



Law and Policy Group

# Global Legislative Update

By Stephanie Rosseau and Fiona Webster  
February 2023



# 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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# Section 1

## Highlights

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<b>Asia Pacific</b>	
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<b>Hong Kong</b>	<a href="#">Statutory minimum wage to increase</a>
<b>India</b>	<a href="#">Supreme Court allows option for increased Employee Pension Scheme benefits</a>
<b>Indonesia</b>	<a href="#">Regulation to replace job creation law issued</a>
<b>Japan</b>	<a href="#">Expanded sustainability disclosures for listed companies proposed</a>
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<b>Europe, Middle East and Africa (EMEA)</b>	
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<b>Belgium</b>	<a href="#">Whistleblowing measures implemented</a>
<b>Bulgaria</b>	<a href="#">Minimum wage increased</a>
<b>Denmark</b>	<a href="#">Calculation of public pension based on spouse’s or partner’s income changes</a>
<b>France</b>	<a href="#">Minimum wage increased</a>

<b>EMEA (continued)</b>	
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<b>Italy</b>	<a href="#">Budget includes employment and benefit changes</a>
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<b>Luxembourg</b>	<a href="#">Minimum wage increased</a>
<b>Netherlands</b>	<a href="#">Updated corporate governance code focuses on sustainability, diversity and shareholder's role</a> <a href="#">Occupational pension reforms advance</a>
<b>Poland</b>	<a href="#">Employers allowed to test employees for alcohol and similar substances</a> <a href="#">New remote working measures enacted</a> <a href="#">Renewal deadline for automatic pension enrollment opt out approaches</a>
<b>Portugal</b>	<a href="#">Employers must meet job quota for people with disabilities</a>
<b>Qatar</b>	<a href="#">Visitors required to have a health insurance policy from approved insurers</a>
<b>Slovenia</b>	<a href="#">Minimum wage increased</a> <a href="#">Employee allowances, payments published</a>
<b>Ukraine</b>	<a href="#">New protections against workplace harassment introduced</a>
<b>United Arab Emirates</b>	<a href="#">Emiratisation program enhanced</a>
<b>United Kingdom</b>	<a href="#">Removal of 'bonus cap' proposed</a> <a href="#">Pensions Regulator consults on regulatory approach to DB funding regime</a> <a href="#">Code of practice on workforce dismissal and reengagement proposed</a> <a href="#">Holiday entitlement for part-year workers proposed</a>

## Section 2

# Global

Reproductive rights	
Status	 Ongoing initiatives
Development	<b>Health</b> <b>Global employer resources on reproductive rights post Dobbs ruling</b> 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, the roundup cited below provides links to organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	Roundup: <a href="#">Employer resources on reproductive rights post Dobbs ruling</a> , regularly updated
Coronavirus (COVID-19) pandemic	
Status	 Ongoing initiatives
Development	<b>Career — Health — Wealth</b> <b>Countries address workplace issues resulting from the COVID-19 pandemic</b> 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.
Resources	Roundup: <a href="#">COVID-19 resources for employers</a> , regularly updated; <a href="#">Navigating coronavirus</a> , regularly updated

Minimum wage rates	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Global employer resources on minimum wage increases</b> To help multinational employers address the different minimum wage rates around the world, the roundup cited below provides some information and links to resources from organizations, government websites, third-party resources and news articles
Resources	<a href="#">Roundup: Global employer resources on minimum wage increases</a> , regularly updated
Remote working	
Status	 Ongoing initiatives
Development	<b>Career — Health — Wealth</b> <b>Countries address remote-working issues</b> 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, the roundup cited below provides 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.
Resources	<a href="#">Roundup: Employer resources on remote-working rights/trends</a> , regularly updated

## Section 3

# Americas

### Argentina (updated)

**Status**  An additional increase will occur on 1 March 2023.

**Development** **Career**  
**Minimum wage increased**  
The monthly minimum wage increased to AR\$67,743 on 1 February, and will increase to AR\$69,500 on 1 March.

**Resources** [Announcement](#) (Spanish) (Ministry of Labor, 22 November 2022)

### Argentina (new)

**Status**  Currently effective

**Development** **Health**  
**Cost of private prepaid medicine system increased**  
The cost of the private prepaid medicine system increased by 8.21% on 1 February 2023 under Resolution 2577/2022 issued by the Ministry of Health.

**Resources** [graciela.magonza@mercermarshbeneficios.com](mailto:graciela.magonza@mercermarshbeneficios.com)  
[Resolution 2577/2022](#) (Spanish) (Ministry of Health, 10 November 2022)




### Argentina (previously covered, with upcoming effective date)

**Development** **Career — Health**  
• [Employers required to provide workplace child care facilities](#) — key date: 23 March 2023

### Bermuda (previously covered, with upcoming effective date)

**Development** **Career**  
• [Minimum wage rate to be implemented](#) — key date: 1 June 2023



Brazil (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>2023 monthly minimum wage rate remains at BRL 1302</b></p> <p>An additional increase to the 2023 monthly minimum wage rate — to BRL 1320 — was not finalized, so the monthly minimum wage rate remains at the earlier increased rate of BRL 1302. Further changes to this rate later in 2023 remain under discussion.</p>
Resources	<p><a href="mailto:regina.recchia@mercer.com">regina.recchia@mercer.com</a></p> <p><a href="#">Provisional measure (Portuguese) (government)</a></p>
Canada (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Pension regulator issues guidance on discount rate for plans using an overlay strategy</b></p> <p>The Office of the Superintendent of Financial Institutions (OSFI) issued new guidance on the maximum going concern discount rate for plans using an overlay strategy. OSFI will allow that pension plans may first use the target asset mix of the plan fund without regard to the overlay strategy for the purpose of determining the maximum going concern discount rate, if appropriate. The guidance provides further details on OSFI’s position on the adjustment of the maximum going concern discount rate for plans using an overlay strategy.</p>
Resources	<p><a href="mailto:isabelle.trudeau@mercer.com">isabelle.trudeau@mercer.com</a></p> <p><a href="#">Guidance — Maximum going concern discount rate for plans using an overlay strategy (OSFI)</a></p>
Canada (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Pension regulator issues updated instructions on financial hardship withdrawals</b></p> <p>The Office of the Superintendent of Financial Institutions (OSFI) posted updated Instructions for Form 1 — Attestation Regarding Withdrawal Based on Financial Hardship — and a related frequently asked questions document to reflect 2023 maximum pensionable earnings.</p>
Resources	<p><a href="mailto:jihoon.chung@mercer.com">jihoon.chung@mercer.com</a></p> <p><a href="#">Form 1 and instructions — Attestation regarding withdrawal based on financial hardship (OFSI, 3 January 2023)</a> and <a href="#">Unlocking funds from a pension plan or from a locked-in retirement savings plan (OFSI, 25 January 2023)</a></p>

### Canada (previously covered, with upcoming effective date)

#### Development

#### Wealth

- [Regulator sets basic rate for pension plan assessments](#) — key date: 1 April 2023

### Mexico (new)

#### Status



Currently effective

#### Development

#### Career

##### Unidad de Media y Actualización increased

The value of Mexico's UMA (Unidad de Media y Actualización) increased on 1 February 2023 by 7.82% to MXN\$03.74 per day, MXN\$3,153.70 per month, and MXN\$37,844.40 per year. The UMA is updated annually and has been used since 2016 to calculate payments, obligations, or penalties owed to the government under federal or state laws.

#### Resources

[Information on UMA \(Spanish\) \(Government\)](#)

## US (new)

### Status



Effective dates vary.

### Development

#### Career — Health

##### Pregnancy and nursing protections for working mothers enacted

The Pregnant Workers Fairness Act (PWFA) and the Providing Urgent Maternal Protections for Nursing Mothers Act (PUMP Act) — two new federal employment laws — were passed on 29 December 2022, as part of the federal appropriations bill (the 2023 Consolidated Appropriations Act, Pub. Law. No. 117-328). State or local laws may still provide greater protections.

PWFA: Requires employers with 15 or more employees to grant a temporary reasonable accommodation for a worker who requests one for pregnancy, childbirth, or related medical conditions. Covered employers cannot require pregnant workers to take leave from work unless the alternative temporary accommodation creates an undue hardship for the employer. The PWFA borrows definitions of a “reasonable accommodation” and “undue hardship” from the federal Americans with Disabilities Act (ADA). The law is effective on 27 June 2023. The Equal Employment Opportunity Commission is required to provide compliance guidance this year, with examples of temporary reasonable accommodations, but it may not happen before the law’s effective date.

PUMP Act: Amends the Fair Labor Standards Act (FLSA) to expand access to workplace accommodations for breastfeeding. Employers are now required to provide:

- A reasonable break time to express milk each time the employee (exempt or nonexempt) needs to express milk for the employee’s nursing child.
- A place to express milk, other than a bathroom, that is shielded from view and free from intrusion.
- Compensation during nursing breaks for nonexempt employees if the break period is otherwise paid or if they are not completely relieved from duty during the entirety of the break. Exempt employees should be paid full salary regardless of nursing breaks.


The expanded nursing accommodations under the FLSA were generally effective upon enactment — 29 December 2022 — but enforcement does not begin until 28 April 2023 (including the new right to file a lawsuit for monetary damages). The law is not effective for railway and motor coach workers until the end of 2025.

Employers should review policies and processes to account for these new requirements.

### Resources

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[Pregnant Workers Fairness Act](#) (Legislature) and [Providing Urgent Maternal Protections for Nursing Mothers Act](#) (Legislature)

<b>US (new)</b>	
<b>Status</b>	 <b>Proposal</b>
<b>Development</b>	<b>Career</b> <b>Federal Trade Commission proposes ban on noncompete clauses</b> The Federal Trade Commission (FTC) issued a proposed rule that would ban noncompete agreements between employers and workers, void current noncompete agreements, and supersede relevant state laws. Noncompete agreements block people from working for a competing employer, or starting a competing business, for a period of time after their employment ends. According to the FTC, noncompete clauses affect about one in five American workers, or approximately 30 million people. Currently, only three states (California, North Dakota and Oklahoma) prohibit employers from enforcing noncompetes. The proposed rule seeks public comment on several topics by 10 March 2023, including whether: <ul style="list-style-type: none"><li>• Senior executives should be exempted from the rule, or subject to a rebuttable presumption rather than a ban</li><li>• Franchisees should be covered</li><li>• Low- and high-wage workers should be treated differently.</li></ul> The FTC may revise its proposal before publishing the final rule, possibly later in 2023, and the rule would take effect 180 days after publication in the Federal Register. Pushback on the proposal has been swift, with employer organizations, such as the US Chamber of Commerce, questioning the authority of the FTC to “outright ban noncompete clauses in all employer contracts.” The final rule likely will be challenged in court.
<b>Resources</b>	<a href="mailto:amy.knieriem@mercer.com">amy.knieriem@mercer.com</a> <a href="#">GRIST</a> , 13 January 2023

## US (new)

**Status**  **Consultation is open until 30 March 2023.**

### Development

#### Wealth

##### **Permanent physical presence relief for spousal consent proposed**

An IRS proposal issued at the end of 2022 would permanently allow live audiovisual conferencing for witnessing spousal consents in retirement plans. The proposal updates the agency's regulation governing electronic participant elections, which currently require the physical presence of a notary public or other plan representative for spousal consents. IRS has granted immediate reliance on the proposal, which has a few substantive changes — including an apparent narrowing of the scope — from the 2020 temporary relief that expired 31 December 2022. Comments are due by 30 March.

The scope of the proposal appears narrower than IRS's earlier temporary relief, which applied to any participant election (including a spousal consent) requiring an individual's signature to be witnessed in the physical presence of a plan representative or notary. In contrast, the proposal's remote-witnessing provisions expressly apply to written spousal consents meeting the requirements of Internal Revenue Code Section 417(a)(2)(A) for waiving spousal death benefits. The proposal does not explain whether plans requiring other participant elections (or spousal consents) to be notarized or witnessed by a plan representative may use these rules as a safe harbor. IRS clarification would be helpful.



**Resources** [margaret.berger@mercer.com](mailto:margaret.berger@mercer.com) and [matthew.calloway@mercer.com](mailto:matthew.calloway@mercer.com)  
[GRIST](#), 10 January 2023

## El Salvador (previously covered, with upcoming effective date)

### Development

#### Career — Health

[Large employers will be required to provide day care facilities](#) — key date: June 2024

<b>US (new)</b>	
<b>Status</b>	 <b>Currently effective</b>
<b>Development</b>	<p><b>Health</b></p> <p><b>Surprise billing independent dispute resolution fee increases</b></p> <p>The Departments of Health and Human Services, Labor and the Treasury have increased the administrative fee from \$50 to \$350 for initiating a federal independent dispute resolution (IDR) process used to resolve claims for payment for out-of-network services protected by the No Surprises Act (NSA). The increases reflects the unexpectedly high volume of disputes and costs associated with pre-eligibility reviews noted in the tri-agency report published in December 2022. Each party pays the fee when the process is initiated. Each party must also pay a certified IDR entity fee — ranging from \$200 to \$938 — that is refunded to the prevailing party (the administration fee is not refunded).</p>
<b>Resources</b>	<p><a href="mailto:katharine.marshall@mercer.com">katharine.marshall@mercer.com</a></p> <p><a href="#">Announcement</a> (Centers for Medicare and Medicaid Services, 23 December 2022)</p>
<b>US (new)</b>	
<b>Status</b>	 <b>Expires 31 December 2024.</b>
<b>Development</b>	<p><b>Health</b></p> <p><b>Two-year renewal of predeductible HDHP telehealth coverage now law</b></p> <p>A two-year extension of COVID-19 telehealth relief for health savings account (HSA)-qualifying high-deductible health plans (HDHPs) became law on 29 December 2022, as part of the 2023 Consolidated Appropriations Act (Pub. L. No. 117-328, see Section 4151). The legislation extends through plan years beginning in 2023 and 2024 the telehealth relief originally provided in the 2020 Coronavirus Aid, Relief and Economic Security (CARES) Act (Pub. L. No. 116-136). Congress initially granted the relief for plan years starting on or before 31 December 2021, and renewed it in the 2022 Consolidated Appropriations Act (Pub. L. No. 117-103) for 1 April through 31 December 2022. Without a permanent or another temporary extension, the current telehealth relief will expire on 31 December 2024, for calendar-year plans (later for noncalendar-year plans).</p> <p>Mercer and many other organizations will continue to urge Congress to make this telehealth/HDHP relief permanent, as proposed in last Congress's bipartisan Telehealth Expansion Act (HR5981 and S1704). Telehealth has earned broad bipartisan support in Congress and among Americans, but lawmakers' concerns about potentially higher costs and increased fraud have hindered expansion and more generous relief.</p>
<b>Resources</b>	<p><a href="mailto:geoff.manville@mercer.com">geoff.manville@mercer.com</a> and <a href="mailto:dorian.smith@mercer.com">dorian.smith@mercer.com</a></p> <p><a href="#">GRIST</a>, 11 January 2023</p>

## US (new)

## Status



Currently effective

## Development

## Health

**2023 federal poverty levels can impact ESR affordability**

Updated guidelines set the 2023 federal poverty level (FPL) at \$14,580 (up from \$13,590 in 2022) for a person living in the mainland US, but \$16,770 in Hawaii and \$18,210 in Alaska. Under the Affordable Care Act (ACA), the FPL can affect employer shared-responsibility (ESR) play-or-pay assessments in two ways:

- Premium tax credits. Individuals with household incomes between 100% and 400% of the FPL are potentially eligible to receive premium tax credits for health coverage purchased through a public exchange. ACA full-time employees' receipt of subsidized exchange coverage can trigger play-or-pay assessments. (Note that premium tax credit eligibility expanded to individuals earning more than 400% of the FPL for 2021 and 2022 under the American Rescue Plan Act (Pub. L. No. 117-2) and for 2023 through 2025 under the Inflation Reduction Act (Pub. L. No. 117-169).)
- Affordability testing. Employers can use the FPL under one play-or-pay affordability safe harbor to test whether their lowest-cost, self-only minimum essential coverage (MEC) with minimum value is affordable to employees. When conducting this test, an employer may use the FPL in effect within six months before the start of the plan year.

**2023 play-or-pay FPL affordability safe harbors.** The Department of Health and Human Services (HHS) issued updated FPL figures effective 12 January that will apply for 2024 calendar-year plans and noncalendar-year plans beginning in 2023. Employers with calendar-year plans cannot rely on those higher FPLs for 2023 affordability testing. Instead, 2023 calendar-year plan sponsors must use the 2022 FPL amounts. As a result, the 2023 FPL affordability safe-harbor monthly employee contribution limits for the lowest-cost, self-only MEC with minimum value are as follows:


- Noncalendar-year plans beginning in 2023: \$110.81, calculated as  $(9.12\% \times \$14,580 \text{ FPL for 2023}) \div 12$ , rounded to the nearest penny (see discussion below for a special rule)
- 2023 calendar-year plans: \$103.28, calculated as  $(9.12\% \times \$13,590 \text{ FPL for 2022}) \div 12$ , rounded to the nearest penny


**Special rule for noncalendar-year plans.** Noncalendar-year plans may use the FPL in effect within six months before the first day of the plan year. For the 2023 plan year, noncalendar-year plans benefit from using the higher 2023 FPL amounts.

The adjusted affordability percentage applies on a plan-year — not calendar-year — basis. This means noncalendar year plans beginning in 2022 will continue to use 9.61% to determine affordability in 2023 until their new plan year starts. As a reminder, for 2022 noncalendar-year plans using the mainland US FPL affordability safe harbor, the required employee contribution cannot exceed \$108.83 per month, calculated as  $(9.61\% \text{ for 2022} \times \$13,590 \text{ FPL in 2022}) \div 12$ , rounded to the nearest penny.



## Resources


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GRIST, 23 January 2023

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health — Wealth</b></p> <p><b>Quick benefit facts and COLA resources for benefit plans</b></p> <p>Each year, the IRS, PBGC, Social Security Administration, Centers for Medicare and Medicaid Services, and Puerto Rico's Treasury Department announce cost-of-living adjustments (COLAs) for retirement, health and fringe benefit plans, as well as Medicare, Social Security and Supplemental Security income. Mercer's Law and Policy Group summarizes the adjusted amounts in two annual publications that are linked to below:</p> <ul style="list-style-type: none"> <li>• A comprehensive GRIST provides detailed tables listing annually adjusted amounts, along with links to relevant government sources.</li> <li>• A quick benefit facts sheet highlights key benefit plan amounts in convenient charts that fit on a double-sided page. One side lists current and prior years' key retirement plan limits, along with Social Security and Medicare amounts. The other side shows key health and fringe benefit figures.</li> </ul>
Resources	<p><a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a>; <a href="mailto:james.chaken@mercer.com">james.chaken@mercer.com</a> and <a href="mailto:dorian.smith@mercer.com">dorian.smith@mercer.com</a></p> <p><a href="#">Quick benefit facts and COLA resources for benefit plans, 25 January 2023</a></p>

US (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Transportation plans offer valued benefits, and pose compliance issues</b></p> <p>Since 1998, employees have been able to pay for qualified transportation fringes through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, vanpools, and in certain years, bicycles.</p> <p>While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law added complexities. Some state and local jurisdictions have imposed employer mandates — including one that started in Philadelphia on 31 December 2022 — leveraging the tax advantage of commuter benefits; others provide tax-related incentives.</p> <p>The GRIST cited below summarizes major issues concerning qualified transportation plans under federal, state and certain local laws.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:cheryl.hughes@mercer.com">cheryl.hughes@mercer.com</a></p> <p><a href="#">GRIST</a>, 25 January 2023</p>



<b>US</b>	
<b>Status</b>	 <b>Effective dates vary.</b>
<b>Development</b>	<p><b>Career</b></p> <p><b>Roundup: Employer resources on states' recreational marijuana laws</b></p> <p>Twenty-one states and Washington, DC, have legalized the possession and personal use of marijuana for recreational purposes. To provide employers with some information on states' actions and the varying employment considerations involved, this roundup provides links to organizations, government websites, third-party analysis, news articles and viewpoints on marijuana usage for recreational purposes. To help employers prepare and address related issues, the roundup cited below provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
<b>Resources</b>	<a href="#">GRIST</a> , regularly updated
<b>US</b>	
<b>Status</b>	 <b>Effective dates vary.</b>
<b>Development</b>	<p><b>Career</b></p> <p><b>Roundup: Employer resources on minimum wage increases</b></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, the roundup cited below provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
<b>Resources</b>	<a href="#">GRIST</a> , regularly updated

<b>US</b>	
<b>Status</b>	 <b>Effective dates vary.</b>
<b>Development</b>	<b>Career</b> <b>Roundup: Employer resources on hairstyle nondiscrimination laws</b> 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, the roundup cited below provides links to federal and state resources from organizations, government websites, third-party resources and news articles.
<b>Resources</b>	<a href="#">GRIST</a> , 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:

- Accruals are based on the employee's work location and start on the date of hire.
- Employers whose existing paid leave programs (such as 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.

The GRIST cited below can help employers track key provisions of different jurisdictions' accrued paid leave laws.

### Resources

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[Roundup: State accrued paid sick leave mandates](#), regularly updated

<b>US — States</b>	
<b>Status</b>	 <b>Effective dates vary.</b>
<b>Development</b>	<b>Health</b> <b>States update group health plan sponsor reporting obligations</b> Group health plan (GHP) sponsors continue to be subject to state reporting, but no state has added a new reporting obligation since 2021. As a reminder, ERISA arguably preempts some, but not all, state reporting requirements for GHP sponsors. The GRIST cited below summarizes key state reporting mandates for GHP sponsors and reflects recent changes.
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:dorian.smith@mercer.com">dorian.smith@mercer.com</a> <a href="#">GRIST</a> , 21 December 2022
<b>US — States</b>	
<b>Status</b>	 <b>Ongoing initiatives</b>
<b>Development</b>	<b>Wealth</b> <b>Resources for tracking state and city retirement initiatives</b> This article summarizes state and city retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. The GRIST cited below is updated periodically and may not always reflect the latest developments in every state.
<b>Resources</b>	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> <a href="#">Resources for tracking state and city retirement initiatives</a> , regularly updated

## US — Illinois (new)

## Status



Effective dates vary.

## Development

## Health

**Reproductive Health Act amends insurance coverage mandates**

The governor signed a 2022 holdover bill (Pub. Act 102-1117) into law, amending the state's Reproductive Health Act (RHA) by addressing numerous abortion, gender affirmation and other issues. New requirements for insured plans issued in the state include:

- Coverage of abortion medications, HIV prevention and treatment medication (PrEP and PEP and gender-affirming medications, each without cost sharing
- Coverage of abortion medications regardless of whether the policy provides prescription drug benefits and without requiring proof of pregnancy
- Coverage of out-of-network (OON) services as in-network (INN) when the INN provider raises moral objections to providing the service under the state's Health Care Right of Conscience Act.

The first requirement takes effect for plan years starting on or after 1 January 2024. The other requirements took effect on 13 January 2023. The law also expands access to reproductive healthcare:

- Authorizing advanced practice registered nurses and physician assistants to perform abortions
- Creating expedited, temporary licensure of out-of-state healthcare professionals to provide care in Illinois, including through telehealth
- Authorizing pharmacists to dispense hormonal contraceptives pursuant to a standing order by a local health department or the state Department of Health
- Permitting licensed birth centers to offer reproductive healthcare beyond childbirth-related needs of pregnant persons

Finally, the law protects healthcare providers and patients in a number of ways:

- Shielding individuals from out-of-state subpoenas, summons, or extraditions related to reproductive or gender-affirming care that is lawful in Illinois
- Exempting healthcare providers, related facilities and pregnant persons from wrongful death claims related to lawful abortions
- Prohibiting professional discipline of healthcare providers and pharmacists based solely on participation in a healthcare service that is legal in Illinois or based solely on discipline by another state for the same conduct
- Adding "assisted reproduction" to the RHA definition of reproductive healthcare
- Amending the state's Parentage Act to allow intended parents to dispose of any cryopreserved fertilized ovum

## Resources

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[Gov. Pritzker signs sweeping reproductive rights protections into law](#) (Governor, 13 January 2023) and [Pub. Act 102-1117](#) (Legislature)

## US — Illinois (new)

### Status



**Governor is expected to sign the legislation that likely will take effect 1 January 2024**

### Development

#### Career — Health

##### **Paid leave law to be enacted**

The Illinois legislature passed the Paid Leave for All Workers (PFLAW) Act (SB 208) on 10 January. The governor indicated he would sign this holdover bill from the 2022 session. The PFLAW Act will provide at least 40 hours of paid leave (or one hour for every 40 hours worked) for any reason to all Illinois employees (with some exceptions). Exempt employees are deemed to work 40 hours per workweek. Leave must be available after 90 days of employment.

Employers may apply these rules:

- Requiring a reasonable leave increment of no less than two hours per day and seven calendar days' notice for foreseeable leave
- Prohibiting carryover from the prior 12-month period (which can be designated by the employer) if all leave is front-loaded on the first day of employment of the new 12-month period
- No payout of unused, earned leave at termination of employment as long as leave was not credited to a PTO bank or vacation account

Employers must follow these rules: Prohibition against requesting the reason for leave; posting of a workplace notice, subject to penalties; no retaliation; and payment of at least the prevailing minimum wage (relevant for workers who earn gratuities or commissions).

The PFLAW Act excludes these workers:

- Employees who work for an employer subject to any type of local paid leave ordinance (like Chicago and Cook County) in effect on 1 January 2024
- Construction workers, national delivery workers and state employees subject to a collective bargaining agreement
- School district and park district employees
- Railroad employees
- Temporary, part-time student employees employed by a college or university
- Short-term employees of a higher education institution for less than two calendar quarters in a row and lacking a reasonable expectation of rehire for the same service in a later calendar year

The PFLAW Act takes effect on 1 January 2024.

### Resources

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[SB0208](#) (Legislature) and [GRIST](#), 29 April 2022

US — Massachusetts (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Health coverage requirements during paid family medical leave clarified</b></p> <p>Massachusetts law requires employers to “otherwise maintain the employee's employment-related health insurance benefits” during paid family and medical leave (PFML). The Department of Family and Medical Leave issued regulations detailing what this obligation entails. Largely, the guidance is not groundbreaking. Examples of maintenance of group health benefits include:</p> <ul style="list-style-type: none"> <li>• An employer continues to pay its portion of contributions.</li> <li>• If coverage is through COBRA or state continuation law, an employer reimburses amounts above the active employee rate.</li> <li>• If coverage is through a multiemployer (union) plan with eligibility based on hours worked or contributions made during an earlier qualifying period, an employer allows eligible employees to continue coverage as long as they remain eligible.</li> </ul> <p>Employers need not maintain coverage if an employee was ineligible for benefits when PFML leave began or if an employee resigns during PFML leave.</p> <p>The regulations took effect 6 January.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Section 2: Leave requirements</a> (Government) and <a href="#">Regulations</a> (Massachusetts Register, 9 December 2022)</p>
US — Michigan	
Status	 <b>31 March 2023</b>
Development	<p><b>Health</b></p> <p><b>Michigan joins Psychology Interjurisdictional Compact</b></p> <p>Two laws enacted in late December — Pub. Act 254 and Pub. Act 255 — authorize Michigan to join the Psychology Interjurisdictional Compact (PSYPACT), an interstate compact between states, facilitating the practice of mental health services across state boundaries. Licensed healthcare providers can apply to practice telepsychology and/or to conduct temporary in-person, face-to-face sessions in PSYPACT states, depending on the certificate issued. Approximately two-third of the states (and Washington, DC) are PSYPACT members. These laws take effect 31 March 2023.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Pub. Act 254</a> and <a href="#">Pub. Act 255</a> (Legislature)</p>

US — Minnesota (new)	
Status	 Governor is expected to sign legislation.
Development	<p><b>Career</b></p> <p><b>Hair nondiscrimination legislation expected to be enacted</b></p> <p>Minnesota’s Senate recently passed an amendment that would expand the definition of race under the Human Rights Act to cover race-related traits — “including, but not limited to hair texture and hair styles such as braids, locs and twists.” The legislation now goes to the governor, who is likely to sign it. Minnesota would be the 19th state to ban hair discrimination.</p>
Resources	<a href="#">HF 37</a> (Legislature)
US — New Jersey (new)	
Status	 Effective 10 April 2023
Development	<p><b>Career</b></p> <p><b>New mass layoff measures to take effect</b></p> <p>New Jersey’s governor signed a law that amends the state’s “WARN” Act and requires employers with 100 or more employees — from 10 April 2023 — to provide 90 days of advance notice and guaranteed severance to employees, regardless of their tenure.</p> <p>The changes to the WARN Act (Bill 3170) were originally scheduled to take effect in July 2020, but Executive Order (EO) 103 declaring a state of emergency due to COVID-19 delayed implementation until 90 days following the EO’s expiration. In April 2020, additional amendments to WARN were enacted to exclude national emergencies (such as COVID-19) or a “natural emergency” from WARN. Executive 103 has not expired, prompting New Jersey’s National Legislature to hasten implementation of the amended WARN Act. Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers with 100 or more employees (full- and part-time) are subject to the New Jersey WARN Act. Employers must have operated in New Jersey for three or more years.</li> <li>• The notification requirement will be triggered if (i) an employer transfers, or terminates, its operations in an establishment during any 30-day period (or aggregated over 90 days), or (ii) if it conducts a reduction in force that results in the layoff of 50 or more employees at any group location in New Jersey, and including employees located outside of the state but who report to any location in New Jersey. An establishment is defined as including one or more locations in New Jersey.</li> <li>• Mandatory severance pay will be one week’s pay for each full year of employment. Employers who give employees fewer than 90 days of notice will have to pay an additional four weeks of pay. The severance calculation will be based on the “average regular rate of compensation” paid to the employee over the last three years of their employment, or the employee’s final regular rate of compensation — whichever amount is higher.</li> </ul>
Resources	<a href="#">Bill 3170</a> (Legislature); <a href="#">Executive Order 103</a> (Governor’s Office); <a href="#">Bill 2353</a> (Legislature) and <a href="#">GRIST</a> , 25 February 2020



US — New York (new)	
Status	 7 June 2023
Development	<p><b>Career — Health</b></p> <p><b>Rights of nursing employees to express breast milk expanded</b></p> <p>On 9 December 2022, New York’s governor signed legislation (S4844-B/A.1236-A) to expand accommodations for breastfeeding in the workplace as of 7 June 2023. The law amends Section 206-c of the labor law and requires all New York employers to ensure that pumping spaces for all nursing employees are convenient and private, and include seating, access to running water and electricity, and a working space. There is an undue hardship exemption, but efforts must still be made to provide a room or other location, other than a restroom or toilet stall, that is in close proximity to the work area, for an employee to express breast milk in privacy. Currently, employers must give reasonable break times and make reasonable efforts to provide a space for employees to pump breast milk, but this standard falls below the existing requirements for government employees.</p> <p>The new law will also require employers to develop and implement a written policy regarding employee rights when breastfeeding in the workplace. Employers must provide the written policy to each employee upon hire and annually thereafter, as well as to employees returning to work after the birth of a child.</p>
Resources	<p><a href="#">Governor Hochul signs legislation to expand accommodations for breastfeeding in the workplace</a> (Governor, 9 December 2022) and <a href="#">S4844</a> (Legislature)</p>

## US — New York (new)

### Status



Currently effective

### Development

#### Health

##### **2023 HCRA covered-lives assessment rates announced**

New York’s Department of Health (DOH) posted the 2023 regional covered-lives assessment (CLA) rates and percentage surcharges for graduate medical education (GME) under the state’s Health Care Reform Act (HCRA). The HCRA imposes on “electing” health claim payors — including self-funded plans — an annual CLA based on the number of covered individuals (and families) who live in New York. The state lets payors “elect” to pay the CLA directly to the state’s Professional Educational Pool. Nonelecting payors are not subject to the annual CLA but may incur significantly higher GME percentage surcharges on certain in-state hospital expenses. The annual GME CLA/percentage surcharge, along with an indigent care surcharge, are two distinct payments imposed by the HCRA.

Keep in mind that the HCRA only applies to fully insured and self-funded medical and dental plans. A list of FAQs confirms that HCRA rates do not apply to health flexible spending arrangements, health reimbursement arrangements or health savings accounts. DOH-designated electing payors have the option to file Public Goods Pool reports and payments monthly or annually. Monthly filers’ reports and payments must be received by DOH no later than the 30th day after the covered month ends (or the next business day if the 30th day is a weekend or holiday). Annual filers’ reports and payments for the prior covered year, again subject to weekends and holidays, must be received by DOH by 30 January (i.e., by 30 January 2024, for the 2023 covered year). Late reports and payments will result in penalties and interest. This filing obligation exists even if the electing payor has no activity to report.



Even if no employees reside in New York, the surcharges apply to any health or dental services rendered at an HCRA-designated facility.

Due to the significant impact HCRA surcharges can have on nonelecting payors, self-funded plan sponsors with networks extending into New York — or with a significant number of participants residing in neighboring states — may want to review their election status with the plan administrator.

### Resources

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[2023 covered lives/assessments/surcharges](#) (Department of Health)

<b>US — New York (new)</b>	
<b>Status</b>	 <b>Currently effective</b>
<b>Development</b>	<b>Career</b> <b>Electronic delivery of certain workplace documents required</b> New York employers are required to make documents that must be physically posted at a worksite under federal and state law or regulation also available electronically through the employer’s website or by email — under recent changes to Labor Law Section 201. Employers must also provide notice that documents required for physical posting are also available electronically. The changes were signed by the governor on 16 December 2022 and became effective immediately.
<b>Resources</b>	<a href="#">SB6805</a> (Legislature)
<b>US — New York</b>	
<b>Status</b>	 <b>19 February 2023</b>
<b>Development</b>	<b>Career — Health</b> <b>Leave retaliation prohibited</b> New York enacted law 2022 Ch. 604, AB 8092/SB 1958 prohibiting employer adverse actions against employees that take legally protected absences under federal, local or state law. This includes protected absences related to New York’s paid disability/medical and family leave and paid sick leave, as well as state paid leave for COVID-19 vaccines and New York City’s Earned Safe and Sick Time Act. New York employers with no-fault attendance policies should review those policies in light of the new law, given that its stated intent is to prevent employers from “assessing points or deductions from a time bank when an employee has used any legally protected absence.”
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">AB 8092/SB1958</a> (Government)

## US — Puerto Rico (new)

### Status



Currently effective

### Development

#### Career

##### Interns protected by new law

Internship program participants in Puerto Rico are now entitled to compensation under measures included in Act 114-2022 that took effect on 27 December 2022. Highlights include:

- Internships are defined as public or private institutions' programs that offer learning or work experience to high school students, students pursuing higher education degrees, and recent graduates.
- Certain types of internships are excluded, such as volunteering, and some not-for-profit organizations.
- Eligible internships must meet certain criteria. The duration of the internship must be defined prior to its start, the intern must be supervised and receive structured feedback, the program must relate to skills and professional development, and it must involve 10 or more hours of work per week. Compensation must be calculated on federal minimum wage or the state minimum wage, whichever is higher.


### Resources

[Act 114-2022](#) (Spanish) (Legislature)

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

<b>Development</b>	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Effective date of automated employment decision tools law postponed in New York City</a> — key date: 15 April 2023</li> <li>• <a href="#">More pay data reporting imposed in California</a> — key date: 10 May 2023</li> <li>• <a href="#">Salary ranges required in job postings in New York</a> — key date: 17 September 2023</li> <li>• <a href="#">Insurance law requires third-party payments to apply toward cost sharing in Delaware</a> — key date: 1 January 2024</li> <li>• <a href="#">Final SEC clawback rule requires significant changes to policies</a> — key date: Early in 2024</li> <li>• <a href="#">Two-tier minimum wage system to be eliminated</a> — key date: 1 January 2024 — key date: 1 July 2024</li> <li>• <a href="#">Hourly minimum wage to increase to \$18 in Hawaii</a> — key date: 1 January 2026</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Voluntary family medical leave program announced in Vermont</a> — key date: 1 July 2023</li> <li>• <a href="#">Employment discrimination based on nonworkplace cannabis use barred in California</a> — key date: 1 January 2024</li> <li>• <a href="#">Paid family medical leave program legislation enacted in Delaware</a> — key date: 2025</li> </ul> <p><b>Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Voters approve ballot initiative that expands Medicaid eligibility in South Dakota</a> — key date: 1 July 2023</li> <li>• <a href="#">Long-term care law changes enacted in Washington</a> — key date: 1 July 2023</li> <li>• <a href="#">Paid family and medical leave law enacted in Maryland</a> — key date: 1 October 2023</li> <li>• <a href="#">Voters approve medical debt ballot initiative in Arizona</a> — key date: 1 January 2024</li> <li>• <a href="#">New law requires annual behavioral health well check for insured plans in Delaware</a> — key date: 1 January 2024</li> <li>• <a href="#">More health insurance mandates enacted in Illinois</a> — key date: 1 January 2024</li> <li>• <a href="#">Voters approve medical loss ratio requirement for Massachusetts' insured dental plans</a> — key date: 1 January 2024</li> <li>• <a href="#">Pharmacy benefit management legislation enacted in Michigan</a> — key date: 1 January 2024</li> <li>• <a href="#">Hearing aid coverage mandated in Vermont</a> — key date: 1 January 2024</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Amendment deadlines for SECURE, Miners and CARES acts extended</a> — key date: 31 December 2023</li> <li>• <a href="#">SECURE 2.0 retirement reforms are now law</a> — key date: 1 January 2024</li> </ul>
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**Uruguay (new)**

<b>Status</b>	<p> <b>Currently effective</b></p>
<b>Development</b>	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>Effective 1 January 2023, the monthly minimum wage increased to UYU 21,106 — up 9% from the 2022 wage rate.</p>
<b>Resources</b>	<p><a href="#">Announcement</a> (Spanish) (President's office, 29 December 2022)</p>

## Section 4

# Asia Pacific

### Australia (new)

#### Status



Applies to children born or adopted on or after 1 July 2023.

#### Development

#### Career — Health



#### Parental leave pay scheme expanded


From 1 July 2023, Parental Leave Pay and Dad and Partner Pay will be combined into a single 20-week payment for children born or adopted on or after 1 July 2023. The measures were announced in Budget 2022-2023, and include a commitment to expand Parental Leave Pay by two weeks per year starting on 1 July 2024 until it reaches 26 weeks on 1 July 2026. Currently, parents who are the primary carers are eligible for 18 weeks of Parental Leave Pay at the rate of the national minimum wage, and fathers and partners on unpaid leave or who are not working are eligible for two weeks of Dad and Partner Pay at the rate of the national minimum wage. Highlights include:

- Either parent will be allowed to claim Parental Leave Pay.
- Parents will be permitted to take Parental Leave Pay at the same time.
- A family income limit of AU\$350,000 adjusted taxable income will apply, in addition to the current individual income limit of AU\$156,647.
- The Parental Leave Pay must be taken within two years of the child's birth or adoption, and parents can take their leave in blocks of one or more days. The new scheme will include a "use or lose it" provision for each parent.

#### Resources

[Paid parental leave scheme](#) (Department of Social Services) and [Boosting parental leave to enhance economic security, support and flexibility for Australia's families](#) (Government, 25 October 2022)

Australia (new)	
Status	 Effective dates vary.
Development	<p><b>Career — Health — Wealth</b></p> <p><b>2022–2023 federal budget includes workplace initiatives</b></p> <p>Mercer’s Budget in Review covers superannuation and retirement changes, aged care initiatives, investment implications, workforce initiatives, and health initiatives. Highlights of issues impacting the workplace include:</p> <ul style="list-style-type: none"> <li>• The government confirmed that certain previously announced superannuation changes — such as reduced minimum age for downsizer super contributions — will proceed, and other initiatives will not. The new National Housing Accord aims to attract superannuation investment in new and affordable housing.</li> <li>• Changes to child care policies and expanded parental leave are intended to help individuals combine their caring responsibilities with work, and ease the return to work for women.</li> <li>• The Government will provide \$47.7 million over four years from 2022–23 to reinstate Medicare Benefits Schedule item 288, which will provide for a 50% loading for bulk-billed telehealth psychiatry consultations in telehealth eligible areas across regional and rural Australia.</li> </ul>
Resources	<a href="#">Budget in review</a> (Mercer, October 2022) and <a href="#">Budget October 2022-23</a> (Government)
Australia	
Status	 Consultation is open until 17 February 2023.
Development	<p><b>Wealth</b></p> <p><b>Climate-related financial disclosures proposed</b></p> <p>A government consultation seeks input on the design and implementation of standardized and internationally aligned requirements for the disclosure of climate-related financial risks and opportunities. Comments are invited through 17 February 2023.</p> <p>Under the proposals, large businesses and financial institutions would have to provide more information and greater transparency in their responses to climate change and transition to “net zero,” to help businesses and investors manage climate risks and invest in new opportunities. The reporting requirements are expected to be mandatory for large entities, and will be phased-in.</p> <p>The Treasury and the financial regulators plan to develop a comprehensive sustainable finance strategy (with transparency measures) for government consideration in early 2023.</p> <p>Another consultation is expected later in 2023 on a specific design proposal with comments invited on detailed proposals for reporting.</p>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Climate-related financial disclosure</a> (Treasury, 12 December 2022)</p>

<b>Australia</b>	
<b>Status</b>	 <b>Consultation is open until 10 March 2023.</b>
<b>Development</b>	<p><b>Wealth</b></p> <p><b>Planning for successor fund transfers and other transfers proposed</b></p> <p>A discussion paper on ensuring smooth and efficient successor fund transfers (SFTs) and other superannuation transfers by superannuation trustees was recently issued by The Australian Prudential Regulation Authority (APRA), with comments invited through 10 March 2023. The proposals respond to continued superannuation industry consolidation, addressing specific situations that have resulted in poor outcomes for members. APRA says trustees must meet minimum standards for planning, pre-positioning and executing transfers of members. Highlights include:</p> <ul style="list-style-type: none"><li>• Enhanced requirements in Prudential Standard SPS 515, Strategic Planning and Member Outcomes, to ensure that trustees properly prepare to transfer or receive members. Currently, this is the only guidance.</li><li>• New requirements for transferring MySuper product assets in the event APRA cancels a trustee's authority to offer a MySuper product (scheduled to start on 1 July 2023).</li><li>• Updated transfer-planning guidance to replace existing Prudential Practice Guide SPG 227, Successor Fund Transfers and Wind-ups.</li></ul> <p>APRA will consult on revisions to SPS 515 (including other changes proposed in APRA's August 2022 discussion paper) and updated transfer planning in the first half of 2023.</p>
<b>Resources</b>	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">APRA moves to strengthen transfer planning in superannuation</a> (APRA, 10 November 2022)</p>



**Australia (previously covered, now effective)****Status**  **Currently effective for employers with 15 or more employees.****Development****Career — Health****Paid family and domestic violence leave to be phased-in**

The Fair Work Amendment (Paid Family and Domestic Violence Leave) Bill 2022 entitles all employees (including casual and part-time employees) to 10 days of paid family and domestic violence leave in any 12-month period of employment. The expanded leave entitlement is included in the National Employment Standards, and replaces the current period of five days of unpaid family and domestic violence leave. It will be phased-in from 1 February 2023 for employers with 15 or more employees, and from 1 August 2023 for employers with fewer than 15 employees. Employees can take leave if they experience family and domestic violence and need to take action to deal with the impact of that violence, if it is impractical to do so outside of ordinary working hours. Examples of actions include making safe-living arrangements for themselves or a close relative, court hearing attendances, accessing police services, attending counseling and attending appointments with medical, financial or legal professionals. The law extends the definition of family and domestic violence to include conduct of a current or former intimate partner of an employee, or a member of an employee's household. Employees are required to notify their employer of their need to take leave as soon as practicably possible, and the duration. Employers can ask for reasonable evidence (such as documents issued by the courts or police), and an employee's failure to do so could result in denying leave.

**Resources**[Fair Work Amendment \(Paid Family and Domestic Violence Leave\) Bill 2022](#) (Parliament)**Australia (previously covered, with upcoming effective dates)****Development****Career — Health**



- [Federal employment reforms enacted](#) — key date: June 2023


**Health**

- [APRA releases updated standard SPS 310](#) — key date: 30 June 2023

**China (previously covered, with upcoming effective date)****Development****Wealth**

- [Private 'third pillar' pension plan for individuals](#) — key date: Implementation date unknown.

<b>Hong Kong (new)</b>	
<b>Status</b>	 1 May 2023
<b>Development</b>	<p><b>Career</b>  <b>Statutory minimum wage to increase</b></p> <p>Hong Kong's Chief Executive in Council adopted the Minimum Wage Commission's recommendation to raise the statutory minimum wage rate to HK \$40 on 1 May 2023 — up from HK \$37.50. This is the first increase since May 2019.</p>
<b>Resources</b>	<a href="#">Statutory minimum wage</a> (Labour Department)
<b>Hong Kong (previously covered, with upcoming effective date)</b>	
<b>Development</b>	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Gender board diversity, corporate governance required</a> — key date: 31 December 2024</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Mandatory pension fund offsetting to be abolished</a> — key date: Earliest 2025</li> </ul>
<b>India (new)</b>	
<b>Status</b>	 Currently effective
<b>Development</b>	<p><b>Wealth</b>  <b>Supreme Court allows option for increased Employee Pension Scheme benefits</b></p> <p>Eligible individuals in India have a one-time option to receive increased Employee's Pension Scheme (EPS) benefits after the Supreme Court ruled, on 3 November 2022, to eliminate the salary cap on EPS employer contributions introduced in 2014. This means that certain individuals can elect to have their pension benefits calculated on their actual salary, and not on the monthly salary cap of INR 15,000 introduced under the Employees' Pension (Amendment) Scheme 2014. On 29 December 2022, the Employees' Provident Fund Organisation issued a circular on the ruling's implementation, instructing local offices to provide an option for a higher pension to eligible subscribers. Highlights include:</p> <ul style="list-style-type: none"> <li>• Following the Supreme Court ruling, employees who were EPS members on 1 September 2014, and who had elected to pay higher contributions to the EPS based on basic salary exceeding INR 15,000 per month, have a one-time opportunity to elect increased EPS benefits. Individuals who retired as of 31 August 2014, are also eligible to elect increased pension benefits if they previously elected to have their pension contributions calculated on their full basic salary.</li> <li>• The deadline for exercising this option is 4 March 2023, and individuals must submit a joint declaration with their employer to the Employees' Provident Fund Organisation.</li> <li>• The increased EPS benefits will be transferred from the individual's provident fund.</li> </ul> <p>Employers currently contribute 8.33% of eligible salary to the EPS, and the ruling does not affect employers' costs.</p>
<b>Resources</b>	<a href="mailto:jyotsna.tiwari@mercer.com">jyotsna.tiwari@mercer.com</a> <a href="#">Decision</a> (Supreme Court, 24 August 2021) and <a href="#">Circular 2022/54877</a> (Ministry of Labour & Employment, 29 December 2022)

<b>India (previously covered, with upcoming effective date)</b>	
<b>Development</b>	<p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Labor and employment laws reformed</a> — key date: Effective date delayed</li> </ul>
<b>Indonesia (new)</b>	
<b>Status</b>	 Pending approval
<b>Development</b>	<p><b>Career</b></p> <p><b>Regulation to replace job creation law issued</b></p> <p>A regulation that revokes and replaces Indonesia’s 2020 Job Creation Law, which includes changes to outsourcing and minimum wage, was issued. The regulation — Perppu 2 — follows a Constitutional Court ruling that certain aspects of the Job Creation Law (or Omnibus Law) were “conditionally unconstitutional” and for the government to amend the law within a two-year period. Perppu 2 must still be approved by the People’s Representative Council of Indonesia.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> <li>• Outsourcing. The government will determine which types of work can be outsourced to another company, and will issue accompanying regulations. Outsourced work must be subject to a written outsourcing agreement.</li> <li>• Minimum wage. The formula used to calculate the minimum wage will be based on economic growth, inflation and other indexes (not yet defined). Governors now may only determine the minimum wage of a regency/city within the province if the minimum wage of the regency/city is higher than the minimum wage of the province. The government also can change the minimum wage formula in certain circumstances.</li> </ul>
<b>Resources</b>	<p><a href="mailto:isdar.marwan@mercer.com">isdar.marwan@mercer.com</a>  <a href="#">Regulation (Indonesian) (Government)</a> and <a href="#">GRIST</a>, 5 May 2021</p>

## Japan (new)

### Status



Proposal

### Development

#### Career

##### Expanded sustainability disclosures for listed companies proposed

Proposals to expand the environmental, social and governance information that listed companies must include in their annual public disclosure documents issued by Japan's Financial Services Agency would revise the Financial Instruments Act of Japan. Companies would have to disclose mandatory and voluntary information on certain topics, including forward-looking information. If agreed to, the revised act would apply from the fiscal year ending on or after 31 March 2023 — most Japanese companies have a fiscal year that runs from April to March. As a result, companies would have to incorporate the information into their annual securities reports as soon as June 2023 in time for general shareholders' meetings. Highlights include:

- Mandatory topics for disclosure would include sustainability governance (such as procedures and controls to assess and manage risks impacting sustainability, activities of the company board and related committees), risk management (such as the identification and assessment of sustainability risks), environment, society, employees, human rights, anti-corruption, cybersecurity, and data security.
- Voluntary topics for disclosure would include the company's strategy (comprising sustainability risks and opportunities that could affect the organization's performance, including human resources policies and the working environment) and "index and target" (covering specific environmental risks, consolidated information on gender diversity of the workforce and management roles, paternity leave uptake, and gender pay gap). However, companies would have to disclose any voluntary topics flagged as materially important for their risk management and governance.
- Companies should also disclose the global sustainability reporting framework used to compile their sustainability information.

### Resources

[yasuharu.inoue@mercer.com](mailto:yasuharu.inoue@mercer.com)

[Proposals](#) (Japanese) (Financial Services Agency)

Japan (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"><li>• <a href="#">Gender pay disclosures will be required for most companies</a> — key date: 8 July 2023</li></ul> <b>Wealth</b> <ul style="list-style-type: none"><li>• <a href="#">Defined contribution reforms enacted</a> — key date: 1 December 2024</li></ul>
Malaysia (previously covered with upcoming effective dates)	
Development	<b>Career</b> <ul style="list-style-type: none"><li>• <a href="#">Minimum wage order postponed for small employers</a> — key date: 1 July 2023</li></ul>
Singapore (previously covered with upcoming effective dates)	
Development	<b>Career</b> <ul style="list-style-type: none"><li>• <a href="#">Work pass framework to fill skills gaps expanded</a> — key date: September 2023</li></ul> <b>Career — Health</b> <ul style="list-style-type: none"><li>• <a href="#">Medical coverage of permit applicants enhanced</a> — key date: Postponed from end of 2022</li></ul>
South Korea (new)	
Status	 <b>Proposal</b>
Development	<b>Wealth</b> <b>Pension reforms considered</b> <p>South Korea is considering pension reforms to address the social security deficit. A proposed bill in the National Assembly would abolish the severance payment scheme and recognize only defined benefit and defined contribution plans as valid retirement plans.</p>
Resources	<a href="mailto:julia.lee@mercer.com">julia.lee@mercer.com</a> and <a href="mailto:sunghye.yoon@mercer.com">sunghye.yoon@mercer.com</a> <a href="#">Bill</a> (Korean) (Legislature)

## South Korea (new)

### Status



Implementation must be completed by 12 July 2023.

### Development

#### Wealth

##### Deadline for implementation of defined contribution default investment option approaches

Changes to the Employee Retirement Benefit Security Act (ERSA) that introduced default investment options for defined contribution (DC) pension plans became effective on 12 July 2022, and companies have until 12 July 2023 to implement the default option. Plan documents (or plan covenants) must be updated, with collective agreement, by then. Highlights include:



- The changes aim to improve the financial returns of DC assets predominantly invested in the short-term Principal Guaranteed Product.
- The qualified default options offered by pension service providers can be shortlisted by employers before DC participants choose their own default option.
- An automatic re-deposit is also no longer possible upon maturity of term deposits. If DC participants do not direct their own investments upon maturity, the assets will be automatically invested in the default option designated by participants.
- All default options selected by employers must be specified in existing pension covenants. With a majority of employee consent, the amended covenants must be approved by the Ministry of Employment and Labor before 12 July 2023.

### Resources

[julia.lee@mercer.com](mailto:julia.lee@mercer.com) and [sunghye.yoon@mercer.com](mailto:sunghye.yoon@mercer.com)  
[Legislation](#) (Korean) (Legislature)




## Section 5

# Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	 Consultation is open until 20 February 2023.
Development	<p><b>Career — Wealth</b></p> <p><b>Financial system regulator consults on guidelines for fund names using ESG, sustainability</b></p> <p>Proposals to establish common standards for funds that use environmental, social and governance (ESG) or sustainability-related items in their names were published in November 2022 by the European Securities and Markets Authority (ESMA), and are open for comment until 20 February 2023. The measures would ensure that fund names would be fair, clear and not misleading, introduce quantitative thresholds for funds, and complement ESMA's earlier guidance to national authorities. The finalized guidelines — expected in Q2/Q3 2023 — would apply three months after their publication on the ESMA website, and funds that launched prior to the publication date would be given a three-month transition period.</p>
Resources	<a href="#">Consultation on guidelines on funds' names using ESQ or sustainability-related terms (ESMA)</a>
EU (new)	
Status	 Member states have until 16 June 2024 to transpose the directive into national laws.
Development	<p><b>Career — Wealth</b></p> <p><b>Enhanced corporate sustainability disclosures required</b></p> <p>Companies will be required to provide qualitative and quantitative sustainability disclosures as part of mandatory common reporting measures under the European Union's (EU) corporate sustainability reporting directive (CSRD) agreed to in November 2022, which amends the EU's current nonfinancial reporting directive (NFRD). The directive was enacted on 5 January 2023, and member states will have until 16 June 2024, to transpose the directive into national laws. The first set of standards that companies must use will be published before 30 June 2023, and the largest companies will have to submit their first report in 2025 for the financial year starting on or after 1 January 2024. Reporting by other companies, including non-EU organizations with substantial EU turnover, will be phased-in. Approximately 50,000 companies are in the scope of the CSRD, compared with about 11,700 companies under the NFRD.</p>
Resources	<a href="#">GRIST</a> , 11 January 2023

EU (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Directive on promoting statutory minimum wages finalized</a> — key date: 15 November 2024</li> <li>• <a href="#">Law to improve gender balance on company boards approved</a> — key date: 30 June 2026</li> </ul>
Belgium (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Whistleblowing measures implemented</b></p> <p>Organizations must meet new whistleblowing procedures under measures included in the Act on whistleblowing that was published on 15 December 2022. The law aims to implement the European Union’s directive on the protection of persons who report breaches of Union law.</p> <p>Employers with 250 employees must establish internal reporting channels and procedures for following up on reports by 15 February 2023, and smaller organizations with 50 to 249 employees will have until 17 December 2023 (the workforce threshold applies to each separate legal entity). Employers in certain industry sectors, such as finance, must establish reporting procedures, regardless of their workforce size. Organizations must provide different channels for making whistleblowing reports (such as orally or in writing), and provide clear and accessible information to employees regarding the reporting procedures. Whistleblowers will be allowed to report externally to competent authorities — a list will be published in a decree.</p> <p>Other measures include an expanded definition of the issues that can be reported (Belgium added tax and social fraud to the list of permitted disclosures), protection against retaliation for whistleblowers and individuals who assist them, sanctions for organizations that breach the law, the possibility of damages and compensation for victims of retaliation, and a requirement for employers to inform and consult with their works councils about the proposed internal reporting procedures.</p>
Resources	<p><a href="#">Law (French) (Government, 28 November 2022)</a></p> <p><a href="#">Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 (Official Journal)</a></p>
Belgium (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Blue- and white-collar pension harmonization postponed</a> — key date: 1 January 2027</li> </ul>



Bulgaria (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>Bulgaria's monthly minimum wage increased to BGN 780 on 1 January 2023, up from BGN 710. The monthly minimum wage paid to agricultural producers and to self-employed persons remains unchanged at BGN 710.</p>
Resources	<a href="#">Announcement (Bulgarian)</a> (Government, 4 January 2023)
Denmark (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Calculation of public pension based on spouse's or partner's income changes</b></p> <p>Effective 1 January 2023, the employment income of cohabiting spouses and partners is no longer included in the calculation of an individual's basic and additional state pension benefits. Previously, the inclusion of such income had resulted in reduced state pension benefits. The change aims to simplify the pension reduction rules and to incentivize individuals to continue working, even if they have met the state pension's eligibility criteria.</p>
Resources	<p><a href="mailto:arne.larsen@mercer.com">arne.larsen@mercer.com</a></p> <p><a href="#">Legislation (Danish)</a> (Government)</p>
France (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>Effective 1 January 2023, the monthly minimum wage increased to €1,709.28 (up from €1,678.95), and to €11.27 per hour (up from €11.06).</p>
Resources	<a href="#">Decree No. 2022-1608 of 22 December 2022 (French)</a> (Official Journal, 23 December 2022)
France (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">New gender quotas for senior execs, management teams imposed</a> — key date: 1 March 2026</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Metallurgy sector agrees on national CBA</a> — key date: 1 January 2024</li> </ul>

Gibraltar (previously covered, with upcoming effective date)	
Development	<p><b>Health — Wealth</b></p> <ul style="list-style-type: none"> <li><a href="#">Social security contribution rates change</a> — key date: 1 July 2023</li> </ul>
Greece (new)	
Status	<p> 1 April 2023</p>
Development	<p><b>Career</b></p> <p><b>Minimum wage increase announced</b></p> <p>On 1 April 2023, the monthly minimum wage will increase to €751 euros, up from €713. The increase was slated for 1 May but has been expedited. The increase also affects the managerial monthly wage — the salary of departmental heads is calculated at six times the minimum wage and will increase to €4,506.</p>
Resources	<p><a href="#">News release (Greek)</a></p>
Greece (new)	
Status	<p> <b>Currently effective</b></p>
Development	<p><b>Career — Health</b></p> <p><b>Maternity leave entitlement expanded</b></p> <p>Maternity leave for eligible private sector workers in Greece expanded to nine months, up from six, under measures that took effect in November 2022.</p>
Resources	<p><a href="#">Announcement (Greece) (Government, 20 December 2022)</a></p>


**Italy (new)****Status****Currently effective****Development****Career — Health — Wealth****Budget includes employment and benefit changes**

Italy's 2023 budget was published on 29 December 2022 and includes measures on early retirement for certain employees, changes to agile (remote) work arrangements, reduced social security contributions, and expanded parental leave. Highlights include:

- Early retirement options. The Early Pension (APE Sociale) and the Woman's Option 2023 (Opzione Donna 2023) have been extended through 2023, though some restrictions apply to the latter. A new "Quota 103" scheme is introduced for 2023.
- Woman's Option 2023. From 2023, the eligibility rules have increased. Women can retire at age 58 if they have 35 years of contributions and have two or more children. Women with one child can retire at age 59, and at age 60 if they do not have children. In all cases, the amount of pension benefits are reduced.
- APE Sociale. Individuals who are unemployed, have a disability, are caregivers, or have strenuous jobs can retire as early as age 63 under this scheme, subject to having 30 years of contributions (36 for workers in strenuous roles).
- Quota 103 (which replaces Quota 102) allows individuals to retire if the sum of their age plus the number of years of contributions is equal to 103 or more — whereas the earliest that an individual can retire under Quota 103 is age 62 with 41 years of contributions. The scheme applies only in 2023, and it caps pension benefits at €2,625 gross per month until the retiree is age 67.
- Agile work. The right to agile or remote is extended to vulnerable workers up until 31 March 2023, but workers with children younger than age 14 no longer have the right to such working arrangements. From 1 January 2023, employers must enter into agile work agreements with individual remote workers, and ensure that all the required communications are completed within five days of the start of remote work.
- Reduced social security employer contributions. Employers will benefit from reduced social security contributions — up to EUR 8,000 — if they hire employees younger than age 36, unemployed women who live in economically disadvantaged regions or who work in industry sectors that have significant gender gaps, or employees who receive income support measures (reddito di cittadinanza).
- Parental leave. Parents now have an extra month of paid parental leave, effective 31 December 2022. The allowance amount is equal to 80% of the employee's salary, and the month must be used (by either parent) before their child is six years old.

**Resources**

[2023 Budget \(Italian\)](#) (Government, 29 December 2022)

Ireland (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Employer notification requirements for employment terms implemented</b></p> <p>Employers in Ireland must ensure that employment contracts comply with the European Union (Transparency and Predictable Working Conditions) Regulations 2022 that took effect on 16 December 2022, and implement the European Union’s directive on transparent and predictable working conditions. Employers must provide additional information to new hires, and now have less time to provide employees with further information about their employment terms.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers must provide more information in the written statement of terms and conditions that must be given to new hires within five days of starting work. The statement must now include information about the probationary period, the commencement date, the location of work, terms and conditions concerning working time, job title, and grade and nature of the work.</li> <li>• Information on other employment terms must be given to employees within one month of starting work (down from two), such as information about pension schemes, notice periods, applicable collective agreements, paid leave, training, and remuneration interval. The statement should also reference if the working schedule is unpredictable, the days and hours the employee could be required to work and the minimum notice period for scheduling work.</li> <li>• Employees must receive notice of employment contract changes no later than the day the changes are effective (down from one month).</li> <li>• Probationary periods are now capped at six months, or 12 months if it is in the employee’s interests. Employers should consider the impact on employees currently subject to probationary periods.</li> <li>• Employers can restrict employees from taking additional employment only in certain circumstances, and the conditions for doing so must be included in the employment contract.</li> <li>• Mandatory training must be provided to employees free of charge, during working hours if possible, and be paid.</li> </ul>
Resources	<a href="#">European Union (Transparency and Predictable Working Conditions) Regulations 2022 (Irish Statute Book)</a>
Ireland (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Gender pay gap regulations issued</a> — key date: December 2023</li> </ul>
Israel (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Private medical insurance coverage reforms enacted</a> — key date: 1 May 2023</li> </ul>

Luxembourg (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The monthly minimum wage in Luxembourg increased to €2,387.40 and to €13.80 per hour for employees aged 18 and older, effective 1 January 2023. The increased wage rates are €1,909.92 and €11.04 for employees aged 17 and 18; €1,790.55 and €10.35 for employees aged 15 and 17, and €2,864.88 per month for skilled workers.</p>
Resources	<a href="#">Announcement</a> (French) (Government, 30 December 2022)
Netherlands (new)	
Status	 <b>Financial years beginning on or after 1 January 2023.</b>
Development	<p><b>Career</b></p> <p><b>Updated corporate governance code focuses on sustainability, diversity and shareholder's role</b></p> <p>On 20 December 2022, the Corporate Governance Code Monitoring Committee published an updated code for listed companies that became effective for financial years beginning on or after 1 January 2023. Highlights of the updates include:</p> <ul style="list-style-type: none"> <li>• Sustainability is an element of long-term value creation, and the term “sustainability” replaces “ESG” in the code. Management board members and supervisory board members are expected not only to devote attention to the long-term consequences of decisions and their impact on stakeholders, but also to act sustainably from an environmental, social and economic perspective. The management board is responsible for sustainable long-term value creation and must report on sustainable long-term value creation objectives and what effects the products, services and activities of the company have had on people and the environment. The code does not define sustainable long-term value creation, and the interpretation of this concept will differ from company to company. New technologies and changing business models (like digitization and cybersecurity) should be considered when shaping the strategy for long-term value creation.</li> <li>• The management board, the supervisory board, and the executive committee should be diverse with regard to expertise, experience, competencies, other personal qualities, sex or gender identity, age, nationality and background. Companies should have a firm-wide diversity and inclusion policy, and reporting requirements on its implementation in the corporate governance statement have been expanded.</li> <li>• Shareholders, including institutional investors, should acknowledge the importance of a strategy aimed at sustainable long-term value creation. Dialogues between shareholders and companies is encouraged as is the informed and discretionary exercise of voting rights. Further rules for shareholders are included in the code, such as regarding institutional investors' engagement policies.</li> </ul>
Resources	<p><a href="mailto:sjoerd.schotanus@mercer.com">sjoerd.schotanus@mercer.com</a></p> <p><a href="#">Corporate governance code 2022</a> (Monitoring Committee)</p>

**Netherlands (new)****Status**  **Proposal****Development****Wealth****Occupational pension reforms advance**

The Dutch senate is expected to agree in early 2023 to a bill that would implement the government and social partners' 2019 agreement on occupational pension reforms — the bill passed the Lower House of Parliament on 22 December 2023. The Pensions Future Act would abolish defined benefit (DB) schemes, allow only defined contribution (DC) schemes from 1 January 2027, and prescribe flat DC contribution rates, regardless of the individual's age. The proposed law was intended to take effect on 1 January 2023, but the government announced in 2022 its postponement to 1 July 2023. Highlights include:

- Existing pension plans would have to be amended during the period 1 July 2023 and 1 January 2027 so that new pension accruals would be on a DC basis, with a flat contribution amount.
- Insured DB schemes in place prior to 1 July 2023 could still be converted — before 1 January 2027 — into a DC scheme with a progressive contribution. After 1 January 2027, members as of 31 December 2026 could continue to pay a progressive contribution.
- Employers and employee representatives must decide on their new pension plan's features, including the timing of the transition, if any compensatory payments will be paid to individuals whose pension accrual is reduced, and if accrued pension benefits will be moved into the new scheme, prior to 1 January 2025, if the pension scheme is executed by a pension fund. For pension schemes executed, for instance, by an insurance company, the deadline is 1 October 2026.
- Pension funds would have to finalize their implementation plan prior to 1 July 2025.
- Individuals would be allowed to accrue a pension from age 18, down from 21.
- The pension index expansion applied in 2022 is extended to 2023.

**Resources**[pavel.der.kinderen@mercer.com](mailto:pavel.der.kinderen@mercer.com)[Information on the legislation \(Dutch\) \(Legislature\)](#); [GRIST](#), 22 April 2022 and [GRIST](#), 26 January 2021**Netherlands (previously covered, with upcoming effective date)****Development****Career**

- [30% tax rule for expat employees to change](#) — key date: 1 January 2024

**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 unknown.

## Poland (new)

### Status



Effective 14 days after publication.

### Development

#### Career — Health

##### Employers allowed to test employees for alcohol and similar substances

The president signed legislation that allows employers and police to test employees for alcohol and similar substances if necessary to ensure the protection of life and health of employees or other persons, or the protection of property. The introduction of the sobriety test will be governed by collective labor agreements or work regulations if applicable — if not, the employer must give two weeks' advance notice before beginning testing. Employees who test positive will not be allowed to work. The law will be effective 14 days after publication.

### Resources

[Law](#) (Polish) (President's Office, 30 January 2023)

## Poland (new)

### Status



Effective two months after publication.

### Development

#### Career — Health

##### New remote working measures enacted


New remote working provisions have been signed by the president and replace the current teleworking measures included in the Labor Code. The law will take effect two months after publication, and employers should adjust their internal policies, and update their risk assessment and data protection policies. Highlights include:

- Employers and employees should agree on remote working arrangements (either full-time or part-time), including the place of work. Either party could request reinstatement of the former working arrangements if remote working was agreed to during the course of the employment relationship (rather than on completion of the employment contract).
- Pregnant employees, employees with children younger than age four, and individuals caring for a person that has a disability, have the right to remote working arrangements — employers can only refuse remote working because of the nature of the work, or its organization — such as police or firefighters.
- Employers can impose remote working arrangements in exceptional circumstances, such as a pandemic.
- Employers must pay for the costs incurred, including electricity and telecommunication expenses.
- Employees can request occasional remote working — up to 24 days per year — although the employer would not be liable for the reimbursement of incurred expenses.
- Remote employees will have to confirm with their employer that their workplace is health and safety compliant.



### Resources

[Law](#) (Polish) (President's Office, 30 January 2023)



Poland (new)	
Status	 Opt-out ends on 1 March 2023, unless renewed.
Development	<p><b>Wealth</b></p> <p><b>Automatic pension enrollment opt-out renewal deadline approaches</b></p> <p>The rules for opting out of Poland's auto-enrollment pension plan (PPK) for employees aged 18 to 54 years will change on 1 March 2023. By 28 February 2023, employers must notify employees who had previously opted out from the PPK that they have to renew their opt-out declaration or they will be enrolled in a PPK plan from 1 March 2023.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> <li>• Employees' current opt-out declarations will expire on 28 February 2023, unless they are renewed. Effective 1 April 2023, employers must notify employees aged 18 to 54, who had previously opted out from the PPK, that they must renew their opt-out declaration on or after 1 March 2023. Employees who do not renew their opt-out declaration will be automatically enrolled in a PPK plan although they could later decide to opt-out. The renewed opt-out declaration will be valid for four years until 2027. The 1 March 2023 deadline is the same for all employers, regardless of when they implemented the PPK.</li> <li>• Employers must ensure that all PPK contributions for March 2023 are transferred to employees' PPK accounts between 1 April and 17 April 2023.</li> <li>• From 1 March 2023, employers must enroll new hires aged 18 to 54 within three months of starting work. Employees can later choose to opt out from the PPK.</li> </ul> <p>The current employer contribution rates are at least 1.5% up to 4% calculated on the employees' pay, employee contributions are 2% with an option for individuals to contribute up to an additional 2% of after-tax pay. Employees earning up to 120% of the minimum wage contribute 0.5%. See Mercer's resource for more information.</p>
Resources	<p><a href="mailto:krzysztof.nowak@mercer.com">krzysztof.nowak@mercer.com</a></p> <p><a href="#">PPK information</a> (Polish) (Government) and <a href="#">Mandatory auto-enrollment in PPK in Q1 2023</a> (Mercer)</p>
Poland (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Minimum wage to increase</a> — key date: 1 July 2023</li> </ul>

Portugal (previously covered now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Employers must meet job quota for people with disabilities</b></p> <p>Public and private sector employers in Portugal with more than 100 employees will have to fulfill hiring quotas for individuals with disabilities beginning 1 February 2023, when the four-year transition period for Law No. 4/2019 ends. These employers must employ individuals that are registered disabled, equivalent to 1% or more of their workforce. From 1 February 2024, the quota applies to employers with between 75 and 100 employees. Employers with 250 or more employees must meet a 2% quota. The law defines a disability as equal to, or greater than, 60%, and employers must report in their annual report the number of employees with a disability.</p>
Resources	<a href="#">Law No. 4/2019 (Portuguese)</a>
Qatar (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Visitors required to have a health insurance policy from approved insurers</b></p> <p>All visitors to Qatar must now have medical health insurance arranged through insurers registered with the Ministry of Public Health. The visitor's insurance policy only covers emergency and accident medical care. The monthly premium cost is QAR 50 for the initial issuance and for visa extensions. The visitor can also obtain health insurance policy for additional medical services; the premiums for these policies will vary.</p>
Resources	<a href="#">Ministry of Public Health</a>
Saudi Arabia (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Contracting with companies with regional headquarters outside of the kingdom to cease</a> — key date: 1 January 2024</li> </ul>
Slovenia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Minimum wage increased</b></p> <p>The gross monthly minimum wage in Slovenia increased to €1,074.43 effective 1 January 2023.</p>
Resources	<a href="#">Announcement (Slovenian)</a> (Government, 12 December 2022)

Slovenia (new)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Employee allowances, payments published</b></p> <p>Slovenia announced the tax treatment of various expense reimbursements for business trips in 2023 and other employee payments under measures included in Regulation No. 4152 that entered into force on 24 December 2022. The cap for daily travel allowances varies by length of trip and is €9.69 for six to eight hours, €13.88 for eight to 12 hours, and €27.81 for 12 to 24 hours.</p> <p>Other payments include a field allowance of €5.84 for business trips of two consecutive days or more; monthly compensation of up to €434 for employees who live separately from their family due to their work; retirement severance amount calculated on 300% of the average annual salary, by month; €5,000 paid on the death of an employee, and €2,000 in the event of the employee's long-term illness or disability.</p>
Resources	<a href="#">Regulation</a> (Slovenian) (Official Gazette, 23 December 2022)
Switzerland (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">First pillar pension scheme reforms approved</a> — key date: Unknown</li> </ul>
Ukraine (new)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>New protections against workplace harassment introduced</b></p> <p>Employers in Ukraine must now protect employees from workplace harassment and “mobbing” that creates a hostile work environment in measures included in Law No. 2759 that took effect on 11 December 2022. Mobbing is defined as offensive, intimidating, malicious or insulting behavior that is intended to undermine, humiliate, denigrate or demean an individual. Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers are responsible for preventing workplace mobbing, including providing training.</li> <li>• Employers who fail to stop mobbing could have to pay at least three months of average salary to employees who resign on grounds of mobbing.</li> <li>• Employers must reimburse the cost of employees' medical treatment to employees if their health is damaged by mobbing, and could have to pay compensation to employees who experience moral suffering, or whose life is negatively impacted by mobbing or discrimination.</li> </ul>
Resources	<a href="#">Law No. 2759</a> (Ukrainian) (Government)

## United Arab Emirates (new)

### Status



Currently effective

### Development

#### Career


##### Emiratisation program enhanced


Enhancements to the UAE's Emiratisation program took effect on 1 January 2023, and include additional salary support, a child allowance, and the imposition of fines for noncompliance. Highlights:


- The salary support scheme tops up the salaries of UAE nationals earning up to AED 30,000 per month. The amount of support depends on the individual's educational level and is calculated on the difference between the employee's monthly salary and the designated salary for each job category. Individuals are paid AED 7,000 per month (up from AED 5,000) with a bachelor's degree, AED 6,000 with diplomas, and AED 5,000 with secondary level diplomas or qualifications.
- Eligible UAE nationals who have children and earn up to AED 50,000 per month are entitled to AED 600 for each child — capped at four children for a period of five years.
- Companies with 50 or more employees in the UAE must meet an Emiratisation employment target: 4% in 2022, increasing annually to 10% by 2026. Companies that do not meet their target face fines of AED 6,000 per month, per position that should be filled by a UAE national. Companies will be fined AED 20,000 to AED 100,000 per worker for submitting false or invalid information for the salary support scheme, or for not reporting if the worker fails to attend work on a regular basis.


### Resources

[Emiratis' employment in the private sector \(Government\)](#)

United Kingdom (UK)	
Status	 Consultation is open until 31 March 2023.
Development	<p><b>Career</b></p> <p><b>Removal of ‘bonus cap’ proposed</b></p> <p>The Financial Conduct Authority and the Prudential Regulation Authority issued a consultation on proposals that would remove the current limits on the ratio between fixed and variable components of total remuneration — the “bonus cap” — to give firms greater flexibility to design their remuneration structures.</p> <p>The bonus cap was introduced into the UK under European Union (EU) legislation in two stages — the first in 2014 and the second in 2020 when it was extended to cover smaller firms previously allowed permitted to disapply the bonus cap on proportionality grounds. The UK regulators opposed the bonus cap during EU negotiations on the grounds that it does not limit total remuneration, and can result in increased base salaries and allowances not necessarily linked to longer-term performance.</p> <p>UK regulators are still concerned that the bonus cap has increased firms’ fixed costs, reducing the amount of “at risk compensation” that cannot be clawed back in case of failure or misconduct. The removal of the bonus cap is expected to make it easier for firms to adjust their variable remuneration through time to reflect their financial health. The following rules will remain in place, and aim to better align remuneration with prudent risk taking:</p> <ul style="list-style-type: none"> <li>• A minimum of 40% (60% for individuals who receive variable remuneration of £500,000 or more) would be deferred for a minimum period of four years.</li> <li>• A minimum 50% of variable remuneration would consist of shares or other non-case instruments reflecting the firm’s performance.</li> <li>• All variable remuneration would be subject to risk adjustment — including in-year adjustment, malus and clawback.</li> </ul> <p>The consultation is open until 31 March 2023. The proposed measures would impact banks, building societies, and PRA-designated investment firms, and would take effect on the first performance year starting after the publication of the final policy (expected in Q2 of 2023) — for most firms, this would be 2024/2025 performance year.</p>
Resources	<p><a href="mailto:richard.symons@mercer.com">richard.symons@mercer.com</a></p> <p><a href="#">CP22/28: Remuneration: Ratio between fixed and variable components of total remuneration (‘bonus cap’) (Financial Conduct Authority)</a></p>

UK (new)	
<b>Status</b>	 <b>Consultation is open until 24 March 2023.</b>
<b>Development</b>	<p><b>Wealth</b></p> <p><b>Pensions Regulator consults on regulatory approach to DB funding regime</b></p> <p>The Pensions Regulator (TPR) issued two consultations on the regulatory aspects of the new funding regime for defined benefit pension schemes. The first concerns TPR’s draft funding code of practice that defines the legislative requirements, practical guidance, and TPR’s expectations for trustees and corporate sponsors agreeing actuarial valuations.</p> <p>The second concerns TPR’s proposed “fast track” approach to valuations. Pension schemes would be able to use "fast track" if a pension scheme meets three prescribed tests set by TPR. "Fast track" would give trustees and sponsors the confidence that their scheme funding valuation meets TPR’s approval, and would generally allow them to avoid further TPR scrutiny when the valuation is submitted. TPR expects about half of all pension schemes will be in this category.</p> <p>Both consultations will close on 24 March 2023. TPR plans to have the new funding regime in force for valuations with effective dates from 1 October 2023.</p>
<b>Resources</b>	<p><a href="mailto:robbie.smith@mercer.com">robbie.smith@mercer.com</a></p> <p><a href="#">Draft defined benefit (DB) funding code of practice and regulatory approach consultation</a> (The Pensions Regulator, 16 December 2022)</p>

UK (new)	
<b>Status</b>	 <b>Consultation is open until 18 April 2023.</b>
<b>Development</b>	<p><b>Career</b></p> <p><b>Code of practice on workforce dismissal and reengagement proposed</b></p> <p>Proposals on the dismissal and reengagement of employees feature in a consultation document and a draft statutory Code of Practice published by the UK government, with input invited through 18 April 2023. The code outlines the steps employers should consider when dismissing and reengaging employees, including communication and consultation with employees and their representatives; the introduction of unilateral changes to employment terms and conditions; compliance with layoff obligations, and the reengagement of employees.</p> <p>The code would not impose any legal obligations, but it would be admissible in court or tribunal proceedings. Tribunals could increase an employee’s compensation by up to 25% if an employer fails to comply with the code. The government has not provided a timeframe for implementation and said that it will be when parliamentary time allows.</p>
<b>Resources</b>	<a href="#">Draft code of practice on dismissal and re-engagement</a> (Government, January 2023)

UK (new)	
<b>Status</b>	 <b>Consultation is open through 9 March 2023.</b>
<b>Development</b>	<p><b>Career — Health</b></p> <p><b>Holiday entitlement for part-year workers proposed</b></p> <p>The UK government has issued proposals for calculating the holiday pay of workers who have a permanent employment contract but whose hours and pay vary across the year, with comments invited through 9 March 2023. The proposals aim to address the Supreme Court’s decision that employers cannot use 12.07% of the hours worked to calculate the holiday entitlement of part-year workers. The court ruled in July 2022 that part-year workers are entitled to the same statutory paid vacation entitlement (5 3/5 weeks) as full-time workers, based on the UK’s implementation of the European Union’s working-time directive. The government’s proposals would apply a 52-week reference period that includes the weeks in which no work is performed, and would mean that the worker’s paid holiday entitlement is proportionate to the hours worked.</p>
<b>Resources</b>	<a href="#">Consultation</a> (Government, 9 March 2023)
UK (previously covered, with upcoming effective date)	
<b>Development</b>	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">National living wage and national minimum wage rates announced</a> — key date: 1 April 2023</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">New rules on defined contribution pension illustrations published</a> — key date: 1 October 2023</li> </ul>



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