



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.

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Highlights

Global

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Europe, Middle East and Africa (EMEA)	
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Ireland	Remote working strategy with right to disconnect launched
France	Draft decree on social security coverage of executives issued
Netherlands	Early retirement scheme with tax breaks allowed Pension reform consultation published
Russia	Pension, social insurance rates for eligible technology companies reduced Revised new labor code allows for remote working options
Sweden	Age for employees to begin pension accrual reduced
United Kingdom (UK)	Government drops post-Brexit review of EU employment rights Employers urged to address domestic abuse Pension Schemes Bill 2019-2021 approved by parliament

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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 continue to address the severe implications on working practices and adjust their 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 continue to address worksite, economic and associated travel issues, Mercer is providing analysis on workforce and investment implications and compiling 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)

3 Americas

Argentina (new)

Status  After the COVID-19 pandemic ends, but effective date is not yet known

Development **Career**

Remote working rights post COVID-19 pandemic clarified

Argentina recently issued a decree clarifying the legal framework established in Law 27555 for employees to telework after the COVID-19 pandemic has ended. Highlights include:

- Telework is done remotely, either completely or partially, requiring the use of information technology and telecommunications.
- Employees cannot be forced to work remotely except in cases of force majeure. Remote employees may reverse their decision to work remotely, unless they were initially hired as a remote employee. Employers must fulfill these requests within 30 days of receiving them.
- Remote employees will have the same rights, pay and representation rights as other employees.
- Employment contracts must detail an employee's remote working status and working hours. Employees have the right to disconnect, and employers generally cannot ask remote workers to work beyond their scheduled working time. Employees can ask for their work schedules to be adjusted to help reconcile work and care responsibilities.
- The government will issue workplace safety and health regulations applicable to remote workers.
- Employers must pay for, provide, install and repair the necessary equipment, and support their remote employees.
- Employers must seek prior authorization from the Ministry of Labor, Employment and Social Security before hiring foreign nonresident employees to work remotely, and collective agreements should include a cap on the number of foreign remote employees.

Resources [GRIST](#), 2 Feb 2021

Bermuda (new)

Status  1 Jun 2021

Development [Career — Health](#)

Employment and labor laws revised

Changes to Bermuda's employment and labor laws are slated to take effect on 1 Jun 2021. Highlights include:

- Consolidation of 10 tribunals into one that will handle all employment complaints and labor-related disputes.
- Statements of employment must include new information, for example, employees' entitlement to rest days, meal breaks and overtime pay.
- The government will issue guidance on the differences between employees and independent contractors.
- Employers must provide employees with written policy statements against bullying and sexual harassment.
- Employees will be entitled to a meal break of at least 30 minutes if they work more than five continuous hours.
- Bereavement leave will also now include grandparents, great-grandparents, grandchildren and great-grandchildren.
- Employees are no longer required to complete one year on the job before being entitled to paid time off from work to attend prenatal appointments.
- Employers must pay outstanding wages and benefits within seven days of employment termination or by the next interval that the employee would have been paid.
- Establishment of new rules on setting probation periods for employees, including new hires and newly promoted employees, and entitlement to a performance review during a probation period.
- Introduction of new measures for terminating an employee for misconduct and unsatisfactory performance.
- Establishment of a new requirement for employers to consult with employees about proposed redundancies and transfers of undertakings.
- Unfair dismissals will face increased penalties.
- Establishment of new civil penalties of up to \$5,000 to replace most offences requiring court appearances. The minister will also no longer have the option to refer a dispute to a mediator.
- Changes to trade union recognition rules and collective bargaining rules.

Resources [GRIST](#), 8 Feb 2021

Brazil (new)

Status  Currently effective

Development **Career**

Hyper-sufficient salaries increased

The minimum monthly salary of “hyper-sufficient” employees increased (Portuguese) from BRL 12,202.12 to BRL 12,867.14, effective 13 Jan 2021. This category of employee includes individuals with a college degree.

Resources [Ordinance No. 477 of 12 Jan 2021 \(Portuguese\) \(Gazette, 13 Jan 2021\)](#)

Brazil (upcoming effective date)

Development **Wealth**

- [Council imposes CNPJ registration duty on pension entities](#) — Key date: 31 Dec 2021

Mexico (new)

Status  Currently effective

Development **Career**

Remote working requirements enacted

Mexico enacted a decree on remote working effective 12 Jan 2021, and the government will publish health and safety rules on remote working within 18 months. Highlights include:

- Remote working is defined as telework carried out at locations other than the employer's workplace, and comprising 40% or more of an employee's working time. It does not include occasional periods of remote working. Employers cannot force employees to become remote workers (except in cases of force majeure), and are allowed to ask remote workers to return to a company worksite. Remote workers also can request to work from a company worksite.
- Remote working must be specified in an employee's contract — and collective agreements must be updated or included in the employer's internal policies — if there is no collective agreement. Contracts must set out the details of remote work, including the necessary work equipment, communication between the remote worker and the employer, and the work schedule.
- Employers must pay for, install, and maintain the necessary equipment, and they must record training provision for remote workers. Employers must pay for electricity and internet expenses, and they are responsible for calculating the benefit and tax implications.
- Remote workers have the right to disconnect from their work equipment at the end of the work day, and employers must respect employees' work-life balance.
- Employers must register remote workers for social security purposes and protect their personal data. Remote workers must follow their employer's policies and procedures.

Resources melissa.mata@mercer.com
[GRIST](#), 26 Jan 2021

Canada (upcoming effective dates)

Development **Career**

- [Revised pay equity transparency measures issued](#) — Key date: 2021 reporting period

US (new)

Status  **Currently effective**

Development **Career — Health — Wealth**

COVID-19 aid law contains employee benefit and workplace provisions

Major COVID-19 aid legislation containing a broad array of employee benefit and workplace provisions became law late last year as part of a massive government spending package, the Consolidated Appropriations Act of 2021 (Pub. L. No. 116-260). The new law modifies certain relief provisions enacted in early 2020, including tax breaks to help employers meet payroll, bring employees back to work and provide student loan relief to employees. The measure contains extensive healthcare reforms to end surprise medical billing, improve transparency, and ease carryover and election rules for health and dependent care flexible spending arrangements, among other things. The act also has a few miscellaneous retirement provisions.

Resources brian.kearney@mercerc.com, margaret.berger@mercerc.com, cheryl.hughes@mercerc.com
[GRIST](#), 1 Feb 2021

US (new)

Status  Currently effective

Development **Health**

New mental health parity compliance requirements for group health plans

The Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260) requires group health plans and issuers that cover mental health/substance use disorder and medical/surgical benefits to prepare a comparative analysis of any nonquantitative treatment limits (NQTLs) that apply. Beginning Feb. 10, plans must supply this analysis and other information if requested by federal regulators (the Department of Labor for ERISA plans). The new law also requires agencies to prepare an annual report to Congress on these requests and to issue compliance program and additional NQTL guidance.

Self-insured plan sponsors that have not yet conducted a NQTL comparative analysis will have limited time to prepare before the agencies begin requesting this information. As some of the publicly available NQTL analysis templates demonstrate, reviewing every NQTL will take some time and involve scrutinizing clinical guidelines or provider reimbursement standards — a task typically conducted by the plan's third-party administrator (TPA), not the plan sponsor. Employers should consider these steps:

- Contact TPAs and pharmacy benefit managers for the comparative analysis.
- Start comparative analysis.
- Prepare a compliance plan.
- Keep up with parity and claims litigation

Resources kaye.pestaina@mercer.com, katharine.marshall@mercer.com and leena.bhakta@mercer.com
[GRIST](#), 25 Jan 2021

US (new)

Status  **Currently effective**

Development **Career**

Self-reporting of minimum wage and overtime violations ended

The Department of Labor (DOL) announced on 29 Jan 2021 the immediate end of its Payroll Audit Independent Determination program launched by its Wage and Hour Division in 2018. The program allowed employers to self-report federal minimum wage and overtime violations under the Fair Labor Standards Act to avoid litigation, penalties or damages, and prohibited affected workers from taking any private action on the identified violations.

Resources [DOL ends program that allowed employers to self-report federal minimum wage and overtime violations](#) (DOL, 29 Jan 2021)
[Roundup: US employer resources on minimum wage increases](#) 2 Feb 2021

US (new)

Status  **Proposal**

Development **Career**

President moves towards \$15 minimum wage for federal employees

President Biden has issued an executive order that asks the Director of Office of Personnel Management to provide recommendations to the President on promoting a \$15/hour minimum wage for federal employees.

Resources [Roundup: US employer resources on minimum wage increases](#), 2 Feb 2021
[Executive order on protecting the federal workforce](#) (White House, 22 Jan 2021)

US (new)

Status  Currently effective

Development **Career**

President affirms employee nondiscrimination protections based on sexual orientation gender identity

President Biden has issued an executive order (EO) that reinforces the Supreme Court's 2020 decision, *Bostock v. Clayton County*, Georgia, which held that the nondiscrimination protections under Title VII of the 1964 Civil Rights Act extend to sexual orientation or gender identity. The EO directs federal agencies to enforce these nondiscrimination protections and to review, revise, suspend or rescind any agency actions that are not in compliance

Resources [Executive order on preventing and combating discrimination on the basis of gender identity or sexual orientation](#) (White House, 20 Jan 2021); [GRIST](#), 15 Jun 2020

US (new)

Status  Currently effective

Development **Career — Health — Wealth**

FLSA rule revising employee vs. independent contractor test on hold

The final Department of Labor (DOL) rule aimed at simplifying and clarifying how to distinguish between employees and independent contractors under the Fair Labor Standards Act has been put on hold after President Biden issued on January 20th a memorandum implementing a general regulatory freeze. On 5 February, the DOL proposed to delay the rule's effective date to 7 May 2021 — 60 days after the original effective date of 8 March. Comments on the proposed delay can be submitted until 24 Feb 2021. Given the President's concerns about the misclassification of employees as independent contractors, the future of this rule remains uncertain.

Resources [Independent contractor status under the Fair Labor Standards Act: Delay of effective date](#) (Federal Register, 5 Feb 2021) [Regulatory freeze pending review](#) (White House, 20 Jan 2021); [GRIST](#), 11 Jan 2021

US (new)

Status  **Currently effective**

Development **Career**

Executive order banning race or sex stereotyping revoked

President Biden has revoked former President Trump's controversial Executive Order 13950 from September that prohibited federal agencies and contractors from conducting training that contains "divisive concepts" about race or sex stereotyping or scapegoating.

Resources [Executive Order](#) (White House, 20 Jan 2021)

US (new)

Status  **April 2021**

Development **Career**

EEOC announces date for beginning employee data collection

The Equal Employment Opportunity Commission (EEOC) has recently announced that it will open four data collections in 2021 after delaying the opening in May 2020 due to the impact the COVID-19 pandemic was having on workplaces. EEOC says the 2019 and 2020 EEO-1 component 1 (employer information report) data collection for private sector employers will open in April 2021

Resources [Press release](#) (EEOC, Jan 2021)

US (new)

Status  Currently effective

Development **Career**

OFCCP announces actions to comply with executive order banning race or sex stereotyping

On 27 January, the Office of Federal Contract Compliance Programs announced the actions it is taking to comply with President Biden's recent revocation of President Trump's Executive Order 13950 that prohibited federal agencies and contractors from conducting training that contains "divisive concepts" about race or sex stereotyping or scapegoating.

Resources [President revokes executive order 13950](#) (OFCCP, 27 Jan 2021); [Executive Order On Advancing Racial Equity and Support for underserved communities through the Federal Government](#) (White House, 20 Jan 2021)

US — states, cities

Status  Currently effective

Development **Career — Health**

States, cities tackle COVID-19 paid leave

To alleviate some of the economic strain on employees unable to work due to COVID-19, some state and local authorities have implemented new paid leave requirements. Other jurisdictions modified existing leave laws or benefit programs to accommodate employees' needs during the pandemic. This GRIST provides brief summaries of the new state and local paid leave benefits, as well as guidance addressing how current paid leave benefits apply during the COVID-19 pandemic.

Resources katharine.marshall@mercer.com and catherine.stamm@mercer.com
[GRIST](#), 1 Feb 2021

US (upcoming effective dates)

Development **Career**

- [California employers required to file equal pay reports](#) — Key date: 31 Mar 2021
- [Voters approve \\$15 minimum wage in Florida](#) — Key date: 3 Sep 2021
- [Board director from underrepresented communities required in California](#) — Key date: 31 Dec 2021
- [Gender diverse boards required in Washington state](#) — Key date: 1 Jan 2022

Career — Health

- [Paid family and medical leave approved by voters in Colorado](#) — Key date: 1 Jan 2023

Health

- [Healthcare cost transparency rules and medical loss ratio changes finalized](#) — Key date: 1 Jan 2022
- [Employee-funded long-term care to be established in Washington](#) — Key date: 1 Jan 2022

Wealth

- [Electronic delivery rule for retirement plan notices finalized](#) — Key date: 27 Jul 2021

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Asia Pacific

Australia (new)

Status  Proposal

Development **Wealth**

Bill reforms financial advice and fees for Super funds

Proposals concerning the payment of fees associated with the provision of financial advice feature in the Royal Commission Response No. 2 (Bill 2020), were introduced into parliament on 9 Dec 2020. The bill responds to recommendations included in the Financial Services Royal Commission's report. Highlights include:

- Schedule 1 would require financial service providers to annually provide clients with a single document that outlines the fees to be charged, specifies the services the client will receive, and seeks the client's written consent for the annual renewal of ongoing fees. The changes could apply from 1 Jul 2021, with transitional measures in force until 30 Jun 2022.
- Schedule 2 would require a providing entity to disclose — in writing — a lack of independence where it is authorized to provide personal advice to a retail client. The statement would be included in the Financial Services Guides for new clients for periods on or after 1 Jul 2021. A transitional rule would apply to Financial Services Guides given to clients before 1 Jul 2021, for financial services to be provided or after 1 Jul 2021.
- Schedule 3 would provide enhanced protection for superannuation members who may be paying fees for no service. Proposed changes would increase the transparency of advice fees for all superannuation products and would prohibit entities from charging ongoing advice fees for MySuper products; however, the deduction of client-authorized fees would be allowed for advice fees that are not ongoing. Superannuation trustees would be allowed to charge for advice fees only if certain criteria are met. Schedule 3 would apply from 1 Jul 2021, and arrangements made before 1 Jul 2021 would have a 12-month transitional period.

Resources paul.shallue@mercer.com
[GRIST](#), 19 Jan 2021

Australia (new)

Status  **First reporting date is 31 Dec 2021**

Development **Wealth**

Reporting deadline extended for superannuation funds

The first reporting date for superannuation funds to disclose their portfolio holdings has been deferred for an additional 12 months, announced the Australian Securities and Investments Commission (ASIC) in December 2020. The relief for portfolio holdings disclosure was set to expire on 31 Dec 2020, and funds would have had to disclose holdings on their website within 90 days of the reporting date. The deferral results from delayed completion of the regulations due to COVID-19.

ASIC amended the first reporting date to 31 Dec 2021 in the current relief instrument, but that date could be brought forward if regulations are completed sooner. If this happens, ASIC has confirmed it would allow sufficient time for provisions to be implemented.

Resources paul.shallue@mercer.com
[GRIST](#), 19 Jan 2021

Australia (upcoming effective dates)

Development **Career**

- [Superannuation pension reform measures in budget](#) — Key date: 1 Jul 2021

Wealth

- [Financial product design, distribution rules postponed](#) — Key date: 5 Oct 2021
- [Australia revises consumer dispute resolution for finance sector](#) — Key date: 5 Oct 2021
- [Australia increases consumer protection for financial products](#) — Key date: 5 Oct 2021

China (new) — Beijing

Status  **Currently effective**

Development **Health**

Employer contribution rate for social medical insurance reduced

In Beijing, the employers' contribution rate for social medical insurance reduced to 9.8%, down from 10.8%, effective 1 Jan 2021. The employees' contribution rate remained unchanged.

Resources [Notice](#) (Chinese) (Beijing Medical Security Bureau, 11 Jan 2021)

Hong Kong (new)

Status  **Currently effective**

Development **Career**

Job scheme for graduates launched

A youth employment scheme for Hong Kong's Greater Bay Area aims to boost job opportunities for university graduates for degrees awarded between 2019 and 2021. Announced in January 2021, The Greater Bay Area Youth Employment Scheme will last for 18 months and aims to provide 2,000 places, of which 700 are designated for innovation or technology posts. Companies participating in the scheme can apply for a monthly allowance (HK\$10,000) for each eligible graduate, and they must meet certain criteria with regards to the location of the jobs. To be eligible for the scheme, graduates must start their employment before 31 Aug 2021 and their monthly salary must be HK\$18,000 or more.

Resources [Greater Bay Area Youth Employment Scheme](#) (Government, January 2021)

India (new)

Status



Currently effective

Development **Health**

IRDAI instructs insurers on processing COVID-19 claims

Insurers must settle COVID-19 hospitalization reimbursement claims in accordance with the tariff for cashless treatment and the policy terms, says the Insurance Regulatory and Development Authority of India (IRDAI) in a circular intended to clarify claim procedures.

This guidance, issued on 13 Jan 2021, follows a circular issued by General Insurance Council (GI Council) on 20 Jun 2020, calling for COVID-19 hospitalization claims to be settled using rates set by government authorities or published by the GI Council.

For cashless claims under a health insurance policy, IRDAI advised that:

- Claims must be settled in accordance with the tariff decided by the parties under Regulations 31 of IRDAI Regulations, 2016.
- Insurers should “make efforts” to agree with health providers on the applicable treatment rates of COVID-19, similar to other diseases covered by a rate agreement.
- Insurers should take into consideration the guidance issued by the GI Council and the rates fixed by State Governments and Union Territory Administration.

For the reimbursement of claims under a health insurance policy, IRDAI said that claims should be settled in accordance with the terms and conditions of the policy contract.

IRDAI also advises insurers to issue suitable guidelines to third party administrators.

Resources

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[GRIST](#), 19 Jan 2021

India (upcoming effective dates)

Development **Career — Health — Wealth**

- [Labor and employment laws reformed](#) — Key date: 1 Apr 2021
- **Health**
- [EDLI payment benefits to increase](#) — Key date: Effective date has not been announced

Japan (upcoming effective dates)

Development **Career**

- [Employers urged to employ workers until age 70](#) — Key date: 1 Apr 2021

Malaysia (new)

Status  Currently effective

Development **Career**

Expatriate work permits criteria tightened

Companies wanting to hire certain foreign nationals for posts in Malaysia have to take additional measures before applying for an Employment Pass (EP) under immigration changes that took effect on 1 Jan 2021. The measures aim to boost the employment rate among Malaysian nationals, but do not apply to EP renewals or to applicants for Professional Visit Passes. Highlights include:

- Employers must advertise a vacancy for a minimum period of 30 days on the government's MYFuture jobs portal. Certain roles are exempt from this requirement: C-suite and other key roles; expatriates earning a basic salary of MYR 15,000 or more per month; certain highly skilled expatriates (but an exemption is not automatic for all positions); expatriates working in a regional or representative office located in Malaysia; employees seconded for the purpose of "training or knowledge/experience sharing"; foreign nationals recruited to work in a recognized international organization; and expatriates applying to renew their EP.
- Employers can choose to advertise roles on other employment platforms, but they must post vacancies on the MYFuturejobs portal.
- Employers must interview short-listed local candidates and complete a Hiring Outcome Report for each vacancy. If the local candidate is unsuitable, employers must obtain approval from the Expatriates Hiring Committee in the Ministry of Human Resources before offering the role to an expatriate and submitting an EP application.

Resources [GRIST](#), 3 Feb 2021

Taiwan (previously covered, newly effective)

Status  Currently effective

Development **Career**

Law providing hiring incentives and protections for older workers now effective

The parliament passed measures at the end of 2019 aimed at increasing the employment rate among older workers, and the law became effective on 4 Dec 2020. The Middle-Aged and Seniors Employment Protection Law aims to increase the protection of older workers aged 45–65 years (middle-aged workers) and those over age 65.

- Older workers must be treated equally with regard to recruitment, promotion, salary, benefits, retirement issues, dismissal, employee performance evaluation and the allocation of roles.
- Employers are encouraged to increase their hiring of older workers (for example, by offering fixed-term contracts and job redesign).
- The government will offer subsidies to employers that hire previously retired workers, and local labor authorities will offer training opportunities, job-matching services for workers and employers, and legal advice.
- Workers who believe they have experienced discrimination will be allowed to file a complaint with the local labor authority and will be protected from dismissal, transfer or any other type of retribution.
- Employers that breach the act could be fined up to NT\$1.5 million for a discriminatory act or between NT\$20,000 and NT\$300,000 if they fire or transfer a worker who has filed a complaint.
- Employers that breach the act could be “named and shamed” by the ministry of labor and ordered to make improvements within a set timeframe.

Resources [Press release](#) (Chinese) (Ministry of Labor, 3 Dec 2020); [GRIST](#), 5 Dec 2019

Vietnam (new)

Status  **Currently effective**


Development **Career**

Decree to implement revised labor code issued

A decree setting out the implementation details of the 2019 labor code revision took effect on 1 Feb 2021. The decree includes employers' responsibilities; labor outsourcing; social dialogue; salary calculation and payment; working time; labor dispute settlement; and labor contract contents, termination and invalidity. The government also issued Decree 152 that provides guidance on the employment of foreigners in Vietnam.

Resources [Decree](#) (Vietnamese) (Government, 14 Dec 2020); [Decree 152](#) (Vietnamese) (Government, 30 Dec 2020) [GRIST](#), 12 Dec 2019

5 Europe, Middle East and Africa (EMEA)

Europe (new)	
Status	 Consultation is open until 17 Mar 2021
Development	Career — Wealth European Banking Authority consults on remuneration guidelines The European Banking Authority (EBA) has issued a consultation on new guidelines applicable to remuneration policies in Class 2 investment firms, as required by the European Union’s investment firms directive. The EBA guidelines aim to foster a consistent and risk-aligned application of the remuneration framework set out in the directive. They will specify the remuneration provisions applicable to all employees (including sound, gender neutral pay policies), and policies applicable to specific employees whose professional roles have a material impact on the investment firms’ risk profile or the assets it manages. The guidance will also address the possibility of member states allowing waivers of payouts in instruments and the deferral of variable remuneration. Comments are invited through 17 Mar 2021, and the final guidelines will be published by the end of June 2021.
Resources	Consultation on guidelines on remuneration policies for investment firms (EBA/CP/2020/26) (European Banking Authority)

EU (upcoming effective date)

Development Career

- [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

Denmark (upcoming effective date)

Development Wealth

- [Parliament finalizes new early retirement option](#) — Key date: 1 Jan 2022

France (new)

Status  Proposal

Development Health — Wealth

Draft decree on social security coverage of executives issued

A draft decree would update the references to agreements and interprofessional agreements with regard to the coverage of executives for certain company benefits (for example, health, providence guarantee and pension schemes) in the Social Security Code. The draft decree incorporates the terms “executives” and “non-executives” included in the national interprofessional agreement of November 2017 and which replaced the national collective agreement of 1947.

Resources [Draft Decree \(French\) \(Ministry of Health\)](#)

France (upcoming effective date)

Development **Career — Health**

- [Paternity leave to increase](#) — Key date: 1 Jul 2021

Ireland (new)

Status Strategy

Development **Career**

Remote working strategy with right to disconnect launched

The government has published its remote working strategy, and several proposed measures will be issued later in 2021. It plans to make remote working a permanent option for employees after the COVID-19 pandemic ends. Highlights include:

- Establish three pillars and supporting initiatives that aim to create a conducive environment for remote working; develop and leverage a remote work infrastructure; and build a remote work policy and guidance framework.
- Promote the advantages of remote working to private sector employers, including advice on training and skills needed.
- Propose legislation to grant employees the right to request remote working.
- Introduce a code of practice on the rights of employees to disconnect from their work during nonworking hours and holidays — covering phone calls, emails and switch-off time.
- Provide remote working guidance to employers and employees on an ongoing basis. The strategy highlights the need for quantitative evidence of employers adopting remote work solutions outside of the COVID-19 pandemic.
- Review tax arrangements applicable to remote working, in particular with regard to employees and employers.
- Establish a cross-departmental knowledge base on the costs and benefits of remote working, including the impact on employment, equality considerations, transport, carbon emissions and broadband provisions.
- Map commuter patterns, skills and childcare facilities to better inform decision making about remote working hub developments, and a commitment to “significant investment” in the expansion of remote work facilities.
- Mandate that public sector employers achieve an average of 20% home and remote working. The strategy recognizes the difficulties faced by some sectors, such as healthcare.

Resources joanna.o'riordan@mercer.com
[GRIST](#), 2 Feb 2021

Ireland (upcoming effective date)

Development **Wealth**

- [Ireland updates auto-enrolment pension system implementation](#) — Key date: Expected by 2022

Israel (upcoming effective date)

Development **Career**

- [Gender pay gap reporting expanded](#) — Key date: 1 Jun 2022

Netherlands (new)

Status  Currently effective

Development **Career — Wealth**

Early retirement scheme with tax breaks allowed

Effective 1 Jan 2021, eligible employees can agree with their employers to retire up to three years before the normal state pension age, under an act that passed parliament on 12 Jan 2021, with retroactive effect. Under the new law, employers pay eligible employees an early retirement payment but are not liable to pay the early retirement levy (RVU), which is currently 52% of the termination amount. These measures implement some of the pension reforms included in the “Pensioennakkoord,” agreed to in 2019 by the social partners and government. Highlights include:

- Eligible employees can retire up to three years before they reach the state pension age. The current state pension age is 66 years and four months, but it will increase by three months in both 2022 and 2023. From 2024 to 2027, the state pension age will be 67.
- Employers and employees have five years (from 1 Jan 2021 until 31 Dec 2025) to agree on an early retirement scheme, in writing. The scheme can last for up to three years — for instance, until 31 Dec 2028 for schemes that will start in 2025.
- The early retirement benefit must not exceed the gross net monthly state pension benefit paid to a single person — in 2021, the maximum gross monthly payment is €1,847. Employers must withhold payroll tax on payments, and they have the option to make a lump sum payment to employees — for 2021, this would be €22,164 if the employee was terminated on 1 Jan 2021 and will reach the state pension age on 1 Jan 2022.
- Employers are liable to pay the RVU levy if scheme payments are made to employees younger than the eligible state pension age, or if the payments exceed the monthly state benefit. In such cases, the employer pays the RVU levy on the excess amount.

Resources pavel.der.kinderen@mercer.com
[GRIST](#), 8 Feb 2021

Netherlands (new)

Status  Consultation is open until 12 Feb 2021

Development **Wealth**

Pension reform consultation published

The government has issued proposals aimed at implementing the pension reforms outlined in the Framework Memorandum on the Elaboration of the Pensions Agreement. The proposals could be subject to further change, but employers are already considering the implications of switching to defined contribution (DC) plans, and steps to maintain parity between different generations of employees. Highlights include:

- Individuals who join pension plans on or after 1 Jan 2026, would be enrolled on a DC basis, with a fixed contribution rate unrelated to their age. Two types of DC contracts would be offered.
- A deadline of 31 Dec 2021 would apply to the introduction of new insurance-based defined benefit (DB) pension plans, and the change of DB plans currently financed by a pension fund to new age-related DC schemes.
- Members could remain in DB plans financed through an insurance contract, or DC plans that include an age-related scale, after 31 Dec 2025. They could continue to earn future pension benefits on the basis of an age-related DC scheme until they leave their job, but DB promises must change to DC status (this can be age-related) for periods of employment after 31 Dec 2025. New employees hired after 31 Dec 2025 would only be allowed to join a DC flat rate scheme.
- Contributions would be capped, in principle, at 30% of the pensionable salary through 31 Dec 2036. The cap would increase by 3% to 33% during this period.
- DB rights accrued in pension funds (but not insured plans) would need to, in principle, be converted into the new pension contract.
- Social partners would be the parties to the new pensions contract and would have to decide on the applicable transitional arrangements by 1 Jan 2024.
- Pension providers — including all pension funds — would have to file an implementation and communication plan by 1 Jul 2024 that specifies how each plan would comply with the new rules.
- Funding rules for pension's funds have been relaxed to ease transition to the new pension contracts.

Resources pavel.der.kinderen@mercer.com
[GRIST](#), 26 Jan 2021

Oman (new)

Development **Health**

- [Oman issues implementation rules for new health insurance scheme](#) — Key date: Effective date is not known

Russia (new)

Status  **Currently effective**

Development **Health — Wealth**

Pension, social insurance rates for eligible technology companies reduced pension, social insurance and medical contribution rates took effect on 1 Jan 2021 for eligible IT and technology companies. The new rates are compulsory pension insurance (6% down from 8%), compulsory social insurance (1.5% down from a maximum 2%), and compulsory medical insurance (1.8% down from 2%). The accident insurance contribution rate remains unchanged.

Resources [Federal law of 31 July 2020, 2020 N 265-FZ \(Russian\) \(Government\)](#)

Russia (new)

Status  Currently effective

Development **Career**

Revised labor code allows for remote working options

Employers and employees now have more options to work remotely under labor code revisions effective 1 Jan 2021. Previously, the code allowed for remote working only if employees worked on a permanent basis anywhere other than the employer's office by using the internet. Highlights include:

- Employees can alternate remote working with work at a fixed location on a permanent or temporary basis, subject to the agreement of the employer and the employee. Temporary periods of remote working are capped at six months. Employees may alternate remote working with periods of working in a fixed location.
- Collective agreements and company policies govern the applicable working conditions, such as working hours, circumstances that require temporary office attendance, and the procedures used by permanent employers to request leave.
- Employers cannot reduce the salary of a worker on the basis of remote working and should provide remote employees with the equipment necessary to perform their work.
- Contracts and other employment-related documentation must be signed using electronic signatures.
- Additional grounds for dismissing remote workers are included in the revised code, and employers are no longer able to introduce new reasons for dismissing remote workers.
- Employers can require employees to work remotely if there is an emergency situation — such as a pandemic — by issuing an internal company policy listing the employees who are temporarily required to do so. Employers do not have to seek an employees' consent to make the change, but employees who are unable to work remotely due to reasons beyond the control of the employer and employee would be given time off and paid two-thirds or more of their normal salary.

Resources [GRIST](#), 14 Jan 2021

Spain (upcoming effective date)

Development **Career**

- [Gender equality, pay transparency laws published](#) — Key date: 7 Mar 2021

Sweden (new)

Status  Currently effective

Development **Career — Wealth**

Age for employees to begin pension accrual reduced

Younger employees will begin to accrue benefits under the SAF-LO Collective Pension Insurance scheme starting in 2021. This scheme applies to private sector manual labor workers in companies subject to a collective agreement. Under the old scheme, employers made premium contributions for employees from 25 years to 65 years of age, but from 2021, the entry age will be reduced to 24. The age threshold will further reduce to 23 in 2022, and to 22 in 2023. The upper age (65 years) remains unchanged.

In 2021, employers should have included employees aged 24 in the calculation of their prepayment of contributions to the pension administrator.

Resources richard.bjaernehall@mercer.com
[GRIST](#), 1 Feb 2021

Turkey (upcoming effective date)

Development **Career — Health**

- [Date to re-enroll in auto-enrollment pension postponed](#) — Key date: 2022

UK (new)

Status  **Currently effective**

Development **Career**

Government drops post-Brexit review of EU employment rights

The business secretary confirmed in a recent interview the government's decision not to carry out a post-Brexit review of UK employment rights which are based on EU law — previously, the government had said it would look at revising working time rules, consultation rights in the transfer of undertakings and mass layoffs, agency workers' rights, and discrimination awards. Furthermore, under the terms of the EU/UK Trade and Cooperation Agreement (TCA), the UK must not reduce worker protection based on EU law as of 31 Dec 2020 — a government review of such employment rights could put the UK in breach of the TCA.

Resources [Interview](#) (ITV, 27 Jan 2021); [GRIST](#), 11 Jan 2021

UK (new)

Status  **Currently effective**

Development **Career — Health**

Employers urged to address domestic abuse

A government report recommends that employers should implement, where possible, policies to address domestic abuse, train workplace “champions” to recognize abuse, and put in place other support measures. The report follows a review in summer 2020, and increased incidence of domestic abuse during the COVID-19 pandemic. A government working group comprising employers, unions and other stakeholders will be established to drive best practices, including steps to encourage employees to disclose domestic abuse. Also, the Advisory, Conciliation and Arbitration (ACAS) Service has updated its guidance on working from home during the pandemic to include a new section on domestic violence and abuse.

Resources [Workplace support for victims of domestic abuse](#) (Department for Business, Energy & Industrial Strategy, 14 Jan 2021)
[Working from home during the coronavirus pandemic](#) (ACAS, 5 Jan 2021)

UK (new)

Status  **Awaiting Royal Assent**

Development **Wealth**

UK Pension Schemes Bill 2019-2021 approved by parliament

The UK parliament has approved the pension schemes bill, which now awaits Royal Assent. The bill sets out new powers for the pensions regulator, introduces governance requirements for climate change, and establishes frameworks for collective defined contribution schemes and pensions dashboards.

Resources katie.bromley@mercer.com
[Pension Schemes Bill \[HL\] 2019-21 \(Government\)](#)

UK (upcoming effective date)

Development **Career**

- [National living wage, national minimum wage rates increased](#) — Key date: April 2021
- [Government postpones off-payroll working start date](#) — Key date: 6 Apr 2021

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