



## **On Your Radar**

Key employment issues across Europe and beyond





# 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 <a href="mailto:employment@cmslegal.com">employment@cmslegal.com</a>.

The information set out is correct at the time of writing in early January 2024.

The CMS Employment Team

# Index of countries in this edition



### Please click on the country below to take you to that section

Belgium	Czech Republic	North Macedonia	Spain
Brazil	France	Peru	Sweden
Bulgaria	Hong Kong	Poland	Switzerland
Chile	Hungary	Portugal	The Netherlands
China	Italy	Singapore	Turkey
Colombia	Mexico	Slovakia	Ukraine
Croatia	Monaco	Slovenia	United Kingdom



# Belgium

### Looking ahead to 2024

#### Social elections in 2024

The social elections for the establishment and/or renewal of works councils and the Committees for the Prevention and Protection at Work, which occur every four years, are scheduled to take place from 13 May to 26 May 2024.

These social elections will affect more than 7000 companies in Belgium. Company is defined as including both private sector businesses with economic and commercial objectives, as well as non-profit organisations such as social and healthcare services.

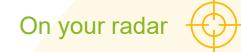
The purpose of social elections is to establish or renew a total of 11,000 entities, which include nearly 4,000 works councils and over 7,000 Committees for Prevention and Protection at Work.

#### Annual holidays and sick leave

Currently, if an employee who is already on holiday falls ill during that period, they are still considered to be on holiday and are required to use their annual leave. Starting from 1 January 2024, a sick day will take precedence over a day of annual leave. In other words, the employee's annual leave can be converted into sick days, for which the employer must pay the employee their guaranteed salary. The annual leave will be rescheduled, either immediately after the period of incapacity, thereby extending the initially planned absence, or at another time.

#### **Training rights**

From 1 January 2024 companies employing at least 10 workers must provide individual workers with the right to 5 days of training per year in 2024. This requirement must be included in the company's work rules.



### Brazil

### Looking ahead to 2024

#### Salary transparency report

In 2023, new standards were published regarding salary transparency reporting. These standards apply to companies with more than 100 employees and aim to reduce the wage gap between men and women in the workplace. The new law requires employers to publish a report in March and September 2024. Additionally, there will be an increase in inspections to ensure compliance with the new regulations.

#### Union assistance contributions

In September 2023, the Supreme Court of Brazil changed the long-established understanding by approving the payment of assistance (or welfare) contributions from unions. Therefore, the deduction of these amounts is expected in 2024 with the publication of new collective agreements.

#### **Strengthening of unions**

In addition to the assistance contribution, due to the change of government in 2023 and its connections with workers and unions, during 2024 the power of unions is expected to be strengthened and collective bargaining will be encouraged in various areas.

#### Attention to issues of moral and sexual harassment

In 2023 it became mandatory to provide annual training to employees to prevent sexual harassment in the workplace. This and the topic of moral harassment are increasingly in focus in Brazil, so more judgments on the topic are expected in 2024, and there is a need for companies to maintain internal training and procedures aimed at the health and safety of professionals.

#### A return to in-person work

A full or partial return to in-person work has become the norm in numerous companies. This poses the challenge of keeping professionals engaged but also adapting legal obligations, such as travel expenses and renegotiating the provision of work equipment and other benefits.



# Bulgaria

### Looking ahead to 2024

#### Change of the statutory minimum salary

From 1 January 2024, the statutory minimum salary in Bulgaria increases and becomes BGN 933 per month for full-time employees. The update is based on some recent changes in the Bulgarian Labour Code. By 1 September each year the Council of Ministers will decide the minimum salary for the next calendar year. It is set at 50% of the average gross salary from the last two quarters of the previous year (i.e. 2022) and the first two quarters of the current year (i.e. 2023).

#### **Electronic food vouchers**

Food vouchers provided by employers as a benefit to staff, became electronic from 1 January 2024. There is a transition period, until 30 June 2024, during which employers can choose whether to distribute paper-based or electronic food vouchers. After this date, the food vouchers providers will issue only electronic food vouchers. The non-taxable amount of BGN 200 per employee per month remains unchanged.

#### **Electronic employment records**

In October 2023, the Bulgarian Parliament adopted new amendments to the Bulgarian Labour Code by introducing the unified electronic employment record as part of the digital employment register which will be maintained by the National Revenue Agency. This will replace the current paper-based employment record book. The amendments will enter in force from 1 June 2025 when all employers will be obliged to make records in the unified electronic employment records of their employees and make entries in the digital employment register for the conclusion, amendment, and termination of employment contracts. Further details related to this procedure will be subject to a separate Ordinance which the Council of Ministers has to adopt by 1 June 2024.

### Upcoming amendments to the legal provisions related to remote work

A draft amendment to the Labour Code introducing changes in the regulation of remote work has been proposed. The draft law aims to provide greater flexibility and security in terms of remote work, including the organisation of health and safety at work, reporting of work and the control of working time. The draft law also regulates an employee's right to disconnect during regulated breaks while working remotely as well as the possibility of using automated systems to organise and record the actual time worked. The draft law also aims to ensure compliance with the requirements of Directive 2014/67/EU by providing for non-discriminatory measures in the regulation of liability for the payment of wages to employees in subcontracting chains. Some of the most significant changes in the draft law include: (i) inclusion of the location where the employees will work remotely in their employment contracts, (ii) providing the employer with written information on the characteristics of the workplace, and (iii) notifying the employer of any workplace incident in a predetermined manner.



### Chile

### Looking ahead to 2024

#### **Work-Life Balance Law**

From 29 January 2024 caregivers of children under fourteen, or people with a disability, are entitled to make a request to their employers for remote work (to the extent that their role allows it). Those who represent employers such as managers, assistant managers, agents or employees with powers of attorney are excluded.

Similarly, during the holiday period established by the Chilean Ministry of Education, these employees will have priority when it comes to requests for holidays, temporary shift changes or the distribution of working hours and working days.

#### 40-Hour Work Week Law

On 11 April 2023, the Chilean Congress approved a law that reduces the working week from 45 to 40 hours. One year after the publication of the law (April 2024) the working week will be reduced to 44 hours. In the third year (April 2026) it will be reduced to 42 hours. In the fifth year (April 2028) it will be reduced to 40 hours.

From April 2024, the new law will restrict the number of employees exempt from overtime pay. Therefore, the following categories of individuals who will not be allowed anymore to have an exempted working hour schedule include; employees who provide services to different employers; those hired to provide services at their home or in another place that they freely determine; commission agents and insurance agents, traveling sales agents, collectors and those who do not provide services on the company's premises; and those who provide services at home or telecommuters. The categories of individuals that are excluded from the limitation of working hours include: workers who provide services as managers, administrators, representatives with administrative powers; and all those working without immediate supervision due to the nature of the work performed.

#### Law against workplace harassment

Companies must incorporate processes to investigate violent behaviour in the workplace, in addition to the existing workplace harassment processes that are currently in place as outlined in previous laws.



### China

### Looking ahead to 2024

# Interns and retirees under the age of 65 may participate in work-related injury insurance in Shanghai

In the past, only employees could participate in workrelated injury insurance while interns and retirees working for companies were not able to join the workrelated injury insurance of employees. This may cause potential risks to companies if the interns or retirees are injured during the work. To mitigate such risks, companies have to take out additional commercial insurance for interns and retirees. From 1 December 2023 in Shanghai, interns and retirees can participate in the work-related injury insurance together with the employees of the companies. If a work-related injury occurs, then interns and retirees are entitled to access work-related injury insurance benefits which will be mostly provided by the social insurance fund. In addition to Shanghai, other locations such as Jiangsu and Zhejiang provinces have already adopted such policies. With the implementation of such policies, in these locations, companies will have more opportunities in adopting flexible labour arrangements, such as engaging more interns and retirees, thereby reducing labour costs.

### Chinese government intends to continuously enhance employee welfare and protection

On 12 December the PRC Supreme People's Court released a draft Judicial Interpretation (II) on Labour Disputes for public opinions. The draft shows that the Chinese government intends to continuously enhance employee welfare and protection, especially regarding the renewal of employment contracts, compensation for annual leave, changes to an employee's work position and reinstatement of employment relationship, etc. For example, according to the draft, employees may be entitled to compensation for the unused annual leave accumulated during their entire period of employment within one year of leaving the employer. Amidst the challenges, it is imperative for companies to prioritise the standardisation of daily employee management. This entails a dedicated focus on the development, enhancement and rigorous implementation of HR policies, including working hours, overtime work, leave management, compliance management., etc. to better exercise companies' management rights within the framework of legal and regulatory compliance to mitigate legal risks and avoid labour disputes.

# Companies will continuously face both opportunities and challenges in employment management in the digital age

The advancement of technology has made remote and hybrid work a common practice. However, companies no longer follow the common practice blindly, but tailor suitable work modes for employees based on their job characteristics and business needs. To adapt to different kinds of work modes, companies must establish comprehensive rules and regulations to address legal issues which might arise, including but not limited to establishing a secure remote work environment, processing personal data properly, handling work-related injuries, managing working hours and work performance, and safeguarding business secrets in electronic office environments.



### Colombia

### Looking ahead to 2024

### Increase of minimum wage and legal transportation allowance

From 1 January 2024 the new legal minimum wage will be equivalent to COP 1,300,000 (approximately EUR 300) which is an increase of 12%. Another Decree established that the new legal transportation allowance (which is only payable to employees who earn less than 2 times the minimum wage) will correspond to a sum of COP 162,000 (approximately EUR 37).

### Registration of self-evaluations regarding compliance of health and safety standards

On 18 December 2023 the Ministry of Labour issued Circular 093 of 2023 in which it was established that those employers who could not upload their annual self-evaluation regarding the compliance of health and safety standards in December 2023 to the Ministry's web portal, could do it between 1 February 1 and 29 March of 2024, highlighting that during the month of January 2024 the webpage will not be working.

### **Gradual reduction in the legal maximum working week**

From 15 July 2024 there will be a reduction in the limit to the maximum working week. The current law contains a maximum of 47 hours per week, and this figure will be reduced to 46 hours per week.

#### 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. At the end of 2023 some of the articles have been pre-approved on initial debates. The most relevant pre-approvals are those related to the increase in the rates of paid work on Sundays and the changes to the times in which the nighttime schedule starts (which currently starts at 9:00 p.m. and would start at 7:00 p.m.). Even though a final draft has not been approved yet, during 2024 the debates will be expected, which is why it is important that employers carry out the appropriate calculations to be ready if the reform is approved by the government.

#### **Pension reform**

On 14 June 2023, the Pension Reform in Colombia was approved in the first debate. Since then, various political parties have been deliberating on the text in the Senate Plenary. The key focal points in the debate have been the system's coverage and its fiscal sustainability. One of the most important proposals is the implementation of the pillar system, which involves modifying the two existing pension regimes.

Nevertheless, men who, as of 31 December 2024, have 900 weeks of contributions, or women who, by the same date, have 750 weeks, will continue to be beneficiaries of the previous regulations (Law 100 of 1993). The legislative process is expected to be concluded by 2024.



### Croatia

### Looking ahead to 2024

#### Work via digital work platforms

At the start of 2024, new employment law provisions regulating digital work platforms entered into force. Work performed via digital work platforms will generally constitute employment (with some exceptions).

### Digital work platforms and aggregators as employers

A digital work platform is a natural or a legal person that provides services at the request of the recipient of the service, using digital technology within the framework of the work organisation in which work is being performed personally and remotely, using electronic means (website, mobile application etc.) or directly at the specific location.

An "aggregator" is a natural or a legal person who represents one or more digital work platforms and can, in certain cases, be considered the employer.

### Additional obligations of digital work platforms/ aggregators as employers

The new obligations include (a) additional mandatory content in the employment contract; (b) registering a digital work platform and aggregator with the records of the competent ministry; (c) appointing a person authorised to supervise the safety and workload of the employees who perform work via digital work platforms; (d) appointing a person authorised to, at the request of the employee, review decisions made in the automated management system; (e) carrying out a risk assessment of work performed via digital work platform and its impact on the health and safety of the employees, etc.

### Legal assumption of the existence of an employment relationship

The new rules will deem that an employment relationship has been established if the digital work platform or aggregator enters into a service contract with a natural person for the performance of work which has similar characteristics to an employment contract. This will include the nature and type of the work and the employer's powers. The assumption does not apply to a natural person who, working via digital work platform in a particular quarter of the calendar year, received less than 60% of the gross amount of 3 months' minimum salary determined by the law (for 2024 minimum gross salary amounts to EUR 840).



# Czech Republic

### Looking ahead to 2024

### Changes for employees under agreements outside the employment relationship

#### **Annual leave entitlement**

Employees working under agreements outside the employment relationship will be entitled to annual leave from 1 January 2024.

The annual leave entitlement will be calculated in the same way as for employees in an employment relationship (based on multiples of weekly working hours worked by the employee). For this purpose, their assumed weekly working hours will be 20 hours.

# Obligation to maintain records and register employees under agreements to complete a job 1 July 2024

Employers will be obliged to keep records of those employees who are working under agreements to complete a job. (An agreement to complete a job is a type of agreement outside the employment relationship.) The record keeping rules are similar to the rules that employers keep in relation to employees in an employment relationship for the purpose of sickness insurance. Employers must register them with the Czech Social Security Administration, which will keep a central register of these employees.

#### Social security and health insurance 1 July 2024

Employees under agreements to complete a job will be subject to new stricter rules to pay social security and health insurance contributions. Their income from multiple agreements to complete a job with multiple employers will be combined for the purpose of exceeding the statutory monthly threshold which triggers the obligation to pay social security and health insurance contributions. A new threshold relevant for income from multiple agreements to complete a job with different employers will be introduced.

### Social security contributions increase 1 January 2024

Employees as well as employers' part of social security contributions will increase. Employees will now have to pay sickness insurance and employers will have to pay higher contributions to pension insurance.

### Taxation of employees' income and other benefits 1 January 2024

#### Reduction of tax advantages

Several tax advantages (tax exemptions or tax credits) benefiting employees will be abolished or reduced – e.g. student tax credit, spouse tax credit, nursery tax credit or exemption of non-monetary 'leisure' benefits.

### Tax advantages for emission-free and low-emission vehicles

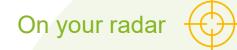
If an employee uses a company car for a private purpose, a part of the car's entry price is considered the employee's monthly income and is taxed accordingly. From 2024 onwards, the relevant part of the entry price will be lower for emission-free and low-emission vehicles.

#### **Progressive taxation of income**

Employees' income is taxed progressively (at 15% and 23% rates). From 2024, the annual threshold at which the higher tax rate applies to employee's income exceeding the threshold will be reduced from 48 times to 36 times the average monthly salary.

#### Legislation expected in 2024

Work to transpose the EU Pay Transparency Directive is expected in 2024.



### France

### Looking ahead to 2024

#### Accumulation of paid leave during sick leave

In three decisions dated 13 September 2023, the French Supreme Court rejected the previous legal position on the accrual of leave during sickness absence. As a result, employees who are on sick leave will be entitled to accrue paid leave. This is limited to one year where the leave is a result of a workrelated accident or occupational disease. The Court also ruled that the statutory limitation period to benefit from paid leave only begins when the employer has given the employee the opportunity to exercise their right to paid leave. Given the retrospective nature of this case law, any employee who was on sick leave prior to 13 September 2023, is entitled to claim paid leave earned during this period. In view of the legal risks and financial impact of this case law for companies, a Bill is likely to be issued during 2024 to deal with the consequences of these decisions and to limit their adverse impact for companies.

#### New "Pact on Working Life"

Interprofessional negotiations were opened on 22 December 2023, based on a document from the Ministry of Labour regarding 3 topics. The first topic concerns the *employment of senior workers*.

The aim is to identify measures to raise the employment rate of 60 – 64-year-old employees from 33% to 65% by 2030, notably by developing collective bargaining on age management, adapting end-of-career arrangements, improving working conditions and fighting age-related stereotypes.

The second topic is the *Universal Time Savings*Account (CETU) aimed at giving employees the choice to save time off or rest time throughout their career in a dedicated account, regardless of whether their company or branch already provide them with a time-savings account (CET). (This is a concept in France where employees can save their leave to take it later or convert it into money. It is currently optional in the private sector.)

The third topic named *career paths* is aimed at encouraging internal and external job opportunities preventing work-related stress and professional dissatisfaction and enhance career transition processes. The government has given the social partners until 15 March 2024 to complete their negotiations in order to enact the measures into a Bill before summer 2024.

#### Jobseekers' compensation system

The government delayed its approval of the new unemployment insurance agreement reached with the social partners on 10 November 2023, regarding measures to compensate senior workers.

A decree will maintain the current unemployment insurance scheme unchanged until 30 June 2024, to give the social partners time to finalise their negotiations.

#### Amicable termination ("rupture conventionnelle")

According to the mainstream press, the French Prime Minister is considering strengthening the rules on an amicable termination ("rupture conventionnelle"), since this mechanism created in 2008 is too costly for the unemployment fund. No text has yet been announced to enact these changes.



# Hong Kong

### Looking ahead to 2024

### Increased adoption of artificial intelligence in the workplace

The Hong Kong Productivity Council (HKPC) Digital Transformation has announced the results of the Hong Kong Enterprise Digitalisation Index Survey. The Survey results revealed that the overall enterprise digitalisation index in Hong Kong stood at 35.9, indicating that Hong Kong enterprises are aware of the importance of digitalisation and are in the early stages of adopting digital technology in certain operational processes. 30% of enterprises surveyed are currently using AI in their operations. The HKPC Digital Transformation expects this to increase to 50% in 2024 as the use of AI becomes mainstream. We also anticipate that enterprises will step up their provision of AI training, as the Survey results indicated that 40% of enterprises believe this necessary.

### Increasing employee compensation for work related health problems

The Labour Department of Hong Kong has increased the levels of employee compensation for work-related injuries. As a result, we expect to see an increase in the number, and amount, of claims made by employees who suffer an injury at work. By way of example, compensation available under the

Employees' Compensation Ordinance (ECO) for death of an employee has increased from HKD 473,610 to HKD 486,300. Compensation under the Pneumoconiosis and Mesothelioma (Compensation) for funeral expenses have risen by HKD 2,020 and compensation under the Occupational Deafness (Compensation) Ordinance for hearing assistance devices for employees under 40 years of age has increased from HKD 3,417,600 to HKD 3,508,800.

#### **The Good Employment Charter 2024**

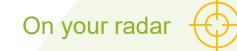
The Labour Department has launched its Good Employment Charter 2024, focusing on the theme of "Supportive Family-Friendly Good Employer". The Charter is aimed at fostering family-friendly policies and progressive human resources management practices across trades and different sized employers. We therefore anticipate we will see increasing flexibility for employees to balance work and family responsibilities amongst employers who participate in the Charter.

#### **Hybrid working**

We expect to see a continuation of hybrid working arrangements in Hong Kong next year. A survey by PWC indicated that 76% of employees in Hong Kong have adopted a hybrid working arrangement, compared with 59% across the rest of APAC.

### Increase in number of over 65s working in Hong Kong

In the budget speech for 2023 - 2024, in an effort to combat the shrinking workforce resulting from Hong Kong's aging population, Financial Secretary the Hon Paul MP Chan, proposed raising the tax deduction under profits tax available to employers for Mandatory Provident Fund voluntary contributions for over 65s from 100% to 200%. Chan highlighted the fact that many over 65s were still willing and able to continue work. In October, the suggestion was placed before the Legislative Council Panel on Financial Affairs and, if adopted, we expect in 2024 to see an increase in the number of people of statutory retirement age continuing or returning to work in the financial year 2024 - 2025.



# Hungary

### Looking ahead to 2024

### Changes to the rules on scheduling additional leave granted in respect of a child

Previously, according to Act I of 2012 of the Labour Code, parental leave had to be granted by the employer in accordance with the employee's request. From 1 January 2024 both parental leave and additional leave for children must be requested by the employee at least 15 days before the start of the leave.

# The law on guest workers has been repealed and a new basis for the immigration police is being put in place

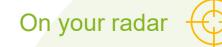
The government repealed the law on guest workers adopted in spring 2023 and put the whole legal system regarding immigration on a new basis.

#### Minimum salary, guaranteed minimum salary

From 1 December 2023 the mandatory minimum basic salary for full-time employees increased to HUF 266,800, while the guaranteed minimum salary is HUF 326,000.

### Amendment of the law on occupational safety and health

The amendment of Act XCIII of 1993 on Occupational Safety and Health will enter into force in several steps. The amendment includes the scope of people entitled to carry out certain professional activities, professional qualifications in occupational safety and health and the partial abolition of the compulsory occupational health examination, which was mandatory for employers. The amendment of the Occupational Safety and Health Act also leads to the amendment of several regulations as well.



# Italy

### Looking ahead to 2024

#### The right to work remotely

On 15 December 2023, the right to work remotely for two particular categories of employees was extended until 31 March 2024:

- parents who have at least one child under the age of 14 provided there is no other parent in the household who is not a worker or a beneficiary of income support;
- employees in frail conditions resulting from immunodepression, the outcome of oncological diseases or the performance of life-saving therapies or, in any case, co-morbidities.

#### International postings in Italy becoming simpler

On 21 December 2023 authorities clarified that a foreign company posting workers in Italy fulfils its obligation to keep labour records by simply showing them to a supervisory body upon request, without the need to keep them on site for the entire period of the posting. Furthermore, the contact person designated by the posting company for conversations with the competent Italian authorities does not necessarily have to be physically present in Italy. Provided they are domiciled in the national territory, and they have contact details this will be sufficient.

#### New database for matching job demand and supply

The new database, called Siils, for matching job demand and supply, which brings together data from the Ministry of Labour, INPS (The National Institute for Social Security) regions, job centres, training providers, employment agencies, and soon the Ministries of Education and Merit and Universities, is expected to be fully operational in 2024. The platform is expected to have an intended audience of 7 million workers.

#### **Fixed-term contracts**

In 2024, the first agreements at company level 'between employers and unions are expected to appear implementing fixed-term contracts beyond the 12-month limit. This can be achieved where specific reasons apply and agreed between the company and the work council.



### Mexico

### Looking ahead to 2024

#### Social security for the self employed

On 1 December 2023, the Official Gazette of the Federation published details of the reform of the Social Security Law which will allow self-employed workers to voluntarily join the Mexican Social Institute (IMSS). With this reform, self-employed workers will have all the benefits of IMSS insurance for illness and maternity, occupational hazards, disability and life insurance, retirement insurance, unemployment at an advanced age and old age, childcare and social benefits.

#### Increase in the minimum wage

The National Minimum Wage Commission's Council of Representatives agreed to increase the minimum wage in México to MXN 248.93 per day for 2024. The minimum wage is higher in areas along the northern border, where living costs are higher. There, the 20% increase would take the minimum to about MXN 375.

### Increase in Christmas bonus and vacation premium

Reforms are under discussion where the purpose is to double the Christmas bonus and the vacation premium, which would increase it from 15 to 30 days wages, and from 25% to 50% of the salary received during the rest period, respectively.

#### **Union fees payments**

In 2019, a reform to the Labour Law was approved to establish that an employee could express in writing their will not to have union dues applied. Now, the Senate has passed a reform to remove the right of employees to decide whether or not to have union dues deducted from their salaries, making the deduction of union dues mandatory again. The bill was sent to the Chamber of Deputies to be discussed in its next session.

### Possible amendment to the FLL (Workweek reduction)

There has been a discussion in Congress in Mexico to reform Article 123 Section A of the Constitution of the United Mexican States and the Federal Labour Law to reduce the working week from 48 to 40 hours, with a minimum of two days of rest per week.



### Monaco

### Looking ahead to 2024

#### Law No.1.552 on paternity leave for employees

Law 1.552 extends paternity leave for employees in the private sector, to bring it into line with paternity leave for public sector employees. Since 16 December private sector employees are entitled to 21 consecutive calendar days of leave in the case of a single birth (currently set at 12 days), or 28 consecutive calendar days in the case of multiple births or if the household already has at least two dependent children born or expected (currently set at 21 days).

#### Bill No. 1.086 on maternity leave for the selfemployed

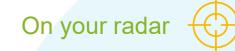
This bill proposes to introduce maternity leave for selfemployed workers. The bill sets a minimum duration of maternity leave of 18 weeks, increased according to the number of dependent children (born or expected). During maternity leave, self-employed women would receive a flat-rate daily allowance (independent of their income), which would vary according to the number of days taken. In the event of a medical condition related to pregnancy (certified by a medical certificate), selfemployed women would be entitled to the same benefits as those provided for employees from the first day of the sixth month of pregnancy. The allowance is paid by CAMTI on presentation of the application and the necessary documents proving that the self-employed worker meets the conditions for entitlement to the allowance.

#### Legislative proposal No. 259 on (i) mutually agreed termination of employment and (ii) the presumed resignation

This proposal provides (i) for mutual consent termination while guaranteeing unemployment benefits, and (ii) for the consequences of abandoning a job. While the financial consequences of a mutually agreed termination have been amended from the initial version of the proposal, a principle of presumption of resignation has been added for employees who voluntarily leave their jobs. Employers must give the employee formal notice to justify their absence and to resume work within 15 days. Failure to do so may result in a presumption of resignation (which does not entitle the employee to severance pay and unemployment benefits). There are still several legislative steps to be taken prior to t his proposal becoming a law: now that it was voted by the National Assembly, it is up to the government to make it a bill, or drop it, within the next 6 months. If a bill is issued, it will be examined, debated and voted on by the National Assembly, prior to promulgation by the Sovereign Prince.

#### Bill No. 980 on the regulation of night work

This bill proposes a specific status for night workers in the private sector and defines the benefits associated with this status, such as: the right to compensation (compensatory rest or cash compensation, right to early retirement), increased medical surveillance and priority for a day shift. The project naturally provides a very precise definition of night work (any work performed between 10 p.m. and 5 a.m.) and of night workers (over 37% of work is night work - for at least 3 consecutive months). The bill provides for the possibility of derogating from some of its provisions, in a more favourable sense, by collective agreement (collective agreement and company agreement). Before introducing night work on a regular basis or changing the arrangements in force in the company, the employer must follow a specific procedure (informing the staff representatives or, failing that, the staff concerned, and sending an information document to the labour inspectorate and the occupational health office). In addition, an update must be sent to them every 5 years after the initial declaration.



### North Macedonia

### Looking ahead to 2024

#### A new Labour Act

In 2024 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 clarify the law 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.

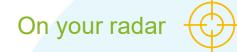
The employee would be provided with a period of 15 to 45 working days notice to rectify their behaviour, prior to proceeding with the dismissal process.

#### **Limitation period for monetary claims**

The changes that are expected to be brought in would extend 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 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 usage as mutually agreed.



### Peru

### Looking ahead to 2024

### Virtual Labor Administrative Conciliation Service – 3 December 2023

In order to resolve conflict or differences between workers and employers, the Virtual Labour Administrative Conciliation Service has been created as an additional alternative channel to the existing Conciliation Service. The new regulation establishes, among other things, that the conciliation may be in person or virtual, that it may be requested in physical or virtual form, and the applicant must authorise to be notified by e-mail. If the hearing is held virtually, the minutes must be signed by digital signature of the intervening parties, unless any of them does not have a digital signature, in which case the hearing is suspended and continues at a later date, in person so that the signatures are handwritten. The minutes of the agreement reached by the parties in the virtual hearing will be recorded and the recording will be sent to the parties by e-mail. The parties may attend the conciliation hearing, either in person or virtually, accompanied by an advisor of their choice, but the conciliator may decide not to admit the participation of the advisor if they consider that it disturbs or impedes the development of the conciliation.

### Criminal sanction given to manager following the death of a worker - September 2023

The Judicial Power issued a sentence where the general manager of a company was criminally sanctioned for the death of one of its workers as a result of an occupational accident. The manager was accused of not diligently complying with the legal obligations regarding occupational health and safety, receiving a sentence of 4 years imprisonment in addition to the payment of civil compensation. Although the sentence does not require employers to review their health and safety procedures, they must be more vigilant in taking measures to prevent accidents at work, especially serious ones.

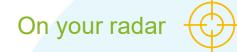
### Illegality of the limitations to the outsourcing of activities

The National Institute for the Defence of Competition (INDECOPI) issued a Resolution declaring that the limitations imposed by a Supreme Decree of the Ministry of Labour on the outsourcing of activities constitute illegal bureaucratic barriers, and therefore such limitations are inapplicable for all citizens and economic agents that could be affected by them. The limitations declared illegal are the prohibition to outsource activities that are part of the main activity

of a company and the provision that outsourcing is considered denaturalised in cases of non - compliance of this prohibition. With the pronouncement of INDECOPI, security is provided to private activity for the development of its activities without fear that the State will prevent the outsourcing that it had been carrying out within the framework of the Law.

#### **Regulation of the Telework Law – February 2023**

The regulation of the Telework Law was well received by workers and employers, since it reiterates the facilities provided for remote work that were implemented during the pandemic, among them, the possibility that the cost of services such as electricity and internet are not necessarily assumed by the employer. The regulation allows companies to establish 100% of the work in remote or hybrid form, which allows the worker to use his time more freely and the employer to reduce his office maintenance costs



### **Poland**

### Looking ahead to 2024

#### Possible introduction of whistleblower protection

Poland is behind schedule in adopting the EU Whistleblower Directive. The exact enforcement date remains uncertain, but it is anticipated to take effect in 2024. Whistleblowers will access both internal and external reporting channels, and employers need to consult with employee representatives about internal reporting procedures. Whistleblowers will be shielded from dismissal, disciplinary action, specific legal proceedings, and informal retaliatory actions. They will also be entitled to unlimited compensation for any violation of their rights. Breaches may lead to penalties, including fines and imprisonment.

#### Minimum wage increase

In 2024, the minimum wage will go up, and so will other work-related benefits. The minimum wage will be PLN 4,242 starting from 1 January and PLN 4,300 from 1 July. In 2024, the minimum hourly rate will be PLN 27.70 starting from 1 January and PLN 28.10 from 1 July. Companies should raise salaries for employees earning the minimum wage. Benefits tied to the minimum wage, such as night work allowance, compensation for equal treatment principal violations, and severance pay for non-employee-related dismissals, will also increase. These updated benefit amounts should be implemented by companies starting from the new year.

#### Possible annual leave increase

Politicians plan to increase the annual leave duration. The plan is to raise the annual leave period to 35 days for all employees. However, there is no official draft law at this point. The transformation of political promises into actual legislation is uncertain. However, the possibility of this change becoming law cannot be ruled out.

#### Possible reduction of working time

The politicians are considering reducing weekly working hours to 35 or shifting from a 5-day workweek to 4 days. This change might be implemented as a trial in specific economic sectors, though the details are unclear. There is no official draft law yet. The translation of political intentions into actual legislation is uncertain, but the possibility of this change happening cannot be ruled out.



# **Portugal**

### Looking ahead to 2024

#### Gender pay gap – applicability in 2024

In March 2023, the Portuguese Authority for the Working Conditions ('PAWC'), following the entry in force of Law no. 60/2019, notified 1,540 Portuguese companies of the existence of a gender pay gap of 5% or higher in the salaries of their employees. Following this notification, the companies had 120 business days to provide PAWC with a written action plan to evaluate gender-based pay differences to be implemented by the company during the following year.

In 2024 the companies will have to demonstrate before the PAWC the actions executed to justify the gender pay gap and, in case there is unjustifiable differences (i.e. these do not follow objective criteria), companies will be liable to correct/pay these differences.

Failure to comply with these requirements is considered a serious offence, resulting in the company being liable to pay a fine. In addition, the company may be kept from participating in public tendering for a period of up to 2 years.

#### **Quotas for people with disabilities**

A transition period was established to enable companies to fulfil the mandatory quotas for people with disabilities. In February 2024, the transition period for companies with 75 to 100 employees ends, meaning that the companies must employ at least 1% of disabled employees. Failure to comply with these requirements is considered a serious offence, resulting in the company being liable to pay a fine.

#### Influence of AI in the labour market

There has been an evolving influence of AI in every market and the Portuguese employment market is no exception. Proof of this is the recent inclusion in the Portuguese Labour Code, of the obligation to inform employees about the parameters, criteria, rules and instructions on which algorithms or other AI systems use in affecting decision-making in relation to recruitment and retention in employment including the profiling and controlling of professional activity.

The obligation will ensure that employees are fully aware of how their performance is assessed and what criteria is used, but other legal issues may arise, such as the hard task of ensuring that the algorithms do not perpetuate discrimination or ensuring that the employees truly comprehend the complexity of the AI systems used and its decision criteria.



# Singapore

### Looking ahead to 2024

### Measures to protect mental health of legal officers and lawyers

In a bid to support the mental wellbeing of its officers, the Attorney General's Chambers (AGC) announced on 8 January 2024 that it will introduce mandatory check-ins with an in-house psychologist for prosecutors handling cases involving the death penalty. The Law Society of Singapore will also be releasing a guidance note in 2024 to help lawyers maintain a sustainable legal practice while adhering to legal and ethical obligations owed to the court.

#### **Workplace Fairness Legislation**

The impending enactment of the Workplace Fairness Legislation ("WFL") in 2024 draws ever closer as the government accepted the final set of recommendations by the Tripartite Committee on Workplace Fairness in August 2023. The WFL aims to tackle three primary areas: fair recruitment practices based on a candidate's skills, experience and ability to perform the job rather than on personal attributes (such as race, age, gender, religion, marital status and family responsibilities or disabilities); putting in place processes for introducing grievance handling procedures that help resolve grievances and disputes in the workplace; rooting out discrimination by compelling employers to take stock of their organisations' employment practices.

#### Closing the gender pay gap

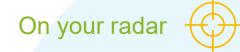
In a move to close the gender pay gap in Singapore, listed companies and their subsidiaries will be required under the new listing rules of the Singapore Exchange (SGX) and Code of Corporate Governance to disclose how much their directors and chief executives earn in their annual reports for the financial year ending on or after 31 December 2024. The disclosure includes salaries, bonuses, stock options and other incentives.

### Increase in paternity leave and unpaid infant care leave

Working fathers of Singaporean children born on or after 1 January 2024 will enjoy two additional weeks of paid paternity leave, totalling a maximum of four weeks. Parents of children in their first 2 years of life will see unpaid infant care leave doubled from 6 to 12 days annually. These measures aim to help would-be and existing parents juggle their work and family commitments.

### **Tripartite Guidelines on Flexible Work Arrangements**

The Tripartite Guideline on Flexible Work Arrangements will be launched by the Tripartite Partners in 2024. The Tripartite Guidelines aim to formalise guidelines relating to remote working and to foster the right balance between business and employees' needs.



### Slovakia

### Looking ahead to 2024

### Act to improve gender balance among directors of listed companies

A draft Act on improving gender balance among directors of listed companies and related measures is being prepared. The draft Act aims to transpose Directive (EU) 2022/2381 on improving the gender balance among directors of listed companies and related measures. The aim of the regulation is to increase the representation of women in the senior management of companies in order to strengthen economic growth, promote labour market mobility, enhance the competitiveness of listed companies and achieve gender equality in the labour market.

### National visas for selected groups of third-country nationals for the field of industry

A draft Regulation to grant a national visa to selected groups of third-country nationals in selected jobs in the industrial sector is being considered. The legislation proposes to allow the granting of a national visa for employment purposes to nationals of selected countries in areas such as operators in mechanical engineering, operators of electronic equipment, forklift operators, metal welders, metal workers, construction and operating electricians.

This is due to the urgency of the situation in some occupations that have been identified for a long time as labour shortage occupations.

### Act on the transformation of companies and cooperatives

The Transformation of Commercial Companies and Cooperatives Act which comes into force on 1 March 2024, will extensively amend the Commercial Code, and significantly affects labour law. In relation to employment law, this legislation incorporates a number of employment rights in relation to cross-border transformations or cross-border changes of legal form. For example, it allows employees to set up a special negotiating body made up of representatives of the employees of the participating companies representing their interests. This special negotiating body may, together with the statutory bodies of the participating companies, determine by written agreement the form of participation of the employees. This regulation also transposes European legislation into national law.

#### **Whistleblower Act amendment**

On 6 December 2023, a draft of the law amending Act No. 59/2019 Coll. on the Protection of Whistleblowers of Anti-Social Activity was delivered to the legislative body. The draft intends to strengthen the position of the employer and introduces the right of the employer to request a review of the decision to grant protection. Until now, only an employee could do this. On the other hand, it specifies the conditions and circumstances of granting protection to an employee. This apparently politically motivated draft has not met with much enthusiasm among the public.



### Slovenia

### Looking ahead to 2024

### Carers leave and additional paid absence days for victims of violence

Employees are able to take five working days of carers leave to help with caring responsibilities for people with long term care needs. Employees who are victims of domestic violence are entitled to five days of paid absence in calendar year for the purposes of arranging protection, legal and other proceedings and dealing with the consequences of domestic violence.

#### New employee participation rules in decisionmaking for cross border mergers of limited liability companies

New legislation designed to transpose the EU Mobility Directive is in the legislative process, despite the deadline for transposition being January 2023. The proposal aims to supplement the provisions on employee participation in cross-border mergers of limited liability companies and will redefine the rules on employee participation in cross-border divisions and cross-border reconstructions of limited liability companies. This will align Slovenian legal rules with European legislation in this area.

### Amendments to the Employment, Self-employment and Work of Foreigners Act

The legislative procedure is also considering amendments to the Employment, Self-employment and Work of Foreigners Act. The aim is to transpose the Directive on the 'Conditions of entry and residence of third-country nationals for the purposes of highly qualified employment' to allow for seasonal employment in the tourism and hospitality sectors due to the urgent need for uniform implementation of the Act.

#### Right to disconnect

Based on the new Employment Relationship Act which was adopted in 2023, employers will have one year to implement the right to disconnect and introduce the appropriate measures. The right will apply from 16 November 2024.

#### **Employee Participation in Profit Sharing Act**

The Employee Participation in Profit Sharing Act has been in force since 2008. There is a view that the Act is outdated and only a few companies offer this. The new draft has been under consideration since autumn 2023, but has not yet been sent to the Parliament. It is envisaged that the new Act will simplify the procedure, increase the share of employees and introduce tax rules which will make employee participation in profit sharing more appealing. According to several media outlets, the draft has already been agreed between businesses and social partners and hopefully it will come into force in 2024.



# Spain

### Looking ahead to 2024

#### Increase in the minimum wage

An increase in the minimum wage is expected, currently set at EUR 1,080 per month in 14 instalments. The Spanish government has proposed an increase to EUR 1,123 per month while the Spanish Confederation of Business Organisations has proposed an increase to EUR 1,112.40 per month. In any case, the Spanish government intends to continue to progressively increase the minimum wage to reach 60% of the average wage in the coming years.

#### **Parental leave**

The period of leave for childcare (birth and adoption) is expected to be increased from the current 16 weeks to 20 weeks.

#### Reduction in the maximum working day

The Spanish government has proposed a progressive reduction of working hours to 38.5 hours per week in 2024 and 37.5 hours per week in 2025, without a proportionate reduction in pay. Although this proposal is still to be negotiated, the impact would be limited since most CBAs already establish a working week under 40 hours.

#### Trainee's Statute

The approval of the Trainee's Statute is expected to tackle trainees being taken advantage of. The draft of this Statute includes several rights for interns, such as compensation of the expenses incurred by the intern. Furthermore, although internships are not considered an employment relationship, a presumption of employment is introduced in the Statute when the activity carried out by the trainee substitutes the role or tasks of an employee. The statute also limits the number of interns to 20% of the workforce.

#### Severance payment

One of the most influential trade unions has proposed an increase in severance payments up to 45 days per year with the company, capped at 42 monthly payments (currently the cap sits at 33 days per year, and 24 monthly payments). It also proposes a minimum severance of six months' salary to ensure there is a deterrent effect on the employer.

#### **Unemployment benefits**

The government has approved an increase in the benefits paid to unemployed people who have used up their unemployment allowance. Currently set at EUR 480, it is expected to increase to EUR 570 for the first six months, and EUR 540 for the following six months. It will then remain at EUR 480 for the rest of its duration. In addition, this benefit will be compatible with employment, but the duration of the employment contract must be for more than three months. This new regulation enters into force in June 2024.



### Sweden

### Looking ahead to 2024

#### Case law on new legislation

In mid 2022, significant changes were made to Swedish employment law. These changes include changes in the rules on terminating employees, when a fixed-term employment contract is automatically converted to an indefinite term employment contract, and the ability of employers to prohibit employees from second jobs. As of 2023, the Swedish Courts have not yet provided case law on these recent changes. Therefore, the actual impact of the changes remains to be seen. It is expected that the Swedish courts will begin to establish guiding case law on these matters in 2024.

#### **Equal Pay Directive**

The Swedish government has appointed a government committee to assess if and what measures need to be taken to implement Directive (EU) 2023/970 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms. The committee shall present its official report no later than the 31 May 2024. The Directive does contain obligations and prohibitions which do not currently exist in Swedish law. Therefore, it would not be surprising if the committee recommends additional legislation to ensure equal pay for equal work.

#### **Temporary Agency Workers**

According to the Swedish Agency Work Act, user undertakings are obliged to either offer indefinite term employment or compensate with two months' salary to temporary agency workers who have completed a minimum of 24 months of service within the preceding 36 months at the same user undertaking and operational unit. It is important to note that for the purpose of this calculation, only time from 1 October 2022 is considered. Consequently, by autumn 2024 temporary agency workers will be eligible for indefinite term employment or compensation and user undertakings will have to start to consider whether to offer permanent employment or compensation for eligible temporary agency workers.

### Improved work permit procedure for highly qualified workers

The Swedish Migration Authority is currently updating its processes to focus on improving work permit procedures with the aim of attracting highly qualified workers. Key changes include a refined application sorting system, enhanced employer services, and upgraded e-services. The certification system for expedited processing will be phased out and replaced by a new service model in January 2024. Applications from highly qualified workers that do not require further completion shall be processed within 30 days under the new service model.



### **Switzerland**

### Looking ahead to 2024

In the absence of relevant new legislative changes in Swiss employment law, the below summarises a few recent key decisions of the Federal Supreme Court every Swiss employer should be aware of:

### Abusive termination: timely written objection required and to be proven

An employee who wishes to assert claims for abusive termination (similar to an unfair dismissal) must lodge a written objection to the dismissal with the employer before the end of the employment relationship. If the employee fails to do so, any claims for abusive termination are forfeited. A recent decision by the Swiss Federal Supreme Court, ruled that the employee must always present and prove that the objection was made in a timely and valid manner, i.e. not only if the employer denies this. In the relevant case, the court dismissed the employee's claim because the employee had not presented and proven the objection in the court proceedings.

#### Abusive termination due to illness?

After the expiry of the applicable protection/blocking period, a dismissal due to an employee's ongoing illness is generally permissible. However, a dismissal can be abusive if the employer has caused the illness, e.g. through a breach of its duty of care. According to a recent decision of the Swiss Federal Supreme Court, this type of dismissal can only be considered abusive in blatant cases. It would be necessary for the employer to have directly caused the employee's illness, e.g. if the employer failed to take measures to protect the employee and the employee became ill for this reason.

### Abusive termination of a longstanding employee close to retirement

A Swiss employer has an increased duty of care towards longstanding employees close to retirement. This means that the employer must inform and consult with the employee in advance and search for alternative solutions before giving a notice of termination. As the employer failed to comply with these obligations in the case of a cook who had been employed for nearly 30 years and would have reached the statutory retirement age in less than 12 months, the corresponding notice of termination was abusive. As a consequence, the Swiss Federal Supreme Court ordered the employer to pay a penalty of approx. ½ monthly salaries to the employee concerned (in addition to the salary during the notice period).



### The Netherlands

### Looking ahead to 2024

#### Further restrictions to the 30%-ruling

The Tax Plan 2024 includes two changes to the 30%-ruling (tax advantage for highly skilled migrants): (i) from 2024, the 30% ruling is limited to the amount of EUR 233,000, and (ii) the exemption for tax on wages decreases progressively: the first 20 months it is set at 30%, the following 20 months 20%, and finally 10%.

### Reforming legislation regarding non-compete clauses

In 2023, the Minister for Social Affairs announced plans to reform non-compete clauses. Changes include limiting the duration, clarifying geographic scope, requiring business justification, and mandating compensation based on salary percentages. The Bill is expected to be published in 2024.

#### Legislation mandating confidential advisors

In 2023, the House of Representatives passed a Bill to oblige employers to appoint confidential advisors. The Bill aims to grant all employees access to confidential advisors. Confidential advisors address workplace issues like bullying and offer guidance, referrals, and

annual reports. The Bill permits both internal and external advisors. The appointment is subject to approval from a works council or employee body. The Senate is reviewing the Bill and the expectation is that the Bill will enter into force in 2024.

#### General trend: equal opportunities in the workplace

We see a general trend of employers and the government focussing on how to ensure equal employment opportunities. The Bill for Equal Opportunities in Recruitment and Selection is an example of this. The Bill targets fair hiring practices and preventing discrimination. The Bill has already been passed by the House of Representatives and is now being reviewed by the Senate.

The Bill mandates employers and intermediaries to:

- Establish transparent, non-discriminatory recruitment methods, ensuring job requirements are relevant and verifiable; and
- Require intermediaries to address and report potential discriminatory requests to the Netherlands Labour Authority.

#### General trend: more focus on ESG

We see a general trend of focus on ESG (Environmental, Social, and Governance) in the workplace. ESG emphasises businesses' responsibilities beyond profit, focusing on sustainable practices, social impact, and ethical governance. Companies are increasingly integrating ESG criteria into their strategies to attract investors, engage employees, and align with global sustainability goals. This trend encourages – amongst others – transparent reporting, employee well-being, and diversity within organisations. ESG is also a topic on the European agenda. The Corporate Sustainability Reporting Directive, which will likely be implemented in Dutch law in 2024, requires various companies operating in the EU to comply with extensive sustainability reporting obligations in their annual statements.



# Turkey

### Looking ahead to 2024

#### Minimum wage

In Turkey, there is a yearly review of the rates and limits of the minimum wage, severance pay and administrative fines. The rates for 2024 were announced by the Ministry of Labour and Social Security on 28 December 2023 and came into effect on 1 January 2024. However, an additional increase may take place during the second half of 2024 due to high inflation rates. The minimum wage will apply as TRY 20,002.50 gross from 1 January 2024 (increased from TRY 13,414.50 gross).

#### Severance pay cap

The severance pay cap is updated every six months. From 1 January 2024 to 30 June 2024, the severance pay cap is TRY 35,058.58 gross. The next adjustment regarding the severance pay cap is likely to take place on 1 July 2024.

### Participation of groups requiring special policies in the labour market

As part of the 2024 Presidential Annual Programme, (the Programme) the participation of groups requiring special policies in the labour market (i.e. children, women, the disabled and the elderly) will ensure that there are conditions where they are registered with an adequate income and occupational health and safety is ensured.

#### **Employment of young people**

The Programme also refers to increasing the employment of young people and improving their working conditions. Talent management practices for young people in the field of human resources will be developed.

#### **Employment of foreign labour force**

The Programme explains that the employment of the qualified foreign labour force will be increased in the fields needed by the country. The aim is to harmonise migration and employment policies in a balanced way to meet the needs of the labour market.

### Improvement of occupational health and safety services

The Programme also describes how occupational health and safety services will be made more effective and efficient. Work accidents and detection of occupational diseases and notification processes will be improved.



### Ukraine

### Looking ahead to 2024

#### Increase in the mandatory minimum salary

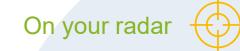
From 1 January 2024 the minimum statutory monthly wage will be increased from UAH 6,700 (approx. EUR 170) to UAH 7,100 (approx. EUR 180). Since the size of the financial penalty imposed on an employer for a breach of the employment legislation is linked to the minimum wage, the level of penalties are also expected to increase.

#### **Public holiday changes**

The Ukrainian government passed new legislation shifting the dates of several public holidays. For instance, the Day of Ukrainian Statehood is moved from 28 July to 15 July while the Day of the Defenders of Ukraine is moved from14 October to 1 October. Under normal circumstances, these days are nonworking in Ukraine, but the martial law rules cancels this. All working days, regardless of the date, remain working days and there are no postponements. At the same time, private businesses can grant their employees days off for public holidays at their discretion.

#### Changes in rules on leave

The Ukrainian parliament has recently adopted a new law aimed at modernising the rules for providing leave to employees. This changes the procedure for granting parental leave, emergency leave, leave for trade union training, preparation and participation in competitions. etc. Also, the new law provides for two months of leave for demobilised people upon returning to their previous place of work, the right to monetary compensation for unused days of annual leave in cases of call-up for military service.



# United Kingdom

### Looking ahead to 2024

#### Changes to holiday pay rules

Significant changes to the way in which holiday pay is calculated in the UK came into effect on 1 January 2024 with some of the provisions applying to leave years from 1 April 2024. There is now a codification in the legislation of what aspects of pay should be included in "normal remuneration" for the purpose of calculating the 4 weeks of leave under the Working Time Directive element of holiday pay. The remaining 1.6 weeks is not affected by the new rules (unless the employee works irregular hours). Rolled up holiday pay will be allowed in certain situations. Changes also apply to the accrual of holidays for irregular hours and part year workers which enables leave to be accrued at a rate of 12.07% of hours worked in the relevant pay period. New rules also apply to the carry-over of leave. Employers are advised to ensure that their holiday pay arrangements align with the new rules.

### Changes to the statutory right to request flexible working

From 6 April employees will enjoy a day one right to request flexible working. Further changes include the ability to make two requests in a twelve-month period and reducing the decision period in which employers are required to respond to a request from three months to two months. The eight business reasons for refusing a statutory flexible working request will remain unchanged. Flexible working policies should be updated to reflect the new rules and appropriate training given to managers.

#### **Enhanced redundancy protection**

From 6 April 2024, the Protection from Redundancy (Pregnancy and Family Leave) Act 2023 will provide for the extension of the right to be offered 'suitable alternative employment' in a redundancy situation to those employees who are pregnant, on maternity, adoption or shared parental leave and for a period after the leave has come to an end. The period of protection will vary depending on when the employee notifies their employer, but the period of protection will range from 18 months to in some cases 2 years. It will be important for employers managing redundancy situations to have clear visibility of those entitled to enhanced protection to ensure that they are offered opportunities for redeployment ahead of other affected employees.

#### New duty to prevent sexual harassment

With effect from October 2024, the Worker Protection (Amendment of Equality Act 2010) Act 2023 introduces a new employer duty to take reasonable steps to prevent sexual harassment of employees in the workplace.

"Reasonable steps" is not defined in the Act but is likely to cover measures such as implementing an equality, diversity and inclusion (or equivalent) policy, issuing guidelines around appropriate behaviour in the workplace and at work-related social events, as well as delivering regular appropriate training to managers and employees on dignity at work. The Equality and Human Rights Commission intends to update its technical guidance to reflect the new duty. Once the technical guidance is published employers are advised to review their procedures to meet the duty.

#### **CMS** Law-Now<sup>TM</sup>

Your free online legal information service.

A subscription service for legal articles on a variety of topics delivered by email.

cms-lawnow.com

The information held in this publication is for general purposes and guidance only and does not purport to constitute legal or professional advice. It was prepared in co-operation with local attorneys.

CMS Legal Services EEIG (CMS EEIG) is a European Economic Interest Grouping that coordinates an organisation of independent law firms. CMS EEIG provides no client services. Such services are solely provided by CMS EEIG's member firms in their respective jurisdictions. CMS EEIG and each of its member firms are separate and legally distinct entities, and no such entity has any authority to bind any other. CMS EEIG and each member firm are liable only for their own acts or omissions and not those of each other. The brand name "CMS" and the term "firm" are used to refer to some or all of the member firms or their offices; details can be found under "legal information" in the footer of cms.law.

#### CMS locations:

Aberdeen, Abu Dhabi, Amsterdam, Antwerp, Barcelona, Beijing, Belgrade, Bergen, Berlin, Bogotá, Bratislava, Brisbane, Bristol, Brussels, Bucharest, Budapest, Casablanca, Cologne, Cúcuta, Dubai, Dublin, Duesseldorf, Edinburgh, Frankfurt, Funchal, Geneva, Glasgow, Hamburg, Hong Kong, Istanbul, Johannesburg, Kyiv, Leipzig, Lima, Lisbon, Liverpool, Ljubljana, London, Luanda, Luxembourg, Lyon, Madrid, Manchester, Maputo, Mexico City, Milan, Mombasa, Monaco, Munich, Muscat, Nairobi, Oslo, Paris, Podgorica, Poznan, Prague, Reading, Rio de Janeiro, Riyadh, Rome, Santiago de Chile, São Paulo, Sarajevo, Shanghai, Sheffield, Singapore, Skopje, Sofia, Stavanger, Strasbourg, Stuttgart, Tel Aviv, Tirana, Vienna, Warsaw, Zagreb and Zurich.

.....

cms.law