



# On your radar

Key employment issues to be aware of internationally



# Welcome to the latest edition of CMS On your radar



If you want to get in touch to find out more about a development in a particular country, please do speak to your usual contact within CMS or alternatively email [employment@cmslegal.com](mailto:employment@cmslegal.com). The information set out is correct at the time of writing in December 2024.

***The CMS Employment team***



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## Looking ahead in 2025



Albania has undertaken a series of labour reforms, including a significant revision to the 2015 Labour Code, to align with European standards.

### **Mandatory vaccination for healthcare workers**

Mandatory COVID-19 vaccination for healthcare workers in direct contact with patients continues to be enforced in 2025. This measure reflects Albania's commitment to maintaining robust public health standards. The policy applies to all frontline healthcare staff, including those in hospitals and care facilities. Healthcare workers without direct patient contact are encouraged but not required to be vaccinated. Broader mandates for other sectors remain under consideration, though they remain a contentious issue in public and political discourse.



### **Flexible working rights for employees**

Albania has enacted legislation granting employees the right to request flexible working arrangements from the first day of employment. This includes:

- Shortened employer response times to requests.
- Stricter criteria for rejecting requests, ensuring decisions are fair and transparent.

### **New laws on sexual harassment**

New workplace protections against sexual harassment have been introduced to align with regional and international standards. Key provisions include:

- A statutory code of practice requiring employers to actively prevent harassment.
- Employer accountability for harassment by third parties, such as customers or contractors.
- Stricter penalties for non-compliance.



Employers are now required to implement comprehensive anti-harassment policies and training programs to foster safe and inclusive work environments.

### **Workforce disability reporting**

Mandatory workforce disability reporting has been introduced for organisations with 21 or more employees. This initiative aims to promote the inclusion of individuals with disabilities in the workforce, and align with international labour practices. Organisations must maintain detailed records and submit annual reports, demonstrating efforts to support diversity and inclusion.

### **Carer's leave**

In 2025, Albania introduced one week of unpaid carer's leave per year for employees. This right applies from the first day of employment and covers caregiving responsibilities for, spouses or partners, children or parents and other dependents living in the household. This initiative supports family-friendly workplace policies and aligns with broader European trends.



### **Reforms to data protection laws**

As part of Albania's EU accession process, significant updates to data protection laws have been enacted, focusing on:

- Simplifying compliance requirements for businesses.
- Revising thresholds for reporting data breaches.
- Balancing individual privacy rights with organisational efficiency.

Businesses are encouraged to review and update their data protection policies to ensure compliance with the new regulations.



## Looking ahead in 2025



### **New rules for safety, hygiene and health services at work**

A new Presidential Decree was published on 1 August 2024 covering the provision of safety, hygiene and health services in Angola. Under the decree, safety, hygiene and health services at work may only be carried out by licensed employees or companies registered or authorised by the General Labour Inspectorate (IGT). Employers are subject to regular audits and are required to submit to the IGT detailed procedures and periodic reports on risks, accidents and occupational health.

### **New minimum wage**

From 16 September 2025, the Angolan minimum wage will be updated from AOA 70,000.00 (seventy thousand Kwanzas) to AOA 100,000.00 (one hundred thousand Kwanzas).



### **Legal Framework for Total Incapacity Resulting From Non-Occupational Diseases or Accidents**

The Angolan Government is drafting a Legal Framework for Total Incapacity Resulting from Non-Occupational Diseases or Accidents, which is intended to compensate employees for the total loss of income as a result of non-work-related total incapacity.

### **SAVI**

There are plans to launch the Disability Assessment and Verification Service (SAVI), a specialised unit of the National Institute of Social Security (INSS) that will focus on the assessment, verification and confirmation of disabilities for access to social benefits.



### **Strike law**

The new draft strike law is currently being discussed in the Angolan parliament. It should be noted that the current law is from 1991 and, as such, it is important to have a new law that adapts to the current reality of the labour market in Angola.



## Looking ahead in 2025



### Introduction of a new extra-contractual liability regime

The new book 6 of the Belgian Civil Code which came into force on 1 January 2025 will lead to increased liability for directors, employees, subcontractors, and independent service providers (CEOs, managers, freelancers, etc.), among others. Third parties will now have broader rights to directly claim damages from employees and auxiliary persons, such as subcontractors or freelancers, abolishing their quasi-immunity under the previous law. Employers remain vicariously liable for employee actions but can seek recourse against employees in specific cases. The new provisions are classified as supplementary law, which means their application can be adjusted or partially excluded through clear and specific contractual agreements between parties. Employers, contractors, and service providers should review and, if necessary, revise their existing contracts to mitigate exposure to increased liability.



### New Private Investigation Act came into force on 16 December 2024

Belgium's Private Investigation Act introduces a modernised legal framework for private investigations, including those conducted in workplace settings. The legislation establishes stricter requirements for ensuring that investigations are proportionate, transparent, and compliant with GDPR. While the Act applies broadly to private investigators and organisations, it also has implications for workplace investigations. Employers should ensure that investigations are justified, necessary, and supported by clear policies or contractual clauses in work rules. Failure to comply with the new requirements may result in fines and the evidence being deemed invalid. Companies are advised to review their internal procedures and align with the updated legal framework.



### Increase in the retirement age to 66

From 1 January 2025, the legal retirement age in Belgium will increase from 65 to 66 years for both men and women. This is part of a phased reform aimed at ensuring the long-term sustainability of the pension system, with a further increase to 67 planned for 2030.



## Looking ahead in 2025



### **New Labour Law in FBiH**

According to the recent report by the Federal Ministry of Labour and Social Policy, a new Labour Law of the Federation of Bosnia and Herzegovina (FBiH) is being drafted. The law is expected to enter the parliamentary procedure in 2025. The objective of this initiative is to align the legislative framework with the evolving market conditions.

### **Breaks during working hours**

One of the most notable changes announced as part of the new Labour Law is the amendment to the provisions relating to breaks during working hours. In contrast to the law currently applicable (where a break is not considered part of working time, but added as extra time), the new law proposes to incorporate the daily break of employees within their working time. Once the new law is adopted and in force, employers will need to make changes to working time schedules, as employees will spend less time at work.



### **Aligning the legislative framework to the digital age**

While the specifics are still not available to the wider public, the relevant ministry has emphasised that the objective of the new Labour Law is to adapt the market to the trend of an increasing number of businesses (and workplaces) moving to the virtual sphere. Given the current law's limitations in addressing new forms of work, it is anticipated that the revised legislation will provide clearer regulations for freelancers and employees working on digital platforms. Additionally, the law is expected to offer more comprehensive guidelines for remote work. It remains to be seen what additional developments will be included and to what extent the changes will affect the labour market in FBiH.



## Looking ahead in 2025



### Proposal to reduce working hours

A bill was presented in 2023 proposing a reduction in working hours in Brazil aimed at balancing workers' quality of life and increasing productivity, without reducing wages or benefits. The Bill suggests reducing the weekly working time from 44 to 40 hours, with the possibility of further adjustments to even shorter hours, depending on implementation and the choice of employers. The most significant impact should occur from 2025, if approved by the federal government.



### The strength of trade unions

In recent times, it has become clear that the strengthening of trade unions reflects a broader movement to intensify collective bargaining in Brazil, which has been gaining importance since 2023. This process is directly related to the search for better working conditions, especially by the new generation of workers, and the protection of labour rights, in a context of constant economic, social and governmental changes. These changes in union structure and autonomy reflect, for example, the replacement of members of the government with those inclined towards supporting labour rights, which results in a greater need for dialogue between unions and companies, requiring them to engage in negotiations to comply with labour standards.



### Restriction on working on Sundays and public holidays

The Ordinance which regulates work on Sundays and public holidays, stipulates that, in the commercial sector, work on these days will only be permitted when authorised by a collective bargaining agreement, in addition to meeting the requirements of the applicable municipal legislation. This significant change has a direct impact on companies in the sector, which will need to review their schedules and adopt new practices to comply with the rules. The ordinance is scheduled to be implemented as of July 2025.



### Psychosocial risks in labour relations

Regulatory Standard No. 1, which deals with general provisions on health and safety at work, has brought important updates in relation to psychosocial risks, highlighting the importance of preventing and managing these risks within organisations. Psychosocial risks refer to factors in the work environment that can negatively impact workers' mental and emotional health, such as excessive stress, pressure for results, bullying, among others. Companies must now carry out a psychosocial risk assessment, taking into account working conditions, workload, interpersonal relationships and the impact of these variables on workers' mental health. These provisions must be included in companies' Risk Management Programs from 2025.





## Looking ahead in 2025



### Change in the statutory minimum salary

From 1 January 2025, the statutory minimum salary in Bulgaria increased to BGN 1077 per month for full-time employees. The update is based on Art/ 244, paragraph 2 of the Bulgarian Labour Code, according to which by 1 September of each year the Council of Ministers shall determine the minimum salary for the next calendar year based on 50% of the average gross salary for the last two quarters of the previous year (i.e., 2023) and the first two quarters of 2024.



### Digitalisation of employment records

By 1 June 2025, the National Revenue Agency will establish and start maintaining the electronic employment register which will consist of the uniform employment records of all employees. From this date, all employers will have to make entries related to the commencement, amendment and termination of employment in the uniform electronic employment record which will replace the current paper-based employment record books. The time limits, manner and procedure for entering and storing data in the electronic employment register, as well as the conditions and procedure for accessing the data in the electronic employment register are regulated in a separate Ordinance in force for employment relationships as of 1 June 2025. Within a period of one year starting from 1 June 2025, all employers are obliged to complete the current paper-based employment record books with information on the length of service of their employees relevant to 1 June 2025.



### Increase in work and residence permits to foreigners

The latest amendments to the Foreigners in the Republic of Bulgaria Act (made in May 2024) aims to simplify the procedure for hiring seasonal workers from third countries. In the past year one impact of the war in Ukraine has been the significant increase in the number of issued work and residence permits to foreigners. It is anticipated that this increase will continue in 2025, especially given Bulgaria's full integration into the Schengen area commencing on 1 January 2025, a decision which was confirmed by the Council of the European Union in December 2024.



## Looking ahead in 2025



### **Statutory retirement age will be raised step by step to 58 years for female employees and 63 years for male employees**

From 1 January 2025, the Chinese government will take 15 years to gradually raise the statutory retirement age of male and female employees from 60 and 50/55 to 63 and 58 respectively. The statutory retirement age of male employees and female employees whose original statutory retirement age is 55 shall be raised by one month for every four months; while the statutory retirement age of female workers whose original statutory retirement age is 50 shall be raised by one month for every two months. In addition, starting from 1 January 2030, the minimum contribution years for an employee to enjoy pension benefits will be gradually increased from 15 to 20 years with an increase of six months each year. Despite the above, an employee, who has fulfilled the minimum contribution years of pension insurance, may voluntarily choose to retire early for a period of up to three years as long as he or she has reached the original statutory retirement age. Further, an employee, who has reached the new statutory retirement age, may still choose to further postpone retirement for a period up to three years upon reaching an agreement with the employer.

As a result, the retirement ages of employees will not be the same. Companies may wish to, in consideration of their business needs and talent structure, handle the retirement issues of employees properly.



### **Public holidays will be extended from 11 days to 13 days**

Starting from 2025, public holidays in China will be increased by two days and reach 13 days per year, i.e. the Chinese Lunar New Year's Eve will be a public holiday, and one more public holiday will be added to the International Labour Day on 2 May.

In 2025, the Chinese government will continue to adjust the working days and rest days before and after public holidays in order to enable employees to take longer and uninterrupted holidays, however, the adjusted consecutive working days around the public holidays shall generally not exceed six days.

With the increase in public holidays, the annual working days of an employee will be reduced from 250 days to 248 days. This will bring a change to the standard working hours of employees working under the comprehensive working hour system for calculation of their working hours and overtime payments. But the monthly payroll days will remain as 21.75 days without change. This means that companies will not need to pay more to an employee for sick leave or untaken annual leave due to the increase in public holidays.



## Looking ahead in 2025



### Gradual reduction in maximum working week

From 15 July 2025 there will be a reduction in the limit to the maximum working week. The current law contains a maximum of 46 hours per week, and this figure will be reduced to 44 hours per week.

### Increase in minimum wage and legal transportation allowance

From 1 January 2025 the new legal minimum wage will be equivalent to 1.423.500 COP (approximately 319 EUR) which meant an increase of 9,5%. Decree 1572 of 2024 established that the new legal transportation allowance (which is only payable to employees who earn less than two times the minimum wage) will correspond to a sum of 200.000 COP (approximately 45 EUR).



### Paternity reinforced protection

In its ruling C-517 of 2024, the Constitutional Court removed the restriction on the application of paternity protection. Therefore, from now on, a worker whose wife is pregnant or breastfeeding, whether formally employed or not, cannot be dismissed without the prior authorisation of the Ministry, which must be justified in a fair cause.



### Labour reform

The Bills issued by the National Government and other legislative parties seeking to introduce labour and employment reforms are still being reviewed by the Congress. Even though a final draft has not been approved yet, during 2025 more debates are expected.

### Reform of the Code of Labour and Social Security Procedure.

The Congress of the Republic of Colombia approved the new Labour and Social Security Procedural Code. The new regulations will come into force on 12 December 2025. The law represents a significant step forward for the ordinary labour jurisdiction by unifying the procedural rules that will govern the matter in a single code.



### Selection of a Private Pension Fund

According to the newly approved pension reform, workers who are not beneficiaries of the transitional regime, whose income exceeds 2.3 times the applicable monthly legal minimum wage and who are not affiliated to a private pension fund, must choose a private pension fund by 16 January 2026 at the latest. If no private fund is chosen within the proposed deadline, it will be assigned at the discretion of the administrative authority.



## Looking ahead in 2025



### **Collective Bargaining Agreement (CBA) for the Trade Industry (in force from 1 November 2024)**

The application of the new CBA for Trade Industry has been expanded by the decision of the Minister of Labour. This means that the CBA should oblige all employers and employees active in the trade sector, but there are still several open questions (primarily what happens if employers are performing more than one business activity covered by a CBA with expanded application, especially if trade is not their primary activity). Current practice in Croatia significantly varies (also the Supreme Court issued several decisions that are quite controversial), and the number of CBAs with extended application is increasing, so we are expecting new interpretations and court decisions in 2025. The new CBA for the Trade Industry envisages broader material rights for the employees, and considering the number of employers and employees operating in the trade sector, the impact could be significant.



### **Amendments to the Maternal and Parental Benefits Act (expected to enter into force on 1 March 2025)**

The Council for Demographic Revitalisation (newly founded in November 2024) presented a package of new demographic measures, stating that the funds for the upcoming year will be increased by 200%. The changes include pay during parental leave and financial aid for a newborn child; both are significantly increased. The duration of paternity leave is also being extended. The aim of these measures is to stop negative demographic trends, stimulate the birth rate and encourage the return of emigrants from abroad. The maximum remuneration paid during the second six months of a child's life will be increased to EUR 3,000 (from the current maximum of EUR 995). Analysis indicate that 97% percent of female employees will receive their full salary during this period of paternal leave.





## Looking ahead in 2025



### Scheduling of working hours by the employee

From 1 January 2025 onwards, employers and employees may conclude a written agreement under which the employee will schedule their working hours by themselves (so-called "self-scheduling").

### Cancellation of "guaranteed" salary

From 1 January 2025, the levels of "guaranteed salary" for work categories based on their difficulty will be eliminated. Employers will have to maintain the level of minimum salary, and the rest will be regulated by the labour market.



### Flexible Amendment to Labour Code

In 2025, we anticipate that the so-called "Flexible Amendment" to the Labour Code will come into effect. The Amendment is to bring more flexibility to employment relationships, especially:

- Shortening notice periods. The notice period will be reduced to one month if the termination is due to the employee's fault (such as breaching obligations, poor performance, or failing to comply with the sickness procedure). In other cases, the minimum notice period will remain two months, starting from the date the notice is delivered to the other party (rather than the first day of the next calendar month as it is now).
- Consolidation of termination reasons due to health reasons. Reasons for termination related to the employee's long-term loss of medical fitness will be merged into a single reason. At the same time, instead of severance pay, an employee who suffers an accident at work shall be entitled to a one-off compensation for non-financial damage.
- Extension of the probation period. The maximum length of the probation period will be up to four months for a regular employee and up to eight months for managerial employees (instead of the current three and six months). It will also be possible to prolong the probation period up to this maximum length if a shorter period was originally agreed.
- New rights for parents. Employees returning from parental leave before their child reaches the age of two will be guaranteed a return to the same job and workplace. For parental leave replacements, greater flexibility is proposed for the repetition of fixed-term employment.
- Payment in foreign currency. It will be possible for a wider range of employees to receive remuneration for work in an agreed foreign currency.



### Transparency Directive in the Czech Republic

The Transparency Directive establishes the right of employees to be informed about the salary of a comparable position at their employer and other obligations for employers related to remuneration. According to unofficial information, Czech Republic does not plan to go beyond the minimum standard set by the Directive in its implementation and is likely to implement the Directive during 2025. Member States must implement the Directive by 7 June 2026 at the latest.

### Cancellation of entry medical checks

An amendment to the Act on Specific Health Services, which is at the early stage of the legislative process, will cancel the mandatory entry medical checks for employees classified in category 1. This category includes, for example, most administrative work or work in the service sector.



## Looking ahead in 2025



### Budget for 2025

After the government fell, the Finance Bill and the Social Security Financing Bill for 2025 have been temporarily abandoned. A special bill, adopted before the end of the year, will enable tax collection for 2025. This text also includes an article concerning the social security debt ceiling in 2025 relative to the social security funds (Acos), in order to continue to borrow on the markets. A decree, published before 31 December, will open expenditure on the basis of the budget for 2024. At the beginning of 2025, the new government will be able to present new budgetary texts for this year. A Social Security Financing Act could finally be adopted in 2025.



### Employment of experienced employees

On 14 November 2024, the social partners concluded an inter-professional collective agreement providing for various measures to promote the employment of older employees. In particular, this agreement provides for the creation of an open-ended contract called "*contrat de valorisation de l'expérience*" for, under certain conditions, jobseekers aged 60 or over. This contract can be terminated in the normal way, except in cases of mandatory retirement, where termination will be possible without the employee's agreement once the employee has reached legal retirement age and is entitled to a full retirement pension, and without the employer's obligation to pay the specific contribution on the retirement indemnity. This new measure can only come into force once a law has been passed.



### Unemployment insurance

The unemployment insurance agreement of 15 November 2024 was approved by the Prime Minister on 19 December 2024. The approval decree was published in the Journal Officiel on 20 December 2024. This text takes account of the consequences of the 2023 retirement reform. It postpones by two years the age from which employees can benefit from longer compensation and the age from which employees can benefit from a maintenance of rights until they can benefit from a full-rate retirement pension. As most of these measures are due to come into force on 1 April 2025, the current provisions, which expire in principle on 31 December 2024, should be extended once again by decree until that date.



### Staff representatives

The social partners have signed an unexpected collective agreement on 14 November 2024 about social dialogue in which they ask the government to abolish the three consecutive terms limit for employee representatives in companies with at least 50 employees. The social partners are also committed to open negotiations in 2025 on the enhancement of trade union career paths.



## Looking ahead in 2025



### Digital employment contracts

Changes to the Evidence Act (NachwG) will simplify the management of employment contracts. Key employment terms no longer need to be provided in written form; electronic transmission in text form, such as via email, is going to be allowed. This shift is particularly beneficial for international teams, as it eliminates the need for exchanging signed paper documents. However, key conditions must be individually communicated to each employee, and email transmissions should include a receipt confirmation to verify delivery. Additionally, updates to employment terms can also be made electronically, provided they are accessible, storable, and printable. Fixed-term employment contracts must still be signed in writing to remain valid; otherwise, they default to permanent contracts.



### Electronic employment references

Employers will be allowed to issue employment references electronically, saving time and resources. However, a qualified electronic signature is required, and the signature's timestamp reveals if the document was issued retroactively. This transparency may impact legal disputes, as backdated references could be viewed as less credible, making paper-based references still preferable in some cases.



### Temporary employment contracts

Starting in 2025, the Temporary Employment Act (AÜG) introduces new simplifications. Temporary employment contracts can then be concluded in text form, such as via email or text message. This eliminates the previous requirement for written form, significantly increasing flexibility and speed in personnel recruitment. Previously, non-compliance with the written form requirement could render contracts invalid, incur fines of up to EUR 30,000, and result in the presumption of an employment relationship with the borrower, making quick action considerably more difficult.



### Parental and care leave

Also, applications for parental leave, care leave, and family care leave can be submitted in text form, such as via email. This change simplifies communication and reduces administrative burdens. Employees will gain special termination protection under the BEEG (The Parental Allowance and Parental Leave Act) no earlier than eight weeks before the start of parental leave until the child reaches the age of three. For parental leave between the child's third birthday and eighth birthday, termination protection applies no earlier than 14 weeks before the start of the leave. Furthermore, the prohibition of discriminatory measures under Section 612a BGB (German Civil Code) applies as soon as their request is submitted via email. Therefore, a termination from the date of application would then also be invalid. Against this background, employers can no longer rely on the absence of written form to contest such applications.



## Looking ahead in 2025



### Severance and Long Service Payments

In his 2024 Policy Address, the Chief Executive of Hong Kong announced plans to abolish the current system of using accrued benefits of employers' contributions under the Mandatory Provident System (MPF) to offset severance and long service payment on 1 May 2025. The government will launch a 25-year subsidy scheme exceeding HKD 33bn to take on a proportion of employers' liabilities for such payments, with a tapered phase-out period.



### Reformation of Employees Retraining Board (ERB)

The Policy Address announced plans to reform the ERB, with a view to expanding the provision of training to the entire workforce. From early 2025, the eligibility cap on the education level of participants will be removed, and annual training places will be increased by at least 15,000. There will be stronger collaboration with higher education institutions and leading companies, as well as enhanced career planning and job-matching services for participants.



### Protection of Wages on Insolvency Fund

In 2025, the Government intends to review the coverage of ex-gratia payments under the Protection of Wages on Insolvency Fund and explore an increase in the ceiling of ex-gratia payments.



### Proposed amendments to the Employment Ordinance

The current continuous contract requirement under the Employment Ordinance is proposed to be relaxed in 2025, reducing the threshold from working 18 hours per week for four consecutive weeks (i.e. 72 hours in total) to an aggregate of 68 hours in four weeks. This will make it easier for employees to fall within this threshold and benefit from full employment rights.



### Implement "Full Portability" of the MPF

According to the Policy Address, the Mandatory Provident Fund Schemes Authority is set to detail specifics of the "Full Portability" initiative in 2025, which will enable employees to transfer the accrued benefits from their employers' mandatory contributions to a scheme of their choosing, using the eMPF Platform introduced in June 2024. The aim is to motivate employees to take an active role in managing their MPF investments, foster market competition, and potentially lead to fee reductions.

### Statutory Minimum Wage (SMW) Annual Review Mechanism

On 1 May 2023, the SMW rate was raised to HKD40 per hour. Starting from 1 May 2026, the statutory minimum wage is expected to be reviewed on an annual basis.





## Looking ahead in 2025



### Amendments to the Labour Code and to the Occupational Safety and Health Act

Under amendments to the Labour Code, the provisions on paternity leave, the prohibition on providing a regular notice letter for executive employees, the provisions on release from the obligation to be available and work, and the rules on the termination of an agreement on extended full-time working hours will be amended. The amendments to the Occupational Safety and Health Act amend the definition of a work accident, impose additional obligations on employers in relation to documents drawn up in the framework of occupational safety and health activities, and introduce the possibility of payment in instalments of an occupational safety and health fine.



### Agreement on minimum salary – valparties'ars

A three-year agreement has been signed by the government, and those parties representing employers and employees. The minimum salary will be increased by 9% from 2025, by 13% from 2026, and by a 14% from 2027.

### Housing support for young people

In order to improve the housing situation, the government has decided to set up a housing support scheme of HUF 150,000 per month at a reduced tax rate. According to the new rules, employers may grant housing allowances of up to HUF 1.8 million per year as fringe benefits to employees under 35 years of age to help them pay rent or repay a housing loan. This new allowance may be added to the existing cafeteria scheme.



## Looking ahead in 2025



### Implementation of the EU Directive on Digital Platform Workers

In 2025 the government is planning to adopt a reform to regulate the gig economy and ensure equitable treatment of platform workers by addressing the employment status of gig workers. The reform will provide clear criteria which will define when platform workers should be classified as employees rather than freelancers, giving them access to labour rights such as paid leave and social security. Gig workers who are considered freelancers were previously excluded from benefits like pensions and healthcare will be integrated into the system, reducing precariousness.



### Special tax benefits for overtime and night shifts

To address labour shortages in key sectors such as tourism, catering, and wellness services, the 2025 budget proposes targeted incentives:

- Tax Supplements: Workers performing overtime, night shifts, or public holiday work in these industries will receive a 15% supplement on their gross wages, provided their annual income was EUR 40,000 or less in 2024.
- Temporary Relief Measures: These benefits apply from 1 January to 30 September 2025, aiming to address seasonal demand and make these sectors more attractive for workers.



### Adjustments to non-EU worker quotas

To mitigate labour shortages, especially in agriculture, construction, and healthcare, the Italian government has expanded quotas for non-EU workers, amounting to around 110,000 permits for seasonal workers for sectors such as farming, hospitality, and tourism, plus over 70,720 permits for long-term positions and 730 permits for entrepreneurs.



### Potential introduction of a National Minimum Wage

Italy has debated the establishment of a statutory minimum wage for years, and 2025 may finally see progress. Discussions suggest a minimum wage between EUR 9 and EUR 10 per hour, aiming to reduce wage disparities and protect workers in low-paying sectors. The measure would harmonise Italy's wage policies with EU recommendations on fair and adequate pay.



## Looking ahead in 2025



### Payment of Special Allowance

The payment of the second and final instalment of the Special Allowance is due in January 2025. This Special Allowance is payable to all workers drawing a monthly basic salary (including the national increase in salary and salary readjustment granted in 2024) not exceeding Rs. 50,000. Additionally, any person, other than a consultant, but classified as a “service provider” performing same or similar work is entitled to the Special Allowance.



### Wage Adjustment 2024

The judicial review initiated by Business Mauritius concerning the Wage Adjustment Regulations 2024 is to be heard by the Supreme Court of Mauritius in January 2025. The proceedings seek to clarify the ambit of sections 94 and 106 of the Employment Relations Act which was used to promulgate new Remuneration Regulations including the wage adjustment to be offered to the employees of the different industries covered by the Remuneration Regulations. Workers earning between Rs. 20,000 and Rs. 50,000, covered under Remuneration Regulations or not, are currently entitled to a monthly wage adjustment of Rs. 2,925 while those earning less than Rs. 20,000 are entitled to a salary adjustment corresponding to the difference between their basic salary as at December 2023 increased by Rs. 4,925 and their basic salary as at January 2024. Similarly, any diploma holder worker is to earn a salary of not less than Rs. 23,000 while any degree holder is to earn a salary of not less than Rs. 25,000. Both qualifications should be in accordance with their job description requirements.



### Annual leave

Workers have recently become eligible to statutory annual leave if they have been employed by the same employer for the past 5 years since the Workers Rights Act 2019 came into force in October 2019. Their application for annual leave has to be made with three months’ notice. Parties may agree on another period for the annual leave to be used or the payment of a normal day’s wage if no agreement is found, on the basis of any reasonable business grounds (defined as inability/impracticability to reorganise work arrangements of existing workers or detrimental effect on the employer’s ability to meet customers demand).



## Looking ahead in 2025



### Minimum wage increase

Starting on 1 January 2025, Mexico's general minimum wage will increase by 12%, rising from MXN 248.93 to MXN 278.80 per day. In the Northern Border Free Zone, the wage will increase from MXN 374.89 to MXN 419.88 daily, while professional minimum wages across 61 occupations will see the same 12% rise.

The wage increase may lead to higher labour costs for businesses, particularly small and medium enterprises, potentially resulting in reduced hiring, increased prices for consumers, or informal employment to offset expenses.



### Employment reform for digital platform employees

On 24 December 2024, a reform to the Federal Labour Law regulating work on digital platforms was published in the Official Gazette of the Federation. This reform recognises individuals as workers, guaranteeing them labour rights and access to social security.

A digital platform employee will be understood as an individual who provides personal, remunerated and subordinated services through a digital platform, and who earns a net monthly income from their work equivalent to at least one minimum (monthly) wage in force in Mexico City (MXN 8,364.00 / USD 418.20 per month by 2025), regardless of the time effectively worked.



Companies operating through digital platforms will face increased operational costs, which may impact profitability and require adjustments to ensure compliance across diverse regions.

The reform will enter into force 180 days after its publication in the Official Journal of the Federation, in June 2025.

### 30-day Christmas bonus proposal

An initiative presented in October 2024 aims to double Mexico's Christmas bonus (*aguinaldo*) from 15 to 30 days of salary, as a minimum workers' right. Due to technical difficulties in the calculation, it is most likely to be postponed to next year. If approved, it would double the Christmas bonus and may strain businesses financially, risking layoffs or increased informal employment.





## Looking ahead in 2025



### **New law on the protection of personal data**

Published on 13 December 2024, this law replaces the previous law from 23 December 1993 and takes into account European legislation regarding personal data. While combining several existing legal frameworks (GDPR, Regulation (EU) 2016/679 and ETS n°108), this law creates a new regulatory authority and provides Monaco with increased legal protection for the processing of personal data for all individuals, and therefore for Monegasque employees. As a result, the formalities and obligations for employers have evolved, and the sanctions have been strengthened.



### **Law relating to internships in professional environments**

While not applying to the medical fields, this law provides a framework for higher education students in internships. This text regulates the conditions of validity and execution of these internships. The employer must, since the publication on 20 December 2024, obtain preliminary authorisation from the Department of Employment, and compensate any student in an internship lasting more than two months. The law also strictly prohibits assigning tasks to interns that fall outside their academic scope. Furthermore, employers cannot hire interns for seasonal jobs or to replace absent employees.



### **Bill on the recognition and ownership of intellectual work**

This bill seeks to establish a rebuttable presumption that any intellectual property created by an employee within the scope of his/her employment contract is automatically transferred to the employer. This transfer can be challenged if clauses in the employment contracts provides for remuneration separate from salary and strictly related to the transfer. The text distinguishes journalists from other workers, as they are subject to special rules that differ from the above.



### **Bill on the protection of whistleblowers in employment relations**

This bill aims to extend the protected status of whistleblowers, which currently exists only regarding anti-money laundering rules and harassment in the workplace. According to the bill, an employee – whether in the private or public sector - who selflessly informs the competent authorities of any known crimes and offences within the employment relationship, despite the risks to his or her physical and/or financial integrity, will be protected. This text shall be discussed in the coming months as it corresponds to a request from GRECO to implement legal protection for whistleblowers in all areas of work.



### **Bill amending certain provisions of previous Law relating to the employment contract and establishing the conventional termination of the employment contract**

This text was proposed, then adopted by the legislative Assembly on 11 November 2023. The Government decided on 27 May 2024, to proceed with this text and to transform the draft into a bill by May 2025. We do not yet have an overview of the amended text, but it is expected that it will revise the main aspects of the employment relationship.



## Looking ahead in 2025



### The right to strike : The Draft Bill Organic Law No. 97-15: Regulating the Right to Strike in Morocco

#### Context and objectives of the draft law

The Draft Organic Law No. 97-15 was introduced in 2016 with the goal of regulating the exercise of the right to strike, which is guaranteed by the 2011 Constitution. Its primary objective is to clarify the conditions and processes of this right while balancing workers' rights with the need to ensure the continuity of companies' activity. Although the draft law was approved by the Council of Ministers in 2016, it took several years before it was debated in the House of Representatives (December 2024). However, the law is not yet definitively adopted, as it still needs to pass through the full legislative process, including examination by the House of Councillors.



#### Main provisions of the draft law

The draft law sets strict rules regarding the conditions for initiating a strike, including the obligation to give prior notice and the need for consultation between unions and employers before the strike. Special attention is given to strategic sectors such as healthcare, education, and security, where the right to strike is more restricted to ensure a minimum level of public service. Measures are proposed to prevent these sectors from being paralysed by strikes by imposing limitations on the exercise of this right. The draft law provides for sanctions against illegal strikes, but it also includes mechanisms for mediation to resolve conflicts between unions and the government, aiming to foster constructive dialogue.



#### Points of friction and opposition

Despite amendments made to soften some provisions, unions continue to strongly oppose the draft law. They particularly object to the restriction of the right to strike in essential sectors, arguing that such measures undermine the effectiveness of strike action as a legitimate tool for defending workers' rights. Unions are especially concerned about the delicate balance between exercising the right to strike and ensuring the continuity of public services. They fear that the law will prevent workers from exercising this right in situations where it is crucial to defend their interests.



#### Current status of the draft law

The draft law presented in January 2025 to the House of Representatives, where it sparked heated discussions. Although it was adopted by a majority (124 votes in favour, 41 against, no abstentions), at the time of writing it has not been definitively adopted. It must now pass through the House of Councillors for final review before coming into force. Apart from the adoption of the text in the House of Representatives, there have been no other major reforms or significant new developments on this issue. The legislative process is still ongoing, and differences persist between the various stakeholders.



## Looking ahead in 2025



### Managing working relations

Companies engaging self-employed and other types of contractors must re-assess these working relationships to determine if these can qualify as an employment agreement. If so, then wage tax and penalties can be due in addition to the risk that the individual claims to be an employee. As of 1 January 2025, the Tax Authorities are actively assessing these types of working relationships. Based on guidelines from the Authorities and elements following case law, an assessment can be made of pending contracts to mitigate any financial risks.



### AI-literacy

With the EU AI Act coming into force on 2 August 2024, and the provisions becoming effective in stages, companies using AI-systems must assess the implications of the Act and the timing thereof. One of these obligations for high-risk systems which kicks in as of February 2025 is AI-literacy. Companies must ensure a proper understanding and AI-skills for those working with AI-systems. Also be aware that different parts of the Act require the involvement of employee representation bodies and/or of employees. This may include separate co-determination obligations.



### Pay Transparency Directive

From 7 June 2026 the EU Pay Transparency Directive must be implemented in Dutch legislation. An internet consultation about the local implementation is expected to be launched beginning of 2025 which will give clarity on the anticipated wording of the legislation. Employers are best to prepare for the legislation and the implementation of the Directive. There is a growing focus on pay equality with the most significant court case being the claim presented by female judges against the Dutch State for their wage gap compared to male judges.



### Changes on the horizon

There are various topics that employers should be aware of, although most are still pending:

- The legislative proposal of appointing a confidentiality advisor. While many companies have a confidentiality advisor in place, this is not (yet) mandatory.
- The terms and conditions for anonymous whistleblowing reporting, announced to be introduced in 2024. This has been suspended until more investigation has been carried out on the impact for smaller companies.
- We expect new legislation on non-compete clauses, forcing employers to be more specific and the obligation to pay compensation.
- A legislative proposal aimed to provide 'clarification of assessment of employment relationships and legal presumption' which is supposed to give clarity on the legal qualification of a working relationship, is still pending while the Council of State has advised against the current wording. Whether the proposed wording will be amended is not yet clear but we are keeping a close eye on this and other pending proposal.



## Looking ahead in 2025



### A new Labour Act

In 2025 we expect to see the introduction of a new Labour Act to supersede the outdated one. The forthcoming legislation aims to align with global advancements and encompasses the following key amendments:

### Remote work

The idea behind this amendment is to rectify certain statutory outdated solutions while upholding the rights of employees and employers. Currently undergoing public expert discussions, the proposed new rules will introduce a definition of remote work as being employment outside the employer's premises. This provision is expected to grant employees the flexibility to determine their working hours and rest periods.



### Three-year definite term

The duration of fixed or "definite term" employment is expected to be reduced to three years, from the current five-year period. Employers would be limited in their use of these contracts, which would be restricted to 20% of the total workforce. Definite term employment is intended to be treated as an exception to the norm and subject to meeting additional criteria.



### Written warning prior to dismissal

It is expected to become mandatory for employers to issue a written warning, complete with appropriate instructions and guidance, before dismissing an employee. The employee would be provided with a period of 15 to 45 working days' notice to rectify their behaviour, prior to proceeding with the dismissal process.

### Limitation period for monetary claims

It is expected that changes will be introduced extending the limitation period for an employee's employment-related monetary claims to five years, an increase from the existing three years. This extension will enhance employee protection rights in pursuing monetary claims against their employer.



### Parental leave

The new labour rules propose a 13-month parental leave period, with nine months allocated to the mother and four to the father. Parental leave will be capable of being transferred between parents, allowing for flexible use as mutually agreed upon.



## Looking ahead in 2025



### **New Directive for Maternity and Paternity Labour Inspections**

In November 2024 the National Superintendence of Labour Inspection - SUNAFIL, the entity in charge of carrying out labour inspections issued a Directive to be taken into account in the audits to be carried out in the future in relation to the protection of maternity and paternity at work.

This Directive makes special mention of the evidence of acts of discrimination by an employer against women in access to employment and other acts of hostility against them, as well as an employer's legal obligations regarding medical care and medical breaks during pregnancy, the protection of pregnant women who perform work that endangers their health and/or normal development of the embryo and fetus, the granting of pre and post-natal breaks, the granting of daily leave for breastfeeding and paternity and/or adoption leave, as well as the implementation of a breastfeeding centre in the workplace and the use of such service, and the termination of the employment relationship of a pregnant or breastfeeding worker.

Among the changes contained in this Directive are the provisions requiring labour inspectors to report within 48 hours to the Public Prosecutor's Office or the Police, as the case may be, any indication of the commission of the crime of discrimination and incitement to discrimination or other crimes provided for in the Criminal Code.

In relation to the dismissal of a pregnant or nursing worker, the inspectors must verify if the employer has dismissed the nursing mother in violation of the legal provisions that give her special protection against dismissal, or if the employer has had valid reasons to terminate the labour relationship that are not related to the pregnancy or the birth of the child and its consequences or breastfeeding but in an objective cause, which must be evidenced by documents.



### **Recent Supreme Court clarifications on OSH**

Among the many clarifications recently made by the Supreme Court of Justice regarding the scope of the various obligations that the law imposes on employers, it is worth mentioning that the employer's legal duty to prevent occupational risks, guaranteeing the protection, safety and health of the workers in its service, obliges it to anticipate risk situations in order to prevent them from materialising, and therefore, in any event of damage to the physical integrity of a worker resulting from a work accident, the employer is obliged to compensate him/her, since work is a risky activity, the occurrence of a work accident is within the employer's sphere of responsibility, even if the work accident occurs due to negligence of a third party or of the worker himself/herself, since such circumstances do not constitute an exemption of the employer's responsibility.



## Looking ahead in 2025



### **New rules for calculating seniority**

The Polish government is planning changes that will make time periods spent working under civil law contracts, such as B2B, to count towards employment seniority. This means that when a contractor becomes an employee, their time as a contractor will count towards employment seniority, giving them higher initial benefits like annual leave, notice periods, and severance pay. The change will likely also apply to existing employees who previously worked as contractors, requiring companies to update their entitlements accordingly. The start date for these changes has not been confirmed yet.



### **Day off on Christmas Eve**

Starting in 2025, Poland will recognise Christmas Eve (24 December) as a public holiday, joining 25 and 26 December. This change aims to support retail workers, who often work on Christmas Eve.

### **New rules for collective bargaining agreements**

The Polish government is developing new rules to promote collective bargaining agreements, allowing parties to sign them for a fixed term – a previously debated issue. Poland is a country with a small number of such agreements. The registration process will be simplified and moved online. The effective date remains unconfirmed as the draft is still in progress.



### **Increase in the minimum wage**

From 1 January 2025, Poland's minimum wage will rise to PLN 4,666, with the hourly rate for civil law contracts increasing to PLN 30.50. This will also impact other benefits such as e.g., downtime pay, night shift allowances, damages for unequal treatment or mobbing, severance pay, the “deduction-free” amount, and the minimum base for social-security allowances. Their amounts depend on the minimum wage. HR and payroll should adjust employees' wages as needed from January 2025.



### **New rules for employing foreigners**

Poland is revising rules for hiring non-EU workers, making the work permit process fully electronic. The government plans to deny work permits to companies that just focus on helping non-EU nationals enter EU territory. The draft includes stricter immigration rules for virtual offices and new businesses. Authorities will be able to conduct unannounced inspections and the penalties for illegal hiring of foreigners may increase. The effective date remains unconfirmed as the draft progresses.





## Looking ahead in 2025



### Pay transparency

In the next two years, companies must prepare for the implementation of the Directive on pay transparency which must be implemented by 2026. In 2024, some social partners started to provide input on the implementation of this law. As a result, it is expected that during 2025, companies will need to address this issue more thoroughly, especially those that currently see it as a distant concern or believe it does not apply internally. Additionally, with the growing emphasis on sustainability reporting - particularly in the Social domain - more organisations will need to disclose information related to pay equity. This includes meeting the obligations established by the Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD).



### Flexibility in hiring

The labour market is evolving towards greater flexibility, although legislation has struggled to keep pace with this change. This highlights the need for more adaptable contract types and termination procedures. Also, there is the need for innovative measures to uphold the social protection framework that Social Security ensures for all contributors, both past and present. Additionally, flexibility in hiring is mirrored in the evolving nature of work itself. With advancements in technology, new working models and more adaptable ways of providing labour have emerged, creating opportunities for greater flexibility in the workforce.



### Continued litigation arising from digital platforms

Portugal has moved ahead of the EU Directive regarding digital platforms, namely in its attempt to regulate labour relations involving the use of digital platforms. 2024 was a year marked by a high number of litigation arising from the use of these platforms, promoted by the Labour authorities rather than by users themselves, and 2025 will continue to be marked by this judicial discussion, which is not innocuous in terms of the progress and speed of all labour-related lawsuits. There are also indications that the authority for working conditions will begin inspecting the digital platforms for the transportation of passengers. Also on this subject, the Digital Platform Directive, published on 11 November 2024, must be adopted internally by Member States by 2 December 2026, so developments in this direction are to be expected.



### Attracting skilled labour

The Portuguese Labour Code remains highly restrictive when it comes to hiring, which directly impacts the availability of skilled labour. To remain competitive and align with the leading European economies, it has become evident that it's essential to implement measures that make the labour market more attractive. These include reducing costs - particularly the tax burden on companies - enabling businesses to invest in their workforce, create liquidity, and foster stability, which is currently lacking in Portugal's labour market. The growing demand for these adjustments highlights how critical they are to ensuring Portugal's competitiveness and economic resilience and with a potential review of the Portuguese Labour Code, it's predictable that this topic is taken into consideration.



## Looking ahead in 2025



### Workplace Fairness Legislation

The new Workplace Fairness Bill which seeks to protect workers against workplace discrimination was introduced in Parliament in November 2024. The legislation aims to reinforce fair and merit-based practices and safeguards against discrimination based on characteristics such as age, nationality and sex, prohibiting employers from making adverse employment decisions based on these traits. Employers must also establish a written process for handling employee grievances and are forbidden from retaliating against employees. As the Bill begins to take force, it is likely to lead to a higher volume of workplace disputes as employers adapt to the changes and employees gain greater awareness of their workplace rights. As the Bill continues to be debated in Parliament, modifications to the legal requirements of the Bill are expected and employers/employees alike should remain alert ahead of any changes.



### Employer of records prohibited from sponsoring employment passes

The Ministry of Manpower (MOM) recently clarified that employers of records are prohibited from applying for work passes for foreigners to be based in Singapore while working for overseas companies. For foreigners to be based in Singapore for an extended period, they will need to be hired by their company on a regular work pass. If a company lacks a local presence, MOM recommends either setting up a representative office through Enterprise Singapore's Representative Office scheme or incorporating a company with the Accounting and Corporate Regulatory Authority (ACRA). This clarification has disrupted many employer of record entities in Singapore and it remains to be seen if such companies will choose to establish local/representatives offices to comply with the new regulations or relocate their operations elsewhere.



### Platform Workers Bill

Announced in September 2024, the Platform Workers Bill aims to strengthen protections for Platform Workers in Singapore. Platform Workers are individuals that have agreements with Platform Operators to provide ride-hailing or delivery services in Singapore, and for this derive any payment or benefit in kind. While such workers are subject to some degree of control by Platform Operators, they still often lack full control over their employment conditions. The Bill therefore introduces a new worker category, distinct from employees and the self-employed, recognising the unique position occupied by Platform Workers. Key provisions include improved housing and retirement adequacies through Central Provident Fund (CPF) contributions by both Platform Operators and Workers, financial compensation for work-related injuries, and a legal framework for union representation. As the Platform Workers Bill takes effect, Platform Operators will need to adjust to their new statutory obligations and to revise their business models and management practices to ensure compliance.



## Looking ahead in 2025



### **New compulsory contribution to children's sports activities**

With effect from 1 January 2025, an employer who employs more than 49 employees shall, at the request of an employee whose employment with the employer has been continuous for at least 24 months, provide a contribution for a child's sports activity in the amount of 55 % of the eligible expenses, up to a maximum of EUR 275 per calendar year in aggregate for all the employee's children. In the case of an employee who has a part-time employment contract, the maximum amount of the contribution per calendar year referred to in the first sentence shall be reduced in proportion to the shorter working time. This contribution is intended for children of employees up to 18 years of age. The contribution is conditional on the child's membership for at least six months in a sports organisation registered in Slovakia. Subject to the conditions laid down by law, the child's sports activity contribution is exempt from tax and levies.



### **New rules for holiday vouchers**

An employer who employs more than 49 employees shall, at the request of an employee whose employment with the employer has been continuous for at least 24 months, provide a contribution for recreation in the amount of 55% of the eligible expenses, up to a maximum of EUR 275 per calendar year. In the case of an employee who has a part-time employment contract, the maximum amount of the contribution per calendar year referred to in the first sentence shall be reduced in proportion to the shorter working time. With effect from 1 January 2025, there is a change in the system of recreation vouchers. It will now be possible to transfer the recreation voucher to the employee's parents. This means that the employee will not have to be present in person at the holiday. The contribution remains at 55% of eligible expenses, up to a maximum of EUR 275 per year. These eligible costs include the cost of accommodation, meals and other services connected with the holiday.



### **Changes in the employment of seasonal workers**

Whereas until recently, seasonal work in restaurants, pubs and accommodation facilities had to be directly dependent on specific tourist activities, with effect from 1 January 2025 this condition will no longer apply. This will significantly simplify the employment of seasonal workers across the hospitality sector. The expansion of seasonal work opportunities applies to all hospitality and accommodation facilities, not just those directly linked to other seasonal activities.



## Looking ahead in 2025



### Employment Equity Amendment Act 4 of 2022 (Amendment Act) effective 1 January 2025

From 1 January 2025, the Amendment Act introduces significant changes for South African employers. The definition of *designated employers* has been amended to only include those with 50+ employees, regardless of turnover. The Minister of Employment and Labour is now empowered to set sector specific numerical employment equity targets for each national economic sector (sectoral targets), which designated employers must incorporate into their employment equity plans (EEP). Compliance with the EEA is no longer solely based on internal targets in an EEP and is now assessed against these sectoral targets. Compliance certificates are required for entities entering contracts with the State and these will be issued based on compliance with the sectoral targets in addition to other EEA requirements.



### Zimbabwean Exemption Permits (ZEP)

On 28 November 2024 the Minister of Home Affairs extended the validity of all ZEP's for an additional 12 months (extension). This extension was made in order for the Minister to fulfill his duty to consult the affected ZEP holders and all other stakeholders on the future of the current dispensation, as required by the Gauteng High Court in *Foundation and Another v Minister of Home Affairs and Others*. During the extension period, all existing ZEP's shall be deemed to remain valid for the next 12 months, ZEP holders are protected from arrest, detention or deportation related to them not having any valid exemption certificate and may freely enter and exit South Africa, provided that they meet all other entry requirements, and no ZEP holder may be required to produce a valid exemption certificate, visa or authorisation letter to remain in South Africa when applying for any category of visa for temporary sojourn in South Africa.



## Looking ahead in 2025



### **Draft law on the reduction in the maximum working hours, time recording, and the right to digital disconnection**

The draft law proposes a reduction in working hours without a reduction in pay, together with an improvement in the control of working time so that maximum working hours and minimum breaks are guaranteed. It also regulates workers' right to digital disconnection. This law is intended to be applied in 2025, modifying the maximum working hours in Spain set out in article 34 of the Workers' Statute.



### **Measures for equality and non-discrimination of LGTBI people in companies**

From 28 February new measures will involve employers introducing a planned set of measures and resources to achieve real and effective equality of LGTBI people for the real and effective equality of trans people and for the guarantee of LGTBI people's rights.

### **Disciplinary dismissal in Spain must comply with the formal requirement of a prior hearing**

The ruling of the Spanish Supreme Court of 18 November 2024 establishes that a worker dismissed by their employer for disciplinary reasons related to their conduct without having been given the possibility to defend themselves against the behaviour they are accused of, would be in breach of article 7 of the ILO Convention 158 and must be declared unfair. In the absence of any legislation and given that the Supreme Court does not set out a specific format for how the requirement must be met, it is expected that there will be case law on this issue in the course of 2025.



### **Dismissal severance payment**

As advanced during 2024, the European Committee of Social Rights issued a decision on 2 August stating that the compensation mechanism in the event of dismissal without valid reason provided for in national legislation, and as interpreted by national case law, does not allow victims of dismissal without a valid reason to obtain adequate compensation. Such compensation, as stated above, must be capable of covering the damage suffered and have a dissuasive effect on employers. From now on, the employer will have to take into account that the statutory maximum compensation may be increased when assessing the possibility of dismissing an employee. In 2025 it is expected that we will see developments and binding opinions in this regard from the Spanish Supreme Court.



## Looking ahead in 2025



### **Svensk Bygghkontroll - a new control system to stop fraud and work-related crimes in the construction and installation industry**

In 2024, a new control system was adopted in the construction and installation industry called Svensk Bygghkontroll. Svensk Bygghkontroll requires documentation from employers who are bound (directly or indirectly) by a collective agreement with the Swedish Construction Workers Union, to ensure that the correct wages and benefits in the collective agreements are being adhered to. If this is not the case, Svensk Bygghkontroll may demand corrections from the employers. Svensk Bygghkontroll may also demand damages based on the profit the employer has gained by not following the collective agreement.



An increasing number of legal disputes between Svensk Bygghkontroll and employers and/or employer organisations can be expected. These disputes often involve claims for substantial damages. For instance, in Labour Court case 2024 No. 11, the union claimed damages amounting to SEK 26 million, but the court only awarded SEK 750,000. This trend is likely to grow as Svensk Bygghkontroll intensifies its operations, increasingly demanding both corrections and substantial damages. The union has faced challenges in court proving the substance of the claims and the recent court case indicates that the amounts awarded may be substantially lower than the claims.

If an employer fails to comply with Svensk Bygghkontroll's corrective measures or paying damages, the union might prohibit other contracting parties bound by the agreement from hiring the employer as a subcontractor. This will have great impact on foreign construction companies working in Sweden.



### **New law on unemployment insurance**

From 1 October 2025, a new law on unemployment insurance will come into force. Currently, employees must meet specific conditions to qualify for unemployment benefits. Under the new regulations, eligibility will be determined based on income from work rather than the amount of time worked. Additionally, the length of membership will impact the level of compensation a job seeker is eligible to receive.



### **The Swedish Work Environment Authority's new regulatory framework**

The Swedish Work Environment Authority has developed an entirely new regulatory framework, where provisions have been revised and reorganised within the new structure and also digitised. The goal is to make it easier to locate, understand, and apply the regulations. Most of the provisions maintain the same level of requirements and protection, with exceptions within framework for developers, designers, and construction work environment coordinators. The new rules came into force on 1 January 2025.





## Looking ahead in 2025



### Revised Swiss Code of Civil Procedure entered into force on 1 January 2025

The changes will also have an impact on labour law proceedings. The following changes are of particular interest:

- Court hearings by video conference. The courts may in the future conduct in-person procedural hearings, such as, for example, court hearings, by electronic means, in particular by video conference. However, all parties have to agree and there must be no legal provisions to the contrary.
- Privilege rights for activities of a party's in-house legal department and in-house legal counsel. Under the revised law, a party may refuse to cooperate and produce documents which are connected to its in-house counsels' activities.
- Conciliation proceedings. According to the revised law, the conciliation authority can issue a so-called "proposed decision" for up to a value in dispute of CHF 10,000.00. Such proposed decision becomes a judgement if neither party rejects this proposal within a deadline of 20 days. Until now, Swiss conciliation authorities had usually been reluctant to issue such a "proposed decision". It remains to be seen whether there is a change to the approach under the revised law.



### Future of home office working

In the recent past, only very few (mainly international) Swiss employers have re-assessed their approach to home office working and reduced the days on which employees are allowed to work from home. Most Swiss employers have so far retained their usually rather generous approach, often allowing employees to work from home for up to 40% of their total working time. We do not expect to see a considerable shift here, also in view of the ongoing difficulties for Swiss employers to find qualified employees.



## Looking ahead in 2025



### Minimum wage

In Turkiye, there is a yearly review of the rates and limits of the minimum wage, severance pay and administrative fines. The rates for 2025 were published in the Official Gazette on 27 December 2024 and will come into effect on 1 January 2025. As per the said announcement, the minimum wage will apply as TRY 26,005.50 gross from 1 January 2025 (increased from TRY 20,002.50 gross).



### Severance pay cap

The severance pay cap is updated every six months. From 1 January 2025 to 30 June 2025, the severance pay cap is TRY 46,655.42 gross (increased from TRY 41,828.42 gross). The next adjustment regarding the severance pay cap is expected to take place on 1 July 2025.

### Female employment

Turkiye's 2025 Presidential Programme targets 55% labour force participation, with 38% for women. Key initiatives include financial incentives for female employment, childcare support, aid for female entrepreneurs, and vocational training to address green and digital transitions, fostering an inclusive labour market.



### Reducing informal employment

As per Turkiye's 2025 Presidential Programme, Turkiye aims to decrease informal employment, (defined as illegal employment not fully reported to relevant authorities in terms of social security contributions, wages, or working days as required by law), to 25.8% by 2025. To support this goal, awareness campaigns and enhanced workplace inspections will be implemented to ensure compliance with employment regulations. Additionally, risk-based monitoring of underreported wages and unregistered workers will also be prioritised.



### Occupational health and safety improvements

Turkiye's 2025 Presidential Programme sets a target to reduce the fatal workplace accident rate to seven per 100,000 workers by 2025. To achieve this, certified training programs in occupational health and safety will be expanded, and monitoring mechanisms will be enhanced. Furthermore, technological solutions such as digital systems for safety compliance are also being prioritised to improve workplace conditions.



## Looking ahead in 2025



### Changes in reservation procedure

The rules for employees' reservation from mobilisation have changed significantly starting in December 2024. They include updated requirements to qualify as a critical enterprise for employers, the obligation to reconfirm such status and to "re-reserve" employees, procedural changes (reservation through Diia portal only), additional monitoring and others.

All currently reserved employees will retain their reservations until the term provided, but not later than 28 February 2025 (unless annulled earlier). If any employee has a reservation valid beyond 28 February 2025, on 1 March 2025 such reservation will be annulled automatically and must be resubmitted according to new requirements.



### Increase in the mandatory minimum salary and fines for labour law violations

From 1 April 2024 the minimum statutory monthly wage has been increased from UAH 7,100 (approx. EUR 160) to UAH 8,000 (approx. EUR 181). Since the size of the financial penalty imposed on an employer for a breach of the employment legislation is linked to the minimum wage, the level of penalties has also been increased:

- failure to allow a State Labor Service inspector to conduct an inspection - up to UAH 128,000 (EUR 2,900);
- unregistered employees - up to UAH 80,000 for each (EUR 1,800);
- violation of labour laws (e.g., errors in recording working hours) - up to UAH 8,000 (EUR 180).



### New Labour Code of Ukraine

In December 2024, the Ministry of Economy published a revised draft of the Labour Code of Ukraine, which aims to reform labour legislation to eliminate outdated norms and improve the regulation of modern labour relations. The draft includes enhancements in labour safety, resolution of collective labour disputes, and the implementation of international standards.



## Looking ahead in 2025



### Dismissal and re-engagement

On 20 January 2025, employment tribunals gained the power to increase compensation awarded in a protective award claim (that is, a claim brought against an employer that they have failed to inform/consult employee representatives when proposing to make 20 or more redundancies) where there has been an unreasonable failure to comply with the Code of Practice on Dismissal and Re-engagement. This might include, for example, failing to provide the relevant information to employee representatives.



### Statutory Neonatal Leave and Pay

New rights to statutory neonatal leave and pay will come into force on 6 April 2025. Eligible parents will be entitled to take up to 12 weeks paid neonatal care leave to care for a child who is receiving or has received neonatal care, in addition to other existing statutory leave and pay entitlements such as maternity and paternity leave. Regulations were laid in January 2025 explaining how the new rights will operate, and employers should plan ahead and review family-related leave policies.



### Employment Rights Bill

The Employment Rights Bill sets out the most ambitious employment related reform for over half a century including changes to unfair dismissal rights, statutory sick pay, family-related leave, dismissal and re-engagement processes, zero hours contracts, flexible working arrangements, trade union rights and protections against workplace sexual harassment. While many of the changes are not expected to come into force until 2026, the Government began to consult on aspects of the reform in October 2024 and further consultations are expected in 2025.



### Draft Equality (Race and Disability) Bill

The Government's Next Steps to Make Work Pay document, published in October 2024, indicated that consultation on a draft Equality (Race and Disability) Bill would begin "in due course" with a draft bill possible in 2025. The Bill is expected to make it mandatory for large employers (that is those with 250 or more employees) to report their ethnicity and disability pay gaps and extend equal pay rights to ethnic minorities and disabled people. While some employers already voluntarily report these pay gaps, for many the practical aspects of such changes will need some planning, and advice on data protection compliance on the collection of the workforce data to support this analysis. We anticipate consultation on the draft legislation, with any related reform unlikely to be introduced until 2026 or beyond.





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