direct damage caused by the restriction or discontinuance of a telecommunication service;

(2) for damage arising out of an intentional act or gross negligence of the licensee, its employees or persons acting on its behalf.

41. An immune licensee, its employees and all persons acting on its behalf shall not bear liability for damage caused –

Exemption from liability in tort.

(1) by any such non-provision, delay, restriction or discontinuance of telecommunication services and accessory services as arises out of an intentional act of the licensee in so far as such act is necessary to the performance of a telecommunication operation or the provision of a telecommunication service;

⁷ *Dinei Medinat Yisrael (Nusach Chadash)* No. 10, p. 266; *NV* vol. II, p. 5.

⁸ *Sefer Ha-Chukkim* of 5739, p. 118; *LSI* vol. XXXIII, p. 141.

(2) by an error in providing a telecommunication service, an error or omission in a telecommunication message, non-delivery of or a delay in delivering a telecommunication message, delivery of a telecommunication message to a wrong address or an incorrect entry in a subscribers' directory or other publication of the licensee, unless the same is due to gross negligence.

Saving of uniform stipulations.

42. Nothing provided in this chapter shall derogate from any stipulations between an immune licensee and the recipient of a service, provided that those stipulations meet the following requirements:

- (1) they are made with all, or with particular categories of, recipients of services;
- (2) they are approved by the Minister and the Minister of Justice on the recommendation of the Board under the Standard Contracts Law, 5724-1964⁹;
- (3) they are published in *Reshumot*.

Contents of message not to be disclosed in court.

43. The Minister may prescribe by certificate that an employee of a licensee shall not, in a legal proceeding or in an inquiry before a person or body empowered by Law to collect evidence, testify as to the contents of a telecommunication message and shall not, in compliance with a summons or order, produce the original of a message signed by or on behalf of the sender.

Restrictions.

44. The provisions of section 43 shall not apply –

- (1) if the sender or addressee of the message has notified the licensee in writing of his consent to testimony being given or the document produced as aforesaid or
- (2) in criminal proceedings concerning an offence punishable with death or with imprisonment for a term exceeding one year.

Transcript of message to be evidence.

45. The Minister may, by order, prescribe that a transcript of a telecommunication message, bearing the rubber-stamp or signature of a licensee's employee who received it for dispatch shall be admissible in any court or proceeding as *prima facie* evidence that its contents are identical with the contents of the original message and that the original message was signed and delivered for dispatch by the person by whom it purported to be signed, and it shall not be necessary to prove the signature of the signer of the original message or the delivery of the message for dispatch or the rubber-stamp or signature of the employee who received the message for dispatch.

⁹ *Sefer Ha-Chukkim* of 5724, p. 58; *LSI* vol. XVIII, p. 51.

Chapter Ten: The Company

46. The Minister shall grant a general licence to the Company.

General licence
to Company.

47. (a) In this chapter, "property" means immovable property, movable property, rights and interests of any kind whatsoever.

Property Transfer
Agreement.

(b) Notwithstanding anything provided in any law or agreement and subject to the provisions of the State Property Law, 5711-1951¹⁰, it shall be lawful to vest in the Company, by agreement, the rights of the State in the property which was at the disposal of the Ministry of Communications for the purpose of providing a telecommunication service and the rights and powers of the State under the agreements, engagements and transactions which were in force in respect of telecommunication services immediately before the coming into force of the agreement. The agreement is hereafter in this chapter referred to as "the Property Transfer Agreement".

(c) The Minister of Finance may, by order, exempt the Company –

(1) from the payment of the whole or part of any fees, stamp duty, taxes and other compulsory charges involved in the implementation of the Property Transfer Agreement;

(2) from the payment of the whole or part of any stamp duty on the return of an allotment of shares under section 93 of the Companies Ordinance¹¹.

48. Notwithstanding anything provided in any law or agreement, when the Property Transfer Agreement has been signed, the Minister may prescribe by order that the Company shall take the place of the State in respect of the property, agreements, engagements and transactions mentioned therein, as regards both the rights and powers of the State and the debts and liabilities it had immediately before the coming into force of the Property Transfer Agreement.

Transfer of
rights, powers
debts and
liabilities.

49. The Minister may prescribe by order that the Company shall take the place of the State in respect of certain categories of claims pending on behalf of or against the State immediately before the coming into force of the Property Transfer Agreement in connection with property, agreements, engagements and transactions as referred to in section 47(b), as well as in respect of grounds for claims as aforesaid existing at that time, except claims of State employees relating to the period when they were State employees.

Pending claims.

50. A general licence to perform telecommunication operations or to provide countrywide telecommunication services by means of a countrywide telephone network or to provide international telecommunication services by

Restrictions as
to general licence.

¹⁰ *Sefer Ha-Chukkim* of 5711, p. 52; *LSI* vol. V, p. 45.

¹¹ *Laws of Palestine* vol. I, p. 161 (English Edition).

means of an international telephone system shall be issued only to the Company. For this purpose, "countrywide telephone network" means a countrywide infrastructure of cables, wireless installations and telecommunication installations by means of which telephone services and additional telecommunication services are provided to the public.

Restrictions as to special licence.

51. (a) No special licence shall be issued in respect of equipment handled by the Ministry of Communications before the adoption of this Law by the Knesset (hereinafter referred to as "Ministry equipment") or in respect of identical equipment replacing it.

(b) No special licence in respect of equipment similar to Ministry equipment and replacing or intended to replace it shall be issued until the Minister has consulted with the Company and, after weighing up, *inter alia*, the interest of the Company in performing the operation and providing the service to which the licence relates, decides that the public interest demands the issue of the licence to the person who has applied for it.

Chapter Eleven: Miscellaneous Provisions

Provision of services to the State.

52. Subject to the provisions of section 13, the Minister shall, by regulations, prescribe the conditions for the provision of telecommunication services to the State by the licensee.

Application to the State.

52. (a) The provisions of Chapter Six shall apply to the State as the owner or occupier of property.

(b) The provisions of Chapters Six and Nine shall apply to the State when performing telecommunication operations or providing telecommunication services by virtue of its right under section 2(a) as if it were a licensee under this Law.

Royalties.

54. (a) A licensee shall pay royalties to the State.

(b) The royalties shall be paid on income of the licensee from the performance of telecommunication services enumerated in the Schedule.

(c) The rate of the royalties shall be eleven per cent of the income referred to in subsection (b) less value added tax. The Minister and the Minister of Finance may, with the approval of the Economic Committee of the Knesset, vary the rate of the royalties.

(d) The Minister and the Minister of Finance may, by order, prescribe the duty of paying royalties, at a rate not exceeding eight per cent, also in respect of services not enumerated in the Schedule if they are satisfied that no reasonable competition exists in those services. An order as aforesaid shall require the approval of the Economic Committee of the Knesset.

55. The general licensee, and a special licensee whose licence so provides, shall be inspected bodies within the meaning of section 9(6) of the State Comptroller Law (Consolidated Version), 5718-1958¹². Inspection.
56. In the Post Office Ordinance (New Version), 5737-1976¹³ (hereinafter referred to as "the Ordinance") – Amendment of Post Office Ordinance.
- (1) in section 1 –
 - (a) the definitions of "manager", "telegraph company", "telegraph", "telegraph works", "telegraph post", and "telegraph officer" shall be deleted;
 - (b) the following definition shall be inserted after the definition of "stamp":

" "telecommunication" and "telecommunication installations" have the same respective meanings as in the Telecommunications Law, 5742-1982";
 - (2) the word "telegraph" shall, wherever occurring, be replaced by the word "telecommunication", but in section 60 (a)(1), the words "a telegraph established" shall be replaced by the words "a telecommunication installation established";
 - (3) the words "telegraph officer" shall, wherever occurring, be replaced by the words "officer of the post office";
 - (4) Article One of Chapter Three is revoked;
 - (5) sections 61, 71, 72 and 73 are revoked;
 - (6) in section 77, the words "or telegraph officer" shall be deleted;
 - (7) sections 97 to 107 are revoked;
 - (8) in section 108 –
 - (a) in subsection (a), the words "or telephone box" shall be deleted;
 - (b) in subsection (c), the words "or telegraph post" shall be deleted;
 - (9) section 116 is repealed;
 - (10) in section 119, paragraph (1) shall be deleted and paragraphs (2) to (5) shall respectively be re-marked as paragraphs (1) to (4);
 - (11) in the Fourth Schedule, section 1, the mark "(2)" and the words "International telephone or telex connection" in section 2, and section 3, shall be deleted.

¹² *Sefer Ha-Chukkim* of 5718, p. 92; *LSI* vol. XII, p. 107.

¹³ *Dinei Medinat Yisrael (Nusach Chadash)* No. 29, p. 567; *NV* vol. III, p. 48.

Amendment of
Planning and
Building Law.

57. In the Planning and Building Law, 5725-1965 –

- (1) in section 49(3), the words “the telecommunication network” shall be inserted after the words “the electricity network”;
- (2) in section 57(5), the words “transport and road” shall be replaced by the words “telecommunication, transport and road”;
- (3) in section 63(1)(c), the word “electricity” shall be replaced by the words “electricity, a telecommunication service”;

in section 69(2), the words “a telephone exchange” shall be inserted after the word “schools”.

Amendment of
Settlement of
Labour Disputes
Law.

58. In section 17A of the Settlement of Labour Disputes Law, 5717-1957¹⁴ in the definition of “public service”, the following paragraph shall be added after paragraph (11):

“(12) the operation of a telecommunication installation and the provision of a telecommunication service.”.

Implementation
and regulations.

59. The Minister is charged with the implementation of this Law and may make regulations for its implementation.

Commencement.

60. This Law shall come into force on the date prescribed by the Minister by notice in *Reshumot*. The Minister shall prescribe such date when there have been signed, with the approval of the Minister of Finance –

- (1) a collective agreement concerning the rights of the employees of the Company and the transfer of employees from the service of the State to the service of the Company;
- (2) an agreement as referred to in section 47,

provided that the date shall not be later than the expiration of six months from the signing of the agreements.

Chapter Twelve: Transitional Provisions

Regulations under
the Ordinance.

61. Regulations made by virtue of the Ordinance shall, *mutatis mutandis* or with variations prescribed by the Minister by regulations under this Law, be in force until the expiration of twelve months from the date of the coming into force of this Law unless they are revoked before then under this Law.

Initial tariffs.

62. (a) The tariffs for telecommunication services existing upon the coming into force of this Law shall remain in force as long as they are not varied under the provisions of this Law.

(b) The provisions of section 15 (d) shall apply to the tariffs referred to in subsection (a).

¹⁴ *Sefer Ha-Chukkim* of 5717, p. 58; *LSI* vol. XI, p. 51.

63. (a) The Minister may prescribe by order that stipulations meeting the requirements of section 42 shall be deemed to have been made also with a person who began to receive telecommunication services from the State or the Company before the date of their publication in *Reshumot*. Applicability of stipulations to recipients of service.

(b) An order as aforesaid may apply to all or part of the recipients of a service or to particular categories of services.

64. A licence issued under the Ordinance which was in force immediately before the adoption of this Law by the Knesset shall be deemed to be a special licence issued under this Law. Existing licences.

65. This Law shall be published in *Reshumot* within thirty days from the date of its adoption by the Knesset. Publication.

SCHEDULE

(Sections 15(a) and 54(b))

1. Installation of direct exchange telephone line.
2. Use of direct exchange telephone line.
3. Local telephone call.
4. Local call from public telephone.
5. Installation of local telephone line for various services.
6. Use of local telephone line for various services.
7. Installation of direct telex line.
8. Use of direct telex line.
9. Telex call.
10. Installation of local telex line for various services.
11. Use of local telex line for various services.

MENAHEM BEGIN
Prime Minister

MORDECHAI ZIPORI
Minister of Communications

YITZCHAK NAVON
President of the State