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Key employment issues across Europe and beyond

January 2018









On your radar

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Austria	Development	Description	Effective date	Impact and risk	Future actions
 	 <p>In Austrian labour law, some distinctions remain between blue-collar and white-collar workers. One important difference has been the mandatory notice periods issued on termination of employment.</p> <p>For white-collar workers, the mandatory minimum period of notice has been six weeks which increases with length of service. An exception to this rule is only possible for white-collar workers.</p> <p>For blue-collar workers the notice period has been two weeks. Collective agreements may allow exceptions to the detriment of blue-collar workers.</p>	 <p>Due to the reform, the same minimum periods of notice will apply to blue collar workers as they currently do to white collar workers. Exceptions to those mandatory periods will only be possible in favour – and not to the detriment – of the worker.</p> <p>Only in certain seasonal sectors, such as in the construction and in the food and drink industry, can collective agreements exist which contain notice periods that contain exceptions to the detriment of the workers.</p>	 <p>1 January 2021.</p>	 <p>A number of collective agreements for blue-collar workers contain notice periods shorter than the two weeks prescribed by law. While some collective agreements have longer periods of notice, only a few meet the new standards. The same holds true for notice periods agreed in individual employment contracts.</p> <p>Social Partners now need to revise and adapt their CBAs, in addition to individual employers who need to revise and adapt their employment contracts with blue-collar workers.</p>	 <p>The new notice periods will apply to all notice of dismissals issued after the 1st January 2021.</p> <p>Employers who do not comply with the longer periods of notice will be liable for compensation.</p>







On your radar

| Key employment issues across Europe and beyond

Belgium	Development	Description	Effective date	Impact and risk	Future actions
	 <p>A Program of Law from 25 December 2017 modifies several aspects of Belgian labour legislation.</p>	 <p>Amongst others, this new law aims to modify regulations regarding:</p> <ul style="list-style-type: none">• Flexi-jobs: the system already exists in the hotel and catering industry but will be extended to other sectors such as the food industry, large retailers, hairdressing and beauty sector;• E-commerce: the procedure to introduce night work will be facilitated in order to support e-commerce;• Profit premium: will allow companies to grant a percentage of their profit as a bonus to their employees.	 <p>1 January 2018.</p>	 <p>For those companies falling under the scope of the law, the new measures will allow them to make their businesses and/or remuneration policies more flexible and competitive.</p>	 <p>We advise companies to carefully examine which of these new rules may be of interest to their business, and to follow the timetable for implementation in 2018.</p>







On your radar

| Key employment issues across Europe and beyond

Brazil	Development	Description	Effective date	Impact and risk	Future actions
	 <p>On July 13, 2017, the Brazilian Presidency sanctioned a major reform of the Bill No. 6.787/2016; a major reform of the Brazilian Labour Code (Consolidação das Leis do Trabalho - CLT).</p>	 <p>Changes were made to:</p> <ul style="list-style-type: none"> • Calculation of work hours • Commuting time • Calculation of salary – excluding bonuses, commissions, benefits • Part-time, remote working and holidays • Pregnant employees in hazardous conditions • Arbitration in employment agreements • Out of court agreements • Burden of proof in labour claims • Attorney fees • Negotiation of terms • Termination procedure • Voluntary resignation programmes • Agreed resignations • Collective dismissal • Union contributions no longer mandatory 	 <p>Sanctioned on 13 July 2017. Effective on 11 November 2017.</p>	 <p>This Labour Reform makes significant changes to individual and collective labour relationships. It is intended to make it easier to employ people on a flexible basis and to encourage employment. This is crucial following the recent recession causing national unemployment to rise to over 13%.</p> <p>The changes were met with some resistance and watered down during congressional debates, but have generally been well received by the business community; particularly the end of mandatory union contributions and various procedural changes intended to prevent widespread abuse of employment claims. The latter is crucial in a country where three million new labour claims were made just last year.</p>	 <p>We recommend that Brazilian employers review their employment practices and payroll procedures in light of the Labour Reform.</p> <p>They will have more freedom to negotiate the terms of new labour contracts with university educated and better paid employees, which may benefit both employer and employee.</p>







On your radar

| Key employment issues across Europe and beyond

Bulgaria	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendments to the legal regime regulating the calculation of average working time, known as summarised calculation of working time, for rota employees without fixed hours.</p>	 <p>The calculation of summarised working time will now be regulated in much more detail than before.</p> <p>The regulation now includes explicit provisions with respect to, among other things:</p> <ul style="list-style-type: none"> • preparation of time schedules and the obligation to inform employees about them in advance; • options for amendments of the schedules; • setting up a norm for the respective reporting period, etc. 	 <p>1 January 2018.</p>	 <p>Summarised calculation of working time is widely used in Bulgaria.</p> <p>It gives more flexibility to employers to properly staff their business by allowing them to introduce this for periods where the duration and frequency of shifts may vary, rather than stick to the '8 hours a day, 5 days a week' model of working time.</p> <p>The aim of the changes is to reduce the options for misapplication of summarised calculation of working time by creating clear and more detailed rules.</p>	 <p>We recommend that Bulgarian employers adjust their practices regarding summarised calculation of working time in order to make them compliant with the amendments to the law.</p>







On your radar

| Key employment issues across Europe and beyond

China	Development	Description	Effective date		Impact and risk	Future actions
	 <p>In 2017 the bilateral agreements on social security concluded by China with Canada, Finland, Switzerland and the Netherlands all came into force.</p> <p>In addition, China signed bilateral agreements with Spain, France and Luxembourg in 2017. However, these three agreements have not come into force yet.</p>	 <p>Under the bilateral agreements on social security, some foreigners coming from the relevant countries, and working in China, may be exempt from paying a part of social insurance premiums in China if they are existing members of a social insurance scheme in their own country.</p>		<p>Country</p> <p>Effective from (DD/MM/YY)</p>		
			Canada	01/01/17	<p>Not all foreign employees coming from a country, which is a party to an effective bilateral agreement, can enjoy this exemption. Only those expressly defined in the bilateral agreements may be exempted. In general, foreign employees who are dispatched by overseas headquartered companies to domestic subsidiaries can be exempt.</p> <p>In order to be exempt, foreign employees require to submit relevant certificates issued by the competent authority of their home country regarding their contribution to the social insurance scheme in their home country.</p>	<p>In general, different exemption periods for employees are provided in different agreements.</p> <p>Once the initial exemption period has expired, an extension will depend on the approval of the competent authorities of both countries. Businesses should ensure they understand which employees will be affected and how.</p>
			Finland	01/02/17		
			Switzerland	19/06/17		
			Netherlands	01/09/17		
			Spain, France, Luxembourg	TBC		







On your radar

| Key employment issues across Europe and beyond

Colombia	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendment to the duration of maternity leave.</p> <p>Maternity leave used to last 14 weeks taken as either 2 weeks before the birth and 12 weeks after the birth; or 1 mandatory week before the birth and 13 weeks after the birth. This has increased.</p>	 <p>This legal change means leave is now up to 18 weeks that may be enjoyed as follows:</p> <ul style="list-style-type: none"> • 1 mandatory week before the birth and 17 weeks after the birth; or • 2 weeks before the birth and 16 weeks after the birth only in case of medical prescription. <p>Additionally, termination of employment during pregnancy or maternity leave will be restricted, and will only be valid in the case of a proven fair cause previously endorsed by the Colombian Labor Ministry.</p>	 <p>In force since 2017</p>	 <p>This increased leave amount must be offered by employers.</p> <p>Termination of the employment agreement without a formal advance authorisation of the Colombian Labor Ministry will be ineffective and may be sanctioned with the requirement to pay compensation of 60 days' salary to the employee, plus the salaries, fringe benefits and legal contributions due.</p>	 <p>The law is effective for any births since January 4th 2017 and must be followed for any pregnancies and births since then. Additionally the Internal Working Regulation will require to be amended.</p> <p>Care should be taken around dismissals, and termination during the relevant period will require a previous disciplinary hearing to prove the existence of a fair cause, and afterwards, a formal petition will have to be addressed before the competent authority (Colombian Labor Ministry) in order to obtain approval.</p>







On your radar

| Key employment issues across Europe and beyond

Czech Republic	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendment to the Special Healthcare Services Act brings changes to medical screening of newly hired employees.</p>	 <p>Previously the employer was required to secure medical screening of an employee before the employment contract was arranged and executed. This deadline has been shifted to the day before the first work-day of the employee.</p>	 <p>1 November 2017.</p>	 <p>The amendment enables postponing medical screening, however the requirement to have the screening remains.</p>	 <p>Review of hiring procedure: Medical screenings of newly hired employees have to take place no later than one day prior to the first workday of the employee, meaning it will be impractical to hire an employee on short notice.</p>
	<p>Recent amendments to the Employment Act and the Act on the Residence of Foreign Nationals in the Czech Republic result in changes to the employment of foreigners.</p>	<p>A visa issued for the purpose of seasonal work will serve as a work permit. This visa shall be issued preferentially to workers who have already conducted seasonal work in the Czech Republic.</p>	<p>1 July/15 August 2017.</p>	<p>A foreign seasonal worker is no longer in need of both a work permit and a residential permit. Due to the preferential processing of these visas the timescales for granting the visa will reduce.</p>	<p>Foreign workers will receive a visa faster and will no longer be in need of a separate working permit, allowing a reduction in visa administration costs. This can be factored in to business planning.</p>







On your radar

| Key employment issues across Europe and beyond

France	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The ordinance relating to improving the predictability and security of labour relations, dated 22 September 2017 as per the Macron Reform, modifies the rules for economic dismissals and creates a new mechanism allowing for collective bargaining agreements (CBA) which organises a process for mutual terminations.</p>	 <p>Key provisions :</p> <ul style="list-style-type: none"> • Rules specific to economic dismissals are modified regarding the economic reason of the dismissal, the employer's redeployment obligation and dismissal selection criteria. • There is a new option to reach a CBA on mutual terminations. • The administration is informed as soon as negotiations over such an agreement are launched and reviews the agreement's contents before issuing a validation decision. 	 <p>24 September 2017.</p> <p>CBA option: As soon as the necessary decrees are published and, at the latest, as of 1 January 2018.</p>	 <ul style="list-style-type: none"> • The economic reason is no longer assessed at a global level, but at the level of the group's companies established in France operating in the same industry sector. • The redeployment obligation is limited to jobs available in France, within the company or other group companies in France. • The scope for applying the selection criteria may be narrowed either by a company agreement or by the employer. • The CBA on mutual terminations only relates to voluntary redundancies that exclude dismissals to achieve the job reduction objectives and is exclusive of the rules governing economic dismissals. 	 <p>These have been significant changes for French employers, and advice should be taken on any dismissal situations that may be impacted.</p> <p>The ordinance may still be slightly modified before it is ratified by Parliament.</p> <p>The administration should be particularly careful about collective mutual termination agreements targeting elderly employees.</p>







On your radar

| Key employment issues across Europe and beyond

Germany	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The European General Data Protection Regulation (GDPR) will standardise data protection law at a European level and will replace the national law.</p> <p>Employee data protection will be strengthened and extended. The main focus is on transparency.</p> <p>The German legislator has implemented these changes by including new provisions in the German Data Protection Act (Bundesdatenschutzgesetz), especially regarding employee data protection.</p>	 <p>The new provisions of the German Data Protection Act will affect all companies. In particular, they will have an impact on the following areas:</p> <ul style="list-style-type: none"> • new legal requirements regarding the processing of order data, the data protection commissioner and company agreements • tighter regulatory reporting requirements for data breaches • increased obligations regarding information, documentation and proof. 	 <p>25 May 2018.</p>	 <p>The authorities have announced the consistent enforcement of data protection law. In relation to breach of GDPR, fines of up to EUR 20 million or 4% of the annual turnover may be imposed.</p> <p>As a result of the increased employee data protection, civil liability risks may also increase. In cases where there are data breaches there may also be an increased risk of compensation claims.</p> <p>For the same reason, there is a higher risk of reputational damage.</p> <p>Finally, employers will have to intensify their cooperation with supervisory authorities.</p>	 <p>Since all processes have to be adapted by the effective date without any transitional periods, we recommend that German employers stay well informed about how to implement the new law and take all necessary measures at an early stage, such as:</p> <ul style="list-style-type: none"> • perform GDPR audits • prepare/revise data privacy statements and revise company agreements • involve the data protection commissioner and the works council at an early stage • offer training courses for the employees affected by the changes • provide processes for employees to complain about data rights.

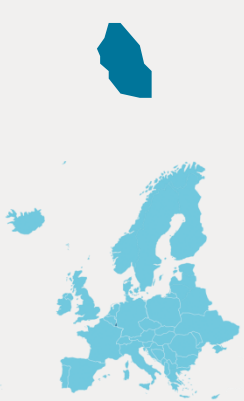





On your radar

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Italy	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The new Italian regulation on “whistleblowing” (definitively approved by the Italian Chamber of Deputies on the 18th of October 2017) protects those employees reporting crimes or an irregularity that they discover in the course of their employment.</p>	 <p>Organisation, management and control models adopted by the company must:</p> <ol style="list-style-type: none"> 1. identify specific channels to allow employees to report potential misconduct within the work place and to guarantee the confidentiality concerning the identity of the whistleblower; 2. provide specific sanctions against any whistleblower who reports false information, in situations where there is fraud or gross negligence. 	 <p>Ongoing.</p>	 <p>If employers put in place a whistleblowing policy or whistleblowing arrangements:</p> <ul style="list-style-type: none"> - concerns can be dealt with efficiently and transparently; - and having an internal policy in place means that concerns can be raised and managed internally, not externally, by mitigating the risk of reputational damage/repercussions. 	 <p>The practical implications for employers involve devising and implementing a policy which safeguards employees and at the same time also guards against any abuse of whistleblowing to air personal grievances rather than genuine concerns. Practical implementation might include a “whistleblowing hotline”.</p>







On your radar

| Key employment issues across Europe and beyond

Luxembourg	Development	Description	Effective date	Impact and risk	Future actions
	 Reform of pension provision	 This reform mainly aims at: <ul style="list-style-type: none"> - removing the solidarity early retirement system; - postponing to 60 the age for early retirement; - establishing a requirement of seniority of 5 years (subject to exemptions) in the company in order to be eligible to an early retirement; - amending the calculation method of the early retirement indemnity; - widening eligibility conditions to progressive-early retirement and early-retirement for posted workers and night workers. 	 The removal of the solidarity early retirement system will be effective on 1 July 2018. However, departures from companies where a collective bargaining agreement was signed before 1 July 2018 are still subject to the solidarity early retirement provisions. The other provisions will be effective as of 11 December 2017.	 Impact on early retirement.	 Analyse the collective bargaining agreements of the company. Be aware of the new conditions of eligibility for progressive early retirement and early retirement for posted workers and night workers.







On your radar

| Key employment issues across Europe and beyond

Monaco	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendment to the system which determines incapacity at work</p>	 <p>Key features of the new system :</p> <ul style="list-style-type: none"> • Enforcement of Medical Office analysis and inspections both on work conditions, employee's role, and employee medical examination prior to any decision regarding incapacity for work. • Implementation of an equal right for employees and employers to challenge the medical incapacity or fitness to work decision. • Inventory of workplaces exposed to risks. • Specialisation of the employee's compensation. 	 <p>14 July 2018.</p>	 <p>The Medical Office's decisions regarding incapacity at work will be more regulated.</p> <p>The Medical Decision could be disputed by both the employee and the employer before an independent Medical Commission.</p>	 <p>Transformation of the health related absences management process within the Company.</p> <p>Employers now have more options where a Medical Decision has been made regarding the fitness or incapacity of an employee. These options may allow an employer to challenge a Medical Decision of fitness for work if the employee's health situation does not meet with the requirements of their role.</p>







On your radar

| Key employment issues across Europe and beyond

Netherlands	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Revisions to the rules on employment and dismissals.</p> <p>The new Dutch Government has announced a number of revisions of the recently introduced employment and dismissal rules.</p> <p>These changes are intended to be beneficial for employees, employers and for independent workers.</p>	 <p>The main changes include;</p> <ul style="list-style-type: none"> • A relaxation in the dismissal rules, allowing a combination of dismissal grounds; • An increase in the term for consecutive contracts; • Extension of probation periods; • An increase in the calculation method of statutory severance; • Compensation for small employers for salary payments in the 2nd year of illness; • Changes to independent workers: their hourly fee may determine legal status. 	 <p>2018, however no actual date has been set.</p>	 <p>Employers may find the courts more willing to accept a lawful termination than has been the case under the current rules (which were introduced in July 2015), if the employer can now combine dismissal grounds.</p> <p>Statutory severance payments will increase because there is no longer a 24 month threshold.</p> <p>Although the (tax) law for independent workers is not likely to be implemented before 2019, new industries (platform and similar economies) may be faced with 'workers' being qualified as employees, leading to higher costs.</p>	 <p>Employers should:</p> <ul style="list-style-type: none"> • amend employment agreements when the new legislation is introduced. • analyse which independent workers would be seen as employees if the law is introduced and determine whether this will require amendments to existing agreements. • continue to keep track of the performance of employees, despite the impression that the dismissal rules will be more flexible.

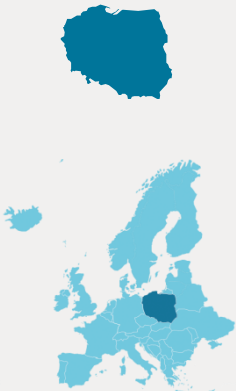





On your radar

| Key employment issues across Europe and beyond

Peru	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Recent decisions from the Supreme Court of Justice continue to make it difficult for employers in Peru to lawfully dismiss staff.</p> <p>The Court has not only been ordering reinstatement but also increasing the cost of compensation in cases where the dismissed worker would prefer this remedy.</p>	 <p>Employers in Peru are worried about recent rulings from the Supreme Court ordering the reinstatement of dismissed employees where</p> <p>(a) the court considers that their dismissal was illegal, or</p> <p>(b) there is a non-renewal of fixed-term contracts</p> <p>In addition there have been other rulings ordering employers to pay dismissed workers compensation that exceeds levels established by law.</p> <p>To support these decisions the Court has ordered the payment of compensation for "moral damages" and recently introduced new concepts without legal basis, stating that payment must be ordered even in cases where the plaintiffs do not request it.</p>	 <p>Ongoing.</p>	 <p>These sentences are making it increasingly difficult for employers to make lawful dismissals in Peru.</p> <p>The Constitution does not establish the right to reinstatement in cases of unjustified dismissal but adequate protection against dismissal, which according to the law may in some cases involve the payment of compensation and in other cases the reinstatement in their jobs.</p> <p>Currently Judges are ordering the reinstatement of any dismissed worker who requests it and they are successful in their claim.</p> <p>In addition the Court has increased the amount of compensation for dismissal exceeding the limits fixed by the law.</p>	 <p>We recommend that employers established in Peru exercise caution when hiring employees for a fixed term and also when deciding their dismissal.</p> <p>It is important to keep in mind that the law only allows the hiring of fixed-term employees to perform temporary work, and that it only allows workers to be dismissed in very few cases expressly provided for by law, for example where they commit serious offences in breach of their work obligations or by breaching the disciplinary rules and always in certain very specific cases specifically provided by law.</p>








On your radar

| Key employment issues across Europe and beyond

Poland	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendment to the act on the social security system – no limit on social security contributions.</p>	 <p>The Polish Parliament is working on an act where pension and disability contributions will be deducted from total income. Currently, pension and disability contributions are not charged on employee's salary exceeding 30 times the average salary in a given year. In 2017 this is PLN 127,890.00 (approx. EUR 30,450.00).</p> <p>The new law abolishes this limit. Employees whose monthly earnings exceed 10,600 PLN gross will pay full premiums, regardless of the amount of their income.</p>	 <p>Planned on 1 January 2019.</p>	 <p>According to estimates of the Ministry of Family, Labour and Social Policy, the change will affect about 350,000 people, and the budget sector will gain about 5.4 billion zlotys.</p> <p>This change means higher labour costs for better paid employees. The abolition of the limit on social security contributions will also affect the amount of pensions, which will be higher for well paid employees.</p> <p>The new act may also encourage employees to set up sole proprietorships or search for employment structures in other group companies to reduce the cost of the contributions for the company and the employee.</p>	 <p>The act may change if the Polish Parliament or the President submit any amendments. We recommend monitoring this issue.</p>







On your radar

| Key employment issues across Europe and beyond

Portugal	Development	Description	Effective date	Impact and risk	Future actions
 	 <p>Reinforcement of the legal framework which governs harassment at work within the private and public sector.</p> <p>Harassment at work is now expressly forbidden by law and its practice is considered as a very serious administrative offence.</p> <p>The employer (with 7 employees or more) must introduce written conduct codes to prevent and combat harassment at work and initiate disciplinary proceedings when they become aware of harassment.</p>	 <p>The employee is entitled to compensation. They may also terminate the employment contract following a complaint brought before the Labour Authorities and the witnesses indicated in the judicial process cannot be sanctioned through disciplinary action.</p> <p>If an employee is dismissed or another sanction is applied within one year of making a complaint, or exercising their rights in relation to equality then it is presumed the dismissal/sanction is an unlawful dismissal, unless proved otherwise in court.</p>	 <p>In force since 1 October 2017.</p>	 <p>This measure affects every sector and company.</p> <p>Employers are now liable for compensation arising from occupational diseases as a result of harassment procedures.</p> <p>The Social Security system is responsible for these payments, and as a result of subrogation will reclaim this from the employer plus interest.</p> <p>Failure to adopt the conduct codes or to initiate disciplinary proceedings by the employer constitutes a very serious administrative offence and will result in the payment of fines.</p> <p>The risks also involve potential reputational damage for the employer.</p>	 <p>We recommend that employers with more than 7 employees adopt written conduct codes to prevent harassment at work as well as complying with these guidelines regarding disciplinary and dismissal procedures.</p>

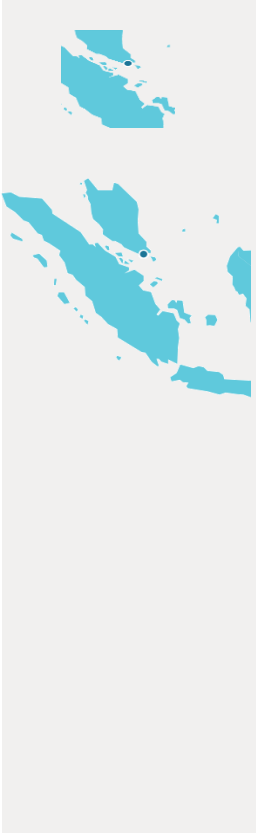





On your radar

| Key employment issues across Europe and beyond

Serbia	Development	Description	Effective date	Impact and risk	Future actions
	 Amendments to the Labour Law.	 Employers should: <ul style="list-style-type: none"> keep daily records of the overtime work of employees make a record of employee's social security registration before the employee starts work. 	 25 December 2017.	 Failure to comply with the new Labour Law requirements may expose employers to fines up to RSD 1,500,000 (approx. up to EUR 12,500), per offence.	 Record keeping practices should immediately be updated.
	Amendments to the Law on Employment of Foreign Nationals.	<ul style="list-style-type: none"> work permits for assigned employees and work permit for intra-company transfers may be extended by up to two years, upon previously obtained opinions of the ministry in charge for employment and the ministry in charge of the area regulating employer's activity for affairs and services of interest for the Republic of Serbia. 			







On your radar

| Key employment issues across Europe and beyond

Singapore	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The Tripartite Alliance for Fair & Progressive Employment Practices ("TAFEP") recently introduced Tripartite Standards relating to:</p> <ul style="list-style-type: none"> Flexible Work Arrangements ("FWAs"); and Term Contract Employees. 	 <p>Employers are encouraged to adopt TAFEP's Tripartite Standards in order to differentiate themselves in specific key employment and workplace practices, which will enhance their ability to attract and retain employees.</p> <p>The Tripartite Standards seek to provide definable and actionable practices that employers could implement in the workplace to enhance employees' work experience.</p>	 <p>Ongoing.</p>	 <p>Flexible Work Arrangements</p> <p>Helps employers to take certain organisational steps to implement the use of FWAs in the workplace. Employers that implement FWAs and/or similar work-life strategies can obtain funding via the Work Life Grant.</p> <p>Term Contract Employees</p> <p>Currently, term contract employees under fixed-term contracts with a minimum service of less than 3 months are not entitled to statutory benefits.</p> <p>Employers are encouraged to provide statutory benefits, and other rights for certain contracts which are renewed within 1 month from the end of the previous contract.</p>	 <p>Faced with an increasingly diverse and ageing workforce, the Tripartite Standards help organisations distinguish themselves as forward-thinking and future-facing employers.</p> <p>Employers who have signed the Tripartite Standards can use the Tripartite Standard logomarks in their job advertisements and marketing collaterals. They will also be listed on TAFEP's webpage listing organisations that have adopted the Tripartite Standards.</p>







On your radar

| Key employment issues across Europe and beyond

Slovakia	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Amendment to the Act on Protection, Support and Development of Public Health.</p>	 <p>The aim of the amendment is to remove the so called gold-plating situation, when a national regulation goes beyond a European directive.</p> <p>This in particular means less strict requirements for employers of low risk employees.</p>	 <p>1 December 2017.</p>	 <p>Employers of employees in low risk working positions, mainly the first category (no risk, e. g. administrative) or second category (low risk, e. g. soft manual work) will face lower requirements in relation to the company health service.</p>	 <p>Mandatory health risk assessment will no longer be required on an annual basis for first (no risk) category of employees, provided it has been carried out in the past.</p> <p>However, for manual workers this requirement remains.</p>
	<p>Recent amendments to the Act on the Residence of Foreign Nationals in the Slovak Republic brings changes to the employment of 3rd country foreigners on seasonal work.</p>	<p>Since the amendment implemented the respective European directive, citizens of 3rd countries may be employed as seasonal workers within two basic modes, first one for a maximum of 90 days and the second one for a maximum of 180 days.</p>	<p>1 September 2017.</p>	<p>Both modes may be combined, using the first mode for the first 90 days and the second for another 90 days.</p> <p>Within the second mode, the employer is obliged to ask the Central Office of Labour, Social Affairs and Family for confirmation.</p>	<p>The same regulation applies to the transfer of employees internally within the same company.</p>







On your radar

| Key employment issues across Europe and beyond

Slovenia	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Implementation of the Transnational Provision of Services Act (entered into force in March 2017).</p> <p>Rules on the application form for the issue of A1 certificates, partially implementing the act, will take effect at the same time (an A1 Certificate certifies which social security legislation applies to the holder of the certificate)</p>	 <p>The Act:</p> <ul style="list-style-type: none"> - Regulates cross-border labour services between EU Member States - Sets conditions for implementation of cross-border services - Provides procedure and conditions for issuing A1 Certificates - Derogation of existing definition of business trip <p>The Act also provides for fines in cases where there are violations of the rules set.</p>	 <p>1 January 2018.</p>	 <p>The Act defines the majority of rules applicable to cross-border services between EU Member States in one place. Certain provisions regarding self-employment and Work of Foreigners Act will no longer be in use.</p> <p>Overall, the Act imposes additional requirements on employers, during the process of obtaining the A1 Certificate as well as during and after the posting (e.g. regarding the necessary documents and rules regarding retention). However, the Act does include some measures that may reduce the administrative burden on employers (e.g. electronic filing of the application for A1 Certificate, and the automatic change of insurance with the issue of the A1).</p>	 <p>We recommend that Slovenian employers' thoroughly check their operations and ensure future compliance with the provisions of the Act in order to avoid exposure to potential fines.</p>








On your radar

| Key employment issues across Europe and beyond

Spain	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The new law 9/2017 of 8 November regulating Contracts in the Public Sector contains provisions on employment law.</p>	 <p>The main amendments are as follows:</p> <ul style="list-style-type: none"> • Where there is a transfer of employees in a change of contractor situation (by provision of the collective agreement (CBA) or by operation of law), specific information on the transferring employees should be provided by the outgoing contractor. • Public contracts will hold the contractor liable for unpaid salaries and social security contributions of transferring employees. • The CBA of the sector will have priority over the CBA at the company level. • Companies that do not observe the legal obligation to implement equality plans will not be able to be appointed contractors of public authorities. 	 <p>9 March 2018.</p>	 <p>Social and labour matters will be more relevant from now on in the framework of public contracts.</p> <p>As a result the public administration will have greater powers to ensure private companies comply with their labour law obligations where they are contracting with public authorities.</p> <p>For example, if salary/social security contributions are not paid, public authorities will be able to withhold the relevant amounts from the contractor.</p> <p>Similarly, a breach of any employment regulation may serve as a reason for the public administration to refuse entering into a public contract with a company.</p>	 <p>As a result of this new regulation, companies tendering for public sector contracts will have to ensure that they are compliant with their social and labour law obligations. Likewise, they may also consider updating their internal tender documents and offer templates to take into account the new regulations.</p>







On your radar

| Key employment issues across Europe and beyond

Turkey	Development	Description	Effective date	Impact and risk	Future actions
 	 <p>Newly enacted Code of Labour Courts No: 7036 introduces a mandatory mediation system in employment disputes.</p>	 <p>An application to mediation is now a pre-condition of proceeding to trial in the following types of labour disputes:</p> <ul style="list-style-type: none"> (i) employee or employer compensation claims relating to employment contracts or collective bargaining agreements; or (ii) claims for re-employment. <p>Mediation shall be concluded within three weeks; although it may be extended for up to 1 week if there are compelling reasons.</p> <p>If the mediator's involvement resolves the dispute, it cannot be litigated before the Courts. Where agreement cannot be reached via mediation, the parties' rights to sue are reserved.</p>	 <p>1 January 2018.</p>	 <p>Most of the employment claims employers face relate to compensation claims arising from the employment relations (e.g. severance pay, notice pay, overtime payments etc.) and re-employment; which are the subject to the mandatory mediation system.</p> <p>The law is expected to encourage parties to look at alternative ways of resolving their disputes, without needing to pursue expensive and time-consuming Court proceedings.</p> <p>However, for disputes, which are unlikely to settle, parties may view the compulsory mediation as causing delays and increasing costs.</p>	 <p>Employers and employees should familiarise themselves with the mediation system.</p>







On your radar

| Key employment issues across Europe and beyond

UK	Development	Description	Effective date	Impact and risk	Future actions
	 <p>Significant changes on data protection issues as a result of the EU's General Data Protection Regulation (GDPR) and the UK's enabling legislation which is currently proceeding through Parliament, the Data Protection Bill (which shall apply post-Brexit to maintain equivalent protections).</p> <p>Although this development is EU wide, the impact of these changes will be felt differently in each country based on their nation's existing approach to data protection.</p>	 <p>The areas where GDPR compliance will most affect HR teams in the UK involve:</p> <ul style="list-style-type: none"> • Greater accountability on data controllers • Increased difficulty with consent as the basis for processing employee personal data • Increased processing notification requirements • Enhanced data subject access rights (DSAR) and reduced time periods in which to comply • Enhanced data subject rights around rectification and erasure • Shorter time periods in which to notify of a data breach (72 hours) and enhanced compensation for data breaches 	 <p>25 May 2018.</p>	 <p>The amount of preparation that each organisation (and specifically their HR team) will require to undertake to comply with GDPR will depend on how good their existing processes are.</p> <p>This legislation is a significant change to the current data protection regime and HR teams should be focussing now on the various steps that they need to take to prepare.</p> <p>Although many GDPR projects are being run by central legal and risk teams, we are recommending that HR play a specific role in this project given the significant amount of personal data that HR will process, and the impact on policies and procedures.</p>	 <p>We are recommending that clients:</p> <ul style="list-style-type: none"> • Carry out and document a data audit • Identify and document the processing in place, and the legal basis for processing personal and special category data • Review or draft employee/applicant/worker privacy notices • Review data protection clauses in employment contracts • Update their DSAR process and templates • Review data retention policies and where appropriate undertake a data cleanse • Update their data protection policy • Train staff

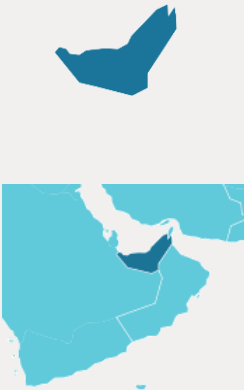





On your radar

| Key employment issues across Europe and beyond

Ukraine	Development	Description	Effective date	Impact and risk	Future actions
	 Simplification of employment and immigration procedures for foreigners.	 In September 2017, the new changes simplifying work permits and temporary resident permit procedures for foreigners became effective.	 27 September 2017.	 It is too early to assess the full impact of the changes, It is hoped that it will simplify the investment climate in Ukraine and attract foreign skilled managers into Ukraine.	 Foreigners who wish to work in Ukraine need to undergo new work permit and temporary resident permit procedures.
	Amendment to the law regarding the new official holiday.	Starting from 2017, 25 December (Western Christmas) is an official holiday and a day off. At the same time, 2 May (celebrated as a second day of a two-day International Workers Day) loses its holiday status.	2 December 2017.	The overall amount of official holidays (11) remains unchanged. Therefore, no significant impact/risks are expected.	

On your radar

| Key employment issues across Europe and beyond

<div>United Arab Emirates</div> 	Development	Description	Effective date	Impact and risk	Future actions
	 <p>The UAE Ministry of Human Resources and Emiratization (previously known as the UAE Ministry of Labour) are now requiring job offer letters to be filed prior to employees applying for working visas.</p> <p>The aim of this requirement is to prevent employees being offered terms which are then changed substantially once the employee arrives in the UAE and commences employment.</p>	 <p>Job offer letters must be in the standard form provided by the MOHRE, which states the key terms of the employment (including salary, title and working hours). These key terms must be replicated in the employment contract filed with MOHRE as part of the visa application process.</p> <p>Job offer letters must also attach a schedule setting out the key rights of the employees under the UAE Labour Laws. Again, the MOHRE provides a standard form of these schedules.</p>	 <p>Already effective.</p>	 <p>Companies must ensure they allow adequate time in the recruitment process to have the job offer letter signed and approved. The visa application process cannot commence until the job offer letter has been approved by the MOHRE and the MOHRE may request changes to the form of the job offer letter before providing their approval.</p> <p>There is no impact for employees already registered with the MOHRE as employees and are currently resident in the UAE.</p>	 <p>It remains to be seen whether this requirement will also be adopted in the various free zone authorities within the UAE.</p>



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