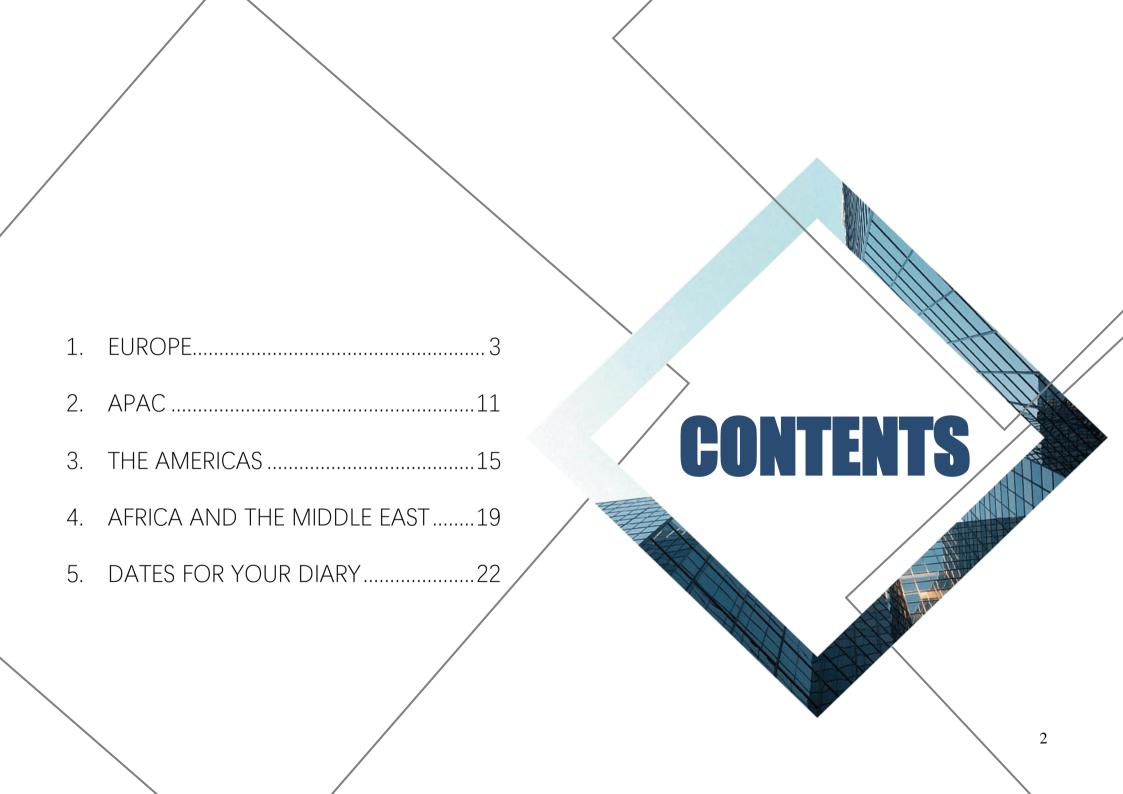
I ERNERES NOUVELLES

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Global monitoring and intelligence – courtesy of the Federation of International Employers (FedEE)

15 February 2024



1. EUROPE



AUSTRIA: Media tax obligation.

A resident of Austria with a Hauptwohnsitz (main residence), or a company that was municipal subject to taxes (Kommunalsteuer) in the previous year are now liable to pay the 'ORF contribution' to fund State media. The basis for the payment is €15.30 per month (€183.60 per year), and the value will remain the same at least until 2026. However, some Austrian provinces have added a local state levy to the contribution. Companies that are subject to the obligatory contribution are also required to report both the start and the end of their obligation to pay it, as well as any changes to personal data for their employees, by 15th April of the calendar year in which the contribution is due. This reporting obligation does not apply to companies that have already been registered with the GIS and paid the fee by 31st December 2023. Violation of the reporting obligation may be sanctioned with administrative penalties of up to €2,180.



BULGARIA: New rules for working from home.

The Narodno Sabranie (Bulgarian Parliament) has just given its initial approval for amendments under the Labour Code. The changes are aimed at reducing the employer's liability in the event of occupational accidents occurring whilst an employee is working from home, and also encouraging employees to adhere to established guidelines and bear responsibility for their own well-being. The new text provides that the employee who works remotely must provide their employer with written information about the characteristics of the workplace where remote work will be performed. Employers are then empowered - by relying on information provided by their employees - to create a healthy and safe remote work environment. The possibility of using an automated system for recording working hours is also regulated and, according to the proposed changes, the employer is obliged to share this data with their remote employee. Recognizing the importance of work-life balance, the amendments also introduced the 'right to disconnect' for remote workers.

DENMARK: Training allowance for people with work-related injuries.

For many years the 'Act on Compensation for Disabled Persons in Employment' has offered support for disabled people who wish to be economically active. This has recently been extended and now a new scheme has been launched whereby workers who suffer from an industrial injury will be entitled to 83% of their former salary whilst undertaking vocational training or retraining. The scheme is targeted at injured persons with a degree of disability of at least 10%.

DENMARK: Leave rules for single parents become more flexible.

A single mother or father/co-mother may now transfer part of their paid maternity leave to a close family member. If one parent has died, it is also possible to transfer leave weeks to the deceased's parents or siblings. The close family member to whom the leave is transferred must take the leave before the child reaches their first birthday.

DENMARK: Getting the numbers right.

Pay negotiators commonly suffer from the same inability to "do the math", especially when it comes to staged pay increases. In the latest Danish public sector pay deal it is claimed that the three-stage agreement giving three pay increases between April 2024 and November 2025 adds up to a total of 8.8%. However, the deal for 190,000 public sector workers should take into account the compound effects of such payments. The total should therefore be 8.97%. This may seem like 'splitting hairs', but with so many workers involved the overspend will be equal to around 96.3M Danish kroner (US\$ 13.9M). This is the cost of building an entirely new primary school.

ESTONIA: Weekly working time changes still not universally observed.

In March 2023 the European Court of Justice ruled in case <u>C-477/21</u> that daily and weekly rest periods must not be taken at the same time, but consecutively. The problem for Estonian employers is that the Contracts Act requires there to be a standard weekly rest period of 48 hours and summarized weekly rest period (for those on broken schedules) of 36 hours. This is compared to just 24 hours as set down in the EU Working Time Directive. Consequently, someone taking their weekly rest period on a standard basis must have a minimum of 59 hours off (48+11) every weekend. This will be complicated further if Monday or Friday are public holidays, as Estonian employees are further entitled to three hours additional leave on the day before a public holiday. Employers in other EU States with less entitlement to weekly rest may also be affected by this court decision and should check that at least 35 hours continuous rest is provided once a week.

EUROPEAN UNION: Online course participation.

A Eurostat survey in 2023 found that 30% of Internet users aged 16 to 74 completed an online course, or used online learning materials during the three months prior to the survey date. The highest such usage was in the Netherlands (54%), Finland (53%), Sweden (48%), Spain (47%) and Estonia (45%). At the other end of the scale were Romania (10%), Cyprus (16%), Bulgaria and Greece (both 17%) and Poland (18%).

EUROPEAN UNION: Gender balance.

41% of people employed as scientists and engineers were women in 2022. They were primarily employed in the service sector, comprising 46%, whereas only 22% of those employed as scientists and engineers in manufacturing were women. Amongst the EU Member States, the proportions varied widely - ranging from 53% in Denmark, Lithuania (52%) and Bulgaria (51%) to 31% in Hungary, Finland (32%) and Germany (34%).

FINLAND: Specialist and EU Blue card thresholds.

The monthly salary threshold for permits in the "specialist" category have risen from $\in 3,437$ to $\in 3,638$. On the other hand, the EU Blue card salary threshold has now risen from $\in 5,209$ to $\in 5,457$. Additional details may be obtained from the <u>Finnish</u> <u>Immigration Service</u>.

FRANCE: Gender equality index.

Companies with 50+ employees are reminded that they must prepare annual pay gap reports and publish them on their website by 1st March. Employers must also share details of the various indicators with their social and economic committee (CSE) and the labour inspectorate. Those having obtained a score below 75 points are obliged to take corrective measures within three



1. EUROPE

years in order to reduce the gender gap. If they do not publish their results in a visible and readable manner, they will face a penalty of up to 1% of annual payroll.

FRANCE: Leave entitlements for working parents.

Employers are reminded that employees may take parental leave for up to 310 working days over a period of 3 years if their child is sick, disabled, has a serious accident, or needs medical care. There is even the possibility to extend the leave for a further 310 days during a second 3-year period. This "exceptional" renewal is possible either in the event of a relapse or recurrence of the child's pathology, or when the seriousness of the child's pathology requires sustained parental care. When an employee requests renewal from their employer, they must attach a new medical certificate issued by the doctor treating their child. This document must indicate the continuation of care and the need for a sustained presence. During their parental leave, an employee does not benefit from continued salary, but from a daily state parental presence allowance (AJPP).

GERMANY: Court steps in to declare what is operationally appropriate.

The Mecklenburg-Western Pomerania State Labour Court has confirmed the judgement of a lower court which declared as unlawful the policy of a retail group which required that all branch managers operate on a full-time contractual basis. The company had rejected a branch manager's application to work part-time on such grounds. As things stand, Section 8 Paragraph 4 of the TzBfG law states that "an employer must agree to the reduction in working hours and determine their distribution according to the employee's wishes, unless operational reasons conflict with this. It was therefore necessary for the employer to argue that managerial responsibilities made a reduction of hours operationally impossible. However, the employee pointed out that the store was open longer than even a full 40-hour week and that, in any case, she worked for part of her time on non-managerial duties. The court accepted this and declared the refusal to grant part-time hours unlawful [2 Sa 29/23].

GERMANY: Probationary dismissal unaffected by discriminatory remarks.

The Bremen-Bremerhaven Labour Court has dismissed the claim of discrimination brought by a man who had been dismissed during his probationary period. The employer concerned stated that it had no knowledge of derogatory remarks about the man's Islamic faith prior to it deciding to dismiss on performance grounds. The remarks were, in any case, allegedly made by a non-Supervisory colleague after the dismissal decision has been made. The dismissal had also been agreed with the works council [9 Ca 9122/23].



GERMANY: Discredited Works Council resolutions stand.

What happens if a works council is found to have gained office through irregularities in the election process? According to the Saxon State Labour Court, this gives rise to the council election being "ineffective", but not necessarily being void. This was the case, it found, in the 2022 elections at VW's Zwickau plant. Consequently, the decisions made by the new council remained valid as a challenge can only have a future, not retrospective effect. The case has not, in fact, been yet finally concluded as an Appeal has yet to be heard by the Federal Labour Court [3 TaBV 9/23].

IRISH REPUBLIC: Sudden service sector drop in activity.

Demand in the service sector stood at a 35month low in January 2024. In spite of this, output prices rose – as too did employment. This was largely due to expectations of a general economic upturn later this year. However, latest labour cost changes over the year to Q3 2023 were a staggering +13.5% and we are still waiting for more recent industrial production figures following the -30.4% decline over the year to November 2023.





ITALY: Dispute initiated between OpenAI and Italian Data Protection Authority.

The Italian Guarantor for the Protection of Personal Data has served a notice against the system "ChatGPT" relating to a whole string of alleged infringements of the law. These include the lack of any facility to correct or delete false information, the lack of any way to check a user's age and the lack of any information campaign on the functioning and risks deriving from artificial intelligence systems. OpenAI now has until the end of February 2024 to respond to the criticisms made or face a formal investigation.

ITALY: Anti-pollution obligation in labour contracts.

The National Labour Inspectorate has warned companies which use outside contractors to address environmental issues as well as incorporate health and safety requirements into labour contracts. If the contractor does not purely utilize all its own workers on permanent contracts, it will be necessary to the use of no less than 30% of personnel on the contract with at least three years' experience in working in environments suspected of being polluted [Order.694: January 2024].

ITALY: Carrying out work elsewhere during sick leave is a cause for dismissal.

The Supreme Court has declared that if an employee is formally on sick leave for one job, but found to be working elsewhere, then the employer regarding them as sick and unable to work may dismiss them, even if they return to work as soon as the sick leave authorization ends [Case 1472 15th January 2024].

ITALY: Unjust damage to a company's reputation.

An employee committed "irreparable damage to the fiduciary bond at the basis of the employment relationship" when they made wild accusations against their employer in the presence of colleagues. As a consequence, the Supreme Court found that immediate dismissal was justified [Case 1686: 16th January 2024].

LUXEMBOURG: 2023 Political leave compensation.

Companies employing an elected communal representative may submit an application to the Ministry of Home Affairs to recover the remuneration paid to the employee during their periods of time off for public duties. The application for compensation relating to 2023 must be submitted before 30th September 2024.

NETHERLANDS: Misuse of non-competes.

The Arnhem-Leeuwarden Appellate Court has recently annulled a non-compete clause which it found to have been invalidated by an employer's actions. When the employee had at first resigned the employer first asked that the employee buy out the restriction. However, when this was declined the employer sought to enforce the non-compete clause. This "about turn" clearly



indicated that the purpose of the clause was not to prevent competition from a rival organisation, but just to profit from the employee's wish to exercise a free choice of employment.

LITHUANIA: Employees leave work early today.

The upcoming national holiday – The Day of Restoration of the State of Lithuania – will occur tomorrow (Friday, 16th February). Most people in Lithuania have a day off on this day. Employers should note that on the eve of public holidays, working hours are traditionally shortened by one hour - except for part-time employees. In case of employees on a six-day working week, work before a holiday shall be no longer than 5 hours.

NORWAY: Supreme Court ruling on working time.

One of the biggest problems with the EU Working Time Directive is that it divides up activities into just two categories – working time and non-working time. There is thus no space for "on-call" or "standby" time when the employee is available to be called upon to work, but is actually not working. EU Law is applied in Norway, although it is not an EU Member State. In case (<u>HR-2023-2068-A</u>) that was decided at the end of last year, the Supreme Court interpreted Article 2 (1) of the EU Directive to declare that although "on-call" time is that which is available to an employer it is not actually "working time" per se. The Article states that working time is "any period during which the worker is working, at the employer's disposal and carrying out his activity or duties, in accordance with national laws and/or practice". The problem with this interpretation is that it will undoubtedly be read by some courts elsewhere in the EU/EEA as meaning that "available time" and "working time" are effectively the same. Until the Directive is amended this will remain an ongoing headache for employers.

POLAND: Labour Inspectorate cranks up vigilance.

The Labour Inspectorate (PIP) plans at least 60,000 inspections during 2024. Here the focus will be upon underpayment, remote working, compliance with recent labour code amendments, chemical hazards and safe working practices in renewable energy, heat and power plants using solid fuels and the storage, sale and processing of scrap metal. Because PIP is not obliged to give prior warning of inspections (day or night), it is essential that emergency procedures are put in place for dealing with surprise visits. These should include briefings for reception and security personnel, "on-call" rosters for senior managers and delaying mechanisms to "check credentials" and guard against the impersonation of officials.

UNITED KINGDOM: Improved redundancy protection.

From 6th April 2024 pregnant workers will be subject to protection from being laid off. This will arise as soon as they inform their employer that they are pregnant. They will also remain protected when they return to work after childbirth. Protection will exist for those returning from shared parental and adoption leave. This protection extends to 18 months from the birth or adoption



date. In the case of those on shared parental leave, this protection applies if the employee has taken more than six consecutive weeks of such leave. In all these cases an employer shall have the duty to offer alternative suitable available employment.

UNITED KINGDOM: Non-competes.

The UK Competition and Markets Authority (CMA) has published research indicating that non-compete clauses are contained in 26% of all employment contracts. They were found to be used across all income levels with clauses in the contracts of those on lower incomes being viewed by the CMA as serving no purpose and unlikely to be enforceable. Curiously, around a quarter of employees were not sure if they were subject to such a restriction at all. One other important finding was that the average duration of the limitation was just 6 months. In its proposals for legislation in this field the maximum duration is cited as three months.

UNITED KINGDOM: CMA warns of labour market fixing.

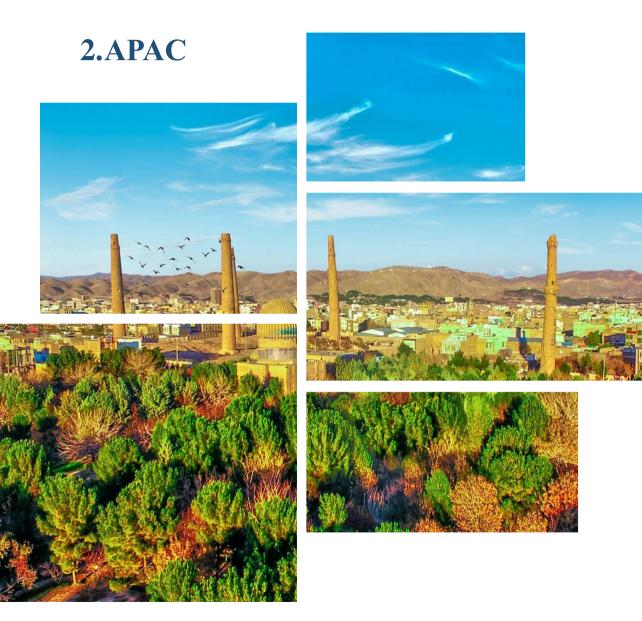
Unlawful labour market cartels are being increasingly outlawed in the UK, as well as USA. The Competition and Markets Authority (CMA) has warned employers about the risks they run if they fix wages with other employers, have mutual 'no-poaching' arrangements or exchange details about pay rates. Fines can be up to 10% of global turnover and Directors may be disqualified for up to 15 years for such contraventions of competition law. By way of an example, the CMA is currently investigating suspected anti-competitive conduct relating to pay rates in the sports and non-sports TV production and broadcasting sectors.

UNITED KINGDOM: Recession now officially admitted.

FedEE has calculated that the UK economy has been in fairly deep recession for at least the last fifteen months, but only now has the UK government been forced to reveal that recession has actually arrived. The Office for National Statistics (ONS) figures released today show that the economy had sunk by 0.3% during Q4 2023. This follows a fall during Q3 2023. The UK is officially considered to be in recession if GDP falls for two successive three-month periods. Employers should be aware that the actual drop is significantly greater than that being revealed. Some kind of admission was, however, necessary at some stage as statistical massaging can only paper over cracks on a temporary basis.

UNITED KINGDOM: Reintroduction of tribunal fees.

Back in 2017 the Supreme Court ruled that the tribunal fees system was unlawful on a number of grounds, one of which was cost. Now the government is seeking to reintroduce a standard charge of £55 for employment and appeal tribunals, which would be the same for single or multiple claimants. Some claims, such as those against the national redundancy fund, or involving collective redundancies, would be exempt from the fee. Employers now have <u>until 25th March</u> to submit their views about this change.



AFGHANISTAN: Executive Order 14064.

The final nail in the coffin of any economy is for it to be subject to a US Whitehouse notice declaring a state of emergency needs to be renewed beyond its previous end-date. This has just happened for Afghanistan, a country where the US government fears a total economic collapse. The country actually inhabits a huge geographical sink of debt - with neighbouring countries Irag, Pakistan and Iran all in worsening economic difficulties. Since the US imposition of sanctions on Iran in 2018, for instance, the government debt has been rising very fast. The only significant customer for its oil is China and the total revenue from that does not even cover the basic running costs of the state. Multinationals with people and corporate movable assets in the region should withdraw them whilst there is an opportunity.

2. APAC

AUSTRALIA: Disconnect law soon to be imposed.

Legislation in the pipeline (and possibly made effective this month) will introduce a new right to disconnect for all workers. Once the right is introduced, employees who object to being contacted outside normal working hours must initially take the matter up with their employer. If agreement is not reached, they may seek a "stop order" from the Fair Work Commission. This law will be bad news for organisations which operate across different time zones and it will be necessary to build in available contact times for certain staff.

CHINA: Significant salary increases for major online e-commerce company.

Starting February 2024, over 20,000 customer-service staff members from "JD.com" will enjoy an average annual wage increment of over 30%. Earlier this year, the annual fixed salary for front-line employees in its procurement and sales departments had also been increased by nearly 100%, whilst all retail staff members have also recently received an average salary rise of no less than 20%.

FIJI: Down, but not out.

This country is small by international standards, but ranks as the largest pacific island economy (outside Papua New Guinea). As with many micro-economies, there is a fairly high level of fragility and volatility. However, last year saw a distinct downturn after the brief honeymoon that followed the ending of the pandemic. The latest available figure for industrial production is for Q3 2023 and this shows an annual fall of -4.4%. This follows a 2.1% decline over the year to Q2 2023.

JAPAN: Amendment to LSA Ordinance.

From 1st April 2024 employers will be required not only to give notice to changes in workplaces and duties during the hiring process, but also whenever there are changes during an individual's employment. Those on fixed-term employment contracts must be informed about the duration of their current contract as well as about available renewals and also, after five years service, about their right to have their contract converted to a permanent one.

GUAM: Mandatory electronic filing.

The Internal Revenue Service (IRS) has changed its regulations to require employers submitting 10 or more information returns a year – including payroll - to file electronically. If unable to file electronically, employers may submit Form 8508 to request a waiver of the electronic filing requirement.

INDIA: Karnataka about turn on time.

A year ago, the the Factories (Karnataka Amendment) Bill, 2023 was passed, raising the length of the working day to 12 hours – although keeping the maximum working week to 48 hours. Furthermore, it allowed overtime to extend from 75 hours in any three months period to 145 hours and also for women to work night shifts provided they are given "adequate security". Now, however, support in the Legislative Council is growing for the repeal of this amendment, especially as it has not given rise to the extensive introduction of the 4-day week.

INDONESIA: Tightening payment rights for fixed-term contract terminations.

A recent circular letter to District Courts and Courts of Appeal from the Supreme Court contains new instructions concerning labour law cases. This sets new limits on pay and compensation for fixed-term workers. In the future a fixed-term employee will be entitled on termination before their term ends to the balance of the pay still due under the contract (Art 62: Manpower Law). However, this will not be payable in certain circumstances – such as death in service, if the relevant project is completed, any stipulation allowing early termination in the contract and by order of a court. In addition, those with one month or more service (even if terminated before the end of their contract) will receive on departure compensation to an amount equal to their actual service period divided by 12 and then multiplied by one month's salary. No compensation is payable, however, to foreign workers.

INDONESIA: Dual citizenship.

The general election was held yesterday, 14th February 2024. During the run up to it many politicians were calling for there to be a change in the law to allow 'dual citizenship'. This, many believe, will help curb the "brain drain" and encourage many skilled professionals who do leave to return at a later date. Although a dual citizenship proposal was first put to parliament in 2014, it was not pursued. However, the immigration department has since compiled data on Indonesians living abroad and begun issuing an Indonesian diaspora card. Now that the elections are over, we must wait to see if candidates will be good on their promises.

NEW ZEALAND: Cautious increase.

Starting from 1st April 2024, up to 145,000 workers who work 40 hours a week will earn an extra \$18 each week before tax, as the adult minimum wage will be increased by 2% to \$23.15 per hour. Training and 'starting-out' minimum wages will also both increase to \$18.52 per hour - remaining set at 80% of the adult minimum wage.



SINGAPORE: Higher compensation limits.

Under the Work Injury Compensation Act, compensation limits will next be adjusted on 1st November 2025. In the event of death or permanent incapacity arising from work injuries, the limits will increase by 19% to \$269,000 and to \$346,000, respectively. The compensation limit for medical expenses will also be increased - by 17% to \$53,000.

SRI LANKA: Proposed labour law reforms.

A number of important changes have recently been proposed by the government. These include: a minimum of at least 100 workers in membership of a trade union within a company to validate its operation; a unilateral right to terminate an employment contract without compensation if workplace rules are violated; the introduction of a 12-hour day (without overtime) for a 4-day week; the freedom for companies to introduce 24-hour operations - with up to six hours overtime and two hours rest per worker; a facility for women to work at night; a new freedom to create fixed-term jobs and for the employer to determine when annual leave is taken. The reforms are being designed to attract investments through 'high-skill' job creation and spur entrepreneurship. However, the biggest impact will be on the country's bloated public sector where it is currently almost impossible to reduce employment numbers.

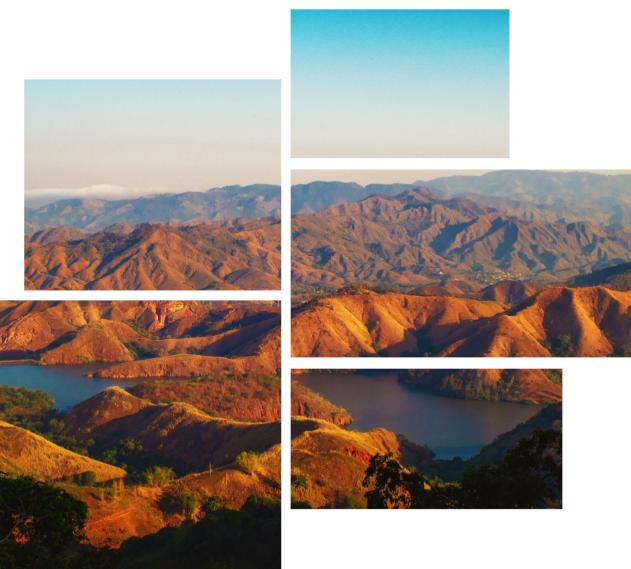
TAIWAN: Inflation rate eases to 6-month low.

Although consumer prices continued to rise in January 2024 to an annual rate of 1.8%, trend rises were still taking place in clothing (+2.5%) and health (+3.1%). Although food prices are falling, their growth rate is still above 4%. Economic growth was just 1.4% last year – the lowest level in 14 years. Some of this decline was latterly due to drone attacks on container shipping in the red sea during the last two months of the year by Yemen's Iranian-backed Houthi terrorists.

VIETNAM: Call for reduced workweeks.

The Vietnam General Confederation of Labour is pressing the Ministry of Labour, War Invalids and Social Affairs (MOLISA) to limit the working week to 48 hours. As things stand around a quarter of all Vietnamese employees work for 49 hours or more a week – especially in the manufacturing sector. Overtime is capped at 300 hours per year and paid at time + 50% on all weekly hours that go beyond 48. In addition, there is an extra 20% premium on pay levels for overtime at night, double time at weekends and treble time during holidays.

3.THE AMERICAS



BRAZIL: Jobs turnover rises substantially.

Last year, 7.3m workers left their jobs voluntarily compared to 6.8M in 2022 and 5.6M in 2021. The highest number of job changers were from the highest qualified category and much of the increase was due to the ending of the COVID pandemic. Voluntary job changers were also a minority - representing just 34% of all job changers. Moreover, the highest number of voluntary job changers were located in those regions with the highest level of economic activity - such as the South (41.3%), Central-West (38%) and Southeast (33.7%). By contrast, the States of Espírito Santo, Minas Gerais, and Rio de Janeiro were below the national average (34%).

CANADA: BC workplace injury duties.

Employers in British Columbia now have a duty to cooperate with each other and with WorksafeBC following a workplace injury. Employers with 20+ employees also have a duty to offer work to certain injured employees which restores the full wages they were earning for their pre-injury work and to reasonably accommodate the difficulties created by the injuries suffered. This level of adjustment must take into account the financial cost to the employer, safety matters, and the impact of the accommodation on the morale of other employees. During the first six months after they return, they are given employment protection, unless WorksafeBC gives its clearance to terminate.

CANADA: Caste-based discrimination.

Although "caste" is not a prescribed ground for discrimination under the Ontario Human Rights Code, it may be identified as discrimination to the extent that it differentiates people by skin colour, race, ethnic origin, place of origin and family status. The Human Rights Commission is actively seeking to make employers aware of it creeping into the workplace from staff exposed to it in their originating culture. It will therefore support employers introducing measures to combat such primitive practices.

CANADA: Where may online workers picket?

The Alberta Labour Relations Code specifies that picketing during a labour relations dispute is limited to the employer's location. Secondary picketing is only allowed with prior clearance from the Province's Labour Relations Board (LRB). However, in <u>Bioware</u> <u>ULC v UFCW local 401</u>, the situation was complicated because the workers actually worked at home, but for a direct employer in Vancouver which had a service agreement with Bioware. When the workers became unionised, they lost their jobs and picketed Bioware. The company went to the LRB claiming the action was illegal. However, at a hearing of the LRB it was found that in the circumstances the Bioware offices were appropriate.

CHILE: Double taxation treaty with the USA.

The USA has signed its first Double Taxation Treaty (DTA) in the last decade and only its second ever DTA with a South American country. The agreement, which came into force on 1st February 2024, limits to 15% the tax on dividends paid to a beneficial owner that is a resident of the other country and 15% on interest payments (reducing to 10% after 5 years) whilst sales of shares are taxed at 16% in either country. Furthermore, real (immovable) property is fully taxed in the country in which the real property is situated.





COLOMBIA: Annual registration of minimum standards.

Private companies in the country must carry out their annual progress report on minimum standards by 29th March 2024. This review refers to processes that companies must implement concerning the continuous improvement of organizational policies, planning, evaluation and assessment of risks that may affect safety and health at work. The form allowing completion of this procedure is available on the website of the <u>General Occupational Risk</u> <u>System</u>. The annual return was launched in 2020, but the form remains unchanged.

PUERTO RICO: New deal for non-doms.

There is at last one place in the world where no labour laws apply – at least for some employees. A new "Act to Facilitate the Implementation of Remote Work in Private Enterprise and to Encourage the Establishment of Air Bases in Puerto Rico" (House Bill 1745) provides an employer with a remarkable opportunity to write its own employment provisions. Where a private sector worker is employed in Puerto Rico for an employer that is not engaged in business in Puerto Rico, then they are exempt entirely from local labour laws and subject only to whatever is contained in the employment contract between the two parties. This includes "benefits, obligations, insurance, and any other provision applicable to such employment relationship". Likewise, where an airline company opens a base in Puerto Rico, they will only be covered by the collective agreement drawn up to cover its employees.



PUERTO RICO: New limits on qualified retirement plans.

The Treasury Department has published 2024 annual upper limits which include \$275,000 for defined benefit plans, \$69,000 for contribution limits and \$345,000 as the new compensation limit plans qualifying under Section 1081.01(a) of the PR Code. Employee plans may also be subject to additional voluntary contributions for sums up to 10% of the aggregate amount earned during years an individual is a member of a retirement plan.

USA: Age discrimination.

A Louisiana manufacturing and distribution company, J&M Industries, has been ordered to pay a former female employee \$105,000 in compensation for being fired when she refused to retire at age 65. In this Equal Employment Opportunity Commission (EEOC) sponsored case, the company was found to have breached the Age Discrimination in Employment Act (ADEA) and was also obliged to conduct training, revise policies, provide regular reports to the EEOC, and post a workplace notice affirming its obligations. The company had originally made the post concerned redundant, but a month later appointed a 30-something man into the same position.

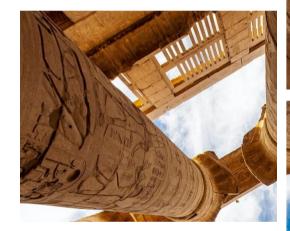
USA: Maine Equal Pay Law does not require discriminatory intent.

The <u>First Circuit Court of Appeals</u> has ruled that it is sufficient to establish that male and female employees are paid differently for equivalent jobs in order to show an infringement of the State's Equal Pay Law. It was not necessary to further prove that the employer concerned meant to reward each category of employee differently. The "affirmative defence" was rejected as the difference was clearly not due to factors such as seniority, merit or shift time and the psychologist bringing the case was awarded treble damages.

USA: FTC turns its attention to misclassification of workers.

Employers must beware of the Federal Trade Commission (FTC)'s widening interest in a range of labour-related practices. The latest is a warning shot fired by Commissioner Bedoya that the Commission is actively seeking examples of competitive advantage being gained by a company because it is pricing services in an advantageous way by using contractors to deliver them rather than employees – with all their attendant "on-costs". This focus threatens to put employers into a third firing line after the Department of Labor (DOL) and National Labor Relations Board (NLRB) have begun to snipe over incursions of the Fair Labor Standards Act (FLSA). The principal difference perhaps will be that the FTC can step in earlier than its rival agencies to prevent potential violations of S5 of the FTC Act. In any event, an employer's freedom to seek flexibility in the labour market is now being heavily constrained and companies that have embraced reshoring should perhaps instead look to Puerto Rico (see above) or even further afield.

4.AFRICA AND THE MIDDLE EAST











CYPRUS: Social insurance fund rate for 2024.

The employees' own contribution to the state-administered social insurance fund has been increased to 8.8% of their gross remuneration, with a maximum cap on insurable emoluments of \in 1,209 per week, \in 5,239 per month and \in 62.868 per annum. The contribution rate of 8.8% applies equally for both employee and employer as from this year.

EGYPT: Urgent social protection package.

Starting from 1st March 2024, the threshold at which workers will pay income tax will be increased by 33%, from EGP45,000 (US\$1456.36) to EGP60,000 (US\$1941.82). Over 13 million citizens will also receive a 15% increase in their pensions.



GULF STATES: The Abu Dhabi Dialogue.

A meeting between officials and ministers of 16 Asian States took place recently in Abu Dhabi as part of an ongoing "dialogue". The purpose was to explore ways to streamline coordination between the Gulf States and the principal countries that supply labour to them. On the agenda were ways to leverage advanced technology for "innovative initiatives aimed at resolving labour disputes" and expediting verdicts, the coordination of wage protection systems, ensuring gender equality in states' employment policies and an integrated financial system to encourage workers to transfer money in foreign currency to their home country.

ISRAEL: Major recruitment drive in India.

The military conflict in Israel has led to a fall in the number of Palestinian workers on building sites and generally to all foreign workers willing to work in the country. It has also resulted in the denial of visas to many Pakistani nationals, on security grounds. As a result, Israeli employers and labour ministry officials are focusing efforts on India – offering salaries 500-600 % higher than an Indian manual worker could expect to earn at home and twice as much as that on offer in Dubai. The area of greatest attention is the Indian State of Telangana where pay rates are particularly low. The current 20,000 Indian nationals who are employed in Israel have jobs in the care sector. The new wave of 60,000 recruits will mainly take up skilled trade positions in the construction sector.

KUWAIT: New rules for modifying expat work visas.

It is now prohibited to modify expatriates' personal data, such as their name, date of birth and nationality, directly on the existing work permits once they are issued. Instead, employers (Sponsors) seeking to make such changes must first apply for the cancellation of the worker's existing visa through the "Sahel service" within two weeks of the work permit's issuance date. It is then necessary to visit the Ministry of Interior to update the worker's information in the database and apply for a new work permit.

KUWAIT: Part-time expat work permits launched.

Instead of recruiting labourers from abroad, employers may wish to hire expatriates who are already living and working legally in the country through the newly launched part-time employment programme. The permit costs KD5 for a one-month permit, KD10 for three months, KD20 for six and KD30 for one year. However, Kuwaiti nationals are exempted from the fees. Part-time work is limited to four hours per day, with the exception of construction labourers who may work longer hours.

KUWAIT: Family visits resumed.

Those foreign workers who wish to apply for visas for visits by parents, a spouse or children must now earn a monthly salary of at least KD 400 (US\$1,298). They should also adhere to the specified duration of the visit and book a round-trip flight ticket on national airlines. Requests to convert the visit visas into residence permits will not be accepted.

MOROCCO: Rise in unemployment.

Although unemployment rose to 13% in the fourth quarter of last year – up from 11.8% a year earlier – the pattern was far from even. Many of the lost jobs were in agriculture because of the prolonged drought. Unemployment was also much higher amongst young people (35.8%), University graduates (19.7%) and women (18,3%). The economic situation, however, would be much worse if Morocco followed EU and US sanctions against Russia. In common with many African countries it has taken advantage of low cost deals by, in particular, importing diesel from Russia - with imports up 300% over the last two years.



NIGERIA: Ongoing dispute after non-implementation of Autumn concessions.

The government has still not introduced the changes it agreed with the Nigerian Labour Congress and Trade Union Congress last October – including a revised minimum wage to replace an interim increment of N35,000 (US\$23.09) that was only supposed to last for 6 months. The other undelivered measures included several tax incentives, special payments to pensioners and plans to roll out a nationwide autogas network with state-of-the-art CNG stations nationwide. The dispute has led the unions to threaten a nationwide strike unless near-term progress in made.

SOUTH AFRICA: Hourly wage minimum.

With effect from 1st March 2024, the national minimum wage per ordinary hour will be increased to 27.58 South African Rand (US\$1.46) from 25.42 Rand (US\$1.34). However, workers employed on an expanded public works programme are still only entitled to a minimum wage of R15,16 per hour – up from R13,97.

SOUTH AFRICA: Extension of application period.

The temporary concession allowing foreign nationals who have pending long-term visas, waivers, and appeal applications to continue to reside and work in the country on their current visa has been extended until 30th June 2024. This will give the immigration service more time for a decision on their applications.

5. DATES FOR YOUR DIARY

1st March 2024: The national minimum wage per ordinary hour will be increased in South Africa.

1st March 2024: Columbus, Ohio, bans inquiries into applicants' salary history.

12th March 2024: New York restricts employers' access to employees' social media accounts.

25th March 2024: Employment tribunal fees consultation closes in the United Kingdom.

29th March 2024: Deadline for annual registration of minimum standards in Colombia.

31st March 2024: All leave carried over due to it being unreasonable to take it due to covid must be taken by this date in the UK.

1st April 2024: Adult minimum wage will be increased in New Zealand.

1st April 2024: Changes to the deemed working time system for discretionary work to be effective in **Japan**.

6th April 2024: Pregnant workers will be subject to protection from being laid off in the United Kingdom.

1st May 2024: More leave for parents of twins in Denmark.

1st July 2024: California employers must comply with workplace violence prevention requirements by this date.

1st July 2024: Companies with 100+ employees must report work-related mobility (WPM) in the Netherlands.

1st November 2025: Maximum compensation for workplace-related injuries to increase in Singapore.

FedEE participation in EU Expert Panel: The proposed Directive laying down minimum rules to prevent and counter the facilitation of unauthorised entry, transit and stay in the European Union is currently being examined by the European Economic and Social Committee (EESC) prior to its introduction. FedEE is a recognised expert in this field and is a member of the EESC panel in Brussels looking at the proposal.

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