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HR WORLD TODAY

As governments reduce job support schemes, the full impact of the pandemic is finally showing up in unemployment statistics. In this issue, we show that the greatest impact is evident in the **UK**, which is also having to struggle with the prospects of a "no-deal" Brexit.

But the news remains far from dominated by job losses, subsidies and austerity programmes. 1st January is the most common date for triggering revisions in minimum wage rates and many companies continue to recognise the year end through Christmas bonus payments. Although **Taiwan** is closing its labour market to unskilled migrants and the **Netherlands** ending its 30% expat tax discount, several countries remain busy introducing digital visas and new short-term visa arrangements - with **UAE** going many steps further by opening up its job market to freelance professionals and removing the requirement for company start-ups to involve a local partner company or individual.

Of great value to employers in the **Czech Republic** is the replacement of the meal voucher tax scheme with a more flexible tax-free meal allowance. Moves too, in **Germany** to extend the upper monthly pay limit of "mini-jobs" would do a great deal to open up the labour market to more part-time positions. The biggest dangers highlighted on the horizon for employers are the proposal for a new **EU Directive** on Gig jobs and a **European Court**

of Justice Case that could open up the way to an obligation upon employers to pay full-time allowances to part-timers and overtime premia once a PT worker exceeds their contract hours.

Labour relations are not silenced by the pandemic, but unions are clearly being marginalised by the sheer weight of economic necessity in rationalising jobs and impending insolvencies. We, however, illustrate a failed move in the **USA** to derecognise a union and a successful move in the **UK** towards recognition of union representation for pharmacists.

Operating across national borders is not without pitfalls and even official guidance can turn out to be very misleading. This is certainly the case with the continued posting of workers from the **UK** to the **EEA/Switzerland** where the UK authorities continue to issue A1 certificates, whilst several EU countries clearly have no intention to allow jobs posting via such certificates to continue after 31st December. Employees moving between different countries and even **US** States must also deal with radically different face-mask and lockdown rules, whilst new employers in the **Netherlands** may very easily overlook mandatory medical insurance obligations. Employers operating in **Eastern Europe** must also look beyond the pandemic to confront a growing problem of alcohol abuse and, in

Russia, take care against numerous fake labour agencies.

During the course of 2020, we have seen a massive change in the focus of developments from the first wave of ambitious job furlough and short-term working schemes and an ongoing concern for improving family-friendly leave - to a much more sombre and downbeat mood in recent months. However, although not yet with us, the launch of mass vaccination should start to severely reduce to spread of the coronavirus during the New Year. Therefore, perhaps the greatest danger will be that companies have not used the slack time available to them to gear up for the rapidly recovery we can hopefully look forwards to in the Spring.

AFRICA AND MIDDLE EAST

CYPRUS: The Union of Municipalities has decided to introduce a standardised charge for an annual licence to conduct business activities. This is €150 (US\$180) in the case of an entity that is part of a group of companies and €250 (US\$299.4) for other active companies.

KENYA: With effect from 1st January 2021, all travellers who are not visa-exempt will have to apply online for a Kenya [eVisa](#) and obtain it before boarding a flight to the country.

NIGERIA: The federal government has proposed, in the 2020 Finance Bill, that minimum wage earners will be completely exempt from personal income tax. The national monthly gross minimum wage currently stands at N30,000 (US\$79).

RWANDA: When employers order staff to return to work in the midst of a pandemic and large numbers refuse, how should they react? They could amend the instruction by making it

voluntary and improve workplace safety measures - or simply regard the action as "unauthorised absenteeism" (AWOL). In Rwanda, the Ministry of Education ordered teachers to return to work in October, but 14,140 refused to do so. Now, the Ministry has decided simply to replace them with temporary teachers on the waiting list. This is not being regarded as a dismissal, but the contract of the replaced teacher is automatically suspended (Teachers' Statute N° 10 of 16/03/2020).

SAUDI ARABIA: The gross monthly minimum wage for FT Saudi workers who are registered under the Saudization quota of the "Nitaqat" programme has been increased from SAR3,000 (US\$800) to SAR4,000 (US\$1,067). Saudi workers paid this new minimum will be counted as one unit of the quota, but those working part-time and earning SR3,000–3,999 will count as half a unit of the quota. However, those working less hours and earning below SR3,000 (US\$800) will not count towards the quota at all.

SOUTH AFRICA: The National Minimum Wage (NMW) Commission has issued its annual report. This recommends that NMW rates increase in 2020 by the CPI cost of living index, plus 1.5%. At current inflation rates, this would mean a rise of 4.5%, taking the base from R20.76 an hour this year to R21.69 an hour in 2021. One of the most radical proposals in the report is that domestic worker pay should rise from 75% of the NMW to 88% in 2021 and 100% in 2022. However, such a move could put thousands of domestic workers' jobs at risk.

TURKEY: Eligible employers who would like to implement [short-term working](#) due to COVID-19, now have until 31st December 2020 to apply for up to three months support.

TURKEY: Given the risk of arrest in the country remain high – even for unfounded, arbitrary, or purely political reasons – employers need to be aware of their right to suspend or dismiss a worker in such circumstances. Where the employee has been arrested, or has gone into hiding to avoid arrest, their employer may suspend their contract immediately once they become aware of the situation and no pay is due for the days of such absence, then they may be terminated when their period of absence exceeds their statutory notice period. This ranges from 2 weeks for those employed for less than 6 months to 8 weeks where they have been employed for more than 3 years. If their period of service exceeds 1 year, they will be entitled to a statutory severance payment upon termination. Shorter periods of duration before termination is allowed for employees who work for state industries.

UAE: Foreign nationals are now permitted to apply for “freelancer” [licences](#) and conduct around 48 types of business activities in **Abu Dhabi**, including consulting activities in areas such as computer hardware and software, IT applications, the law, public relations, standardisation and quality management, project development, procurement, technical installations, economic feasibility studies, and human resources. Previously, the licences were issued to UAE nationals only. To apply, applicants must prove that they possess the relevant skillset.

UAE: Under the new amendments to the Federal Law No. 2 of 2015 on Commercial Companies, foreigners opening a company in the UAE no longer need an Emirati shareholder, or agent. Previously, all businesses were required to have a UAE national, or Emirati-owned company, as a partner/sponsor.

THE AMERICAS

BERMUDA: According to a speech made by the Minister of Labour, the aim over coming months is to table a Bill establishing both a statutory minimum wage and a national living wage. The government also plans to amend the Employment Act to ban long extensions to probation periods; provide employees with the right to a meal break of at least 30 minutes after working continuously for 5 hours; require employers to have a policy against bullying and sexual harassment; and to make a severance payment upon termination.

BRAZIL: The most surprising trend in Latin America has been Brazil's apparent economic recovery during the third quarter of the year. The government claims that employment rose on a net basis by 400,000 in October alone and the Treasury has reported a far lower budget deficit than analysts were predicting in the quarter, with GDP also appearing to be recovering fast. It is too early to say whether this is just government "impression management" or a real recovery that can be sustained, but with 6.2M coronavirus cases to date (37,000 a day) and over 170,000 deaths from the pandemic, the economic figures all look far too good to be true, which, according to the old adage, means they are.

BRITISH VIRGIN ISLANDS (BVI): The temporary lay-off period for employees (the time that may elapse before an employer must pay severance to any employee who has been laid off) has been extended by a further 3 months until 31st January next year.

CANADA: One-time [payments](#) (\$200 for each child aged 0 to 12, or \$250 if a child or youth is aged 0 to 21 with special needs) are now available to families in **Ontario**, to help offset their educational-related expenses. The deadline to apply is 15th January 2021.

CANADA: Eligible **Hong Kong** residents with recently completed post-secondary studies are now able to apply for an open work permit in Canada, which can be valid for up to 3 years. Additionally, starting from 2021, permanent residence for in-Canada Hong Kong residents will be available for those who have at least 1 year of authorised work experience in Canada, and who meet minimum language and educational levels.

PERU: After widescale riots in early November, the outgoing President was replaced by a temporary replacement: Francisco Sagasti from the Purple Party (Partido Morado). Amongst all the chaos is a country with one of the highest incidences of coronavirus in the World and a death toll approaching 40,000. Over the last 6 months, 6 million people have lost their jobs and 74% of the remaining employed population are now in the grey economy.

USA: With effect from 14th December 2020, baristas, shift supervisors, and cafe attendants in the coffee chain Starbucks will receive a gross pay increase of at least 10% if they were hired on, or before, 24th September 2020. Those who have been with the company for more than 3 years will enjoy an 11% increase. Moreover, new employee starting rates will also be raised by 5%.

USA: Local orders concerning the wearing of face masks differ significantly by State and often depend on the amount of physical distance (usually a minimum of 6 feet) that can be maintained. Eight States only recommend the wearing of face masks, whilst most others qualify their use in some way. In almost all cases, "cloth" (i.e., woven) masks are specified and not the non-woven medical facemasks that are far more effective. Exceptions are often made for employees who are at their desk or in their workspace (as in

Hawaii) whilst not engaging with others, and only a few states (as in **Mississippi** – "over nose and mouth") actually specify how the mask is to be worn.

USA: Employers operating in **California** must urgently review their Cal/OSHA COVID-19 Prevention Plans ahead of [new standards/regulations](#) now being introduced. The principal changes relate to communications with employees. These cover how hazards are to be identified, investigated, evaluated, and explained; how hazards can be effectively contained; and how employees may be tested for the virus and report any infections found. They also cover how vulnerable employees (such as diabetics) can request "accommodation" in the workplace. Employers will be obliged to introduce a wide range of training from effective sanitisation to the way quarantine will work and in order to inform employees how to claim relevant benefits. There are special provisions for the use of Plexiglas and for employers who provide housing and transport to work. Then there are detailed requirements for recording COVID-19 events and notifying the Department of Public Health about an outbreak.

USA: The **California** Department of Fair Employment and Housing has released 16 new FAQs regarding employers' requirements to file employee compensation data with the State beginning in March of next year. The text is available [here](#).

USA: Continued flexibility now exists on the part of the Department of Homeland Security in respect to Form I-9 employment verification requirements. This is in relation to the use of Form I-797 as a temporary replacement for EAD until 1st February 2021 and "in person" inspection rules for workers operating remotely until [31st December 2020](#).

USA: The NLRB has achieved the backing of a DC Circuit Court concerning a company's claims that recognition of a trades union no longer applied because it no longer had the support of the workforce. The company had received a petition from a lawyer claiming that the employees did not wish to be represented by the union. The problem was that although the petition claimed to be from 53% of the workforce, the signatures on the document did not back this up. In fact, the whole document was a haphazard collection of statements, some of which were supported by a small number of employees. If employers wish to achieve de-recognition, they must ensure that the evidence for this is incontrovertible.

USA: The US Department of Labor has been trying to give [practical guidance](#) on what constitutes worktime when an employee has to travel to a worksite that is not a fixed or conventional one. They take the common-sense view that travel to distant workplaces becomes working time after the employee has moved physically beyond their normal workplace. If the employer offers overnight accommodation, but an employee decides to travel home to rest overnight, then that long journey must be regarded as a chosen commute and not additional working time.

USA: Employers should ensure that all staff in charge of vehicles are alerted to a change in the "distracted driving" laws. Although the law currently prohibits drivers in **Virginia** from reading "any email or text message and manually entering letters or text in such a device as a means of communicating" and "holding a personal communications device while driving in a work zone", it contains a number of exemptions. These will be removed from January 2021. The mere holding of a mobile phone or CB radio device will become unlawful. This includes those working for the Department of Transportation or traffic

incident management services. This is the 22nd US State to introduce a general prohibition, whilst 37 States ban the holding of mobile phones by new drivers.

USA: The two Trump administration rules for H-1B visas - minimum salary thresholds and restricting their use to specialty occupations, have just been rejected by a federal judge. The current quota of H-1B visas in specialty categories such as technology, engineering and medicine is 85,000.

ASIA PACIFIC

AUSTRALIA: The Workplace Gender Equality Agency has just issued a report showing that the base gender salary gap is 15% - and 20.1% for total remuneration. Women make up 75.1% of part-time and 56.3% of casual workers, and just 28.1% of Board positions are filled by women. Please visit [here](#) for a copy of the latest equality scorecard.

AUSTRALIA: Although the economic downturn is easing the pressure of skill shortages in some key areas of the economy, it is unlikely that they will disappear altogether. The Department of Education, Skills and Employment monitors key occupations and produces [regular reports](#) by State and Territory. These remain quite useful, although the collection of data has clearly been disturbed by the pandemic and therefore latest updates relate to last Autumn, or even last Spring. The data is well presented and illustrates the overall occupational supply / shortage relationship, but even if the data was up to date, it would be difficult to see how it could be converted into any practical decision-making concerning a company's recruitment activities.

AUSTRALIA: A **New South Wales** law introduced for one purpose is being found to be more widely beneficial. The Public Health (Tobacco) Act 2008 does not, in itself, make it an offence to smoke whilst driving a vehicle – only if the vehicle contains someone under 16. But the \$250 (US\$184) on-the-spot fine has substantially reduced smoking-related accidents and the habit of discarding cigarettes through car windows – a major source of bush fires. Its passing also encouraged employers to introduce a smoking ban in company vehicles.

CAMBODIA: Capital gains tax will be introduced for the first time on 1st January 2021. The rate will be 20% and the tax must be paid within 3 months of the relevant gain. Employees can, however, rest assured that it will not be applicable to an individual's principal residence that they have owned for at least 5 years.

HONG KONG (CHINA): A one-off HK\$5,000 (US\$645) government subsidy is now available to residents who locally contract COVID-19. This will only be paid to those not entitled to paid sick leave and a declaration must be signed by the recipient to state that their income is affected by receiving necessary hospital treatment.

HONG KONG (CHINA): HSBC, the largest bank in Hong Kong, is now allowing eligible staff to work for up to 4 days a week at home. The bank is also providing a one-off allowance of HK\$2,500 (US\$323) for employees who commit to work from home for at least 2 days a week over a minimum period of 12 months. This is to purchase home office equipment and desks.

INDIA: The **Gujarat** government has relaxed a number of State laws in an attempt to ease the pressure on local employers struggling

with the health crisis. These principally apply to two laws - the Contract Labour (Regulation and Abolition) Act, 1970 and Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979. Amongst the changes are the removal of an obligation to pay a "contract fee" if less than 50 contract labourers are employed. They are also now exempted from renewing licences, or obtaining duplicate certificates of registration, under the Contract Labour Act. Moreover, the government is busy preparing a whole raft of additional temporary abolitions of procedures that must normally be complied with - effectively establishing an "at will" employment environment.

JAPAN: Employers may wonder how to treat the issue of next of kin and company pension beneficiaries in Japan, where there is no recognition of "same-sex marriage" (the only G7 country to deny it). Although two prefectures and 63 municipalities do issue same-sex partnership certificates, these are not legally regarded as equivalent to marriage. Neither sexual orientation, nor gender identity are protected characteristics under discrimination legislation and in a recent poll of LGBT people, 65% of respondents said they had not "come out" either to their family or work colleagues. Things may, however, begin to change in the next few years as public polls have found that there is popular support for the extension of marriage rights to gay people.

JAPAN: The incidence of HIV/AIDS in most of the World peaked in the late 1990s, but only came to Japan relatively recently and has still not peaked. Employers must therefore not ignore the issue and still deal with the effects of infection and the potential for marginalisation in respect to some staff. Meanwhile, HIV prevention policy in Japan lags behind other advanced economies, and

unless measures are taken to educate, in particular, the male population, the incidence of the disease could spin out of control. Treatment is very expensive and wider-scale testing highly necessary, particularly as part of occupational medicals - with employers ensuring that such sensitive data is strictly protected.

MALDIVES: A new "meeting visa" has been introduced as a short-duration permit under which foreigners may visit the country for professional reasons, i.e., attending a business conference.

PAKISTAN: A memorandum of understanding has recently been signed between the Home Based Women Workers Federation and the Labour and Human Resource Department of the **Sindh** government. This means the registration of home-based workers in Sindh is expected to begin soon. Registered home-based workers will then be able to enjoy the social security benefits, marriage, and death grants, as well as the right to unionise for collective bargaining purposes. In addition, the Sindh government has also fixed a minimum gross wage of Rs17,500 (US\$110) per month for unskilled workers.

SOUTH KOREA: The acquisition of Asiana by its rival airline Korean Air had its origins in Asiana's insolvency - long before the pandemic struck. Curiously, the current economic climate is not giving rise to more mergers, especially in the highly competitive Asian market. The more likely trend is for some carriers to go to the wall rather than face the huge restructuring and forced integration pressures of a merger. In this case, the situation is being made more complex by one carrier having a predominantly Boeing fleet and the other largely flying the Airbus. There is also an anti-trust investigation yet to go through, with results not due until next June.

Meanwhile, the Chair of the proposed group has reassured the government there will be no significant redundancies or rises in air fares.

TAIWAN: The Central Epidemic Command Center (CECC) has temporarily suspended acceptance of migrant workers coming to Taiwan under work programmes arranged by eight Indonesian employment agencies.

EUROPE

BULGARIA: With effect from 1st January 2020, the minimum gross monthly wage will be increased by 6.6% to BGN650 (US\$396). The minimum gross hourly wage will be raised to BGN3.92 (US\$2.4).

CROATIA: With effect from 1st January 2021, the government will no longer set employment quotas for foreign nationals under the new Foreign Nationals Act. Instead, employers will be obliged to request the Croatian Employment Service (HZZ) to conduct a labour market test before applying for residence and work permits for foreigners, to see if there are unemployed Croatians that meet an employer's requirements. If no local hires are qualified, it will then be possible to submit applications to the Ministry of the Interior for permits to foreign workers. Meanwhile, a new type of long-stay "visa D" has also been introduced to grant foreign citizens temporary residence for work, family reunification, study, or research.

CZECH REPUBLIC: The 2021 budget introduces the facility for an employer to replace existing meal vouchers with a simple tax-free meal allowance, so there will be no possibility of a voucher going out of date and no need for an employee to prove that the monetary allowance is actually spent on food. Moreover, restaurants too will no longer have

to pay commission to meal voucher companies to cash in the vouchers.

EASTERN EUROPE: The World Health Organization (WHO) has issued a warning that alcohol abuse is impairing the achievement of sustainable development goals (SDG) across Eastern Europe. In fact, WHO has determined that overconsumption not only gives rise to reduced life expectancy, but blocks 13 SDGs and a total of 52 targets in all three dimensions of the UN 2030 Agenda. It picks out **Lithuania** and the **Russian Federation** for particular concern and underlines the importance not only of educating consumers to realise the dangers of over-consumption, but of pricing alcohol to limit its affordability and not allowing its ready availability, or ease of marketing.

EUROPE: 3,700 more jobs are to be lost at the aircraft manufacturing facilities of Airbus SE in **France, Germany, Spain,** and the **UK**. The cuts are being discussed with the company's European Works Council, but the scope for retaining jobs is becoming increasingly limited, as the production of the A380 superjumbo is being cut to just six planes a year and A400M military aircraft to just eight a year.

EUROPEAN COURT OF JUSTICE (ECJ): The Court has determined that the giving of extra leave to new mothers may be regarded as necessary for them to recover from pregnancy and childbirth. It does not therefore constitute discrimination against men. In coming to this conclusion, the ECJ was responding to the challenge of a male single parent in **France** to a collective agreement that reserved some leave for mothers. The decision has now been referred back to the French High Court that must determine if the denial of leave was directly linked to the "protection of the woman's biological and

psychological condition and the special relationship between the woman and her child during the period following childbirth". If it was, then the denial would be lawful [Case C-463/19 Syndicat CFTC v CPAM de Moselle and Others].

EUROPEAN UNION: Many employers are still not aware that employees moving between EEA/Swiss States, even for short business trips, are strictly obliged to carry with them an A1 form at all times. This was not enforced until the end of 2018, but is now quite frequently requested as soon as the employee admits they are on a business trip, or is found (by a factory inspector or tax official) working on business premises. The penalties for non-compliance are that the employee will immediately be sent home and that the employer concerned may be fined up to €10,000 (US\$12,133). The authorities issuing A1 certificates can be very slow, so it is important to apply in good time. As a precaution, it is wise to brief employees about draconian approaches by officials, not tick the "on business" box when making a hotel reservation via "Booking.com" or be on the "official visitor" guest list at reception in offices that are visited.

EUROPEAN UNION: Left-leaning political groups in the European Parliament are pressing for the introduction of a draft Directive they have drawn up giving a special body of rights to gig workers. To do this, however, the MEPs have to first persuade the European Commission to adopt the text and resubmit it to Parliament. This unusual approach has arisen because the Commission has given no sign that it wishes to introduce its own text - even after cases in several EU countries effectively banning the existence of self-employed "platform" contractors.

FRANCE: The French Data Protection Authority CNIL has fined two Carrefour subsidiaries a total of €3.05M (US\$3.6M) for what it regards as breaches of the GDPR. This was in spite, however, of the fact that the perceived infringement was so easy to make in good faith - ie: stating openly that personal data in respect to loyalty programmes and credit card applications would be held for four years. In the CNIL's opinion, this period was excessive. Furthermore, although the authority claimed the companies did not "make it easy for customers to see personal data collected from them by the company" they also recognised that "Carrefour had met all the requests from people who asked to have access to their personal data, or to have it deleted". Moreover, all necessary procedural corrections were made as soon as they were pointed out to them. This further illustrates that once CNIL starts to investigate a prominent business, it is invariably going to find fault. It is therefore critical that companies operating in France check their data retention periods and improve the ease by which customers and employees can make data access requests. It is also clear from recent cases that full cooperation with CNIL only encourages them to exert their powers in an even more draconian way.

GERMANY: The Federal Constitutional Court has ruled that if an employer dismisses an employee for extreme racist behaviour, no freedom-of-expression right will apply to render that dismissal as unfair. In the case in question, the offending individual addressed their comments in a works council meeting to a dark-skinned colleague by making animal noises at them. In the Court's view, the employer acted correctly in dismissing them because it was their "obligation under Section 3 (3), Section 12 (3) AGG and Section 75 (1) BetrVG to protect his staff from racist hostility" [Court ruling 2nd Nov 2020 Az.:1 BvR 2727/19].

GERMANY: The Federal Labour Court has referred a case to the European Court of Justice that could have widespread implications for the treatment of part-time workers. Many employers deny certain hours-related benefits (such as overtime premia) to part-time workers until they reach the normal full-time hours. But is this right for a worker whose part-time working limit may represent as much an inconvenience as the basic hours set for full-time staff? The question being referred to in this case is not, however, overtime, but the threshold for triggering a "multiflight payment" for an airline pilot. This payment triggers at the same number of monthly hours for a full-time and part-time pilot, thus requiring the part-timer to work longer than their basic contractual hours to qualify for it. If the ECJ rules that this infringes the PT Work Directive (1997/81/EC), it is only a short step for all related payments to be rendered as receivable by part-timers when they exceed their basic contractual hours. Much will hang on the expression "pro rata temporis" contained in the Directive and this could be reinterpreted as not "in accordance with the time", but "in reference to the time", which could level rights up for part-timers, especially in jobs where the majority of part-timers are women [Decision of the BAG of 11.11.2020 (Ref.: 10 AZR 185/20 [A])].

GERMANY: Entitlement to a Christmas bonus continues to be a common benefit across the country, with 87% of those covered by collective agreement in western Lander receiving it, compared to 90% in eastern Lander. Overall, the average gross sum is €2,661 (US\$3,187) and the sector with the highest average payout is "oil and gas" at €5,910 (US\$7,079), according to current agreements.

GERMANY: A parliamentary debate is taking place over the status of those undertaking "mini-jobs" in Germany. Two of the three coalition partners want the threshold for such jobs to be raised from €450 (US\$539) to €600 (US\$710) a month. This would take about half a million part-time workers out of normal employment into mini-jobs. For employers, this would be a great advantage because of a reduction in social security payments and in job security for the newly marginalised workers. However, it could give rise to a huge boost in overall job numbers and a fall in the numbers registered as unemployed.

GERMANY: The new eID card for EU citizens has now been issued, making it easier to undertake a number of transactions, especially online. The card is available from citizens' offices on presentation of a residence registration certificate and passport / old style ID card. The fee is €30 (US\$36).

HUNGARY: Back in May, the omnibus law made it impossible for transgender people to change their sex. Now, however, the Constitutional Court has been given the green light by the Miskolc Regional Court to revisit this subject and consider if the parliamentary ruling was in line with the existing constitution. If the ban on changing sex stands, then discrimination against transgender people will rise because they will be forced to reveal their birth sex on all official documentation. Prime Minister Viktor Orban is also not budging on his refusal to ratify the Council of Europe Istanbul Convention.

ISLE OF MAN: The government-funded "Manx Restart [Scheme](#)", which is aimed at boosting the economy and cutting down unemployment, is now open for applications. Eligible employers who recruit a new employee via the scheme will be able to receive support for up to 70% of their new

recruit's salary and national insurance contributions, capped at the rate of the living wage (£10.19 per hour), for up to 35 hours a week. Support will be available for up to 52 weeks.

JERSEY (CHANNEL ISLANDS): Until 30th June 2021, employee social security contributions will be temporarily reduced by 2%, from 6% down to 4%. The reduced rate will apply to incomes up to the Standard Earnings Limit (SEL) of £4,558 per month. Employee contributions above the SEL, and all other employer contributions, remain unchanged. To calculate the reduced contributions, please click [here](#).

LATVIA: With effect from 1st January 2021, the national minimum gross monthly salary will be raised from €430 (US\$510) to €500 (US\$594).

NETHERLANDS: Foreign companies are often confused about medical insurance obligations in the Netherlands and this can lead to penalties and added costs down the line. The Care Insurance Act (ZVW) requires an employer to pay 7.00% (2021) of an employee's gross income (up to an upper limit of €58,311 for 2021). This is paid to the Health Insurance Fund as the bijdrage ZVW. In addition, employees pay a nominal sum (usually around €1,300 a year) to the insurer.

NETHERLANDS: The current scheme called the 30% ruling ends on 1st January 2021. After that date, an employee hired outside a 150km range of the Netherlands will not be able to claim 30% of their income free of tax. This will particularly hit higher paid employees subject to the top tax band. Other benefits will also be affected, such as allocating income between partners to reduce tax, not being fully taxed on worldwide income, and the facility to simply

swap a foreign driving licence for a Dutch one without retaking a test.

POLAND: The conduct of regular medical examinations has frequently been delayed during the epidemic. Now, Article 12a of the special COVID-19 Act specifies that the examinations must only resume 180 days after the current medical emergency is over.

POLAND: The additional government care allowance made for those parents unable to call on the services of day care centres and nannies has been extended until 24th December 2020.

RUSSIAN FEDERATION: The Sri Lankan Embassy in **Moscow** has warned about fake foreign employment and education agencies in Sri Lanka. These are posing as genuine providers of labour or "working students" from Sri Lanka, but actually doing so illegally and by means of human trafficking. They are either charging individual workers and students huge sums to smuggle them in, or bringing them into Russia via simple visitor visas under which they are forbidden to work. Some are even forging work authorisations to deceive Russian-based employers. The illegal entry points being used are via Ukraine or Belarus.

SERBIA: Effective from 1st January 2021, the minimum gross monthly wage will be increased by 6.6% to 32,126 dinars (US\$327). The minimum hourly net wage will be raised to 183.9 dinars (US\$1.87) and pensions will also be increased by 5.9%. Moreover, the non-taxable part of the monthly minimum wage will be increased from 16,300 (US\$166) to 18,300 dinars (US\$186.3).

SWEDEN: A strike threat has just been averted in the construction sector, thanks to a new 29-month agreement (until April 2023) with the trade union Byggnads. This gives an

across-the-board 5.4% pay increase, a pension provision for all workers from age 22, greater data and worksite access rights for regional safety representatives, a new right to be laid off with pay if a pregnant female worker cannot work because it endangers her foetus, and greater autonomy for local union bargaining.

UKRAINE: According to the draft state budget for 2021, with effect from 1st January 2021, the gross minimum wage will be increased to UAH6,000 (US\$211). It should be noted that the planned increase in the gross minimum wage to UAH6,500 (US\$229), which was scheduled for 1st July 2021, has now been postponed until 1st December 2021.

UKRAINE: The governments of Ukraine and Saint Vincent and the Grenadines, a tiny southern Caribbean nation, have just signed a visa waiver agreement, which will allow mutual travel of citizens between these two countries for up to 90 days within any 180-day period. It remains a mystery why there has been a fast-track move to sign such an agreement in the midst of a pandemic.

UNITED KINGDOM: The collapse of the clothing retailer Arcadia and Department store group Debenhams within days of each other has left the future for 25,000 employees very uncertain and a huge hole in the typical UK high street. IBM has also announced cuts in 10,000 jobs that will mainly affect the UK and Germany. A further 1,700 jobs have just disappeared too in major public house operators such as M&B and Fuller. These are all on the back of a further 170,000 job losses through individual mass redundancies already announced this Autumn within organisations ranging from the BBC to WH Smith. In many cases, the organisations themselves (or brands) will survive, but all too frequently the roles these jobs filled will not. The pandemic is

helping to spark a sudden change that would have probably taken place anyway - albeit at a slower pace - as the World enters a revolutionary economic, lifestyle and technological transformation.

UNITED KINGDOM: With effect from April 2021, the National Living Wage (NLW) will increase by 2.2% from £8.72 to £8.91. It should be noted that the NLW will then apply to workers aged 23 and over, instead of 25 and over.

UNITED KINGDOM: With the Brexit transition period coming to an end, what will happen to posted workers operating in EEA countries from 1st January 2021? Under the EU Withdrawal Agreement, employees already posted to the EEA or Switzerland should be covered by current rules until they finish their current assignment. The HMRC is also continuing to accept applications for A1 certificates. However, it is by no means clear that EEA States/Switzerland are taking the same line and some have already indicated that acceptance of the current A1 certificate held by UK employees will end on 31st December. After which, a posted worker will have to apply for social security in the state to which they are posted and face the prospect of paying social security both in the UK and in the EEA/Swiss State. The one exception to this will be the **Irish Republic** with whom the UK has signed a new reciprocal agreement to start on 1st January 2021. There were such agreements in place with several EU States prior to the UK joining the European Union in 1973, but many of these - such as that with the **Netherlands** - is defunct. The Swiss government has [indicated](#) that its position is different from the rest of the EEA, but we have yet to see if it holds to this position after the end of this year. A last minute Brexit deal could still come to the rescue - but this is looking increasingly remote.

UNITED KINGDOM: With the **EEA** and **Switzerland** (apart from the **Irish Republic**) now appearing to be practically future "no go" areas for posting employees, what other countries around the World will there be that allow posting without the need to pay social security twice? The following countries are those that allow at least the avoidance of "double contributions" - Barbados, Bermuda, Canada, Chile, Isle of Man, Israel, Jamaica, Japan, Jersey and Guernsey, Mauritius, New Zealand, Philippines, Republics of former Yugoslavia (the Republics of Bosnia-Herzegovina, North Macedonia, Serbia, Montenegro and Kosovo), South Korea, Turkey and the USA.

UNITED KINGDOM: From 1st October 2021, EU, EEA and Swiss citizens will not be able to use their national ID card to enter the UK. However, if they have settled or pre-settled status under the EU Settlement Scheme, or possess a frontier worker permit, they may continue to use their national ID card to enter the country until at least 31st December 2025.

UNITED KINGDOM: It is a huge uphill task for UK negotiators to fill the gap left by existing EU trade deals with other countries and trading blocks when it leaves the EU on December 31st. Some 750 such agreements exist, and the UK has so far only been able to "roll over" coverage of them to separately include the UK in a small fraction of all cases - with the biggest exceptions still being Canada and Singapore. Negotiations will not stop just because 1st January arrives and talks with Mexico, Vietnam and Egypt are only just getting underway. For the rest (including the EEA Member States) WTO trading terms will have to apply - with resulting tariffs and delays.

UNITED KINGDOM: Pharmacists working for LloydsPharmacy group who are seeking recognition as a trade union bargaining unit

have come a step closer to achieving their claim. The Central Arbitration Committee has granted the union PDAU the right to officially request a voluntary agreement with the company. If that fails, then a ballot of pharmacists must take place. This will first allow the union to have an extensive period of contact with the pharmacists. In the ballot itself, a majority of voters must support recognition and those voting in support must amount to at least 40% of all those entitled to vote (i.e., 1,050 individuals).

UNITED KINGDOM: The Chancellor of the Exchequer (UK Chief Finance Minister) has announced that from 2030, use of the Retail Price Index (RPI) will be wholly discontinued in favour of the Consumer Price Index + housing (CPIH). The impact of this will principally affect pensions where the RPI is currently 0.9% higher than the CPIH. For this reason, employers have also tended to favour CPIH (or its little cousin CPI) as it limits the inflation factor when reviewing pay levels. However, the strength of the more traditional RPI is that it fully takes into account mortgage repayments, council tax, such items as university fees, and expenditure by foreign visitors. It is based on an annual survey of spending patterns and deliberately excludes spending by pensioners and those in the top 4% earnings bracket.

UNITED KINGDOM: The Supermarket Aldi is paying all its 35,000 UK store and distribution employees a 10% Christmas bonus. This is in recognition of their willingness to work through the period of the pandemic.

GLOBAL

MEASURING THE COST IN JOBS: Because of widespread state support to maintain jobs, the gerrymandering of unemployment definitions, the size of the grey economy in many countries, and the slowness of state statistical agencies to reveal the latest employment statistics, we are still not in a position to know for some time the true impact of the pandemic upon jobs. It will probably not be until May or June of next year that we learn how bad things really were, but let FedEE fill in some of the gaps. Although great claims for an Autumn bounce-back have been made for the **US**, over 120,000 jobs were lost in November and 78,000 in a single week. At their height, subsidised jobs reached 50M in the late Spring in Europe, but substantial real job losses have been happening since October, which we believe will exceed 30M by the New Year. **India** has, according to the official monitoring agency, lost 19M formal jobs, meaning a probable 95M in all, whilst 68% of the urban population in Bangladesh are now jobless. The UN Economic Commission for Africa has recently reported an estimated loss of 38M jobs in East Africa, whilst the WTTC's latest estimate in the tourism and travel sector is a loss of 174M jobs Worldwide. These figures leave huge unknowns in the hardest hit region of all, South America, where, in **Peru**, an estimated 86% of the population has contracted the virus. In total, our year-end jobless prediction is between 298M and 347M jobs lost due to the pandemic [FedEE Statistics Unit].

ARE THINGS GETTING BETTER? With approaching 70 million official cases Worldwide and 1.5 million official deaths to date, the prolonged pandemic has produced its own widespread resistance. This is not to the disease itself, but "crisis fatigue" amongst frustrated populations. In fact, the signs are that the mutations produced in the last year (such as N439K) are, in many cases, more virulent than the initial one to sweep the World. There is also [strong evidence](#) that immunity resulting from surviving the disease is short-lived. Curiously too, governments have stopped reporting widely differing mortality rates and settled on those ranging from 2% to 4%. Once again, this is not because of any significant improvement in treatments, but because they are now choosing what to report for social order reasons rather than accounting for the huge number of deaths above the norm. Back in October, it was reported in the *Journal of the American Medical Association* that the true mortality rate was probably at least 50% higher than that reported. Furthermore, it is not only the direct impact of the disease that matters, but the numbers of people not going for essential cancer treatments, not reporting their own COVID-19 symptoms, and taking their own lives that must also be factored in. In fact, between the months March and May, the numbers dying of drug overdoses grew each month on an exponential basis in the USA. It will be at least 5 months before any immunisation programme significantly erodes true mortality figures and, in the meantime, we estimate that at least 6 million people will die from, or due to, the disease. In many countries, it is going to be much worse before it gets better and when the World recovers, we should expect periodic pandemics to appear from now on [FedEE Statistics Unit].

EFFECTIVENESS OF SANITISATION: Research carried out by Tufts University in Massachusetts, USA has found that samples repeatedly taken from shop door handles and bank machines were positive for COVID-19 just 8% of the time, but that the concentrations of the virus in all cases was low. Transmission by such means cannot be discounted, but the evidence still points to transmission being most commonly taking place by the air infected people breath out through their nose. For this reason too, even normal social distancing precautions can offer only weak protection within enclosed spaces like a workplace, or the home [FedEE Statistics Unit].

WORK VS FAMILY LIFE: Not only has work become increasingly casualised and part-time, but workers' home lives have transformed too in recent years. In fact, domestic life has undergone a huge revolution, especially in Europe. This is because people are marrying less and also divorcing more (often for the third and fourth times) and having an increasing number of children out of wedlock. Since 1965, the marriage rate has halved and divorce rate doubled, whilst over a shorter period (since 2000), the proportion of children born out of wedlock has doubled to around 45%. At one time, companies with their own childcare facilities could use marriage patterns for the prediction of the likely future demand for childcare places, but this is no longer the case, especially as women are also having their first child, on average, when they are older than in the past.

DAYLIGHT SAVING TIME: Every year, many people around the globe adjust their clocks forward in Spring and back again in Autumn. The original reason for this ritual has largely been lost to history and now there are moves to end the practice next year in the European Union and several US States. Outside Europe and South America, the practice is largely

confined to parts of Chile and Australia, plus New Zealand. One of the biggest arguments for ending the practice relate to mental health and disturbed sleep patterns. However, it does improve the economic exploitation of available natural light, slightly reduces power consumption, and reduces traffic accidents. It is, of course, of no value near the equator where days and nights are of equal duration.

SPECIAL DATES: National and religious festivals often vary from year to year. Even if not operating in a relevant country, a company may have employees who wish to recognise these important times by taking time off work. To choose just a few in respect to 2021:

Orthodox Christmas	7 th January
New Year (China)	12 th February (and days leading to it)
Rio Carnival (Brazil)	12 th –17 th February
Vernal Equinox (Japan)	20 th March
Catholic Easter Sunday	4 th April
Orthodox Easter Sunday	2 nd May
Ramadan	12 th April to 11 th May
Hindu Navaratri	6 th –15 th October (may vary)
Diwali	4 th –8 th November

DATES FOR YOUR DIARY

11 th December 2020	Statutory maternity leave for eligible employees will increase from 10 weeks to 14 weeks in Hong Kong (China) .
1 st January 2021	A capital gains tax will be effective in Cambodia .
1 st January 2021	Quota system for foreign workers will be abolished in Croatia .
1 st January 2021	Minimum wage to be raised to BGN 650 in Bulgaria .

DATES FOR YOUR DIARY

1 st January 2021	The minimum gross monthly wage will be increased to 32,126 dinars in Serbia .
January 2021	EU Freedom of movement for UK nationals comes to an end.
April 2021	The age from which workers become eligible for the national living wage will reduce to 23 in the UK .
5 th April 2021	GPG reporting snapshot date 250+ in the UK .

TRAVEL WARNINGS

AUSTRIA: Strict new lockdown measures will apply until at least December 6th 2020.

AUSTRALIA: The government will keep its borders closed to non-Australian citizens and non-permanent residents for “some time”.

BELGIUM/NETHERLANDS: Most InterCity services connecting Brussels with the Netherlands will exceptionally depart from and terminate at Brussel-Noord/Bruxelles-Nord station (instead of Bruxelles-Midi/Brussel-Zuid as usual), due to planned engineering works on the Belgian rail network on Saturday 12th and Sunday 13th December 2020. Consequently, IC Netherlands trains – with few exceptions - will not be serving Bruxelles-Midi/Brussel-Zuid and Bruxelles-Central/Brussel-Centraal this weekend. Additionally, the IC Netherlands trains will not be serving Mechelen either.

BVI: All incoming travelers will have to provide a negative RT-PCR COVID-19 test certificate within five days prior to arrival from low-risk countries and within three days from medium and high-risk countries. Incoming travelers will also be required to test on arrival.

CHINA/USA: Both American Airlines and United Airlines are pausing plans to operate nonstop flights to Shanghai from the US.

CROATIA/UAE: The Emirates' partner company, FlyDubai, has cancelled flights from Dubai to Zagreb (capital of Croatia) until February 2021.

CYPRUS: The new COVID-19 [restrictions](#) will remain in place until at least 13th December 2020. Failure to follow the measures may result in a fine.

GERMANY: The country's current COVID-19 restrictions will be extended until 10th January 2021.

GHANA: Presidential and parliamentary elections are scheduled for 7th December 2020. Expect a heightened security presence across the country around this date.

GREECE: The government has extended the nationwide lockdown until 7th December 2020.

INDIA: Cyclone Burevi is likely to hit the Thiruvananthapuram coast by Friday noon (5th December 2020). Expect heavy rains in Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha, Kottayam, Idukki and Ernakulam.

INDONESIA: Mount Ili Lewotolok on Lembata Island has erupted recently, which has triggered a flight warning and the closure of the local airport. The authorities have raised the volcano's alert status to its second-highest level and they warn of possible lava flows.

MYANMAR: The government has extended the suspension of domestic flights until 15th December 2020 and international commercial flights until 31st December 2020 to curb the spread of COVID-19.

OMAN: A transit fee of RO3 (US\$7.80) will be payable starting from 1st January 2021.

THAILAND: A harsh law banning criticism of the monarchy (lèse-majesté) has been revived by the government in an attempt to curb months of anti-government protests. Violators could face a sentence of up to 15 years imprisonment. Meanwhile, visitors should avoid Southern Thailand because of flash flooding today, with the loss of several lives.

TURKEY: The government has introduced new [restrictions](#), including a curfew on weeknights and a full weekend curfew, to fight the 2nd wave of COVID-19.

UKRAINE: The government has temporarily lifted weekend lockdown restrictions.

UNITED KINGDOM: Heavy snow is forecast for southern England over the next two days, with subzero temperatures and ice on roads.

USA: All residents within the city of Los Angeles have been ordered to remain home - as COVID-19 cases are surging in California. However, there is a long list of [exemptions](#). Additionally, land borders with both Canada and Mexico are expected to remain closed to non-essential travel until 21st December 2020 at the earliest.

FEDEE NEWS

EXCHANGE RATES: It has been our long-standing practice to convert the majority of monetary figures given in local currency to US dollars. This is to assist when making points of comparison. It should be noted that the exchange rates used are those at the time of writing and are subject to fluctuation, even over short periods. If a precise exchange rate is necessary, please undertake the [conversion](#) on the date it is required.

JOBS POSTING: We have issued for "Members Only" some important guidance on the [Directive](#) that must now have been incorporated into EU country laws. This is essential reading if your organisation operates in the European Union and you ever send employees to work in another EU country. [Here](#) is our principal guidance document and [here](#) our note on individual Member State compliance.

NEWSWIRE LINKS: If you wish to explore newswire links, **please first login to the members' area** of our website [here](#). Up to date salary tables are available in our Knowledgebase.

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