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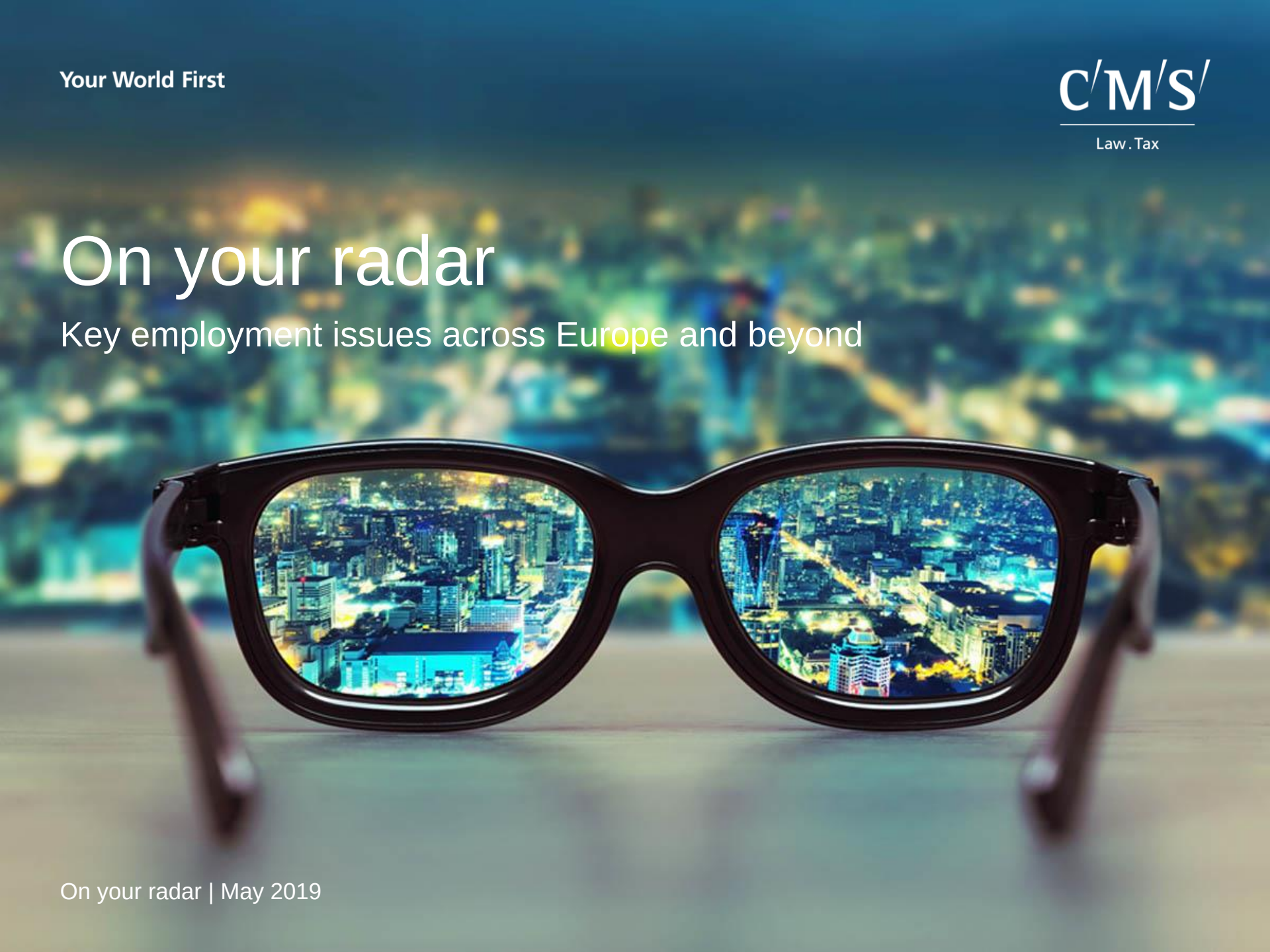
On your radar

Key employment issues across Europe and beyond



Welcome to our 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 CMS employment team

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Austria

Development

The European Court of Justice (ECJ) has decided (C-193/17) that the Austrian legislation, according to which Protestant, Old Catholic and Methodist Church employees enjoy a public holiday on Good Friday, while others do not, amounts to religious discrimination.

Description

The Austrian legislation had to be amended to comply with this ECJ decision and decided to introduce the new concept of a “personal public holiday”:

Taking holiday is generally conditional on a prior agreement between the worker and employer. However, every worker can now decide - unilaterally - to take off one “personal public holiday” per year, without prior consent of the employer. It is irrelevant whether this decision is based on religious or other motives. The overall holiday entitlement of five weeks (or six weeks, in the case of long-term employment) remains unchanged.

Effective date

This came into force on 22 March 2019.

In general, the employee must notify the employer of his or her personal holiday three months in advance.

Impact and risk

The employer cannot refuse or prevent the worker from taking the personal holiday, even if the worker's attendance is necessary for operational reasons on the day of the personal public holiday. The employer may only ask the worker to agree work despite his or her choice of public holiday, and if the worker agrees, has to pay surcharges for the work performed.

Future actions

The concept of a personal public holiday is a new concept in Austrian labour law. As the concept contains elements of paid annual leave as well as of public holiday law, it is yet unclear how certain situations will have to be dealt with, e.g. sick leave that coincides with a personal public holiday.

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Belgium

Development

The Belgian Parliament has adopted an Act regarding the withdrawal of the UK from the EU (the “Brexit Act”).

This Act will enter in force if the UK leaves the EU without a withdrawal agreement.

However, this Act is subject to reciprocity from the UK and will cease to apply on 31 December 2020.

Description

The following measures have been taken:

- The right of residence

Until 31 December 2020, the Brexit Act maintains the right of residence of British nationals and their family members on Belgian territory. Additional rules cover working in Belgium until the same date

•Social security coordination

Belgium will temporarily continue to apply the principles laid down in EU regulations on social security coordination for British nationals, provided that UK grants a reciprocal commitment vis-à-vis Belgian citizens.

- First job convention

In the framework of the first job convention, the British nationals will be treated as EU nationals during the transition period.

Effective date

Ongoing

Impact and risk

The following areas are affected by Brexit:

- Asylum and Migration
- Employment: first job requirement of young workers of foreign origin under 26
- Social affairs: consequences of Brexit in the different branches of social security

Future actions

We recommend that Belgian employers take steps to understand their workforce exposure to this, including assessing immigration status.

They may wish to offer information to staff on the options available to them to secure their residency status, and the impact for their dependents. However this should be restricted to information rather than individual advice.

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Bulgaria

Development	Description	Effective date	Impact and risk	Future actions
National website on posting of workers went live	A single official national website on posting of workers to Bulgaria has gone live. The website (information gateway) can be accessed at https://postedworkers.gli.government.bg and is available in both English and Bulgarian. The online register for submission of posting declarations is now available.	1 April 2019	Foreign employers posting employees to Bulgaria as well as posted workers can find information about the labour legislation applicable to posting of workers to Bulgaria on the website. A part of the project is the launching of a register of posted workers in Bulgaria. From 1 April 2019 onwards applications for posting/sending of workers can only be filed electronically via the website.	Due to the novelty of the initiative, the functionality of the website and the online register is still to be tested in practice.
Amendments to GDPR-related legislation applicable to employers.	Amendments to the Personal Data Privacy Act have been adopted recently, introducing additional obligations for employers in relation to personal data of employees and job applicants. These include, among others: • adoption of rules and procedures for reporting of data privacy infringements; • storage of personal data of unsuccessful job applicants for no longer than 6 months.	26 February 2019	These amendments increase the administrative burden on employers to adopt and maintain various policies and procedures for processing of personal data. On the other hand, they create clarity on the storage of personal data of job applicants, which has not been explicitly regulated so far.	New amendments to the personal data privacy legislation can be expected to further align it with the GDPR, and employers should continue to be aware of these changes in ensuring practices are compliant.

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Chile

Development

Amendment to the Labour Code on project-based employment contracts.

Description

Project-based employment contracts were commonly used in the past in e.g. construction and mining projects, as they did not require severance payments at the end of the specific project.

A new law has been passed which limits these types of contracts, and establishes mandatory severance for the employee when their contract is terminated due to the completion of the specific task for which they were hired.

Effective date

The law became partially enforceable on 1 January 2019.

It contemplates an annual progressive enforceability until the year 2022.

Impact and risk

Companies that hire their employees under project-based employment contracts will incur additional costs when signing this type of agreement.

The new law establishes that, in some cases, employment contracts based on projects will be considered as contracts of indefinite duration.

The Labour Board is authorised to inspect companies to determine whether project-based employment contracts meet the conditions established by the new law. If such conditions are not met, then the Labour Board can declare that the employment relationship has an indefinite term, which may have an economic impact for the employer.

Future actions

We recommend analysing the possibility of changing from employment contracts based on contracts to contracts of indefinite duration.

In the event project-based employment contracts are needed, we suggest making sure that the new legal conditions are duly met to avoid sanctions from the Labour Board.

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China

Development

The Chinese government issued the Circular on Further Regulating Recruitment Practice to Promote Female Employment (the "Circular") on 18 February 2019 aimed at facilitating the equal employment of women and eliminating gender discrimination in recruitment.

Description

The following behaviours are expressly prohibited:

- To impose limits on gender or have gender preference in preparing recruitment plans, posting recruitment information or during the recruitment process;
- To reduce employment opportunities for females or refuse to hire females because of gender;
- To ask women about marriage status or childbirth;
- To include the pregnancy test as one of the on-board physical examination items;
- To set the limitation on childbirth as one of the recruitment conditions;
- To distinguish and raise the recruitment criteria for females.

Effective date

18 February 2019

Impact and risk

Based on the reports or complaints through hotlines or onsite visits or the regular inspection system, competent authorities will carry out investigations and require rectification of the companies or human resource service agencies that are suspected of carrying out gender discrimination in the recruitment process.

If any company or human resource service agency refuses to rectify or change the posted recruitment information containing gender discriminatory language, a penalty from RMB 10,000 to RMB 50,000 may be imposed. In serious cases, the license of the human resource service agency can be revoked. In addition, the administrative sanctions may be recorded at the company's human resource integrity record system and be announced to the public.

Future actions

Companies may wish to review whether the existing recruitment information either posted by themselves or by human resource service agencies contain any gender-discriminatory language, and to review whether any gender discriminatory behaviours occur during their internal recruitment/on-board process, and make prompt rectification, if necessary.

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Colombia

Development	Description	Effective date	Impact and risk	Future actions
Supreme Court of Justice, Labour Chamber Ruling relating to Temporary Work Agencies Judgement of February 6th of 2019, reference number 71281	The Labour Chamber of the Supreme Court of Justice has defined the scenarios where outplacement or externalisation of services through outsourcing and temporary service companies (in Spanish *Empresas de Servicios Personales-EST*) can be considered illegal. The Court decided a labour and pension claim settled against Manpower de Colombia Ltda. (EST) and Manpower Professional Ltda. (subcontractor), both Colombian Companies committed with the externalisation of services.	6 February 2019	• The Labour Chamber reiterated that EST cannot be hired to cover permanent positions, but temporary or back-up employees to the contracting party (in Spanish *Empresa Usuaria*). • Under Article 77 of Law 50 of 1990, EST can be hired to provide a limited list of services: (a) where required on an occasional or transitory basis for up to 30 days; (b) as a replacement during sickness, maternity leave or holidays; and (c) where there is an increase in production, transport or sale of goods, or harvest for up to 6 months, (with an extension for the same term.) • In case of contractors and subcontractors hired to provide professional or technical services, they must prove administrative, technical and budgetary autonomy. • Regardless of the type of approach used for the externalisation of services, labour and social security rights must always be observed.	• Hiring companies that use externalisation approaches, should assess whether their providers are in compliance with the current regulations regarding externalisation of services. • Outsourcing companies or temporary service companies providing the external services to third parties in response to market demands, should also assess whether the agreements concluded with their clients are compliant. • Companies that fail to comply will be subject to administrative fines of up to 5,000 legal minimum monthly wages (approximately USD $1,300,000). Moreover, the Companies can be the subject of labour claims before the Labour Judge.

On your radar | Key employment issues across Europe and beyond
Czech Republic

Development

The three day period during which an employee is not entitled to compensation for salary in the event of sickness (in Czech: “karenční doba”) will be repealed.

The Czech Government has delivered on one of its pre-election promises and repealed the above period for compensation for salary in the event of sickness of an employee. However, the repeal was supposed to operate in parallel with the introduction of an electronic sick note, the effectiveness of which will most likely have to be postponed.

Description

Employees will be entitled to compensation for salary (under conditions stated in the Czech Labour Code) from the first day of their sickness.

According to the current regulation (which is subject of appeal), employees were not entitled to any compensation for the first three days of sickness and the compensation was payable only from fourth day onwards. The compensation of salary payable to employees during the first fourteen days of their sickness is paid by the employer.

Effective date

1 July 2019

Impact and risk

The repeal of the no payment period is likely to lead to increased labour costs and increased number of employees who stay at home due to sickness.

On the other hand, the employer is entitled to conduct investigations into whether the employee adheres to their medical regime to prevent misuse of the unfitness to work status by either pretending the sickness in the first place or unnecessarily prolonging the status by not adhering to the recommended medical regime prescribed by a medical practitioner.

Future actions

Given the fact the conservative parties of the Parliament raised a proposal to postpone the repeal until the electronic sick note becomes effective (as originally promised) and the entire matter has become politically sensitive, there is a chance the repeal of the discussed period will be postponed.

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France

Development

The French Parliament has passed the “Action Plan for Business Growth and Transformation” (also known as “PACTE” Act) on 11 April.

Companies are overburdened with obligations that complicate every step of their development. The PACTE Act aims at removing such obstacles, simplifying business formation and easing obligations concerning workforce thresholds.

Description

The PACTE Act addresses various matters such as:

- **simplifying thresholds applicable to small and medium-sized enterprises**: obligations linked to thresholds will be significantly reduced and simplified in order to create a new legal environment more favourable to business growth;
- **continuing the promotion of employee incentive schemes and profit-sharing agreements** especially through financial incentives;
- **simplifying and ensuring portability of pension savings accruals**: all employees will be able to maintain and add to their savings accruals throughout their professional lives, and withdrawals of lump-sums will be facilitated.

Effective date

Most provisions of the PACTE Act will enter into force as soon as it is officially published.

The Act still has to be approved by the Constitutional Council. Its decision will occur on 17 May at the latest.

Only then will the PACTE Act be published and its provisions enter into force.

Impact and risk

In relation to workforce thresholds, the PACTE Act will:

- merge most Social Security and Labour law thresholds to maintain only three of them: the 11 employees threshold, the 50 employees threshold and the 250 employees threshold;
- provide that a threshold is only reached if it has been crossed for five consecutive years.

Future actions

The PACTE Act brings new opportunities for companies regarding employee incentive schemes and profit-sharing agreements.

Companies will have to be careful when amending their agreements if they intend to keep their tax exemptions.

If certain criteria are not met by the agreement, the Social Security Authority may seek reassessment.

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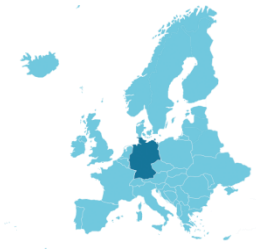
Germany



Development

Until now, part-time employees have usually received financial compensation for extra work (in addition to the basic wage) only when they have worked hours exceeding the normal working hours of full-time employees.

The German Federal Labour Court has now changed its case law and ruled that part-time employees are entitled to extra work allowances for working hours in excess of their individually fixed working hours (part-time quota).

Description

Part-time employees must not be discriminated against (section 4 (1) German Part-Time and Limited-Term Employment Act (TzBfG)). Therefore, if a 20-hour week was stipulated, from the 21st hour there would not only be an entitlement to the basic wage, but also to the (collectively agreed) extra work allowance (which, in the case on which the decision is based, full-time employees receive only from the 41st hour worked during a week).

Effective date

Federal Labour Court, judgment of 19 December 2018 - 10 AZR 231/18

Impact and risk

Although the case to be decided concerned a collectively agreed extra work allowance, the decision is also likely to be relevant to contractual extra work allowances.

Future actions

Employers should consider whether they need to adapt their practice of paying extra work allowances to part-time workers accordingly.

In addition, existing contracts with part-time employees should be adjusted regarding working-time if it is foreseeable that the employees will have to work extra hours on a regular basis in order to avoid paying extra work allowances.

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Hungary

Development	Description	Effective date	Impact and risk	Future actions
Amendment of Act I of 2012 on the Labour Code relating to monitoring, biometric identification, criminal personal data processing of employees The new Act comprehensively amends the personal protection provisions of Act I of 2012 on the Labour Code ("Labour Code").	The main amendments are as follows: According to the Act, the employee must be informed in writing about the restriction of the personal data right, including the control and the processing of personal data for other purposes, which must include the circumstances justifying the necessity and proportionality of the restriction. The latter is not the same as the balancing test that the employer has to carry out in the case of data processing on the basis of the legitimate interest. Information is considered to be in writing if it is published in a known manner, such as by email or internet. The Act contains rules regarding the processing of biometric data and criminal records personal data.	26 April 2019	Amendments to the Labour Code under the Act may require revision of existing employment contracts, data protection briefings, internal labour processes and practices. As a general rule, an employee may not use the information technology and computing tools provided by the employer (e.g. a computer, telephone, or an employer's wifi network) for private purposes unless the employer explicitly authorises private use. Regardless of whether the information technology or computing tool used for the work is for the employer or employee, its control can only cover the data related to the employment relationship. The employer must also inform the employee in writing of the terms of the inspection, either by e-mail or by posting on the intranet if this is in accordance with the usual and generally known method.	The discrepancies discovered during this process should be eliminated at the earliest convenience, and care should be taken to ensure that the labour and data protection documents with the necessary modifications are communicated to employees in a timely manner.

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Italy

Development

Legislative Decree no. 14 of 2019 introduces new regulations for corporate crisis situations, stating the consequences for the employment relationship after the start of the "judicial liquidation" procedure (an expression that replaces the reference to "bankruptcy").

Description

The start of the judicial liquidation procedure against the employer does not constitute a justification for dismissal. The employment relationships existing at the date of the opening of the procedure shall remain suspended.

The solutions may then be as follows:

- the liquidator informs the employees that their employment relationship continues, or that it must be terminated
- after 4 months the liquidator has not communicated the intention to continue the employment relationship, or to terminate the employment relationship. In this case the relationship is considered terminated automatically.

Effective date

14 August 2020 (eighteen months after the date of publication of the decree in the Official Journal).

Impact and risk

In case of automatic termination of the employment relationship, the employee has the right to receive the payment in lieu of notice.

In cases of termination made by the liquidator the dismissal has to meet the requirements provided for by the law both for procedure and justification provided.

Future actions

In cases where there has been unlawful termination by the liquidator the employees are entitled to challenge the dismissal and claim for the protection provided by the Italian law.

On your radar | Key employment issues across Europe and beyond
Luxembourg

Development

On 27 March 2019, the law on the implementation of an additional working day of paid leave and one additional public holiday was adopted by the Luxembourg parliament.

This law will be applicable for the year 2019.

Description

The number of annual working days of paid leave is increased from 25 days to 26 days.

An additional public holiday (“Journée de l’Europe”) on 9 May is also added.

Effective date

Effective in 2019

Impact and risk

Depending on the wording of the collective labour agreement applicable to the company, the total number of annual working days of paid leave will increase or not:

- if a clear reference to the legal provisions is made (i.e. if the collective labour agreement refers to a number of extra working days of paid leave in addition to the legal provisions), the total number will increase,
- If the collective labour agreement only refers to a total number of working days of paid leave (e.g. 30 working days of paid leave), there will be no impact.

The previous remark is also relevant in case of specific provisions included in employment contracts providing an additional number of annual working days of paid leave.

Future actions

Companies subject to a collective labour agreement which provides additional working days of paid leave for the employees should be cautious on the impact of this reform.

On your radar | Key employment issues across Europe and beyond

Monaco

Development

Extension of the period of maternity leave from 16 to 18 weeks following:

- The Maternity Protection Recommendation (No. 191), which has been adopted by the International Labour Organization (ILO) on 15 June 2000 (although the Principality of Monaco is not a party to ILO);
- The wishes expressed by the Economic and Social Council of Monaco on 22 November 2017;
- The submission of the bill to the National Council in the beginning of the current year.

The purposes of the maternity leave's extension are:

- To protect the pregnant woman who works;
- To safeguard the health of mother and child;
- To maintain the balance between family and professional life.

Description

This draft bill aims to extend the period of maternity leave of up to 18 weeks.

In the event of multiple births, the legal duration will be extended for a further 2 weeks.

As soon as the bill is passed, these provisions relevant to the employees in the private sector will be extended to cover civil servants and state agents.

It should be mentioned that the Caisses Sociales of Monaco (CSM) has given a favourable opinion regarding the funding of this measure.

This bill also intends to recognise the possibility for female employees, like civil servants or state agents, to adjust the duration of their prenatal leave by reducing it by six weeks at most, to enable them to increase the duration of their postnatal leave.

Effective date

No date has been set yet as it is still a draft bill, but the President of the National Council stated that the bill will be voted before the end of June 2019.

Impact and risk

Failure to respect the woman's right to take 18 weeks of maternity leave may expose employers to a penalty from EUR 750 to EUR 2,250, which will be doubled in the event of a new offence.

One of the consequences of such a measure would be the extension of the term of protection (i.e. contract suspension period of at least 18 weeks in addition to 4 weeks afterwards).

It also should be recalled that Article 2-1 of the law No. 870 prohibits discrimination on the grounds of pregnancy for hiring, terminating the contract of employment including during the probationary period and where there is a business transfer.

Future actions

With the aim of increasing the father's role after the birth thought is also being given to a possible extension of the duration of paternity leave (which is currently 12 consecutive days in case of a simple birth and 19 consecutive days in cases of multiple births/dependent children in addition to the 2 days of exceptional absence for birth).

On your radar | Key employment issues across Europe and beyond
Poland

Development

New regulations on employee monitoring and data processing.

The Polish parliament has adopted a new law amending over 160 different regulations. The Act aims to ensure compliance of Polish law with the GDPR.

The new law introduces significant changes to the Polish Labour Code and a few other employment-related acts, e.g. the Company Social Fund Act.

Description

The Act introduces a new catalogue of data that an employer can demand from employees/candidates, as well as the data processing rules. In particular, the employer will no longer be able to demand from candidates information about the names of their parents. The employer will be able to process sensitive data of employees and candidates, but only if they were provided at their initiative.

The Act also changes the rules of monitoring in the workplace. Usage of CCTV is prohibited at trade union premises and monitoring of sanitary rooms is permitted only upon prior consent of trade union or ad hoc employee representatives.

Effective date

4 May 2019

Impact and risk

The employer should review internal data processes and check whether the scope of processed data is justified and whether it is compliant with the new law. Persons who have access to employees' sensitive data will require a special written authorisation from the employer to process such data.
If the employer runs a company social fund, it will have to review the scope of data processed for the purposes of financing benefits from the fund at least once a year. The employer will have to determine whether the storage of such data is justified and will have to delete any unnecessary information.

Future actions

Employers should review whether the scope of data of candidates and employees stored in their databases meets the new legal criteria. If they determine that the processing of some information is not justified, they should delete the unnecessary data, especially in the context of potential audits announced by the Polish Data Protection Authority ("**PDPA**"). The PDPA plans to audit, among others, recruiting activities and the use of workplace CCTV systems.

On your radar | Key employment issues across Europe and beyond
Singapore

Development

On 1 April 2019, the Tripartite Guidelines on Wrongful Dismissal (the "**Guidelines**") were released by the Ministry of Manpower, the National Trades Union Congress and the Singapore National Employer's Federation.
In the event of a dispute, the Guidelines allow employers, employees, mediators and adjudicators in Singapore to refer to clear examples of what constitutes wrongful dismissal.

Description

The Guidelines contain various illustrations of wrongful dismissal, including by reason of discrimination, deprivation of benefits, a desire to punish an employee for exercising an employment right and for providing a false reason for dismissal.
The Guidelines also include examples of dismissals that are not wrongful, such as dismissals on grounds of poor performance, misconduct, and redundancy.

Effective date

Ongoing

Impact and risk

The Guidelines will have an impact on all employers and employees in Singapore and will undoubtedly aid all parties in properly understanding their employment rights and obligations in the event of dismissal.

Among other matters, the Guidelines reiterate the importance of proper documentation and record keeping in relation to employees. It also highlights the care that should be taken in providing an employee with substantiated reasons for his or her termination of employment.

Future actions

We recommend that employers and HR practitioners be mindful of the information in the Guidelines as these are matters which will directly impact on the determination(s) made by a mediator / adjudicator in the event of a dispute.

You should consider reaching out to employment law specialists in Singapore to offer training to staff in HR and/or legal teams to ensure that your organisation complies with the Guidelines.

On your radar | Key employment issues across Europe and beyond
Slovakia

Development	Description	Effective date	Impact and risk	Future actions
The Labour Code introduced a new obligation on employers to provide employees with an allowance for recreation on the territory of the Slovak Republic. The aim is to promote domestic tourism.	Employers who employ more than 49 employees are obliged, upon request of the employee who has been continuously working for the employer during the previous 24 months, to provide that employee with a recreation allowance of up to 55% of eligible expenses. The maximum is EUR 275 per calendar year. This covers costs such as accommodation, meals, and other services relating to recreation. The eligible costs also cover the employee's wife/husband, children and other people living in the same household, if they are with them when the allowance is used.	1 January 2019	Additional bureaucracy and employment costs for the employers. The benefit is pro-rated for part timers.	Employers should determine whether they fulfil the threshold of employing more than 49 employees and, thus, qualify as employers with the recreation allowance obligation. The calculation is based on the average registered number of employees for the previous calendar year If they do then employers should set up internal processes for fulfilling the recreation allowance obligation.

On your radar | Key employment issues across Europe and beyond

Spain

Development

The Spanish Government has approved several measures on equality and the gender pay gap, in addition to an obligation on employers to register their employees' daily working time.

Description

The regulation on equality includes the following measures:

- companies with more than 50 employees must implement an Equality Plan;
- all companies shall have a 'Salary Register' including the average salaries broken down by men/women, which shall be made available to the employees' representatives;
- paternity leave to be increased to 16 weeks, on a progressive basis until 2021.

Regulation on the registration of working time: employers shall register their employees' working time on a daily basis and shall retain these records for a period of 4 years.

Effective date

Regulation on equality measures: fully effective. The Salary Register shall be implemented within one to three years depending on the number of employees employed.

Regulation on registration of working time: fully effective. Registration will be implemented from 14 May 2019.

Both regulations are still pending final approval by the Spanish Parliament.

Impact and risk

Implementation of these measures would have an economic and social impact for employers, in particular regarding the implementation of a mechanism to register the working time on a daily basis in companies with "complex" employees, such as employees working from home, sales representatives, etc.

Lack of compliance with these obligations may qualify as a labour infringement.

Furthermore, claims from employees and/or their legal representatives in addition to claims for wage discrimination, overtime, etc., might also be expected as a result of a breach of these regulations.

Future actions

Employers shall undertake the relevant actions to start implementing the different measures in due time.

A regulatory development of these regulations, including specificities on how the obligations shall be fulfilled, is expected to take place. Moreover, the general elections to be held in Spain on 28 April 2019 also provide uncertainty in this regard.

In any case, seeking proper legal advice on these measures and, in particular, on how the obligations shall be fulfilled, is advisable.

On your radar | Key employment issues across Europe and beyond

Switzerland

Development

Switzerland implements a duty to conduct an internal analysis of salaries with regard to the gender pay gap.

Description

Companies with more than 100 employees must conduct an internal analysis of salaries with regard to the gender pay gap.

This analysis has to be carried out every four years and has to be verified by an independent external expert.

The results of the analysis must be communicated to the employees and, for stock listed companies, be published.

Effective date

The corresponding amendment to the Swiss Gender Equality Act has been approved and will enter into force in either the second half of 2019 or in 2020.

Impact and risk

Companies with more than 100 employees must conduct the analysis and share the respective results.

Future actions

No direct sanctions in case of negative results of the analysis, but there are reputational risks and the report may serve as a basis for potential discrimination claims under the Swiss Gender Equality Act.

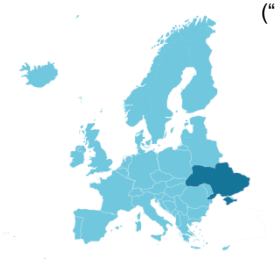
On your radar | Key employment issues across Europe and beyond

Turkey

Development	Description	Effective date	Impact and risk	Future actions
Employers applying for Shortened Work Hours Allowance have substantially increased due to economic fluctuations in Turkey.	Shortened work-hours allowance is an allowance paid to the employees by the Turkish Employment Agency from the unemployment insurance fund, on application by the employer for “shortened work-hours” due to sectoral and regional economic crises (the “Allowance”). In accordance with the Regulation on Shortened Work Hours and Shortened Work Hours Allowance published in the official gazette dated 30 April 2011 and numbered 27920 (the “Regulation”), in the event of a general, regional or sectoral economic crisis, employers may apply to materially decrease the working hours at the workplace and as a result of this, the employees will be entitled to be paid an allowance of up to TRY 3,838 per month (for 2019) by the Turkish Employment Agency.	Ongoing	Recently, applications for shortened work-hours and the Allowance increased due to the high fluctuations in Turkish Lira and the unstable economic environment. As a result, substantial amendments were made to the Regulation in November 2018, which (i) enlist new conditions where employers can apply for the shortened work-hours, such as “external effects which have arisen beyond the control of the employer” and (ii) tightens the requirements to apply, including a new requirement to submit a board resolution of the employer with the application for shortened work-hours.	The Regulation and shortened work-hours application is defined by the Employment Agency as a "safety net" for the employers and the employees during their economic hardships; the employers can use this method to economically downsize their business by shortening the work-hours instead of mass redundancies. Therefore, the employers in financial distress may take into consideration this option for protecting their workforce.

On your radar | Key employment issues across Europe and beyond

Ukraine



Development	Description	Effective date	Impact and risk	Future actions
New accounts for payment of the Unified Social Tax (“**UST**”).	The State Treasury Service of Ukraine announced setting up new accounts for payment of the UST (withheld predominately from employers for each of their employees).	2 May 2019	Employers may use "old” accounts for payment of the UST until 1 May 2019 (inclusive). The funds transferred to “old” accounts after 1 May 2019 as the UST payments will be classified as unidentified payments and returned to the respective taxpayers. Further, the UST non-payment to the appropriate accounts may be deemed as tax evasion, which may result in administrative and financial sanctions against employers.	Ukrainian UST-payers should mind to transfer their UST payments to the new accounts starting from 2 May 2019.
The Cabinet of Ministers of Ukraine approved the criteria (“**Criteria**”) for the frequency of scheduling inspections by the State Labour Service of Ukraine's (“**SLS**”).	The Criteria are intended to implement the risk-oriented approach to scheduled inspections by the SLS as well as to enhancing business environment by reducing the number of the said inspections.	27 March 2019	The SLS’s scheduled inspections frequency depends on the businesses' risk status: low (inspection may be conducted no more than once in two years), medium (no more than once in three years), high (no more than once in five years).	The business is recommended monitoring its risk status assessed by SLS, annual schedule of inspections and general compliance with Ukrainian labour law requirements.

On your radar | Key employment issues across Europe and beyond

United Arab Emirates

Development	Description	Effective date	Impact and risk	Future actions
DIFC proposes amendment to the DIFC Employment Law.	The DIFC recently sent a consultation letter to businesses in the DIFC, setting out its proposal to phase out the end of service gratuity and a move to a trust-based savings scheme. This seeks to align the DIFC's pensions and benefits regulations with the global shift towards defined contribution plans. The current proposal would require employers to contribute to a fund, which would be managed by the DFSA, unless they have their own trust based contribution savings plan to which they contribute at least the minimum to be required under law.	To be confirmed. The aim is for enactment on 1 January 2020.	Employers within the DIFC should pay close attention to the proposals set out in the consultation letter and continue to follow developments. Although a minimum contribution rate has not yet been indicated, it is expected, although not confirmed, that this will be equal to the existing gratuity accrual rate. A management fee may also be payable to the DFSA. Employers may in particular want to begin considering financial planning for the possibility of such a change to the end of service benefits scheme. It is also yet to be confirmed whether employees will be able to contribute to the fund.	The extent of the risk will depend on the final provisions of the amendment to the DIFC Employment Law. The consultation stage has now ended and we can expect an amendment to the Employment Law to be drafted based on the responses received, with the possibility of further consultation before being enacted.

On your radar | Key employment issues across Europe and beyond
United Kingdom

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The Court of Appeal (***Timis v Osipov***) has confirmed that an individual director could be personally liable to pay compensation to a whistleblower. In this case the two non-executive directors who dismissed the individual were jointly and severally liable with the company for the losses arising from his dismissal which amounted to GBP 1.75 million. (In this case the employer was insolvent therefore in order to recover compensation the claimant pursued the action against the individuals).	The UK has afforded protection to whistle blowers since 1999. The legislation enables workers and employees to make a claim that they have suffered detrimental treatment as a result of blowing the whistle. Employees have the additional protection in relation to automatic unfair dismissal on this ground. This is the first UK case that establishes that a whistleblower can bring a claim against a co-worker in addition to their employer.	October 2018	This case has obvious implications for legal and HR managers, and anyone involved in the disciplinary process of a whistle-blower. Because whistleblowing compensation is uncapped in the UK, the financial risks are significant. This puts liability in whistleblowing claims on a similar footing as discrimination claims in the UK, where a claimant can bring a claim directly against the individual perpetrator, as well as the employer.	Claimants who allege they have blown the whistle are now more likely to bring claims against the individuals involved in the dismissal process in addition to bringing claims against their employer. This may put more pressure on an employer to settle a claim. In this case the dismissing (non–executive) directors were covered by Directors & Officers (D&O) liability insurance, and coverage should be checked. Training is also recommended to ensure HR and people managers are aware of the legal issues and are able to spot and deal with a whistleblowing claim.