

Law and Policy Group

Global Legislative Update

By Stephanie Rosseau and Fiona Webster
June 2021



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	1
2. Global	4
3. Americas.....	7
4. Asia Pacific	26
5. Europe, Middle East and Africa (EMEA).....	36

1

Highlights

Global	
COVID-19 pandemic	Countries take action to address workplace issues as result of the COVID-19 pandemic
Remote working	‘Milestone’ agreement signed with global union federation Countries address remote working issues
Americas	
Argentina	Seven-step minimum wage increase announced
Bermuda	Employment and labor laws revised
Canada	Relief for pension and deferred salary leave plans extended Pension plan funding guidance issued
Colombia	Decree allows three years to pay missing contributions
United States	Prevailing wage rule for foreign workers delayed President, lawmakers seek to reverse ESG investing, proxy rules Gender discrimination position clarified Major bipartisan reform legislation revived Employment eligibility verification compliance flexibility extended Federal and state legislative initiatives to prohibit hairstyle discrimination Federal and state legislative initiatives to increase the minimum wage States, cities tackle COVID-19 paid leave Paid sick leave mandates continue to expand at state level

Americas (continued)

United States

[Resources for tracking state and city retirement initiatives](#)
[Telehealth expanded, parity requirements imposed in Arizona](#)
[Third-party payments to count towards cost sharing in Arkansas](#)
[Most drug manufacturer insulin discounts banned in Arkansas](#)
[Local paid sick leave, health coverage laws banned in Montana](#)
[Legislation to require PBM regulation in Montana](#)
[Audio-only behavioral health telemedicine allowed in Nebraska](#)
[Severance law litigation to continue in New Jersey](#)
[Paid sick leave law enacted in New Mexico](#)
[Behavioral health cost sharing banned, health premium surtax raised in New Mexico](#)
[Minimum hourly wage to progressively increase to \\$15 in Rhode Island](#)
[Pharmacy benefits manager requirements increased in Tennessee](#)

Asia Pacific

Australia

[Pension reform regulations proposed](#)
[Employment measures included in Budget 2021-22](#)
[Employer-provided car parking fringe benefit guidance issued](#)
[Regulator consults on remuneration guidance](#)

China

[Basic pension payments raised by 4.5%](#)
[Basic medical insurance for employees to be improved](#)
[Three children policy announced](#)

Hong Kong

[Consultation issued on corporate governance changes, diversity and ESG](#)
[Anti-harassment law for breastfeeding enacted](#)

India

[Maximum life insurance benefit increased](#)

Malaysia

[Updated corporate governance code includes gender board quotas and ESG considerations](#)

Asia Pacific (continued)	
Singapore	<u>CPF contribution increases to take effect in 2022</u>
Europe, Middle East and Africa (EMEA)	
European Union (EU)	<u>Workers can use EU law to make equal pay claims</u>
Austria	<u>Remote working measures enacted</u>
Belgium	<u>Company car tax treatment for zero emission vehicles announced</u>
France	<u>Government confirms renewal of tax free Macron Bonus scheme</u>
Germany	<u>Works councils' rights expanded, artificial intelligence and remote work addressed</u>
Ireland	<u>Consultation on fees paid for by pension schemes</u>
Isle of Man	<u>Guidance on expenses and benefits-in-kind issued</u>
Kenya	<u>Parents adopting children entitled to leave</u>
Netherlands	<u>Pension plan reforms delayed</u>
Norway	<u>Remote working regulations consultation</u>
Poland	<u>Remote work legislation proposed</u>
Saudi Arabia	<u>Public health providers added to insurance networks</u>
Spain	<u>Rights for delivery workers using digital platforms and information on AI use provided</u>
United Kingdom (UK)	<u>Annual funding statement issued by Pensions Regulator</u> <u>Consultation on simpler annual benefit statement for some defined contribution schemes</u> <u>Employment-related legislative priorities outlined in Queen's Speech</u>

2 Global

Coronavirus (COVID-19) pandemic

Status  Ongoing initiatives

Development **Career — Health — Wealth**

Countries take action to address workplace issues as result of the 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)

Remote working (new)

Status  Currently effective

Development [Career](#)

‘Milestone’ agreement signed with global union federation

In March 2021, the Renault Group and global manufacturing union IndustriALL, signed an agreement addressing the principles applicable to remote working arrangements. The agreement applies to Renault’s global operations, and is an addendum to its global framework agreement with IndustriALL on worldwide minimum employment conditions. Unions and management will be required to decide on local implementation details, and locations that do not have employee representation arrangements will have to incorporate details into their workplace policies. IndustriALL hailed the agreement as an “important milestone” that it would like other companies to follow, and confirmed its intention to finalize similar arrangements with other industry sector unions it represents.

Resources [GRIST](#), 12 May 2021

Remote working

Status  Ongoing initiatives

Development [Career](#) — [Health](#) — [Wealth](#)

Countries address remote working issues

Remote working has become more of a permanent feature of the workplace for many employees and employers around the world — driven by measures introduced in many countries to address the effects of the COVID-19 pandemic. Remote working poses challenges and considerations for employers when devising or adjusting their policies. These include defining remote work and eligibility criteria, hybrid working arrangements, employee engagement, performance, cybersecurity, health and safety, the right to disconnect, employees who want to relocate to a different country or state, and returning remote workers to the workplace post-pandemic. Recently, several jurisdictions have introduced remote working legislative measures for after the pandemic that clarify employer and employee requirements, and others are expected to follow suit. To help employers consider the issues connected with remote working, Mercer is providing analysis and links to general information about ongoing remote working rights and trends in some countries sourced from Marsh McLennan, organizations, government websites, third-party resources and news articles.

Resources [Roundup: Employer resources on remote working rights/trends](#) (Mercer, regularly updated)

3

Americas

Argentina (new)

Status  **Currently effective**

Development **Career**

Seven-step minimum wage increase announced

The Ministry of Labor, Employment and Social Security announced on 5 May 2021 a seven-step increase to the monthly and daily minimum wage rates. The increases aim to address the economic impact of inflation on employees. The first two increases are backdated to 1 April and 1 May 2021 and the remainder of the dates are 1 Jun 2021, 1 Jul 2021, 1 Sep 2021, 1 Nov 2021, and 1 Feb 2022.

Resources graciela.magonza@mercermarshbeneficios.com
[Resolucion 4/2021](#) (Spanish) (Official Bulletin)

Argentina (upcoming effective date)

Development **Career**

- [Remote working rights post COVID-19 pandemic clarified](#) — Key date: 90 days after pandemic ends

Bermuda (previously covered, newly effective)

Status  Currently effective

Development **Career — Health**

Employment and labor laws revised

Changes to Bermuda's employment and labor laws took 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 do not have to work one year 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 (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 — Wealth**

Relief for pension and deferred salary leave plans extended

The Department of Finance has announced a one-year extension of draft regulations, initially released on 2 July 2020, that provides relief measures for registered pension plans (RPPs) and deferred salary leave plans (DSLPs). The proposed extended temporary changes to the registration rules and other conditions in the income tax regulations include adding temporary “stop-the-clock” rules to DSLPs from 15 Mar 2020 to 30 Apr 2022; removing restrictions that prohibit RPP administrators from borrowing money; permitting catch-up contributions to RPPs by 30 Apr 2022 for contributions that had not been made in 2020 or 2021; waiving the requirement that an employee have at least 36 months of employment to qualify for an “eligible period of reduced pay” so that all employees receive unreduced pension coverage; and in cases of wage rollback periods, allowing employers to provide pension contributions at 100% of wages prior to the rollback.

Resources marie-helene.gagne@mercer.com

[Government extends relief for registered pension plans and deferred salary leave plans](#) (Department of Finance, 20 May 2021); [Proposed amendments to the income tax regulations \(COVID-19 relief for pension plans and deferred salary leave plans\)](#) (Department of Finance, May 2021); [Backgrounder: Relief measures for registered pension plans and deferred salary leave plans](#) (Department of Finance, 20 May 2021)

Canada (new)

Status  **Currently effective**

Development **Wealth**

Pension plan funding policy guidance issued

The Canadian Association of Pension Supervisory Authorities (CAPSA) has published Guideline No. 7: Pension Plan Funding Policy Guideline (revised) in English and French. The Guideline is intended to provide guidance on the development and adoption of funding policies for pension plans that provide defined benefits or target benefits. The guideline was originally published in 2011, and in November 2020, a draft revised guideline was issued for comment.

Resources jean-francois.poirier@mercer.com
[Guideline No. 7 — Pension plan funding policy guideline](#) (CAPSA, May 2021)

Canada (upcoming effective dates)

Development **Career**

- [Revised pay equity transparency measures issued](#) — Key date: 2021 reporting period (1 June 2022)

Wealth

- [Related party investment compliance deadline approaching](#) — Key date: 1 Jul 2021

Colombia (new)

Status  **Currently effective**

Development **Wealth**

Decree allows three years to pay missing contributions

From 1 Jun 2021, employers and employees in Colombia have 36 months to pay missing contributions from April and May 2020 to the general pension system under measures featured in Decree 376 of 9 Apr 2021. The publication of the decree follows a constitutional court judgment (C-258 of 2020) that had declared Decree 558 of 2020 unenforceable. That decree allowed employers and employees to reduce the amount of pension contributions from 16% to 3%, calculated on the Contribution Base Income to address the economic impact of COVID-19. Employers and employees must now pay the missing contributions by 31 May 2024 without penalties — employers pay 75% and employees pay 25%. Employers must inform their employees about the deductions, but they do not have to seek their prior authorization. Employers must also pay missing contributions with respect to employees who are no longer employed by them, with the former employee paying their 25% contribution.

Resources liliana.murillo@mercer.com and david.cuervo@mercer.com
[Decree 376](#) (Spanish) (Labor Ministry, 9 Apr 2021)

Colombia (upcoming effective date)

Career

- [Electronic payroll requirement introduced](#) — 1 Jul 2021

US (new)

Status  **Effective date is delayed until 14 Nov 2022**

Development **Career**

Prevailing wage rule for foreign workers delayed

The Department of Labor (DOL) has announced an 18-month delay in the effective date of the final rule, “Strengthening Wage Protections for the Temporary and Permanent Employment of Certain Aliens in the United States” — until 14 Nov 2022. The rule will affect employers seeking to employ foreign workers on a permanent or temporary basis through certain immigrant visas or through H-1B, H-1B1 and E-3 non-immigrant visas. DOL says the delay will allow time to consider the rule’s legal and policy issues thoroughly, and to compute and validate prevailing wage data covering specific occupations and geographic areas, complete necessary system modifications, and conduct public outreach.

Resources [Strengthening wage protections for the temporary and permanent employment of certain immigrants and non-immigrants in the United States: Delay of effective and transition dates](#) (Federal Register, 13 May 2021); [Strengthening wage protections for the temporary and permanent employment of certain aliens in the United States](#) (Federal Register, 14 Jan 2021)

US (new)

Status  **Under consideration**

Development **Wealth**

President, lawmakers seek to reverse ESG investing, proxy rules

President Biden and congressional Democrats are moving to overturn Trump-era rules intended to make environmental, social and corporate governance (ESG) investing and proxy voting more difficult. A new executive order (EO 14030) on climate-related financial risk directs the Department of Labor to quickly consider rescinding, suspending or amending two controversial 2020 regulations for fiduciaries selecting plan investments and exercising proxy and other shareholder rights. On the same day President Biden issued the EO, Senate and House Democrats introduced legislation to let ERISA-governed retirement plans consider ESG factors.

Resources brian.kearney@mercer.com, margaret.berger@mercer.com and geoff.manville@mercer.com
[GRIST](#), 25 May 2021

US (new)

Status  Currently effective

Development **Career — Health**

Gender discrimination position clarified

The US Department of Health and Human Services (HHS) has announced that the Office for Civil Rights (OCR) will interpret and enforce the Affordable Care Act (ACA) Section 1557 and Title IX's prohibitions on discrimination based on sex to include discrimination on the basis of sexual orientation and gender identity.

Section 1557 prohibits discrimination on the basis of race, color, national origin, sex, age, or disability in health programs and activities that receive federal funds. The Trump administration, in 2020, rolled back and replaced the more expansive Section 1557 rule from 2016. HHS is now clarifying its position, though it's unclear if the agency will propose any changes to the rule, which is subject to ongoing litigation. The update was made in light of the U.S. Supreme Court's Title VII decision in *Bostock v. Clayton County* and later lower court Title IX decisions holding that sex discrimination includes discrimination because of sexual orientation and gender identity.

While Section 1557 applies to a narrow group of entities, employers may want to review gender-related limitations and exclusions in their health plans that could raise questions under the law or the *Bostock* holding, with an added focus on mental health parity.

Resources catherine.stamm@mercer.com

[HHS announces prohibition on sex discrimination includes discrimination on the basis of sexual orientation and gender identity](#) (HHS, 10 May 2021)

US (new)

Status  Proposal

Development **Wealth**

Major bipartisan retirement reform legislation revived

Wide-ranging retirement reform legislation aims to expand plan coverage, boost savings, increase lifetime income options and support defined benefit pension plans. Introduced 21 May 2021 by Sens. Ben Cardin, D-MD, and Rob Portman, R-OH, the Retirement Security and Savings Act of 2021 (S 1770) revives a bill from the last Congress. The measure also shares many provisions with a major House bill — the Securing a Strong Retirement Act of 2021 (HR 2954) — unanimously approved by the Ways and Means Committee earlier this month. The Senate Finance Committee, on which Cardin and Portman sit, will likely consider and approve the Cardin-Portman bill this year. Broad bipartisan support for the “SECURE 2.0” reforms in both the House and Senate bills suggest a good chance for enactment of a final package at some point, although timing and procedural challenges cloud the outlook for action this year.

Resources margaret.berger@mercer.com; brian.kearney@mercer.com; and geoff.manville@mercer.com
[GRIST](#), 28 May 2021

US (new)

Status  Currently effective

Development **Career**

Employment eligibility verification compliance flexibility extended

The Immigration and Customs Enforcement (ICE) recently announced that the flexibilities in rules related to the Employment Eligibility Verification (Form I-9) compliance will be extended until 31 Aug 2021. Employees hired on or after 1 Jun 2021 who work exclusively in a remote setting due to COVID-19-related precautions are temporarily exempt from the Form I-9 physical inspection requirements until they undertake non-remote employment on a regular, consistent, or predictable basis.

Resources [ICE announces extension, new employee guidance to I-9 compliance flexibility](#) (ICE, 26 May 2021)

US — Federal and state

Status  Ongoing initiatives

Development **Career**

Federal and state legislative initiatives to prohibit hairstyle discrimination

The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the US aims to prohibit discrimination based on natural hair texture or hairstyles that are normally associated with race, such as braids, locs, twists, curls, cornrows, afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Nine states have already passed CROWN Acts (California, Colorado, Connecticut, Delaware, Maryland, New Jersey, New York, Virginia and Washington); many others are considering legislation, and federal legislation is also being considered. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and in compliance with federal, state and local laws, Mercer is providing analysis and compiling resources from organizations, government websites, third-party resources and news articles.

Resources [Roundup: US employer resources on hairstyle nondiscrimination laws](#) (Mercer, 5 May 2021)

US — Federal and state

Status  Ongoing initiatives

Development **Career**

Federal and state legislative initiatives to increase the minimum wage

On 27 Apr 2021, President Biden issued an executive order requiring federal contractors to pay a \$15 hourly minimum wage to workers on federal contracts starting 30 Jan 2022, for new contract solicitations — and by 30 Mar 2022, for new contracts. On 22 Jan 2021, President Biden issued an executive order asking the director of the Office of Personnel Management to provide recommendations on promoting a \$15/hour minimum wage for federal employees. On 26 Jan 2021, House and Senate Democrats introduced the Raise the Wage Act of 2021 to progressively increase the minimum wage to \$15/hour by 2025. Several states have taken action to gradually increase the minimum wage to \$15/hour for most employees. To help employers prepare and address related issues, Mercer is providing analysis and compiling to federal and state resources from organizations, government websites, third-party resources and news articles.

Resources [Roundup: US employer resources on minimum wage increases](#) (Mercer, 25 May 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. Mercer has provided 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](#), 2 Jun 2021

US — States

Status  Currently effective

Development **Career — Health**

Paid sick leave mandates continue to expand at state level

Colorado and New York are the latest states to enact laws requiring employers to provide accrued paid leave. Beginning in 2021, Colorado requires most employers to provide employees with one hour of paid sick leave for every 30 hours worked. New York required the same accrual rate beginning 30 Sep 2020 for paid sick leave to use in 2021. These mandates are just the latest among a growing number of states requiring employers to provide paid sick and other accrued leave for employees. Mercer details provisions of these laws in each jurisdiction.

Resources katharine.marshall@mercer.com and catherine.stamm@mercer.com
[GRIST](#), 8 Feb 2021

US — States, cities (new)

Status  Effective dates vary

Development **Wealth**

Resources for tracking state and city retirement initiatives

This article summarizes state and city retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. This listing will be updated periodically and may not always reflect the latest developments in every state.

Resources [GRIST](#), 18 May 2021

US — Arizona (new)

Status  Currently effective

Development **Health**

Telehealth expanded, parity requirements imposed

Recently signed Arizona legislation (Ch. 320, HB 2454) expands telehealth coverage and mandates provider reimbursement parity effective immediately. The measure allows audio-only telehealth services for mental health and substance use disorder treatment. Audio-only technology also may be used for patients and providers with an established relationship if audio-visual equipment isn't available. Patients can access telehealth services from any location.

Under the new law, insurers must pay provider reimbursements for telehealth at the same level as in-person services and can't limit telehealth coverage — including for ancillary services — for otherwise covered benefits. Insurers can't require health care providers to use a particular telehealth program as a condition of network participation. In addition, any provider documentation and recordkeeping obligations can't be more stringent than for in-person treatment.

The Telehealth Advisory Committee, established as part of the new law, will determine telehealth best practices, including potentially further expanding audio-only treatment.

Resources catherine.stamm@mercer.com

[HB 2454](#) (Government)

US — Arkansas (new)

Status  **Health plans issued or renewed on or after 1 Jan 2022**

Development **Health**

Third-party payments to count toward cost sharing

A new Arkansas law (HB 1659, Act 965) requires health insurers to apply third-party payments to the covered individual's cost-sharing obligations. The requirement also applies to pharmacy benefits managers, but does not apply to a brand-name drug that the prescriber does not deem medically necessary if a medically appropriate generic prescription drug equivalent is available. Though the stated intent is to save patients money at the pharmacy counter, the text appears to apply to all health plan cost sharing, not just prescription drugs. Regulators may need to clarify. The new mandate applies to health plans issued or renewed on or after 1 Jan 2022, but excludes stand-alone dental and vision plans. The law calls for state insurance regulators to develop rules to implement the new law.

Resources catherine.stamm@mercer.com
[HB 1569, Act 965 \(Legislature\)](#)

US — Arkansas (new)**Status**  **Beginning 1 Jan 2022****Development** **Health****Most drug manufacturer insulin discounts banned**

A new Arkansas law (HB 1709, Act 1104) will prohibit pharmaceutical drug manufacturers that sell insulin in the state from providing coupon cards and other discounts for insulin products except to end users in the form of discount coupon cards. Banned discounts include price concessions, rebates, and assorted fees paid by the manufacturer. The legislation adds the new section to the state's consumer protection law (Ark. 4-86). The state attorney general is authorized to investigate potential violations and bring suit against pharmaceutical manufacturers that fail to comply. A Maryland law that sought to regulate certain drug manufacturers' activity was struck down in 2018 when the 4th US Circuit Court of Appeals ruled the Maryland law essentially regulated trade beyond the state's borders and therefore violated the US Constitution (*Assoc. for Accessible Meds. v. Frosh*, No. 17-2166 (4th Cir.13 Ap 2018)). It's unclear if the Arkansas law would withstand a similar challenge.

Resources catherine.stamm@mercer.com
 HB 1709, [Act 1104](#)

US — Montana (new)**Status**  **Proposal****Development** **Career — Health****Local paid sick leave, health coverage laws banned**

Under recent Montana legislation (SB 301), a political subdivision may not enact, administer, or otherwise require an employer to provide employees with a wage or employment benefit that is not required by state or federal law. As local jurisdictions in many states have enacted paid sick leave mandates or health care expenditures, some states have passed laws prohibiting these local ordinances. The Montana law does not apply to a political subdivision's wage or employment benefits for its own employees.

Resources catherine.stamm@mercer.com
[SB 301](#) (Legislature)

US — Montana (new)

Status  1 Jan 2022

Development **Health**

Legislation to require PBM regulation

The Montana Pharmacy Benefit Manager Oversight Act (SB 395) will establish pharmacy benefit managers (PBM) licensure requirements; prohibit certain PBM practices; require transparency and maximum allowable cost (MAC) reporting; and mandate network adequacy standards.

The measure will require licensing for PBMs providing services for residents enrolled in health plans and multiple employee welfare arrangements (MEWAs) in the state. Mandatory disclosures to insurers and plan sponsors will include certain rebates and fees received, exclusivity arrangements, utilization data and claim information. Annual reports also will be due to state regulators with additional information.

Resources catherine.stamm@mercer.com
[SB 395](#) (Legislature)

US — Nebraska (new)

Status  **Currently effective**

Development **Health**

Audio-only behavioral health telemedicine allowed

Nebraska has amended its telehealth law (§44-312) to allow certain audio only treatment. The amendments (LB 400) expand the definition of telehealth to include audio-only services for individual behavioral health services for an established patient, when appropriate, or for crisis management and intervention. Health insurers in the state cannot deny coverage for the service solely because it is audio-only or originating from any location where the patient is located. The measure also eases consent requirements, allowing patients to give verbal consent during the telehealth consultation, followed within ten days by paper or electronic signature that becomes part of the patient's medical record.

Resources catherine.stamm@mercer.com
[LB 400](#) (Legislature)

US — New Jersey (new)

Status  Ongoing litigation

Development [Career](#)

Severance law litigation to continue

A federal court in New Jersey has denied the state's motion to dismiss a case seeking to halt implementation of its 2020 severance mandate. (*The ERISA Industry Committee v. Robert Asaro-Angelo*, case number 3:20-cv-10094). Under the law (Ch. 423, SB 3170), laid off employees — including part-time workers — are entitled to severance pay of one week for each full year of employment. Employers who provide employees with fewer than 90 days' notice must pay an additional four weeks of wages. The ERISA Industry Committee complaint notes that employers must establish an ongoing administrative program to continuously monitor all New Jersey terminations to determine when severance benefits must be paid. Such an employee benefit program is subject to ERISA, and the state law, because it relates to an ERISA plan is preempted.

Resources catherine.stamm@mercer.com

[Order](#) (USDC for the District of New Jersey, 20 May 2021) and [GRIST](#), 25 Feb 2020

US — New Mexico (new)

Status  Effective 1 Jul 2022

Development **Career — Health**

Paid sick leave law enacted

New Mexico's new paid sick leave law (2021 Ch. 131, HB 20) takes effect 1 Jul 2022. The Healthy Workplaces Act will require employers to provide employees working in the state — including part-time, seasonal or temporary workers — at least one hour of earned sick leave for every 30 worked, up to a maximum of 64 leave hours per year. The law applies to employers with at least one employee who works in the state, but exempts the state and any political subdivision.

The New Mexico mandate includes many of the same provisions and conditions as other states' paid sick leave laws. Multistate employers should review New Mexico's law to help them plan coordination with their existing paid leave policies and other states' mandates. While employers providing the same amount of time for the same uses don't have to add more hours, the state's notice and posting requirements may apply. Upcoming regulations may provide additional detail.

Resources catherine.stamm@mercer.com and katharine.marshall@mercer.com
[GRIST](#), 19 May 2021

US — New Mexico (new)

Status  Beginning 1 Jan 2022

Development **Health**

Behavioral health cost sharing banned, health premium surtax raised

Beginning 1 Jan 2022, New Mexico will prohibit patient cost sharing for behavioral health services in all group health coverage under recently enacted legislation (Ch. 136, SB 317). The ban extends to treatment, habilitation, prevention and identification of mental illnesses, substance abuse disorders and trauma spectrum disorders. The scope of covered services include inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, and all medications, including brand-name pharmacy drugs when generics are unavailable. The cost-sharing ban is set to sunset on 1 Jan 2027.

Gov. Grisham announced the law also imposes a 3.75% health insurance premium surtax, increased from 1% the state's existing surtax, to fund a new Health Care Affordability Fund. The new fund will be used to reduce health care premiums and cost sharing for New Mexico residents who purchase health care coverage on the state's health insurance exchange; reduce premiums in the small group market; and pay for other state health care coverage initiatives for uninsured New Mexico residents.

Bulletin 2021-007 seeks to clarify the legislation (Ch. 136, SB 317) for high-deductible health plans (HDHPs) paired with a health savings account (HSA). First-dollar mental health treatment in an HDHP, as required under SB 317, would prevent HSA contributions under federal law. The bulletin notes that due to "New Mexico public policy," the "language in a statute should not be applied literally" because of conflicts with existing state laws. Therefore, New Mexico insurers should consider HSA-qualified HDHPs to be exempt from the behavioral health first-dollar coverage.

Resources catherine.stamm@mercer.com

[SB 317 \(Legislature\)](#); [Bulletin 2021-007 \(New Mexico Office of the Superintendent of Insurance, 13 May 2021\)](#)

US — Rhode Island (new)

Status  **Beginning to progressively increase as of 1 Jan 2022**

Development **Career**

Minimum wage to progressively increase to \$15

Rhode Island's governor recently signed legislation that will increase the minimum wage to \$12.25 as of 1 Jan 2022 and then it will progressively increase to \$15 by 1 Jan 2025.

Resources [Governor McKee signs legislation raising the minimum wage in Rhode Island](#) (Government, 20 May 2021); [Roundup: US employer resources on minimum wage increase](#) (Mercer, 25 May 2021)

US — Tennessee (new)

Status  **Effective 1 Jul 2021**

Development **Health**

Pharmacy benefits manager requirements increased

Legislation (HB 1398) has been enacted that prohibits a pharmacy benefits manager (PBM) from interfering with a patient's right to choose a pharmacy, including through inducement, steering, or offering financial or other incentives. In addition, a covered individual must have the option to receive covered drugs and devices from a physician's office, hospital outpatient infusion center providing and administering the drug, or pharmacy without additional cost sharing or limitations.

The measure bars a PBM from charging the health plan more than it pays a contracted pharmacy for a prescription drug or device and to obtain prescription drugs, including specialty drugs. The bill also imposes on PBMs a fiduciary responsibility to report to the health plan and the patient any benefit percentage that either are entitled to as a benefit. The measure imposes on the health plans an obligation, on request, to provide to covered individuals or their health care providers certain prescription drug cost, benefit, and coverage data. The provisions will be added to the state's existing PBM law (§56-7-3101 et seq.) effective 1 July.

Resources catherine.stamm@mercer.com
[HB 1398](#) (Legislature)

US (upcoming effective dates)

Development **Career**

- [Voters approve \\$15 minimum wage in Florida](#) — Key date: 3 Sep 2021
- [California requires board director from underrepresented communities](#) — Key date: 31 Dec 2021
- [Cost sharing for insulin restricted in Kentucky](#) — Key date: 1 Jan 2022
- [Tight exemption timeline to long-term care law added](#) — Key date: 1 Jan 2022
- [Washington state requires gender diverse boards](#) — Key date: 1 Jan 2022
- [Federal contractors will be required to pay \\$15 minimum hourly wage](#) — Key date: 30 Jan 2022
- [Equal pay, workplace diversity disclosure laws enacted in Illinois](#) — Key date: 1 Jan 2023

Career — Health

- [Paid family and medical leave contributions in Oregon begin in 2022](#) — Key date: 1 Jan 2022
- [Paid sick leave legislation enacted in New Mexico](#) — Key date: 1 Jul 2022
- [Colorado voters approve paid family and medical leave](#) — Key date: 1 Jan 2023

Health

- [PBM reporting expanded to include TPA data in Arkansas](#) — Key date: 30 Jul 2021
- [Insulin cost sharing capped in Alabama](#) — Key date: 1 Oct 2021
- [Insulin cost sharing limited in Oklahoma](#) — Key date: 1 Nov 2021
- [Third-party Rx payments to count towards cost sharing in Oklahoma](#) — Key date: 1 Nov 2021
- [Healthcare cost transparency rules and medical loss ratio changes finalized](#) — Key date: 1 Jan 2022
- [Insureds' insulin and supplies cost limited in District of Columbia](#) — Key date: 1 Jan 2022
- [Mental health parity aligned with federal mandate in Kentucky](#) — Key date: 1 Jan 2022
- [Third-party contribution legislation limits insurers' cost sharing in Kentucky](#) — Key date: 1 Jan 2022
- [Consumer privacy law enacted in Virginia](#) — Key date: 1 Jan 2023

Wealth

- [DOL finalizes electronic delivery rule for retirement plan notices](#) — Key date: 27 Jul 2021

4

Asia Pacific

Australia (new)

Status  Proposal

Development **Wealth**

Pension reform regulations proposed

Exposure draft regulations (Your Future, Your Super Regulations) have been issued. Highlights include:

- Super products will be subject to an annual investment performance test (“test”). For 2020/21, the test period will be seven years, increasing to eight in later years. Members must be notified if a product fails the test, and would be given the option to choose a different “well performing product” from the YourSuper comparison tool. Administration fees would be included in the test, and funds would be tested based on the net return, which would include representative member administration fees and costs for members with a fund balance of A\$50,000 or more. Products would fail if the annual net return over the test period underperforms the Benchmark Return by more than 0.5% per annum over same period.
- Inclusion of Australian infrastructure and unlisted property in the specific asset classes used to calculate the Benchmark Return used in the performance test.
- The YourSuper comparison tool would be issued by the Australian Taxation Office starting on 1 Jul 2021. The tool would rank products by net returns and total annual fees, and products that failed the test would be listed separately.
- The proposed regulations specify the information that must be included with Annual Member Meeting notices.
- The proposed regulations define stapled funds and provide tiebreaker rules for determining the stapled fund for employees with multiple existing funds.
- The measures prohibiting funds from offering inducements to employers would be strengthened.

Resources paul.shallue@mercer.com
[GRIST](#), 1 Jun 2021

Australia (new)

Status  Proposal

Development **Career — Health — Wealth**

Employment measures included in Budget 2021-22

The 2021 Federal Budget, announced on 11 May 2021, includes employment measures. Highlights include:

- The Superannuation Guarantee (SG) rate will increase from 9.5% to 10% on 1 Jul 2021.
- Changes to the Super system — most of which are slated to take effect on 1 Jul 2022 — include removal of the minimum monthly earnings threshold for SG (A\$450); increased flexibility for individuals to contribute to their Super and to access their housing assets; removal of the Work Test for voluntary nonconcessional and salary sacrifice superannuation contributions for individuals aged 67 to 74 years; and an increase to the amount that can be released under the First Home Super Savers Scheme — to A\$50,000 — up from A\$30,000.
- Industry levies will increase the funds for the Australian Prudential Authority to implement transparency and accountability measures under Your Future Your Super, and Super Consumers Australia to support the consumers' voice in superannuation matters.
- Health measures include A\$2.3 billion of funds to support mental health and combat suicide; increased bulk billing payments to improve rural health, which could benefit employees who work remotely; improvements to private health insurance affordability and sustainability; continuation for a further two-year period of the current income tiers for the Medicare Levy Surcharge and Private Health Insurance Rebate (and an in-depth study to review the current thresholds); and a six-month extension of telehealth services.
- A budget spending program includes measures to finance additional childcare, vocational and leadership training to support women, and a Job Trainer Fund to improve workforce skills.
- A\$17.7 billion will be allocated over a five-year period to implement the recommendations issued by the Royal Commission into Aged Care Quality and Safety. The measures include funding for 80,000 new home care packages over the next two years, and the provision of respite care and support services for informal and family carers of older Australians.

Resources darren.downie@mercer.com and paul.shallue@mercer.com
[GRIST](#), 3 Jun 2021

Australia (new)

Status  Currently effective

Development **Health**

Employer-provided car parking fringe benefit guidance issued

The Australian Taxation Office issued a briefing that outlines the conditions that must be fulfilled to create an employer-provided car parking fringe benefit. If all conditions are not satisfied, parking is exempt from fringe benefit tax. The car parking threshold is A\$9.15 per day for the tax year ending 31 Mar 2021, and \$9.25 for tax year ending 31 Mar 2022.

Resources [Car parking fringe benefits](#) (Government)

Australia

Status  Consultation is open until 23 Jul 2021

Development **Career**

Regulator consults on remuneration guidance

The Australian Prudential Regulation Authority (APRA) issued on 30 Apr 2021 a consultation on draft guidance on remuneration practices in all regulated industries that will assist entities in meeting the requirements proposed in the new prudential standard, CPS 511 Remuneration (CPS 511). Comments are invited through 23 Jul 2021, and APRA plans to finalize the guidance in the second half of 2021. The aim of CPS 511 and the guidance is to improve remuneration practices, provide stronger incentives for individuals to manage proactively risks for which they are responsible, establish appropriate consequences for poor risk outcomes, and increase the transparency and accountability on remuneration matters. The guidance will support CPS 511, providing principles and good practice examples on issues, such as defining nonfinancial measures of performance and applying a material weight to them when deciding on variable remuneration. A consultation on proposed standard CPS 511 closed in February 2021, and APRA reports that it “does not expect to make material revisions to the current proposals” before the standard comes into effect beginning in 2023.

Resources michael.moses@mercer.com

[Consultation — Draft guidance on remuneration](#) (APRA, 30 Apr 2021); [Consultation on remuneration requirements for all APRA-regulated entities](#) (APRA, 30 Apr 2021)

Australia (upcoming effective dates)

Development **Wealth**

- [Super caps, superannuation guarantee maximum contribution base increased](#) — Key date: 1 Jul 2021
- [Act approved on financial advice and fees for Super funds](#) — Key date: 1 Jul 2021
- [Superannuation pension reform measures in budget](#) — Key date: 1 Jul 2021
- [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
- [Reporting deadline extended for superannuation funds](#) — Key date: 31 Dec 2021

China (new)

Status  **Currently effective**

Development **Wealth**

Basic pension payments raised by 4.5%

China has raised retirees' basic pension payments retroactive to 1 Jan 2021 under a recent announcement issued by the Ministry of Human Resources and Social Security. The average monthly payment for pensioners from enterprises, government agencies and public institutions will increase by 4.5% from the 2020 level.

Resources

angela.li@mercer.com

[Announcement](#) (Chinese) (Ministry of Human Resources and Social Security, 1 Apr 2021)

China (new)

Status  Date of changes is not yet known

Development **Health**

Basic medical insurance for employees to be improved

To reduce employees' medical expenses, China will establish a new general support mechanism that covers outpatient medical bills under the basic medical insurance for employees, according to a circular issued on 22 April 2021 by the General Office of the State Council. Highlights include:

- Unified accounts will gradually begin to cover general outpatient medical expenses for some chronic and special diseases, as well as frequently occurring diseases and common illnesses that result in severe health damage and incur significant costs. The reimbursement ratio will start at 50% and will tilt in favor of retirees as appropriate. Insurance benefits will gradually increase as the capacity of the unified accounts increases.
- Employee contributions will remain within their individual accounts. Employer contributions will be channeled into the unified accounts. For retirees, a fixed amount will be allocated from the unified accounts to their individual accounts. The amount will be gradually adjusted to about 2% of the local average basic pension benefits in the year when the reform is enacted.
- Individual account use will be expanded. Family members may share in the individual accounts to pay for medical treatment in designated medical institutions and for the purchase of medicines, medical devices and medical consumables from designated retail pharmacies. The use of individual accounts to pay for family members' contributions to basic medical insurance for rural and urban nonworking residents will be considered.
- The supervision and management of the medical insurance funds will be strengthened, and the audit and internal control mechanisms will be refined to address fraudulent hospitalization claims and health insurance fraud.
- The provinces are required to announce implementation measures by the end of 2021, with achievement of these goals within three years or so. Guidance from the National Healthcare Security Administration and the Ministry of Finance, together with other relevant departments, is expected.

Resources angela.li@mercer.com
[GRIST](#), 1 Jun 2021

China (new)

Status  **Currently effective**

Development **Career — Health**

Three children policy announced

China will allow couples to have three children in a change announced by the CPC Central Committee, which met recently to consider policy measures aimed at addressing the aging population and at maintaining “China’s natural advantage in human resources.” According to the latest census data, people aged 60 or above accounted for 18.7% of the country’s total population in 2020 — 5.44% higher than in 2010. China implemented a one-child policy in the late 1970s, but began to phase in a two-child policy in 2013 — although the policy change has had little impact on increasing the birth rate.

Resources [China to support couples having third child](#) (Xinhua — Government news agency, 2 Jun 2021)

Hong Kong

Status  Consultation is open until 18 Jun 2021

Development **Career — Wealth**

Consultation issued on corporate governance changes, diversity and ESG

Proposals issued by the Stock Exchange of Hong Kong (HKEX) include a rule change that single gender company boards would no longer be acceptable. Companies also would be subject to a new mandatory disclosure requirement to set out numerical targets and timelines for increasing the gender diversity of their board and workforce (including senior management roles), and they would have to review annually the implementation and effectiveness of their board diversity policies. The HKEX intends to post information on companies' board diversity (including directors' ages, gender and directorships) on its website. The proposed changes feature in a consultation document on changes to the Corporate Governance Code and Corporate Governance Report issued on 16 Apr 2021; comments can be submitted through 18 Jun 2021. If agreed to, the changes would apply to financial years starting on or after 1 Jan 2022. Companies with single gender boards would have three years to appoint at least one board director from the other gender, but companies newly joining the HKEX should not have a single gender board. Currently, more than 32.9% (or 843) of companies on the HKEX do not have a female director. Additionally, the HKEX has proposed strengthening companies' disclosure on environmental, social and governance (ESG) matters, including mandatory climate-related disclosures.

Resources [Review of Corporate Governance Code and related listing rules](#) (HKEX, 16 Apr 2021); [ESG reporting guide and FAQs](#) (HKEX)

Hong Kong (previously covered, newly effective)

Status  **Effective 19 Jun 2021**

Development **Career**

Anti-harassment law for breastfeeding enacted

A law that will protect women who are breastfeeding from harassment will take effect in Hong Kong on 19 Jun 2021 — the same day that a 2020 ordinance to protect women from unlawful discrimination on account of breastfeeding becomes effective. Both laws aim to prohibit breastfeeding discrimination and harassment in several situations, including employment, education, and the provision of goods, facilities and services. The Equal Opportunities Commission has published guidance and other information on the laws, and plans to conduct workshops for stakeholders to explain the implications of the laws.

Resources [Press release](#) (Equal Opportunities Commission, 17 Mar 2021); [GRIST](#), 30 Jun 2020

India (new)

Status  **Currently effective**

Development **Health**

Maximum life insurance benefit increased

The maximum life insurance benefit paid by the Employee Deposit Linked Insurance (EDLI) plan increased on 28 Apr 2021 to INR 7, up from INR 6, the Ministry of Labour and Employment announced. A minimum benefit of INR 2.5 continues to be payable retrospectively from 15 Feb 2020. Employers covered by the Employees' Provident Fund are automatically enrolled into the EDLI, and contribute 0.5% (capped at INR 75) for each eligible employee; certain employers may be exempt from the EDLI if they provide better life insurance benefits through different schemes.

Resources shilpa.lakhi@marsh.com
[Notification](#) (Hindi) (Official Gazette, 29 Apr 2021)

India

Development **Career — Health — Wealth**

- [Labor and employment laws reformed](#) — Key date: Mid-2021

Career — Wealth

- [Top-listed companies face enhanced sustainability reporting](#) — Key date: April 2022

Malaysia (new)

Status  **Currently effective**

Development **Career**

Updated corporate governance code includes gender board quotas and ESG considerations

The Securities Commission of Malaysia recently issued a revised code on corporate governance, which includes best practices and guidance for listed companies. New improved board policies and processes, including those related to director selection, nomination and appointment are introduced. Boards that do not comprise at least 30% women directors must disclose the action it has taken or will take to and the timeframe required to do so. A reasonable timeframe is three years or less. Also, the participation of women in decision-making positions should be broadened to include members of senior management, and gender diversity policies should be established to support the participation of women on the board as well as senior management. The updated code also integrates sustainability considerations in the strategy and operation of companies. The commission notes increased stakeholder expectations with regard to various sustainability issues, such as, health and safety, data governance and privacy as well as climate action. Companies should disclose their corporate governance strategies internally and externally.

Resources [Malaysian code on corporate governance](#) (Securities Commission Malaysia, 28 Apr 2021)

Singapore (new)

Status  1 Jan 2022

Development **Career — Wealth**

CPF contribution increases to take effect in 2022

Increased contribution rates to Singapore's Central Provident Fund (CPF) for older workers will take effect on 1 Jan 2022, postponed from 1 Jan 2021 due to the impact of COVID-19. The total contribution rate will increase from 26% to 28% in respect of employees aged 55 or older, and from 16.5% to 18.5% for those aged 60 to 65. Other upcoming changes include an increased minimum retirement age (from age 62 to 63 by July 2022 for those born on or after 1 Jul 1960, and then to 65 by 2030); increased reemployment age (from age 67 to 68 in 2022 for those born on or after 1 Jul 1955, and then to age 70 by 2030). The government will support employers to implement these measures with a Senior Worker Support Package, comprising the Senior Employment Credit, the CPF Transition Offset, the Senior Worker Early Adopter Grant, and the Part-time Reemployment Grant.

Resources [Announcement](#) (CPF Board, 2 Mar 2021)

South Korea (previously covered with upcoming effective dates)

Development **Wealth**

- [ERSA pension reforms enacted](#) — Key date: 14 Apr 2022

5

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)

Status  Proposal

Development **Career**

UK workers can use EU law to make equal pay claims

UK workers can rely directly on EU law to make equal pay for work of equal value claims against their employer, the EU Court of Justice ruled in a case concerning the comparison of store-based workers with distribution center roles. The decision reinforces a ruling by the UK's Supreme Court earlier in 2021 concerning a similar comparison of roles. The ruling confirmed that the so-called EU "single source" test — where work and pay can be compared in different establishments if a single source in the employing organization has responsibility for ensuring equality — should be applied in the UK. Under EU law, the dispute will transfer to the national courts or tribunals for decision in accordance with the EU court's decision. Although the UK no longer is a member state of the EU, the EU court retains jurisdiction on these matters under the terms of the withdrawal agreement.

Resources [Press release](#) (Court of Justice of the EU, 3 Jun 2021); [Decision](#) (UK Supreme Court, 26 Mar 2021)

EU (previously covered with upcoming effective dates)

Development **Career**

- [Directive expands whistleblower protections](#) — Key date: End of 2021
- [Revised company law 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

Austria (new)

Status  Currently effective

Development **Career**

Remote working measures enacted

A remote working law took effect on 1 Apr 2021. Highlights include:

- Remote working is work done from employee's home, a secondary residence, or the home of partner or close relative.
- Remote working arrangements must be in writing, and must be agreed to by both parties. Employees do not have a right to work remotely and employers cannot require employees to work from home. Either party can terminate the agreement for good cause, subject to one month's notice.
- Employers can negotiate voluntary agreements on remote working arrangements with their works council, but remote work arrangements must still be agreed to with individual employees.
- Employers must provide remote workers with the equipment necessary for them to perform their work, including an internet connection, or pay a lump sum compensation to cover the necessary costs if employees use their own equipment or internet connection. Tax regulations — effective 1 Jan 2021 — clarify the rules applicable to the compensation payments given to remote workers for costs they incur, such as an office furniture provision, etc.
- Remote workers are subject to normal working time laws, including rest periods, and they must record their working time. Employers and remote workers can agree to adjust work schedules.
- Remote workers are liable for any damage to employer-provided work equipment. Employers' accident insurance must cover remote workers, as well as certain accidents that occur outside of the worker's home.
- Office equipment provided by the employer must meet certain ergonomic standards. The government labor inspectorate must have the remote worker's express permission to inspect a home office.

Resources [GRIST](#), 19 May 2021

Belgium (new)

Status  Effective dates vary

Development **Career**

Company car tax treatment for zero emission vehicles announced

From 2026, zero emission company cars will benefit from an initial 100% tax deduction in Belgium. The policy change was announced by the government on 18 May 2021 and provides that 100% tax deductibility applies to zero emission cars from 2026, with a gradual reduction of tax deductibility to 67.5% by 2031. The tax deduction applicable to fossil fuel company cars will gradually reduce each year between 2023 and 2028 to ensure existing contracts remain unchanged. The government will also provide tax incentives to increase the number of charging stations for electric cars.

Resources dieter.valgaerts@mercer.com
[Press release](#) (French) (Ministry of Finance, 18 May 2021)

Belgium (upcoming effective date)

Development **Wealth**

- [Blue- and white-collar pension harmonization approaches](#) — Key date: 1 Jan 2025

Denmark (upcoming effective date)

Development **Wealth**

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

France (upcoming effective date)

Development **Career — Health**

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

France (new)

Status  Currently effective

Development **Career**

Government confirms renewal of tax-free Macron Bonus scheme

The government confirmed that employers can again choose to pay a tax-free bonus capped at €1,000 to employees who earn up to three times the minimum monthly wage. In certain circumstances, employers can increase the amount of bonus paid to €2,000. The so-called “Macron Bonus” aims to boost the economy and, according to the government, was paid by employers to over six million employees in 2020 and nearly five million in 2019. Employers will need to make payments by the start of 2022, and they can be backdated to the filing of the adjusted finance bill which will incorporate the bonus measures in summer 2021.

Resources [Announcement](#) (French) (Ministry of Economy and Finance, 30 Apr 2021)

Germany (new)

Status  Expected to take effect later this summer

Development **Career**

Works councils' rights expanded, artificial intelligence and remote work addressed

The rights of works councils will be expanded, and procedures for the establishment and election of new works councils will be simplified, under measures included in the Works Council Modernization Act. The act passed parliament on 28 May 2021, and is expected to take later this summer. Highlights include:

- Simplified establishment and election procedures for works councils for employers with five to 100 employees. Companies with 101 to 200 employees can also agree to the same simplified election procedures. The requirement to obtain supporting signatures to establish works councils will be eased for companies with fewer than 20 employees. All employees aged 16 years or older will be allowed to vote in works council elections.
- Expanded protection against dismissal. Employees who campaign to establish works councils are protected from dismissal. Under current law, only election candidates and works council members are protected.
- Employers' use of artificial intelligence (AI) and the organization of mobile work. Works councils will have codetermination rights to approve how mobile work (employees working at an alternate locations) and remote working will be organized. Works councils can invite outside experts — at the employer's expense — to advise on an employer's proposed operational AI use, and must be consulted on working practices or other procedures that use AI.
- Expanded rights on vocational training provisions. Works councils can now appeal to the conciliation board for mediation if an agreement on vocational training cannot be reached with the employer.
- Continuation of virtual meetings and teleconferencing. After the COVID-19 pandemic ends, works councils can continue to meet virtually and use teleconferencing, subject to meeting certain criteria.

Resources rudolf.glekler@mercer.com
[GRIST](#), 7 Jun 2021

Germany (upcoming effective date)

Development **Health — Wealth**

- [Maximum life insurance and 'Pensionsfonds' interest rates reduced](#) — Key date: 1 Jan 2022

Ireland (new)**Status**  **Consultation is open until 22 Jun 2021****Development** **Wealth****Consultation on fees paid for by pension schemes**

Ireland's Pensions Authority (PA) has proposed changes to the fees paid to the PA by occupational pension schemes, inviting comments through 22 Jun 2021. A revised fee would be based on an asset-based levy charged to all funded schemes, and there would be a new "per scheme" fee to encourage scheme consolidation. Proposed measures will be published in the fall of 2021, and also would apply to trust Retirement Annuity Contracts and Personal Retirement Savings Accounts. A further fee review would be carried out in 2024. The current fee structure has not changed since 2002 and is based on the number of active scheme members — around €6 each member.

Resources james.campbell@mercer.com
[Consultation paper issued by the Pensions Authority](#) (Pensions Authority, 21 May 2021)

Ireland (upcoming effective date)**Development** **Wealth**

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

Isle of Man (new)**Status**  **Currently effective****Development** **Health****Guidance on expenses and benefits-in-kind issued**

The Isle of Man government published Guidance Note No. 40 on employers' tax reporting obligations for 2021 with regard to expenses and benefits-in-kind. The guidance explains employers' reporting obligations, expenses and dispensations, benefit-in-kind rules, the identification and valuation of each type of benefit, and permitted exemptions.

Resources [Expenses and benefits in kind guide 2021, Guidance Note – GN40](#) (Government)

Israel (upcoming effective date)

Development **Career**

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

Kenya (new)

Status **Currently effective**

Development **Career — Health**

Parents adopting children entitled to leave

From 15 Apr 2021, both parents in Kenya can take one month of 'pre-adoption leave.' The leave is fully paid from the date the child is placed in the adopter's continuous care. Employees applying for the leave must inform their employer in writing at least 14 days before the placement starts, and provide the necessary proof of adoption. Employees have the right to return to their job held immediately prior to taking "pre-adoption leave," or to other suitable employment without reduction of their terms and conditions. The measures feature in the Employment (Amendment) Act, 2021.

Resources [The Employment \(Amendment\) Act, 2021](#) (Government)

Netherlands (new)

Status **Delayed until early 2022**

Development **Wealth**

Pension plan reforms delayed

A bill that would implement proposed reforms of the Dutch pension plans will be delayed until early 2022, the government announced on 10 May 2021. The bill was slated to be presented to parliament at the end of summer 2021 with an effective date of 1 Jan 2022, and a requirement for pension plans to comply by 1 Jan 2026 at the latest. The government said that the delayed measures would now take effect on 1 Jan 2023 at the latest, with pension plans required to comply by 1 Jan 2027. The announcement follows a consultation period on the Pensions Future Act that closed on 12 Feb 2021, with more than 800 submissions received.

Resources [Announcement](#) (Dutch) (Government, 10 May 2021)

Norway (new)

Status  Consultation is open until 23 Jul 2021

Development **Career**

Consultation on revising remote working regulations

Proposed changes to current regulations on home office working are open for consultation until 23 Jul 2021. The government's proposals include clarification of the types of remote working (for example, fully or occasional homeworking) covered by the law. The government invites input on the application of current working time laws to home workers, or if changes are required, and if such provisions should apply to senior management roles. Employers must currently ensure a safe working environment for home workers, and the government proposes expanding health and safety matters to include psychosocial issues. The proposals would not regulate the provision of equipment and costs, leaving these matters to be agreed to by employers and employees. The Norwegian Labour Inspection Authority will be responsible for overseeing compliance.

Resources [Consultation](#) (Norwegian) (Ministry of Labor and Social Affairs, 22 Apr 2021)

Oman (upcoming effective date)

Development **Health**

- [Oman issues implementation rules for new health insurance scheme](#) — Key date: Possibly later in 2021

Poland (new)

Status  Proposal

Development **Career**

Remote work legislation proposed

Proposed legislation to regulate remote working in Poland after the COVID-19 pandemic ends is open for consultation and would amend the labor code. The proposals would allow employees to work remotely partly or wholly, either from the start of employment or later, and would be subject to the employers' agreement. Employers and trade unions or employee representatives would have to agree to internal remote working rules, and employers would be able to monitor employees' work performances. Employees could request to stop remote working after the first three months, and employers could ask employees for their consent to return to the workplace. Periodic remote working would be allowed for up to 12 days per calendar year, or could be imposed by the employer if there is a public emergency. Employers would have to provide remote workers with the necessary equipment and pay certain costs (for example, internet and electricity) and require employees' compliance with certain health and safety norms, including risk assessment. After enactment, employers would have six months to adjust their policies and practices to comply with the new requirements.

Resources [Legislation](#) (Polish) (Government, 18 May 2021)

Saudi Arabia (new)

Status  Currently effective

Development **Health**

Public health providers added to insurance networks

Saudi Arabia's Council of Cooperative Health Insurance recently announced that all government/public health care providers have been added to insurance company networks under Circular No. 895, dated 17 Dec 2020. As a result, the treatments incurred by an insured member at any public healthcare provider will now be borne by insurance companies, and employers' premium costs will likely be affected.

Resources soukeine.saleh@mercermarshbenefits.com
[Circular No. 895](#) (Council of Cooperative Health Insurance, 17 Dec 2020)

Saudi Arabia (upcoming effective date)

Development **Career**

- [Contracting with companies with regional headquarters outside of the kingdom to cease](#) — Key date: 1 Jan 2024

Spain (new)

Status  **Beginning 12 Aug 2021**

Development **Career**

Rights for delivery workers using digital platforms and information on AI use provided

Individuals employed as delivery persons through digital labor platforms in Spain can claim employee status and corresponding rights from 12 Aug 2021 under Royal Decree Law 9/2021 published on 11 May 2021. The law amends the Spanish Worker's Statute Law, and is based on a March 2021 tripartite agreement between government, employer associations, and trade unions that reportedly could impact 30,000 workers. The law will apply to certain individuals providing services to deliver or distribute consumer products or goods for organizations that manage or organize their business using digital platforms. Also, all companies that use artificial intelligence (AI) or algorithms — not just delivery companies using digital platforms — will have to inform their employee representatives about the use of AI in their employment decision making, including matters relating to working conditions, job profiling, etc.

Resources [Royal decree law 9/2021](#) (Spanish) (Official Bulletin, 12 May 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 **Wealth**

Annual funding statement issued by Pensions Regulator

The Pensions Regulator published its annual funding statement on 26 May 2021, providing specific guidance on how to approach scheme valuations under current conditions. While the statement is primarily for trustees and employers of defined benefit (DB) schemes that have valuation dates between 22 Sep 2020 and 21 Sep 2021, it is also a call to action for trustees and sponsors of all DB schemes. The statement sets out the regulator's expectations on issues such as climate change, sponsor covenant, mortality, long-term planning, integrated risk management, and effective governance.

Resources jane.biggerstaff@mercer.com
[Annual funding statement 2021](#) (The Pensions Regulator, 26 May 2021)

UK (new)

Status  **Consultation is open until 29 Jun 2021**

Development **Wealth**

Consultation on simpler annual benefit statement for some defined contribution schemes

The Department for Work and Pensions has published a consultation on proposed new requirements for the length and format of annual workplace pension benefit statements sent to members of defined contribution workplace pension schemes used for auto-enrollment. The consultation includes draft regulations and guidance, including an illustrative template, and the changes would require statements are no longer than one double sided A4 sheet of paper. The new requirements would apply from 6 April 2022. The consultation closes on 29 June 2021.

Resources vicky.yu@mercer.com
[Simpler annual benefit statements: Draft regulations and statutory guidance](#) (Department for Work and Pensions, 17 May 2021)

UK (new)

Status  Proposals

Development **Career — Wealth**

Employment-related legislative priorities outlined in Queen's Speech

On 11 May 2021, the UK government outlined its legislative priorities in the Queen's Speech, including 30 proposed measures and some initiatives carried over from the previous parliamentary session. The employment-related measures include relief from National Insurance contributions for employers in the UK's freeports, and for hiring veterans; a Professional Qualifications Bill to establish a new framework for recognizing qualifications acquired in other countries; a white paper on a "levelling up" program in regions experiencing economic decline; introduction of a Lifetime Skills Guarantee that would enable eligible individuals to access education and training throughout their working lives; an Education Recovery Plan to reform technical education after age 16; and increased investment in green industries, including creating 250,000 highly skilled green jobs. The government announced it is "considering" the findings in the report by the Commission on Race and Ethnic Disparities published in March 2021.

Certain announcements expected to feature in the Queen's Speech — for example, reform of the apprenticeship levy, an employment bill, and the right for employees to disconnect from their workplace — were not included.

Resources [GRIST](#), 17 May 2021

Mercer (US) Inc.
Washington Square
1050 Connecticut Avenue, Suite 700
Washington, DC 20036
www.mercer.com

A business of Marsh McLennan

