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△ **COMMENT: Finding the prize ***

The constant concern of many multinational HR departments is talent management. But if it matters so much, how is it detected, measured and utilised?

The four key elements of talent are intelligence, personality, aptitude, and skill (IPAS). So, how many companies know what the IQ scores of their existing managers and top professionals are? There are lots of psychologists that have debunked IQ over the years, but its biggest criticism is its attempt to measure intelligence in one dimension. It has also long been known that men perform better on non-verbal tests and women on verbal tests. It is also possible to slightly brush up intelligence scores by practice and to overachieve – meaning a person performs better than their true IQ would indicate. IQ levels have also had to be recalibrated over time because successive generations become more intelligent. All these considerations are necessary when using such tests, but they do not undermine the essential value that IQ brings to the HR professional – at least as an initial filter. After all, if someone scores 100 on an IQ they possess the average level of intelligence – but, even with mankind's evolution and improved education, a hundred IQ represents a very poor absolute level of logic and reasoning.

It is always unwise to interpret any test too literally and to call on a professional psychologist when undertaking a major review of abilities or hiring key personnel. That said, there are many psychologists who insist on overqualifying and/or mystifying results. Then there is the job applicant who refuses to undertake a required test or, knowing time constraints, ensures that their online results are lost by apparent technical error. Without a full picture of intelligence there is effectively no picture at all.

But intelligence alone does not measure talent. There are hundreds of thousands of highly intelligent individuals in academia who should not be allowed near a corporate environment. Intelligence is what philosophers call a necessary - but not sufficient - criterion for doing a particular job. As we have already pointed out, personality, aptitude and skill are also critical (and in that order). It is also true that there is considerable overlap between each IPAS factor. Yes, it all comes down eventually to skill, but for the great majority of jobs technical skills alone are not sufficient. Managerial and human relations abilities, plus a multitude of soft skills come into play – and both defining and measuring those is a formidable task. That is why a layered approach looking at all four characteristics of an individual from intelligence through to their skill set is so important. Ultimately, for instance, a person with an apparent skill set

who has an unstable personality, lacks sufficient intelligence to look into the future to assess the consequences of their actions, or lacks the potential to develop should not be treated as “highly skilled” in their field – there are just too many factors that can generate failure.

Another two factors that must be kept in mind are qualities that simply cannot be measured and the phenomenon of “pure chance”. Around 60–70% of talent can be measured by IPAS and the rest is a cocktail of qualities that cannot be readily pinned down. This is where a HR professional will sometimes claim that their intuition, instinct, hunches, or plain “gut feeling” come into play, but none of these phenomena are actually that dependable. Because someone is unconscious about where an idea or feeling comes from, does not mean it has any special value. After all, the driving force for racial prejudice is often in a person’s inner, unconscious self.

Pure chance is, in many ways, the most interesting talent factor. In Shakespeare’s play *Twelfth Night*, it was Malvolio who was told in a letter that “[S]ome are born great, some achieve greatness, and some have greatness thrust upon ‘em”. In real life that process of “greatness” is often thrust upon people by chance. In fact, coincidence is more common than most of us realise. A “hole in one” in golf ought to be virtually impossible, but it is not that rare. That is partly because we seldom assess the frequency or nature of our actions. Someone could, by chance, pull off a deal just by coincidentally saying the right thing to a customer at the right time. However much skill they had in reading a situation, they would not have at their disposal the

information that would have allowed them to say the “right thing”. It was not a skill, nor an instinct – just luck.

Some people believe they are born lucky and may, at times, put their fortune down to fate. In fact, there is no longer any need to believe in a god-like spiritual force or even parallel universes to conceive that time itself is malleable. Einstein’s discovery of “special relativistic time dilation” has shown that we could defy measured time to move into the future. The gap achieved so far is tiny, but two Russian cosmonauts are currently living over 20 milliseconds ahead of the rest of mankind. Not nearly enough, unfortunately for them, to win the 3.30 at Kempton Park.

But if coincidence is so critical to success, the chances are that some other process is at work. These are usually actual abilities that could be – but seldom are – measured. To name just three: taking advantage of opportunities, having a natural sense of proportionality (distinguishing important things from trivial things), and, most important of all, assessing probabilities on the move. This latter ability is sometimes called “being able to take calculated risks”, but it is much more than that – involving, as it does, the process of approximating the scale and likelihood of outcomes and combining them whilst performing normal work activities. Find all three of these abilities in a candidate, close the door hurriedly behind them and make them an unrefusable offer. You have finally reached into the golden heart of talent management and found the ultimate prize.

AFRICA AND MIDDLE EAST

Ψ **EGYPT:** A data protection law is in the pipeline. The law has been approved by the Egyptian Cabinet and it provides for – inter alia – the establishment of a supervisory authority responsible for imposing sanctions in cases of infringement. The Bill still needs to obtain parliament and state council approval before coming into effect.

Ψ **ETHIOPIA:** According to the Ethiopian President Mulatu Teshome, African nationals will soon be able to obtain visas on arrival in the country, rather than applying for them in advance.

Ψ **GHANA:** Employers in the Western Region must notify the government of any foreign employees working on a business visa in respect to certain activities such as training, short-term consultancy services, or repair and maintenance services in the oil and gas sector. Non-compliance may lead to fines. Employers are also advised to keep records about foreign visitors on business assignments for the purpose of future audits.

Ψ **JORDAN:** A tightening up of labour inspections at night has been announced. This follows numerous reports of children and undocumented workers employed on night shifts to avoid detection. So far, over 70,000 inspections have taken place and 6,000 foreign workers deported since the beginning of the year, and hundreds of employers have been given closure warnings about violations of the Labour Code.

ζ **MOROCCO:** Social unrest has gown across Morocco over the last few years as an increasing number of university graduates have found themselves in long-term

unemployment. This has led the World Bank and IMF to encourage the autocratic King to accept a number of reforms in the educational system. The Cabinet has also approved a new system of compulsory military service for those aged 19 to 25. However, in the past, military service was used as a form of punishment for political opponents, with the former King famously stating on TV: “there is no greater danger to the state than a so-called intellectual. It would have been better if you were all illiterate.” It now remains uncertain whether compulsory military service will silence protest, or just intensify it, or if the country can pull itself out of the lost opportunity of an “Arab spring” that never really happened.

Ψ **SAUDI ARABIA:** According to the Ministry of Labor and Social Development and the Ministry of Housing, foreign employees must have their house rental contract authenticated and registered with the Ejar network, otherwise they will not now be able to obtain or renew a work permit in Saudi Arabia.

Ψ **SOUTH AFRICA/CHINA:** With effect from the 1st of November 2018, eligible frequent Chinese business travellers will be able to obtain 10-year multiple-entry visas to allow them to visit South Africa.

β **TUNISIA:** The sharp rise in public sector employment had led the IMF to warn that it could have a damaging impact on the economy. In fact, the Public Wage Bill has doubled since 2011 and now amounts to 14.1% of GDP – one of the highest proportions in the world. In the OECD countries, total central government wages currently average just over 5% of GDP.

Ψ UAE/MEXICO: With effect from the 31st of October 2018, citizens from UAE and Mexico with regular passports will be allowed visa-free access between the two countries. Periods of stay and documentation for work visas have not been announced, but are likely to be in line with visa-free travel from other countries. For instance, German citizens may visit the UAE visa-free for up to 90 days in any 180-day period.

AMERICAS

Δ CANADA: A class action brought by 74 former employees has written a cautionary tale for all employers undertaking a plant closure or mass layoff. Employers must ensure that they notify the Director of Employment Standards at the same time as they notify employees of a mass layoff. They will also not have counted as due notice any week when an employee worked overtime contrary to Employment Standards Act, or where overtime working prevented them seeking other work. Finally, if a company keeps extending a notice period, the formal notice will only count from the date of the last letter announcing the end of service date. If this is less notice than is lawfully due then they could face termination problems. [Court of Appeal in Wood V CTS of Canada Co.]

Δ USA: As Google's Waymo clocks up its 4 millionth mile of driverless journeys and Uber reaches 2 million miles of driverless cabs, it is now the time for employers to consider what the impact will be on personnel once this becomes a day-to-day phenomenon. The US law firm Fisher Phillips has recently established an Autonomous Vehicles Practice Group to deal with all the legal issues associated with this mini-revolution. These range from wage and hour issues as

employees work on the move, a decline in the need for employees to have driving skills, new data privacy issues as personal-use vehicles are increasingly interconnected, and new definitions for workplace health and safety rights. Finally, how will the driverless mobile worker of the future operate? Will they become a new breed of employee or a variant of the gig worker? The questions seem endless, but the solutions are yet to be worked out.

Ψ USA: Employers who wish to request 15-day processing of certain employment-based immigration benefit petitions should note that the premium processing fee for [Form I-129, Petition for a Nonimmigrant Worker](#) and [Form I-140, Immigrant Petition for Alien Workers](#) has now been increased by 15% – from \$1,225 to \$1,410.

φ USA: With effect from the 1st of November 2018, more than 350,000 employees working for Amazon across the US will be eligible to receive a new, higher minimum wage of \$US15 per hour. In the UK, some 37,000 permanent and temporary Amazon staff will also gain an increase to £10.50 (US\$13.8) an hour in the London area and £9.50 (US\$12.5) across the rest of the country.

Ω USA: The US Equal Employment Opportunity Commission (EEOC) has taken a wood-products company in Clearfield PA to court, claiming that it asked job candidates details of their health prior to making a hiring decision, in contravention of the Americans with Disabilities Act (ADA). At issue are alleged repeated refusals to employ candidates because they took medications such as suboxone or methadone – both used as a drug-addiction treatment. According to the EEOC, in no case was an evaluation

made to assess their effects on job performance. Employers may lawfully test for unlawful drug use, but neither substance is unlawful if professionally prescribed.

Ω USA: An out of court settlement has been reached following EEOC-backed case against a company operating in Indiana. The company had commissioned medical examinations that required candidates to declare the medical history of relatives – such as the cancer and diabetes incidence. This directly contravenes the Genetic Information Non-Discrimination Act (GINA). The company was ordered to compensate failed candidates by payments amounting to \$62,000, provide GINA training to staff and be subject to close EEOC monitoring of its recruitment processes.

Δ USA: The New York Times has uncovered a Department of Health and Human Services memo that was drafted last spring which proposes that an individual's gender is fixed at birth and that any changes thereafter should not be recognised by any public body. If established at law, this proposal would prevent recognition of trans-gender identity changes of any sort - which could have implications for employers concerning anti-discriminatory rights, as well as institutions such as schools and hospitals.

ASIA AND PACIFIC

Ψ AUSTRALIA: A proposal to force new migrants to live outside Sydney and Melbourne has recently been unveiled by the Australian government, in a move to ease the growing urban population crisis and boost regional areas. Under the proposal, new visa conditions would be imposed for some overseas workers to settle outside

Sydney and Melbourne for a period of 5 years.

Ω CHINA: A food-delivery app-based service provider, Dianping, has been sued for firing an employee who allegedly shared a partial picture of her payslip on social media. Although Dianping's employee handbook states that it is a serious violation to reveal employee information without permission, the court ruled that salary information was not covered by the terms of the confidentiality agreement, contents of the employee handbook could not be used as the basis for terminating a work contract, and that the payslip picture posted on social media was, in any case, not sufficient evidence to prove it was leaked by the former employee themselves. In fact, it did not even reveal the employee's actual salary. Dianping was ordered to pay the former employee RMB120,000 (US\$17,367) in compensation.

β HONG KONG: The government is now operating a 3-year pilot **Technology Talent Admission Scheme** (TechTAS) to attract overseas and mainland technology talent to do research work in Hong Kong. The new hires must be engaged in any one of 7 areas – biotechnology, artificial intelligence, cyber security, robotics, data analytics, financial technologies, and material science – with an admittance to a maximum of 1,000 qualified professionals for the first year. Each successful applicant company may be granted an admission quota of up to 100 persons per year. However, in order to qualify for quotas, companies must demonstrate to the Innovation and Technology Commission (ITC) that they are in short supply of relevant talent, and that such talents are not readily available in Hong Kong.

Ψ INDIA: Last year the Indian government enacted The Maternity Benefit (Amendment) Act that introduced new obligations for Indian private sector employers. Section 11A required companies with 50+ employees to establish workplace crèche facilities, although it offered scant detail on how that was to be achieved. Now the government of Karnataka state has drafted more detailed legislation on how such childcare facilities must be provided. This measure also lacks much detail at present and is still subject to public consultation. Moreover, it remains silent on one key point – how far responsibility for provision can be handed to a third party.

β INDIA: The Gujarat state rules on what constitutes a migrant labourer currently set the dividing line at 15 years' residence in the state. However, labour shortages are partly being created by the prevailing policy of offering job preferences to local workers. For that reason, the government is proposing that the qualifying period is reduced to just 2 years. The situation is so difficult in much of manufacturing that a local official has been quoted in the press as saying that locals do not like "jobs involving hard labour". Certainly, local employers suffer high levels of absenteeism and what has come to be called in India, Bangladesh and Pakistan "goondaism" - after the Tamil name "goondar" (rascal).

Ψ INDIA: Under public pressure concerning the past conduct of India's junior foreign Minister, M J Akbar, the Modi government has established a committee of senior judges to examine the legal framework for handling complaints of sexual harassment at work. This move is clearly an attempt to control the growing interest in the #MeToo movement

and placate the Indian Ministry of Women and Child Development.

φ INDIA: Individuals who wish to file an income tax return or obtain benefits from the government's welfare schemes and subsidies have until the 31st of March next year to link their Permanent Account Number (PAN) issued by the Income Tax Department to their 12-digit biometric ID (Aadhaar). The government has extended the deadline for residents to link the two databases for the fifth successive time.

Ψ JAPAN: In an attempt to attract more foreign-skilled workers a new category of work permit has been devised called "worker with particular skills". To obtain the new status it will be necessary to complete either a 3-year technical internship or pass tests in relevant technical subjects and the Japanese language. Applications will, however, not be accepted from citizens of countries that regularly abuse the immigration system. Once issued, it will last 5 years, but there will be no right to be joined by family members. There will also be a "worker with particular skills (2)" status where residence will be unlimited. The new permit will be available from April next year.

φ JAPAN: Over the year to August 2018, real (inflation-adjusted) wages decreased by 0.6% compared to a revised 0.5% real annual increase recorded in July. Although average regular pay – which accounts for the bulk of monthly wages – rose – without inflation adjustment - by 1.4% to 243,809 yen (US\$2,158), special pay, including bonuses, dropped 7.4% to 13,388 yen (US\$118.5). These figures also included a 1% rise in monthly overtime pay to 19,169 yen (US\$169.6).

ζ **JAPAN:** A special legal panel set up by the Japanese government to investigate compliance with disability quotas has confirmed widescale misreporting by central government ministries and agencies. Under Japanese law, public institutions must meet the 2.5% quota, whilst it is 2.2% in the private sector. However, officials counted retired people and even those deceased in a desperate attempt to meet the public sector target. Now it has been established that the true figure is just 1.17%. The most serious case of falsification was by the National Tax Agency that dishonestly added 1,103 people to their disability compliance lists. This latest report follows a previous investigation by the Ministry of Labour that found local municipalities had inflated disability numbers by 3,800.

φ **KAZAKHSTAN:** With effect from January the 1st, 2019, the minimum wage in Kazakhstan will be increased by 50% from 28,000 tenge (US\$77) to 42,000 tenge (US\$115). It is estimated that 1.3 million people in Kazakhstan will benefit from this change.

φ **NEW ZEALAND:** A review by the labour inspectorate of 75 contractors installing broadband UFB fibre networks around Auckland has found that all but two had contravened employment laws in such areas as the keeping of employee records, not operating with written employment contracts, paying the minimum wage, providing paid leave, and using migrant labour as unpaid workers on the promise of potential paid employment. Record-keeping infringements are subject to on-the-spot fines of up to \$1,000 (US\$655), but more serious offences must go to the employment court where very heavy fines are often applied.

ψ **NEW ZEALAND:** Previously, an employee whose current visa was soon to expire and who had applied for a further temporary visa that was denied became unlawful the day after the date of denial. Under new rules, such employees now have 21 days to arrange for departure, challenge the visa decision if it has been declined or withdrawn, and meanwhile continue working (provided they have continued work rights).

ψ **NEW ZEALAND:** Companies in New Zealand with employees who are looking to renew their work visas, or apply for residence permits, should be aware that with effective from Monday the 5th of November 2018, fees will increase by up to 54% for most work visa applications (excluding recognised seasonal employers and working holiday work visas).

ψ **SINGAPORE:** Employers in Singapore must ensure that foreign employees live in proper housing, or face prosecution or official rejection when they attempt to hire foreign employees. For specifications on various types of housing provision, please check [here](#).

ψ **SINGAPORE:** A 3-month trial of new electronic border-control entry cards has started at Changi Airport, the Woodlands and Tuas checkpoints, and the four cruise/ferry terminals. Instead of filling up a paper-based card, foreign visitors to Singapore will now be able to provide their personal details and trip information electronically prior to their arrival via the Immigration and Checkpoints Authority (ICA) website, or a mobile application.

ψ **SINGAPORE:** Companies should start to consider whether they need to retain National Registration Identification Card

(NRIC) numbers that they collected from employees. According to the Personal Data Protection Commission (PDPC), with effect from the 1st of September next year, it will be unlawful for organisations to collect, use or disclose the NRIC numbers of individuals or make copies of the card. Non-compliance may lead to a fine for employers.

Ψ SINGAPORE: Employers in Singapore who are sponsoring foreign workers for all types of work pass no longer generally need to affix their company stamps on government forms.

Ψ TAIWAN/RUSSIA: Under a trial programme that will run until the 31st of July 2019, Russian nationals will now enjoy visa-free entry to Taiwan for a period of 14 days from arrival.

EUROPE

Ψ BELGIUM: Under a plan drafted by the Flemish government and still subject to Council of State approval, high-skilled job seekers from outside the European Union (EU) – such as robotic programmers – may be able to gain a work permit for up to 3 years, in the first instance. Anyone who has worked uninterrupted for the same employer for 4 years would receive a permit of unlimited duration. If adopted, it is likely to come into force during January next year.

β EU: The 25–64 years working-age population who complete tertiary level education (normally offered by universities and equivalent establishments) has increased 8% from a decade ago - to reach 31% in 2017.

β EU: The expected duration of working life in the EU increased from 33 years in the year 2000 to 36 years in 2017. The duration of working life last year ranged from 32 years in Italy to 42 years in Sweden. At an EU level, men (38) worked 5 years longer than women (33). However, there is no gender gap in Latvia, and in Lithuania women had the longer duration of working life than men. The largest gender gap (12 years) was recorded in Malta.

β EU: According to latest figures released by Statistics Sweden, based on a supplementary survey in 2016, the proportion of people in the age group 15–34 years in the EU not working whilst studying decreased by 11% since 2009 to reach 54%. The lowest proportion of persons aged 15–34 years who did not work whilst studying was in Finland (8%) and Sweden (17%).

β EU: The average hourly labour cost rose over the year to Q2 2018 in the EU business sector by 2.6%. The highest annual increases were in Romania (+15.6%), Latvia (+11.7%), and Hungary (+10.2%), whilst the lowest annual increases in hourly labour costs were in Luxembourg (+0.6%), Spain (+0.7%), and the Netherlands (+0.9%).

φ EUROPE: The latest updated wage figures from European countries may be viewed [here](#).

β FINLAND: The national parliament has given a confidence vote in support of a measure that will allow employers with up to ten employees to dismiss individuals on personal grounds with impunity. Solving the employee protection problem for small employers will not, however, be sufficient to kick some much needed growth into the

economy. The major barrier to growth is Finland's poor cost competitiveness – and especially its high labour costs – with employer social security contributions averaging at 19.28% of payroll. Pay rates are also high because of municipal income tax imposed on top of national income tax. This ranges from 6% to 31.25%.

β GERMANY: In the 2018 German metal bargaining wage round a new facility was agreed to allow an employee to temporarily reduce weekly working time to below 28 hours a week for a period of 6–24 months, after which the hours will revert back to full-time. To qualify, an employee must have been in post for at least 2 years and work for a minimum of 35 hours a week (38 in the eastern Länder). Moreover, anyone raising children, caring for relatives, or working shifts may also take an extra 8 days off from next year. However, they must apply to their employer for this by the end of October 2018. An employer may only refuse on legitimate grounds, such as their workforce already contains at least 18% of employees working part-time.

φ IRISH REPUBLIC: With effect from January the 1st, 2019, hourly minimum wage will be increased from €9.55 (US\$10.95) to €9.80 (US\$11.23).

ζ MACEDONIA: There are two ways to make your Greek friend incensed – start asking them about ancient Greek history in a way that demonstrates the general haziness most people have on the subject. The other is to call the nation state to the north-west of Greece “Macedonia”. When questioned why your friend reacts so strongly, the only semi-rational answer is that Greece itself also has a province of the same name. The fact that

Thrace is used for areas in Greece, Turkey and Bulgaria, and Luxembourg is both a country and the southernmost province in Belgium - and that no one objects to the fact in these cases - seems to do little to calm the Hellenic sentiments. It is well known, of course, that Russia has long been fuelling these emotions through a number of destabilizing tactics to ensure that Greece continues to oppose Macedonia's membership of NATO. However, and finally, the government of Macedonia has tired of its neighbour's puerility and has decided to rename itself “North Macedonia”. A rose, of course, by any other name would smell as sweet – but don't tell Athens.

Ω IRISH REPUBLIC: “Moonlighting” constitutes a valid ground for dismissal, at least according to a recent ruling of the Workplace Relations Commission (WRC). The WRC ruled that employers may dismiss an employee who engages in a second job without prior authorisation, based on the provisions of their employment contract. [TW v TC.]

φ LUXEMBOURG: The minimum monthly salary for unskilled workers has now increased by 49.95 euros (US\$57.8) from 1,998.59 euros (US\$2,312) to 2,048.54 euros (US\$2,369.9). The minimum wage for skilled workers, which is 20% higher than that for unskilled workers, has also increased by 59.95 euros (US\$69.35) from 2,398.30 euros (US\$2,774) to 2,458.25 euros (US\$2,843.39).

β MALTA: Official figures indicate that the rate of unionised workers in Malta is between 53% and 59%. However, according to a recent survey, only 33% of workers in Malta are actually members of a trade union. The

results of the study published by a local industrial relations expert supports the findings of earlier studies dating back to 2007.

φ **MOLDOVA:** The minimum wage has now increased by 230 lei (US\$13.6) from 2,380 lei (US\$141) to 2,610 lei (US\$154.6) per month. The minimum hourly wage has also increased by 1.35 lei (0.08) from 14.09 lei (US\$0.83) to 15.44 lei (US\$0.91).

ψ **NIGERIA:** Visitors arriving in Nigeria on the Visa on Arrival (VoA) programme must now pay the visa fees electronically at their port of entry, or online via the Nigeria Immigration Service (NIS) website.

φ **NORWAY:** Employers and trade unions have set up a system of private patrols to monitor illegal operators, mainly in the building trade. They work alongside the labour inspectorate and police to identify companies paying low rates, employing undocumented immigrants, and avoiding tax obligations, which allows them to undercut legitimate businesses. The “disruption patrols”, as they are called, have operated for 3 years and so far achieved the shutdown of over 1,000 places employing workers illegally.

β **NORWAY:** During Q2 2018, sickness absence (adjusted for seasonal and influenza variations) for employees aged 16–69 stood at 6.21%. This was a decrease of 2% compared to the previous quarter. Female sickness absence was 3.11 percentage points higher than for males.

φ **ROMANIA:** The Labour Ministry is currently working on a draft bill to raise the minimum gross salary. Under the proposal bill, the gross monthly minimum wage is

likely to increase by 9.5% from the current RON 1,900 (US\$467.2) to RON 2,080 (US\$511.5) before the planned date of January the 1st, 2019.

ψ **SWITZERLAND:** According to the Swiss Federal Council, in 2019 the total annual quota for non-EU work permits will be increased by 1,000 to 4,500 long-term (B) permits, whereas the short-term (L) permit quotas will be decreased by 500 to 4,000.

β **UNITED KINGDOM:** It is only a matter of time before the penny drops and it is realised that the UK is saddled with the most chaotic and inept government since the time of Stephen and Matilda, or at least after the death of Cromwell. In the latter case, at least parliament had the sense to call back the late King’s son rather than tolerate the younger and more incompetent Cromwellian offspring. Now in the UK there is no one standing in the wings to come to the rescue – with or without their neck intact. Already enough major companies such as AstraZeneca have flagged up that there is no more investment being put into UK operations. The next step will be a run on the pound down to parity with the euro and then finally a belated dawning of the truth on the London stock market. As Aesop once said, “We hang the petty thieves and appoint the great ones to public office.”

ζ **UNITED KINGDOM:** The question everyone is asking themselves about Brexit is whether any deal that is negotiated by Prime Minister Theresa May will actually be voted through by Parliament. The answer is that the position is too close to call. Assuming the Labour Opposition will vote against any deal as a matter of principle and they are joined by the current 44 hardline pro-Brexit group from the Conservative ruling

party then that leaves Mrs May with just 271 loyal/semiloyal party members and the core opposition with 301. She may be able to count on 22 DUP and Liberal Democratic votes to bring her up to 293 – but that is still 9 short of a winning vote. Thus all will depend on the other minor parties, especially the 39 Scottish (SDP) and Welsh nationalists. The 35 SDP MEPs are largely pro-European, so if the deal looks like it will include a transition period and a fair solution for the Irish border question they might support the deal. But we believe they are most likely to vote with Labour to oust the current government – even though this would be a disaster for the UK economy.

Ψ UNITED KINGDOM: As we reported a few issues ago, the New Jersey Equal Pay law is going to open up the issue of pay equality for other protected characteristics around the world. It did not take long for the UK to issue a consultation document on pay-gap reporting in respect to race. The UK is one of the few countries where this could be contemplated because, under the Race Relations Act 1976 and former-CRE guidance in 1978, ethnic monitoring is not only lawful, but recommended as a way to determine whether race discrimination is taking place. Indeed, since 2000, ethnic monitoring has become obligatory in the UK public sector. This move follows a Race Disparity Audit undertaken last year that showed wide disparities in education, employment, health, and criminal justice between Britain's principal racial and ethnic groups.

Ψ UNITED KINGDOM: A report into sexual harassment in public places has been published by the parliamentary Women and Equalities Committee. It provides

considerable evidence of widespread threatening and degrading conduct – from cat calls to sexual assault. However, rather than follow the French approach by suggesting the introduction of on-the-spot fines and zero tolerance policing to combat this serious social problem the report addresses the obligations of pub landlords and bus operators and “changing public attitudes to the subject”. But concern for such harassment is not just an outcome of #MeToo, as it has been studied at length for the last 50 years. It matters to employers because it is closely correlated to workplace harassment and also because a duty of care does not stop at the factory gate or office reception. Latest figures for the year to June 30th 2018 indicate that violent crime and public order offences have risen sharply across England and Wales. In fact, public order offences alone reported to the police over the last year have increased by a staggering 30%.

GLOBAL

ζ GLOBAL: Companies concerned about vicarious liability for wrong doing can take a leaf out of the tactic manuals of the Saudi, Sri-Lankan and Mexican governments. After all, governments are the source of laws, so – we declare with much irony – their ways should surely be “respected”? The Saudi approach that appears to have worked so well in the recent Khashoggi case is to declare that the wrong doing did happen, but that it was the work of “rogue elements” acting without authority (the “Henry II defence”). Sri Lanka's approach to tackling bribery involving MPs is to set up a special commission (in this case CIABOC) - and require commission approval before the case may go to court. Curiously, such permission

is seldom granted and thus court cases are thrown out due to a “technicality”. Finally, and most effective of all, is the new anti-MEME law in Mexico. This makes it a criminal offence to say anything disparaging against anyone – even if it is true. In the latter two cases the message for cold-fisted employers is clearly for them to require an independent investigation before an individual employee dispute is resolved (one that delays everything and is never ever completed) and to have in place HR policies that make it a serious infringement of the

contractual relationship to “bring the company or its officers into disrepute” (even if any criticism is actually well-founded).

News subject key

ζ Political context / background

β Business / Economics

Δ HR-related / practices

Ψ Laws / Codes / Immigration

Ω Court cases / structures

φ Remuneration / Tax / Labour relations

Dates for your diary:

November 1st 2018: Decree Amending Labour Code in force in **Vietnam**.

November 1st 2018: Class-actions lawful in **Germany**.

November 11th 2018: **EU** temporary border controls removed.

November 12th-14th 2018: FedEE HR Counsel Meetings in London, **UK**.

January 1st 2019: **Netherlands** – expat 30% tax ruling – 8 years to 5 years.

January 1st 2019: **Malaysia**'s new redundancy fund due to come into force.

January 31st 2019: **UK** Changed actual Brexit deadline to agree a deal.

January 1st 2020: **Washington State (USA)** Paid family leave law will take effect.

δ Travel Warnings

BELGIUM/GERMANY: Thalys and ICE trains will be diverted around Liège on Saturday the 27th and Sunday the 28th of October due to planned engineering works on the Belgian rail network.

COMOROS: A night-time curfew has been imposed on the island of Anjouan due to civil unrest, including gunfire and reports of explosions.

CYPRUS: The Cypriot airline Cobalt has cancelled all flights as of 11.50pm the 18th of October 2018. Passengers who have un-flown tickets are advised not to go to Cyprus's Larnaca airport or any departure airport.

FIJI: The 2018 general election will take place on the 14th of November. This may be peaceful, but public rallies will be held and could turn violent.

FRANCE: There has been flash flooding in the South of France (Aude). Among the worst hit areas were the villages of Conques-sur-Orbiel and Villardonnel.

KENYA: The Kenya Airways Plc employees have threatened to launch industrial action unless a pay deal is agreed by October the 28th.

NIGERIA: Do not travel to Borno and Yobe States and northern Adamawa State due to terrorism.

PAPUA NEW GUINEA: The Visa on Arrival (VoA) service will be suspended from the 30th of October until the 30th of November 2018 (inclusive).

PHILIPPINES: Local carrier Cebu Pacific (CEB) will resume flights to Caticlan on October the 26th.

SENEGAL: There is an outbreak of dengue fever in the country. Visitors are advised to take measures to protect themselves from mosquito bites.

TURKEY: Visitors are advised to apply for e-Visa prior to entering the country as self-service e-Visa kiosks and Wi-Fi areas where visitors can apply for an e-Visa on arrival will no longer be available in Turkish airports.

UAE: In order to carry medication for personal use, visitors must complete an electronic form to obtain online approval before entering the country.

UK: Rail passengers from Yorkshire travelling to London on the East Coast Main Line will face months of disruption due to engineering works in 2019 and 2020. London Underground passengers are set to face 24 hours of disruption on three underground railway lines (the Central, Piccadilly, and Waterloo and City lines) on the 7th of November.

FedEE News

HR COUNSEL COURSE: We are now open to enrolments for the new, more flexible, Advanced Diploma Course in Multijurisdictional Employment Law – leading to the designation “HR Counsel ®”. There is no fixed start date and completion can be achieved over any period from 6 to 18 months, according to busy work schedules. The coverage of the course has been expanded to ten core jurisdictions by the addition of China, Italy and UAE and conversion of the course into a purely distance learning format (but still with a Personal Tutor) has significantly cut costs. For further details, please consult our [latest prospectus](#) or contact us at Academy@fedee.com.

NEWSWIRE SUBJECT CODING: By way of experiment, we have been coding the newswire by subject for over a year now. However, we understand that it is not particularly helpful when scanning content. Unless we receive requests for its retention we shall be discontinuing the coding in future newswires.

ROUND TABLE MEETING: The next round table meeting will take place in London on the afternoon of Monday, November 12th. The meeting is now fully subscribed. We shall, however, keep members fully informed through this newswire about developments in Brexit – deal or no deal.

FEDEE FELLOWSHIP: In future Fellowship shall only be available as an honorary award in the gift of the FedEE Board and shall not amount to lifetime affiliation to the Federation. Existing Ordinary Fellows may continue to use the designation until they leave their current organisations, whilst our few Honorary Fellows will enjoy their current lifetime entitlements. Individual professional designations shall be reserved for graduates of the HR Counsel Course, as well as through the Employment Standards Institute (E-SI) when it becomes independently established.

JEAPS: FedEE's proprietary Job Evaluation and Pricing System (JEAPS) has now been updated to a spot reference date of September 1st 2018. We have removed some of the smaller countries and territories (such as the Faroes) and added several important national salary markets from outside Europe – such as Japan and the USA. JEAPS differs fundamentally from other pay market information systems because it is far more consistent and based on an evaluation of job size rather than linked to job title. There are many free salary checking services on the Internet - such as Payscale, Glass door, emolument.com and services offered by recruitment companies. These produce highly misleading data, based on either the public submitting (often erroneous) data to an all accepting website or unrepresentative (and often inflated) salaries offered through recruiters on the jobs market that often differ greatly from rates received by people already in jobs. Pay surveys are sometimes better reflections of true pay levels, but only if they are based on job evaluated positions and their participating companies already know broadly what they need to pay. The JEAPS algorithm is highly sophisticated and draws on data from hundreds of sources. The output is as hourly rates (excluding bonus payments) as this is a more useful figure than weekly or monthly rates that could be based on very different working times. It is also a median figure – as the most typical rate in a range. Medians relative to numerical averages range from 0.71% in countries like Brazil and Israel to 0.86 in Scandinavia - where pay differentials are much flatter than in the rest of the world.

FEDEE KNOWLEDGEBASE: The latest country data to be posted onto this online member-only resource is Nigeria. We have also almost completed a comprehensive update of remuneration data sections in the knowledgebase.

NEWSWIRE LINKS: If you wish to explore newswire links please first log-in to the members' area of our website at <https://members.fedee.com/wp-login.php>. The main tables are all available in our knowledgebase.

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