Law and Policy Group

Global Legislative Update

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welcome to brighter

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.

1 Highlights

Global	
Coronavirus (COVID-19) pandemic	Countries address workplace issues resulting from the COVID-19 pandemic.
Americas	
Argentina	COVID-19 added to occupational diseases for workers performing 'essential' work
Brazil	Labor measures introduced to address effects of COVID-19
Canada	Federal COVID-19 Economic Response Plan includes employment measures Pension regulator issue COVID-19 relief measures
Mexico	COVID-19 presents national emergency, implications for employers
United States	COVID-19 legislation boosts telehealth, makes other health, paid leave changes Department of Labor and Internal Revenue Service issue guidance on COVID-19 emergency paid leave COVID-19 legislation expands unemployment benefits, aims to stem job losses COVID-19 legislation gives 2020 defined benefit funding relief Regulators issue employee benefit plan relief for COVID-19 pandemic New Jersey mass layoff requirements don't apply to COVID-19 situations, effective date of WARN act is delayed

Asia Pacific	
Australia	COVID-19 Jobkeeper Scheme is implemented Early release of superannuation facility is announced Superannuation minimum drawdown is reduced to address effects of COVID-19 Fair Work Commission amends some modern awards to address effects of COVID-19 Modern slavery statement deadlines are extended due to COVID-19
Hong Kong	Employment support scheme is announced
Japan	Economic stimulus measures are introduced to address effects of COVID-19
Malaysia	Wage subsidy scheme is introduced to address effects of COVID-19
Singapore	Workplace shutdown is extended, job subsidy program is launched to address effects of COVID-19
South Korea	Retirement act reforms take effect

Europe, Middle East and Africa (EMEA)	
European Union	COVID-19 workplace health and safety guidelines are issued Financial loans are offered to member states for short-time working due to COVID-19
Denmark	COVID-19 measures include reimbursement for sickness benefit, wage compensation scheme
France	Employment provisions temporarily eased to address COVID-19, gradual return to work planned
Germany	Short-time work scheme and allowance addresses effects of COVID-19
Ireland	Temporary wage subsidy scheme to provide relief from effects of COVID-19 Pensions regulator provides COVID-19 guidance COVID-19 pandemic unemployment payment is available Shareholder ‘say on pay’ is now mandatory
Netherlands	Government provides wage compensation scheme for companies impacted by COVID-19
Poland	Some PPK deadlines are postponed
South Africa	Government implements revised COVID-19 alert system, publishes workplace measures to allow return to work; B-BBEE extends deadline for compliance reports
Spain	COVID-19 triggers temporary employment changes, steps to lift lockdown
Sweden	COVID-19 information related to health coverage, sick pay Short-time work allowance measures address the effects of COVID-19
United Arab Emirates	Guidance on lay-offs, remote working arrangements to address effects of COVID-19
United Kingdom	COVID-19 job retention scheme is launched Pensions Regulator publishes COVID-19 guidance Government postpones off-payroll working state date Statutory sick pay eligibility is eased to address effects of COVID-19 Consultation on defined benefit funding framework announced

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Global

Coronavirus (COVID-19) pandemic	
Status	Ongoing initiatives
Development	Career — Health — Wealth Countries take action to address workplace issues as result of COVID-19 pandemic The World Health Organization (WHO) declared COVID-19 a pandemic on 12 Mar 2020, and employers are addressing the severe implications on working practices and adjusting their employment and benefit policies accordingly. Countries are enacting legislation and providing regulatory guidance related to workforce protections, leave and layoff procedures, employment subsidies, and changes to existing enforcement procedures. In this Global Legislative Update, Mercer has provided high-level summaries of the actions some countries are taking to provide relief from the effects of COVID-19 for employers and employees. In addition, to help multinational employers address worksite, economic and associated travel issues, Mercer has provided analysis on workforce and investment implications and compiled information from organizations, government websites, and other resources and news articles.
Resources	Roundup: COVID-19 resources for employers (regularly updated); Stay informed on coronavirus (regularly updated); GRIST, 1 May 2020; and GRIST, 27 Mar 2020

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Americas

Argentina (new)	
Status	⚠ Currently effective
Development	Career COVID-19 added to occupational diseases for workers performing 'essential' work COVID-19 was added to the list of occupational disease for workers whose job is declared as "essential." As a result, the insurance agency (ART) responsible for workers' compensation cannot reject any COVID-19 claims for eligible workers and must pay compensation as set out in Law No. 24.557.
Resources	graciela.magonza@mecermarshbeneficios.com Decree 367/2020 (Spanish) (Official Journal, 14 Apr 2020)

Brazil (new)	
Status	Currently effective
Development	Career COVID-19 labor measures are introduced On 1 Apr 2020, the federal government launched the Emergency Program for the Preservation of Jobs and Income and supporting employment measures in Provisional Measure No. 936. Highlights of the program include: • Subject to providing a minimum of two days' notice, employers can proportionally reduce employees' working time and salaries. Any changes must be incorporated into employment contracts, included in a collective bargaining agreement, or agreed to with individual employees. The changes are applicable during the state of emergency and for up to 90 days. • Employers can implement three bands of salary reductions — 25%, 50% or 75% — but are not allowed to reduce the hourly wage rate. The government will supplement employees' income by paying any monthly unemployment insurance to which an employee is entitled. • Employers must guarantee employees' employment for the duration of reduced working hours and salary, and for the equivalent period of time once regular working time resumes. The federal government also postponed employers' contributions to the obligatory social insurance fund (FGTS) in March, April and May, in Provisional Measure No. 927. The FGTS is used to pay employees in specific circumstances, such as long-term sickness, dismissal and house purchase. Employers are allowed to pay their FGTS contributions in six installments, without the payment of interest or other late payment charges, starting in July 2020. States and municipal governments have issued temporary restrictive measures to address the effects of COVID-19.
Resources	regina.recchia@mercer.com Provisional Measure No. 936 (Portuguese) (Government, 1 Apr 2020); Provisional Measure No. 927 (Portuguese) (Government, 22 Mar 2020)

Brazil (upcoming effective date)	
Development	Wealth • Council imposes CNPJ registration duty on pension entities — Key date: 31 Dec 2021

Canada (new)	
Status	⚠ Currently effective
Development	Career Federal COVID-19 Economic Response Plan includes employment measures The federal government's COVID-19 Economic Response Plan includes several measures to help employers: • The Canada Emergency Wage Subsidy (CEWS) covers 75% of an employee's wages — up to C$847 per week — for employers of any size and in any sector with a drop in gross revenues of at least 15% in March and 30% in April and May. The program is in effect from 15 March to 6 June. • Employers eligible for the CEWS can receive a 100% refund for certain employer contributions to Employment Insurance, the Canada Pension Plan, the Quebec Pension Plan and the Quebec Parental Insurance Plan made for employees who are on paid leave. • The Temporary 10% Wage Subsidy is a three-month measure — from 18 March to 19 June — that allows eligible employers to reduce the payroll deduction remitted to the Canada Revenue Agency. Any benefit from the temporary 10% wage subsidy for remuneration paid in a specific period will generally reduce the amount an eligible employer can claim under the CEWS. The maximum duration of the Work-Sharing Program has doubled from 38 weeks to 76 weeks for employers affected by COVID-19. This measure provides income support to employees eligible for Employment Insurance who agree to reduce their normal working hours because of developments beyond their employers' control.
Resources	anne.whelan@mercer.com COVID-19 Economic Response Plan (Government of Canada, 7 May 2020)

Canada (new)	
Status	Currently effective
Development	Wealth Pension regulators issue COVID-19 relief measures Relief for federally regulated pension plan sponsors, announced 16 April, imposes a moratorium until 2021 on solvency payment requirements for defined benefit plans. The government will consult with stakeholders over the coming months on options to provide relief from 2021 funding obligations, as necessary. These measures will require regulatory amendments, the details of which will soon be specified. Regulators have yet to provide details on which monthly payments are subject to the moratorium and its impact on future solvency payments. In addition, the Office of the Superintendent of Financial Institutions (OSFI) has adjusted its policies to protect the interests of pension plan members and beneficiaries, while allowing administrators of federally regulated private pension plans to focus on the challenges posed by this crisis, including its impact on financial markets. Revisions to the Directives of the Superintendent (pursuant to the Pension Benefits Standards Act, 1985 (PBSA), effective 27 March) implement a full freeze on portability transfers and annuity purchases for defined benefit plans. OSFI is also extending the deadlines for certain actions and annual filing requirements under the PBSA and the Pooled Registered Pension Plans Act. At the provincial level, pension regulators have also provided relief measures and guidance for plan administrators.
Resources	anne.whelan@mercer.com COVID-19 measures — FAQs for federally regulated private pension plans (OSFI, 5 May 2020); Government announces relief for federally regulated pension plan sponsors (Department of Finance, 15 Apr 2020); OSFI actions to address issues stemming from COVID-19 (OSFI, 27 Mar 2020); COVID-19 relief measures (Alberta Superintendent of Pensions, 1 Apr 2020); Relief measures for pension plans in British Columbia (BC Financial Services Authority, 30 Mar 2020); COVID-19 update (New Brunswick's Financial and Consumer Services Commission); Notices (Nova Scotia Finance and Treasury Board); Pensions — COVID-19 updates (Financial Services Regulatory Authority of Ontario, 20 Mar 2020); COVID-19 FAQs (Retraite Québec); COVID-19 alert (Saskatchewan Financial and Consumer Affairs Authority, 20 Mar 2020)

Mexico (new)	
Status	Currently effective
Development	Career COVID-19 presents national health emergency, implications for employers The Federal Health Minister closed all non-essential activities and workplaces in March and they will remain closed until 17 or 30 May 2020. Subject to the implementation of certain health requirements, essential work can continue. A “stay at home” order for certain at-risk individuals (including pregnant women and those aged 60 and older) was implemented and is strictly enforced. This national health emergency due to unforeseen circumstances requires employers to continue paying employees’ salaries and not lay off employees. Under federal labor law, employers can ask the Conciliation and Arbitration Boards to confirm that unforeseen circumstances are applicable, but since they are currently closed, employers cannot pursue this option. However, employers can try to negotiate salary reductions with labor unions, or seek employee acceptance to revised terms and conditions. The government also called on private sector employers to permit employees to work from home with the same terms and conditions. In business shutdown situations, employers could negotiate with labor unions on the possibility of employees using vacation leave during closure.
Resources	Information on coronavirus (Spanish) (Government); Guide for workplaces (Spanish) (Government, April 2020); Mercer point of view (Spanish) (April 2020)

United States (new)	
Status	⚠ Currently effective
Development	Career — Health COVID-19 legislation boosts telehealth, makes other health, paid leave changes The Coronavirus Aid, Relief and Economic Security (CARES) Act (HR 748) eases telehealth rules for high-deductible health plans (HDHPs) paired with health savings accounts (HSAs); permits group health plans — including healthcare accounts — to reimburse costs for over-the-counter (OTC) drugs; and requires first-dollar coverage for COVID-19 testing and vaccines. Agency guidance has elaborated on these requirements and created new flexibilities to encourage COVID-19 diagnosis and treatment. Plans can expand access to healthcare through telehealth and other remote mechanisms that minimize opportunities for virus transmission. The CARES Act also modifies the healthcare and emergency leave requirements enacted earlier this month by the Families First Coronavirus Response Act (FFCRA) (Pub. L. No. 116-127) highlighted below. Along with offering a variety of relief to employers and individuals, the CARES Act conforms certain confidentiality standards for information about substance use disorders to the Health Insurance Portability and Accountability Act (HIPAA).
Resources	katharine.marshall@mercer.com; cheryl.hughes@mercer.com; kaye.pestaina@mercer.com GRIST, 21 Apr 2020; GRIST, 27 Mar 2020

United States (new)	
Status	Currently effective
Development	Career — Health Department of Labor and Internal Revenue Service issue guidance on COVID-19 emergency paid leave The Families First Coronavirus Response Act (FFCRA) (Pub. L. No. 116-127), amended by the CARES Act, requires private employers with fewer than 500 employees — and most government employers — to provide two weeks of paid sick leave and 12 weeks of partially paid, expanded Family and Medical Leave Act (FMLA) leave to employees affected by the COVID-19 pandemic. The emergency leave is available between 1 Apr and 31 Dec 2020. Temporary regulations (29 CFR Part 826, as corrected) and other agency guidance on emergency paid leave and related tax credits answer some employer questions about the FFCRA. Current guidance is subject to change by new agency regulations, guidance or Q&As, as well as future legislation.
Resources	katharine.marshall@mercer.com; kaye.pestaina@mercer.com GRIST, 9 Apr 2020; revised 29 Apr 2020

United States (new)	
Status	Currently effective
Development	Career — Health COVID-19 legislation expands unemployment benefits, aims to stem job losses The CARES Act takes a two-pronged approach to helping workers. First, the act increases unemployment benefits for eligible individuals and broadens eligibility to include additional categories of workers affected by COVID-19. Second, the act includes financial incentives to encourage eligible employers to keep employees on payroll. Employers will want to understand all available forms of relief before deciding among various workforce actions, such as reductions in force (RIFs), layoffs, furloughs and shortened work hours.
Resources	katharine.marshall@mercer.com; carol.silverman@mercer.com; amy.knieriem@mercer.com GRIST, 15 Apr 2020

United States (new)	
Status	⚠ Currently effective
Development	Wealth COVID-19 legislation gives 2020 defined benefit funding relief The CARES Act provides short-term relief for single-employer defined benefit plans by delaying all 2020 minimum required contributions until 1 Jan 2021. The relief applies to quarterly contributions and any year-end contributions, regardless of plan year. When paid, contributions will include interest for late payment according to the plan's effective interest rate for the related plan year. When determining whether Section 436 benefit restrictions apply to any plan year that includes the 2020 calendar year, sponsors can choose — but are not required — to use the plan's adjusted funding target attainment percentage (AFTAP) for the plan year ending in 2019. This relief could help sponsors avoid freezing benefits and continue to offer lump sums and other accelerated payment forms, even if the plan's funded status has significantly declined in the wake of the pandemic.
Resources	brian.kearney@mercer.com; margaret.berger@mercer.com; ellen.stone@mercer.com GRIST, 10 Apr 2020; GRIST, 7 Apr 2020; GRIST, 26 Mar 2020

United States (new)	
Status	⚠ Currently effective
Development	Wealth Regulators issue employee benefit plan relief for COVID-19 pandemic The Internal Revenue Service has extended until 15 July 2020, the deadline for certain employee benefit plan filings and other actions normally due from 1 April through 14 July. The extension triggers the Pension Benefits Guaranty Corporation's disaster relief policy, which automatically applies any extended Form 5500 deadline to certain agency filings. While the extensions help employers and retirement plan service providers deal with business disruptions from the COVID-19 pandemic, more agency relief is needed. Key provisions of the IRS notice assist only certain noncalendar-year plans.
Resources	brian.kearney@mercer.com; margaret.berger@mercer.com; dorian.smith@mercer.com GRIST, 16 Apr 2020

United States — New Jersey (new)	
Status	Currently effective
Development	Career Mass layoff requirements don't apply to COVID-19 situations, effective date of revised NJ WARN act delayed Mass layoffs necessitated by COVID-19 will not trigger the advance notification or severance requirements included in the New Jersey WARN Act under SB 2353. The law is immediately effective, backdated to 9 Mar 2020. In addition, SB 2353 delayed the effective date of the revised New Jersey WARN act until 90 days after the end of the governor's stay-at home order — the law was originally slated to take effect on 19 Jul 2020. The revised act imposes tougher requirements on employers making mass layoffs, including longer notification periods, reduced trigger threshold to 50 employees reporting to an establishment, and mandated severance payments.
Resources	Senate Bill 2353 (New Jersey Legislature); GRIST, 25 Feb 2020

United States (upcoming effective dates)	
Development	Career • New York mandates study of women on corporate boards — Key date: 28 June 2020 • New Jersey expands mass layoff law, severance entitlement — Key date: 19 Jul 2020 • Oregon law protects against workplace harassment, discrimination — Key date: 1 Oct 2020 • California employers must provide sexual harassment training by 2021 — Key date: 1 Jan 2021 • Colorado's new pay equity law takes effect in 2021 — Key date: 1 Jan 2021 Career — Health • Connecticut enacts paid family and medical leave — Key date: 1 Jan 2021 Wealth • FASB completes deliberations on retirement plan disclosures — Key date: 15 Dec 2020

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Asia Pacific

Australia (new)	
Status	⚠ Currently effective
Development	Career — Wealth COVID-19 JobKeeper Scheme implemented A temporary wage subsidy program — the JobKeeper Scheme — aims to help eligible employers cover their wage costs by paying A$1,500 (before tax) to eligible employees every two weeks from 30 Mar until 27 Sep 2020. Employers are allowed to top up salary payments. Employers must apply to the scheme and meet certain eligibility criteria. The Tax Commissioner has the discretion to apply alternative tests to establish eligibility in specific circumstances. Eligible employers who laid off employees before the commencement of this scheme can participate. The scheme is open to employees hired on or before 1 Mar 2020, including employees who were let go and then rehired. Payments are made in arrears to employers — starting in early May and backdated to 30 Mar 2020. The scheme is open to New Zealand citizens on “444 visas” provided they are tax residents, but not to other nationalities on working visas in Australia. Employers do not have to pay superannuation guarantee payments on any additional payment made because of the JobKeeper Payment. A number of states and territories have announced changes to exempt JobKeeper payments from payroll tax and other payroll tax concessions to help businesses affected by COVID-19.
Resources	paul.shallue@mercer.com Economic response to coronavirus (Government); JobKeeper payment (Government)

Australia (new)	
Status	Currently effective
Development	Wealth Early release of superannuation facility, superannuation minimum drawdown reduced to address effects of COVID-19 The early release scheme allows eligible individuals to withdraw up to A$10,000 of their superannuation in 2019 —20 and up to A$10,000 in 2020 — 21. Individuals do not pay tax on amounts released, and withdrawals will not affect Centrelink or Veterans' Affairs payments. Applications for early release must generally be submitted online via myGov, or by telephone. Early releases cannot be made from pensions, including Transition to Retirement (TTR) pensions, and early releases for defined benefit members are optional for funds. COVID-19 legislation has provided retirees with more flexibility for managing their superannuation assets. The minimum amount that retirees must withdraw from account-based pensions and similar products was reduced by 50% for tax years 2019-20 and 2020-21, with the aim of reducing the need to sell investment assets to fund minimum drawdown requirements.
Resources	paul.shallue@mercer.com Coronavirus Economic Response Package Omnibus Bill 2020 (Parliament); Superannuation COVID-19 stimulus design and implementation (Government); Providing support for retirees (Government); Government's economic response to coronavirus (Government)

Australia (new)	
Status	⚠ Currently effective
Development	Career Fair Work Commission amends some modern awards to address effects of COVID-19 The Fair Work Commission has amended 99 modern awards to include provisions related to the COVID-19 pandemic, effective 8 Apr 2020, until 30 Jun 2020, unless otherwise extended. The commission selected industries most likely to be impacted. Employees covered by modern awards are entitled to two weeks of unpaid pandemic leave. With employer approval, they can double the amount of annual leave at half pay. In both cases, the leave must start before 30 Jun 2020. The changes provide employers with additional or different options to the JobKeeper Scheme to manage workforce issues during the pandemic. Awards are enforceable documents containing minimum terms and conditions of employment (for example, pay rates and conditions of employment such as leave entitlements, overtime and shift work and other workplace-related conditions) in addition to any legislated minimum terms.
Resources	Coronavirus (COVID-19) updates & advice (Fair Work Commission)

Australia (new)	
Status	Currently effective
Development	Career — Wealth Modern slavery statement deadlines are extended due to COVID-19 The federal government announced three-month extended deadlines for the submission of statements by entities subject to the Modern Slavery Act 2018. Organizations slated to submit their statement by 30 Sep 2020 (for the reporting year 1 Apr 2019 to 31 Mar 2020) have a revised deadline of 31 Dec 2020, and organizations due to report by 30 Dec 2020 (for the reporting period 1 Jul 2019 to 30 Jun 2020) must report by 31 Mar 2021. The six-month deadline is unchanged for reporting periods after June 2020. The act took effect on 1 Jan 2019, and applies to a wide range of commercial and not-for-profit entities, including individuals, partnerships, associations, companies, trusts, superannuation funds and other types of investment organizations. Government guidance on the entities and operations subject to the act, contents of the annual disclosure, and submission and publication of the statements was published on 24 Sep 2019.
Resources	Announcement (Government, 28 Apr 2020); Australian guidance explains modern slavery disclosures (21 Oct 2019); Guidance for reporting entities (Australian Department of Home Affairs, 24 Sep 2019); Modern slavery act 2018 (Australian Federal Register of Legislation, 10 Sep 2018)

Australia	
Development	Career — Wealth • Australian guidance explains modern slavery disclosures — Key date: 31 Dec 2020 Wealth • Australia updates guidance on super investment fees and cost disclosures — Key date: 30 Sep 2020 • Australia increases consumer protection for financial products — Key date: April 2021

Hong Kong (new)	
Status	Currently effective
Development	Career — Wealth Employment Support Scheme announced A job retention program — the Employment Support Scheme — announced by the Labour & Welfare secretary will provide wage subsidies to eligible employers in exchange for employers not conducting any layoffs while receiving the subsidies. The government is expected to provide further clarification of how the scheme will operate. Highlights of the scheme include: • The subsidy will be paid in two phases, each lasting three months. Applications for the first phase start in May and will continue until the first week of June for employers to receive the subsidy in June to pay wages through August. • Application dates for the second phase have not been announced, but the government plans to pay the subsidy in September for wages through November. • Eligible employers must have contributed to the Mandatory Provident Fund (MPF) or have established an occupational retirement schemes (ORSO) for their employees. Separate arrangements will apply to certain sectors that do not have good coverage in the provident fund systems, such as the catering, passenger transportation and construction sectors. • The wage subsidy is 50% of wages capped at a monthly salary of HK$18,000. This means an employer could receive a maximum monthly subsidy of HK$9,000 per employee.
Resources	stephanie.law@mercer.com Employment support is vital (Labour & Welfare secretary); Coronavirus information (Government)

India (upcoming effective date)	
Development	Career • Parliament passes wage protections — Implementation dates will likely vary.

Japan (new)	
Status	Currently effective
Development	Career — Health Economic stimulus measures are introduced to address effects of COVID-19 The government has introduced new laws and mandates to address the effects of COVID-19, and employers are encouraged to introduce remote working. Smaller firms can apply for government funding to cover the cost of purchasing teleworking equipment. Highlights are as follows: • The government has introduced employment adjustment subsidies that pay up to 60% of employees' average salaries (calculated on the statutory minimum) as an alternative to lay-offs, subject to the employer meeting certain criteria. The amount of subsidy depends on the employer's size and is limited to 100 days per year. • Employers can offer "special purpose paid leave" to employees unable to work due to care of their children. Employers can apply for government reimbursement of salary payments up to JPY$8,330 per day for leave taken between 27 Feb 2020 and 30 Jun 2020. • Employers can adjust working time arrangements, subject to current agreements with labor unions. • Employers can defer social security payments for up to one year, subject to meeting certain criteria. The government announced a nationwide state of emergency that is provisionally set to end on 6 May. Although the powers given to prefectural governors are mostly not legally binding, residents and employers will face societal obligations to comply. Employers currently are not sanctioned for continuing operations or not allowing their employees to telework.
Resources	Coronavirus information (prime minister); Coronavirus information (Ministry of Economy, Trade and Industry); Coronavirus information (Ministry of Health, Labor and Welfare)

Malaysia (new)	
Status	Currently effective
Development	Career Wage subsidy scheme is introduced to address effects of COVID-19 A government wage subsidy scheme, launched in April, allows small- and medium-sized employers to apply for wage subsidies for resident employees who earn less than MYR$4,000 per month. The program is effective from 1 Apr to 31 Dec 2020, and employers can submit applications until 15 Sep 2020, subject to fund availability for a period of up to three months. The scheme is open to employers (i) registered with, or contributing to, the social security organization or the employment insurance system prior to 1 Apr 2020, (ii) registered with the Companies Commission of Malaysia or relevant local authorities before 1 Jan 2020, and (iii) were operational before 1 Jan 2020. The amount of monthly subsidy depends on the enterprise's workforce size: • Companies with 75 or fewer employees will receive a wage subsidy of MYR$1,200 per eligible employee. • Companies with 76- 200 employees will receive a wage subsidy of MYR$800 per eligible employee. • Companies with 201 or more employees will receive a wage subsidy of MYR$600 per eligible employee. To be eligible for the scheme, companies with 76 or more employees must show at least a 50% decline in their organization's revenue or income compared with January 2020 or later months. Employers must also continue to employ their workers for at least six months, comprising three months during receipt of the subsidy and three months after the end of the subsidy period.
Resources	megat.harith.suhaimi@mercer.com Government Release, April 2020

New Zealand (upcoming effective date)	
Development	Career New Zealand expands temporary agency employee rights — Key date: 27 Jun 2020

Singapore (new)	
Status	⚠ Currently effective
Development	Career Workplace shutdown extended, job subsidy program launched to address COVID-19 effects The shutdown of all nonessential workplaces — the ”circuit breaker period“— is extended until 1 Jun 2020 (from 4 May 2020). Organizations providing essential services can continue to operate with prior approval from the Ministry of Trade and Industry. On 21 April, the government implemented shutdown restrictions for additional organizations. The Ministry of Manpower is conducting workplace checks to verify employer compliance. The Ministry of Health advised employers to postpone business travel, ask employees for health and travel updates if they visited affected countries and regions, and to share future travel plans. Employers must not penalize employees who decline to travel for work. The Ministry of Manpower has advised employers to discuss salary arrangements with employees unable to telework. Employers can apply to receive government wage support and training subsidies under the Jobs Support Scheme (JSS), subject to meeting eligibility criteria. The JSS aims to offset and protect local employees' wages and pays subsidies covering 25% to 75% of the first S$4,600 gross salary calculated over a reference period. The first JSS payment was in April and two more payments will be made in July and October. The government, employers and trade unions published an advisory that strongly urges employers to apply for the JSS to avoid employee layoffs or long periods without pay. Employers also can apply for a work-life grant for employees that participate in the Job Sharing Incentive or the Flexible Work Arrangement Incentive. The Wage Credit Scheme was enhanced. Currently, the scheme co-funds wage increases for Singaporeans earning up to S$4,000 per month, but the upper salary limit will increase to S$5,000. Additional government measures include one-off cash payments and providing training opportunities for graduates due to reduced employment opportunities. The government has waived the Foreign Worker Levy due in April and May and given rebates to S Pass holders for each work permit calculated on 2020 levies paid by the employer.
Resources	Advisories on COVID-19 (Ministry of Manpower); Job support scheme (Inland Revenue Authority of Singapore); Advisory on salary and leave arrangements during Circuit Breaker (Ministry of Manpower, 6 Apr 2020); Work-Life Grant for flexible work arrangements (Ministry of Manpower); Singapore budget COVD-19 measures; Graduate traineeships (Government)

Singapore (upcoming effective date)

Development Career — Health

- Singapore expands work injury insurance protections — Key date: 1 Sep 2020

South Korea (previously covered, newly effective)

Status Currently effective

Development Wealth

Retirement act reforms take effect

Changes to South Korea's Employee Retirement Benefit Security Act (ERSA) announced in May 2019 took effect on 30 Apr 2020, under the enforcement decree promulgated 29 Oct 2019. Certain revisions to the act took effect in July 2019. Highlights include:

- Interim settlements for medical costs. To qualify for interim payment of medical costs, employees' medical costs have to total at least 12.5% of salary.
- Stricter governance requirements. Governance reforms for defined benefit (DB) plans include the following:
  - Employers no longer have to inform employees about underfunded pension plans by "board posting at the workplace."
  - Employers with multiple pension providers need to inform other pension providers within seven days if the lead pension provider changes.
  - Pension providers are no longer allowed to offer principal secured products with different interest rates to employers and employees, absent a solid reason for doing so.
  - Employers and pension providers should provide requested information to lead pension providers within three months after the fiscal year-end.

Resources GRIST, 4 Nov 2019

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Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	Currently effective
Development	Career — Health COVID-19 workplace health and safety guidelines issued The European Commission published non-binding workplace health and safety guidelines to inform employers and workers about issues concerning the return to work when national governments allow. Highlights include: • Risk assessments to review the impact of work process changes, including mental health risks, on employees. • The use of control mechanisms to minimize workers' exposure to the virus. • Guidance on resuming work following a period of closure. • Issues concerning employees' absence, including managing the return to work of employees who contracted COVID-19. • Health and safety issues arising from teleworking (for example, ergonomic and mental health matters). • Consultation of workers and their representatives about workplace organization, and health and safety matters. • Issues specific to certain sectors and occupations (for example, jobs requiring close contact with colleagues and customers).
Resources	EU guidance for a safe return to work (European Commission)

EU (new)	
Status	Currently effective
Development	Career Financial loans offered to member states for short-time working due to COVID-19 The temporary Support Mitigating Unemployment Risks in an Emergency (SURE) initiative was launched by the European Commission on 2 Apr 2020 to protect workers and jobs affected by coronavirus. The SURE initiative provides financial loans of up to €100 billion to member states to help their governments cover the cost of national short-time working schemes that allow employers to reduce the working hours and provide income support.
Resources	SURE announcement (European Commission); FAQs (European Commission)

EU (upcoming effective date)	
Development	Career • Directive strengthens employment rights for posted workers — Key date: 20 Jul 2020 • Final CRD V revises remuneration principles — Key date: 28 Dec 2020 • Directive expands whistleblower protections — Key date: end of 2021 • Revised rules will impact participating companies, employees — Key date: 1 Jan 2022 • Law strengthens rights of 'nonstandard workers' — Key date: summer 2022 Career — Health • Work-life balance measures, including leave finalized — Key date: summer 2022 Wealth • ESG agenda, capital markets union progress — Key date: 10 Mar 2022

Belgium (upcoming effective date)	
Development	Career — Health • Constitutional court annuls 'cash for car' system — Key date: 31 Dec 2020

Denmark (new)	
Status	Currently effective
Development	Career COVID-19 measures include reimbursement for sickness benefit, wage compensation scheme The government has adopted wage and benefit measures to address the effects of COVID-19. From 17 Feb 2020 until 1 Jan 2021, employers can be reimbursed for sickness benefits from the first day of absence for employees who are ill, believed to be ill or quarantined due to COVID-19. In addition, a wage compensation scheme applicable from 9 Mar to 8 Jul 2020 allows private sector employers to furlough employees on full pay for a period of time and receive government compensation. The scheme is open to employers that would otherwise have laid off at least 30% of their workforce — or more than 50 employees — and is open to employees who were employed before 9 Mar 2020. Employees benefiting from the scheme must take five days of unreimbursed holiday time under the scheme. The amount of compensation payable for a full-time salaried employee is 75% of monthly gross salary (up to DKK 30,000 per month), and 90% of wages, capped at DKK 30,000 per month for non-salaried employees.
Resources	heine.olsen@mercer.com COVID-19 information (Department of Health); COVID-19 information (Danish) (Government legal information system)

France (new)	
Status	Currently effective
Development	Career — Health — Wealth Employment provisions temporarily eased to address COVID-19, gradual return to work planned The government published several decrees and ordinances, including temporary changes to certain labor laws, to address the workplace effects of COVID-19. Highlights include: Partial activity or temporary layoffs (employers must have applied to the scheme by 30 Apr 2020, and must pay at least 70% of employees' compensation, or more if required by a collective agreement); the government subsidizes salary costs capped at 4.5 times the national hourly minimum wage for the period of time that is not worked); temporary exemptions from paying wage supplements for sick leave, paid leave, compensatory rest working time, days saved on the timesaving account and working hours regulations applicable to certain sectors; postponement for up to three months of employers' social security contributions due on 15 Mar 2020; postponement of elections for employee representative bodies; revised arrangements for organizing meetings of staff representatives; provisions on the exceptional purchasing power bonus (the "Macron 2020 bonus") and optional profit-sharing agreements; occupational health arrangements (including calling additional work stoppages and the postponement of medical examinations conducted by occupational health services); provisions on professional training; and arrangements for gauging the support for trade unions in organizations with fewer than 11 employees. A nationwide lockdown was imposed from 17 Mar 2020, but the president plans to gradually lift the lockdown from 11 May 2020. Quarantine restrictions will cease for most individuals, except for "at risk" persons (for example, the elderly and frail). In light of the ongoing public health situation, employers must carry out a workplace risk assessment and implement various measures before resuming operations. Employers likely will have to inform their workplace consultation body about the risk assessment, and may have to consult with employee representatives if changes to working practices are required. Government and social partner organizations are expected to publish guidelines for employers to follow.
Resources	Government information on coronavirus (Government); Information for employers and employees (French) (Government); Decree 2020-293 (French) (Legifrance, 6 Apr 2020); Ordinance 2020-346 (French) (Legifrance, 28 Mar 2020); Ordinance 2020-389 (French) (Legifrance, 22 Apr 2020); Ordinance 2020-385 (French) (Legifrance, 2 Apr 2020); Ordinance 2020-386 (French) (Legifrance, 2 Apr 2020); Ordinance 2020-387 (French) (Legifrance, 2 Apr 2020)

France (upcoming effective date)	
Development	Career — Health • Stronger protections for employees posted to work in France — Key date: 30 June 2020

Germany (new)	
Status	⚠ Currently effective
Development	Career Short-time work scheme and allowance to address effects of COVID-19 The federal government introduced measures to reduce layoffs, retroactive to 1 Mar 2020. The measures allow employers to implement a short-time work scheme and to pay an allowance to affected employees to cover associated income loss. Highlights include: • Employers that want to introduce short-time work due to economic reasons or ”force majeure” must show that a minimum of 10% of the company’s workforce will suffer a significant, temporary and unavoidable loss of working hours (previously, the minimum employee threshold to trigger the scheme was as high as one-third of the workforce). • Employers must fulfill certain eligibility criteria and cannot unilaterally introduce the scheme. The employees or works council must agree to the scheme, or the provisions must be incorporated into a collective agreement. Once agreed upon, employers must register schemes with the responsible employment agency. • Employees who are temporarily placed on short-time work are eligible to receive the short-time work allowance for up to two years. This is an increase from the maximum of one year under the old scheme. The employment agency pays the allowance (currently 60% of the employee’s net income lost due to short-time work, increasing to 67% if the employee has one or more children; and government proposals could increase the allowance by 20%). Employers can top-up the allowance and may be required to under collective agreement terms. Social security contributions paid by employers will be reimbursed retroactively to 1 Mar 2020.
Resources	david.lesch@mercer.com Law on short-time working (German) (Government); Information on short-time working (German) (Government); Proposed changes to short-time working (German) (Government, 29 Apr 2020)

Ireland (new)	
Status	Currently effective
Development	Career Temporary wage subsidy scheme to provide relief from effects of COVID-19 The Temporary Wage Subsidy Scheme (TWSS) was introduced on 26 Mar 2020 for a period of twelve weeks to provide income support to eligible employees if the employer's business activities have been negatively impacted by the COVID-19 pandemic. TWSS is paid through the employer's payroll, and employers are encouraged to retain employees and maintain a significant portion or 100% of employees' income. To qualify for the TWSS, an employer must suffer significant negative economic disruption due to COVID-19, a reduced turnover rate of at least 25%, and must be unable to pay wages. The scheme is open to employers who are able to top-up employees' wages, and those who cannot do so. Employees must remain on the payroll during the subsidy period. The subsidy amount is up to 70% of the employee's average net weekly pay (capped at either €350 or €410). Part- and full-time employees and those who have been temporarily laid off can make claims if they are retained on the employer's payroll. Employees cannot receive a subsidy if they have an annual gross salary of more than €76,000. Subsidy payments made to employees through payroll are not subject to income tax or universal social charges, and employees do not pay social insurance (PRSI) on subsidy payments or top-up payments made by the employer. Employers do not pay PRSI on the subsidy, and the PRSI is reduced to 0.5% on top-up payments. Employers should be aware that there are implications for pension schemes if the TWSS is used. The minister of finance announced Phase 2 changes that applied to the TWSS beginning 4 May. Under the changes, more employees are eligible for TWSS, and the subsidy increased for employees who had a prior average net pay of less than €412 per week. The eligibility criteria for employers is unchanged.
Resources	james.campbell@mercer.com COVID-19 information and advice for taxpayers and agents (Revenue); Minister Donohoe announces update to the Temporary Wage Subsidy Scheme (Department of Finance, 15 Apr 2020); Supports for businesses impacted by COVID-19 (Department of Business, Enterprise and Innovation)

Ireland (new)	
Status	⚠ Currently effective
Development	Wealth Pensions Regulator provides COVID-19 guidance On 24 April, the Pensions Authority announced that it does not have the authority to waive pensions schemes' regulatory obligations and although it expects trustees and service providers to make best efforts to comply, it will consider the current situation when assessing schemes' compliance efforts.
Resources	james.campbell@mercer.com Announcement by the Pensions Authority (Pensions Authority, 24 Apr 2020); COVID-19 — Announcement by the Pensions Authority (Pensions Authority, 27 Mar 2020)

Ireland (new)	
Status	⚠ Currently effective
Development	Career COVID-19 pandemic unemployment payment available The government has made available a payment of €350 per week to employees who have lost their job or been temporarily laid off on or after 13 March due to the COVID-19 pandemic. The payment is in place for the duration of the crisis. Employees temporarily placed on a shorter working week could also qualify for short-time work support.
Resources	james.campbell@mercer.com COVID-19 pandemic unemployment payment (Department of Employment Affairs and Social Protection); Short Time Work Support (Department of Employment Affairs and Social Protection)

Ireland (new)	
Status	Currently effective
Development	Career Shareholder ‘say on pay’ now mandatory Traded public limited companies (PLCs) must disclose their directors’ remuneration policy, report annually on the policy’s implementation, and provide for a compulsory “say on pay” vote by shareholders under the European Union (Shareholders’ Rights) Regulations 2020 (the regulations) effective 30 Mar 2020. The regulations implement the European Union’s shareholder rights directive and amend the Irish Companies Act 2014. PLCs include those listed on Euronext Dublin or on the main market of the London Stock Exchange. Prior to the new regulations, many PLCs already provided detailed disclosure around directors’ remuneration (either on a compulsory or voluntary basis), but these regulations require PLCs to provide more comprehensive content and disclosure. In general, PLCs must establish a shareholder-approved remuneration policy for financial years commencing on or after 10 Jun 2019. Of note is a “grandfathering” provision that allows an exemption of up to four years for company director remuneration policies that received shareholder approval before 30 Mar 2020, regardless of the policy’s compliance with the regulations. Under the regulations, shareholders have the right to vote on remuneration policies covering executive and non-executive directors at least once every four years at the company’s general meeting — and more frequently if a material policy change is proposed. The policy vote is advisory unless the company’s constitution requires a binding vote. If shareholders do not approve the policy, the company must submit a revised policy at the next general meeting, and must publish voting results on the company’s website. For financial years commencing on or after 10 Jun 2019, PLCs must prepare an annual report on each director’s remuneration according to the approved remuneration policy, and offer the report for an annual shareholder vote at the general meeting.
Resources	rich.latham@mercer.com; peter.smith@mercer.com GRIST, 29 Apr 2020

Ireland (upcoming effective date)	
Development	Wealth • Ireland updates auto-enrolment pension system implementation — Key date: Expected by 2022

Netherlands (new)	
Status	⚠ Currently effective
Development	Career — Health— Wealth Government provides wage compensation scheme for companies impacted by COVID-19 The Temporary Emergency Bridging Measure for Sustained Employment (NOW) provides wage compensation and is open until 31 May 2020, for employers anticipating a 20% or more decrease in revenue from 1 March to 31 July. Employers can apply to the Employee Insurance Agency (UWV) for compensation up to 90% of employees' wage costs — the amount of compensation will depend on the decline in turnover. Employers can claim wage compensation retroactively to 1 Mar 2020 and for periods of up to three months, and may be able to extend their claim for an additional three-month period. Employers can apply for employees with open-ended or temporary employment contracts, but the scheme is not open to intragroup transferees. Employers can also make claims for other employee costs, such as employer and employee pension contributions, employee insurance premiums and holiday allowance accrual for March, April and May. Employers cannot apply for permits for economic lay-offs during the compensation period and must maintain employees' salaries at the same amount. Employers receiving compensation under the scheme must inform their works council or employees. Business groups can apply to the scheme on behalf of one of their operating companies, but those groups will not be allowed to pay bonuses or dividends or make share buybacks during 2020. Following the launch of the NOW scheme, the government withdrew measures that allowed payment of unemployment benefits for short-time working schemes.
Resources	Dutch measures against coronavirus (Government); Temporary emergency bridging measure NOW (Government); Dutch government measures to help businesses (Government); Unemployment benefit during short-time working (Government)

Netherlands (upcoming effective date)	
Development	Career — Health • Dutch government increases paid paternity leave — Key date: 1 Jul 2020

Oman (upcoming effective date)	
Development	Health • Oman issues implementation rules for new health insurance scheme — Key date: Mid-2020

Poland (new)	
Status	Currently effective
Development	Wealth Postponement of some pension auto-enrollment scheme deadlines Legislation postponed the deadlines for implementing certain aspects of the pension auto-enrollment (scheme PPK) reforms for employers with 50 or more employees. The new deadlines are 27 Oct 2020 (postponed from 24 Apr 2020) for employers to sign PPK management agreements with financial institutions is , and 10 Nov 2020 (postponed from 11 May 2020) for signing a PPK participation agreement with a financial institution.
Resources	krzysztof.nowak@mercer.com PPK market regulator website (Polish) (Government release, 26 Mar 2020); GRIST, 5 Nov 2019

Russia (upcoming effective date)	
Development	Career — Wealth • Electronic filing of employment information required — Key date: 30 Jun 2020

South Africa (new)	
Status	Currently effective
Development	Career — Health Government implements revised COVID-19 alert system, publishes workplace measures to allow return to work Revised lockdown guidelines effective 1 May 2020 include a five level alert system to ease the restrictions and allow businesses to reopen. Currently, the country is designated as Level 4, but the government advised that if circumstances change, the alert status could revert to Level 5. The five alert system levels are: • Level 5: High virus spread and/or low health system readiness requiring a full lockdown. • Level 4: Moderate to high virus spread with low to moderate readiness under high restrictions. Individuals must remain at home and require a permit for travel to work. Employers must comply with certain measures, which includes developing a plan to allow a phased return to work and managing the return to work by employees from different provinces, metropolitan and district areas. The regulation also set outs sector-specific requirements. • Level 3: Moderate virus spread with moderate readiness and moderate restrictions. • Level 2: Moderate virus spread with high readiness and reduced restrictions. • Level 1: Low virus spread with high readiness and minimum restrictions. In addition, employers must implement certain workplace measures: • Impose social distancing in the workplace (for example, on the factory or shop floor, in meeting rooms and canteens) and allow staff who can work from home to do so. • Apply workplace protocols for health surveillance and risk assessment. These include screening employees for COVID-19 symptoms (including temperature checks) on a daily basis; requiring employees to wear face masks when commuting to work; cleaning all workplace tools; providing hand sanitizer and washing facilities; and ensuring adequate ventilation of the workplace. The Temporary Employee Relief Scheme was launched to support medium and small companies with wage payments and to help avoid lay-offs.
Resources	Disaster Management Act: Regulations: Alert level 4 (Government, 29 Apr 2020); Government announcement (Government, 25 Apr 2020); Temporary Employee Relief Scheme announcement (Government, 27 Mar 2020)

South Africa (new)	
Status	Deadline extended to 3 June 2020
Development	Career B-BBEE extends deadlines for compliance reports The Broad-Based Black Economic Empowerment (B-BBEE) Commission has extended deadlines for the submission of compliance reports and documentation — the new deadline is 3 June 2020.
Resources	COVID-19 Frequently Asked Questions (B-BBEE, 30 Apr 2020); Announcement (B-BBEE, 26 Mar 2020)

Spain (new)	
Status	Currently effective
Development	Career — Health — Wealth COVID-19 triggers temporary employment changes, steps to lift lockdown On 28 April, Royal decree-law 16/2020 outlined plans for a three-step lifting of the current lockdown, but no specific dates were provided. Planned measures include a requirement to carry out workplace risk assessments prior to reopening, and the government confirmed that it would not progress to the first phase before mid-May. The government published best practice workplace guidelines to address the return to workplaces by employees who work in non-essential services and who cannot telework. Since the COVID-19 pandemic began, numerous royal decrees have introduced exceptional employment measures throughout Spain that allowed for controlled workforce restructuring during the state of emergency, temporary suspension of employment contracts and provision of short-term work allowances. Measures include paying benefits to individuals and allowing employers to apply "force majeure" clauses in certain circumstances, implementation of faster restructuring and the suspension of some social security payments. Highlights include: • Royal decree-laws 463/2020 and 492/2020 cover the state of emergency in effect until 9 May and requires individuals to remain at home except for essential tasks. • Royal decree-law 463/2020 ordered the closure of certain public places, and the implementation of appropriate safety measures in workplaces that remain open. • Royal decree-law 6/2020 classifies periods of isolation or infection of workers due to the COVID-19 virus as a workplace accident, including the payment of employee benefits. • Royal decree-law 8/2020 includes teleworking arrangements; allows employees to reduce their working time (up to 100%) in respect of care of a close relative with COVID-19 (the employer can reduce the salary proportionally, but must continue paying contributions); accelerates procedures for the temporary closure of workplaces (employers don't have to pay wages during closure), and introduces an employee benefit corresponding to state unemployment benefits. Companies can continue to pay employer contributions, which will be reimbursed if the business closes for "force majeure" reasons — the amount of reimbursement depends on the workforce size. Companies must agree to maintain their workforce numbers for six months and employees receiving unemployment benefits will maintain their full entitlement to benefits after the pandemic.

Spain (continued)	
Development	Royal decree-law 9/2020 includes a prohibition on the dismissal of employees for economic, technical, organizational or production reasons during the state of emergency; simplifies procedures for claiming contributory unemployment benefits; allows extensions for temporary contracts terminated early under temporary redundancy arrangements (ERTE) included in Royal decree law 8/2020; and introduces new penalties for breaches of the decree. Royal decree-law 10/2020 requires certain employees to take compulsory paid leave from 30 March to 9 April. The decree includes some exemptions to the leave requirement, such as employees working in essential services, individuals who have been temporarily laid off, and those who can telework. Employees can recoup time off after the state of emergency is lifted up until 31 Dec 2020, subject to employers consulting with employee representatives. The decree law also simplifies temporary layoff procedures and allows employers that implement a temporary redundancy plan to request exemption from paying social security contributions. Employers must agree to maintain employment levels for six months after resuming business activities.
Resources	gloria.villar@mercer.com Best practice workplace guidelines (Spanish) (Government); Royal Decree-law 6/2020 of 10 Mar 2020 (Spanish) (Government); Royal Decree-law 463/2020 of 14 Mar 2020 (Spanish) (Government); Royal Decree-law 8/2020 of 17 Mar 2020 (Spanish) (Government); Royal Decree-law 9/2020 of 27 Mar 2020 (Spanish) (Government); Royal Decree-law 10/2020 of 28 Mar 2020 (Spanish) (Government); Royal Decree-law 15/2020 of 21 April 2020 (Spanish) (Government); Royal Decree-law 492/2020 of 24 April 2020 (Spanish) (Government); Royal Decree-law 16/2020 of 28 Apr 2020 (Spanish) (Government)

Spain (upcoming effective date)	
Development	Career • Pension fund supervision strengthened to comply with European Union IORP II — Key date: 6 Aug 2020

Sweden (new)	
Status	Currently effective
Development	Health COVID-19 information related to health coverage, sick pay COVID-19 is classified under the Communicable Diseases Act and is covered through public healthcare instead of private medical insurance plans. Tests or treatments related to COVID-19 are not covered, but some medical insurances offer counselling. Other insurance plans — like long-term disability, life insurance and waiver of premium — remain valid with no exceptions due to COVID-19. The social security agency has provided COVID-19 information and applicable regulations. For instance, the government temporarily suspended sick pay deductions, allowing employees to apply for a retroactive reimbursement of any employer sick pay deductions from 11 Mar 2020. In addition, all employers will receive full compensation for the cost of sick pay included in their Pay As You Earn (PAYE) tax return for April and May 2020. Employers will pay sick pay as usual, and will receive compensation from the social security agency.
Resources	robert.bergendahl@mercer.com; richard.bjaernehaell@mercer.com FAQ about COVID-19 (Public Health Agency of Sweden); The Coronavirus/ COVID-19 — applicable regulations (Social Security Agency, 14 Apr 2020)

Sweden (new)	
Status	Currently effective
Development	Career Short-time work allowance measures address the effects of COVID-19 New laws aim to support employers that reduce employees' working hours due to COVID-19. The law offers three levels (20%, 40% and 60%) of reduced working time and corresponding amounts of government subsidy. For instance, employers that reduce working time to 60% will receive a subsidy to cover 52.5% of salary costs, capped at a salary of SEK 44,000 per month. Organizations that are subject to collective bargaining must reach an agreement on reduced working time arrangements with the unions, or sign an agreement with at least 70% of its employees. The measure entered into force on 7 Apr 2020 but can be retroactively applied from 16 March. The program will remain in effect throughout 2020.
Resources	richard.bjaernehaell@mercer.com Short-time work allowance (Swedish Agency for Economic Growth and Regional Growth)

Switzerland (upcoming effective date)	
Development	Career • Switzerland issues gender pay audit criteria, deadlines — Key date: 1 Jul 2020

United Arab Emirates (new)	
Status	⚠ Currently effective
Development	Career Guidance on layoffs, remote working arrangements to address effects of COVID-19 The government has published new guidance and legislation for private sector employers during the pandemic and the Dubai International Finance Centre (DIFC) has published one directive. Some developments are highlighted below: • Ministerial Resolution No. 279 of 2020 took effect on 26 Mar 2020 and outlines employment options applicable to employees who are not UAE nationals and who are surplus to their employers' needs. The resolution does not explicitly sanction layoffs, but employers can discontinue payment of employees' salaries. However, employers must continue to provide all other entitlements, such as housing, transportation and private medical insurance until the employee finds a new job, or leaves the UAE. Employers must register terminated non-resident employees on the virtual labor market portal established by the Ministry of Human Resources and Emiratization. • Ministerial Resolution No. 281 allows employers to implement remote working arrangements, and includes guidance on its implementation. Employers should seek employees' agreement to take paid annual leave and to reduce salaries, either on a temporary or permanent basis, and follow ministerial rules on implementing contractual changes. Employers must seek employees' consent to any proposal that they take unpaid leave. • Presidential Directive No. 4 of 2020 was published by the DIFC — a special economic zone — and addresses employment provisions applicable during the "emergency period," effective 21 April until 31 July, or until a date announced by the DIFC president. DIFC employers can introduce certain employment measures with five days' notice to the affected employees, but do not need their consent. The permitted measures can cover reduced working hours; remote working; restriction on workplace access; reduced remuneration for a temporary period; unpaid leave; and require employees to the use their holiday entitlements. Employees who contract COVID-19, or who are quarantined, will receive full sick pay and the leave taken will not reduce their sick leave allowance.
Resources	Ministerial Resolution No. 279 of 2020 (Ministry of Human Resources and Emiratization); Ministerial Resolution No. 281 of 2020 (Ministry of Human Resources and Emiratization); Dubai International Financial Centre announcement (26 Apr 2020)

UK (new)	
Status	Currently effective
Development	Career — Health COVID-19 job retention scheme launched The government's Coronavirus Job Retention Scheme allows employers to access a government grant to cover some wage costs for employees who are furloughed — this means that the employees do not work for their employer but continue to be employed. Employers can furlough employees (including foreign nationals) on any type of contract for a minimum of three weeks and must notify affected employees. Employers may have to consult with employees about their intention to furlough staff. Employers can apply for a grant covering 80% of employees' monthly gross wage costs (capped at £2,500 per employee per month), and can claim the costs of associated employer National Insurance contributions and pension contributions (up to the level of the minimum automatic enrolment employer pension contribution). Employers can top up the payment to employees but do not have to. The furlough scheme was extended until the end of June 2020, and applications can be backdated to 1 Mar 2020. Employers can use the scheme during this period for employees enrolled in the organization's Pay As You Earn (PAYE) tax system on or before 19 Mar 2020. UK tax service HMRC is providing as-needed guidance on how the scheme works, and its claims portal is open with the objective of making payments within 4-6 working days of a claims submission. The Pensions Regulator has published guidance for larger employers on the interaction of the Job Retention Scheme and the calculation of defined pension contributions.
Resources	Information hub (Government); Business support (Government); Treasury Direction made under Sections 71 and 76 of the Coronavirus Act 2020 (Government); HMRC guidance (Government); Information and advice (Health and Safety Executive); Guidance on defined contribution schemes (The Pensions Regulator); Advice for UK visa applicants and temporary UK residents (UK Visas and Immigration); Guidance (Advisory, Conciliation and Arbitration Service)

UK (new)	
Status	Currently effective
Development	Wealth Pensions Regulator publishes COVID-19 guidance The Pensions Regulator has established a COVID-19 resource page for trustees, employers and administrators. Recent publications include: • Update about TPR activities during COVID-19 • Update on reporting duties and enforcement activity • Communicating to members during COVID-19 • Late payment reporting: COVID-19 information for providers • Guidance for defined benefit scheme trustees whose sponsoring employers are in corporate distress • Defined benefit scheme funding and investment — guidance for trustees • Defined contribution scheme management and investment: COVID-19 guidance for trustees • Automatic enrolment and defined contribution pension contributions: COVID-19 guidance for employers • Scheme administration: COVID-19 guidance for trustees and public service
Resources	Updates for trustees, employers and administrators (The Pensions Regulator)

UK (new)		
Status	⚠	Currently effective
Development	Health Eligibility for statutory sick pay eased to address effects of COVID-19 Temporary changes to the statutory sick pay scheme allows eligible employees to receive statutory sick pay (SSP) from the first day of absence if they have COVID-19 or display symptoms, if someone in their household has symptoms, or they have been told to self-isolate or "shield" in accordance with public health guidelines. Normally, employees receive SSP if they are off work for four consecutive days The Coronavirus Statutory Sick Pay Rebate Scheme opened to employers with 250 or fewer employees on 28 Feb 2020. It will repay the current SSP rate to eligible employers for sick days taken by employees or former employees starting on or after 13 Mar 2020. Employers who pay more than the current rate of SSP can only claim the current rate amount. The repayment covers up to two weeks starting from the first day of sickness. Employees do not need to provide a doctor's fitness note for the employer to make a claim, but employees who self-isolate and cannot work must apply online for an isolation note. Employers must keep records of all SSP payments claimed from the UK tax service, and retain these records for at least three years from the date of the claim. An end date for the scheme has not been announced.	
Resources	Government guidance (Government, 27 Apr 2020); Guidance (ACAS, 29 Apr 2020)	

UK (new)	
Status	Postponement to 6 Apr 2021
Development	Career Government postpones off-payroll working start date The government has announced the postponement of major changes to off-payroll working for all contracts entered into, or payments made, on or after 6 Apr 2021. The new rules (also called IR35) were due to take effect on 6 Apr 2020 and would have required medium and large organizations — in all economic sectors — to assess the employment status of individuals who work for them through their own limited company. Where the rules apply, the organization, agency, or other third party paying the worker's company will need to deduct income tax and employee National Insurance Contributions (NICs), and pay employer NICs.
Resources	Government release, 18 Mar 2020; GRIST, 15 Jan 2020

UK (new)	
Status	Consultation open until 2 Jun 2020
Development	Wealth Consultation on defined benefit funding framework The Pensions Regulator has published a consultation on the regulation of the statutory defined benefit funding regime. The consultation proposes a "fast track" approach that would enable trustees to submit valuations with the expectation of minimal regulatory scrutiny, provided their approach to funding and investment meets all of the regulator's "compliance guidelines." The consultation closes on 2 Jun 2020. Alternatively, trustees and employers can use a customized approach if they want more flexibility. If they use a customized approach, they would have to justify their decisions and should expect more regulatory scrutiny. Trustees also would have to demonstrate that the additional risk taken — relative to the fast track approach — is manageable. It is unlikely that the new regime will be formally implemented before late 2021, but the regulator is already attempting to implement many of the approaches discussed in the consultation.
Resources	jane.biggerstaff@mercer.com GRIST, 31 Mar 2020

UK (upcoming effective date)	
Development	Wealth • Pension schemes face new investment and disclosure rules — Key date: 1 Oct 2020 • Government postpones off-payroll working start date — Key date: 6 Apr 2021

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