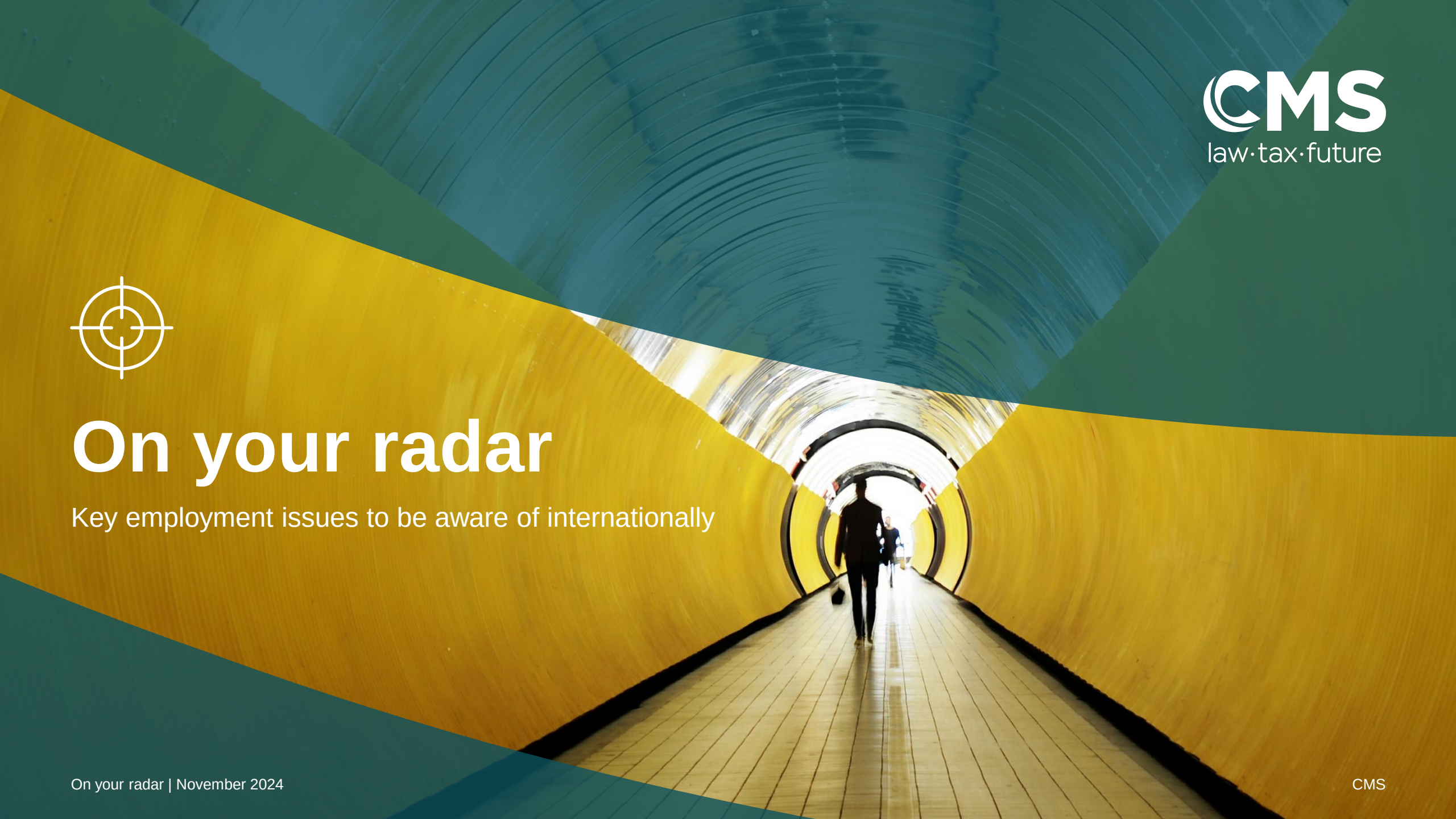

On your radar

Key employment issues to be aware of internationally

Welcome to the latest edition of CMS On your radar

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

The CMS Employment team

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Angola | 1

Development and date	Description	Impact and risk	Future actions
New General Labour Law On 26 March 2024, the General Labour Law ("GLL") came into force introducing notable changes to the existing framework for relations between employers and employees.	The GLL reintroduced the unlimited term contract as the standard operating procedure for employment contracts. The size of the company is no longer a factor in relation to supplementary payments, compensation for termination of employment, or the maximum permitted duration of fixed-term contracts. New categories of special employment contracts have been defined, including the telework contract, the sports employment contract and the artistic employment contract. Despite the changes, the GLL does not amend the special regime for the practice of professional activities by non-resident foreign employees, approved by Presidential Decree 43/17 of 6 March.	The employment of individuals under a fixed-term contract is subject to exceptions and time limits necessary to address temporary or transitional business needs. The establishment of consistent criteria for employee pay, regardless of company size, facilitates a greater degree of fairness in the labour market. However, micro and small companies with limited financial capacity are ultimately required to support a greater proportion of their employee's remuneration. While the acknowledgement of new forms of labour is reflective of the changes in everyday life, there are certain aspects that require more comprehensive regulation than the one provided by GLL. It is also important to highlight that the alignment of the special rules applicable to non-resident foreign employees with the provisions of the GLL has been a significant challenge for the Angolan authorities.	As a starting point, employers should ensure that fixed-term employment contracts are in writing, otherwise they will be deemed to be for an indefinite period. It is also important to ensure that the reasons for entering a new fixed-term contract or renewing an expiring contract are indicated, otherwise these contracts will be converted into open-ended contracts. Visits by the employer to the employee's place of residence for the purpose of supervising work activities and work equipment may only be performed between 9 a.m. and 5 p.m., provided that they are duly accompanied by the employee or a person designated by the employee. The employer should be prepared for unannounced visits from the General Labour Inspectorate ("IGT") and to ensure that the required labour documentation is provided.

Angola | 2

Development and date	Description	Impact and risk	Future actions
Labour Procedure Code As part of the recent reforms to labour legislation in Angola, the Labour Procedure Code ("LPC") was also approved and became effective in April 2024. The LPC consolidates all procedural guidelines for labour disputes, which are distinct both in nature and purpose from other cases resolved by the judicial system.	With regard to the LPC, the recently introduced principles and rules require that both the employee and the employer should be represented by lawyers. On the other hand, judges are now able to impose a heavier penalty or to prosecute defendants for an offence other than the one for which they were initially charged. Despite removing the obligation to start by following non judicial processes, the LPC outlines a new framework of preventative measures in legal proceedings relating to labour disputes.	The LPC has revoked all legislation involving the regulation of legal proceedings in Angola for labour law.	We also recommend that employers review all potential disputes with employees and settle amicably those that are not suitable for litigation. For other cases, they should take legal advice.

Austria

Development and date	Description	Impact and risk	Future actions
Remote (Telework) Working Legislation The current working from home (WFH) Act was introduced during the pandemic. It covers working from the employee's home, or the home of a close relative, but not other forms of remote work. Other forms of remote work (telework) are partially covered in Collective Bargaining Agreements (CBAs). As of 1 January 2025, an amended version of the WFH Act – now called the Telework Act – will cover all forms of remote work, such as including work from co-working spaces, or cafés, etc.	Under Austrian law, the general notion is that the employee can request reimbursement of expenses from the employer but can contractually also waive that right. With the first remote working legislation (applicable only to WFH), a right to reimbursement of expenses for "digital equipment" that cannot be waived was introduced. Digital equipment includes computers, screens, mouses, printers (if needed) and internet connection. In practice, this means that when WFH, the employer either provides all digital equipment needed, or agrees to compensate the employee with a lump sum payment. A compensation of up to 3 EUR per (full working) day, for a maximum of 100 days per years is tax free, provided that the employer has kept records on WFH days. Now, this legislation is expanded to cover all forms of remote work, introducing an entitlement to a lump sum compensation for the provision of "digital equipment", unless the employer agrees to provide all digital means (including internet connection).	Prior to the new Telework Act, agreements on all forms of remote work were legally possible, but they did not come with a legal entitlement to compensation of costs for digital equipment, if it was not provided by the employer. Consequently, some employers concluded remote work agreements, permitting employees to freely chose the location of their work (and not limiting them to their homes, or homes of close relatives) and making use of the option for employees to waive the right to compensation for expenses occurred. With the upcoming change in legislation, employees will have a right to request compensation where they provide digital equipment (internet connection being the most important). In addition, in some sectors CBAs (such as the CBA for IT services) concluded their own regulations on telework. Not all of these regulations in CBAs are yet fully in line with the upcoming legislation.	Employers who do not provide all digital equipment to their employees working remotely, are advised to review their current remote work agreements. In particular, in cases where their employees provide digital equipment (including internet connection), it needs to be checked whether the current remote work agreements contain compensation for the provision of digital equipment. If not, the current agreements need revised. In addition, employers are advised to review whether their applicable CBA contains specific regulations on remote work, and how these regulations relate to the upcoming legislation on telework.

Belgium

Development and date	Description	Impact and risk	Future actions
Compulsory work accident insurance for self-employed platform workers			
From 1 January 2026, platform operators will be obliged to take out an insurance contract for their platform workers who qualify as self-employed. This should cover physical damage suffered by them due to an accident while performing their platform work or on their way there or back (i.e. in fact a “work accident insurance”). This new obligation was introduced by the Labour Deal Act of 3 October 2022 and executed by a Royal Decree of 12 August 2024.	The insurance must cover physical damage suffered by the self-employed platform worker due to an accident while performing paid tasks for the platform or on their way to and from those activities. The Royal Decree specifies the minimum guaranteed conditions the insurance contract must meet regarding the amount of the compensation, the payment processes and the compensation procedure, and lists the mandatory information that must be included in the insurance contract.	The platform operators failing to take out the required insurance contracts for their self-employed platform workers will be civilly liable for the damage suffered by the platform worker in case of a work accident. If the insurance put in place does not meet the legal conditions set out in the Royal Decree, the Royal Decree prescribes that the insurance contract is to be considered void.	The date of entry into force of this legislation, set for 1 January 2026, gives insurers and platform operators time to introduce this mandatory work accident insurance. However, platform operators should not lose sight of this impending obligation and take the necessary measures to put occupational insurance in place by the end of 2025. If this type of insurance has already been introduced for self-employed platform workers, platform operators should make sure that the existing insurance meets the requirements of the Royal Decree of 12 August 2024.
Changes to time credit and thematic leave			
In Belgium, both thematic leave and time credits, involve full or partial career breaks linked to specific circumstances and for which the conditions of access differ. In both cases an employee who meets the legal conditions will receive state benefits to partly compensate the loss of remuneration. From 1 September 2024, an employee can stop their time credit or thematic leave before the minimum duration without having to reimburse the benefits they received from the unemployment office. Instead, they will lose any unused days required to reach the minimum duration of the specific absence. These days will be deducted from the maximum duration the employee can be absent for this specific type of time credit/thematic leave throughout their career. Before this, employees in this situation had to reimburse the benefits they had received from the unemployment office during their time credit/thematic leave.	There are conditions to be followed. To be allowed to stop the absence before the legal minimum duration and not be obliged to reimburse the received benefits, the employee must: – have the agreement of their employer regarding the early ending of the absence; – inform the unemployment office in writing and in good time about the ending, and in any case before ending the absence.	The new measure concerns all types of time credits, except the time credit end of career landing job. It concerns the 4 types of thematic leaves (i.e. parental leave, leave for palliative care, leave for medical assistance, leave for close caregivers). (A landing job, also known as end-of-career time credit, is a special form of time credit for employees in the private sector in Belgium who meet certain conditions.)	Employers should be aware of these changes and the possibility of an employee’s early return from time credit or thematic leave.

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Brazil

Development and date	Description	Impact and risk	Future actions
Second cycle of the gender pay transparency report			
In 2024, the Salary Transparency Law came into force, which makes it compulsory for companies with more than 100 employees to publish a biannual report regarding pay equality. This report must be disclosed internally to employees, as well as in the media and on the company's communication platforms. The first publication cycle took place in the first half of this year, with the next scheduled for the end of September. To prepare the report, companies must provide information to the Ministry of Labour and Employment, which will use this data in conjunction with the eSocial system to prepare the reports.	Between 1 and 31 August companies with 100 or more employees responded to the Salary Transparency and Remuneration Criteria Form through the Emprega Brasil portal, as required by the Equal Pay Act. The aim is to identify and address any pay disparities that may indicate discrimination or unequal opportunities. This effort is part of a wider movement to promote transparency and fairness in the workplace, with the aim of ensuring that all employees receive fair and equal pay for work of equal value.	In this second report, the Ministry of Labour and Employment will continue to monitor the publication of the document by companies, as well as their provision of information, in addition to the declaration that they have more than 100 employees. If companies fail to comply with the legislation, an administrative fine of up to 3% of the company's payroll may be imposed, limited to 100 times the minimum wage, without prejudice to the sanctions that apply to cases of wage discrimination and remuneration criteria between women and men, as determined by Law 14.611/2023.	Complying with this legislation is a crucial step towards promoting a fairer and more transparent working environment. Continuous monitoring and analysis of reports and internal policies will help to improve remuneration practices and reduce pay inequalities in the corporate environment. In addition, these measures will help prevent labour liabilities and avoid litigation related to salary issues.
Brazil exempt from applying international standard on dismissal			
In a recent decision, in August 2024, the Federal Supreme Court (STF) confirmed the validity of a decree that exempts Brazil from complying with Convention 158 of the International Labour Organisation (ILO). This convention establishes rules for the protection of workers in cases of unfair dismissal, including the employee's right to know the reasons for their dismissal.	Convention 158 of the ILO, which Brazil had previously signed, is designed to ensure that workers are not dismissed without justification - which would prevent both the employer and the employee from deciding whether to remain in their job. However, the Brazilian government argued that the standard's requirements could be excessively restrictive and detrimental to the flexibility of the labour market and the country's ability to adapt economically. The discussion focused on the legality of the decree, raising questions about the conformity of the norms.	The STF's validation represents greater legal certainty for employers as it allows employees to be dismissed without justification, which provides greater freedom to adjust the workforce and adapt to economic changes, as well as greater flexibility in the labour market and labour turnover.	Although employers are still allowed to dismiss their employees without providing any justification, this dismissal must respect the provisions of article 7, item I, of the 1988 Federal Constitution (CF/88), which guarantees protection against arbitrary dismissal by requiring the payment of a compensatory indemnity. Currently, this compensation is represented by the 40% fine on the balance of the Severance Indemnity Fund (FGTS), which must be paid to the worker upon dismissal without just cause. This indemnity is intended to provide a form of financial security for the employee who is dismissed without justification, partly compensating for the lack of job stability.

Bulgaria

Development and date	Description	Impact and risk	Future actions
Electronic employment records			
The Council of Ministers has adopted an Ordinance to provide more detailed rules on the application of the 2023 amendments to the Labour Code. The amendments introduced the unified electronic employment record as part of the employment register which will be maintained by the National Revenue Agency (NRA) digitally. When these Labour Code amendments come into force on 1 June 2025, paper employment records books will be a thing of the past in Bulgaria.	The employment register willl consist of the uniform electronic employment records of all employees. Entries in the uniform electronic employment records shall be made by the employers. Entries shall be made within the terms provided by the ordinance, upon the occurrence of facts such as: conclusion, entry and termination of the contract of employment; essential amendments to the employment relationship (change of the duration of the contract; the amount of basic pay; the position; the place of work, etc.); posting in the framework of the provision of services; termination of employment; change of the employer in the context of a transfer of undertakings. The records should be made using qualified electronic signature through the e-services portal of the NRA. Employers, employees and other parties will be able to access the data based on a request to the NRA.	The digital employment register will go live on 1 June 2025, and the Ordinance on the entry in the employment register will apply as of the same date. It aims to provide centralised and more easily accessible information to employers, employees and state authorities on data and information concerning the employment status and related essential information and rights of the employees.	From 1 June 2025, all employers will have to make entries in the uniform electronic employment records and stop using paper employment record books. By this date employers must have adjusted their internal policies and procedures to align with the new rules.
Expected change in the statutory minimum salary			
A public consultation to increase the statutory minimum salary has been taking place.	On 26 September 2024, a public consultation on the prospective increase in the statutory minimum salary was finalised. It is expected that from 1 January 2025, the minimum salary in the country will raise to BGN 1077 (approx. EUR 550) from BGN 933 (approx. EUR 475).	The reason for the prospective increase is the idea that it will stimulate labour market activity, contribute to increasing incomes of the lowest income groups of employees and reduce income inequality and poverty, etc. The change would lead to an increase in the cost of salaries and an increase in the social and health insurance contributions for the employees with the lowest salaries.	Employers must make appropriate financial provision for the salaries and social and health insurance contributions. Internal policies (such as the mandatory Internal Salary Rules) must be aligned with the change when the increase of the minimum salary comes into effect.

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China

Development and date	Description	Impact and risk	Future actions
Increase in statutory retirement age On 13 September 2024, the Standing Committee of Chinese National People's Congress approved the *Measures of the State Council on Progressively Raising the Statutory Retirement Age*, which will become effective on 1 January 2025. Starting from 1 January 2025, China will take 15 years to progressively raise the statutory retirement ages of male employees from 60 to 63, of female employees at blue collar positions from 50 to 55 and of female employees at managerial positions or technical positions from 55 to 58.	For over 60 years in China, the statutory retirement age of male employees was 60 while the statutory retirement age of female employees at blue collar positions was 50 and of female employees at managerial positions or technical positions was 55. Starting from 1 January 2025, the statutory retirement age of male employees and female employees whose original statutory retirement age is 55 shall be raised by one month for every four months and be progressively raised to 63 and 58 respectively, while the statutory retirement age of female workers whose original statutory retirement age is 50 shall be raised by one month for every two months and be progressively raised to 55. Nevertheless, as long as an employee has reached the original statutory retirement age, the employee may still voluntarily choose to retire early for a period of up to three years if the employee has made pension contributions for years as provided by statutory law, which is currently 15 years, but starting from 1 January 2030, will be progressively raised to 20 years, i.e. raising 6 months for each year. Alternatively, an employee may also choose to further postpone his/her retirement age for a period up to three years based on the new statutory retirement age upon reaching a consensus with the employer.	Under PRC law, the employment contract of an employee will terminate automatically when the employee reaches statutory retirement age or the employee starts to enjoy statutory pension benefits. Further, an employee who has consecutively worked for the employer for 15 years and are 5 years away from the statutory retirement age is protected from being unilaterally terminated by the employer due to the reasons of illness, incompetence, change of objective circumstance or mass layoff. The raise of statutory retirement age of employees brings challenges to employers due to the following reasons: (1) The retirement ages of employees will not be the same. Employees have rights to decide their own retirement ages, either retire earlier, or upon consultation with the employer to work even longer than the new statutory retirement age. (2) Disputes may still arise on the statutory retirement age of a female employee if no agreement can be reached between the employee and the employer on the nature of her work position, either it is a blue collar position or a managerial position or technical position because no statutory law provides clear definition yet.	Companies may wish to, when considering its business needs and talent structure, formulate its own strategy and policies in dealing with the increase in statutory retirement age of employees in order to be able to handle the retirement issues of employees properly.

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Colombia

Development and date	Description	Impact and risk	Future actions
Reform of the Labour Code and Social Security Procedure			
On 19 June 2024, the Congress of the Republic of Colombia approved a new law which aims to reform the Labour and Social Security Procedural Code.	The Labour Division of the Supreme Court of Justice is promoting a reform which amends the Labour and Social Security Procedural Code, to establish independent and autonomous procedural rules relating to the labour process.	The draft law represents a significant step forward for labour law by unifying the procedural rules that will govern the matter in a single code. However, it also poses several challenges that need to be addressed to ensure proper implementation, consistency with the existing legal framework and to avoid overburdening the judiciary.	The Congress of the Republic of Colombia is still analysing the Law Project No. 051 of 2023.
Measures to prevent sexual harassment			
On 20 June 2024, the Congress of the Republic of Colombia enacted a new law which establishes measures to prevent and address sexual harassment in the workplace and in educational institutions, as well as mechanisms for protecting victims of sexual harassment.	Congress enacted this Law to establish the measures to be taken by public and private employers and educational institutions to combat sexual harassment in the workplace and in educational contexts; the rights of victims and alleged harassers; and measures to prevent and raise awareness of sexual harassment.	This law represents a major step towards achieving the goals of eliminating all forms of violence against women and guaranteeing the right to equality and non-discrimination in employment and education. This poses challenges for the government and employers in terms of guidelines to be followed to prevent and address sexual harassment and to protect the rights of victims.	The Colombian government must issue the appropriate decrees to regulate the Plan for the Elimination of Sexual Harassment within 12 months of the approval of this law. This policy, which will be drawn up by the Colombian Ministry of Education with the advice of the Colombian Ministry of Justice and other governmental bodies must guarantee the rights of victims to equality, non-discrimination and a life free from all forms of violence.

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Croatia

Development and date	Description	Impact and risk	Future actions
The Foreigners Act			
This will amend the existing Act, although the exact date of entry into force is still unknown (expected towards the end of 2024).	Several important amendments are planned, primarily regarding work and residence permits of third-country (non-EEA) nationals (validity period should be extended to three years). The Act should introduce the obligation on employers when they employ third-country nationals to issue promissory notes (aiming to cover the costs of employees' return to home countries), as well as facilitating the employment of highly qualified employees when applying for the EU Blue Card. Also, the Act should introduce new provisions aimed at encouraging the return of Croatian emigrants' and their descendants (by e.g. ensuring liberal conditions for granting their temporary residence in Croatia).	The changes will impact all employers planning to employ third-country nationals in Croatia, as well as many foreigners planning to work there (and their family members). New rules will especially change the current procedure highly qualified employees need to follow when applying for the EU Blue Card (especially if educated in Croatia), as well as introducing new rules for foreigners who change their employers during the permit validity. Temporary employment agencies employing foreigners will also face changes in their business.	Permits already issued should not be affected by the changes. However, it is advisable that all employers who plan to keep the currently employed third-country nationals or employ new ones in the future, familiarise themselves with the planned amendments as soon as possible.
Labour Market Act			
This will amend the existing Act; again the expected date of entry into force is unknown.	Amendments should introduce changes related to eligibility, duration and the amount of unemployment benefits (especially for people younger than 30 and third-country nationals). It should also prescribe changes regarding the employment of high school students.	Amendments should introduce more favourable benefits for unemployed people, as well as facilitate their access to the labour market. They should impact already registered unemployed individuals, as well as high school students willing to work and unemployed third-country nationals holding a valid permit.	It is beneficial for all employers planning dismissals to familiarise themselves with the changes, as new rules on unemployment benefits could influence negotiations with employees about mutual termination agreements. Also, it is likely job ads will have to be adopted to the new legal rules.
By-law on Supervision and Control of the Croatian Insurance Fund			
Entered into force on 15 August 2024.	Some new rules and options for employers and competent authorities were introduced in cases of suspected sick leave misuse.	All employers suspecting that one of their employees is misusing sick leave and wants to initiate the appropriate inspections should follow the newly prescribed rules.	Employers should make sure to gather and keep all potential evidence pointing to suspected misuse, as they will be required to present this to the authorities ordering the inspection.

Czech Republic | 1

Development and date	Description	Impact and risk	Future actions
An amendment to the Czech Labour Code came into force on 1 August 2024. The changes will be implemented in two phases, from 1 August 2024 and from 1 January 2025.		The main objectives of all these measures is to enhance working conditions and reduce the administrative burden on employers, such as providing a supplement to salary to reach at least the lowest level of the guaranteed salary	
Cancellation of guaranteed salary; new method of calculating minimum salary			
From 1 January 2025, the amendment removed the guaranteed salary in the private sector and changed the mechanism for calculating the minimum salary. These changes are a further transposition of the EU Directive on adequate minimum wages.	The new method used to determine the minimum salary is based on multiplying an estimate of the average gross monthly salary in the country's economy by a coefficient that is set by the government and valid for two years. Private sector employees will only be subject to the new minimum salary, not the guaranteed salary.	The cancellation of the guaranteed salary does not mean employers can set whatever salary levels they want. The rules of equal treatment (same salary for work of same value) still apply.	Employers with multiple TUs should be aware of the potential complications in negotiating a new CBA.
Self-scheduling of working time by employees			
From 1 January 2025, all employees will have the option to organise their working time themself, but only if they have a written agreement with their employer.	The employee and employer can agree in writing that the employee can organise their own working time, provided they follow Labour Code rules, such as a 12-hour work limit and required rest periods. Previously limited to remote workers, this flexibility now applies to all employees, giving more people the opportunity to manage their own working time.	The organisation of working time by employees may have a big effect on professions where work performance is influenced by external factors or where the employees are independent in carrying out their work tasks. In these professions, the organisation of working time by the employer can be difficult and often counterproductive.	Employers should ensure they visit the official website of the Czech Ministry of Labour and Social Affairs annually, as the minimum salary is announced each year by 30 September for the upcoming calendar year. Even without the guaranteed salary, employers should implement proper rules on equal remuneration.

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Czech Republic | 2

Development and date	Description	Impact and risk	Future actions
Conclusion of a collective agreement (CBA) in case of multiple trade unions (TUs)			
From 1 August 2024 employers can conclude a CBA with the largest TU even if other TUs disagree on its terms. Similarly, employees have the ability to influence the choice of this TU, even if it is not the largest one. The amendment also removes the employer's obligation to prepare an annual leave schedule, allows premiums for difficult conditions, night shifts, and weekend work to be included in remuneration under work agreements (DPP and DPČ), and further specifies contractor's liability for salary claims of the subcontractor's employees.	If multiple TUs operate within a company and cannot agree on CBA terms, the employer can sign a CBA with the largest TU. However, employees can oppose this and choose one of the smaller TUs for employer to negotiate the CBA with instead.	With regards to the new rules on concluding CBAs, employers can conclude a CBA without being hindered by dissenting TUs, allowing the negotiation process to continue when multiple TUs are involved. Similarly, employers will be obliged to conclude the CBA if one (possibly pro-employer) TU obstructs the process, and a majority of employees will express in writing their wish to conclude the CBA with one of the TU.	Employers should consider whether, and for which positions, it would be sensible to allow employees to plan their own working hours.

France

Development and date

Statement to the National Assembly

Following the dissolution of the National Assembly and subsequent elections, the President of the Republic appointed Michel Barnier as the new Prime Minister on 5 September 2024.

Prime Minister Michel Barnier delivered his statement of General Policy to the National Assembly on 1 October 2024.

This contained his roadmap, his objectives and the reforms he wishes to implement over the coming months.

Description

The most important announcements relating to employment law include:

Minimum wage

The Prime Minister has announced that the minimum wage will be increased by 2% from 1 November, ahead of the 1 January date.

He called for negotiations to take place quickly on the standard minimum wage, which remain below the minimum wage in some professional sectors.

He also announced an overhaul of the social charges system and a relaunch of profit-sharing, incentive schemes and employee share ownership. Finally, he announced the creation of a new savings account dedicated to industry.

Renewal of social dialogue

Michel Barnier will ask the social partners to resume negotiations in the coming weeks on:

- Employment of older workers.
- The unemployment benefit system.
- Retirement. While the balance of the pay-as-you-go pension system must be preserved, adjustments to the 2023 law may be considered, particularly with regard to phased retirement, professional wear and tear, and equality between men and women when it comes to retirement.

The Prime Minister also called for work to resume on the simplification bill.

Impact and risk

The draft law on the Financing of Social Security, which is currently being examined by the French National Assembly, provides for:

- A two-point decrease in the reduction of employers' social security contributions on pay between 1 and 1.3 times the minimum wage (SMIC) from 1 January 2025 and two points more since January 2026.
- The value-sharing bonus (PPV) paid to employees will be included in the basis for calculating the reduction in contributions from the date of introduction of the bill, i.e. 10 October 2024.
- For contributions due from 1 January 2024, the ceiling for entitlement to the general reduction in employers' contributions will be set by reference to the minimum wage in force on 1 January 2024.
- The threshold for exemption from employee contributions on apprentice wages will be lowered by decree from 79% to 50% of the minimum wage. Apprentice wages exceeding 50% of the minimum wage will be subject to CSG-CRDS from 1 January 2025.

Future actions

On 22 October 2024, the social partners opened negotiations on unemployment benefits and the employment of senior citizens. These negotiations, which are due to continue until 15 November, have a twofold objective:

- to supplement the agreement reached on 10 November 2023 on unemployment insurance with provisions on compensation for senior citizens, in order to achieve annual savings of EUR 400 million.
- to introduce measures to promote the employment and job retention of older workers, notably by easing the conditions for access to phased retirement.

Pending the outcome of the negotiations, current unemployment compensation rules are extended until 31 December 2024.

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Germany

Development and date	Description	Impact and risk	Future actions
Discrimination Claims 2.0 AGG-Hopping refers to the practice of exploiting Germany's General Equal Treatment Act (AGG) by filing compensation claims without genuine job-seeking intent. This emerged after the AGG's introduction in 2006, where claimants systematically targeted discriminatory job advertisements to provoke rejections and claim damages under the AGG. Initially successful, courts have increasingly rejected these claims as abusive. In December 2023, the Higher Labour Court of Hamm ruled against an aspiring business lawyer who filed multiple lawsuits after applying to gender-specific jobs. His claims were dismissed for legal abuse, as he had no genuine intent to secure employment. This ruling was upheld by the Federal Labour Court on 19 September 2024.	The case involves a 30-year-old law student who repeatedly applied for jobs advertised specifically for women, such as "secretary" or "female office clerk" positions. While these job postings violate the AGG's anti-discrimination rules, the claimant's applications were clearly designed to provoke rejections instead of securing employment. His strategy involved submitting poorly crafted applications that often omitted key information or included deliberate errors, aiming to claim compensation under § 15 AGG once his applications were rejected. The LAG Hamm labelled this behaviour a "second-generation business model" of AGG exploitation, noting that the claimant had refined his methods based on earlier cases to increase the chances of rejection while minimising the appearance of bad faith. His tactics included vague references to qualifications, inconsistent statements about relocating, and failing to provide relevant documents like résumés. Over 15 months, the claimant filed 11 legal claims. The LAG ruled that his actions amounted to an abuse of rights under § 242 BGB. The court determined that his objective was not employment, but rather exploiting the AGG for financial compensation. The Federal Labour Court confirmed this ruling, clarifying that AGG claims must be pursued in good faith, and those filed purely for financial motives will not be supported.	This case highlights the growing risk of AGG exploitation and its potential to undermine the very purpose of anti-discrimination laws. Although the AGG is designed to protect individuals from unfair treatment in the workplace, cases of AGG-Hopping—where claimants target technical violations of the law for personal gain—can distort the intended function of the legislation. The LAG Hamm's decision, later upheld by the BAG, establishes a critical precedent in distinguishing between genuine claims of discrimination and those rooted in opportunistic legal strategies. For employers, this ruling provides a clear pathway to defending against AGG abuse. While businesses must still ensure that their job advertisements are compliant with the AGG, they now have stronger legal grounds to argue against claims that are pursued in bad faith. However, the risk remains that an overzealous application of this precedent could discourage legitimate discrimination claims, harming those who truly need protection. By reinforcing the principle that anti-discrimination claims must be pursued in good faith, the courts have set a standard for how future AGG claims will be assessed, particularly in cases involving repeat claimants or suspicious patterns of behaviour.	Moving forward, employers should continue to rigorously ensure that their job advertisements and hiring practices comply with the AGG's non-discrimination requirements. Regular audits of job postings and proper training for HR departments are essential steps to avoid any potential legal issues. At the same time, companies should be aware of the possibility of abusive claims and document all hiring processes carefully, especially when dealing with applications that raise suspicion of bad faith. The Federal Labour Court's ruling may also prompt further legal developments. Lawmakers might consider introducing additional safeguards to protect against AGG abuse while ensuring that genuine victims of discrimination are not discouraged from seeking justice. Courts will likely continue to refine the criteria for distinguishing between valid and exploitative claims, balancing the need to deter bad faith lawsuits with the protection of employees' rights.

Hong Kong

Development and date	Description	Impact and risk	Future actions
Fines for late payment of wages In October 2024, the Hong Kong Labour Department fined two companies HKD92,500 and HKD50,000 respectively for failing to pay employees wages and payment in lieu of notice within seven days after the expiry of the wage periods and termination of employment contract. Both companies had also failed to pay the annual leave payment to employees within the statutory time limit. The responsible officer at the companies was prosecuted and convicted in both cases.	Under Section 23 of the EO, an employer who wilfully and without reasonable excuse fails to pay wages to an employee when it becomes due is liable to prosecution and, upon conviction, to a fine of HKD350,000 and to imprisonment for three years. Section 25 contains the equivalent provision with regard to payment on termination of an employee's contract. The employer is also liable to pay interest on the outstanding amount of wages beyond this seven-day period. Where a wage offence committed by a company is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the company, such person shall be guilty of the same offence and, upon conviction, is liable to the same penalty.	The Labour Department issued the following statement: "The ruling helps disseminate a strong message to all employers, directors and responsible officers of companies that they have to pay wages to employees within the statutory time limit stipulated in the EO. The LD will not tolerate these offences and will spare no effort in enforcing the law and safeguarding employees' statutory rights". The actions taken reinforce the Labour Department's zero-tolerance policy towards EO violations and a concerted effort by the Labour Department to enforce statutory time limits going forward and ensure timely payments to employees. This action follows guidance finalised by the Labour Department in December 2023 setting out time limits for paying wages and other payments including in relation to sub-contractor's employees, severance and labour tribunal claims. In terms of further risk, the Labour Department has previously indicated that in the course of investigating wage offences, they will furthermore check if the employer, directors and responsible persons may have committed other offences while operating the business and managing the finances of the relevant company, potentially examining assets and account and referring any suspected cases of e.g. evasion of liabilities by deception and failure to keep proper records to the Hong Kong Police Force.	The recent actions serve as a reminder to employers to review payroll software and operations to ensure payments are being made on time. Employers should also ensure any delay to payments and their justifications are carefully documented in case they ever need to be relied upon in the course of an investigation. However, it should be noted that the defence of "reasonable excuse" for late payments arises in limited circumstances. For example, the case of HKSAR Wong Yuk Tung [2011] 1 HKC 409 clarified that financial difficulties do not qualify as a "reasonable excuse" for failing to pay its employees. In Secretary for Justice v Sing Pao Newspaper Management Limited CAAR 2/2007, whilst specifying that a change of management does not in itself constitute a "reasonable excuse" for the late payment of wages and would be considered in the context of other circumstances, the Court of Appeal ordered a relatively low fine on the basis of "management chaos" and management "taking bona fide reasonable effort to improve its position".

Italy

Development and date	Description	Impact and risk	Future actions
New incentives for employers A significant recent development in Italian labour law has been the introduction of new employment measures through the Cohesion Decree. The decree includes various provisions aimed at boosting employment, especially for disadvantaged groups, by offering social security contribution exemptions to employers who hire younger workers, women, or individuals from economically weaker regions.	Youth Employment Incentives (Bonus Giovani): Employers hiring young workers under 35 between September 2024 and December 2025 will benefit from a 100% exemption on social security contributions for up to 24 months. The incentive focuses on encouraging permanent contracts, particularly in underdeveloped regions such as Abruzzo, Calabria, and Sicily. In these regions, the cap for the exemption is set at EUR 650 per month per employee, compared to EUR 500 in other areas. Employment Grants for Women (Bonus Donne): This measure provides incentives for hiring women who have been out of regular employment for 6 to 24 months, depending on their region. The incentives mirror those for youths, offering a 100% exemption on social security contributions for 24 months. Special Economic Zone (SEZ) Exemptions: Businesses with fewer than 10 employees in Southern Italy operating in SEZ regions receive similar contribution relief for hiring individuals who have been unemployed for at least 24 months. This applies specifically to non-executive staff hired on permanent contracts.	These measures are expected to foster increased hiring, especially in Italy's southern regions, by reducing labour costs for employers. However, there is a risk of potential abuse of the system, such as companies taking advantage of the exemptions without making long-term commitments to employees. In light of the above, revocation of the exemption occurs if a worker is dismissed within six months, which might create legal complexities.	Employers need to ensure compliance with these new regulations and carefully monitor their employment practices to avoid losing these incentives. The government will likely issue more detailed guidelines to regulate the implementation of these provisions, including enforcement mechanisms to ensure that the intended disadvantaged groups benefit from the initiatives.

Kenya

Development and date	Description	Impact and risk	Future actions
The Labour Migration Management Bill 2024	The Bill aims to regulate private employment agencies and recruiters of individuals working in Kenya and in the diaspora, so that the welfare of potential employees and migrants is safeguarded. The Bill proposes the introduction of a Multi Agency Committee on Vetting of Private Employment Agencies responsible for vetting and approving applications for registration made by private employment agencies. Under Section 17 of the Bill it will become mandatory for the agencies to be registered. The Bill also makes provision for a Labour Attaché who is deployed to a foreign country and will assist in exploring job opportunities in their host country, authenticating any job opportunities there, vetting the employment conditions in that country, responding to complaints relating to migrant workers from that country, attesting to foreign contracts of employment etc.	Employment agencies will no longer be able to recruit labourers from Kenya, on behalf of external employers, without being registered under the Act, and further, without such job vacancies being authenticated. Kenyan migrants will also have clear avenues to raise complaints to the Labour Attaché based in the foreign country.	It will be mandatory for employment agencies to be registered after vetting by the Multi-Agency Committee and thereby, hopefully, minimise the exploitation of vulnerable individuals desperate for work.
Labour Relations (Amendment) Bill 2024	This Bill proposes to amend the Labour Relations Act by introducing a term limit for trade union officials. The present law as is, does not provide a term limit for trade union officials – which has resulted in officials retaining their offices for long periods of time, sometimes for decades.	Trade union officials will, if the Bill passes, only hold office for two terms. This will have an impact on the management and membership of unions – officials will only be eligible for re-election once.	Only individuals who have the union's best interests in mind will be considered for re-election, resulting in more efficient leadership. More employees may, as a result, join trade unions.

Luxembourg

Development and date	Description	Impact and risk	Future actions
New CBA for the banking sector The Collective Bargaining Agreement (CBA) for the banking sector in Luxembourg was officially renewed on 1 August 2024 and entered into force retrospectively on 1 January 2024, following successful negotiations between the Luxembourg Bankers' Association and the main Luxembourg trade unions, i.e. OGBL, ALEBA and LCGB. The new CBA will apply during 2024-2026. The new CBA is the result of intensive negotiations between the relevant stakeholders, which began in November 2023.	The new CBA highlights new elements, such as: – An exceptional bonus of EUR 500 for all employees, payable in 2025; – An increase of the loyalty bonus; – A financial envelope to be distributed in 2024, 2025 and 2026 as a reward for employee commitment; – Increased starting salaries; – Improved recognition of the acquisition of skills; – Introduction of a minimum outplacement training budget of EUR 5,000 (with a maximum of EUR 8,000); – Increase in the annual training budget by 10%; and – Provide an individual training allowance of at least 16 hours per year. The CBA therefore provides for a more attractive financial package for employees and for sufficient time and budget to be available for training and professional development.	The impact of the CBA is significant as it affects approximatively 26,000 employees working in the Luxembourg banking sector. In Luxembourg, the banking sector is crucial to the stability and development of the country, with well over 100 established banks making a significant contribution to the economic growth and prosperity of the country. In order to maintain this competitive position and continue to attract new financial institutions and skilled talents, it was central that the new CBA was able to meet the future challenges and fosters an environment that ensures lasting competitiveness.	Like most sectors in the financial industry, the banking sector is facing change that has accelerated in recent years, forcing bankers to develop new skills. Luxembourg's banks face the challenge of attracting, training and retaining talent in a highly competitive market and in a recruitment pool that is tending to dry up. The Luxembourg legal framework for the banking sector must therefore continue to meet the needs of the sector and to evolve in order to be able to compete in a globalised and rapidly evolving market. It remains to be seen how the banking industry will adapt to this situation in the future. It's new CBA will be just one step in an ongoing process of modernisation of its legal set up.

Mexico

Development and date	Description	Impact and risk	Future actions
New Law on Human Trafficking			
On 7 June 2024, a reform to the General Law to Prevent, Punish and Eradicate Crimes in the Matter of Human Trafficking was published. It now states that employers who make their employees work longer hours than those stipulated by law will be punished; and it states that in the case of people belonging to indigenous and Afro-Mexican communities, the penalties will range from 4 to 12 years in prison, and severe fines.	In Mexico, vulnerable groups, especially people belonging to indigenous and Afro-Mexican communities, can face circumstances of modern slavery. These people often work excessively long hours and receive very low pay, which perpetuates conditions of exploitation and abuse. To address this problem, this reform amends Article 21, establishing sanctions for employers who force their employees to work longer hours than those permitted by law. In the case of employees from vulnerable groups, the sanction will be criminal.	The reform has a significant impact by improving working conditions for indigenous and Afro-Mexican workers, ensuring fair hours and promoting equity and social justice. However, it also presents economic risks by increasing operating costs for employers and social risks, such as possible resistance from certain business sectors and challenges in the implementation and enforcement of the law.	Future actions include information campaigns and training programs for employers and employees, strengthening of labour inspection, and establishment of accessible complaint channels.
Reduction in the working week			
Mexico's new president Claudia Sheinbaum, in her inauguration on 1 October 2024, spoke of revisiting the constitutional reform that her predecessor had proposed during his term in office, which reduced working hours in Mexico from 48 to 40 hours a week.	In October 2022, Congresswoman Susana Prieto Terrazas of Morena presented an initiative to reduce the working week in Mexico from 48 to 40 hours. Although approved by the Constitutional Points Commission in April 2023, the ruling faced delays and is still pending discussion in the Chamber of Deputies, with President López Obrador and other political leaders suggesting more time of discussion.	Reducing the workweek to 40 hours would improve employee welfare by giving them more time off, but could increase operating costs for companies, leading to possible job cuts or wage adjustments.	The politicians have still to make adjustments to the proposal after consultation with employees and employers, encourage dialogue to address concerns, and establish a gradual implementation plan to facilitate the transition to the new working day.
Elderly care leave			
The Senate of the Republic is evaluating the initiative draft decree adding a new section to Article 132 of the Federal Labour Law. This proposes to establish the obligation on employers to grant elderly care leave from one to five working days with pay, to daughters, sons or caregivers of adults over 60 years of age every six months, either due to illness or the need for medical attention, and who need to be absent from their workplace.	This initiative responds to the growing population of older adults in Mexico and the fact that many people dedicate their lives to caring for elderly family members. The initiative establishes the obligation on employers to grant elderly care leave.	The initiative proposes to provide paid leave for elderly care, which will benefit employees by allowing them to attend to the medical needs of their elderly relatives without losing income. This encourages greater social responsibility and family support. However, it could create challenges for employers, who will have to adjust their human resources and operations to cover absences, possibly increasing operating costs and affecting productivity.	To inform employers and employees of the new provision, develop internal policies for managing and documenting the leave, and plan strategies to minimise the operational impact of absences.

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Monaco

Development and date	Description	Impact and risk	Future actions
Draft bill on internships Monaco's legislative agenda continues to evolve and expand. On 28 June 2024, the Prince's government submitted draft Bill no.1.095 on internships to the National Council. The existing system was very light and consisted of a simple circular (circular of 26 February 2007) and, in the absence of legal provisions, has led to abuse of the system. If adopted, this draft Bill will provide a framework for conduct and bring greater legal stability to the trainee status. This reinforcement is in line with the Government's desire to promote access to professional experience, to remain attractive to young graduates and to support the dynamism of the Monegasque labour market. This draft bill will work in conjunction with other legal provisions that support internships: the internship grant and the Commission for the Integration of Graduates. There are still several legislative steps to be taken prior to the draft bill becoming a law: it will need to be examined, debated and voted on by the National Assembly, prior to promulgation by the Sovereign Prince.	The draft bill clearly defines what can and cannot be considered an internship. An internship is a temporary period of work experience in a professional environment as part of a genuine educational project and applies to people aged 29 who are enrolled in a higher education establishment after having obtained the baccalaureate or a diploma recognised as equivalent. It does not apply to: – Apprentices - who have their own status; – Traineeships carried out as part of the school programme; – People who are not enrolled in a higher education institution and who are required to take up a profession, covered by autonomous texts; (lawyer, court clerk, etc.) and – Public authorities. The draft provides for simple and quick processes. The host organisation should apply to the Labour Department at least fifteen working days before the start of the placement. The Direction du Travail examines the application and notifies its decision within eight working days. There should be a trainee agreement between the educational establishment, the host organisation and the student (and their legal representative if they are a minor).	The draft bill contains safeguards to prevent abuse of placements. It sets a maximum duration of six months of presence within the same host organisation per teaching year. It requires the host organisation to pay the trainee a monthly bonus if the placement lasts two months or more. The bill prohibits the conclusion of an internship agreement for the purpose of carrying out a regular task corresponding to a permanent job, such as a temporary increase in activity, seasonal work, replacement of an absent employee or replacement of an employee made redundant for economic reasons. The number of trainees per company is limited and depends on the company's workforce. The bill also provides severe penalties. If the "prerequisites of the traineeship" are not respected (in particular, if the traineeship is carried out without authorisation), the traineeship would be considered as employment in violation of the provisions of Law No. 629 of 17 October 1957 and would therefore be considered as undeclared work. Undeclared work is punishable by six to eighteen months' imprisonment and the fine provided for in Article 26(4) of the Penal Code (from EUR18,000 to EUR 90,000). In cases of failure to comply with the "performance" conditions (placement fees, working hours, rest periods, authorised absences and obligations of the host organisation) a separate penalty is imposed which is a fine provided for in Article 29 (2) of the Penal Code (EUR 75 to EUR 200.)	Employers should be aware of the specific characteristics of the trainee status. The host company is not subject to the same obligations for trainees as it is for its employees (i.e. the legal formalities of authorising recruitment and obtaining a work permit) but the penalties for not complying with the specific's formalities are the same. Special working hours are applicable to trainees: thirty-nine hours per week, limited to eight hours of actual work per day. Trainees have two days' rest per week and one (unless an exemption is granted) must be on a Sunday. There is no entitlement to public holidays (more favourable arrangements can be made with the host organisation, which may then grant the trainee the benefit of holidays). For students who are not nationals of a Member State of the European Union or residents of Monaco, a valid student visa issued by France or enrolment in an educational establishment in France or Monaco is required. Employers should bear in mind that the work placement is a period of educational training and should not be used to fill a labour shortage.

Montenegro

Development and date	Description	Impact and risk	Future actions
Amendments to the Labour Law of Montenegro			
On 6 September 2024, the Law on Amendments to the Labour Law of Montenegro was adopted, introducing significant changes to labour law and employee rights protection (the Amendments). The Amendments took effect on 11 September 2024, establishing new rules for improving worker positions and regulating the labour market in Montenegro.	A key change relates to the minimum wage threshold, now clearly defined and linked to employee qualification levels. The new provisions set the minimum wage at no less than EUR 600 (net) for positions requiring up to Level V qualifications, and at least EUR 800 (net) for positions requiring Level VI or higher qualifications. This change aims to enhance working conditions and improve the standard of living for employees.	The responsibility for setting minimum wages has been assigned to the Government of Montenegro, which considers various economic and social factors, including general wage levels, the cost of living, and economic development demands. The Government also aims to maintain and enhance employment levels to achieve labour market stability.	The new minimum wage provisions came into effect on 1 October 2024, allowing employers time to adjust to the revised legal framework. These changes are expected to boost employee satisfaction and stimulate economic growth and social stability. The Amendments to the Labour Law align Montenegro's labour legislation with European standards while addressing the specific needs of the domestic labour market.
Recent changes to pension rights			
On 31 October, a new Law on Amendments to the Pension and Disability Insurance Law was adopted. It was published in the Official Gazette on 5 August and came into effect on 13 August.	The new Law introduces an amendment that adds the new article (no. 197nj), which stipulates that an insured person acquires the right to a pension if they have completed 25 years of insurance coverage, of which at least 15 years must have been effectively spent in direct physical handling of heavy metal ores (port and transport work) for which insurance coverage is calculated with an increased duration. The right to an old-age pension can be exercised until 31 December 2040.		

The Netherlands

On your radar

Development and date	Description	Impact and risk	Future actions
AI Act: time for action on AI literacy As of 1 February 2025, all organisations that fall under the scope of the AI Act must comply with the obligations on AI literacy. HR plays an essential role to achieve compliance. To ensure timely compliance it is key that HR is part of a cross-functional team that works on compliance under the AI Act. HR must get an understanding of the roles their organisation can have under the AI Act and what the level of risk is of the AI-systems that are used and/or developed. Active participation will enable HR to get a good understanding of the relevant obligations and translate these into actions. HR is best placed to ensure compliance on the topics that concern informing works councils and employees under the AI Act.	AI Literacy Employers (providers and deployers of AI systems) must take measures to ensure a sufficient level of AI literacy among their staff and other people dealing with the operation and use of AI systems. This includes considering their technical knowledge, experience, education, training, and the context in which the AI systems are to be used. Human oversight Employers must amongst other issues ensure that individuals assigned to human oversight roles have the ability to understand the relevant capacities and limitations of the high-risk AI system and monitor the AI system's operations, detect and address anomalies, dysfunctions, and unexpected performance. High risk AI-systems Most obligations are for providers and deployers of AI-systems that are classified as high-risk. Some of these obligations include topics that are best placed in a cross-functional team which includes HR to address obligations such as human oversight, instructions and impact assessment on fundamental rights.	Companies that do not comply can face penalties, claims and liabilities but most importantly from an HR point of view these companies fall behind on digital and AI literacy. Some of the obligations under the AI Act can lead to other obligations for example under the Works Councils Act, health & safety and the necessary amendment of training and education policies and privacy policies. For example, AI literacy will most likely lead to new training policies which can be subject to the consent of the works council. This means that such a policy cannot be implemented without consent with the consequence that the employer has failed to comply with the AI Act.	Conduct an AI literacy assessment – Evaluate the current level of AI literacy among staff. Identify gaps in knowledge and skills related to the operation and use of AI systems. Develop an AI literacy training program – Create a comprehensive training program that covers the technical aspects of AI systems, their capabilities, limitations, and the context of their use. Include modules on human oversight, monitoring, and interpreting AI outputs. Ensure the training program is tailored to the specific needs and roles of the staff. Provide documented Instructions – Ensure that high-risk AI systems are accompanied by clear, concise, and comprehensive instructions for use. – Include information on the characteristics, capabilities, limitations, and human oversight measures of the AI systems. Assign personnel for human oversight – Designate natural people with the necessary competence, training, and authority to oversee the operation of high-risk AI systems. – Provide these individuals with the necessary support and resources to perform their oversight roles effectively.

Poland

Development and date	Description	Impact and risk	Future actions
Blind lawsuits Polish MPs have proposed introducing the concept of a "blind lawsuit" to help tackle anonymous online hate speech. This change would make it easier for victims, including employers, to take legal action against anonymous offenders. Work on this project is still at an early stage, and we do not know when exactly it will take effect.	The law will help employers fight defamatory posts on platforms where people can anonymously share opinions about workplaces. Employers will be able to sue an 'unknown person' for a harmful post, and the court will require the website to reveal the author's identity.	The law will mainly target websites that allow employees to post anonymous defamatory comments and then offer to help employers remove those comments. Employees should be aware that their online activities may no longer be anonymous if they decide to post negative content about their employers.	When the change takes effect, employers should not delay filing blind lawsuits if someone anonymously damages their reputation online. The website services will only keep the data of those who post for 12 months.
Employment of foreigners Poland is updating the rules for hiring foreign workers, especially those from outside the EEA and Switzerland. One of the main benefits will be making the application process for work permits fully electronic, making it easier and more efficient. The Polish Government is still working on the changes, and it is unclear when they will take effect. After the Government approves the draft, Parliament will need to approve it.	Poland plans to deny work permits to businesses that primarily help people from outside the EU enter the country. There will also be extra restrictions on companies using virtual offices or newly created businesses. Authorities will be able to conduct cross-checks and unannounced inspections of companies that employ foreign workers. Companies will face stricter penalties for hiring foreigners illegally, and outsourcing of foreign workers will be limited.	Some companies will have a tougher time using foreign workers, especially if they try to obstruct government inspections or have just started operating in Poland. However, fully switching to an electronic system will definitely make it faster for foreigners to get work permits in Poland.	Once the final version of the new law is available, companies should conduct an internal audit of their immigration procedures. Authorities will find it easier to inspect these practices, and companies that break the law may not receive work permits for foreign workers.

Portugal

Development and date	Description	Impact and risk	Future actions

The Impact of the EU Artificial Intelligence Act in Portuguese Labour Law

The AI Act (Regulation (EU) 2024/1689), approved in May 2024, provides clear requirements and obligations regarding specific uses of AI and also intends to reduce administrative and financial burdens for business, in particular small and medium-sized enterprises.

The legislation is already in force, and will apply in full 24 months after its entry into force.

According to the Portuguese Labour Code, Collective Bargaining Agreements can only regulate the use of algorithms, artificial intelligence and associated technologies in a way that is more advantageous to employees. Legal rules on equality and non-discrimination are now applicable to decision-making based on algorithms or other artificial intelligence systems. Furthermore, employers must inform job applicants about the use of algorithms and artificial intelligence. Portugal has no specific national laws/guidelines enacted yet, however, ministers have shown the desire to implement more legislation on AI in the near future.

Since May 2024, Portuguese ministers are urging the government to regulate the use of AI in order to facilitate the implementation of political programs. Amongst these programs are Portugal 2030 (dedicated to innovation and digital transition) and The Recovery and Resilience Plan (set of reforms to mitigate the economic impact of the crisis caused by the COVID-19 disease) which help companies and employees.

AI systems can pose a threat or be natural allies for humans in the performance of their professions. For example, augmented reality models, by offering experiences which simulate real-life scenarios, can increase employees' efficiency through training. In addition, work processes can be optimised and errors may be avoided through the use of predictive and anticipatory systems. AI enables better decision-making by employers and employees thanks to real-time information management systems.

The sophistication of Portuguese companies has increased significantly in recent years, with a majority of large companies and corporate groups in Portugal either experimenting with or already deploying AI applications. These aim to enhance the efficiency of internal processes and deliver innovative products and services to clients, showcasing the evolving dynamism and influence of the Portuguese AI sector.

From a labour law perspective there are three levels of AI's problematic projection: a) discrimination; b) intrusion in private life and c) job insecurity.

The processing of personal information and data into AI tools may imply a loss of data control, as well as having a huge impact on jobs and employment opportunities for people. Ethical problems are inevitable, since AI is prone to discrimination and bias, causing factors like gender, race, religion, age and disability to be taken into consideration, which is a violation of employees' fundamental rights.

Portugal, according to OECD calculations, has around 30% of its jobs "threatened" due to technological advances. Many jobs will be eliminated as a result of automation and the possibility of using AI as a substitute for human employees will be on the table.

AI systems will end up being responsible for putting a large number of employees out of work.

The future of labour law with AI is promising, but also challenging. As technology advances, new legal issues will arise (such as job displacement, information privacy, discrimination, employee safety, and the rights of employees), requiring constant adaptation of regulations.

To maintain equity and avoid prejudice and discrimination, the next step in Portuguese legislation will be to govern the use of AI in decisions involving hiring, promoting and dismissal.

Portugal's aim is to take a strategic position in this field. Investment is being made to qualify human resources, attract foreign investment and promote international expansion.

Employers must keep up to date and be prepared to integrate AI into their routines ethically and effectively, namely in the labour market.

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Singapore

Development and date

Platform Workers Bill

Platform Workers are people that have agreements with Platform Operators to provide ride-hailing or delivery services in Singapore, and for this derive any payment or benefit in kind.

The Platform Workers Bill (the Bill), announced on 9 September 2024, has the objective of strengthening protection for Platform Workers. Traditionally, Platform Workers are subject to some degree of management control by Platform Operators. However, these workers often do not have full control of their employment circumstances and conditions.

The Bill therefore creates a *new* category of workers in addition to employees and the self-employed known as the Platform Worker. Singapore will be one of the first few countries to recognise the unique position of Platform Workers as a distinct and separate group of workers.

Among other things, the Bill improves housing and retirement adequacies through Central Provident Fund (CPF) contributions by both Platform Operators and Workers, financial compensation if Platform Workers are injured while working, and a legal framework for representation through unions.

Description

CPF Contributions

Under the Bill, the CPF contribution rates for Platform Workers and Platform Operators will be gradually increased to match that for traditional employees and employers. These CPF contributions will go towards the workers' CPF accounts on a monthly basis and helps Platform Workers achieve the same level of housing and retirement savings as other types of employees earning the same amount.

Work Injury Compensation

In addition, Platform Operators will be required to provide their Platform Workers with Work Injury Compensation (WIC) insurance at the same level as employees under the Work Injury Compensation Act 2019 (WICA). Platform Operators and Workers will also have legal duties to take steps to prevent work-related safety incidents.

Legal Framework for Representation

The Bill also sets up a legal representation framework for Platform Workers. Platform Work Associations (PWAs) may represent Platform Workers in negotiations with Platform Operators in a similar manner to how trade unions interact with employers. Registered PWAs can represent Platform Workers and negotiate on their behalf if they obtain a mandate to do so.

Impact and risk

Self-assessment

Singapore's Ministry of Manpower (MOM) has stated that companies are responsible for assessing whether they are a Platform Operator under the Bill. Companies must notify MOM if they assess themselves to be a Platform Operator and will be added to a list of Platform Operators on MOM's website upon notification.

Administrative Penalties

Companies that fail to notify MOM that they are Platform Operators may incur administrative penalties.

A Platform Operator that makes a wrong self-assessment will be required to pay any outstanding CPF Contributions or WIC owed to any Platform Workers. In addition, penalties may be incurred for failing to make such contributions / compensation within a timely manner as a result of wrong self-assessments.

Requirements under the Bill

Platform Operators will also owe certain obligations under the Bill, including obligations to record the details of Platform Workers under them and to give earning slips for all earnings paid by the Platform Operator in respect of each task performed by the Platform Worker.

Future actions

Companies should pay attention to the upcoming requirements of the Bill. In particular, in the lead up to the Bill's enactment, companies that:

(a) have an agreement with users to provide ride-hail or delivery services to the users;
(b) use data to automate decision-making relating to Platform Workers, in areas such as task assignment and how much Platform Workers are paid per task; and
(c) impose rules, requirements or prohibitions on Platform Workers,

will have to complete a self-assessment to understand whether they fall within the meaning of a "Platform Operator" to avoid any administrative penalties.

In addition, Platform Operators will need to take steps to understand and adjust to the various obligations and requirements under the Bill, including CPF contributions, WIC insurance and possibly to negotiate with any PWAs. To this extent, Platform Operators must be ready to adjust their own internal policies and processes to ensure compliance with the Bill.

Slovak Republic

Development and date	Description	Impact and risk	Future actions

Right of employees to claim payment of wages due from a service supplier whose subcontractor is their employer

An amendment to the Labour Code regulates subcontractor liability with effect from 1 August 2024. Its purpose is to guarantee the proper payment of wages for posted employees. This legislative change is a response to the European Commission's criticism that Slovak legislation had not sufficiently implemented the principle of subcontractor liability.

Precise rules have now been introduced, that labour market participants must follow in the context of subcontracting.

The new rules only apply to specific types of work in the construction sector; a non-exhaustive list of such works is in an annex to the law. These are works related to the construction, repair, maintenance, alteration or demolition of buildings, in particular: excavation (trenching), earthworks (earth moving), self-construction works, assembly and dismantling of prefabricated components, installation works, alterations, renovation works, repairs, demolition works, maintenance, painting and cleaning works in the context of maintenance.

Employees may claim payment of wages owed from a natural person or legal entity which acts as the supplier of a service in the Slovak Republic, where their direct subcontractor is their employer.

The entitlement to payment of wages is limited to the applicable minimum wage rate at the time the work was performed, calculated for each hour worked. If part of the wage was paid, the entitlement to additional payment from the service supplier is reduced in direct proportion. The service supplier will pay the net wages and is not liable to make deductions from the wages.

Employees must exercise the right to claim wages owed from the service supplier in writing within a six-month limitation period from the date the wages were due.

This new right can be exercised in cases where the legal relationship between the employer and the service supplier was established on or after 1 August 2024.

To ensure enforceability of the new statutory provisions, the Labour Code stipulates that all entities involved (employee, subcontractor and service supplier) must provide the necessary cooperation.

The Labour Code also sets out an information obligation of the service supplier, who must inform:

1. the employee of the payment of wages or the reasons for non-payment; and

2. the subcontractor of the employee's exercise of the right to payment of wages owed by the subcontractor's employee, and of the payment of wages to the employee or the reasons for non-payment, as the case may be,

without delay in writing.

If the service supplier pays wages owed to the subcontractor's employees, they are entitled to seek reimbursement from the subcontractor for such payments. We expect that set-off of claims will become more common in practice.

Disputes can and probably will arise when the new rules are applied and will be dealt with by the courts. Disputes relating to this new right of employees will be treated as employment disputes.

A service supplier may refuse to pay wages owed to their subcontractor's employees if, when selecting the subcontractor with the intention of creating a legal relationship with the same, they could not foresee, having exercised due diligence, that the subcontractor would fail to pay their employees their wages.

This does not apply at the time the right to payment of wages due is exercised, the service supplier has not discharged its outstanding financial obligations under the legal relationship between themself and the subcontractor relating to the performance of work, in the context of the subcontracting relationship.

To determine if the service supplier has exercised due diligence, an overall assessment of the relevant facts must be made. The law also provides a non-exhaustive list of facts that should serve as the basis of this assessment.

Slovenia

Development and date	Description	Impact and risk	Future actions
Right to disconnect			
The 2023 amendment to the Employment Relationship Act introduced the right to disconnect. By 16 November 2024, employers in Slovenia must take measures to implement this right.	The right to disconnect, a crucial aspect of balancing professional and personal life in the digital era will seek to guarantee employees the right to disconnect from work-related communications during their designated rest periods and justified absences (e.g. sick leave, holidays). All employers are required to adopt appropriate measures to implement this right, which can be outlined in collective agreements or, in their absence, internal by-laws. Employers must inform employees about the measures in the manner that is customary within the organisation.	The right to disconnect is intended to enhance employee well-being and productivity by addressing the adverse effects of constant connectivity, which can lead to extended working hours and blurred boundaries between professional and personal life. Non-compliance poses significant risks for employers, including financial penalties ranging from EUR 1,500 to EUR 4,000 and reputational damage. Employers must also be prepared to demonstrate compliance, as the burden of proof rests on them in the case of a dispute.	Employers must implement the measures via a company collective agreement or by-law, and make sure to involve relevant stakeholders (trade union, works council) on time. Employers should make sure that the adopted measures are carried out in practice. Continuous adjustments may be required to ensure that workplace culture respects employee boundaries, ultimately fostering a healthier work environment
Business performance pay criteria - discrimination			
On 20 August 2024, the Supreme Court of the Republic of Slovenia issued a landmark decision in case VIII Ips 9/2024 concerning business performance pay criteria and workplace discrimination. The case focused on the implications of business performance pay entitlements for employees absent due to illness.	The Supreme Court's ruling determined that reducing business performance pay for employees who were absent due to illness constitutes direct discrimination. The judgment emphasised three essential conditions for establishing discrimination: 1. less favourable treatment; 2. a connection to personal circumstances; and 3. comparability of situations. The court clarified that the pay reduction was not merely a result of general provisions in collective agreements but directly contravened principles of equal treatment. This decision impacts various aspects of employment law, particularly regarding remuneration linked to health status and absences.	The ruling sets a significant precedent in Slovenian employment law, as this issue has been debated for several years. Notably, the Supreme Court ruled differently than the lower courts. Employers are required to establish uniform criteria for calculating business performance pay to avoid discrimination based on personal status. Failure to comply may lead to legal challenges, damaging both employer reputation and employee trust. Moreover, the decision heightens the risk for employers who fail to adapt their policies accordingly.	In light of the Supreme Court's decision, employers are encouraged to revise their remuneration policies and business performance pay criteria to prevent discrimination and ensure compliance with legal standards.

South Africa

Development and date	Description	Impact and risk	Future actions
Remote work visas			
On 20 May 2024, the Second Amendment of the Immigration Regulations 2014 (Regulations) were published by the Minister of Home Affairs, introducing a new remote work visa allowing foreign nationals to live in South Africa while working remotely for a foreign employer or earning foreign source income on a remote basis.	Applicants must earn at least ZAR1 million (being approximately EUR 51,118 or USD 56,989) annually from a foreign source. The visa applies to employees working remotely for foreign employers or derive foreign source income on a remote basis. The visa is valid for six months, with the possibility of renewal for up to a maximum of 36-months. Tax registration is not required if the visa is for less than six months, however it is mandatory if the visa extends beyond six months.	The Regulations provide that "if applicable" such work must comply with legislation governing employment of workers in South Africa. Our courts have had several opportunities to determine territorial jurisdiction and the application of local labour laws. Courts may consider the locality of the employer's undertaking, duration of the assignment and whether the employee is exclusively engaged by the foreign entity.	There remains some uncertainty in relation to when South African law applies in these circumstances and the Regulations do not provide additional certainty. The presence of employees in South Africa could also impact foreign employer's obligations under tax legislation. Therefore, employers must exercise caution and consider the exposure to South African employment and tax laws, especially where they also have a local presence.
AI Policy Framework			
On 14 August 2024, the Department of Communications and Digital Technologies published the National Artificial Intelligence Policy Framework (AI Policy Framework) in draft form for public comment. This is the first step of AI regulation in South Africa.	The AI Policy Framework is intended to be the first step in developing a National AI Policy and aims to promote the integration of AI to boost economic growth and societal well-being and allow South Africa to be a leader in AI-innovation.	The AI Policy Framework prioritises transparency and human oversight in the use of AI to prevent discrimination and bias in automated decision-making processes, proposes investment in AI-research and integration of AI into education in order to build a skilled workforce.	Employers are encouraged to implement internal AI policies to regulate the use of AI in the workplace and address potential risks such as discrimination in recruitment or performance evaluations. AI policies should define error management procedures and ensure compliance with existing laws such as the Employment Equity Act 55 of 1998 and the Protection of Personal Information Act 4 of 2013.

Spain

Development and date	Description	Impact and risk	Future actions
Severance pay The European Committee of Social Rights recently issued a Decision (Decision) on the 2 August stating that the compensation mechanism in the event of termination of employment without a valid reason (as provided for in national legislation, and as interpreted by national case law), does not allow victims of unfair dismissal to obtain adequate compensation. Such compensation, as stated, should be sufficient to cover the damage suffered, and to have a dissuasive effect on employers. In particular, it took this decision because the employee is only entitled to automatic compensation by law, which sets a maximum ceiling and does not take into account the actual damage suffered.	Currently, severance pay for unfair dismissal is fixed at 33 days per year worked, capped at 24 months. As per the European Committee of Social Rights Decision this amount would not be enough to compensate the damages suffered. This becomes particularly significant for dismissals in which the employees have a short tenure, as the legal severance is usually small.	Although the Decision is not binding, it reinforces the jurisprudential position of some Courts of Justice that have awarded higher compensation when, given the context of the case, it was understood that the legal compensation did not compensate the damage suffered by the employee, nor did it have a negative effect on the employer. Therefore, it can be expected some Courts will use the Decision as another argument to grant severances above the legal maximum.	From now on, employers should be aware that the maximum legal severance may be increased when evaluating the possibility of dismissing an employee. However, we will need to wait for the Supreme Court decision on the matter.

Sweden

Development and date	Description	Impact and risk	Future actions
Parental Insurance On 1 October 2024, new regulations for parental insurance came into effect, bringing changes to parental leave in Sweden. The legislative amendment means, inter alia, that the number of so-called “double days” (days when both parents are on parental leave) that are available has been doubled, that those double days can be used until the child is 15 months old, and that parents can transfer parental benefits to other insured individuals.	The key changes introduced by the new regulations include: Double Days: The number of double days, where both parents can be on parental leave simultaneously and receive parental benefits, has been increased from 30 to 60 days. Extended Use of Double Days: Parents can now use the double days until the child is 15 months old, extending the previous limit of 12 months by an additional three months. Transfer of Parental Benefits: Parents are now allowed to transfer their parental benefits to other individuals, such as a partner, another relative, or a friend. The person to whom parental benefit can be transferred to must be insured for parental benefit on the basis of residence or work in Sweden. It will be possible to transfer up to 45 days of parental leave. However, if the person is the sole parent, they can transfer up to 90 days per child.	These changes are designed to provide parents with greater flexibility and opportunities regarding parental leave. The impact and risks of these new regulations for employees are the following: – Employers need to be aware of the expanded rights for parents and adjust their routines and policies accordingly. – The new regulations allow the transfer of parental benefits, which can lead to unanticipated parental leave requests. For example, an employee might request parental leave to care for their grandchild, which the employer did not anticipate. This can create unexpected staffing shortages and complicate workforce planning. – The new regulations could lead to increased administrative costs for employers. – If employers do not properly adhere to the new regulations, they may face legal and financial consequences. – Small businesses may be especially vulnerable. – One potential risk is that if a company employs both members of a couple, the new regulations regarding "double days" could result in both employees taking leave simultaneously for an extended period.	Employers should be aware that the new parental insurance regulations may impact their organisations. The following actions should be considered: – Review and update company policies and procedures to ensure compliance with the new regulations. – Make sure that HR personnel and managers are aware of the changes to parental insurance and their implications.

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Switzerland

Development and date	Description	Impact and risk	Future actions
Holiday pay during employment In a decision of 16 July 2024, the Swiss Federal Supreme Court confirmed, and further specified its practice regarding the payment of holiday pay in an ongoing employment relationship. In reaching its decision, the Court had to assess whether the employer could validly pay out the vacation entitlement of an employee as a surcharge to the hourly salary during the ongoing employment relationship.	As a general rule, Swiss law does not allow the payout of vacation days during an ongoing employment relationship. However, as an exception, the payout of the holiday entitlement of an employee as a surcharge to the hourly salary during the ongoing employment relationship is possible if three cumulative requirements are met: First, the employment must be of an irregular nature in the sense that the workload is constantly changing (material condition). Second, the portion of the salary earmarked for holiday pay must be clearly and explicitly specified (as an amount or percentage) in the written employment contract. Simply stating ‘holiday pay included’ is therefore not sufficient. Third, the portion of salary earmarked for holidays must also be explicitly specified on the individual payslips. It is necessary for the holiday pay to appear as such, indicating a specific amount or percentage on the individual payslips.	A payment of holiday pay that does not meet the cumulative requirements carries the risk of double payment for the employer.	A Swiss employer should verify whether its current employment contracts that provides for the payment of holiday pay complies with the legal requirements. These requirements must also be respected for all future contracts of this kind.

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Turkiye | 1

Development and date	Description	Impact and risk	Future actions
Statutory seniority compensation cap			
The statutory seniority compensation (also known as 'severance pay') cap has been revised in line with the Circular dated 5 October 2024, issued by the General Directorate of Public Financial Management and Transformation under the Ministry of Treasury and Finance. Accordingly, the maximum monthly gross salary considered for calculating statutory seniority compensation during the second half of 2024 is set at TRY 41,828.42.	As of the second half of 2024, the maximum monthly gross salary taken as the basis for calculating statutory seniority compensation has been adjusted to TRY 41,828.42. This change is expected to affect employees who are eligible for seniority compensation during the period between 1 October 2024 and 31 December 2024 (inclusive).	With the cap set at TRY 41,828.42, employees who earn salaries below this limit may receive the full amount they are entitled to, while for those with higher salaries, the cap limits the total severance pay they are entitled to which may result in them receiving less than their actual monthly salary per year of service. This can be seen as a disadvantage for top earners compared to lower-income employees.	Employers should ensure compliance with the new statutory seniority compensation during the second half of 2024.
Circular on Short-time Working Practices			
The Turkish Employment Agency (İŞKUR) published the Circular No. 2024/04 dated 16 October 2024. This Circular establishes the procedures and principles for short-time work under Article 2 of the Unemployment Insurance Law No. 4447 and the Regulation on the Procedures and Principles Regarding Short-Time Working and Short-Time Working Allowance, published 11 June 2024. The Circular details the application process, eligibility conditions, calculation of the short-time work allowance, and implementation rules.	According to the new regulations, employers must submit short-term working applications to İŞKUR via the e-government system and notify unions involved in collective bargaining agreements. The application requires the employer's details, contract information, and a list of insured employees. The short-term working period is set for a minimum of four weeks, but can be shorter if employment is terminated, transferred, or suspended. Working hours must be reduced by at least one-third, or operations must stop for at least four weeks. Employees must have been employed for the last 120 days and have 450 days of insurance over the past three years. The short-term working allowance is 60% of the employee's average gross earnings, capped at 150% of the minimum wage. The allowance is exempt from taxes except for stamp duty and cannot be seized except for alimony debts.	The Circular allows employers to reduce working hours and avoid full layoffs during times of crisis or reduced demand. By implementing short-term working arrangements, businesses can maintain operations while lowering labour costs, protecting their cash flow during difficult periods. For employees, the allowance provides essential financial support, ensuring they continue to receive at least 60% of their regular earnings during periods of reduced working hours or business suspensions. By encouraging businesses to reduce hours instead of resorting to layoffs, the regulation helps employees avoid losing their jobs entirely, offering them greater security during volatile periods.	Employers will need to revise their internal policies to align with the new regulations regarding short-term working. This includes updating employee handbooks and guidelines to clarify procedures and expectations surrounding short-term work arrangements. They should establish clear communication channels to inform employees about their rights, the process for applying for short-term work, and how it will affect their employment status and earnings.

Development and date	Description	Impact and risk	Future actions
The Constitutional Court's decision on the violation of freedom of expression due to unjust termination of an employment contract			
In its decision dated 18 April 2024 and published in the Official Gazette on 31 July 2024 the Constitutional Court upheld the Applicant's claim that the termination of their employment contract due to his statements such as 'partisanship, whitewashing, triggerman, frivolous, liar, slanderer' violated their freedom of expression. Accordingly, the Court ruled that the Applicant's constitutional right to freedom of expression had been infringed in this case.	The Applicant raised legal proceedings for reinstatement after their employment was terminated. The first instance court ruled the termination invalid, stating that the Applicant's expressions were severe criticism but not defamation. It also found that termination was disproportionate and violated the principle of "termination as a last resort." However, the Regional Court of Appeal overturned this decision, stating the expressions disrupted the work environment, making it impossible to continue the employment relationship. The Constitutional Court later ruled that the Regional Court of Appeal failed to properly assess the case in line with the Applicant's constitutional right to freedom of expression.	The ruling reinforces employees' freedom of expression, even within the workplace. It sets a precedent that employees cannot be dismissed solely based on expressions that, while perhaps harsh or critical, do not meet the threshold of defamation or severe workplace disruption. It may lead to a more employee-friendly interpretation of employment termination cases, where courts will scrutinize whether employers have respected constitutional rights when deciding to terminate employment, particularly the principle of "termination as a last resort."	In response to the Constitutional Court's decision emphasising freedom of expression in the workplace and the principle of "termination as a last resort," employers in Turkey are likely to adopt several proactive strategies to mitigate risks and comply with the evolving legal landscape. These future actions will focus on preventing disputes, protecting company interests, and navigating employment terminations more cautiously. Employers should ensure dismissal decisions are legally sound and explore alternatives before terminating contracts, especially in cases involving expression.
The Court of Cassation has allowed for an equitable reduction in annual leave pay			
The 9th Civil Chamber of the Court of Cassation, with its decision dated 4 June 2024, departing from the opinion that the use of annual leave can never be reduced in equity since it is possible to prove the use of annual leave with written evidence, has decided that an equitable reduction can be made in the annual leave fee in the case of the dispute.	In this case, the employee, who served as a General Manager, claimed unpaid annual leave, severance, and other entitlements. The employer could not provide written proof that the employee had used their annual leave, and the local court ruled in favour of the employee's full entitlement. However, the Court of Cassation, in its decision dated 4 June 2024, stated that employers must prove annual leave was granted and found it unlikely for a high-ranking employee to go without leave for nine years. The court reduced the awarded annual leave pay by 50% and determined that an equity adjustment could be applied in this case, despite the general rule against such adjustments for annual leave claims.	The ruling clearly establishes that the employer holds the burden of proof in demonstrating that annual leave was taken by employees. This could lead to more rigorous documentation practices among employers to avoid disputes over leave claims. On the other hand, the court's acknowledgment of the potential for equity adjustments in annual leave claims, despite the general rule against it, may encourage courts to consider individual circumstances in future cases, promoting fairness.	Employers should enhance their documentation practices for annual leave. This may include maintaining detailed leave ledgers, requiring employee signatures for leave taken, and creating formal processes for requesting and approving leave. Many companies choose to invest in HR software that tracks leave balances, approvals, and employee requests to ensure accurate and easily accessible records.

Ukraine

Development and date	Description	Impact and risk	Future actions
Online reservation (exemption) of employees in action			
In June, the Government adopted a resolution establishing a new method for reserving (or 'exempting') employees from mobilisation through the Diia e-portal. Initially, this reservation system operated in a test regime, but it is now functioning at full capacity.	Since early August, the reservation of employees via the Diia portal has been operating at full capacity for various Ukrainian enterprises, except for representative offices. The reservation of employees from representative offices via the Diia portal is still under public discussion. It is expected that, starting from October, online reservation will be available for all legal entities registered in Ukraine. The current traditional method of filing paper reservation applications remains available in parallel.	The new electronic reservation system via the Diia portal offers a streamlined method for employers to reserve employees from military mobilisation. Employers can check the number of conscripted employees, reserve within quota limits, and submit lists through the portal. Successful reservations are automatically reflected in military registers (Oberig and Reserve+) and the Diia portal. Paper confirmation is still available if needed. The process typically takes up to an hour.	Martial law-related legislation and mobilisation-specific regulations remain dynamic and unpredictable. Employers should closely monitor any updates or changes to reservation regulations, military conscription rules, and related policies.
New rules on confidentiality and employment termination			
On 27 September 2024, the law on Amendments to the Labour Code of Ukraine on Establishing Additional Grounds for Termination of Employment Agreements at the Initiative of the Employer and Certain Other Issues came into force.	Under the new law, the internal labour regulations may include rules of conduct within the company that contain provisions, in particular, on the obligations of employees not to disclose restricted information, including information constituting a commercial secret, as well as on the conditions of handling confidential information. It is mandatory to establish rules of conduct at enterprises of strategic importance for the economy and security of the state and/or critical infrastructure facilities or operators. Failure to comply with the confidentiality obligations stated above constitutes a ground for termination of the employment agreement.	The new law aims to protect the company's confidential information as well as state secrets. The new ground for termination of an employment agreement because of violation of the confidentiality obligations will help to make the confidentiality obligations more efficient and enforceable.	Employers in Ukraine are advised to take the new legislative requirements into account in their business activities. Internal labour regulations must be revised and supplemented with the new confidentiality provisions at enterprises of strategic importance for the economy and security of the state and/or critical infrastructure facilities or operators. The collective bargaining agreements and individual employment agreements are recommended to be aligned with the new requirements and include the new employment termination grounds.

United Kingdom

Development and date	Description	Impact and risk	Future actions
Employment Rights Bill published In the last edition of On your radar we discussed the new Government's plans for employment law. On 10 October 2024, the Government published the Employment Rights Bill (the Bill) containing 28 changes to employment law. The changes are significant and have been described as the biggest upgrade to workers' rights in a generation. Most of the final details will be developed during consultation and introduced through secondary legislation. In addition to the publication of the Bill, the Government published a Next Steps to Make Work Pay document containing future plans. These include a right to switch off, changes to employment status in law, and changes to parental leave and the carers leave regime. There are too many changes to cover in this update, but we have included some of the key changes. Likewise, the full impact and risks will need to be assessed once the legislation is finalised.	Unfair dismissal - The 2 year qualifying period to acquire ordinary unfair dismissal rights will be abolished and replaced with a statutory probationary period. The Government has indicated in the Next Steps document that their preference is for a 9-month probationary period during which employers could follow a truncated dismissal procedure. (This change will not take place until autumn 2026 .) Fire and rehire - The Bill introduces a new category of automatic unfair dismissal where the reason for the dismissal is that the employer sought to vary the employee's contract of employment, and the employee did not agree to the variation. Zero hours contracts – There is not an outright ban on zero hours contracts. Instead, qualifying workers will have a right to be offered guaranteed hours at the end of every reference period reflective of the hours actually worked in that period. The reference period is not defined in the Bill and will be left to regulations but is expected to be 12 weeks. The rules on this are complex. Collective consultation – The threshold for collective redundancy consultation will be changed by providing that employers look across their business rather than separate establishments. Harassment – The Bill imposes employer liability for third party harassment relating to any protected characteristic. In addition, the new duty to prevent sexual harassment will be strengthened with employers under a duty to take *all* reasonable steps.	Although the government has said they are "pro-worker" and "pro-business" this Bill undoubtedly places additional burdens on businesses. Employers should keep a watching brief on the final detail of the changes, the consultation exercises and the dates for implementation. Unfair dismissal - Employers who do not currently use probationary periods should plan to introduce them, and/or review their approach. Fire and rehire – Changing terms and conditions will become a high-risk exercise unless consent is obtained from the workforce/ unions, or the business is in financial problems. Zero hours contracts - Certain sectors such as retail, hospitality and social care are likely to be more affected by the requirement to offer guaranteed hours. Operating costs will also increase as a result of changes to statutory sick pay where employees will receive sick pay from day 1 and the lower earnings limit will be removed. Collective consultation – When the changes are in place multi-site employers will need to track redundancies on different sites to determine whether the threshold of 20 proposed redundancy dismissal within a 90 day period is met. Harassment – Third party liability will significantly affect those employers where employees have direct contact with customers and clients. Risk assessments should be carried out and measures will need to be put in place to mitigate risks identified.	Employers have time to prepare since none of the changes are due to be implemented in the short term. The change to the qualifying period for unfair dismissal and the new statutory probationary process is not due until Autumn 2026. At the time of writing 4 consultations have been published. More are expected in 2025 with the result that the law is not expected to change until later in 2025/2026.

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