



FedEE
Federation of European Employers
Fédération des Employeurs Européens

Mettre à jour

Latest News from the Federation of European Employers (FedEE)

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Austria: Additional rights for agency workers

The Austrian Temporary Employment Act will come into force on January 1st 2013. The new law amends Austria's existing legislation to bring it into line with the EU Directive on Temporary Agency Work (2008/104/EC) - which should have been implemented by December 5th, 2011. However, it goes beyond the Directive in a number of important ways.

Under the new law, if an employee of an agency is deemed to have been discriminated against by a user company they may take the agency to court. If the treatment is found to be discriminatory then the agency may take legal action against the user company.

Agency workers are also to be covered by a vocational training fund financed through a levy on user companies. The levy will initially be 0.25% of agency fees, rising to 0.8% by 2016. Where an assignment lasts for more than four years an agency worker may claim to be a permanent employee of the user company and will have the

right to join a company pension scheme. Where an assignment lasts for three months or more user companies will also be obliged to give temporary workers at least 14 days' notice before terminating their assignment.

Belgium: 2013 Earnings Thresholds

New notice period and non-compete thresholds will apply in Belgium from January 1st, 2013. The new ranges will be up to 32,255 euros gross per annum (lower grade), 32,255-64,508 euros gross per annum (higher grade) and above 64,508 euros gross per annum (top or unclassified grade).

Thresholds determining the length of probationary periods will also change. They will rise to 38,665 euros gross per annum (6 months probationary period), and 38,666 euros or more gross per annum (12 months probationary period).

Fast track work permits for non-EEA nationals are also subject to a minimum earnings threshold. From next year this will be 38.665 euros gross per



annum for highly qualified personnel and 64,508 euros gross per annum for company directors.

Czech Republic: Parliament undecided about whistleblower law

A draft law to protect whistleblowers has been submitted to the Czech parliament by Deputy Prime Minister Karolína Peake.

Under current legislation an employee who is dismissed after reporting wrongdoing in their workplace must be able to prove that their termination was a direct consequence of this action. Under the proposed legislation the burden of proof would be transferred to the employer.

Many Czech politicians do not think this goes far enough, but the weight of parliamentary opinion is that the measure should - at least initially - be confined to public sector employees. However, a final decision is unlikely to be made until the Spring of 2013.

European Union: Upgrading of EURES jobsite

The European Commission has decided to carry out a number of major improvements to EURES, the pan-EEA job search network. The principal change will be the introduction of a matching tool - speeding up the process of finding a suitable fit between jobseekers and available vacancies. There will also be a greater focus on young people - especially for roles that combine work and learning opportunities.

EURES currently covers 30%-40% of vacancies in the 31 countries covered by it. The website receives 4 million visits per month and EURES achieves 50,000 appointments per year. The

system will be extended from January 1st, 2014 to include content supplied by private recruitment agencies.

Europe: Reducing payrolls in a bid to save jobs

An increasing number of companies and sectoral employers across Europe are responding to current trading difficulties by pushing through pay freezes and cuts.

* The Scandinavian airline SAS has just signed tough new agreements with its cabin crews and pilots. Swedish and Norwegian pilots have agreed to work longer hours with Swedish pilots receiving an 8.3% pay cut and Norwegian Pilots a 30% cut. Swedish cabin crew have agreed to a two-year pay freeze. Negotiations are still underway with Danish unions and further cost savings are likely to be achieved by early next month.

* The Cyprus Popular Bank has agreed with the banking trade union salary cuts ranging from 4.9% for lower paid staff and 17% for those earning over 114,000 euros per annum. The deal has been reached against the backdrop of the bank's restructuring programme which is likely to involve significant job cuts early next year.

* The ailing German DIY chain Praktiker has concluded an agreement with the trade union Ver.di providing for average wage cuts of 5% per year during 2013 and 2014. The company will seek to retain its 15,000 workforce in the face of declining turnover - amounting to 10% in Q3 2012 - and trading losses that now amount to 36m euros.

* In Ireland the Labour Court has recommended that wage rates in the construction sector should



be reduced by 2.5% - over and above a 7.5% reduction already agreed with unions in the industry. The court also agreed to cuts in allowances and a reduction from 13.77 euros an hour to 12 euros an hour for manual workers taking up construction jobs for the first time.

Pay, Tax and Benefit Trends

EUROPE: A survey carried out by ISACA, a non-profit association for IT professionals, has found that 28% of employers in Europe allow their staff to bring their own device (BYOD) into the workplace. 54% of IT professionals, however, believed that the risks of BYOD outweigh the benefits. Even so, 26% of companies did not have a security policy in place covering the risks of BYOD.

FINLAND: An extra higher rate of income tax is to be introduced in Finland next year. Currently all income above 70,300 euros per annum is taxed at 29.75%. In 2013 an additional rate of 31.75% will be applied on those elements of income above 100,000 euros a year. National income tax is payable on top of local government tax and church tax – currently amounting to 20.1% in the Helsinki area.

GERMANY: The German CDU party has endorsed a plan to establish a national minimum wage. The proposal, which is backed by the social democratic and green parties, will require the establishment of a joint employer-union commission that will report annually and make recommendations to the government on an appropriate hourly rate. The initial rate is likely to be between 7.70 and 8.00 euros in the west German Lander and 6.80 and 7.00 euros in the east German Lander.

HUNGARY: Talks are underway between the Hungarian government and both sides of industry on setting the national minimum wage level for next year. Both employers and unions have tabled widely differing positions, but the government favours raising the wage rate by 4.3% - equal to its projected price inflation level for 2013.

REPUBLIC OF MACEDONIA: The Macedonian government has concluded a deal with employers and trade unions to introduce a national minimum wage for the first time. The new rate of 130 euros a month is one of the lowest in Europe.

NETHERLANDS: Employers in the Netherlands should note that in March 2013 they will be required to pay a temporary 16% levy on the remuneration of all employees who earned 150,000 euros or more during 2012. This must include bonuses and the value of benefits in kind. Although the payment may be offset against corporation tax, it may not be reclaimed from the employees themselves. The special tax on excessive severance payments (above 531,000 euros) will also be levied at 75%, instead of its former 30% rate.

NETHERLANDS: The Dutch government has harmonised the definition of remuneration for tax, social security and healthcare insurance purposes. From January 1st 2013 employees will no longer have to contribute to the state unemployment fund and employers will make payments to the fund on the same basis as other social security contributions. Employers' contributions to healthcare funds will no longer be subject to income tax or social security contributions and employees with company cars will be required to pay tax on car insurance in line with the general method for calculating the value of their company car under current income tax regulations.



POLAND: The Polish Labour Ministry has proposed that the national minimum wage be increased from 1,500 zloty (364.34 euros) to 1,600 zloty (388.63 euros) next year. The 6.7% increase is well above the Polish monetary council's projected 2.7% rise in consumer prices for the whole of 2013.

POLAND: The Polish Constitutional Tribunal has ruled against a provision made in the Labour Code that if a bank holiday falls on a non-working day (other than Sunday) it will not be deducted from the employee's normal monthly working time. This provision has led to different holiday entitlements for employees, depending upon their particular working patterns. In the tribunal's view, all employees should be entitled to Poland's 13 paid public holidays each year and if working patterns prevent the taking of a public holiday another working day should be designated as a substitute. If they do not, they may face employee claims for overtime and unequal treatment.

ROMANIA: If Romania's ruling Social Liberal Union (USL) is returned to power at the general election on December 9th, it plans to introduce a number of important reforms. These include the introduction of three tax bands – at 8%, 12% and 16% - to replace the current universal flat-tax rate of 16%. They also plan to a 5% cut in employer social security contributions and have set a new minimum wage target of 1200 lei (265 euros) to be achieved over the next four years.

RUSSIAN FEDERATION: The minimum monthly wage in Moscow will rise on July 1st, 2013 from 11,700 roubles (290.15 euros) to 12,200 roubles (302.55 euros). The official average monthly wage in Moscow is currently 50.000 roubles (1,239.98 euros) - although the true average is probably nearer half that amount.

Other European HR news in brief

FRANCE: On the 15th November the French Supreme Court upheld a decision by a District court removing the status of a trade union from the organisation SAP because it provided services more akin to a law firm than a union. Both courts agreed that over and above SAP's exclusive concern with the defence of individual rights, a trade union must seek to achieve "solidarity of employees working in a same community" whilst also "working to correct inequalities caused by the subordination of the labour contract".

GERMANY: The city state of Hamburg in Germany has reached an agreement with a number of local religious groups giving those of the Islamic faith the right to take three days off each year to observe religious festivals. This does not require employers to grant additional holidays, but employees will now have the right to take annual leave on the chosen days - or take unpaid leave of absence.

GERMANY: The German Federal Labour Court has ruled that employees who work for church organisations do have the right to strike. This right has long been denied the 1.2m employees of churches and denominational welfare organisations, although many are low paid and members of trade unions such as Ver.di and Marburger Bund. The threat of strike action led the protestant and catholic churches to seek a court ruling and the next step is likely to be an application to the Federal Constitutional Court.

GERMANY: Immigration offices in Germany will shortly cease issuing "free movement confirmation" documents to nationals of other EU states resident in the country. However, EU nationals from outside Germany will still have an obligation to register their address at the local registration office (Einwohnermeldeamt) as soon as they find permanent accommodation.



GERMANY: There has been a reduction in retention periods for administrative records in Germany. As a first step the period has been lowered to eight years. A further reduction to seven years is planned.

IRISH REPUBLIC: The Irish Equality Tribunal has awarded a claimant 95,000 euros because she was found to be unfairly selected for redundancy on the grounds of her pregnancy. This ruling illustrates the stringent conditions which are applied by the tribunal in such cases. The protected status of pregnant employees will be adhered to unless an employer can prove beyond all doubt that a dismissal is not connected with the pregnancy. [Claire Keenan v Stephen Kehoe t/a Mortgage Cabin DEC- E2012 -105].

NETHERLANDS: According to a report in RTL News, 28% of Police in the Netherlands are not available for their normal duties at any given time. Sickness absence is running at 11% (three times the national average) and 17% of police personnel are, on average, engaged on training courses.

NETHERLANDS: The upper house of the Dutch parliament has voted through a measure that will require large companies to change their external accountants every eight years. Firms will also not be able to provide business consulting services to companies they audit. Although the new rules will not come into effect until 2016, Finance Minister Jeroen Dijsselbloem is urging companies to prepare now for the change.

FedEE news:

2013 BANK HOLIDAY DATES: Details of the bank holiday dates for 2013 across Europe are now available within the HR Knowledgebase pages of our website.

CHRISTMAS CLOSURE: As in previous years our office is closed between Christmas and the New Year. We are open as normal on Friday, 21st December 2012, closed from Monday 24th December 2012 through to Tuesday, 1st January 2013 and then open again as normal from Wednesday, 2nd January 2013.

JSB EMPLOYMENT LAW TRAINING OFFER: FedEE and [JSB](#) are working in partnership to offer FedEE members a 10% discount on any international employment law course booked using the discount code 'fedee12'.

JSB offers a wide range of employment law training for HR professionals, covering all aspects of UK and international employment law.

Full details of their employment law programmes can be found [here](#).

Their full range of **international employment law courses** covers over 30 countries, including comprehensive 1-day seminars on many European jurisdictions. Each seminar is led by a legal expert from the country in question, providing first class legal expertise that links legislation to practical HR management challenges. Full details of their upcoming courses can be found [here](#).

To activate the FedEE member discount code, simply quote 'fedee12' when booking.



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