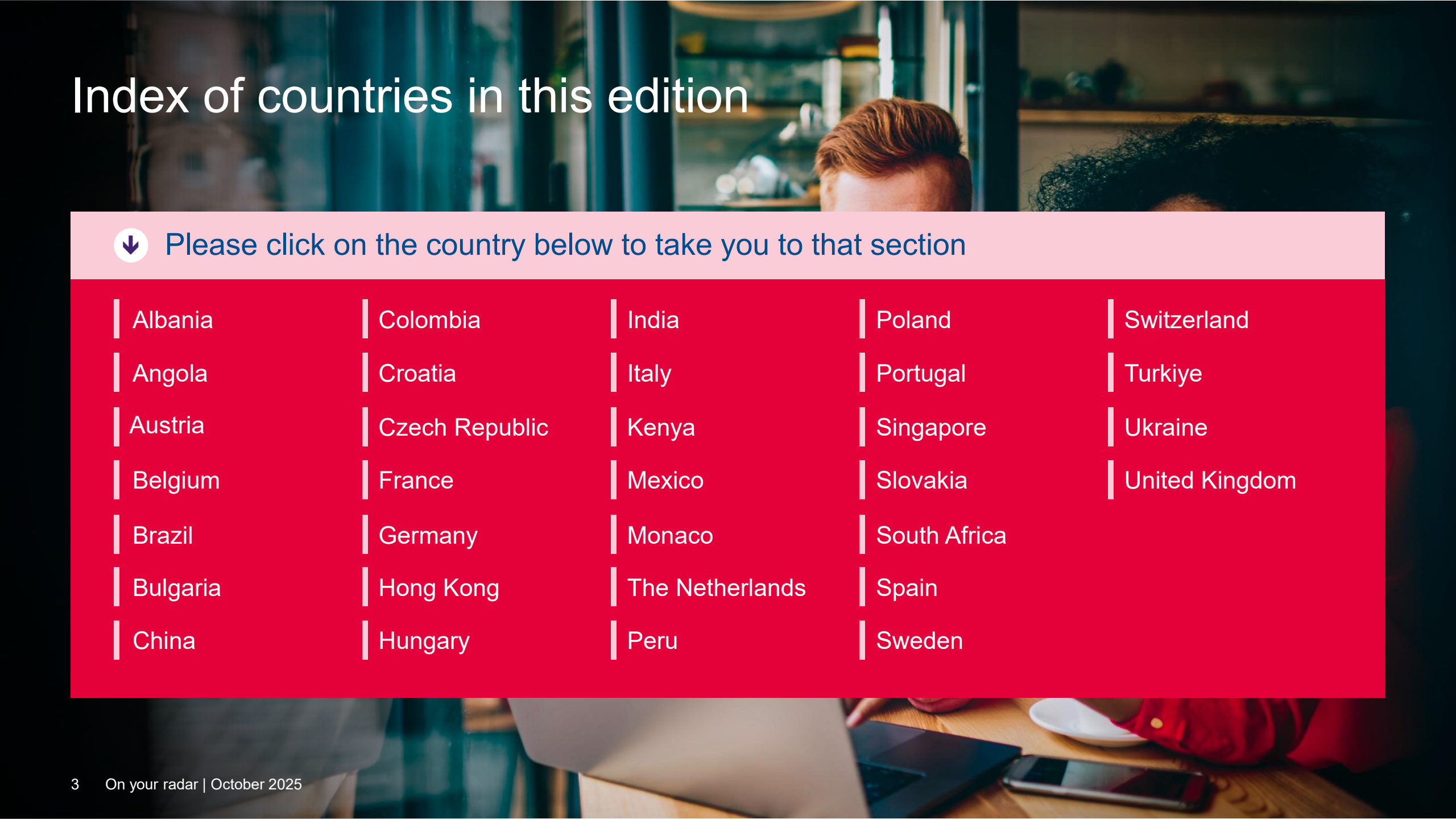
On your radar

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 early October 2025.

The CMS Employment team



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Albania

Development and date	Description	Impact and risk	Future actions
2024 Labour Code changes to holidays	An amendment to the Labour Code enhances employee rights relating to annual leave and public holidays. The provision clarifies compensation where holidays overlap with weekends and strengthens rules on granting and carrying over leave.	Employers face increased administrative obligations. Failure to comply may result in labour inspectorate sanctions and employee claims.	Review internal leave policies and payroll practices; ensure accurate tracking of leave and compliance with updated requirements.
Regulation of remote work Expected in 2025	Introduction of a legal framework for remote and hybrid work. Written agreements will be required covering working hours, occupational health and safety, and reimbursement of home-office expenses.	Employers will need to formalise remote work arrangements. Non-compliance may expose companies to disputes or penalties for unregulated work conditions.	Prepare draft remote work policies and templates; conduct risk assessments for work-from-home environments; budget for potential expense reimbursements.
Enhanced whistleblower protections Expected in 2025	New legislation expanding Law No. 60/2016, requiring private entities with over 50 employees to establish internal whistleblowing channels and appoint compliance officers.	Non-compliance may result in administrative fines and reputational damage. Increased scrutiny from oversight authorities expected.	Establish internal reporting mechanisms; designate or train compliance officers; update internal compliance policies accordingly.
Psychological harassment (mobbing) Ongoing enforcement	Labour authorities are intensifying inspections and enforcement against workplace harassment. Lower evidentiary thresholds make it easier for employees to bring claims.	Higher exposure to claims and penalties for employers lacking adequate anti-harassment procedures.	Adopt or update internal anti-harassment policies; provide staff training; document preventive measures and internal complaint handling.
Expected minimum wage increase Expected early 2026	The Council of Ministers is expected to raise the national minimum wage in early 2026, in response to inflation and cost of living trends.	Payroll and operational costs likely to increase. Non-compliance could trigger penalties and labour disputes.	Review financial plans and salary structures; anticipate adjustment in early 2026; communicate changes internally in advance.

Angola

Development and date	Description	Impact and risk	Future actions
Recognition and granting of professional equivalencies for qualifications gained abroad			
11 August 2025	Presidential Decree from 11 August 2025 establishes the regulatory framework for the recognition and granting of professional equivalencies for qualifications obtained abroad.	The recognition of foreign professional qualifications is expected to facilitate the recruitment and integration of skilled international professionals, thereby contributing to the mitigation of local skills shortages – particularly in sectors that rely on international expertise. However, there is a risk of inconsistent outcomes in cases where foreign qualifications do not have a direct counterpart within the Angolan National Qualifications Framework. It should be noted that being issued with a declaration of equivalency does not exempt professionals from complying with any additional legal or regulatory obligations applicable to the exercise of their profession in Angola.	It is advisable for employers to establish pre-screening procedures for the evaluation of foreign qualifications prior to recruitment.
Registry of Professional Training Courses			
2 June 2025	The conditions for the registration of professional training courses within the National Professional Training System (SNFP) have been introduced by Executive Decree no. 411/25.	The new decree is set to reshape Angola's professional training system by requiring all courses under the National Vocational Training System (SNFP) to be standardised, relevant, and aligned with the National Qualifications Framework. This is expected to improve the quality and recognition of professional qualifications, boost employability for youth and adults, and strengthen workforce development. Some courses may be discontinued if they fail to meet the updated criteria, potentially reducing training options in the short term.	Training institutions must review and, if required, amend their programs to align with the updated registration standards.

Austria

Development and date	Description	Impact and risk	Future actions
Protection against dismissal Non-Austrian entities who employ less than five employees in Austria do not have to comply with the statutory General Protection Against Dismissal Laws.	Austrian employment law has various layers of protection against dismissal. The most important protection against dismissal – the claim for reinstatement/General Protection Against Dismissal – is only available to employees who work in an establishment with five or more employees. Until the latest judgment, it was not clear whether employees in the same establishment who work outside of Austria needed to be considered for the threshold. The Austrian High Court has now clarified that only employees employed in Austria need to be considered.	This High Court Decision minimises the legal risk for employers outside of Austria who employ only a small number of employees (less than five) in Austria. These employers can dismiss their employees in compliance with notice periods and termination dates only and generally do not have to give reasons for the dismissal. They remain bound by anti-discrimination laws, and laws on Special Protection Against Dismissal, which cover pregnant and disabled employees, and employees on parental leave or parental part-time.	None.

Belgium

Development and date	Description	Impact and risk	Future actions
Reduction in social security burden for highly paid employees			
1 July 2025	Under the new Programme Act of 18 July 2025, and from 1 July 2025 onwards, employer social security contributions will no longer be due on the portion of an employee's salary that exceeds a quarterly threshold (expected to be EUR 85,000 gross).	The new cap on employer social security contributions significantly reduces the cost of employing top earners and could strengthen Belgium's competitiveness in attracting and retaining talent. For employers, this represents a financial opportunity – but also a compliance challenge. The measure is complex: the exact quarterly ceiling and its indexation still need to be confirmed by Royal Decree; the exemption applies only to ordinary employer contributions, while special contributions remain due; and employee contributions continue to apply on the entire salary. Employers must therefore anticipate potential complexity in payroll calculations, carefully separate ordinary from special contributions, and remain alert to possible legislative adjustments in the coming months and years.	Review and adjust salary structures of top earners to maximise benefits while ensuring compliance. Prepare payroll systems for accurate separation of exempted vs. non-exempt contributions and simulate potential savings. Monitor upcoming Royal Decree and legislative updates and implement changes proactively.
Mobility budget becomes mandatory			
1 January 2026	The mobility budget will become a standard option for employees entitled to a company car. Employers will provide a budget that can be used for clean company cars (zero CO2 emission), alternative transport modes (public transport, bicycle, etc.), contribution to housing costs or cash. The reform aims to simplify existing schemes, replace employer contributions to commuting and private travel, and provide a fiscally advantageous structure. Appropriate transitional measures will be put in place. The obligation to offer the mobility budget is expected to apply to all relevant employees, though the draft law has not yet finalised this requirement.	The introduction of the mandatory mobility budget raises key legal and operational considerations. Employers must update employment contracts and internal policies (such as the company car policy and budget mobility policy) and adapt payroll and HR systems to correctly administer the budget. Failure to implement the scheme accurately may result in legal and financial exposure.	Review and adapt policies and employment contracts to integrate the mobility budget in full compliance with upcoming legislation. Update payroll and HR systems to manage budget allocations accurately and ensure correct reporting and administration. Develop a clear internal communication plan to inform employees of their options, rights, and benefits under the new scheme. Seek legal guidance to anticipate legislative changes, optimise remuneration structures, and mitigate compliance and operational risks.

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Brazil

Development and date	Description	Impact and risk	Future actions
Judicial proceedings on the legality of hiring service providers			
The Supreme Federal Court has ordered a nationwide suspension of all judicial proceedings concerning the legality of hiring independent contractors or legal entities to provide services ("pejotização"). A public hearing has been scheduled for October 2025 to collect technical and factual input on the matter.	Contracts for the provision of services with independent contractors or legal entities are common in sectors such as health care, communications, and technology. However, in some cases these service providers may in practice resemble employees. The purpose of the Supreme Federal Court is to assess the legality of such arrangements and to determine whether disputes of this nature fall under the jurisdiction of the labour courts or the civil courts, and whether these relationships constitute an employment relationship or should be treated as strictly commercial in nature.	The Court's decision could lead to significant changes in labour relations in the country, resulting in: (i) greater legal certainty for companies and service providers if the Supreme Federal Court recognises the legality of the practice; or (ii) an increase in labour liabilities and the need to restructure contracts if the Court deems the practice unlawful in certain contexts.	Companies should closely monitor the developments of the case before the Supreme Federal Court and the public hearing scheduled for October 2025, as well as assess and review their current contracts with service providers in order to mitigate legal risks.
Inclusion and compliance with psychosocial risk factors in occupational health and safety documentation			
Brazilian Ministry of Labour and Employment Ordinance mandates the express inclusion of psychosocial risk factors in the Occupational Risk Management program, a key document for certifying health and safety conditions in the workplace. The commencement of this obligation, originally scheduled for 2025, has been extended to 26 May 2026.	As of 26 May 2026, psychosocial risk factors – such as occupational stress, workplace harassment, excessive workload, among others – must be formally identified, assessed, and recorded in the Occupational Risk Inventory, alongside physical, chemical, biological, accident, and ergonomic hazards. These factors require specific methods of analysis and intervention, distinct from those applied to physical or chemical hazards, encompassing organisational, cultural, and management aspects. In addition to recording such factors in the inventory, employers shall establish internal strategies and policies aimed at preventing and controlling these risks.	Companies that fail to comply with these requirements by 2026 may be subject to inspections by regulatory authorities, the imposition of administrative penalties, and potential liability in labour-related legal actions arising from non-compliance with these standards.	It is recommended that companies, by 2026, update their Occupational Health and Safety inventories and programs to include psychosocial risk factors. In addition, employers should develop specific methods of analysis and intervention for psychosocial risks, distinct from those used for physical or chemical hazards; enhance workplace policies; establish or strengthen employee assistance programs; and implement training on mental health, harassment prevention and stress management.

Bulgaria

Development and date	Description	Impact and risk	Future actions
Expected amendments to the Labour Code concerning collective bargaining			
The Ministry of Labour and Social Policy has initiated public consultations on a draft law to amend and supplement the Labour Code, transposing the requirements of Directive (EU) 2022/2041 into the local legislation. The draft law aims to improve the regulatory framework related to collective bargaining and encourage collective bargaining at sector and industry level, thereby increasing the number of workers benefiting from improved working conditions.	The draft law introduces new rules to promote collective bargaining and wider application of collective bargaining agreements. The State shall undertake the creation of conditions for increasing the scope of bargaining, including by providing information, protection against discrimination and protection of trade unions and employers' organisations from mutual interference. The draft law provides that if the scope of collective bargaining for salaries is below 80%, the Council of Ministers must adopt a special plan to promote it.	By transposing Directive (EU) 2022/2041, Bulgaria is committing to higher standards for minimum wages and broader coverage of workers by collective bargaining agreements. This may lead to higher expectations of employers for social dialogue and wage regulation through collective agreements. Sectoral and branch collective agreements will apply to members of the organisations that have signed them, but other employers may also join. The collective bargaining agreement may, however, stipulate terms and conditions for excluding its effect or of individual clauses in respect of certain employers. An employer who is not a member of the employers' organisation that is a party to a collective labour agreement at sectoral or industry level may accede to it by written application and with the mutual consent of the parties.	Employers should pay proper attention to their participation in employers' organisations and the content and obligations of the collective bargaining agreements concluded by them.
Expected increase in the minimum salary			
The Council of Ministers has published for public consultation a draft decree to amend the statutory minimum salary for Bulgaria.	It is proposed that from January 2026 the statutory minimum monthly salary for the country will be increased from BGN 1,077 (EUR 550.67) to BGN 1,213 (EUR 620.20).	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.	Upon adoption of the decree, employers will have to make appropriate financial provision for the salaries and social and health insurance contributions. Internal policies (such as the mandatory Internal Salary Rules) may need to 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
Release of new Judicial Opinion by the PRC Supreme People's Court			
On 1 August 2025, the PRC Supreme People's Court released the Opinions (II) on Several Issues Concerning the Application of Law in the Trial of Labour Disputes (the Judicial Opinion II). The Judicial Opinion II took effect on 1 September 2025.	The Judicial Opinion II consists of 21 Articles in total and clarifies many long-standing controversies related to the implementation of employment law, as well as inconsistencies in judicial practice across different regions of China. The provisions stipulated in the Judicial Opinion II can be summarised in the following four aspects: – implementation of non-competition obligations; – conclusion and renewal of employment contracts; – workforce engagement and social insurance issues; and – labour disputes.	The Judicial Opinion II has far-reaching implications for many aspects of employers' daily employment management. The top five impacts are summarised below: (i) detailed rules are stipulated that non-competition obligations shall only be implemented with the employee who actually had access to trade secrets and other IP-related confidential information and within the scope as to the geographical area, duration and covered competitive areas being consistent with the nature of the trade secrets or IP-related confidential information accessed by the employee. (ii) detailed scenarios are specified where employers shall be obligated to conclude an indefinite term employment contract after the conclusion of two consecutive fixed term employment contracts. (iii) new legal rules are established that the employer can agree with the employee on the service period for provision of special benefits in addition to normal salary such as a retention bonus or relocation fees. If the employee terminates the employment contract in breach of the agreed service period, the employer is entitled to request that the employee compensates by paying damages to the employer. (iv) The foreign enterprise that has established a representative office in China may be required to participate in labour dispute proceedings initiated by any employee working at the representative office under certain circumstances. (v) The Judicial Opinion II lists the scenarios where an employment contract shall be deemed as no longer performable after unjustified termination, and it is anticipated that the legal risk of reinstatement of the employment contract after termination may become higher in the future.	It is highly advisable for employers in China to review and understand the provisions in the Judicial Opinion II, check whether any internal corrective measures are necessary, and make future employment management decisions based on their awareness of the latest legal rules as stipulated in the Judicial Opinion II.

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Colombia

Development and date	Description	Impact and risk	Future actions
Occupational health evaluations Issued on 20 September 2025, by the Ministry of Health and Social Protection, this Resolution regulates the conduct of occupational health evaluations.	The resolution establishes requirements, responsible parties, minimum content, and conditions for conducting occupational health evaluations (pre-employment, periodic, and exit), applicable to all employers and contractors in the country. It provides technical guidelines to ensure the quality and confidentiality of these evaluations.	The resolution expands the scope of occupational health evaluations by including return-to-work, follow-up, and control evaluations. It establishes that the frequency of occupational health evaluations must not exceed three years. Medical recommendations and restrictions must be implemented within a maximum of 20 days. New responsibilities are defined for both employers and workers, and the duty to maintain confidentiality and professional secrecy regarding workers' occupational medical records is reinforced. Non-compliance with the provisions of this resolution may result in sanctions for employers and contractors ranging from 1 to 5,000 times current legal monthly minimum salaries.	Immediately review and update the Occupational Health and Safety Management System (OHSMS) to incorporate the new types and frequency of medical evaluations. Provide targeted training to the Occupational Health and Safety team and Human Resources on the updated responsibilities of employers and workers, as well as the confidentiality requirements for occupational medical records. Revise internal protocols, procedures, and documentation related to pre-employment, periodic, follow-up, return-to-work, and exit medical evaluations.
Workplace Coexistence Committee Issued on 24 September 2025, the Resolution repeals Resolutions 652 and 1356 of 2012 and establishes new guidelines for the formation and operation of the Workplace Coexistence Committee in public entities and private companies.	This resolution redefines the guidelines for the formation, election, operation, and oversight of the Workplace Coexistence Committee, strengthening the preventive approach to workplace harassment. It introduces a more structured process for reporting, addressing, and monitoring workplace conflicts.	Introduces immediate changes to the structure of the Workplace Coexistence Committee, the frequency of its regular meetings, and the deadlines for addressing workplace harassment complaints. It also imposes new obligations on employers and establishes specific provisions for handling complaints submitted by workers engaged through temporary services agencies. Failure to comply with the provisions may result in fines for employers ranging from 1 to 5,000 times the current legal monthly minimum salaries.	Update internal policies and procedures for the formation, election, and operation of the Workplace Coexistence Committee in accordance with the new guidelines. Provide training to Committee members and HR personnel on the new obligations, complaint handling deadlines, and employer responsibilities. Establish clear procedures for managing complaints submitted by employees hired through temporary services agencies. Ensure full compliance with the updated requirements to avoid legal exposure and administrative sanctions.

Croatia

Development and date	Description	Impact and risk	Future actions
Mandatory Health Insurance Act			
Entered into force on 1 August 2025	Key amendments include raising the minimum and maximum state-covered sick leave payments, extending full salary payments during a child's illness from 3 to 7 years, and introducing a new method for calculating travel expense reimbursement under health insurance.	The new amendments should contribute to a higher degree of financial stability for employees on sick leave.	It is advisable that all employers familiarise themselves with the amendments and make sure they calculate and pay sick pay correctly in order to be reimbursed by the state.
Electronic database of Collective Bargaining Agreements and e-delivery system			
Launched in September 2025	The relevant Ministry launched a new electronic database, which digitalised and unified the database of collective bargaining agreements in Croatia. The new system also enables electronic delivery of collective bargaining agreements to the Ministry (a statutory requirement) as well as their validation and publication.	Compared to the previous practice of physically delivering collective bargaining agreements and managing handwritten records to the Ministry, the new system of e-delivery and e-database should facilitate market analysis and increase employees' rights while simultaneously providing higher transparency to employees.	Employers and employees should familiarise themselves with the new systems and, when applicable, use the new systems to deliver their collective bargaining agreements.
Pension Insurance Act			
Entered into force on 1 July 2025	Key changes in the pension system include the increase in the minimum pension, as well as certain other increases. The Act also introduces a one-off yearly income, the so-called "thirteenth pension", based on years of service and the possibility for people who are eligible for retirement to receive half of the monthly pension while remaining employed full time, i.e. continuing to work. Finally, the Act prescribes additional years of service for every born or adopted child.	The anticipated increase in pension is expected to improve the standard of living for pensioners. Changes in the financial incentives for later retirement and the expanded possibility for employment while receiving pensions will help ensure a more stable and sustainable pension system in the future. Added years of service per child should be seen as pro-natalist policy which should counter the diminishing numbers of newborns.	It could be beneficial for employers to consider retaining employees after they reach conditions for retirement and informing them of potential financial benefits, particularly considering the overall aging profile and reduction in the workforce.

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Czech Republic (1 of 2)

Development and date	Description	Impact and risk	Future actions
Labour law changes Several new acts and government regulations have been adopted in recent months. As of the end of September 2025, the legislative process has been completed, and the new bills will become part of Czech labour legislation with effect from 1 January 2026. Specifically, these include: – New government regulation on work injuries, – New tax framework for ESOPs in startups (amendment of the tax legislation), – An Act on a single monthly employer report, and – An Act on additional mandatory pension contributions for high-risk jobs.	**New government regulation on work injuries** The new regulation introduces a clearer structure for reporting workplace injuries, dividing them into four categories: fatal, serious, moderate (with incapacity over three days), and minor. It also sets out detailed requirements for notifying and later submitting a more detailed report of the incidents. It will only be possible to notify injuries electronically via the state labour inspection office (SUIP) portal.	The new regulation requires work injury reports to be submitted only electronically. In addition, the system will collect anonymised data to support accident analysis. Non-compliance with the new obligations can be sanctioned by the authorities.	Companies should first ensure they have access to the SUIP portal and set up internal processes for reporting.
	New tax framework for ESOPs in startups The amendment introduces a qualified ESOPs. To qualify for this regime, the employer must have a turnover below CZK 2.5bn and assets below CZK 2bn and not belong to a group of companies exceeding those thresholds. There are additional requirements for employees, such as a set minimal amount of salary.	A key change is that income from exercising the qualified ESOPs will not be subject to health or social insurance contributions, and taxation will apply only in limited situations. Employers should also prepare for extra administration.	Should employers choose to utilise the qualified ESOP option, it is necessary to determine the market value of the share, report it to the tax authority, and consider whether amendments to the articles of association may be required.
	Act on a single monthly employer report More than two dozen different forms, representing employers' reporting obligations, will be replaced by a single electronic report submitted monthly (JMHZ).	JMHZ centralises data from employers into a single report and ensures its distribution to the relevant state authorities. The administrative burden for employers will be reduced. However, JMHZ does not replace all current reporting obligations of employers, only a substantial portion of them. The associated risk lies in fines: non-compliance with the new rules can be sanctioned by authorities.	Companies should consult with their payroll department or external payroll provider and ensure timely registration of the employer, payroll office, and all employees. Employers will have their first reporting obligations starting in April 2026.

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Czech Republic (2 of 2)

Development and date	Description	Impact and risk	Future actions
	Act on additional mandatory pension contributions for high-risk jobs Employers will be obliged to contribute to employees' voluntary pension savings products upon their request. The obligation applies to employees in certain demanding professions, classified as the III risk category (typically involving excessive physical strain or work in adverse conditions).	Employers will be required to contribute to the voluntary pension scheme for employees working in risk category III. Non-compliance with the new obligations can be sanctioned by authorities.	Employers will be required to inform, in writing, employees classified in risk category III of their entitlement to an employer's contribution to pension saving products and the procedure for claiming it. Subsequently, if eligible employees exercise this right, the employer must ensure that contributions to the chosen pension saving product are actually made.

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France

Development and date	Description	Impact and risk	Future actions

Paid leave: the Court of Cassation continues to bring French law into line with European Union law

The Court of Cassation has handed down two eagerly awaited rulings on the right to carry over paid leave in the event of illness occurring during leave and how leave affects the threshold for triggering overtime.

Unsurprisingly, these rulings complete the process of bringing French law into line with European Union law on the impact of illness on the right to paid leave, which began with the rulings of 13 September 2023 on the inclusion of paid leave in the threshold for triggering overtime.

In relation to the right to carry over paid leave, on 18 June 2025, the European Commission decided to initiate infringement proceedings against France, by sending a letter of formal notice for failure to comply with European Union rules on working time in connection with Directive 2003/88/EC of 4 November 2003.

With regard to the right to carry over paid leave during illness, the European Commission considered that national law should have allowed paid leave to be carried over in the event of illness occurring during paid leave, in accordance with the ruling of the Court of Justice. Until now, the Court of Cassation had ruled that an employee who falls ill during paid leave is deemed to have taken their paid leave and cannot claim either an extension of their leave or a postponement of paid leave corresponding to the period of sick leave.

The Court, hearing an appeal, has therefore reversed its case law by ruling that when an employee on sick leave during their paid leave has notified their employer of this leave, they are entitled to have it postponed.

With regard to the inclusion of leave in the threshold for triggering overtime, under French law, the calculation of the threshold for triggering overtime only takes into account ‘actual’ working time. Therefore, paid leave or sick leave days are excluded from this calculation.

Under European Union (EU) law, any measure that may discourage an employee from taking paid leave is prohibited. This is the case, for example, when taking paid leave creates a financial disadvantage. Given the primacy of European law, the Court of Cassation therefore set aside the rule of French law that is not in line with EU law (Art. 31§2 of the EU Charter of Fundamental Rights on the right to rest).

With regard to the right to carry over paid leave during illness, the Court of Cassation justifies this solution by considering the distinct purposes of each of the two rights in question: the right to sick leave, which is intended to allow employees to recover from a health problem, and the right to paid leave, which is intended to allow them not only to rest, but also to enjoy a period of relaxation and leisure.

Therefore, employees who are unable to work during their paid leave must be able to carry over the days of leave.

In relation to the inclusion of leave in the threshold for triggering overtime, the Court of Cassation considers that calculating overtime without taking paid leave days into account causes employees to lose a financial benefit that may discourage them from taking time off.

Consequently, employees whose working hours are calculated on a weekly basis are now entitled to overtime pay for the week in which they took a day of paid leave and therefore did not work 35 hours.

These court rulings raise a number of issues that will have to be decided by the courts.

For example, in relation to the right to carry over paid leave during illness, questions arise concerning the carry-over period and when it begins, the inclusion of contractual leave, and the rest days to which the employee is entitled under a flexible working time arrangement.

Regarding the inclusion of leave in the threshold for triggering overtime, questions also arise as to the applicability of this case law to weekly or monthly flat rates in hours, including overtime, but also to public holidays, or even to the applicable statute of limitations and its starting point.

Germany

Development and date	Description	Impact and risk	Future actions

Protection against dismissal when initiating a works council election –"preliminary initiators"

In its ruling of 20 August 2025, the Munich Regional Labour Court emphasised that special protection against dismissal does not apply to so-called “preliminary initiators” of works council elections in the first six months after the start of the employment relationship.

In the Regional Labour Court's decision, an employee had a notary certify six days after the start of the employment relationship that he was planning to establish a works council. Shortly thereafter, the employee informed his employer by email that he wanted to initiate works council elections and would subsequently invite employees to a works meeting. In addition, the employee asked the employer for a list of employees at the company who were eligible to vote.

One day after the employee notified the employer of his intentions, the employer gave the employee ordinary notice of termination of the employment relationship, whereupon the employee filed a claim for unfair dismissal.

Special protection against dismissal applies to employees who take preparatory steps to establish a works council and submit a publicly certified declaration stating their intention to establish a works council – "preliminary initiators" (Section15 (3b) of the German Unfair Dismissal Protection Act. The protection against dismissal ends with a specific request to the election committee or an application to the labour court, but no later than three months after the certified declaration. However, anyone who makes this request themselves will again receive special protection against dismissal from that moment on – "election initiators" (Section 15 (3a).

However, in the opinion of the court, the special protection for preliminary initiators must be interpreted as meaning that it only begins after the six-month waiting period has expired (Section 1(1).

During the six-month waiting period the employee generally enjoys less protection against dismissal. This is because only after this waiting period has expired, the employer has to prove a legal reason for dismissal, such as operational reasons, in order for the dismissal to be effective.

The employee must also inform the employer within three weeks of receiving the notice of termination or within three months of submitting the notarised letter of intent to establish a works council that the requirements of the special protection have been met. Otherwise, the special protection against dismissal is forfeited.

The decision of the Regional Labour Court has considerable practical significance.

By clarifying that special protection against dismissal only applies after six months of service, the potential for misuse is significantly reduced. Without such understanding it may be relatively easy for employees to benefit from special protection against dismissal, as this already included preparatory actions for establishing a works council. This meant that employees who feared dismissal but had no real interest in the works council election could trigger special protection against dismissal by taking preparatory measures and thus prevent dismissal.

The decision of the Regional Labour Court is particularly welcome because it standardises protection against dismissal by stipulating that it only applies after six months. During the waiting period, it is generally easier to dismiss employees.

However, it should be noted that dismissal may not be based on a founding initiative, as this would be a violation of the prohibition on obstructing works council elections (Section 20 of the Works Constitution Act (BetrVG)), which also applies during the waiting period. If the employee is preparing to establish a works council, the employer should therefore be able to explain the other reasons why they wish to terminate the employment relationship.

The Munich Regional Labour Court has allowed an appeal. It therefore remains to be seen whether and how the Federal Labour Court will rule on this case.

In the meantime, employers should proceed with caution and take note of the clarification by the Regional Labour Court that special protection against dismissal only applies after six months of employment.

Looking ahead, the ruling means that a more uniform and restrictive approach to special protection against dismissal is to be expected. Employers will therefore be able to plan with greater legal certainty in the future, as misuse of dismissal protection claims based on mere preparatory actions to establish a works council will be restricted.

It remains to be seen how the decision will affect the special protection against dismissal enjoyed by the election initiators. Currently, this protection also applies to employees during the waiting period.

For employees on maternity leave, care leave, or parental leave, the special protection against dismissal continues to apply during the waiting period, whereas for severely disabled persons, it only applies after the waiting period has expired.

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Hong Kong

Development and date	Description	Impact and risk	Future actions
"Continuous Contract" Legislation – an update On 1 February 2024, the Hong Kong Government announced that it will relax the rules relating to a "continuous contract" requirement (also known as the "418" requirement). The proposed amendment aims to align with the legislative intent in the Employment Ordinance and grants benefits to employees who are considered to be providing a stable and considerable level of service. On 18 June 2025, the Legislative Council passed the Employment (Amendment) Bill 2025, which revises the working hours threshold for determining continuous employment and makes it easier for employees to enjoy the employment protection available under the Employment Ordinance. The revised continuous contract requirement (i.e. the "468" rule) will take effect from 18 January 2026 – where an employee who works for an aggregate of 68 hours over a rolling 4-week period will be deemed to be employed under a "continuous contract".	Currently, regardless of whether an employee is working part-time or full-time, an employee who works for the same employer for 18 hours or more a week for at least 4 consecutive weeks is regarded as being employed under a "continuous contract" of employment for the purpose of the Employment Ordinance. An employee who is regarded as being employed under a "continuous contract" is entitled to certain benefits under the Employment Ordinance, such as rest days, statutory holiday pay, paid annual leave, sickness allowance, statutory paternity and maternity leave, long service payment and severance payments where applicable, provided that the employee also meets the other relevant eligibility criteria for the respective benefits. Under the Bill, the rules for establishing continuous employment will be revised in the following ways, commonly referred to as the "468" rule: – The minimum number of weekly working hours required will be lowered from 18 to 17 hours; and – An alternative way to meet the continuous contract condition will be introduced: if an employee works at least 68 hours over a four-week period for the same employer, this will also count as meeting the continuous contract requirement.	Rather than evaluating whether an employee meets the required number of qualifying hours each week, the Bill introduces an additional means to assess an employee's total working hours across a four-week period. Continuous employment status would be achieved if an employee works at least 68 hours during any such four-week span. The purpose of this amendment is to broaden access to statutory benefits, especially for part-time or casual workers. By introducing a more flexible assessment period, the changes are intended to make it easier for employees to qualify for continuous employment, thereby reducing the risk of losing entitlements due to occasional weeks with fewer working hours.	The amendment will take effect from 18 January 2026. Employers may need to reassess their workforce structure and employment practices due to the easing of the "418" requirement, as well as other recent updates to Hong Kong's employment laws, such as the elimination of the MPF offsetting scheme and the expansion of statutory holidays (which has now increased to 14 in 2024 and will be further increased to 15 days in 2026). These changes could have significant financial and legal repercussions for employers. Employers should carefully review and update their contractual arrangements to ensure they align with the new legal requirements. In addition, employers must closely monitor employees' working hours to ensure compliance with their expanded legal obligations. Failure to provide the required statutory benefits could expose employers to civil claims and even criminal prosecution. Moving forward, it is important for employers to diligently maintain accurate wage and employment records for all employees to comply with their legal responsibilities. These records should include all necessary information as required by the Employment Ordinance to avoid any breaches of statutory duties.

Hungary (1 of 2)

Development and date	Description	Impact and risk	Future actions
Occupational medical examinations Amendment to Decree No. 33/1998 (VI. 24.) from the Ministry of Social Welfare on medical examinations and assessments of occupational, professional and personal hygiene suitability (the NM Decree)	The NM Decree amends other Decrees concerning occupational medical examinations by modernising the rules and align with EU safety rules.	According to the amendment: – the NM Decree extends to, among others, employers who (i) employ employees in the context of organised work, in cases specified by law or in jobs subject to exposure as specified in the ministerial decree, and (ii) who have decided that the employee's suitability for work must be determined on the basis of a medical examination, and (iii) employees performing work in Hungary or abroad who are employed by an employer referred to in points (i) or (ii) above in the position specified therein within the framework of organised work, and (iv) persons entitled to benefits for persons of working age; – the preliminary occupational suitability examination must also be carried out if, following the commencement of employment, a legal regulation or the employer's decision requires a medical assessment to determine the employee's suitability for work; – employees shall participate in periodic occupational suitability examinations for the purpose of re-evaluating their occupational suitability, among others, (i) at the employer's decision, and (ii) if the employees are performing work domestically or abroad, employed by an employer, in a position defined by law, in the framework of an organised employment scheme; – no annual monitoring X-ray examination can be carried out on those under the age of 18 years, neither as part of the preliminary nor periodic occupational suitability examination.	The provisions of the NM Decree entered into force on 27 June 2025. Please note that, even in case it is not compulsory to conduct a fitness for work examination for a particular position, the amended health and safety regulations do not affect employers' obligations to ensure safe and healthy working conditions, and employers remain objectively responsible for the design of working conditions. Therefore, in our opinion, regardless of the controversy that has arisen over the interpretation of the ministerial regulations, it is still strongly recommended that employers in the competitive sector conduct a medical examination to prove fitness for work. This can reduce the risk that an employee may have a legitimate claim against the employer in the event of an occupational disease or accident at work. We would also like to draw attention to the fact that changes to the occupational health and safety regulations may also have data protection implications.

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Hungary (2 of 2)

Development and date	Description	Impact and risk	Future actions
Four-day working week	According to a recent survey, the majority of Hungarian employees surveyed support the introduction of a four-day working week only if the daily working time remains unchanged, i.e. the weekly working time is reduced by 20%.	According to the survey, if weekly working hours were reduced and the amount of salary did not change, 63% of employees surveyed would support a four-day working week. However, if 40 hours a week would have to be worked over four longer working days for the same salary, support would fall to 44% among the surveyed. Prior to the survey, two employers with relatively high headcount had introduced the four-day working week for a trial period, but both decided to maintain the five-day working week after the trial period had expired.	In Hungary, the four-day working week is not yet widespread, and our experience shows that companies continue to operate on a five-day working week.

India (1 of 2)

Development and date	Description	Impact and risk	Future actions
UK-India CETA and DCC			
The Comprehensive Economic Trade Agreement (CETA) was signed between India and the United Kingdom (UK) on 24 July 2025 along with a reciprocal Double Contributions Convention (DCC). It has not yet been implemented.	The DCC ensures that employees moving between UK and India, and their employers, are liable to pay social security contributions in one country at a time. Employees temporarily working abroad will continue to pay social security contributions in their home country and are exempted from paying contributions in the host country for 3 years. This exemption is documented in the Certificate of Coverage (COC).	The CETA and DCC promote international workforce mobility, deepen economic integration, support business and prevent fragmentation of an employee's social security record. It creates significant job and growth opportunities, having a positive impact on both economies. Additionally, detached UK workers in India can now withdraw the social security funds when leaving employment and COC further reduces administrative complexity. However, the DCC is not expected to have a long-term impact on migration given the stringent visa requirements.	Employers have more flexibility in assigning jobs to their employees and employees can explore opportunities for temporary employment across the borders. Once the DCC is implemented, international workers working on a temporary basis in the UK and their employers in India can stop making contributions under the Indian social security laws for the stipulated exemption period.
SEBI Mandate to protect the rights of persons with a disability in the Indian securities market			
The Securities Exchange Board of India (SEBI) issued a circular dated 31 July 2025 (Circular) to protect the rights of persons with disabilities in the Indian Securities Market.	All SEBI Regulated Entities (RE) are required to comply with the standards of accessibility stipulated under the Rights of Persons with Disabilities Act 2016 with respect to websites, content, information and technology-based products, services, communications and the physical environment. The Circular mandates (i) appointment of a nodal officer for digital accessibility compliance and grievance redressal; (ii) internal training programs; (iii) registration and digital KYC processes, (iv) accessibility audits and (v) accessibility requirements in proposals/ contracts. REs must implement the accessibility provisions as per the milestones stipulated and submit a compliance report on an annual basis to their reporting authorities.	The Circular reiterates that digital access is an intrinsic component of right to life and personal liberty. It aims to protect the dignity of persons with disabilities and ensure their full and effective participation in the securities market. It is compulsory for registered/recognised intermediaries (stockbrokers, mutual funds, KYC registration agencies) and market infrastructure institutions (stock exchanges, depositories, and clearing corporations) to be more accessible, inclusive and sensitive to the needs of persons with disabilities.	REs must take necessary steps to comply with digital accessibility requirements provided in the Circular within the time stipulated.

India (2 of 2)

Development and date	Description	Impact and risk	Future actions
ESIC launches SPREE: one-time registration window to expand social security coverage			
Employees' State Insurance Corporation (ESIC) has launched the Scheme for promotion of registration of employers and employees (SPREE) to expand social security coverage and encourage voluntary compliance with the Employees' State Insurance Act, 1948 (ESI Act). SPREE is operative from 1 July 2025, to 31 December 2025.	SPREE offers a one-time registration window for employers who have not yet registered under the ESI Act despite being eligible. Employers must digitally register their units and employees through the ESIC portal/ Shram Suvidha portal/ Ministry of Corporate Affairs portal. Any registrations completed on such portals will be considered valid from the date as declared by the employer. Employers are granted a complete exemption from past liabilities and inspection of past records for the pre-registration period.	SPREE aims to bring unregistered employers and employees, including contractual and temporary workers, under the social security framework of the ESI Act. The scheme eliminates the fear of retrospective penalties and simplifies the registration process to promote voluntary compliance.	Employers who have not registered under the ESI Act, despite being eligible, must register under the SPREE Scheme and comply with their benefit obligations moving forward.

Italy

Development and date	Description	Impact and risk	Future actions
Employee participation in company management	The law, which provides for employee participation in the management of companies and implements Article 46 of the Italian Constitution, came into force in July 2025. The law introduces a voluntary system of employee participation, targeting private companies with at least 50 employees. The forms of participation provided include: – Involvement in company committees or consultative bodies. – Economic and financial participation, such as profit-sharing plans or employee share ownership. – Participatory roles on issues like corporate welfare, training, inclusion, and green/digital transition. Specific arrangements must be regulated by company-level or local collective agreements.	The system is voluntary, so companies may choose not to adopt any form of participation. Employee participation could impact the speed of decision making, particularly for smaller or less structured companies, given the new layer of organisational complexity. This is particularly the case if participation mechanisms are poorly designed. However, employee participation in company management may enhance workplace dynamics and strengthen employee engagement and sense of belonging. It also encourages higher productivity and commitment. In addition, the law provides fiscal incentives for companies adopting participatory models (e.g., tax deductions or contribution relief on performance-related bonuses).	Companies interested in implementing these models should: – Assess internally the feasibility of participatory practices (organisational readiness, company culture, industrial relations). – Initiate dialogue with employee representatives to define a shared agreement. – Monitor any upcoming implementation decrees or guidelines that may clarify technical or fiscal aspects. – Consider integrating participation with ESG policies, corporate welfare programs, and sustainability initiatives.

Kenya

Development and date	Description	Impact and risk	Future actions
Persons with Disabilities Act 2025			
8 May 2025	Enactment of the Persons with Disabilities Act 2025 (replacing the Persons with Disabilities Act, Cap. 133) to advocate and better define the rights of persons with disabilities in the workplace.	The Act was amended on 8 May 2025 to advocate for the employment rights of persons with disabilities in the workplace. It recognises mental health conditions that may not be significant at first but are likely to persist in the long-term and interfere with the daily life of an individual e.g. anxiety, grief related conditions, burn out and stress. Employers employing at least twenty employees must reserve 5% of jobs for persons with disabilities and have a duty to provide reasonable accommodation. (This is defined as necessary and appropriate modification and adjustments not imposing a disproportionate or undue burden, where needed in a particular case, to ensure to persons with disabilities the enjoyment or exercise on an equal basis with others of all human rights and fundamental freedoms for persons with disabilities.) Persons with disabilities are entitled to an assistive allowance, which is meant to cover the extra expenses associated with their condition, such as supportive care or specialised modes of transportation. Their retirement age has been increased by five years. Therefore, instead of retiring at the age of 60, which is the common retirement age in Kenya, they have the option of retiring at the age of 65. The Act also provides tax incentives for employers of persons with disabilities.	Employers are required to adjust their workplaces, comply with policies, and fulfil their legal obligations under the Act to avoid legal liability.

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Mexico

Development and date	Description	Impact and risk	Future actions
Employment reform on weekly working hours in Mexico			
On 1 May 2025, during the official Labour Day celebration, President Claudia Sheinbaum announced the Federal Government's decision to implement a gradual reduction of the standard working week from 48 to 40 hours, with full enforcement expected by January 2030. This announcement represents a major development in Mexico's labour policy and reaffirms the Government's commitment to improving the quality of life of the workforce. The reform is intended to be built through consensus with employees, employers, trade unions and legislators, promoting dialogue and social participation throughout the transition.	The reform aims to guarantee better working conditions and work-life balance by ensuring that all employees enjoy a five-day workweek and two full days of paid rest, without any reduction in salary or related benefits. It has as its purpose the amendment of Article 123, Section A, Fraction I of the Constitution and corresponding provisions of the Federal Labour Law, harmonising national labour standards with international principles of decent work. To strengthen public participation, the Ministry of Labour and Social Welfare ("STPS") launched six national dialogue forums between June and July 2025 in Mexico City, Nuevo León, Jalisco, Querétaro, Tijuana and Quintana Roo, where representatives from the private sector, employee organisations and local governments discussed the economic, social and technical aspects of the reform.	Employers, especially in labour intensive industries, are expected to face operational challenges arising from shorter working weeks. These may include the need to reorganise shifts, review workforce distribution, maintain productivity levels and potentially hire additional personnel. Despite these challenges, the reform is expected to foster a more balanced and motivated workforce, improve employee retention and create healthier working environments. Without appropriate fiscal and technical support, small and medium-sized companies could experience compliance difficulties, cost pressures or temporary productivity declines during the adjustment phase.	Following the conclusion of the consultation period, the STPS will publish the proposed transition framework and coordinate a phased implementation schedule: large companies within six months, medium companies in eighteen, small companies in twenty-four and micro companies in forty-two months. Full enforcement is expected by January 2030. Employers will need to adapt internal policies, workforce distribution models and compliance strategies. The success of the reform will depend on continued coordination among the State, employers and employees to ensure that the transition promotes sustainable growth, formal employment and fair labour practices across the country.
Implementation of inspections to guarantee gender pay equality			
On 29 April 2025, a legislative proposal on periodic inspections to ensure gender pay equality was presented as part of the Federal Government's ongoing labour reform agenda. The initiative represents a major step towards eliminating the gender wage gap and promoting fair, transparent and non-discriminatory remuneration practices across all employment sectors.	The purpose of the reform is to amend Articles 3, 86 and 994 of the Federal Labour Law, granting authority to the Ministry of Labour and Social Welfare ("STPS") and to local labour authorities to conduct regular inspections verifying compliance with equal pay provisions. It also establishes mechanisms for monitoring and sanctioning discriminatory compensation practices. The proposal has been approved in committee and is currently pending discussion before the full Chamber of Senators.	The reform will require companies to ensure transparency and consistency in their remuneration policies, conducting internal audits and equality reviews to prevent unjustified pay disparities. These new compliance obligations may initially increase administrative workload and operational costs. However, the measure is expected to reinforce equitable remuneration systems, strengthen employee confidence, and align Mexico's legal framework with international standards on gender equality.	Once discussed and approved, the STPS is expected to issue secondary regulations and technical guidelines to define inspection procedures and reporting mechanisms. The reform seeks to strengthen the enforcement of equal pay for equal work, promoting institutional accountability and gender equity across all employment sectors in Mexico.

Monaco

Development and date	Description	Impact and risk	Future actions

Monaco Labour Court: A decision regarding the inclusion of periods of absence in the calculation of severance pay

On 24 January 2025, the Monaco Labour Court issued a judgment clarifying the length of service to be considered for the calculation of severance pay.

The applicable rule of law regarding severance pay is set out in Article 1 of Law No. 845 of 27 June 1968, which states:

"Any employee with a permanent employment contract who is dismissed after two years of continuous service with the same employer is entitled to severance pay, except in cases of serious misconduct [...]'.

Circumstances that legally result in the suspension of the employment contract are not considered to interrupt the employee's length of service for the purposes of this Article.

However, the period of suspension does not count towards the length of service required to benefit from the above provisions."

The last two paragraphs of this article give rise to differences in interpretation, whether these suspensions can be deducted from the period of eligibility (two years) and from the seniority to determine the quantum of severance pay.

The court therefore interpreted the legal text and applied a three-step reasoning process:

- The judge confirmed that periods of suspension are deducted when calculating the length of service to determine whether the employee has worked for two years and can be eligible for severance pay.
- The court noted that it was necessary to clarify the definition of 'circumstances that legally lead to suspension' mentioned in Article 1 of Law No. 845. According to the court's interpretation, the periods during which the contract is legally suspended are those periods that are expressly considered, by the law, to be "actual work" (e.g. maternity, paternity and adoption leave). On the contrary, sick leave (excluding accidents and occupational illnesses) are not assimilated to actual working time, and do not qualify as 'circumstances that legally lead to suspension' according to the decision.
- As it considers that legal provisions are identical in France and Monaco on this topic, the Court refers to French case law which states that periods of suspension of the employment contract due to illness are not taken into account when calculating seniority for severance pay.

Given the above, the court validated the employer's method of deducting periods of absence due to non-occupational illness from the employee's seniority for severance pay calculations, which resulted in a lower severance pay than claimed by the employee.

Impact: According to this decision, employees who are absent due to non-occupational illness should therefore be aware that their seniority could be 'interrupted' for the purposes of calculating severance pay, which may reduce the amount received upon termination of the contract.

Risk: This decision remains isolated to date and the position has not yet been confirmed by higher courts (Court of Appeal or Court of Review).

Article 1 of Law No. 845 could be interpreted differently: it could be considered that period of illness must be taken into account for the calculation of the severance pay.

Only an explicit amendment to the legal text would eliminate all uncertainty surrounding its interpretation and provide employers with stable, predictable rules for calculating severance pay and complying with their dismissal obligations.

In the meantime, the following actions should be taken:

- Anticipate the risk of litigation by accurately documenting absences;
- Monitor legislative and case law developments, particularly any reforms that may define more precisely the *'circumstances that legally lead to suspension'* to non occupational illnesses.

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The Netherlands

Development and date	Description	Impact and risk	Future actions
Amsterdam Enterprise Chamber ruling of 20 May 2025 – published on 8 July 2025			
On 20 May 2025 (as published on 8 July 2025), the Enterprise Chamber of the Amsterdam Court of Appeal annulled a decision of a company called Micro Focus (the "entrepreneur" in the meaning of the Dutch Works Councils Act *(Wet op de ondernemingsraden)*) to eliminate several positions in the Netherlands as part of a global restructuring. The Enterprise Chamber ruled that the works council had not been consulted in a timely manner, nor had it been provided with sufficient information, in breach of Article 25 of the Dutch WOR.	The Enterprise Chamber determined that Micro Focus had already initiated individual dismissal discussions with its employees before consulting the works council. When the works council was eventually approached for advice, Micro Focus provided only aggregated global data and a general reference to group-wide optimisation plans. The Enterprise Chamber ruled that: (i) the works council must be given all information that is "reasonably necessary" to evaluate the local business justification, including – where applicable – local financial data; (ii) the consultation must commence early enough for the works council's opinion to have a "material influence" on the final decision; and (iii) entrepreneurs (within the meaning of the WOR) within multinational groups are still required to demonstrate a company-specific weighing of interests and cannot rely solely on a mandate from the parent company. The Enterprise Chamber ordered the withdrawal of the redundancy plan and issued an injunction prohibiting its implementation.	Dutch entities – particularly subsidiaries implementing group-wide cost-saving initiatives – face significant procedural risks if they fail to comply with the consultation rights of the works council. Non-compliance may result in the annulment of strategic decisions, court-imposed delays, reinstatement or compensation claims, reputational harm, and increased costs due to delays. The judgment also underscores the Enterprise Chamber's readiness to scrutinise global directives that lack a clearly substantiated local business rationale.	Companies considering restructurings in the Netherlands must respect the consultation rights of the works council. This includes preparing a Dutch-specific business case supported by verifiable data; allocating sufficient time for iterative questions and answers; refraining from issuing termination proposals – whether formal or informal – prior to obtaining the works council's advice; documenting the weighing of local versus group interests; and, where a social plan has expired, providing a transparent explanation as to why alternative severance arrangements are fair.

Peru

Development and date	Description	Impact and risk	Future actions
Nullity of dismissal due to cancer diagnosis A recently published congressional law has established that the dismissal of a worker due to a cancer diagnosis, its treatment and its effects, is null and void, even if the worker works less than four hours a day, is in a probationary period or is a trusted employee. The same law also establishes that if employees diagnosed with cancer are unable to perform their jobs due to their physical or cognitive condition, the employer must adapt their jobs to their new condition without reducing their pay. The law delegates to the executive branch the power to regulate this rule and other related legal provisions to bring them into line with this law.	Establishing this rule means that a worker dismissed for this reason is legally entitled to seek reinstatement in court and to be paid the wages and other benefits that they would have received during the entire period of their dismissal. In addition, the regulation requires employers to assign different tasks to workers who have been diagnosed with cancer, if the medical condition makes it difficult for them to perform their usual duties, so that they can continue to perform effective work without affecting their right to continue receiving the same remuneration.	Under this law, employers can no longer dismiss trusted employees in management positions if they are diagnosed with cancer, which will have an operational and financial impact. (This provision does not extend to other medical conditions.)	By extending job stability to include employees and workers who were previously excluded, such as trusted employees, and part-time and probationary workers, legislators continue to try to appear as if they are seeking to benefit the population without taking into account that such measures mean an increase in companies' operating costs, which will most likely contribute to an increase in informal working arrangements in the country instead of resorting to other legal alternatives, such as improving cancer treatment covered by social security. (In Peru approximately 70% of the economically active population work in the informal sector. They are not registered on any employer's payroll, are not covered by social security, and many of them do not pay taxes.) In any case, we will have to wait for the details to be established by the Executive Branch when regulating this law, especially with regard to job rehabilitation.

Poland

Development and date	Description	Impact and risk	Future actions
Minimum wage increase			
The minimum wage will increase to PLN 4,806 per month and PLN 31.40 per hour.	This is the annual increase of the minimum wage. The current minimum wage is PLN 4,666 per month. The new rate is a compromise; employee representatives had requested a significantly higher raise.	Employers must prepare to implement the new minimum wage. The increase also affects other benefits calculated based on the minimum wage, such as night shift allowances and the maximum severance pay. Incorrect calculations may result in compliance risks and disputes with employees.	Update payroll systems to reflect the new minimum wage. Recalculate all related benefits and allowances. Review and, if necessary, amend employment documents.
Extension of special employment rules for Ukrainian citizens until 4 March 2026			
The law prolongs simplified procedures for the employment and legal stay of Ukrainian citizens fleeing the war.	Employers may continue to hire Ukrainians under simplified rules by submitting a notification to the relevant labour office within 7 days of the start date. The Act also limits some benefits for Ukrainian citizens; for example, only those who work in Poland (with certain exceptions) can receive social payments.	This law is favourable for employers. However, the President and the Government clashed over its content (mainly non-employment issues such as social privileges for Ukrainian citizens in Poland), and the President even vetoed the first version. After signing, the President announced that he would not approve another extension of the current rules beyond 4 March 2026. Instead, he will propose new legislation, including a plan to extend the required period of residence before Ukrainians can apply for Polish citizenship.	As March 2026 approaches, employers should monitor legislative developments regarding the employment of Ukrainians, as the current rules may not be extended again.
Employment seniority recognition (effective 1 January 2026 for public sector; 6 months after publication for private sector)			
Periods of work under civil law contracts or B2B agreements, once properly documented, will count toward employment seniority. The Act has been passed by Parliament and is awaiting the President's signature.	Employees who document previous work under civil law contracts, B2B agreements, or similar arrangements will have that time included in their employment seniority. Seniority affects, for example, notice periods, vacation entitlement, and severance pay. Employers will have to recalculate seniority for affected employees.	Miscalculating seniority can lead to underpayment of entitlements, non-compliance with labour law, and potential legal disputes with employees.	Identify all affected employees and verify documentation of previous work periods. Recalculate employment seniority and adjust payroll, benefits, and employment documents accordingly.

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Portugal

Development and date	Description	Impact and risk	Future actions
Revised Labour Code In July of this year the Government presented a revision to the Labour Code, now being discussed in detail by all involved parties. The development of the project involves consultations and negotiations with representatives of workers, trade unions, employers and other interested parties. The main objective is to ensure that legislative changes respond in a balanced way to the demands for modernisation of the labour market, promoting social cohesion, the protection of labour rights and the competitiveness of Portuguese companies. At present, the project is still under discussion and has not been definitively approved. After being presented by the Government, the project will be sent to the Assembly of the Republic for discussion, where it will be analysed, debated and subject to possible amendments by Member of Parliament. Only after these steps will the new rules come into force.	The revision to the Labour Code seeks to introduce a definition of digital platform, a presumption of an employment contract when there are restrictions on the autonomy of the service provider, and an extension of labour rights to these workers. The threshold for being considered "economically dependent" rises from 50% to 80% of income from a single client, meaning fewer self-employed workers will qualify for special protections. It will be possible to negotiate telework rules more freely with less restrictive terms. The revision reintroduces individual bank hours by individual agreement or internal regulations. Group time banks require agreement from 75% of affected employees. It also extends the initial parental leave to up to 180 days. Furthermore, mothers may have a special breastfeeding regime, with a two years old child limitation. It may now be possible to execute fixed-term contracts with employees who have never had a permanent contract or are in a situation of long-term unemployment. The rule prohibiting the use of outsourcing services in the event of collective dismissal or dismissal due to job termination may now be revoked. A simplified dismissal procedure may be applied to small/medium-sized enterprises, significantly broadening its scope. Employers' information obligations are significantly strengthened.	From an employee standpoint, the proposal foresees a strengthening of rights, greater protection in situations of atypical work (such as digital platforms), improved conditions for work-life balance and increased security regarding and parental rights. For employers, the changes entail adaptations to internal procedures, greater transparency and increased obligations in terms of information, collective bargaining, and working time management. Overall, the changes allow for greater flexibility in human resources management, namely through the reintroduction of individual and group time banks, the flexibilisation of fixed-term contracts, and the possibility of outsourcing services in more situations. Risk lies in the difficulty for companies, particularly small and medium enterprises, to adapt to the new requirements, potentially leading to disputes and compliance costs. The clarification of employment relationships in digital platforms may require business model restructuring and there is also a risk of increased litigation regarding business transfers and employee opposition.	Close monitoring of the legislative process is recommended, as the project may be amended before final approval. Companies should begin reviewing their internal regulations, employment contracts, telework, parental, and equality policies to anticipate new obligations. Investment in training for HR departments and senior management on the new rules, especially regarding collective bargaining, telework, and platform work, is advisable. Conduct internal assessments of the financial and operational impacts of the new measures, including simulations of costs related to parental leave, compensations, and potential technological adaptations.

Singapore

Development and date	Description	Impact and risk	Future actions
Revised Central Provident Fund (CPF) ceiling and contribution rates			
1 January 2026	CPF is Singapore's national pension scheme which aims to help Singapore Citizens and Permanent Residents secure retirement, healthcare financing and home financing. As part of ongoing efforts to help Singaporean Citizens and Singapore Permanent Residents save more for retirement, the CPF ceiling and CPF contribution rates will be revised effective 1 January 2026. In particular, the CPF Ordinary Wage Ceiling will be increased from SGD 7,400 to SGD 8,000. CPF contribution rates (which depend on age) will also be increased for employees aged 55 to 65 to strengthen their retirement adequacy.	Employers are statutorily required to provide eligible employees with necessary CPF contributions. Failure to provide CPF contributions as required under the revised rates is a criminal offence which may attract financial penalties.	Employers should review and update their payroll systems to ensure that their CPF contributions are aligned with the new ceiling and contribution rates. To the extent necessary, employers should also budget for how the newly revised ceiling and contribution rates may affect their business needs.
Qualifying Salary for Employment Passes and S Passes in Singapore			
1 January 2025 / 1 January 2026	Effective 1 January 2025, the minimum qualifying salary for employment pass applications was increased from SGD 5,000 to SGD 5,600 per month (and from SGD 5,500 to SGD 6,200 for the financial services sector). The same qualifying salaries will also apply to renewals of passes expiring 1 January 2026. The qualifying salary increases progressively based on the employee's age (up to SGD 10,700 for candidates at age 45 and above; and SGD 11,800 for those aged 45 and above in the financial services sector).	The revised qualifying salaries for employment pass and S pass holders may impact how employers decide on their foreign employees' salaries.	Employers must revise their salary budgets to meet the new qualifying thresholds, especially for mid-career foreign professionals. As for passes that require renewal as of 1 January 2026 / 1 September 2026, employers will need to plan ahead to ensure compliance with the new salary criterion for applicable foreign employees.
1 September 2025 / 1 September 2026	For S Passes, the minimum qualifying salary was increased from SGD 3,150 to SGD 3,300 (and from SGD 3,650 to SGD 3,800 for the financial services sector) effective 1 September 2025. The same salary thresholds will apply to renewals from 1 September 2026. The qualifying salary increases progressively with age (up to SGD 4,800 for candidates at age 45 and above; and SGD 5,650 for those aged 45 and above in the financial services sector).		

Slovakia

Development and date	Description	Impact and risk	Future actions
Slovak Anti-monopoly Office imposed first ever fine with respect to cartels in the labour market, 2 July 2025			
The Anti-monopoly Office of the Slovak Republic has, for the first time in the history of Slovakia, sanctioned a cartel agreement in the labour market. The Slovak Association of the Fuel Industry and Trade was fined EUR 10,000 for adopting an Ethical Code that prohibited members from hiring each other's employees.	Non-soliciting agreements restrict competition, which can lead to lower wages and worse working conditions for employees. PMÚ clearly signals that such practices are illegal and will be penalised. Further information is available on the PMÚ website: here (available in Slovak only).	Agreements between employers that restrict hiring or influence wage levels may be considered an illegal labour market cartel and sanctioned. Risks also arise from provisions in ethical codes or contracts between business partners if they can act as restrictions on recruitment or employee mobility.	Employers should review contracts with business partners, internal documents and processes to ensure compliance.
Slovak Government signals inspections of "concealed" employment as part of the consolidation package for 2026, 24 September 2025			
Under the Slovak Labour Code, dependent work cannot be performed under commercial contracts. In practice, this rule is often bypassed. Companies use commercial contracts with sole proprietors or one-person companies. The Slovak Government has increased inspections aimed to identify such "concealed" employment relationships, which circumvent the law.	The Labour Code defines "dependent work" (the main characteristics of which include subordination, personal performance, work carried out in the employer's name and according to its instructions during employer-set working time) and expressly provides that dependent work may be performed only under employment law contracts. Performing such work under other type of contract (commercial/civil) is illegal. Employers should prepare for more frequent inspections with focus on "concealed" employment and tighter enforcement on misclassification.	Misclassification restricts employees' protection. It also exposes employers to accumulated liabilities (taxes, social/health contributions, interest) and administrative fines. Furthermore, misclassification may result in the employer being excluded from public tenders or deemed ineligible for subsidies.	Employers should re-assess contactor models, review their existing contracts with contractors and apply a "dependent work" test. Be ready for inspections. Maintain an audit trail (business rationale, contracts, evidence of multi-client work by contractors).

South Africa (1 of 2)

Development and date	Description	Impact and risk	Future actions
The Code of Good Practice: Dismissal (Code)			
On 4 September 2025 the Code of Good Practice: Dismissal (Code) came into effect. The Code provides consolidated and comprehensive guidelines for fair dismissal procedures concerning misconduct, incapacity & operational requirements (retrenchments).	The Code provides that an investigation or a disciplinary enquiry does not need to be formal or follow the formalities of a rigid criminal justice trial, in contrast to the previous position. The Draft Code provides that, in exceptional circumstances, the employer may dispense with some or all of the requirements for procedural fairness, if the employer cannot reasonably be expected to comply with these. The inability of an employee to work harmoniously within the workplace culture of the employer and/or together with employees, known as “incompatibility”, is recognised as a form of incapacity which may justify dismissal. In relation to retrenchments, the Code for the first time provides that the duration of the consultation process will be linked to both the size of the employer and the complexity of the retrenchment, with the latter usually requiring more consultation meetings over a longer period of time.	Employers are encouraged to amend their policies and procedures in line with the Code. Non-compliance with the provisions of the Code poses a risk of dismissals being found to be unfair and could attract hefty reinstatement and/or compensation rulings.	The Code aims to promote fairness by adopting clear and simplified disciplinary policies that align with the Constitution’s values and principles. HR personnel will need to be trained on the Code and the revision of HR policies and procedures.

South Africa (2 of 2)

Development and date	Description	Impact and risk	Future actions
Change to Parental Leave Rights 3 October 2025 Van Wyk and Others v Minister of Employment and Labour; Commission for Gender Equality and Another v Minister of Employment and Labour and Others (CCT 308/23) [2025] ZACC 20	The Constitutional Court decision flows from an application brought before the High Court challenging the Basic Conditions of Employment Act 75 of 1997 (“BCEA”) parental leave provisions for unfairly discriminating between different categories of parents. The Constitutional Court confirmed that sections 25 and 25A, 25B and 25C of the BCEA (and related Unemployment Insurance Fund Act provisions) are unconstitutional. Accordingly, all parents – whether biological, adoptive, or commissioning – collectively qualify for an aggregate of four months and ten days of parental leave, which may be shared between them as they choose, failing which it must be shared equally.	The Constitutional Court has ordered that the rights to parental leave, of four months and 10 days, be extended equally to all parents, including biological, adoptive and commissioning parents to be shared between the parents in the regime of their choosing. Where only one parent is employed, the employed parent is entitled to the full four months and 10 days irrespective of sex or gender. These developments necessitate urgent changes to employers’ internal policies and procedures to ensure that employees are treated fairly as per the provisions of the judgment and the interim Constitutional Court order which applies immediately, as of 3 October 2025. Employers must extend parental benefits to all parents irrespective of sex, gender and birthing status. There will also be the impact of a large percentage of the workforce being on parental leave for longer periods of time.	The declaration of invalidity is suspended for a period of 36 months to allow Parliament to amend the legislation. In the interim, the provisions of the Constitutional Courl ruling are instructive on the allocation of parental leave benefits. Employers will need to amend their policies to include all types of parents and determine whether or not the payment of such leave will be granted, and if so, under what conditions. Employers will need to ensure that all parents are treated equally in relation to payment to avoid unfair discrimination claims relating to, inter alia, sex, gender, marital status and/or maternity.

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Spain

Development and date	Description	Impact and risk	Future actions
Strategic Plan of the Employment and Social Security Inspectorate			
Approved 26 August 2025; published 8 September 2025	The Plan sets 17 objectives to strengthen the enforcement of worker rights and modernise inspection services through increased staffing (+500 inspectors) and technological upgrades (digital files, real-time data analysis).	Enhances labour rights protection and inspection efficiency. Risks include recruitment challenges and tech integration issues.	Public administrations must hire and train new staff; implement technology improvements; monitor progress and adjust as needed. Companies should be prepared and anticipate all risks in the event of more frequent inspections.
Urgent reform of Working Hours Registration			
Approved 30 September 2025. Pending parliamentary approval	Introduces a digital time-tracking system accessible to workers, unions, and inspectors in real-time to ensure compliance with contracts and protect work-life balance and digital disconnection rights.	Improves transparency and labour compliance. Risks include technical hurdles and employer resistance to increased oversight.	When the final reforms are published employers should develop and roll out digital systems; engage stakeholders for smooth adoption.
Royal Decree-Law 9/2025 on Extended Birth and Care Leave			
Approved 29 July 2025. Pending parliamentary approval	Extends parental leave from 16 to 19 weeks to support work-life balance, aligning with EU directives. Requires parliamentary ratification to take full effect.	Supports employee well-being and permanence. Risks include business adaptation challenges and potential operational impact during longer leave.	Prepare employers; communicate changes and monitor the impact of implementation.
Spanish Active Employment Support Strategy 2025-2028			
Approved 16 July 2025	Multi-year plan focusing on employability, job placement, training, and support for vulnerable groups. Emphasises equality, innovation, and continuous evaluation with regional impact indicators.	Aims to improve employment services and inclusion. Risks include effective execution and adaptation by SMEs.	Implement strategy; focus on vulnerable groups; strengthen innovation; conduct ongoing monitoring and reporting.

Sweden

Development and date	Description	Impact and risk	Future actions
Labour Court case – right to return after Parental Leave			
On 23 July 2025, the Swedish Labour Court found that an employer had violated the prohibition on less favourable treatment in Section 16 of the Parental Leave Act by assigning the employee different categories of cases to those she had worked on prior to her parental leave.	The case concerned a case officer employed by a municipality who, upon returning from parental leave, was assigned a different category of cases than before her leave. Prior to her leave, she had handled elderly care cases, but after her leave, she was assigned cases concerning support and services for disabled people and social psychiatry. Although both assignments formally fell within the same job title and involved similar working methods, the Labour Court found that they constituted different duties, as the roles had become specialised. The employee was deemed to have been disadvantaged by the employer's allocation of work tasks, as she was reassigned to new categories of cases despite her previous duties remaining available and her explicit request to return to them. The reassignment was not considered a necessary consequence of the parental leave, since her former duties could have been reassigned to her without causing unfairness or unreasonable disruption to the organisation.	The employer was ordered to pay SEK 50,000 in general damages to the employee. This case confirms that employers may breach the prohibition of disfavourable treatment under the Parental Leave Act by assigning an employee returning from parental leave to different duties, even if the change seems minor or is convenient for the organisation. Consequently, the judgment restricts the employer's managerial prerogative.	Employers should take proactive steps to ensure compliance and minimise liability when employees return from parental leave. In particular, employers should: – Implement clear routines for employees' return to work after parental leave. – Ensure reinstatement to the same duties as before leave whenever possible. – Carefully assess the specific situation and make legal assessments before making any changes to duties, to evaluate potential risks under the Parental Leave Act. Engage legal counsel when in doubt, to secure compliance and reduce exposure to liability.

Switzerland

Development and date	Description	Impact and risk	Future actions
Post-contractual non-compete undertaking A Swiss employer may not unilaterally terminate an agreed compensation for a post-contractual non-compete undertaking if such a right has not been agreed upon. In a recent decision, the Swiss Federal Supreme Court has ruled on the possibility to unilaterally terminate an agreed compensation undertaking for a post-contractual non-compete covenant. The employer and the employee had agreed in their employment agreement that the employer would pay compensation equal to 50% of the employee's last salary for the term of the post-contractual non-compete undertaking. Although the employment contract did not provide for a unilateral right to terminate such undertaking, the employer waived the post-contractual non-compete undertaking and the corresponding compensation with the contractual notice. The employee did not accept such notice and sued the employer for payment of the agreed compensation for the term of the post-contractual non-compete undertaking.	The Swiss Federal Supreme Court ruled that an agreed compensation for a post-contractual non-compete clause cannot be unilaterally terminated by the employer unless otherwise agreed in the contract. With this ruling, the Swiss Federal Supreme Court took a clear stance against the part of legal doctrine that argues that employers may exempt themselves from their obligation to pay compensation by waiving the post-contractual non-compete obligation subject to a reasonable notice period. In addition, the Swiss Federal Supreme Court has clarified that compensation under a non-compete clause constitutes consideration for the employee's contractual obligation to refrain from competition. Accordingly, unlike a claim for damages, such compensation is generally owed regardless of any actual disadvantages suffered by the employee. Therefore, the employer is not permitted to deduct from this compensation any alternative income or unemployment benefits received by the employee during the duration of the post-contractual non-compete obligation, unless the parties have agreed otherwise. Finally, it should be noted that a post-contractual non-compete obligation under Swiss law does not require a compensation payment in order to be valid.	The judgment states that a Swiss Employer may not unilaterally terminate compensation paid during post-contractual non-compete undertaking if such right has not been agreed upon. This decision highlights how important it is from an employer's perspective to provide for the possibility of waiving the post-contractual non-compete obligation and the corresponding compensation if such compensation is agreed upon.	If the employer pays compensation during the term of a post-contractual restrictive covenant, the corresponding agreement should contain the right of the employer to waive the undertaking and the compensation at any time with a reasonable notice period. The agreement should also clearly state that any other income earned by the employee during this period may be deducted from the compensation payable by the employer. Swiss employers should verify whether any current contracts contain such wording.

Turkiye

Development and date	Description	Impact and risk	Future actions
Amendments to the Labour Code regarding electronic notifications			
The Law Amending the Labour Code published in the Official Gazette on 24 July 2025, introduced various changes to the Labour Code and related legislation and entered into force on the same day.	The Amendments allow employees to receive Labour Code notifications via Registered Electronic Mail (REM) with written consent, except for termination notices. Employers are responsible for REM costs.	The Amendments modernise communications between employers and employees, offering convenience and efficiency, but they also impose additional costs on employers and require careful management to ensure employee consent is obtained and properly documented.	Employers should consider adopting the REM system for notifications with employees' written consent and monitor upcoming secondary regulations for clarification on related costs.
Amendments on time-barred debts of employers			
The Social Security Institution issued Circular 2025/12 on 25 August 2025, amending the handling of time-barred debts. Under the new rules, time-barred debts can only be collected voluntarily and are no longer subject to enforcement proceedings.	According to Circular, employers get 15 days to pay time-barred debts voluntarily; objections can be made within 15 days. Such debts no longer affect certificates, incentives, healthcare, VAT offsets, or clearances.	The Amendments reduce the financial and legal burden on employers by limiting time-barred debts to voluntary payments and removing their effect on certificates, incentives, and other administrative processes.	Employers should review their time-barred debts, ensure voluntary payments are made if desired, and update internal records to reflect that such debts no longer affect administrative or incentive-related processes.
Constitutional Court decision on foreign law selection in employment contracts			
The Constitutional Court annulled Article 27(1) of the International Private and Procedural Law Code (MÖHUK), which allowed parties to choose foreign law in employment contracts, citing inadequate worker protection on 10 March 2025; effective 10 September 2025.	The Constitutional Court annulled MÖHUK Article 27(1), which allowed foreign law selection in employment contracts, citing employees' weaker bargaining power. Article 27(2) remains, applying the law of the workplace if no choice is made, strengthening worker protection in cross-border employment.	The annulment strengthens worker protection by preventing employers from limiting rights through foreign law selection in employment contracts, ensuring alignment with constitutional safeguards.	Employers must review existing contracts to ensure foreign law is not directly applied and anticipate legislative updates introducing worker-protective mechanisms for employment contracts involving cross-border elements.
Constitutional Court decision on white-collar employees' access to collective labour agreements			
The Constitutional Court ruled that excluding white-collar employees from collective labour agreements solely based on their position violates constitutional and statutory protections on 22 September 2025.	The Constitutional Court ruled that all employees can benefit from collective labour agreements, and exclusion must be based on objective criteria; excluding the applicant solely for being white-collar violated constitutional union rights.	The decision reinforces union rights for white-collar employees, clarifying that exclusion from collective agreements cannot be based solely on job classification and must consider the employee's actual role and responsibilities.	Employers should review their collective labour agreement policies to ensure white-collar employees are not improperly excluded and adjust internal practices.

Ukraine

Development and date	Description	Impact and risk	Future actions
New criteria for recognising enterprises as critical to the economy approved			
In September 2025, the Ministry of Economy in Ukraine updated the criteria for recognising enterprises as critically important to the national economy. The updated criteria focus on practical indicators that reflect an enterprise's operational scale and strategic importance.	To be recognised as critical to the national economy, an enterprise must meet at least one of nine updated criteria set by the Ministry of Economy. For instance, enterprises may qualify if they operate in multiple regions, participate in industrial parks, or supply essential resources to other businesses. Enterprises that previously obtained critical status will retain it, but future renewals must comply with the new version of the criteria.	The new criteria will continue to help ensure support for truly essential businesses. However, companies that previously qualified under now-removed criteria, like average salary, may face risks during renewal.	Businesses should begin reviewing their operations against the updated criteria to prepare for future renewals of critical status. Since legislation on mobilisation and employee reservation is subject to frequent changes, ongoing legal monitoring is essential. Timely adaptation will help avoid risks related to workforce protection and continuity of operations.
New rules on suspension of collective agreement provisions during martial law			
In September, amendments to the procedure for suspending certain provisions of collective agreements during martial law came into force. The amendments promote dialogue and mutual decision-making, ensuring that temporary adjustments do not undermine long-term labour protection measures.	The regulation changes the mechanism for suspending collective agreement provisions during martial law. Employers must now obtain employees' consent before suspending any part of the agreement.	The updated regulation strengthens employees' rights by requiring their consent before suspending collective agreement provisions. This ensures greater transparency and fairness in labour relations, even under martial law. However, employers may face delays or complications if consensus cannot be reached, potentially affecting operational flexibility.	Employers should review existing collective agreements and identify provisions that may require temporary suspension due to wartime conditions. Any planned suspension must now be coordinated with employees. Legal and HR teams should also monitor further legislative developments, as labour regulations during martial law remain subject to frequent changes.

United Kingdom (1 of 2)

Development and date	Description	Impact and risk	Future actions
Employment Rights Bill consultations On 23 October 2025, the government published four consultation documents on aspects of the Employment Rights Bill. The consultations cover: – Enhanced protections for pregnant women and new mothers – Bereavement leave and pregnancy loss – Duty to inform workers of their right to join a trade union – Rights of trade unions to access workplaces As a result, we now have a better indication of how these new rights will operate, although the final details will depend on the outcome of the consultation process and secondary regulations. At the date of writing we await confirmation of when the Employment Rights Bill will become law. We will continue to update clients as updates occur, including through our Employment Rights Bill pages.	**Enhanced protections for pregnant women and new mothers** The government is proposing to make it unlawful to dismiss pregnant women, mothers on maternity leave, and mothers for at least six months after returning to work, except in defined circumstances. Two key policy options are being considered: (i) introducing a new, stricter fairness test requiring employers to prove both a fair reason for dismissal and a further reason, or (ii) narrowing or removing the existing fair reasons for dismissal. **Bereavement leave and pregnancy loss** The consultation proposes a new day-one statutory right to unpaid bereavement leave covering the loss of a loved one. The type of relationships which will qualify is being considered. Pregnancy loss before 24 weeks will be eligible for bereavement leave.	The first two consultations build on existing rights and protections: it is already unlawful to dismiss a pregnant woman for a reason connected to her pregnancy, and there is a statutory right to paid bereavement leave where a parent loses their child.	Employers should monitor the outcomes of all four consultations and take note of proposed implementation dates which vary. Managers should receive training on the content of the final rules on the protections afforded to pregnant or new mothers and how this may affect disciplinary, capability or redundancy situations. This right is not expected to come into force until 2027 to give employers time to prepare. Family leave policies will require to be updated to reflect the new right to bereavement leave and training for managers. Again, this right is not due to come into force until 2027.

United Kingdom (2 of 2)

Development and date	Description	Impact and risk	Future actions
Employment Rights Bill consultations	**Duty to inform workers of their right to join a trade union** The consultation proposes a new duty on employers to give workers a written statement informing them of their right to join a trade union when they start work and at periodic intervals. Views are being sought on how this duty should work in practice; what the statement should say, how it should be given, and how often the statement should be delivered. The government's preferred approach is to introduce a standardised template that employers can tailor. **Rights of trade unions to access workplaces** The consultation explores how the new statutory trade union right of access will operate in practice. It is envisaged that unions will submit written (email/letter) access requests using a template and employers would have 5 working days to respond and 15 working days to negotiate (with a 25-day limit to refer to the Central Arbitration Committee (CAC). If agreement cannot be reached the CAC can order access on terms the CAC decides and issues fines for breach, which may involve a GBP 75,000 cap or a two-stage cap (GBP 75,000 rising to GBP 150,000 for repeated breaches). A Code of Practice will contain guidance on the new right. One option being considered is whether to exclude employers with fewer than 21 employees.	The duty to inform employees of their right to join a trade union will largely be an administrative exercise. The new right of access is significant, particularly for employers that do not recognise a union and may not have experience of working with unions. Access can be both physical and digital, although we have still to see the full extent of what digital access will involve. The government is envisaging that weekly access by a trade union would be considered reasonable. Once the final details of the scheme are known employers should ensure they have a strategy to respond to an access request, given the short five-day response period.	Processes will need to be put in place by October 2026 to comply with the duty to inform both new and existing employees of their right to join a trade union and to have a process to deal with reminders. In relation to the right of access, employers may wish to consider entering voluntary arrangements on trade union access or consider other ways in which to improve worker representation and worker voice. Overall employers should upskill on the final trade union access rules and be prepared to respond to an access request. The penalties for getting this wrong are significant. The bigger picture of the duty to provide information and grant trade union access is to extend union power and the ability of a trade union to be recognised within a workplace. The government will launch a public consultation on the Code of Practice in Spring 2026. The right of access is due to come into force in October 2026.

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