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Global monitoring and intelligence – courtesy of the
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1. EUROPE

AUSTRIA: Employment service supplements made permanent.

The Austrian Public Employment Service (AMS) has decided that, from this year, the education bonus that may be claimed by the unemployed who enrol on their courses will continue on an indefinite basis. This is currently worth €75 (US\$82) a month for all entering courses – rising to €274 (US\$298) if the course extends to 4 months or more, or €374 (US\$407) if it extends for over 12 months. Since its introduction in 2020, the education bonus has reached around 104,000 people.

BELGIUM: Work resumption subsidy.

When an employee returns to work on the advice of a health professional in a phased way - extending over at least three months their employer may apply to the health insurance organization for a lump sum of €1,000. This facility currently applies until the end of March 2025.



1. EUROPE

BELGIUM: Recovery of lost vacation time.

The Belgian parliament has formalised a legal right for an employee who falls ill during their annual vacation to recover their lost days of vacation. This may occur any time within two years from the date when the illness began. These sick days during annual leave must be reclassified as sickness absence.

BULGARIA: Salaries and vouchers go cashless.

An amendment to the Cash Payments Act now means that companies with 100+ employees may only pay salaries by inter-bank transfer. However, this requirement does not apply to employee expenses. Under a further amendment to the corporate income tax law, meal vouchers may now be issued via a payment card. This is initially on a voluntary basis, but after the end of June will become obligatory. A requirement is that the same value of voucher is issued to all employees.

BULGARIA: Employee data goes electronic.

Under an amendment to the Labour Code, existing paper-based “labour booklets” are to be replaced by a new digital online national register. The implementing legislation is likely by the Summer and employers will not be obliged to adopt the new system until June 2026.

CZECH REPUBLIC: Electronic signatures.

The Labour Code now recognises the validity of electronic signatures on the conclusion, or amendment, of employee contracts. This brings into an employment context the facility laid down by the European Regulation (EU) [No 910/2014](#) of 23 July 2014 on electronic identification and trust-building services for electronic transactions.

ESTONIA: Tax equalization.

Changes have been made to the Social Tax Act and Income Tax Act to ensure that the same tax treatment applies for pregnant employees as those who are not pregnant during the second to eighth day of sickness absence. Currently, exemption from social tax for this period only applies to employees who are not pregnant. In order to achieve parity the exemption applies to the sickness benefit paid by the employer which does not exceed 30% of the average salary of the pregnant woman for the previous six months. The remaining part of the benefit is paid by the Health Insurance Fund.

ESTONIA: Parental leave.

Parental leave is now available to registered partners and not just to married couples. There is also a right to extend leave for one parent if the father is not officially registered and for a registered partner to request annual leave at a convenient date prior to, or after, the scheduled birth of their child. Adoptive leave may also now be taken by a registered partner.

1. EUROPE

EUROPEAN UNION: Political agreement on the AI Act.

The final text of the Act will not be released for a few weeks, but the fundamental elements have been set out in a press summary. The principal focus shall be on what the authors regard as “high risk” applications – with systems that allow for the profiling of people to be the prime target, such as “educational and vocational training and employment management”. Some AI systems will be banned altogether – such as “social scoring”, making inferences from factors such as race, religion and political belief, predictive policing, emotion recognition in the workplace and education institutions and the ‘scraping’ of CCTV images for facial data. Ironically, these processes could still be undertaken, so long as the system is not classified as AI (i.e.: human cognition makes the final categorization). It is therefore likely that hybrid AI systems will emerge that incorporate human involvement in order to circumvent the Act.

EUROPEAN UNION: Preliminary text for Directive concerning platform workers.

Currently, some 28 million workers across the EU operate on a platform basis, of which some 5.5 million are formally classified as self-employed. The standing prejudice of the EU institutions is against independent contracting and the European Commission has been keen for some time to overlay restrictive country laws with a measure to uniformly outlaw the dynamics of gig work. Towards this end, the European Council and European Parliament have just reached political agreement on a draft Directive that will force many outstanding platform workers to become employees. Their measure aims to make it easier to classify all workers as ‘employed’ and also to heavily control the use of algorithm-based systems for rewarding gig workers. The criteria for determining employment status have clearly been selected to ensure that such workers are invariably regarded as employees, with the need to only meet two out of five fairly vaguely defined factors. There will also be tight limitations placed on automated monitoring and decision-making systems concerning such subjects as emotional and psychological states, private conversations and data to predict possible (or actual) trade union involvement. These will be hard to categorize in practice, so that the courts will undoubtedly become involved in putting their usual narrow interpretations onto individual monitoring actions – even if they are in the interests of employees or only weakly correlate – for instance - with union membership prospects.

GERMANY: Pregnant job applicant entitled to claim discrimination.

The Gera Labour Court in Thuringia has reinforced existing case law by declaring that a female job applicant did not deceive her future employer when she failed to declare her pregnancy at interview for a fixed-term contract. Nor was it relevant that the new position was not suitable for a pregnant worker under the maternity protection law, due to a danger of infection. In the court’s view there was no certainty that the pregnancy would serve its full term. There was thus nothing to stop the refusal of a job from being regarded as direct gender discrimination [3 ca 1074/22].

1. EUROPE

GERMANY: Alternative to a Works Council.

Companies that do not wish to be caught up in the entanglements of codetermination may wish to consider an alternative which has recently been introduced by the football team Hertha BSC Berlin. The Works Committee may be formed outside the coverage of the Works Constitution Act, provided it is based on a special company statute and membership is determined by secret ballot. Unlike a works council the works committee has no “legal personality” and thus its powers are limited.

GERMANY: Call for labour cartel.

The German Federation of Trade Unions (DGB) has been pressuring the federal government to implement the “Tariff Compliance Act”. This would counter the trend towards the working population working outside the scope of collective agreements. However, by forcing all companies in a sector to comply with a sector-wide agreement, as in countries such as France, it would establish a form of anti-trust wage cartel which would allow established companies to raise the cost of entry for competitors. Ironically, this would – in turn - increase the attractiveness of labour displacing technologies and reduce employment levels further. This fact clearly escapes the collective mindset of the DGB.

GERMANY: SMS message does not infringe right to disconnect.

The saga of ‘the right to disconnect’ outside formal working hours rumbles on, even though it is directly at variance with the needs of multinational employers working across different times zones. Fortunately, the Federal Labour Court has stepped in to clarify that a short SMS message sent to an employee giving details of start times on the following day does not infringe the disconnect law and must be read and acted upon by employees concerned [5 AZR 349/22].

GERMANY: Only 30% of eligible parents receive child benefit supplement (KiZ).

The income support must be applied for by the parents concerned, although many fail to make applications because they are unaware of it. The current monthly payment is up to €292 (US\$318) and the children of recipients also receive free school meals and daycare. To qualify, a couple must earn at least €900(US\$980) per month (a single parent €600) and the support is offered in 6 month renewable blocks.

GERMANY: Collectively negotiated wages rose by 5.6% last year.

According to the Economic and Social Sciences Institute (WSI), although average pay levels rose by 5.6% in 2023, real gross wages fell by 0.4%. However, tax and duty-free inflation compensation bonuses in some sectors enhanced take home pay, but only for 2023 and remained unconsolidated for future years. Thus, the value of collectively bargained wages is, according to the institute, back to 2016 as a starting point for future negotiations.

1. EUROPE

GERMANY: Instant dismissal for charging a hybrid car at work.

The Duisburg Labour Court was recently called upon to determine the fairness of an immediate dismissal where it was found that an employee had plugged their hybrid car into a company electricity socket. Although the duration of the charging period was short, the incident occurred several times. The employee argued that the company allowed other devices to be plugged into their system and the monetary value of the total usage was small. However, under German law there is no account taken of the value of items stolen for a contractual breach to exist, although it is necessary to conduct a “balance of interests” assessment before an employment contract may be severed. In this case the Court ruled that a warning was the only action justified. The case has now been referred to Düsseldorf Regional Labour Court, on Appeal [8 Sa 244/23].

GERMANY: Fixed-term contract validity.

The Federal Labour Court (BAG) has agreed with lower courts that where a fixed-term agreement is concluded, then the critical date for it is when the contract ends. The contract is not invalidated if the employer comes to a verbal agreement after the contract was signed that the employee would actually start their contract earlier than stated. In the case in question, the fixed nature of the end date was further established by the fact that the job was seasonal and naturally came to an end when a bathing facility closed for the year [7.AZR 300/22].

HUNGARY: New sovereignty protection office – a tool to control multinationals.

The Hungarian parliament has passed a Bill that will create a new body to monitor the activities of foreign nationals and bodies. This, according to a US State Department spokesman, equips the state to “intimidate and punish those with views not shared by the ruling party”. The powers “could be used to subject Hungarian citizens, businesses, and organisations to intrusive investigations with no judicial oversight, even if they have had no contact with, or support from, a foreign government or foreign entity”.

HUNGARY: Industrial output in further decline.

In November 2023 industrial production shrank for the 11th straight month to -5.8% year-on-year. Output was down in most manufacturing sectors – especially electrical equipment (-12.2%) and food, beverages and tobacco products (-7.7%). However, there was growth in coke production and petroleum processing (+18.7%), and chemicals and products (+3.1%).

ITALY: Government support in the hospitality sector.

Employees in the field of food, drink and tourism will receive a 15% night and overtime supplement from the State. However, this concession will only last until the end of June 2024 and be payable on salaries up to €40,000 (US\$43,569) pa.

1. EUROPE

ITALY: Court nullifies restrictive sectoral legislation.

The Supreme Court has nullified article 5, paragraph 8, of Legislative Decree no. 95/2012 that did not allow financial compensation on termination in lieu of holidays not taken by the employee due to a prior prolonged period of illness. Such a restriction was contrary to rulings by the European Court of Justice [Case 33016 on 28/11/2023].

ITALY: No indemnity in lieu of unused holidays for managers.

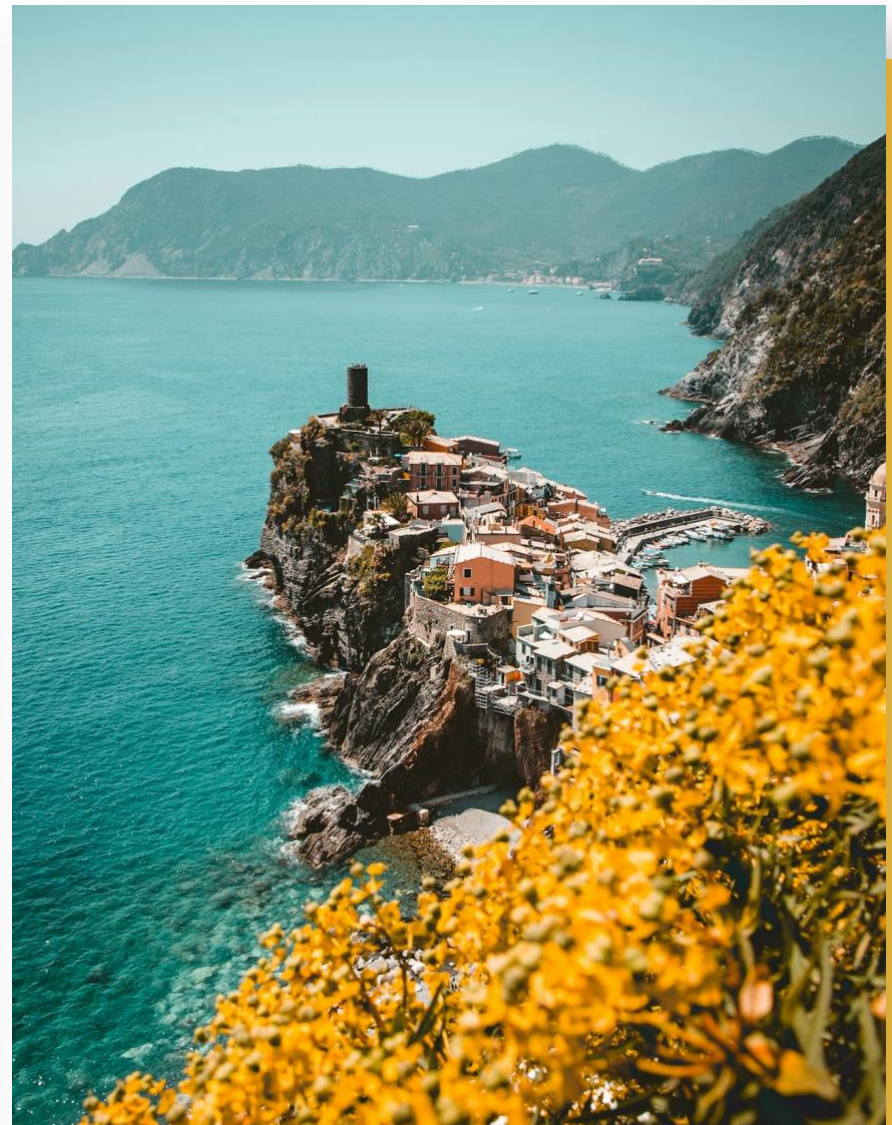
Although it is normal for an employee to be given full monetary compensation for untaken holidays when they leave their employer, this should not normally be the case for managers who can determine their own holiday schedule. This is the conclusion of the Supreme Court. The only exception being where it can be established that failure to take holidays was due to “exceptional and objective company needs” [Case 31509. 13th November 2023].

ITALY: Paid time to dress into uniform.

Where the clothing worn whilst on duty differs significantly from that worn when ‘off duty’ an employer must count the periods of changing into and out of it as working time, and it must be paid [Supreme Court case number 33937 of 5th December 2023].

ITALY: Social security relief.

During the period from 2024 to 2026 working mothers with 3+ children (under 18) are to be exempted from contributions to social security for the first €3,000 (US\$3,268) of sums due. If a working mother has two children (with the youngest under 10) then the exemption will only apply for this year.



1. EUROPE

ITALY: Allowance increase for 2024.

The Italian government has increased the annual tax-free sum that may be paid employees in kind from its standard rate of €258.23 to €1,000. This rises to €2,000 for employees with dependent children. The sum is normally paid as contributions to utility bills, interest on a mortgage for a first home or towards property rental.

ITALY: Parental leave.

If parents take it in turn to go on parental leave sometime within the first six years of their child's life, an allowance for one month at 80% of the normal salary is paid. This then reduces to 30% for a second month. However, the allowance for the second month has now been increased to 60% – and to 80% for those who end their maternity or paternity period after 31st December 2023.

ITALY: Did a job loss result from reorganisation?

No judicial interference may exist to limit the prerogative of an employer to organise their business. Such was the conclusion of a recent Supreme Court hearing. However, a Court is free to determine whether any dismissal actually arises from the reorganisation and if that was unfair [Case 3165 of 14/11/2023].

LUXEMBOURG: Whistleblower legislation.

Every Luxembourg private entity which employs between 50 and 249 employees for at least 12 consecutive months must now have internal whistleblowing channels in place to allow employees to inform their employer (in confidence) about significant breaches of EU or national law. Reporting channels may be managed internally by a designated person, or department, or provided externally by a third party. Once a report has been made, an acknowledgement must be sent to the whistleblower within seven days and the whistleblower is guaranteed feedback within three months. In the event of failure to comply with these provisions, there shall be a fine of up to €250,000 for private-sector legal entities, the maximum fine being doubled in the event of a repeat offence within 5 years. Unfortunately, the new law provides a strong disincentive to report wrongdoing due to the risk that their report may be considered erroneous (a possibility easily achieved in the case of a “cover up”). Thus, anyone who knowingly reports, or publicly discloses “false information” may be subject to a prison sentence of between 8 days and 3 months and a fine of up to €50,000. Those making false reports will also be held civilly liable. The entity suffering the damage may claim compensation before the competent court for any loss suffered. Such penalties are against the spirit of Article 19 of EU Directive 2019/1937 which aims to furnish protection for whistleblowers, not potential threats. Luxembourg is thus following the lead of Switzerland where whistleblowers have found themselves open to litigation, especially when bank secrecy rules are under threat.



LUXEMBOURG: 2024 Social elections.

Social elections in Luxembourg are held every five years and the next elections will take place on 12th March 2024. On this day employees will determine the staff delegations in companies with 15 or more employees, and also choose delegates for the Chamber of Employees (CSL). All private sector employees must be affiliated to the CSL, regardless of their nationality or the location of their residence. Currently, the CSL has more than 600,000 members. This makes it the largest professional chamber in Luxembourg. In the context of these elections, the organising company is obliged to communicate the identity of the candidates for the election, the results of the votes, as well as the function of each elected candidate in the staff delegation, directly to the “Inspection du travail et des mines” (ITM).

LUXEMBOURG: 2024 Social security contribution rates.

The monthly minimum and maximum social security contribution rates have been set at €2,571 and €12,855, respectively, the same as rates introduced in September 2023. There is, however, a reduction in the contributions rate for industrial accident insurance from 0.75% to 0.70%, and a reduction in the rate range for mutual health care insurance from 0.72%-2.84% to 0.01%-1.36% (the applicable rate depending on the employee absentee rate).

1. EUROPE

MALTA: New tax rules for Digital Nomads.

The revised rules clarify that digital nomads will not be charged income tax on earnings from authorized remote work (i.e.: remote services provided under specific conditions, aligning with the nature of digital nomad work.) for the first 12 months following the issuance of their nomad residence permit, or from 1st January 2024, whichever is later. After the initial 12-month exemption period, digital nomads will be taxed at a reduced rate of 10% on chargeable income derived from authorized work. The new rules also incorporate provisions for relief from double taxation, making it more financially viable for nomads who are liable for paying taxes in other jurisdictions with which Malta has a DTA agreement.

NETHERLANDS: Temporary employees.

The Supreme Court has found that Works Councils do have right to give views about all group-wide temporary recruitment or secondment policies – whether or not they deviate from the norm. This reverses a previous ruling by the Court of Appeal. The ruling could have a big impact on hiring practices, as works councils may well use this right to press for a specific percentage of permanent employees and to assess the effectiveness of such policies during contract renewals.

POLAND: New IT health and safety rules.

An employer must provide protective glasses or contact lenses for all those required to use computers, tablets, laptops or smartphones for work and where an ophthalmological examination confirms the need for visual correction. Where a laptop is used for at least half of working time either an alternative screen or eye-level stand must be provided - together with an alternative keyboard, mouse and pad. A footrest must also be provided, if requested by the employee, plus an ergonomic desk and seating.

SLOVAKIA: Sicknotes go online.

Doctors and dentists no longer issue medical certificates using the old manual multipart form. Once they have examined their patient they communicate online with the Social Insurance Agency – which, in turn, notifies the patient's employer. They will also renew "sicknote" data using the same means.

SPAIN: Earnings floor set to rise.

Between 2018 and 2023 the minimum wage rose 47% from €735 (US\$800) to €1,080 (US\$1,176) per month. On 1st January this year it is set to rise again by 5%, to €1,134 (US\$1,235) per month (paid retroactively as subject to cabinet approval). The payment is made 14 times a year and will benefit more than 2.5 million workers, mainly women and young people.

1. EUROPE



SPAIN: Changes to unemployment benefit rules.

The majority of those taking up the benefit are women and over-55s and the highest concentration of recipients are in four autonomous communities: Andalusia, Valencia, Madrid and Catalonia. Recently, administrative procedures for accessing the benefits have been improved - meaning that people who have exhausted their benefit will now not have to wait a month to apply for further assistance. The number of beneficiaries has also been extended by allowing those under 45 years of age with no family responsibilities to access the extended allowance, and the right to apply is recognised for workers from the north African enclaves of Ceuta and Melilla too. In addition, the amount of the extended benefit is now €570 for the first six months, €540 for the following six months and €480 for the rest of the payment period – with the allowance for the over-52s remaining at 80% of the Public Multiple Effect Income Indicator (IPREM). Moreover, the benefit may continue for the first six months of taking up a new full-time or part-time job.

UNITED KINGDOM: Right to join a trade union.

Recently, the Supreme court was asked to pronounce on whether Deliveroo drivers had a right to join a trade union. In *Independent Workers of Great Britain v Central Arbitration Commission* it was determined that Article 11 of the European Convention on Human Rights did not apply because the drivers did not have an employment relationship with the company.

1. EUROPE

UNITED KINGDOM: Consultation on Tips Act.

Although the Employment (Allocation of Tips) Act 2023 has become law, it cannot become totally effective until a new statutory code of practice has been published. This can then be cited in tribunal hearings by way of reference to establish compliance or noncompliance. The Code will take over from the previous voluntary code published in 2009. Once fully in force, employers must ensure that all tips are distributed to staff, at the latest by the end of the month following the month in which the tips are paid by customers (section 27G). The consultation period for the new code ends on the 22nd February 2024 and therefore employers – particularly in the hospitality sector – now have an opportunity to show how any changes will affect them.

UNITED KINGDOM: EU law still holds, but only by a thread.

Although the government decided not to repeal all employment legislation arising from EU Directives and Regulations it is still possible for Ministers to axe a law or European Court of Justice (ECJ) precedent derived in this way by simply issuing “statutory instruments”. Since the start of 2024 the Courts are no longer obliged to recognize precedents set by the ECJ. This will mean a succession of legal challenges that could take years to complete.

UNITED KINGDOM: Fire and rehire practices.

The impending appeal in the case *Union of Shop, Distributive and Allied Workers (USDAW) v Tesco* will examine the right of a company to terminate the contracts of employees who refuse to trade an existing “retained pay” supplement for a lump sum. Those dismissed in this case were offered a new contract, minus the supplement. This is an area where there is currently no legal certainty as the High Court had originally granted an injunction to stop the practice – which was then overturned on appeal.

UNITED KINGDOM: Carer’s leave to be introduced.

A new entitlement to carer's leave is expected to apply from 6th April 2024. Employees will have a right from day one to a week’s unpaid leave (which can be taken in one go, or over a number of full or half days) in any 12-month period. This is for the purpose of providing or arranging care for a dependant with a long-term care need. Notice of the leave does not need to be provided in writing, but a minimum of three days’ notice must be given to the employer, or twice as many days as the period of leave required, whichever is the greater. Employers may not flatly deny an employee’s request, but may delay it if they reasonably consider that the operation of the business would be unduly disrupted if the leave was approved.

2. APAC

AUSTRALIA: Retail holiday rostering in South Australia.

Section 13B of the Shop Trading Hours Act 1977 states that a retail outlet may only be open on a Sunday or public holiday (when that outlet is permitted to trade) if each employee concerned has voluntarily accepted an offer by the employer to work on that day. The maximum penalty for a breach of section 13B is \$100,000 (US\$65,726). To see trading hours for all retailers in South Australia, please visit [here](#).

AUSTRALIA: Draft WHS Amendment Bill.

The draft South Australian Work Health and Safety (Review Recommendations) Amendment Bill 2024 has made important amendments in relation to civil dispute resolution processes for work health and safety matters, right of entry, and to improve fairness for victims and families affected by serious workplace accidents. Public consultation on the draft Bill will close on Wednesday, 7th February 2024.



CAMBODIA: New pay floor for garment workers.

Workers in the textile, garment, footwear and travel goods sector are now entitled to receive a minimum wage of US\$204 per month – up by US\$4 from December 2023.

CHINA: Revised company law in effect from 1st July 2024.

This newly amended company law covers substantial changes in areas such as corporate governance, capital contribution, management responsibilities, corporate information disclosure, corporate bonds, corporate litigation, and registrations. Foreign companies are strongly advised to familiarize themselves with the new law to assess the possible impact on their investments.

CHINA: Making it easier for foreign nationals to enter the country for business.

The latest measures include a further relaxation of port visa application requirements and access to visa extension, replacement, and issuance services at local immigration departments for foreign nationals coming to, or staying in, the country for commercial cooperation, exchanges, investment and entrepreneurship. Foreign nationals enjoy 24-hour direct transit without undergoing border check procedures at nine major airports in cities, including Beijing, Shanghai, Hangzhou, Xiamen and Guangzhou. Moreover, multiple-entry visas are available for foreigners who need them, and the application requirement for visa documents has now been streamlined for foreigners staying in China.

HONG KONG (CHINA): Student employment restrictions now lifted.

35,000 Full-time non-local postgraduate students are now temporarily exempted from the restrictions on working in all part-time jobs. The government will review this temporary exemption after a two-year trial. Previously, foreign students could only work 20 hours per week, in a curriculum-related internship, or a “summer job”.

HONG KONG AND MACAU (CHINA): Improved employee benefits.

The AXA insurance company operating in these special administrative zones has increased paid co-parent leave from 20 days to 40 days. It has also added five days of ‘fertility leave’ for employees who will receive assisted reproductive services, whilst two days of fertility leave are made available for employees whose partners will receive assisted reproductive services. In the event of miscarriage, or a need to take care of close family members who are in serious health conditions or disability, the employee may have an additional five days of paid leave. The company also offers five days paid leave to employees who are impacted by domestic or sexual violence. Furthermore, the group’s “Healthy You” programme is being expanded further to provide a supportive working environment for employees experiencing menstrual health conditions, menopause, or andropause.



HONG KONG (CHINA): State bonus to attract women back to work.

The government is considering launching a three-year Re-employment Allowance Pilot Scheme, targeting individuals aged 40 or above who have not been in paid employment for three consecutive months or more. To encourage these individuals to rejoin the workforce and remain in employment, those who have worked for six consecutive months since their return will be given a bonus of \$10,000 and a further \$10,000 bonus after 12 consecutive months. Some 6,000 persons are expected to benefit during the trial.

INDIA: Transport threats over ‘hit and run’ law.

Widespread protests from truck drivers have been taking place across the country in reaction to a new Bharatiya Nyay Sanhita law that would impose heavy fines and imprisonment for up to ten years on truck drivers leaving the scene of an accident before completing formalities. The government has, however, averted a national strike after they undertook to review the current text in consultation with the All India Motor Transport Congress (AIMTC) and other interested groups.



JAPAN: Fragile economic recovery.

The longer leading indicator is a statistical measure that predicts economic growth or contraction for the next 6-9 months. In the case of Japan, the index has been moving downwards – with the latest move from 108.9% in November 2023 to 107.7% last month. This also reflects the third quarter GDP contraction of 0.7%. Japanese industry still faces cost pressures at home and numerous trade uncertainties – with China now overtaking it as the World’s largest vehicle exporter. However, in the face of these trends has been a surge in the Tokyo stock market which is beginning to lift the value of the yen. Market share could also therefore be lost in other sectors as price rises hit exports.

NEW ZEALAND: Transferring a public holiday by agreement.

Employers may agree in writing with their employees that a public holiday will be taken off alternatively on another day. The transfer of observance of the public holiday might be for business reasons, or to meet the individual needs of an employee. If an employee would have worked on a day to which a public holiday is transferred, but are unable to perform their duties because they are sick, they will be paid their normal daily pay (free of sickpay deduction) for that day - as it constitutes a day they would otherwise have worked.

NEW ZEALAND: Working over Easter.

Although Good Friday and Easter Monday are public holidays, Easter Sunday is not and retail outlets may choose to open on that day if their local council allows them to do so. If a retailer plans to open on Easter Sunday they must make an unpressured request to employees involved well ahead of time and gain their assent. If an employee works on Easter Sunday, they will generally be paid their normal Sunday rate of pay, unless they have agreed to a different rate with their employer.

NEW ZEALAND: AEWV median wage increase paused.

The median wage rate is the minimum amount that must be paid by employers to hire migrant workers on an Accredited Employer Work Visa (AEWV). The Government is pausing the increase of the median wage rate for the AEWV that was due to go up in February 2024. The pause means the rate for workers on an AEWV will remain at the current rate of NZD\$29.66 an hour. The pause also extends to median wage requirements for partners of workers. All other sector agreements and exemptions to the median wage will also remain in place - based on the current rate. However, the new median wage of NZD\$31.61 an hour will still apply to other visa categories from February 2024 - such as the Skilled Migrant Category and Parent Category.

PHILIPPINES: Labour code amendment.

The 'Right to Disconnect Bill' (House Bill 9735) is currently before the national parliament. This has important implications for foreign-owned multinational enterprises as it would prevent contacts being made across time zones for much of the day. The Employers Confederation of the Philippines (ECOP) is strongly opposing the amendment, so that hopefully it will not pass into law without at least some necessary concessions.

PHILIPPINES: Streamlining the tax system.

A new Bill just signed by the President seeks to make the payment of taxes much easier. This includes cutting in half the size of the tax return, electronic filing of the returns, allowing non-residents to utilize the mainstream procedures, and raising the threshold for mandatory issue of receipts from 100 to 500 pesos.

SINGAPORE: Elevating workplace safety and health.

Since the introduction of the Workplace Safety and Health (WSH) Act in 2006, the workplace fatality rate has improved significantly from 3.1 per 100,000 workers to around 1.0 today. The government aims to further reduce the workplace fatality rate below 1.0 by the year 2028. Only four countries in the World have achieved this consistently - namely the United Kingdom, the Netherlands, Sweden and Germany, but no Asian country has ever done so on a consistent basis. Under the Act, the maximum financial penalty for infringement is a fine of up to S\$500,000 (US\$372,046) for employing organisations and S\$200,000 for responsible individuals. Individuals may also face imprisonment for up to two years, in addition to any fine.

3. THE AMERICAS

ANTIGUA AND BARBUDA: Change in rates.

The social security contribution rates for 2024 have been set at 14.5% for the public sector and 15.5% for the private sector.

ARGENTINA: Monthly rise in price inflation hits 25.5%.

The December 2023 rise compares to the comparatively modest jump of 12.8% in November. The biggest changes were in transportation (+31.7%), health (32.6%) and food/nonalcoholic beverages (29.7%). Consumer prices are now more than tripling each year and nothing the government does appears to be stemming the tide. There will come a point soon when the IMF will not be able to step in and the country will join Venezuela in virtual bankruptcy. This is ironic for both countries, as Venezuela still has rich oil deposits and Argentina is one of the principal global sources for lithium – so key to the “green revolution”.



3. THE AMERICAS

BRAZIL: Visa exemption.

The Brazil visa requirement for nationals of Australia, Canada, and the United States was previously postponed until 10th January 2024. However, it has now been further delayed until 10th April 2024 [Decree No. 11.875].

GUATEMALA: Annual bonus.

In Guatemala it is mandatory to pay an annual bonus in July (bono 14) equal to a month's salary. The employer must pay this at the average rate of the ordinary salary that employees have received during the last 12 months. If an employee has worked for less than a year in the company, the payment will be proportional to the time worked. If, upon verification, the General Labour Inspectorate confirms that the employer has not paid 'bonus 14' it will give the employer five days to make the payment. If the employer does not comply with the order, a fine equal to between 8 and 18 minimum salaries will be levied.

GUATEMALA: 2024 Minimum wage.

For Economic Sector 1, which comprises the Department of Guatemala city and environs, the wages have been adjusted to GTQ110.97 (US\$14.21) per day in non-agricultural activities and GTQ101.41 (US\$12.98) per day in exporting companies and maquiladora (plants with special US concessionary status). For Economic Sector 2, which consisting of all other Departments, the wages have been increased to GTQ105.83 (US\$13.55) per day in non-agricultural activities and GTQ95.80 (US\$12.26) per day in exporting companies and maquiladora. It should be noted that the monthly incentive bonus of GTQ250 (US\$32.02) must be added to the payment for all activities in both sectors.

USA: ISO and ESPP deadlines approaching.

Employers which operate incentive stock options (ISOs) or Employee Stock Purchase Plans (ESPP) have until the end of January to issue an information statement to employees who have exercised options or transferred shares – using forms 3921 and 3922. They must also file a return to the IRS about the schemes by the end of February (or a month later if they file online). These must use the same completed forms as those issued to employees.

USA: Religious accommodation.

It is now six months since the US Supreme Court issued its Title VII ruling in *Groff v. DeJoy*. This should have given employers plenty of time to take on board the higher thresholds now required to refuse to make accommodations for an employee's religious belief. By way of reminder, the Court stated that the necessary test is for "an employer [to] show that the burden of granting an accommodation would result in substantial increased costs in relation to the conduct of its particular business". As a rule of thumb, the criteria for "undue hardship" are now understood to be generally in line with those that must be applied for a disabled employee.

USA: Pilot H-1B renewal programme.

Until 1st April 2024 Indian and Canadian nationals with an H-1B work visa may apply for a new visa stamp in their passports without having to return to their home country and visit a US consulate or embassy there. The scheme is open to a total of 20,000 applicants who received a visa in India between 1st February 2021 and 30th September 2021, or in Canada between 1st January 2020 and 1st April 2023 - but requires them to go online, complete a questionnaire and pay a fee of US\$205.

USA: California minimum wage and exemption rates.

The State minimum wage is now \$16 an hour. However, counties and municipalities are free to enhance this and some do – namely San Francisco (\$18.07), Santa Clara (\$17.75), San Jose (\$17.55), Los Angeles County (\$16.90), Los Angeles City (\$16.78) and Oakland (\$16.50). The lower State threshold for exempt workers is now \$66,560 pa and for the Computer Professional Exemption is \$115,763.52 pa. The Inside Sales Exemption is also now set at \$49,920 pa.

URUGUAY: Pay safety net.

The new gross monthly minimum wage rate climbed on 1st January 2024 to \$22,268 (US\$569) a month. This was a rise slightly higher than the annual inflation rate – which reached 5.2% in December 2023.

4. AFRICA AND THE MIDDLE EAST

ANGOLA: Consumer prices continue to rise.

In December 2023 the annual rate of price inflation rose for the 8th straight month in succession to 20.01% - up from 18.19% over the year to November. The main driving forces have been the depreciation of the 'kwanza' national currency and ending of fuel subsidies in the Summer. However, the latest monthly rise was principally due to the soaring price of food and alcoholic beverages.

CYPRUS: 2024 minimum wage.

The minimum wage for those who have worked full-time with the same employer up to 6 months has now been increased from €885 to €900 gross per month. After completing 6 months of full-time and continuous employment with the same employer it has risen from €940 to €1,000 gross per month. The revised wages do not apply to domestic workers, agricultural and livestock workers and shipping workers, or to workers where the 'Minimum Wages in the Hotel Industry Ordinance' applies.



4. AFRICA AND THE MIDDLE EAST

CYPRUS: 13th Month salaries.

Failure to pay a 13th month salary where due is a criminal offence. The Ministry of Labour and Social Insurance has announced that the 13th salary, where it is paid in the context of a collective agreement, personal contract or as a normal practice of the company, constitutes part of the employee's basic salary and therefore its non-payment is equivalent to a violation of its provisions of the 'Protection of Wages Law'. If an employer is convicted under the law, penalties may include imprisonment for responsible executives for up to six months, a fine of up to €15,000 - or both. A Court also has the authority to award employees the amounts equivalent to the outstanding 13th month salaries. It should be noted that some employers pay the additional sum contractually and overtly on a month-by-month basis throughout the year.

SOUTH AFRICA: Changes in labour costs.

Between Q3 2015 and Q2 2023 the average gross labour cost rose by 41.9%, whilst in the latest available full year – Q2 2022 to Q2 2023 – the index rose by 4.4%. Labour costs are core expenditure borne by employers for the purpose of employing staff. They include employee compensation, with wages and salaries in cash and in kind, employers' social security contributions and employment taxes (minus any subsidies received).

SAUDI ARABIA: 2023 Health and safety at work statistics.

According to a latest report released by the Saudi General Authority for Statistics (GASTAT), 45.8% of employees (18 years and over) worked for more than 40 hours a week last year. The percentage of employers who had a dedicated health and safety department at their workplace reached 48.7%, whilst 46.6% of employees were trained on health and safety procedures at work. Moreover, the percentage of employees who had coverage for basic healthcare reached 90%. The most common risks faced by employees were 'standing unsupported for at least four hours a day' and 'sitting on a chair for three continuous hours or more' (both 28.2%). Some 8% of employees directly or indirectly dealt with chemical substances, medical waste, radioactive materials, or toxic gases, whilst 6% of employees faced work-related risks from electrical systems, machinery, or deep water.

TURKEY: Revised 2024 minimum wage.

The lowest paid workers in Turkey will now be able to earn a net salary of 17,002TL (US\$563.85) per month if they are in the formal economy. This is a 49% increase from the level set in July 2023 and a 100% rise from 1st January last year. This move is to compensate for skyrocketing inflation across the country – amounting to an annual rate of 62% in November 2023.

UAE: Mutual visa exemption with Mongolia and Kosovo.

UAE nationals holding passports with a validity of at least six months are now allowed to enter Kosovo without a visa and stay there for up to 90 days per visit. On the other hand, UAE nationals are exempted from a visa to enter Mongolia and may stay there for a period of up to 30 days per visit. Citizens of both Kosovo and Mongolia are also allowed temporary visa-free entry into the UAE.

UAE: Emiratisation targets.

Employers are reminded that private sector companies with 50 employees or more must achieve a 1% growth of semi-annual Emiratisation targets in skilled jobs before the deadline on 30th June 2024.

UAE: Payment of employment entitlements in the event of death in service.

Employers are obliged to pay the employment entitlements of a deceased employee to a member of the employee's family within 10 days of the date of death in service or from the date the employer became aware of the employee's death. Employers are therefore advised to ensure that all their employees specify in writing who their beneficiaries are – and give contact details. In the event the employer is not able forward entitlements to any deceased family member for any reason, they must deposit them in the 'trusts account' at the Ministry of Human Resources and Emiratisation (MOHRE).



5. DATES FOR YOUR DIARY

7th February 2024: Public consultation on the draft **South Australian** Work Health and Safety (Review Recommendations) Amendment Bill 2024 is due to end.

1st March 2024: Employers operating in **Columbus** (Ohio) may not ask about a prospective employee's wage or salary history from this date.

1st March 2024: Deadline for all registered foreign national in the **Philippines** to report in person to the Bureau of Immigration (BI).

12th March 2024: Social elections will take place in **Luxembourg**.

12th March 2024: **New York** will restrict an employer's ability to access employee and applicant social media accounts.

31st March 2024: All leave carried over, due to it being unreasonable to take it due to COVID-19, must be taken by this date in the **United Kingdom**.

6th April 2024: New statutory right to Carer's Leave is expected to apply in the **United Kingdom**.

30th June 2024: **UAE** semi-annual Emiratisation targets deadline.

1st July 2024: The final version of the 2023 Company Law will come into force in **China**.

1st July 2024: Employees in **Chicago** will be subject to the Chicago paid leave Ordinance from this date.

1st June 2025: Electronic employment record books will be introduced in **Bulgaria**.

FEDEE NEWS:

BURDENSOME AND MISSING EU LAWS: Over the last three decades the prevailing influence over the development of EU Directives and Regulations has been the ETUC. Employers have been represented, but have had little impact on the emerging legislative structure. Now that the UK government has decided to retain most EU legislation that has already been incorporated into the domestic legal framework, the significance of this fact remains as powerful as if Brexit had never taken place. We should like to hear from members about which EU laws they find difficult to deal with and which urgently need reform, or repeal – such as the ‘EU Posting of Workers Directive’ and parts of the ‘General Data Protection Regulation (GDPR)’. We are also drawing up a list of legal gaps where uncertainty is causing inconsistency, or lack of clarity – for instance, the absence of any EU Directives dealing with such issues as individual redundancy or dismissal (especially MSAs), post-compete agreements and the designation of powers within a company to sign dismissal letters. We shall be publishing our full reform ‘wish list’, draft (deregulatory) amendments and draft new measures in the next issue of our ‘Labour Market Trends’. The text of this will then form the basis for lobbying the European Commission. **We therefore urge you to identify changes that need to be made and to flag these to us within the next two months.** We should also like to hear about problem laws elsewhere in the World.



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Co-Editors: Robin Chater, Zhu Li (Julia).

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