

Law and Policy Group

Global Legislative Update

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September 2022



In this document

Mercer's *Global Legislative Update* covers legal developments affecting retirement, health, executive rewards, talent, diversity and inclusion, and other HR programs that affect local and/or expatriate employees. Links to developments with upcoming effective dates covered in past updates are also included to remind employers of impending deadlines. These icons indicate whether employer action is required.



Employer action required



Potential implications for employers



Developments to monitor

Please note: Mercer is not a law firm and therefore cannot provide legal advice. Please consult legal counsel before taking any actions based on the commentary and recommendations in this report.

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Highlights

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Americas	
Argentina	Employers' contribution to occupational disease fund increased
Canada	Pension regulator proposes consolidated risk-management guideline Minimum wage to increase in Manitoba New statutory holiday added in Northwest Territories Employer guidance on electronic monitoring of employees in Ontario Draft guidance on avoiding deregistration under federal income tax act issued in Ontario Draft guidance on pension plan amendments issued in Ontario
Chile	Minimum wage increased Protection of digital platform workers boosted

Americas (continued)

United States

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Americas (continued)

United States

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Asia Pacific

Australia

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Cambodia

[Pension contributions required](#)

China

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Fiji

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India

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Malaysia

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Asia Pacific (continued)	
Singapore	Work pass framework to fill skill gaps expanded
South Korea	Meal allowance tax-free amount to change
Europe, Middle East and Africa (EMEA)	
European Union (EU)	Social partners' work program highlights telework, right to disconnect
Bulgaria	New paternity leave entitlement introduced
Denmark	Parental leave increased and leave offered to care for sick family members
France	Minimum wage rates increased Restaurant voucher contributions increased
Germany	Employers must provide more information to new hires
Gibraltar	Pension auto-enrolment program coverage expands Minimum wage increased Social security contribution rates change
Ireland	Guidance published on tax exemptions for certain health, well-being benefits Paid parent's leave increased to seven weeks Statutory paid sick leave enacted
Italy	First equality reports due Family leave expanded to improve work-life balance
Malta	Parental leave and carers' leave, flexible working expanded
Netherlands	Minimum wage increased Paid parental leave now effective
Poland	Minimum salary and hourly wage rates to increase
Romania	Employee payroll recordkeeping requirements changed Paternity leave entitlement expanded
Turkey	Private pension rules, citizenship pension plan adjusted

EMEA (continued)

Ukraine

[Zero-hours contracts regulated](#)

[Employment law changes introduced](#)

United Kingdom

[Court ruling on vacation entitlement for 'part-year' workers](#)

[Collective defined contribution schemes regulations now effective](#)



[Draft pension funding regulations proposed](#)

[Planned staging schedule for pension dashboards announced](#)

Section 2

Global




Reproductive rights (new)	
Status	 Ongoing initiatives
Development	Health Global employer resources on reproductive rights post Dobbs ruling In June 2022, the US Supreme Court, in <i>Dobbs v. Jackson Women’s Health Organization</i> , overturned <i>Roe v. Wade</i> , finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers with some information on countries’ positions on reproductive rights and the varying employee health benefit plan issues involved, this roundup provides links to organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	Roundup: Employer resources on reproductive rights post Dobbs ruling , regularly updated
Monkeypox public health emergency (new)	
Status	 Ongoing initiatives
Development	Career — Health Global employer resources on Monkeypox The World Health Organization (WHO) declared the escalating monkeypox outbreak a Public Health Emergency of International Concern on 23 July 2022, and employers are now considering the implications on working practices. This roundup provides multinational employers with links to some general information about the monkeypox outbreak from organizations, government websites, Mercer, third-party resource pages and news articles.
Resources	Roundup: Monkeypox resources for employers , regularly updated



Coronavirus (COVID-19) pandemic	
Status	 Ongoing initiatives
Development	<p>Career — Health — Wealth</p> <p>Countries address workplace issues resulting from the COVID-19 pandemic</p> <p>Since the World Health Organization declared COVID-19 a pandemic on 12 March 2020, employers continue to address the severe impact on work practices and adjust employment and benefit policies accordingly. Countries have enacted legislation and provided regulatory guidance related to workforce protections, leave and layoff procedures, employment subsidies, and changes to existing enforcement procedures. To help multinational employers address worksite, economic and associated travel issues, Mercer is providing analysis on workforce and investment implications and compiling information from organizations, government websites, news articles, and other resources.</p>
Resources	Roundup: COVID-19 resources for employers , regularly updated; Navigating coronavirus , regularly updated
Minimum wage rates	
Status	 Ongoing initiatives
Development	<p>Career</p> <p>Global employer resources on minimum wage increases</p> <p>To help multinational employers address the different minimum wage rates around the world, Mercer provides some information and links to resources from organizations, government websites, third-party resources and news articles</p>
Resources	Roundup: Global employer resources on minimum wage increases , regularly updated
Remote working	
Status	 Ongoing initiatives
Development	<p>Career — Health — Wealth</p> <p>Countries address remote-working issues</p> <p>Remote working has become more of a permanent feature for many employees and employers because of COVID-19 measures introduced in various countries. Remote working poses challenges and considerations for employers when devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, possible relocation of employees to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislative measures that clarify employer and employee requirements post-pandemic, and others are expected to follow suit. To help employers, Mercer is providing analysis and links to general information about ongoing remote-working rights and trends in some countries, including resources from Marsh McLennan, organizations, government websites, news articles and other parties.</p>
Resources	Roundup: Employer resources on remote-working rights/trends , regularly updated

Section 3

Americas

Argentina (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Employers' contribution to occupational disease fund increased</p> <p>The employers' fixed sum contributions to the occupational disease trust fund (FEEP) for each employee increased on 1 August 2022 to AR\$133 (up from AR\$127.65).</p>
Resources	Disposition 3 (Spanish) (Ministry of Labor, Employment and Social Security, 15 July 2022)
Argentina (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Remote-working rights post COVID-19 pandemic clarified — key date: 90 days after pandemic ends <p>Career</p> <ul style="list-style-type: none"> Employers required to provide workplace childcare facilities — key date: 23 March 2023
Canada	
Status	 Consultation is open until 15 September 2022.
Development	<p>Wealth</p> <p>Pension regulator proposes consolidated risk-management guideline</p> <p>The Canadian Association of Pension Supervisory Authorities (CAPSA) is proposing a consolidated guideline on risk management, which would include guidelines on environmental, social, and governance (ESG) risks; leverage and cyber risk; and risk management. Comments can be submitted until 15 September 2022.</p>
Resources	<p>ariella.fuhrmann@mercer.com</p> <p>Your feedback on an 'inclusive' guideline on risk management to include ESG, leverage and cyber (CAPSA, 9 June 2022); CAPSA guideline: Environmental, social and governance considerations in pension plan management (CAPSA guideline, 9 June 2022); CAPSA guideline: Leverage and the effective management of associated risks (CAPSA, 9 June 2022) and CAPSA Guideline: Cyber risk for pension plans (CAPSA, 9 June 2022)</p>

Canada — Manitoba (new)	
Status	 1 October 2022
Development	<p>Career</p> <p>Minimum wage to increase</p> <p>The government announced plans to increase the minimum wage to \$15/hour by October 2023. The minimum wage will first increase to \$13.50/hour, up from \$11.95/hour, on 1 October 2022 and will increase to \$14.15/hour on 1 April 2023. With the expected consumer price index increase for 2022, the next indexed adjustment will bring Manitoba's minimum wage to approximately \$15/hour as of 1 October 2023.</p>
Resources	Manitoba government announces plan to increase minimum wage to \$15 by October 2023 (Government, 18 August 2022) and Employment Standards (Government)
Canada — Northwest Territories (new)	
Status	 Currently effective
Development	<p>Career</p> <p>New statutory holiday added</p> <p>The Government of the Northwest Territories (GNWT) amended the Employment Standards Act to add the National Day for Truth and Reconciliation to the list of statutory holidays, to be observed annually on 30 September, beginning in 2022. The federal government implemented this holiday in 2021.</p>
Resources	National day for truth and reconciliation declared statutory holiday in Northwest territories (Government, 13 July 2022)
Canada — Ontario (new)	
Status	 Policy must be implemented by 11 October 2022.
Development	<p>Career</p> <p>Employer guidance on electronic monitoring of employees</p> <p>On 13 July 2022, the Government of Ontario published a guide for employers on the electronic monitoring of employees to implement the changes to the Employment Standards Act 2000 under Bill 88, Working for Workers Act 2022, which received Royal Assent on 11 April 2022.</p> <p>From 11 October 2022, Ontario employers with 25 or more employees (as of 1 January 2022) must implement a written electronic monitoring policy. In the future, employers must implement this policy by 1 March of each year based on workforce numbers as of 1 January. The policy must inform employees if they are electronically monitored, the means and circumstances for monitoring, the policy's date and revisions, and any other information that might be prescribed by law.</p>
Resources	Written policy on electronic monitoring of employees (Government, 21 July 2022)

Canada — Ontario (new)	
Status	 Consultation is open until 15 September 2022
Development	Wealth Draft guidance on avoiding deregistration under federal income tax act issued On 15 August 2022, the Financial Services Regulatory Authority (FSRA) released for consultation draft guidance on the regulatory requirements for plan sponsors that wish to avoid deregistration. The comment period closes on 15 September 2022. The guidance identifies the documents, information and steps required to avoid registration revocation and to comply with certain exemptions established under the Pension Benefits Act. These include written notification to FSRA, communication with pension plan members, and certification, exemptions and requests for more information. FRSA would accept a special approach for multiemployer pension plans addressing over-contributions that would otherwise make the plan revocable under the Income Tax Act
Resources	ariella.fuhrmann@mercer.com Consultation information (FSRA, 15 August)
Canada — Ontario (new)	
Status	 Consultation is open until 15 September 2022.
Development	Wealth Draft guidance on pension plan amendments issued On 15 August 2022, the Financial Services Regulatory Authority of Ontario released for consultation draft guidance on the registration submission for “adverse” amendments (amendments that reduce benefits on a prospective basis). The guideline also explicitly addresses restrictions for amendments that replace the variable indexation formula with a fixed indexation rate for earned benefits. The comment period closes on 15 September 2022.
Resources	ariella.fuhrmann@mercer.com Consultation information (FSRA, 15 August 2022)

Chile (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>From 1 August 2022, the minimum monthly wage for workers aged 18 to 65 years increased to CLP 400,000 and the monthly minimum wage for workers younger than 18 and older than 65 years increased to CLP 298,391, up from CLP 283,471.</p>
Resources	Decree 1089 (Spanish) (Legislature, 26 July 2022)
Chile (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career</p> <p>Protection of digital platform workers boosted</p> <p>From 1 September 2022, digital platform workers in Chile who work through app-based platforms, such as certain types of delivery, distribution and minor passenger transportation services, could be hired as “independent platform workers” — a new type of hybrid employment contract. Employers can also hire “dependent digital platform employees.”</p> <p>Under Law No. 21431, an independent platform worker has fewer labor protections than dependent digital platform employees. The law assigns certain rights to each category, and some rights apply to both. Independent platform workers have social security coverage, insurance, risk prevention, and the right to receive equal treatment and disconnect between work shifts. Both employee categories must be paid at least the minimum wage plus 20%, and must be given suitable personal protective equipment. The labor authority will oversee the law’s implementation.</p>
Resources	Law No. 21431 (Spanish) (Legislature, 11 March 2022)
Colombia (previously covered, with upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> Maximum weekly working time reduced — key date: Beginning in 2023

United States (US) (new)

Status



Fiscal years ending on or after 16 December 2022.

Development

Career



Long awaited pay-for-performance disclosures required in 2023 proxies


Twelve years after the Dodd-Frank Act became law and seven years after the SEC initially proposed a rule to implement the mandated pay-versus-performance disclosure, the SEC has approved a final rule. The rule requires companies to (i) disclose the relationship between executive pay and company performance using total shareholder return (TSR), net income and company-selected performance measures, and (ii) compare company and peer group TSR performance, each over a phased in five-year period. Disclosure must be included in proxy and information statements for fiscal years ending on or after 16 December 2022. Complying will require new equity award and pension calculations and analyses. To prepare for the 2023 proxy season disclosure, companies should create a pro forma table and consider what conclusions investors or the media might draw and whether supplemental disclosures would be helpful to demonstrate the company's pay-for-performance link.


Resources



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[A deep dive into the long awaited pay-for performance disclosures](#) (Mercer, 31 August 2022) and [Long awaited pay-for-performance disclosures required in 2023 proxies](#) (Mercer, 29 August 2022)



US (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Defined benefit plans exempt from minimum corporate tax</p> <p>Defined benefit (DB) pension plans and other post-retirement benefit plans are exempt from the minimum corporate tax in the Democrats' sprawling tax, climate, and healthcare bill — the Inflation Reduction Act — signed into law by President Biden on 16 August 2022. The DB plan carve-out responds to concerns by Mercer, the American Benefits Council, and others that the minimum tax would create a host of adverse consequences for pension plans, including effectively eliminating deductions for plan contributions.</p> <p>The new law also omits earlier proposals to restrict Roth conversions in employer retirement plans and cap aggregate defined contribution plan and IRA balances for high earners.</p>
Resources	<p>geoff.manville@mercer.com Inflation Reduction Act (Legislature) and GRIST, 16 December 2021</p>
US (new)	
Status	 Extension dates vary
Development	<p>Wealth</p> <p>Amendment deadlines for SECURE, Miners and CARES acts extended</p> <p>IRS Notice 2022-33 extends the deadlines for employers to amend their retirement plans to reflect the Setting Every Community Up for Retirement Enhancement (SECURE) Act (Div. O of Pub. L. No. 116-94), the Bipartisan American Miners Act of 2019 (Div. M of Pub. L. No. 116-94), and the waiver of 2020 required minimum distributions (RMDs) from defined contribution (DC) plans under the Coronavirus Aid, Relief and Economic Security (CARES) Act (Pub. L. No. 116-136).</p> <p>Notice 2022-33 pushes out the plan amendment deadlines for these changes by two to three years for many plans. Before the extension, amendments generally were due by the end of the first plan year starting in 2022 (2024 for governmental plans under all three laws and for collectively bargained plans under the SECURE and Miners acts). With the extension, amendments for these changes now have the following deadlines:</p> <ul style="list-style-type: none"> • Sponsors of nongovernmental qualified and 403(b) plans not for public school employees must adopt plan amendments by 31 December 2025. This deadline applies to both nonbargained and collectively bargained plans. • Sponsors of governmental qualified and 457(b) plans and 403(b) plans for public school employees must adopt plan amendments within 90 days after the close of the third regular session beginning after 31 December 2023, of the legislative body with authority to amend the plan. (Certain 457(b) plan sponsors making amendments to resolve compliance issues may have a later deadline.)
Resources	<p>brian.kearney@mercer.com and margaret.berger@mercer.com GRIST, 5 August 2022</p>


US (new)	
Status	 2023 plan year
Development	<p>Health</p> <p>ACA affordability percentage for employer coverage drops to 9.12%</p> <p>The Affordable Care Act (ACA) benchmark for determining the affordability of employer-sponsored health coverage will shrink to 9.12% of an employee's household income for the 2023 plan year, according to IRS Rev. Proc. 2022-34. This marks a significant decrease from the 2022 level of 9.61%. For calendar-year plans using the federal-poverty-line safe harbor to determine affordability, the required employee contribution cannot exceed \$103.28 per month in 2023, slightly up from \$103.15 in 2022.</p> <p>This affordability percentage can affect individuals' eligibility for federally subsidized coverage from a public exchange, as well as employers' potential liability for shared-responsibility (or "play or pay") assessments.</p>
Resources	<p>dorian.smith@mercer.com and cheryl.hughes@mercer.com</p> <p>GRIST, 1 August 2022</p>

US (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Updated prescription drug reporting mandate issued</p> <p>A new prescription drug data collection (also known as "RxDC") mandate, adopted as part of the 2021 Consolidated Appropriations Act (CAA) (Pub. L. No. 116-260), requires group health plans and health insurers to submit to the government detailed data about prescription drug pricing (including rebates) and healthcare spending. The first reports are due by 27 December 2022, and annually thereafter. Regulators will use the information to prepare a biannual, publicly available report.</p> <p>Regulators have already issued interim final rules detailing the data to report and, more recently, updated submission instructions describing the mechanics of the reporting process. The updated instructions provide important information about reporting wellness services, prescription drug expenses that are covered by the pharmacy benefit, and more.</p>
Resources	<p>rich.glass@mercer.com, jennifer.wiseman@mercer.com, cheryl.hughes@mercer.com and david.dross@mercer.com</p> <p>GRIST, 26 August 2022</p>

US (new)	
Status	 Currently effective
Development	<p>Career</p> <p>NLRB and FTC jointly promote fair competition and workers' rights</p> <p>The National Labor Relations Board (NLRB) and Federal Trade Commission (FTC) have executed a Memorandum of Understanding forming a partnership between the agencies that will promote fair competition and advance workers' rights. The agreement enables the NLRB and FTC to closely collaborate by sharing information, conduct cross training for staff at each agency, and partner on investigative efforts within each agency's authority. Identified areas of mutual interest include labor market developments relating to the "gig economy," such as misclassification of workers and algorithmic decision-making; the imposition of one-sided and restrictive contract provisions, such as noncompete and nondisclosure provisions; the extent and impact of labor market concentration, and the ability of workers to act collectively.</p>
Resources	Press release (NLRB, 19 July 2022) and Memorandum of Understanding (NLRB, 19 July 2022)
US (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Pay equity guidance updated for federal contractors</p> <p>The Office of Federal Contract Compliance Programs (OFCCP) has published a revised Directive, "Advancing Pay Equity Through Compensation Analysis," to clarify its guidance and explain how OFCCP reviews contractors' documentation of compliance. The OFCCP Director highlighted three elements in the revised directive:</p> <ul style="list-style-type: none"> • It explicitly restates that the OFCCP does not require the production of attorney-client privileged communications or attorney work product • It identifies the documentation that a contractor must provide the OFCCP to demonstrate it has satisfied its obligation to perform compensation analysis • It explains the documentation that a contractor must provide to demonstrate it has implemented action-oriented programs to remedy any problem areas identified in a compensation analysis
Resources	Advancing pay equity through compensation analysis (Department of Labor, 18 August 2022)

US (new)	
Status	 Currently effective
Development	Career Federal judge temporarily blocks LGBTQ workplace protections in several states A Federal judge in Tennessee has temporarily blocked the federal government from enforcing Equal Employment Opportunity Commission (EEOC) guidance in twenty Republican-led states by issuing a preliminary injunction. States' attorney generals had challenged 2021 EEOC guidance that protects lesbian, gay, bisexual and transgender workers from sexual orientation and gender identity discrimination in employment. For now, the following states can continue to enforce their state laws in contravention of EEOC guidance: Alabama, Alaska, Arizona, Arkansas, Georgia, Idaho, Indiana, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Montana, Nebraska, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee and West Virginia.
Resources	Memorandum opinion and order (USDC of Eastern Tennessee, July 2022)
US (new)	
Status	 Consultation is open until 14 October 2022.
Development	Career Flexibility proposed for employment eligibility verification The Department of Homeland Security (DHS) proposes to allow for alternative procedures to examine documents required by the Form I-9, Employment Eligibility Verification. Due to the COVID-19 pandemic, DHS temporarily waived requirements — until 31 October 2022 — that employers inspect I-9 employment verification documents in person if they operate remotely. DHS recognizes that more employers have since adopted telework and remote work arrangements, and is considering permitting permanent flexibilities. The proposed rule would not directly authorize remote document examination, but would create a framework that would allow the Secretary of Homeland Security to authorize alternative document examination options for some or all employers. Such procedures could be implemented as part of a pilot program, upon the Secretary's determination (provided the procedures offer an equivalent level of security), or as a temporary measure to address a public health emergency. Comments on the proposed rule can be submitted until 14 October 2022.
Resources	Optional alternatives to the physical document examination associated with employment eligibility verification (Form I-9) (Federal Register, 18 August 2022) and I-9, Employment eligibility verification (USCIS)

US	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on minimum wage increases</p> <p>In April 2021, President Joe Biden signed an executive order requiring federal contractors to pay workers a \$15/hour minimum wage, effective for new federal contract solicitations starting 30 January 2022. The Department of Labor (DOL) issued final implementation rules on 22 November 2021 and a field assistance bulletin in January 2022. In January 2021, President Biden also issued an executive order asking the director of the Office of Personnel Management to provide recommendations on promoting a \$15/hour minimum wage for federal employees. House and Senate Democrats also introduced the Raise the Wage Act of 2021 to progressively increase the minimum wage to \$15/hour by 2025. Several states have already taken action to gradually increase the minimum wage to \$15/hour for most employees. To help employers prepare and address related issues, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	GRIST , regularly updated
US	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on hairstyle nondiscrimination laws</p> <p>The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the US is designed to prohibit discrimination based on natural hair texture or hairstyles that are normally associated with race, such as braids, locs, twists, curls, cornrows, afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Federal legislation, supported by the Biden administration, passed the house in March 2022. Eighteen states have already passed CROWN Acts, and many others are considering legislation. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and in compliance with federal, state and local laws, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	GRIST , regularly updated

US — States	
Status	 Effective dates vary.
Development	Career — Health State accrued paid sick leave mandates enacted To date, 14 states — Arizona, California, Colorado, Connecticut, Maryland, Massachusetts, Michigan, New Jersey, New Mexico, New York, Oregon, Rhode Island, Vermont, Washington, and Washington, DC, have enacted paid sick leave mandates. Maine and Nevada have laws requiring accrued paid time off not limited to sick time. All of these laws have common features, including the following: <ul style="list-style-type: none">• Accruals are based on the employee’s work location and start on the date of hire.• Employers whose existing paid leave programs (e.g., time off, sick leave or personal leave) meet or exceed the maximum accrual and allow the same leave uses without more restrictions or limitations do not have to provide additional leave.• The term “health” includes mental health, preventive care and chronic conditions in addition to physical illness.• Employees exempt from the federal Fair Labor Standards Act’s minimum wage and overtime standards are considered to work 40 hours per week.• Properly classified independent contractors are not eligible for paid sick leave.• Employers may require reasonable notice if the leave is foreseeable.• If the leave is unforeseeable, employees should provide notice as soon as practicable.• Worker protections and anti-retaliation provisions apply.• Leave mandates do not apply to federal government employers, but may apply to state and/or local government employers. This GRIST can help employers track key provisions of different jurisdictions’ accrued paid leave laws.
Resources	katharine.marshall@mercer.com and rich.glass@mercer.com Roundup: State accrued paid sick leave mandates, regularly updated

US — States	
Status	 Ongoing initiatives
Development	<p>Wealth</p> <p>Resources for tracking state and city retirement initiatives</p> <p>This article summarizes state and city retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. This listing is updated periodically and may not always reflect the latest developments in every state.</p>
Resources	<p>margaret.berger@mercer.com, brian.kearney@mercer.com</p> <p>Resources for tracking state and city retirement initiatives, regularly updated</p>
US — California (new)	
Status	 1 January 2023
Development	<p>Career</p> <p>Minimum hourly wage to increase</p> <p>California's Department of Finance has announced that the minimum wage for all employers will increase to \$15.50/hour as of 1 January 2023. Currently, the minimum wage for employers with 25 or more employees is \$15/hour and is \$14/hour for smaller employers. Prior to this announcement, the increase for smaller employers was slated to be to \$15/hour as of 1 January 2023. Earlier, this year, the Secretary of State announced that an initiative to increase the minimum wage to \$18/hour beginning in 2025 will be on the November 2024 ballot. Numerous counties and cities in California have higher minimum wage rates than the state's rate.</p>
Resources	<p>Minimum wage increase, Director of Finance determination and certification (Department of Finance, 27 July 2022) and Information on minimum wage (Department of Industrial Relations)</p>
US — California (new)	
Status	 Proposal
Development	<p>Career</p> <p>Voters to consider \$18/hour minimum wage in 2024</p> <p>California's Secretary of State announced that an initiative to increase the minimum wage to \$18/hour beginning in 2025 will be on the November 2024 ballot. Currently, the hourly minimum wage is \$15 for employers with 26 or more employees, and is \$14 for employers with 25 or fewer employees.</p>
Resources	<p>Announcement of Initiative: #1936 related to minimum wage — Eligibility for ballot (Secretary of State, 7 July 2022) and Initiative No. 21-2022 — First Amendment (Government, 5 January 2022)</p>

US — California — San Francisco (new)

Status  **1 January 2023**

Development

Health

Healthcare expenditure rates released for 2023



San Francisco has posted the 2023 Health Care Expenditure (HCE) rates under the Health Care Security Ordinance (HCSO) rules. The HCSO applies to all employers that must obtain a San Francisco business registration certificate and have at least 20 employees in any location if at least one works in the city and county of San Francisco.

Employers with workers in San Francisco will need to prepare for compliance with the 2023 HCE and understand the HCE's application to San Francisco workers. Once premiums are set for insured plans, plan sponsors can review any deficits and determine the best approach to make up any shortfall and make the quarterly payments. Self-funded plans may want to work with their third-party administrators and actuaries to evaluate spending options. Payments for self-funded plans may be measured quarterly or annually, subject to plan design and the availability of claims data.

Due to the public health emergency rules for telecommuters, employers may wish to review census information to see if they have any workers in San Francisco. For an employer that determines an HCE for a worker in San Francisco may be due, the employer can consider making a voluntary correction with the Office of Labor Standards Enforcement. Finally, employers subject to the HCSO should become familiar with notice posting requirements, complaint process and penalties for noncompliance.

Resources

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[GRIST](#), 8 August 2023

US — Colorado (new)	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>FAMLI timing issue for private plans addressed</p> <p>Under Colorado’s Family and Medical Leave Insurance (FAMLI) program, contributions start in 2023, and benefits start in 2024. Employers may satisfy FAMLI obligations by offering equivalent private plans, thereby eliminating the need to contribute to the state program. Private plans (insured or self-funded) require FAMLI Division approval. Benefits and employer participation rules were finalized on 26 August 2022. Private plan rules are still in progress. As a result, the FAMLI Division adopted a temporary procedure for employers who secure an approved private plan before benefits start on 1 January 2024:</p> <ul style="list-style-type: none"> • Collect FAMLI premiums starting in 2023 (employees are liable for up to half of the 0.9% payroll tax). • Remit premiums and wage reports on a quarterly basis. • Reimburse the employer for remitted premiums, less a private plan administration fee, once approved. <p>Thereafter, premium remittance and wage reports are no longer required. The private plan application deadline is 31 October 2023.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Guidance regarding approved private plans and 2023 participation (Government) and Information on FAMLI (Government)</p>
US — Colorado (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Employer guidance on commissions and bonuses updated</p> <p>Colorado’s Department of Labor and Employment recently updated its Interpretive Notice & Formal Opinion #17 Commission and Bonuses. The updates clarify when employees are entitled to bonuses and commissions after employment termination.</p>
Resources	Interpretive Notice & Formal Opinion(Info) #17 Commission and Bonuses (Department of Labor and Employment, 24 June 2022)

US — Colorado (new)

Status  **Currently effective**

Development

Career

Employer guidance on rest and meal breaks updated

Colorado's Department of Labor and Employment recently updated its Interpretive Notice & Formal Opinion #4 on Meal and Rest Periods (Info). The Info clarifies that rest breaks are also "time worked" for purposes of recordkeeping and earnings statements — the Colorado Overtime and Minimum Pay Standards (COMPS) Order #38 already explicitly stated that rest breaks are "time worked" for purposes of calculating minimum wage and overtime. The Info also provides guidance and examples on determining whether or not a meal period is impractical.

Resources

[Interpretive Notice & Formal Opinion \(Info\) #4](#) (Department of Labor and Employment, 23 May 2022) [Colorado Overtime and Minimum Pay Standards \(COMPS\) Order #38](#) (Department of Labor and Employment, 24 June 2022)

US — Connecticut (new)

Status  **Currently effective.**

Development

Career — Health

Family medical leave regulation defines key terms

Regulation 2022-0008a became effective on 3 August 2022. Among other things, the regulation:

- Defines a family member as anyone whose close association with an employee is equivalent to a family relationship, validated by a "simple, written statement"
- Clarifies that if a Professional Employer Organization is a joint employer, the client employer will typically be viewed as the primary employer
- Confirms that leave may be taken to travel to another country to complete an adoption
- Addresses — for the first time — qualifying exigency leave and military caregiver leave, including certification requirements
- Explains the complaint process for alleged violations.

Resources

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[Regulation 2022-0008a](#) (Government)

US — Delaware (new)

Status



1 January 2024

Development

Health

New law requires annual behavioral health well check for insured plans

A new Delaware law (HB 303) requires fully insured individual and group plans to provide a predeductible annual behavioral health well check with a clinician who has at least a masters-level degree. State Medicaid and governmental plans must also comply. Well checks must include:

- Review of medical history
- Evaluation of adverse childhood experiences
- Use of appropriate screening tools
- Anticipatory behavioral health guidance


Plans may impose cost sharing (coinsurance, copayments), allowable charge limitations and licensing and similar restrictions. HB 303 lists 14 available CPT codes, all of which are in the code range of preventive medicine services. The law creates a 12-person advisory committee, tasked with creating a developmentally appropriate design for well checks. HB 303 applies to insured health plans issued in Delaware and certificates of coverage issued to state residents, but not to self-funded ERISA plans.

Resources

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[HB 303 \(Legislature\)](#)

US — District of Columbia (new)

Status  **Projected law date is 21 September 2022.**


Development **Health**
Medically necessary foods for insured plans mandated
 The Medically Necessary Foods Coverage Act (Act 24-487) has been signed by the Mayor and requires fully insured plans issued in the District of Columbia (DC) to cover medically necessary foods for eight diseases or conditions. The Mayor is also empowered to designate additional diseases or conditions through rulemaking. Covered diseases or conditions include:

- Inflammatory bowel disease (including Crohn’s disease)
- Gastroesophageal reflux disease that is nonresponsive to standard medical therapies
- Malabsorption due to liver or pancreatic disease
- Inherited metabolic disorders

Cost sharing must be in parity with other illnesses, conditions or disorders in terms of copayments/coinsurance, deductibles, treatment limits and annual/lifetime maximums. The mandate also applies to multiple employer welfare arrangements in DC. Self-funded plans and federal governmental plans are otherwise exempt.

Resources rich.glass@mercer.com
[Act 24-487](#) (Council of the District of Columbia)



US — District of Columbia (new)


Status  **Currently effective**


Development **Career — Health**
Budget law expands paid family medical leave duration
 The District of Columbia recently enacted an emergency budget law for Fiscal Year 2023 (Act 24-470), which expands the duration of paid leaves, effective for claims filed on or after 1 October 2022. Specifically, the leave portion of the budget law (called the Universal Paid Leave Amendment Act of 2022) increases the maximum duration of qualifying paid parental, family and medical leave to 12 weeks and adds two weeks of prenatal leave per 52-workweek period. Because Act 24-470 was enacted on an emergency basis, it does not require the typical 30-day Congressional review.



Resources rich.glass@mercer.com
[Act 24-470](#) (Council of the District of Columbia)

US — District of Columbia (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Ban on noncompetes limited</p> <p>The Council of the District of Columbia has passed the Non-compete Clarification Amendment Act of 2022 (Bill 24-256), which relaxes the restrictions on the use of noncompete provisions and agreements. The changes:</p> <ul style="list-style-type: none"> • Clarify which provisions in workplace policies or employment provisions will not violate the law’s restrictions on the use of noncompete provisions and agreements • Clarify that employers may bar an employee’s use, in addition to the disclosure, of confidential and proprietary information during or after the employee’s employment for the employer • Create a limited exception allowing the use of noncompete provisions with highly compensated employees, including medical specialists, under specified circumstances • Specify what must be contained in a noncompete agreement for it to be valid and enforceable • Clarify remedies for violations of the act • Clarify how the Act relates to a collective bargaining agreement • Clarify how the law applies relative to other District laws • Clarify rulemaking requirements. <p>The changes are expected to take effect on 1 October 2022.</p>
Resources	<p>rich.glass@mercer.com</p> <p>B24-0256 — Non-compete conflict of interest clarification amendment act of 2021 (Council of the District of Columbia)</p>
US — Florida (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Federal court blocks law limiting diversity training</p> <p>A Federal District Court has issued a preliminary injunction that blocks a Florida law restricting workplace bias or diversity training because it violates the First Amendment of the Constitution. “If Florida truly believes we live a post-racial society, then let it make its case. But it cannot win the argument by muzzling its opponents,” the court said.</p>
Resources	<p>Honeyfund.com Inc. et al v. Desantis et al (Federal District Court, 18 August 2022) and HB 7 (Legislature)</p>

US — Hawaii (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Ban on workplace nondisclosure agreements expanded</p> <p>Hawaii has expanded its ban on workplace nondisclosure agreements (NDAs) to cover settlements and other contracts that would prevent employees from disclosing or discussing sexual harassment or sexual assault occurring in the workplace, at work-related events, between employees, or between an employer and an employee. HB 2495 was signed by Hawaii’s Governor on 12 July 2022 and took effect immediately. Hawaii already had banned employers from requiring workers from signing an NDA as a condition of employment.</p>
Resources	HB 2495 (Legislature)
US — Illinois (new)	
Status	 1 January 2023
Development	<p>Career</p> <p>Hair nondiscrimination law enacted</p> <p>Illinois has joined the growing list of states that have banned hair discrimination. The Governor has signed into law the “CROWN Act” (SB 3616), which amends the Illinois Human Rights Act to expand the definition of "race" to include “traits associated with race, including, but not limited to, hair texture and protective hairstyles such as braids, locks, and twists” for the purposes of combatting unlawful discrimination in Illinois. The CROWN Act will take effect on 1 January 2023.</p>
Resources	SB 3616 (Legislature)

US — Illinois —Chicago (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Sexual harassment prevention requirements enhanced</p> <p>Employers in Chicago, Illinois, face enhanced sexual harassment prevention requirements, under changes to the city's sexual harassment laws. The enhancements include:</p> <ul style="list-style-type: none"> • Sexual misconduct is added to the sexual harassment definition. Sexual misconduct is defined as any behavior of a sexual nature which also involves coercion, abuse of authority, or misuse of an individual's employment position. • All employers must have a written policy on sexual harassment. • All employers must post a written notice on sexual harassment. • Increased statute of limitations to 365 days — up from 300 • Additional annual training must be given to all employees including the one hour of prevention training aligned with state requirements and one hour of bystander intervention. Supervisors and managers are required to have an additional one hour of training. • Increased penalties for individuals or businesses that participate in discriminatory practices in the workplace including sexual harassment. The penalty increased from \$500 to \$1,000 per violation to \$5,000 to \$10,000. <p>The written policy, written notice, and required training components of the ordinance were effective 1 July 2022. A model policy, written notice, and training templates are available on Chicago Commission on Human Relation's website. These changes align with the Mayor's Citywide Strategic Plan to Address Gender-based Violence and Human Trafficking.</p>
Resources	Press release (Office of the Mayor, 27 April 2022) Information on Sexual Harassment (Commission on Human Relations)

US — Louisiana (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Hair nondiscrimination law enacted</p> <p>Louisiana has joined the growing list of states that have banned hair discrimination in employment. The Governor has signed into law HB 1083, which makes it unlawful for an employer to discriminate based on an individual's "natural, protective, or cultural hairstyle." The law took effect on 1 August 2022.</p>
Resources	HB 1083 (Legislature) and Roundup: US employer resources on hairstyle nondiscrimination laws , regularly updated

US — Louisiana (new)	
Status	 Effective for new plans issued on or after 1 January 2023 and existing plans on 1 January 2024.
Development	<p>Health</p> <p>Insulin cost sharing capped at \$75 per month</p> <p>Louisiana became the latest state to limit insulin cost sharing with the enactment of 2022 Act No. 724, HB 677. The law prohibits plans from requiring enrollees to pay more than \$75 per month for a 30-day supply. This amount will increase every year, based on the prescription drug component of the US Bureau of Labor Statistics Consumer Price Index. In addition, a plan must cover at least one insulin option from each therapeutic class in the plan's formulary.</p> <p>The Louisiana law applies to fully insured plans located in the state. One big distinction is that the definition of "health coverage plan" subject to the mandate includes "a self-insurance plan." Self-funded ERISA plans are typically not subject to state oversight because of the well-established preemption doctrine in the ERISA statute. It will be interesting to see how this provision is enforced and/or litigated. The new law does explicitly exempt excepted benefits, limited benefit health insurance plans or short-term limited duration insurance with a term of less than 12 months.</p> <p>The law takes effect for new plans issued on or after 1 January 2023 and existing plans on 1 January 2024. This year Maryland, Oklahoma and Washington state have enacted similar insulin caps. Last year, Oregon, Rhode Island, Vermont and Washington, DC, passed insulin cap measures. A related bill is pending in the California Assembly.</p>
Resources	<p>rich.glass@mercer.com</p> <p>HB 677 (Legislature)</p>
US — Maine (Portland) (new)	
Status	 Proposal
Development	<p>Career</p> <p>Voters to consider \$18 hourly minimum wage</p> <p>Portland residents will vote in November 2022 on whether to increase the minimum hourly wage to \$18 over three years. The increase would also apply to tipped and gig workers. A Department of Fair Labor Practices would also be created to enforce wage and worker safety laws.</p>

US — Maryland (new)

Status



Contributions to start 1 October 2023

Development

Career — Health

Paid family and medical leave law enacted



Enacted 9 April 2022, Maryland's Time to Care Act (TTCA) (2022 Ch. 48, SB 275) establishes a paid family and medical leave (PFML) insurance program, with contributions starting 1 October 2023. Contribution rates are to be determined. Starting in 2025, covered employees may take up to 12 weeks of leave in a rolling 12 months, with an additional 12 weeks possible if the employee experiences a serious health condition and needs to bond with a new child. The program will provide up to 90% of average weekly wages (subject to an initial \$50 minimum and \$1,000 maximum, adjusted annually thereafter). Covered employers must participate in the state program or comply with an approved private plan (insured, self-insured or a combination). TTCA leave is in addition to the state's existing sick and safe leave under the Healthy Working Families Act, effective since 2018.


While awaiting regulations and other guidance, here are some steps employers can take:

- Factor TTCA requirements into future workforce planning or headcount changes.
- Identify which employees are eligible for TTCA leave.
- Review current PTO programs and address coordination with TTCA leave.
- Explore the private plan option and decide whether to insure or self insure.
- Ensure proper changes necessary for your payroll system.
- Educate your staff on the law's key features.
- Create a communication strategy that encompasses required notices.
- Watch for guidance and other developments

Resources

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[GRIST](#), 11 August 2022

US — Massachusetts (new)	
Status	 24 October 2022
Development	<p>Career</p> <p>Hair discrimination in the workplace banned</p> <p>Massachusetts has joined the growing list of states that have made it an unlawful to discriminate based on natural and protective hairstyles under legislation (HB 4554) signed by the Governor on 26 July 2022. The CROWN Act is effective on 24 October 2022 and prohibits discrimination based on “natural and protective hairstyles,” which includes, but is not limited to, braids, locs, twists, Bantu knots and other formations. The Massachusetts Commission against discrimination shall adopt implementing regulations.</p>
Resources	HB 4554 (Legislature) and Roundup: US employer resources on hairstyle nondiscrimination laws , regularly updated
US — Massachusetts (new)	
Status	 1 January 2023
Development	<p>Health</p> <p>2023 individual mandate coverage dollar limits announced</p> <p>The Massachusetts Health Connector has announced 2023 dollar limits on deductibles and other cost sharing for minimum creditable coverage (MCC), as required by regulations (956 Mass. Code Regs. 5). The Massachusetts individual mandate, in place since 2007, requires state residents to maintain MCC or face a potential state tax penalty. Providing MCC is not an employer mandate, but many employees use employment-based health coverage to satisfy the individual mandate. In addition, health plan reporting requirements compel plan sponsors (or their vendors) to determine whether their coverage meets MCC standards. Deductibles and out-of-pocket maximums are adjusted annually. Regulations also clarify MCC criteria for health arrangements provided by religious organizations.</p> <p>Employers with health plans covering employees residing in Massachusetts should take these steps:</p> <ul style="list-style-type: none"> • Determine if the plan covering state residents satisfies MCC requirements. • Contact the insurer or TPA to find out if it will send Form MA 1099-HC to the Department of Revenue. • Complete any requested attestation by a vendor’s requested due date. • Complete an MCC application for any plan deviating from MCC standards, if not previously certified. • Plan for any changes needed to offer MCC in 2023.
Resources	rich.glass@mercer.com and patricia.farrell@mercer.com GRIST , 12 August 2022

US — Massachusetts (new)	
Status	 Proposal
Development	<p>Health</p> <p>House proposal would restrict specialty and mail-order drug programs, cap insulin costs</p> <p>A comprehensive bill (SB 2695) — pending in the House — would impose significant restrictions on pharmacy benefit managers (PBMs) and health maintenance organizations operating in the state. Specifically, the bill would establish limits on the use of mail-order drugs and exclusive specialty drug networks:</p> <ul style="list-style-type: none">• Mail-order drugs. All network pharmacies would have the ability to participate in the program. Only restrictions that are applicable to mail-order pharmacies could be applied to non-mail-order pharmacies. Cost-sharing would need to be in parity between mail-order pharmacies and non-mail-order pharmacies• Exclusive specialty drug networks. Participation in the network would be open to any willing network pharmacy willing to accept the PBM's standard terms and conditions. <p>The above two provisions appear to take effect upon enactment and would apply to all PBMs that work on behalf of “third party payers.” The bill amends this term to include self-insured plans. It does not appear to apply on an extraterritorial basis to fully insured plans located in other states.</p> <p>In addition, SB 2695 would cap insulin cost sharing at \$25 per 30-day supply. This provision would apply to insured plans, governmental plans, HMOs, non-profit hospital service corporations, medical service corporations located in the state. Effective date is 1 January 2023.</p> <p>The Senate passed SB 2695 in February by a 39-1 vote. The state’s legislative session ended on 31 July.</p>
Resources	<p>rich.glass@mercer.com</p> <p>SB 2695 (Legislature)</p>

US — Michigan (new)

Status  **22 September 2022**

Development **Health**

Access to utilization, cost data allowed for insured employers

A recent Michigan law (2022 Pub. Act 119, SB 447) requires insurers in the state to provide detailed claims utilization and cost information to employers in the large group market, upon request. The scope includes prescription drug data but excludes HIPAA protected health information. The relevant period for disclosure is 24 months (or shorter, if a plan has been in effect for less time). Insurers must provide the report within 30 days of request.

SB 447 does not apply to self-funded plans and does not apply on an extraterritorial basis to fully insured plans, located in another state, that cover Michigan residents. Michigan uses a standard definition of “large group market” (51 or more enrollees).

The law takes effect on 22 September 2022, regardless of plan year or renewal.

Resources rich.glass@mercer.com
[2022 Pub. Act 119](#) (Legislature)

US — New Jersey (new)

Status  **Currently effective**

Development **Career — Health**

Family Leave Act poster requirements updated

New Jersey’s Division on Civil Rights (DCR) recently finalized regulations related to posters on the Family Leave Act (FLA) and state discrimination law. The FLA provides job and health benefit protections during paid and unpaid leaves governed by state law. See below for revised versions of the FLA poster and discrimination poster.

This requirement applies to all governmental employers and employers with at least one employee (even if not FLA eligible) and at least 30 employees globally. Employers must provide employees with a written copy of the poster annually and upon request. This requirement may be satisfied by internet or intranet posting, email delivery or through printed material.

The regulations took effect on 1 August.

Resources rich.glass@mercer.com
[Regulations](#) (DCR, 1 August 2022), [FLA poster](#) (DCR, July 2022) and [Nondiscrimination poster](#) (DCR, July 2022)

US — Pennsylvania — Philadelphia (new)

Status  **31 December 2022**

Development

Health

Commuter benefits mandated

Effective 31 December 2022, a new city of Philadelphia ordinance will require covered employers to offer an employee commuter transit benefit program to covered employees.

The ordinance applies to employers with at least 50 covered employees within the city limits. Covered employees must have worked at least 30 hours per week within the city limits for the same employer within the previous 12 months. The program must cover transit and commuter benefit vehicles. The program must also provide an alternative option for reimbursement of qualified bicycle commuting expenses (up to \$20 per month) in accordance with §132(f) of the Code. The program need not cover parking.

An employer may satisfy the obligation by offering one of these three options:

- Establishing a §132(f) transportation plan where employees pay for coverage on a pretax basis
- Paying for transit expenses at the current levels (\$280 in 2022; not yet announced for 2023)
- A combination of the first two options.

Resources

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[Commuter Benefits Ordinance](#) (Council)

US — Oregon (new)

Status  **Currently effective**

Development

Health

Association health plan rules finalized

Oregon's Department of Consumer and Business Services issued a permanent administrative order that implements existing laws on association health plans (AHPs). The order took effect 1 September and outlines the rules for insurers to gain approval of group health plan coverage for an employer association. Specifically, AHPs are subject to these requirements:

- The association's primary purpose must be other than to obtain insurance.
- Working owners may not be covered.
- The filing must include an attorney statement that confirms compliance with ERISA and explains certain facts about the association.
- Actuarial value must be at least 60% if coverage includes small employer-members.

Resources

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[Permanent Administrative Order ID 6-2022](#) (Secretary of State, 1 September 2022)

US — Oregon (new)

Status  **Currently effective**

Development **Career — Health**

Paid Leave Oregon now accepting equivalent plan applications

Oregon's paid family and medical leave insurance (PFMLI) program has opened the portal (Frances Online) for equivalent plan applications, in advance of next year's start dates for contributions (1 January) and benefits (2 September). Equivalent plans are an employer's alternative to paying into the state leave program. The Oregon Employment Department must approve these plans, which have to provide benefits equal to or greater than the state-mandated benefits.

Resources rich.glass@mercer.com
[Information on paid leave](#) (Government); [Frances online](#) (Government) and [GRIST](#), 5 August 2021

US — Rhode Island (new)

Status  **2023 plan and policy years**

Development **Health**

Enrollment rights for pregnant women enhanced

A Rhode Island law (Chs. 27 & 42, SB 2548) requires fully insured plans located in the state to allow women to enroll in health coverage at any time during pregnancy. Effective date of coverage is first day of the month after the date application for coverage occurs. This special enrollment right does not preempt state or federal law. SB 2548 does not provide enrollment rights to other family members.

The law applies to individual, small group and large group market plans, as well as plans offered under the state exchange, HealthSource RI. The law takes effect for 2023 plan and policy years.

Resources rich.glass@mercer.com
[S 2548](#) (Legislature)

US — Rhode Island (new)

Status  **Currently effective**

Development

Career — Health

Paid family medical leave benefit amount updated

Rhode Island has updated its maximum and minimum weekly benefit for temporary disability and caregiver leave. For leave beginning on or after 1 July 2022, a maximum benefit of \$1,007 (the minimum is \$114) applies, an increase from \$978. Rhode Island's 2022 taxable wage base remains unchanged at \$81,500, with an employee contribution of 1.1% of employee wages.

Rhode Island also provides paid family leave for employees who need time off to care for a seriously ill family member or bond with a new child. Both programs are state run and fully paid by employee contributions. A growing number of states — along with Washington, DC, and Puerto Rico — have enacted laws requiring paid leave for an employee's own serious health condition or disability. With the exception of Hawaii and Puerto Rico, these laws also provide leave for qualifying family or caregiving reasons

Resources

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[Temporary disability/Caregiver insurance](#) (Department of Labor and Training) and [GRIST](#), 19 January 2022

US (previously covered, with upcoming effective dates)

Development

Career

- [New York City job postings will have to give salary information](#) — key date: 1 November 2022
- [Data privacy rights expanded in California](#) — key date: 1 January 2023
- [Hourly minimum wage to increase to \\$18 in Hawaii](#) — key date: 1 January 2026
- [Employees' meal and rest break rights strengthened in Illinois](#) — 1 January 2023
- [Extensive pay equity law enacted in Rhode Island](#) — key date: 1 January 2023
- [Pay disclosure requirements expanded in Washington](#) — key date: 1 January 2023

Career — Health

- [Insurance laws on mental health parity, mammograms enacted](#) — key date: 1 November 2022
- [2023 EHB benchmark with gender-affirming care approved in Colorado](#) — key date: 1 January 2023
- [Colorado voters approve paid family and medical leave](#) — key date: 1 January 2023
- [Mental health parity act enacted in Georgia](#) — key date: 1 January 2023
- [Vacation law passed in Maine](#) — key date: 1 January 2023
- [New Hampshire enacts voluntary paid family leave program](#) — key date: 1 January 2023
- [Oregon's paid family and medical leave contributions delayed to 2023](#) — key date: 1 January 2023
- [2023 PFMLI contribution rate announced in Oregon](#) — key date: 1 January 2023
- [Paid family medical leave program legislation enacted in Delaware](#) — key date: 2025

US (previously covered, with upcoming effective dates) (continued)

Development

Health

- [More health insurance mandates enacted in Illinois](#) — key date: 1 January 2023
- [Insulin cost-sharing law capped in Oklahoma](#) — key date: 1 November 2022
- [Machine-readable file rules issued for insured plans in Texas](#) — key date: 29 November 2022
- [Drug reporting rules present challenges for many](#) — key date: 27 December 2022
- [Fertility coverage mandated for large-group market plans in Colorado](#)— key date: 1 January 2023
- [Coverage for cancer screenings enhanced in Connecticut](#) — key date: 1 January 2023
- [Insurance coverage mandated in Illinois](#) — key date: 1 January 2023
- [Prescription drug cost-sharing law enacted in Maine](#) — key date: 1 January 2023
- [Law caps insulin, HIV and cost-sharing in Maryland](#) — key date: 1 January 2023
- [Mental health parity for insured plans addressed in Maine](#) — key date: 1 January 2023
- [Abortion coverage legislation enacted in California](#) — key date: 1 January 2023
- [Mental health parity law updated in Illinois](#) — key date: 1 January 2023
- [New licensure program for pharmacy benefit managers in Nebraska](#) — key date: 1 January 2023
- [Contraceptive coverage mandate in New Jersey](#) — key date: 1 January 2023
- [Midyear drug formulary changes barred in New York](#) — key date: 1 January 2023
- [PBM bill enacted in Tennessee](#) — key date: 1 January 2023
- [Association health plan rules expanded in Virginia](#) — key date: 1 January 2023
- [Consumer privacy law enacted in Virginia](#) — key date: 1 January 2023
- [Insulin cost-sharing bill enacted in Washington](#) — key date: 1 January 2023
- [Implementation of long-term care program delayed in Washington](#) — key dates: 1 January and 1 July 2023
- [Pharmacy benefit management law enacted in West Virginia](#) — key date: 1 January 2023
- [Long-term care law changes enacted in Washington](#) — key date: 1 July 2023
- [Pharmacy benefit manager legislation enacted in Michigan](#) — key date: 1 January 2024
- [Hearing aid coverage mandated in Vermont](#) — key date: 1 January 2024

Wealth

- [Audiovisual conferencing for witnessing retirement plan elections extended](#) — key date: 31 December 2022

Section 4

Asia Pacific

Australia (new)

Status  Currently effective

Development

Wealth

Guidance on relief for retirement estimates and calculators issued

The Australian Securities and Investment Commission (ASIC) has released new Regulatory Guide 276 Superannuation forecasts: Calculators and retirement estimates (RG 276), which explains what providers need to do to rely on the updated relief for retirement estimates and calculators. The updated relief applies from 1 July 2022, but ASIC has issued other legal instruments to allow the existing relief to be used for a six-month transitional period, until 31 December 2022. Most importantly, this means retirement estimates on 2021-22 annual statements can continue to use the existing relief and superannuation calculator providers have up to six months to align their calculators with the new ongoing relief conditions.

Resources

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[22-173MR ASIC releases guidance for superannuation calculators and retirement estimates \(ASIC, 5 July 2022\)](#); [RG 276 Superannuation forecasts: Calculators and retirement estimates \(ASIC, 5 July 2022\)](#) [ASIC Corporations \(Superannuation calculators and retirement estimates\) instrument 2022/603 \(Government\)](#)

Australia (new)	
Status	 1 January 2023
Development	<p>Wealth</p> <p>Revisions to investment governance standard finalized</p> <p>The Australian Prudential Regulation Authority (APRA) has released final revisions to Prudential Standard SPS 530 Investment Governance that focus on enhanced stress testing, valuation and liquidity management practices. The updated SPS 530 takes effect on 1 January 2023.</p> <p>The revisions include the consistent use of terminology, clarification that stress-testing programs and valuation governance are part of the overall investment governance framework, clarification that regular reporting to the board for each investment option and MySuper product does not have to include detailed reporting on individual investments, and clarification that the valuation governance framework requirements do not require the establishment of a standalone board valuation subcommittee. The response also highlights the expected focus areas in the planned guidance, responding to industry requests for enhancements to existing guidance. APRA will publish for consultation in Q4 2022 draft Prudential Practice Guide SPG 530 Investment Governance and draft Prudential Practice Guide SPG 531 Valuations.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>Prudential Standard SPS 530 Investment Governance in Superannuation (APRA, 19 July 2022)</p>
Australia (new)	
Status	 Proposal
Development	<p>Wealth</p> <p>Performance test treatment of faith-based super products addressed</p> <p>The treatment of faith-based superannuation products under the annual performance test are addressed in exposure draft legislation that was open for consultation until 16 August 2022. The proposals were first announced in the government's Treasury review of the operation of Your Future, Your Super laws, and would enable trustees to apply to the Australian Prudential Regulation Authority (APRA) for faith-based product status, impose a supplementary test on the investment strategy of faith-based products, and exempt faith-based products from the consequences of failure if they pass the supplementary performance test.</p> <p>APRA may determine that a product is a faith-based if the trustee for the product provides APRA with a valid application. Regulations could specify requirements relating to the supplementary performance test, such as appropriate indices for a faith-based product as determined by APRA. The amendments are expected in time to allow applications for faith-based product status to be made by 31 January 2023 so they may be included in the 2022-2023 performance test.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>Consultation on superannuation performance test treatment of faith-based products (Treasury)</p>

Australia (new)

Status



Proposal

Development

Wealth

Super disclosure information revisions proposed

A consultation on Exposure Draft Regulations that would amend the information to be disclosed with the notices of superannuation funds' annual members' meetings (AMMs) closed on 28 July 2022. The proposals would revise the "Your Future, Your Super" laws, and aim to reduce the regulatory burden on Super trustees. They would remove the requirement to disclose certain itemized expenditure and the double counting of political donations, and they would align the definition of "related party" with Accounting Standard 124. However, the proposals would retain the need to disclose short-form summaries of aggregate payments made to certain related parties. The regulations would apply to a notice of an AMM for a year of income ending on or after 30 June 2022, if the notice is given on or after the commencement of the regulations.

Resources

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[Consultation on Superannuation Annual Member' Meeting Notices \(Treasury\)](#)

Australia (new)

Status  Consultation is open until 7 October 2022.

Development

Wealth

Input on remuneration disclosures requested

The Australian Prudential Regulation Authority (APRA) has proposed new remuneration disclosure and reporting requirements for APRA-regulated institutions, with comments to be submitted by 7 October 2022. The disclosure requirements would be incorporated into cross-industry Prudential Standard CPS 511 Remuneration (CPS 511), which was introduced last year to strengthen remuneration practices across the banking, insurance and superannuation industries. Highlights include:



- APRA-regulated institutions would be required to publicly disclose information on how their remuneration arrangements are designed, and how risk is factored into remuneration outcomes for key executives. The aim is to ensure transparency on how executives are rewarded and incentivized, and to impose consequences where risk is managed poorly
- Significant Financial Institutions, which includes superannuation funds with assets over \$30 million, would be required to disclose how they have placed a material weight on nonfinancial metrics (such as risk management and conduct) and remuneration outcomes for the Chief Executive Officer, other key executives and material risk takers.
- APRA would publish centralized statistics to provide greater comparability of remuneration outcomes across APRA-regulated entities, supported by reporting requirements that are proportionate to their size and complexity.

The proposed requirements would take effect after the implementation of CPS 511 in 2023 for large entities and in 2024 for smaller entities.



Resources

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[APRA strengthens transparency on remuneration and bank disclosures \(APRA, 6 July 2022\)](#)

Australia (new)	
Status	 Proposal
Development	<p>Wealth</p> <p>MySuper performance tests reviewed</p> <p>The Treasury will review the operation of the Your Future, Your Super (YFYS) laws following completion of the second annual MySuper performance tests in August. Pending the review, the government will pause extension of the YFYS Performance Test beyond MySuper products for 12 months. This confirms that the Performance Test will not apply to Trustee-Directed Products (TDPs) in 2022 — this is very welcome news and pragmatic given that the regulatory framework for the application to TDPs remains unclear and incomplete. The review will consider whether there have been any unintended consequences from the YFYS reforms, such as:</p> <ul style="list-style-type: none"> • Concerns that the Performance Test discourages certain investment decisions or certain infrastructure investments, and • Concerns relating to the regulatory complexity of the best financial interests duty (BFID) requirements. <p>However, the review will not unwind “stapling” measures or “remove the requirement for trustees to meet high performance and probity standards,” the Treasury Minister said.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>Review to strengthen super (Treasury, 7 July 2022)</p>
Australia (new)	
Status	 Consultation is open until 21 October 2022.
Development	<p>Wealth</p> <p>Operational risk standard for finance sector proposed</p> <p>A consultation on the proposed new cross-industry Prudential Standard CPS 230 Operational Risk Management for the banking, insurance and superannuation industries is open until 21 October 2022. Under the proposed measures, entities would have to use internal controls, monitoring and remediation to manage operational risks, respond to disruptions and maintain continuity of critical operations, and understand and manage risks arising from the use of third-party service providers. The consultation comprises a discussion paper and a draft new standard that would replace certain current prudential standards, including SPS 231 Outsourcing and SPS 232 Business Continuity Management.</p>
Resources	<p>paul.shallue@mercer.com</p> <p>APRA consults on new prudential standard to strengthen operational resilience (APRA, 28 July 2022)</p>

Australia (new)	
Status	 Proposal
Development	Wealth Reduction of downsizer super contribution age proposed The government has issued proposals in Treasury Laws Amendment (2022 Measures No. 2) Bill 2022 that would reduce the minimum eligibility age to 55 (down from 60) for individuals to make downsizer contributions to their super on the sale of their home. Enabling amendments would also be required to the contribution acceptance rules in superannuation regulations. The downsizer contribution rules allow individuals to contribute up to AUD\$300,000 (AUD\$600,000 for a couple) to their super, in addition to the capped contribution amounts.
Resources	paul.shallue@mercer.com Treasury Laws Amendment (2022 Measures No. 2) Bill 2022 (Legislature)
Australia (new)	
Status	 Consultation is open through 11 November 2022.
Development	Wealth Strengthened superannuation prudential framework proposed The Australian Prudential Standard Authority (APRA) has issued a discussion paper that proposes to update and sharpen Prudential Standard SPS 515 Strategic Planning and Member Outcomes. SPS 515 just took effect in 2020, but revisions would create a more integrated superannuation prudential framework, and include a greater focus on member outcomes. The changes would aim to simplify SPS 515, and ease trustees' implementation of the standard by: <ul style="list-style-type: none">• Strengthening the requirements for trustees to deliver quality outcomes• Increasing board oversight of financial projections• Requiring closer monitoring and management of financial resources• Requiring timely action to address underperformance Comments can be submitted through 11 November 2022, and APRA is expected to issue consultation documents on the draft standard and guidance in 2023.
Resources	paul.shallue@mercer.com APRA looks to enhance strategic planning and member outcomes in super (APRA, 1 August 2022)

Australia (new)	
Status	 Comments can be submitted through 22 November 2022.
Development	<p>Career</p> <p>Strengthened modern slavery reporting duties considered</p> <p>The government has launched a statutory review of the Modern Slavery Act 2018 (MSA) to consider the need for strengthening the act’s slavery reporting framework — stakeholders can submit comments through 22 November 2022. The MSA applies to domestic and foreign entities conducting business in Australia with annual consolidated revenue exceeding AUD\$100 million, requiring them to disclose in an annual statement the actions taken to assess and address modern slavery risks across their operations and supply chains (including investment activities), and to explain how they have assessed the effectiveness of their activities.</p> <p>Published on 22 August 2022, the government’s Issues Paper addresses the MSA’s impact and transparency framework, the appropriateness of the current reporting requirements (including the due diligence steps that organizations must take to identify and assess modern slavery risks), the operation of the Modern Slavery Statements Register, the need for additional measures to improve compliance (including the possible appointment of an anti-slavery commissioner), the possible reduction of the threshold for organizations to report, and the introduction of penalties for noncompliance.</p>
Resources	Issues paper: Review of Australia’s Modern Slavery Act 2018 (Government, 22 August 2022); GRIST , 8 June 2020 and GRIST , 21 October 2019
Australia — Queensland (new)	
Status	 1 January 2023
Development	<p>Health</p> <p>Mental health levy to apply to payroll</p> <p>From 1 January 2023, the state of Queensland will add a levy to the payroll of larger employers to fund mental health and associated services. The contribution rate will be 0.25% for employers with payrolls between AUD\$10 million and AUD\$100 million in any financial year, and increases to 0.75% for employers with higher payrolls. The levy is calculated only on taxable wages in Queensland.</p>
Resources	Payroll tax rates and thresholds (Government) and Revenue Legislation Amendment Act 2022 (Government)

Australia — Western Australia (new)

Status  **Currently effective**

Development

Wealth

Separating couples allowed to split superannuation

The superannuation interests of de facto couples who are separating in Western Australia (WA) will be subject to federal jurisdiction under the Family Court Amendment Bill 2022 that recently passed the state parliament. The implementation dates for the bill and associated recent changes to Commonwealth family law are yet to be proclaimed. The bill amends the Family Court Act 1997 (WA) — and brings WA into line with other states — to allow de facto couples to split their superannuation assets.

Resources

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[Family Court Amendment Bill 2022](#) (Legislature)

Australia (previously covered, with upcoming effective dates)

Development

Career

- [Revised remuneration standard finalized](#) — key date: 1 January 2023

Wealth

- [Existing relief for retirement estimates extended](#) — key date: 31 December 2022
- [ASIC finalizes IDR data reporting requirements](#) — key date: 1 January 2023
- [FSC bans occupational exclusions in default insurance in superannuation](#) — key date: 1 January 2023

Cambodia (new)**Status****1 October 2022****Development****Wealth****Pension contributions required**



From 1 October 2022, employers and employees in Cambodia must equally contribute to the pension scheme of the National Social Security Fund (NSSF) that launched in 2021. The NSSF comprises four categories of benefits: old-age pension, incapacity or disability pension, survivor pension, and funeral benefits. The government recently published regulations to implement the pension system. Highlights include:


- **Eligibility criteria.** Companies with one or more employees must register with the NSSF, and nonregistered employees must register within three days of the start of their employment. All employers and employees enrolled in the NSSF for health and accident insurance will be automatically enrolled in the pension scheme. To withdraw pension benefits, employees must be at least age 60, registered with the NSSF pension scheme, and have contributed for 12 or more months.
- **Mandatory pension contributions.** Contribution payments will be calculated on monthly earnings capped at KHR 1,200,000, and must be paid no later than the fifteenth day of the following month. Contributions will increase gradually as follows:
 - In years one to five, total contributions will be 4%.
 - In years six to 10, total contributions will increase to 8%.
 - After 10 years, total contributions will increase to 10.75%, and thereafter increase 2.75% after each subsequent 10-year period
- **Voluntary pension contributions.** Employees aged 60 or older can make voluntary contributions to the NSSF, but employers do not have to pay contributions. Voluntary contributions can also be made by NSSF members who are unemployed and younger than age 60, and by individuals earning more than the monthly wage cap.

Resources

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[GRIST](#), 25 August 2022

China (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Measures to improve basic medical insurance introduced in most provinces</p> <p>A new general support mechanism to cover outpatient medical expenses has been introduced in most provinces under the basic medical insurance scheme, with the goal of reducing employees' out-of-pocket medical expenses. Under the scheme, 2% of employees' contribution base will remain in their individual accounts to cover medical expenses (a fixed amount or a fixed percentage of local average basic pension will be allocated for retirees from their unified accounts). The scope of individual accounts has been expanded in Beijing, Guangdong and Shanghai to include the medical treatment of certain family members (including spouses, parents and children) in designated medical institutions, and covers the costs of medicines, medical equipment and medical consumables in designated retail pharmacies.</p> <p>Employers' basic medical insurance contributions will be directed to unified accounts to cover general outpatient medical expenses for treating certain chronic and special diseases, the cost of medicines in designated retail pharmacies, and online medical service expenses. Under the unified account, reduced deductible amounts and an increased reimbursement ratio apply to outpatients in Shanghai and Guangdong; the reimbursement amounts vary by tier of hospital. Different deductible amount and reimbursement ratios apply to retirees, depending on the date of their retirement.</p>
Resources	<p>angela.li@mercer.com</p> <p>Shanghai's release on improving basic medical insurance implementation measures (Chinese) (Government); Beijing's release on improving basic medical insurance measures (Chinese) (Government); Beijing's release on medical insurance reimbursement policy measures (Chinese) (Government) and Guandong's release on improving basic medical insurance implementation measures (Chinese) (Government)</p>
China (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Basic pension payments for retirees increased</p> <p>From 1 January 2022, China introduced a 4% increase for basic pension payments to retirees. The increase is payable to retirees who had retired and received their monthly basic pension before 31 December 2021. Provinces were instructed to use the 4% national adjustment ratio as the upper limit to calculate each province's adjustment ratio and level, and to report by 31 May 2022 their implementation plans to the Ministry of Human Resources and Social Security and the Ministry of Finance.</p>
Resources	<p>angela.li@mercer.com</p> <p>China continues to raise basic pension payments for retirees (Government, 26 May 2022)</p>

China (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Private ‘third pillar’ pension plan for individuals — key date: Implementation date is not yet known.
Fiji (new)	
Status	<p> Currently effective</p>
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The government announced the implementation of Fiji’s second tranche of the national minimum wage (NMW) and wages regulations began 1 July 2022. The new rate for the NMW will be FJD\$3.34 per hour. The first NMW tranche took effect on 1 April 2022.</p>
Resources	<p>Second tranche minimum wage increase implementation now effective (Government, 1 July 2022)</p>
Hong Kong (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Gender board diversity, corporate governance required — key date: 31 December 2024 <p>Wealth</p> <ul style="list-style-type: none"> • Mandatory pension fund offsetting to be abolished — key date: Earliest 2025

India (new)

Status  **Currently effective**

Development

Health

GST tax payable on hospital room rents

A goods and services tax (GST) of 5% is now payable on hospital room rents exceeding INR 5,000 per day, but intensive care beds are exempt. The tax took effect on 18 July 2022, following a recommendation from the GST Council, and forms part of the government's tax rationalization initiative. The GST will result in increased healthcare costs for employees and consumers — room rents typically amount to 15% to 30% of total hospital bills — and employees' out-of-pocket expenses will increase if their insurance policy applies caps room rent payments. Previously, rooms provided by a clinic were exempt from GST because the room was an integral component of the healthcare. The introduction of GST could result in higher healthcare costs and in the redesign of some healthcare packages by hospitals.

Resources

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[Recommendations](#) (GST Council)

India (previously covered, with upcoming effective date)

Development

Career — Health — Wealth


- [Labor and employment laws reformed](#) — key date — effective date delayed

Japan (previously covered, with upcoming effective date)

Development

Wealth

- [Defined contribution reforms enacted](#) — key date: 1 December 2024

Malaysia (previously covered, updated)	
Status	 Currently effective
Development	Career — Health Employment Amendment Act 2022 effective The Employment (Amendment) Act 2022 took effect on 1 September 2022. The measures include setting the minimum and maximum periods for apprenticeships (respectively, six and 24 months), introduction of flexible working arrangements, payment of employees working for an incomplete month, expanded maternity and paid paternity leave, prohibition on the dismissal of pregnant employees (with limited exceptions), prevention of forced labor, repeal of measures preventing women from working underground or at night, reduction of the maximum weekly working time to 45 hours, down from 48, separate treatment of sick leave entitlement (up to 60-days of hospitalized sick leave and nonhospitalized sick leave), requirement for prior approval of foreign workers, posting of workplace notification to raise awareness of sexual harassment, and increased penalties for breaches of the act.
Resources	Employment (Amendment) Act 2022 (Government)

Singapore (new)

Status  **Effective dates vary.**

Development **Career**

Work pass framework to fill skills gaps expanded

Singapore's government recently announced changes to the Work Pass framework to attract foreign expertise and technology professionals with the goal of addressing current skills shortages, and to support companies' workforce planning. Highlights include:

- Overseas Networks and Expertise Pass. Applications for this new five-year pass can be submitted from 1 January 2023. The pass is open to all experts, and will allow them to start, manage and/or work for multiple companies in Singapore. Applicants must earn SG\$30,000 or more per month — although certain lower-earning experts could be eligible. Passholders will be exempt from the Fair Consideration Framework (FCF) job advertising requirement and the upcoming COMPASS Shortage Occupation List. Spouses of passholders will be allowed to work on a "Letter of Consent."
- Employment Pass (EP) applications. The Ministry of Manpower has reduced the time that employers must advertise jobs to local candidates to 14 days — down from 28 days. The EP processing timeframe for applications is reduced to 10 days.
- Technology pass. A new five-year EP Pass will allow employers to hire for specific technology roles listed on the new COMPASS Shortage Occupation List (to be published in March 2023).
- Exemption for the top 10% of EP passholders. Top talent applicants will continue to be exempt from the FCF job advertising requirement and the upcoming COMPASS Shortage Occupation List, and also will be eligible for the Personalised Employment Pass. They must earn SG\$22,500 per month or more. These changes take effect on 1 September 2023.

Resources [GRIST](#), 6 September 2022

Singapore (previously covered, with upcoming effective date)

Development **Wealth**

- [CPF contributions to rise](#) — key date: 1 January 2023

South Korea (new)

Status



1 January 2023

Development

Health

Meal allowance tax-free amount to change

The meal allowance amount exempt from tax will increase to KRW 200,000 per month, up from KRW 100,000 per month, effective 1 January 2023. The tax-exempt amount had remained unchanged since 2004, and the increase responds to criticisms that it did not reflect the inflation rate.



Resources



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[Press release](#) (Korean) (Government, 3 August 2022)

Section 5

Europe, Middle East and Africa (EMEA)

European Union (new)	
Status	 Proposal
Development	<p>Career</p> <p>Social partners' work program highlights telework, right to disconnect</p> <p>Legally binding measures to regulate telework, including a right to disconnect, are included in the European social dialogue work program 2022-2024 signed by the European Union's social partners on 28 June 2022. The work program lists five other priorities — green transition and its impact on jobs, youth employment, work-related privacy and workplace surveillance, improving skills matching in Europe, and capacity building to improve social dialogue. The proposed dialogue on telework/right to disconnect is designed to build on an earlier agreement on autonomous telework signed in 2002 by the EU social partners, and is the only priority that would include a legally binding instrument.</p>
Resources	Work programme 2022-2024 (Business Europe)
Belgium (upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> Blue- and white-collar pension harmonization postponed — key date: 1 January 2027
Bulgaria (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>New paternity leave entitlement introduced</p> <p>Effective 1 August 2022, fathers in Bulgaria are entitled to up to two months of paid paternity leave up to their child's eighth birthday. The new leave is additional to the current 15 days of paternity leave following the birth of a child and is paid for by the National Social Security Institute. Employees can take the leave as a single period, or in shorter periods, and subject to employer notice of 10 days. To benefit from the new leave, a father cannot use another type of birth or adoption leave transferred by the mother — but if the father has taken less than two months of transferred leave, the remaining available time can be taken from the new paternity leave.</p>
Resources	Decree No. 217 (Bulgarian) (Government, 1 August 2022) and Announcement (Bulgarian) (National Security Institute, 5 August 2022)

Denmark (previously covered, now effective)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Parental leave increased and leave offered to care for sick family members</p> <p>From August 2022, employed parents in Denmark will each be entitled to 24 weeks of parental leave (the so-called 24/24 model), and mothers are still be entitled to four weeks of maternity leave prior to the birth or adoption of their child. Eleven out of the 24 weeks are be reserved for each parent, of which two weeks must be taken in connection with the birth or adoption, and nine weeks within the first year. The reserved leave cannot be transferred between each parent, and it will be lost if untaken; employed parents are entitled to maternity benefit payments. Parents can transfer the remaining 13 weeks of parental leave up until their child is nine years of age. Single parents also can benefit from the 24/24 model, and can transfer leave to a close family member. Additionally, parents can transfer leave to LGBT+ “social parents,” including the legal parent’s spouse, cohabitant, a donor, and the donor’s spouse or cohabitant if they have a parent-like relationship with the child.</p> <p>Other measures allow employees to take a leave of absence to care for a family member or person living in the same household who requires substantial care or support due to a serious health condition. Carers' leave is unpaid and capped at five days per year.</p> <p>The measures feature in a law that passed parliament on 3 March 2022 designed to implement the European Union’s directive on work-life balance.</p>
Resources	<p>katrine.toftgaard@mercer.com</p> <p>Law (Danish) (Legislature) and Directive (EU) 2019/1158 (Eur-Lex, 20 June 2019)</p>
France (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage rates increased</p> <p>On 1 August 2022, the monthly minimum wage increased by 2.01% to €1,678.95 (€1,328.06 net), up from €1645.58 (€1,302.64 net) due to inflation. The hourly gross rate increased to €11.06 up from €10.85. The national minimum wage rate will be reevaluated in January 2023.</p>
Resources	Announcement (French) (Government, 29 July 2022)

France (new)

Status  **Currently effective**

Development

Health

Restaurant voucher contributions increased

The income tax and social contributions exemptions for restaurant vouchers increased to €5.92 per voucher for vouchers issued from 1 September to 31 December 2022. The measure is included in Law No. 2022-1157 published on 16 August 2022.

Resources

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[Law No. 2022-1157](#) (French) (Government)

France (upcoming effective date)

Development

Career

- [New gender quotas for senior execs, management teams imposed](#) — key date: 1 March 2026

Career — Health

- [Metallurgy sector agrees on national CBA](#) — key date: 1 January 2023

Germany (new)

Status



Currently effective

Development

Career

Employers must provide more information to new hires

From 1 August 2022, employers must inform new employees in writing (wet signature, not electronic format) of the job's employment terms and conditions. Employees hired prior to 1 August 2022 can also request this information. The measures revise the law on proof of the essential conditions applicable to an employment relationship, and implements the EU directive on transparent and predictable working conditions. Employers now face fines of up to €2,000 per employment contract for violations. Previously, employers were required to inform employees in writing about their terms and conditions but often did not do so due to the absence of sanctions.

The required information about working conditions includes:



- Information about the essential working conditions must be provided on the first working day of employment — down from one month. The information must be revised to include any subsequent material change, and the employee must be notified in writing no later than the day on which the change takes effect.
- The contract's duration and date of termination for fixed-term employment.
- The applicable probationary period in contracts must be specified.
- Work schedules must be specified, including working hours, shift systems, the procedures for requesting and approving overtime, remuneration, the payment of supplements, allowances and bonuses, and annual leave.
- On-call workers must be paid for a minimum number of hours, and employers must specify the hours that employees could be required to work.
- Information on the occupational pension scheme provider, if applicable
- The notice periods for terminating employment, and the time period for employees to bring actions for unfair dismissals
- A reference to applicable collective bargaining agreements and other applicable regulations and agreements

Employers must also respond to requests from temporary, part-time or fixed term employees to transition to full-time roles, and justify refusals to change their contract.

Resources

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[Information on the law](#) (German) (Ministry of Labor and Social Affairs)

Germany (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Minimum wage to increase — key date: 1 October 2022 • Larger companies face human rights mandates — key date: 1 January 2023
Gibraltar (new)	
Status	<p> Currently effective</p>
Development	<p>Wealth</p> <p>Pension auto-enrolment program coverage expands</p> <p>From 1 August 2022, private-sector employers in Gibraltar that have 101-250 employees must automatically enroll eligible employees in a qualified occupational pension scheme. The measures are included in the Private Sector Pensions Act 2019 that took effect on 1 August 2021 for employers with more than 251 employees. Highlights include:</p> <ul style="list-style-type: none"> • Employers that already offer a pension scheme must ensure that it fulfills the minimum requirements under the act. • Eligible employees must be older than 15, have worked for their employer for at least one year, and earn at least £10,000 gross per year. • Employees can choose to opt-out of the program, but can later opt-in. • Employees must contribute a minimum of 2% of their gross earnings to their occupational pension plans. Employers can choose to pay this amount on their employees' behalf. • The Gibraltar Financial Services Commission supervises the program and maintains a register of all covered employees and their employees. <p>In addition to the pension auto-enrolment program, the pension provision includes a social insurance program covering old-age, disability, survivor, maternity, medical, occupational accident, and unemployment benefits. Employees contribute 10% of weekly earnings, and employers pay 20% of weekly covered payroll. The law will be phased-in for smaller employers as follows: 51-100 employees on 1 July 2025, 15-50 employees on 1 July 2026, and 14 or fewer employees on 1 July 2027.</p>
Resources	<p>Private Sector Pensions Act 2019 (Government)</p>
Gibraltar (new)	
Status	<p> Currently effective</p>
Development	<p>Career</p> <p>Minimum wage increased</p> <p>Gibraltar increased its hourly minimum wage to GIP£8.10 as of 1 August 2022 under Legal Notice 183/2022.</p>
Resources	<p>Legal Notice 183-22 (Government)</p>

Gibraltar (new)**Status**  **Effective dates vary.****Development****Health — Wealth****Social security contribution rates change**

Updated employer and employee social and security contribution rates were published in Legal Notice No. 231/2022. The employer contribution rate as of 4 August 2022 is 19% of gross earnings capped at £2,626 per year, and beginning 1 July 2023 it will be 18% of gross earnings capped at £2,652 per year. The employee contribution rate as of 4 August 2022 is 10% of gross earnings capped at £1,908 per year, and then beginning 1 July 2023 it remains at 10% of gross earnings but will be capped at £1,924 per year. If the employee is 60 years of age or more or has retired at age 55, only the employer's share of the contribution is payable.

Resources

[Legal Notice 231 of 2022](#) (Official Gazette, 5 August 2022)

Ireland (new)**Status**  **Currently effective****Development****Health****Guidance published on tax exemptions for certain health, well-being benefits**

Irish Tax and Customs has published guidance on the conditions for tax exemption for certain employer-provided health and well-being benefits. In recent years, Revenue did not tax the following employee benefits if certain conditions were met: qualifying medical checkups, access to healthcare, COVID-19 testing and flu vaccination. The Finance Act 2021 formalizes the Revenue practice of exempting these benefits. The guidance clarifies and provides examples, and for employers contributing to an in-house medical plan, it also includes information on the calculation of the amounts liable to Pay As You Earn, Pay Related Social Insurance and Universal Social Charge.

Resources

[Revenue eBrief No. 160/22](#) (Revenue, 11 August 2022)

Ireland (new)

Status



Currently effective

Development

Career — Health

Paid parent's leave increased to seven weeks

From 1 July 2022, parents in Ireland are entitled to seven weeks of paid parent's leave, up from five weeks. The entitlement applies to parents with a child under the age of two on 1 July 2022, or an adopted child placed with the family for fewer than two years on 1 July 2022.

Under the Parent's Leave and Benefit Act 2019, the duration of parents' leave was increased in 2021 to five weeks (up from two), with the increase to seven slated for July 2022. The government plans to introduce a further increase to nine weeks by August 2024 to comply with the European Union's work-life balance directive.


Parents' leave is nontransferable between parents (except in some limited circumstances, such as the death of a parent), and can be taken in one seven-week period, or as separate weeks. The Department of Social Protection pays Parent's Benefit at a rate of €250 per week for each parent who has paid sufficient social insurance contributions, and employers can (but are not obliged to) top up the payment. No minimum service period is required to be eligible for the leave, but employees must notify their employer in writing at least six weeks before the leave is due to start. Employers can also postpone an employee from taking parent's leave for up to 12 weeks for business reasons.


Parents' leave is different from parental leave. Parental leave allows parents to take 26 weeks of unpaid leave for each eligible child, up until age 12. Generally, employees must have one year of minimum service to be entitled to parental leave.


Resources


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[Parent's Leave and Benefit Act 2019 \(Government\)](#)

Ireland (new)	
Status	 Effective date has not been announced.
Development	<p>Career — Health</p> <p>Statutory paid sick leave enacted</p> <p>Ireland will introduce an entitlement to statutory sick leave and pay for certain employees following the president’s signature of the Sick Leave Act 2022 on 20 July 2022. The Act’s effective date is pending, and the government will issue regulations specifying the daily rate of sick pay. The government has already announced that paid sick leave will increase to five days in 2024, seven days in 2025, and 10 days in 2025. Highlights include:</p> <ul style="list-style-type: none"> • Employees with 13 weeks or more of continuous employment will be eligible for three days of paid statutory sick leave per year, subject to providing their employer with a medical certificate signed by a medical practitioner. • Statutory sick leave pay will be paid at 70% of normal wages (taking into account relevant allowances), capped at €110 per day, and will be paid from the first day of an employee’s illness or absence until illness benefit is payable. • Employers must maintain records of statutory sick leave taken by employees for up to four years. • Employers can provide more favorable paid sick leave provisions than the act — in such cases, the statutory scheme will not apply. • The Labour Court could exempt organizations that are experiencing severe financial difficulties from paying sick leave.
Resources	Sick Leave Act 2022 (Legislature)
Ireland (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Gender pay gap regulations issued — key date: December 2023

Italy (new)	
Status	 Reports must be submitted by 30 September 2022.
Development	<p>Career</p> <p>First equality reports due</p> <p>Under changes to the Equal Opportunity Code, effective 3 December 2021, employers with more than 50 employees must prepare an equality report every two years. The report should analyze the gender-pay gap, and the employment situation of female and male employees. Highlights include:</p> <ul style="list-style-type: none">• Equality reports must analyze salaries (both base salary and total compensation) and differences in benefits, the employment situation of female and male employees, including the overall numbers of male and female employees and their distribution across the company's professional categories, information on dismissals, recruitment, training, retirements, promotion and career paths, information about hiring and onboarding processes, work-life balance, and diversity and inclusion policies.• Companies must prepare their reports based on 2020-2021 data by 30 September 2022. The ministry will verify that companies' reports have been correctly submitted and will publish them on the ministry's portal. The publication date for subsequent years will be 30 April, following the expiration of each two-year period. Employers must provide a copy of the report, along with the ministry confirmation, to the company's trade union representatives.• Equal Opportunities Regional Counselors can access the reports' data and share information with the National Labour Inspectorate's local offices, the National Equality Counselor, the Ministry of Labour and Social Policies, the Department for Equal Opportunities of the Presidency of the Council of Ministers, the statistical authority (ISTAT), and the National Council for Economics and Labour (CNEL).
Resources	<p>valentina.mosca@mercer.com</p> <p>GRIST, 13 April 2022</p>

Italy (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Family leave expanded to improve work-life balance</p> <p>Measures to enhance different types of family leave took effect in Italy on 13 August 2022 and aim to implement the European Union’s directive on work-life balance for parents and carers. Highlights include:</p> <ul style="list-style-type: none"> • Paid paternity leave. Fathers must take 10 days of paid paternity leave (20 days for multiple births). The leave must be taken between two months prior to the expected date of birth, and up to five months after the birth. The time must be taken as full days, but it does not have to be used continuously. The measures are also applicable to fathers who adopt or foster a child. Employers face sanctions of €516 to €2,582, and/or criminal penalties for violating employees’ rights. • Parental leave. The amount of leave has increased to 11 months (up from 10) for single-parent households. Parents now have nine months of paid parental leave (up from six), paid at 30% salary. The child’s age for parental leave eligibility has increased to 12 years (up from six.) • Flexible working arrangements. The law requires employers to prioritize flexible working arrangements for certain employees (for example, employees who have a child or a family member with a disability, and who care for a sick dependent family member). Employees cannot be penalized for requesting flexible working.
Resources	Legislative Decree No. 105 (Italian) (Presidency of the Council of Ministers, 30 June 2022)
Italy (previously covered, with upcoming effective date)	
Development	<p>Career — Wealth</p> <ul style="list-style-type: none"> • Retirement pension age to decrease — key date: 1 January 2023

Malta (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Parental leave and carers' leave, flexible working expanded</p> <p>From 2 August 2022, parents in Malta are entitled to expanded paternity leave, carers' leave, parental leave — and to request flexible working arrangements. The measures feature in Legal Notice 201 of 2022 and aim to implement the European Union directive on work-life balance for parents and carers. Highlights include:</p> <ul style="list-style-type: none"> • Paternity leave. Fathers can take up to 10 days' paid leave (up from one day under the old rules) immediately following the birth or adoption of their child. No minimum service period is required. • Carers' leave. Employees can take up to five days of unpaid leave per year if they care for a relative or person in their household who requires care and support (medical proof must be provided). • Parental leave. Parents who have at least 12 months of continuous employment can each take up to four months of parental leave on the birth, adoption, fostering or legal custody until their child is age 8. Employees cannot transfer the first two months of leave. Employees can request parental leave in blocks of two or more weeks, unless otherwise agreed to with their employer. Employers can postpone employees' parental leave requests only for justifiable reasons. Under the old rules, parents were entitled to four months of unpaid nontransferable leave — the leave had to be taken in minimum periods of one month. • Flexible working. Employees who are carers can request flexible working arrangements (for example, remote working, flextime, and reduced hours), and parents can do so until their child is age 8. Flexible working arrangements can be agreed to for time-limited periods, and employees can request to return to their original work schedule if their circumstances change.
Resources	Legal Notice 201 of 2022 (Government, 19 July 2022)
Netherlands (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage increased</p> <p>The minimum wage increased on 1 July 2022 to €1,756.20 per month for all workers older than 21 years. Workers aged 15 to 21 are paid the minimum youth wage (€526.85 to €1,404.95) — the wage increases gradually according to the individual's age.</p>
Resources	Regulation to adjust the statutory minimum wage as of 1 July 2022 (Dutch) (Government, 5 May 2022)

Netherlands (previously covered, now effective)**Status**  **Currently effective****Development****Career — Health****Paid parental leave now effective**

Working parents in the Netherlands are now entitled to nine weeks of paid parental leave, paid at 70% of their daily wage of the maximum daily wage (€232.90 during their child's first year). The measures feature in a law aimed at balancing work and caring responsibilities. Under the old rules, parents were entitled to 26 weeks of parental leave up until their child is age 8. This was generally unpaid unless otherwise agreed to by the employee and employer, or included in a collective agreement ("CAO").

From August 2022, the remaining parental leave (17 weeks) can still be taken until the child's eighth birthday, and it remains unpaid (unless otherwise agreed to by the employee and employer). Parents with children under age one as of 2 Aug 2022 also can receive partial payment if they are both employed and have not already taken their full 26 weeks of leave.

The new parental leave entitlement is in addition to paid maternity leave and paid birth leave given to the partner. Since 1 January 2019, partners can take five working days of leave immediately after the birth of their child, and since 1 July 2020, they have an additional five paid weeks to be taken during the first six months after the birth, for a total of 15 weeks paid leave during the first year following the baby's birth. Mothers are also entitled to nine weeks of paid parental leave, in addition to maternity leave.

Resources [Law \(Dutch\)](#) (Legislature, 28 October 2020)**Netherlands (previously covered, with upcoming effective date)****Development****Wealth**



- [Pension plan reforms delayed](#) — key date: enactment expected in 2023


Nigeria (previously covered, with upcoming effective date)**Development****Health**

- [Health insurance coverage to significantly expand](#) — key date: implementation date is not yet known

Poland (new)	
Status	 1 January 2023
Development	<p>Career</p> <p>Minimum salary and hourly wage rates to increase</p> <p>In 2023, Poland will implement a two-step increase to the minimum salary and hourly wage. The minimum salary will increase on 1 January 2023 to PLN 3,383 gross per month, and to PLN 3,450 in July 2023. The current minimum salary rates for 2022 are PLN 3,010 (up from PLN 2,800), and the hourly rate is PLN 19.70 (up from PLN 18.30). The minimum hourly rates will be PLN 22.10 as of 1 January 2023 and PLN 22.50 as of 1 July 2023.</p>
Resources	Press release (Government, 6 July 2022)
Portugal (previously covered, with upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • Job quota deadline for people with disabilities approaches — key date: 1 February 2023 <p>Wealth</p> <ul style="list-style-type: none"> • Retirement pension age to decrease — key date: 1 January 2023
Romania (new)	
Status	 1 January 2023
Development	<p>Career</p> <p>Employee payroll recordkeeping requirements changed</p> <p>Employers will have to retain employee payroll information for five years under Law No. 195/2022 published in the Official Gazette on 4 July 2022. Beginning 1 January 2023, employers must retain for five years any employee payroll records for which the employer has an informative declaration regarding the withholding tax on income beneficiaries, or has the legal obligation to submit the declaration regarding the obligations to pay social contributions, income tax, and the nominal record of insured persons to the National Agency for Fiscal Administration.</p>
Resources	Law No. 195/2022 (Romanian) (Government)

Romania (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Paternity leave entitlement expanded</p> <p>Romania has expanded paternity leave entitlement subject to employees fulfilling the eligibility criteria. From 29 August 2022, working fathers of newborn children can request 10 working days of paternity leave (up from five days), extendable by five days for each child if the father has completed a medically certified “infant care course.” Employees taking the leave maintain, and continue to accrue, certain service-related benefits during their leave; employers must approve leave requests and inform employees about their paternity leave rights. The measures feature in Emergency Ordinance No. 117/2022, which partially implements EU directive 2019/1158 on work-life balance. Other aspects of the directive — such as flexible working and carers’ leave — are pending.</p>
Resources	Emergency ordinance No. 117 of 26 August 2022 (Romanian) (Legislative portal)
Saudi Arabia (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Contracting with companies with regional headquarters outside of the kingdom to cease — key date: 1 January 2024
Spain (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • Pension reforms aim to boost second-pillar occupational pensions — Key date: 1 January 2023
Sweden (previously covered, with upcoming effective date)	
Development	<p>Wealth</p> <ul style="list-style-type: none"> • ITP occupational pension rules adjusted — key date: 1 January 2023 • Earliest retirement age to increase — key date: 1 January 2023

Turkey (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Private pension rules, citizenship pension plan adjusted</p> <p>The government recently published certain updates of the private pension system in Circular 2016/39. Highlights include:</p> <ul style="list-style-type: none"> • “Life cycle” and “target funds” are now added to the list of mandatory funds that can be traded via the pension fund trading platform (BEFAS). Funds that include “foreign” in their title are now excluded from BEFAS. • Program adjustments that allow foreigners to acquire Turkish citizenship by investing at least US\$500,000 (or the equivalent of a foreign currency contribution) into the private pension funds. Under the changes, no access or management fees will be deducted; no funds that include foreign and foreign debt instruments are allowed; and individuals are not permitted to change their plan, or combine different retirement funds and transfer them to another company for a period of three years. Further clarification of the program’s rules are expected.
Resources	<p>evsen.olmez@mercer.com</p> <p>Circular 2016-22 (Turkish) (Government, 8 August 2022)</p>
Ukraine (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Zero-hours contracts regulated</p> <p>Measures regulating zero-hours employment took effect in Ukraine on 10 August 2022, requiring employers to pay for a minimum number of hours per month and restricting the number of zero-hours employees that can be hired. The law defines the measures that zero-hours contracts must include, and the employment rights of such workers. Highlights include:</p> <ul style="list-style-type: none"> • Employees on zero-hours contracts can work for other employers, and can refuse to work in certain circumstances. • Employees must be paid for the time worked, and also must be paid for a minimum period of 32 hours per month, even if they have worked fewer or no hours. • The number of employees on zero-hours contracts must not exceed 10% of the total number of employees, and employers that have fewer than 10 employees cannot hire more than one employee on a zero-hours contract.
Resources	Law (Ukrainian) (Government, 18 July 2022)

Ukraine (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Employment law changes introduced</p> <p>Measures that aim to clarify certain employment aspects during martial law took effect on 19 July 2022. The Law of Ukraine No. 7251 addresses temporary changes first implemented in March 2022, and includes adjustments to the labor code that will remain in effect after the end of martial law. Measures include:</p> <ul style="list-style-type: none"> • Employers no longer have to pay average salaries to employees called up for military service (although the employees' place of work and role must remain open). • The previous restriction on the amount of vacation leave that employees can take during martial law (up to 24 days) is now subject to employers' discretion. • Provision of up to 90 days of unpaid vacation leave for persons leaving Ukraine, or who are internally displaced • Changes in working time for employees in critical infrastructure roles • Revised information that employers must provide to employees before starting a job • Flexibility for employees and employers to agree to alternative methods for creating, sending, or storing employers' orders and other employer documentation • Employers agreeing to remedy any breaches identified during unscheduled labor inspections do not have to pay fines. • Changes to the procedures for suspending employment during martial law • Introduction of new permitted grounds for employee dismissals • Employers must provide dismissed employees with written information about accrued and paid payments.
Resources	The law of Ukraine No. 7251 (Ukrainian) (Government)
United Arab Emirates (previously covered, with upcoming effective date)	
Development	<p>Career — Health</p> <ul style="list-style-type: none"> • Unemployment scheme to be introduced — key date: 1 January 2023

United Kingdom (UK) (new)

Status



Currently effective

Development

Career — Health

Court ruling on vacation entitlement for 'part-year' workers


The UK's Supreme Court ruled on 29 July 2022 that "part-year workers" who have a permanent employment contract but whose hours and pay vary across the year are entitled to the same statutory paid vacation entitlement (5.6 weeks) as full-time workers. Consequently employers should not pro-rate their leave entitlement to take account of the weeks in which they do not work.

The case concerned a school music teacher who worked during term times and for different hours each week, depending on the number of pupils requiring music lessons. The school had used the 12.07% method to pro-rate her vacation entitlement — 12.07% is the equivalent of 5.6 weeks statutory annual leave, as a percentage of the total working year of 46.4 weeks, and is used by many employers to pro-rate holiday entitlement for workers working variable hours. Guidance previously issued by the Arbitration Conciliation Advisory Service (ACAS) on the calculation of vacation entitlement for casual workers had included this formula, although ACAS has since updated its guidance.

The UK's Working Time Regulations 1998 implement the EU directive on the reorganization of working time; the directive does not prevent member states from applying a pro-rated approach to calculating vacation entitlement. The Supreme Court ruled that the UK regulations prevent employers from pro-rating annual vacation of workers who have this particular type of contract, regardless of how many weeks they work. However, the ruling does not impact the pro-rating of the statutory vacation entitlement for part-time workers who work a regular pattern of reduced hours each week

Resources

[Judgment](#) (Supreme Court, 20 July 2022)

UK (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Collective defined contribution schemes regulations now effective</p> <p>Regulations on Collective Money Purchase — known as collective defined contribution (CDC) schemes — came into effect on 1 August 2022. They implement the new authorization and supervisory regime for CDC schemes, and applications for authorization can be made from this date.</p> <p>CDC is a new model of pension provision in the UK that combines the cost certainty that traditional defined contribution (DC) plans offer employers with the benefit certainty of defined benefit (DB) plans. It has the following features:</p> <ul style="list-style-type: none">• A specified level of benefit is targeted but not guaranteed.• Members' savings are held in a common investment fund for all members, rather than in individual member-designated accounts.• Employer and member contribution rates are fixed. <p>CDC wants to ensure that assets and liabilities are always in balance. An annual valuation will determine the adjustment amount and must apply equally to all members (actives, deferreds and pensioners) of the CDC scheme (or segregated section). Benefits — including pensions in payment — can be reduced if the current levels of benefits are not sustainable. Currently this model is only available to individual and connected employers, and must cover both the savings and benefit payout phases. The next phase is expected to consider extending CDC to multiemployer arrangements, such as master trusts, and to decumulation (payout phase) vehicles.</p>
Resources	<p>glyn.bradley@mercer.com</p> <p>The occupational pension schemes (collective money purchase schemes) regulations 2022 (Government)</p>

UK (new)	
Status	 Consultation is open until 17 October 2022.
Development	<p>Wealth</p> <p>Draft pension funding regulations proposed</p> <p>The Department for Work and Pensions (DWP) has issued its consultation on funding regulations with comments invited through 17 October 2022. The proposed regulations would remove flexibility from trustees, requiring them to target a long-term objective of full funding on a low dependency basis, on or before the scheme reaches significant maturity; the consultation suggests that significant maturity would occur when the duration of outstanding cash flows is 12 years. Trustees would be required to submit a written statement of strategy to The Pensions Regulator that outlines the funding and investment strategy for meeting the long-term objective; this would be reviewed and, if necessary, revised at each valuation, or more frequently in case of material changes. The proposed regulations could significantly change long-term funding objectives and would increase trustees' focus on "journey planning."</p> <p>Further details are expected when the Pensions Regulator consults on the Funding Code later in 2022.</p>
Resources	<p>sebastian.bleasdale@mercer.com</p> <p>Consultation information (DWP, 29 July 2022)</p>
UK (new)	
Status	 Proposal
Development	<p>Wealth</p> <p>Planned staging schedule for pension dashboards announced</p> <p>The Department for Work and Pensions has responded to its first consultation on draft regulations for Pensions Dashboards that would show users their pensions information online, securely and all in one place, and that would draw data from multiple schemes. Highlights include:</p> <ul style="list-style-type: none"> • The deadlines that schemes would be required to "stage" (connect to the dashboards ecosystem) are 31 August 2023 for master trusts with 20,000 or more non-pensioner members; 30 September 2023 for defined contribution (DC) schemes used for auto enrolment with more than 20,000 non-pensioner members; from 30 September 2023 to 31 October 2025 for most other schemes, according to their size; and schemes with fewer than 100 non-pensioner members are not yet covered by regulations, but it is expected they would have to stage from 2026. • Hybrid schemes' staging dates would correspond to a defined benefit (DB) scheme staging date, but based on all non-pensioners across both the DB and DC sections of the scheme.
Resources	<p>glyn.bradley@mercer.com</p> <p>Government response: Draft pensions dashboards regulations 2022 (DPW, 15 July 2022)</p>



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