

# #GlobalBenefitsBulletin Highlights

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## RESPOND



Retirement

**Germany:** Bundesrat passes "pure" DC plan bill



Talent

**Lithuania:** Labor Code revision

## WATCH



Retirement

**Australia :** Upcoming changes to superannuation



Talent

**Brazil :** Senate adopts labor reform bill



Health

**Cyprus:** Gesy health reform package clears Parliament

## Key Updates

### Australia

#### WATCH

Upcoming changes to superannuation



Health

The Government announced in the 2016 Federal Budget a number of changes to superannuation which will take effect from July 1, 2017. This document sets out the changes you should be aware of. Please view the link for Aon Australia's full report.

Link

<https://goo.gl/ogwDnS>

### Brazil

#### WATCH

Senate adopts labor reform bill



Health

Following some false starts, the Senate adopted PLC 38/2017, the President's controversial employment reform bill, by a two-to-one margin. Many amendments were proposed but rejected in the final stages. The President signed the bill on July 13 and it will go into effect 120 days after the July 14 publication in the official gazette, but it went back to Congress with a Presidential Decree modifying several significant provisions. The Senate is now reviewing its measures on:

- Occupational safety for pregnant or lactating women.
- Proportional benefits for intermittent workers.
- Confirmation of union representation in negotiations with employers.

Link

<https://goo.gl/juKGkP>  
<https://goo.gl/NkBRYZ>  
<https://goo.gl/kF5Reg>  
<https://goo.gl/c79B2d>  
<https://goo.gl/PiLszj>

## Cyprus

### WATCH

#### Gesy health reform package clears Parliament



Health

Parliament has unanimously passed a set of measures for introducing the "Gesy" national health insurance system. These measures create a regulatory body for the hospital system, bring Gesy into compliance with EU rules, and set both contribution rates and copayments. While full implementation of Gesy on June 1, 2020 will entail employer contribution rates of 2.9% and employee levies of 2.65%, there will be a transitional step starting on March 1, 2019 with "partial contributions" of 1.85% and 1.7%, respectively. There will also be a price list for medical treatments and a schedule of copayments will be capped at EUR 300 per year.

Link

<https://goo.gl/7vniKC>

## Germany

### RESPOND

#### Bundesrat passes "pure" DC plan bill



Retirement

Both chambers of Parliament have now passed the "Betriebsrentenstärkungsgesetz" (BRSG) legislation, which will allow "pure" (no guaranteed return) defined contribution plan. These "defined ambition" schemes will be possible from January 1, 2018, but they may only be introduced via sectoral collective bargaining agreements. BVV, the pensionskasse for the financial sector, has already announced plans to launch one of these schemes early next year.

Link

<https://goo.gl/CKw9Sn>

## Lithuania

### RESPOND

#### Labor Code revision



Talent



After a long evolution, Parliament passed, and the President, signed a large package of Labor Code amendments last month. They came into effect on July 1, 2017:

- The minimum compensation in a noncompetition agreement is 40% of one's average remuneration and the covered period is capped at two years.
- The maximum workweek is set at 60 hours and the maximum workday is 12 hours.
- Fixed-term contracts are limited to two years, but there are several exceptions allowing up to five years.
- The standard dismissal notice period is cut from two months to one but set higher for some vulnerable population, most notably two months for those within five years of retirement age and three months for those within two years of retirement.
- The annual leave entitlement is cut from 28 calendar days to 20 business days.
- The severance pay formula, previously 2-6 average monthly salaries depending on employment history, is now half a month for under a year and two months for all others. An additional termination benefit, the long-term service benefit financed by a state fund, adds one month's average pay for those with the employer from 5-10 years and rises to three months for those in service over 20 years.
- Enterprises with at least one-third of staff in a company-level union need not establish a works council. Companies with 20 or more employees that fall short of that union threshold must set up a works council by January 1, 2018

Link

<https://goo.gl/NS8XbW>

## Other Notable Updates

Area	Country	Date	Name
 Health	Brazil	07/27	Health insurance tax administration issues
	EU	07/27	Exposure limits for more workplace chemicals
	India	07/27	Health insurance consumer protection rules
	Jamaica	07/06	Health premiums are now subject to GCT
	Kazakhstan	07/06	Health insurance contribution timetable changed
	Kazakhstan	07/27	Health levy set
	Morocco	07/13	Next stage in universal health scheme
	Russia	07/13	Worker rehabilitation obligations
 Retirement	Australia	07/13	Stronger super start delayed
	Brazil	07/20	New regulatory framework for ESIs
	Canada	07/20	Ontario target benefit multi-employer schemes
	Canada	07/20	Ontario DB transitional solvency funding measures
	China	07/13	Principles for commercial pension insurance
	China	07/27	Commercial pension pilot program due soon
	Costa Rica	07/06	Social security contribution hike schedule
	Czech Republic	07/06	Retirement age set, benefit formula tweaked
	Denmark	07/20	Ruling on taxation of pension fund's foreign investments
	Estonia	07/13	Second-pillar measures passed
	EU	07/13	PEPP proposal resources
	EU	07/20	Ruling on TCN social security benefits
	India	07/06	Self-investment nixed for employer-managed EPFs
	Latvia	07/13	New pension formula rewards length of service
	Mongolia	07/13	Minimum pension hike
	Russia	07/06	Break on social tax for IT firms

Area	Country	Date	Name
	Seychelles	07/20	SPF contribution hikes
	Thailand	07/20	Thailand Mandatory Provident Fund
	UK	07/13	FCA final rules on annuity comparisons
	UK	07/27	Exit charges and member borne commission
	UK	07/27	Pension rights for same-sex partners
	Zimbabwe	07/27	State pension hikes scheduled
 Risk	Brazil	07/20	New D&O liability rules
	Canada	07/13	Saskatchewan Provincial Sales Tax Extended to Insurance Premiums
	Mauritania	07/27	Insurer solvency requirements
 Talent	Argentina	07/06	Business visa waivers
	Australia	07/13	Intern exploitation case
	Australia	07/20	12-month threshold for casual work
	Belgium	07/13	Flexible work law
	Brazil	07/13	Brief window for FGTS access
	Canada	07/20	Royal Assent for family leave bill
	Chile	07/20	Sick child care leave
	Chile	07/20	New disabled worker quotas
	Chile	07/27	Collective bargaining limits set
	China	07/20	Ruling on disease-related job discrimination
	Colombia	07/27	Night shift to grow
	Czech Republic	07/13	Paid paternity leave update
	Denmark	07/13	New salary threshold formula for fast-tracking
	Denmark	07/20	Guidance on tax relief for payment in shares
	Estonia	07/13	FBT for company car use simplified
	EU	07/13	Skills profile tool for TCNs

Area	Country	Date	Name
 Talent	EU	07/13	Cross-border taxation ruling
	France	07/06	Tax regime for director's remuneration
	France	07/13	Sick leave removed from redundancy pay calculation
	France	07/20	Labor reform bill
	France	07/27	Wage guarantee fund contribution cut
	Germany	07/13	Maternity protections expanded
	Germany	07/27	Ruling confirms legality of collective bargaining law
	India	07/20	New disabled worker rights
	Indonesia	07/06	Option to pay seconded workers in foreign currency
	Israel	07/20	Ruling on representative unions
	Italy	07/06	Expatriate tax relief guidance
	Italy	07/13	Data privacy ruling
	Kuwait	07/06	Minimum wage hike, expansion
	Malta	07/20	Medically assisted procreation leave
	Mongolia	07/06	Labor law amendments enacted
	Netherlands	07/06	Self-employment contract requirement postponed
	Netherlands	07/06	Post-bankruptcy consultation obligation confirmed
	Netherlands	07/27	Work permit waiver program
	New Zealand	07/27	SPA valuation rules
	Pakistan	07/06	Disabled worker quota for some companies
	Philippines	07/13	Guidance on voluntary regularization
	Portugal	07/06	New law on posting of workers
	Russia	07/13	Work schedule flexibility measures
	Saudi Arabia	07/13	Expatriate levies rise
	Serbia	07/06	Local payroll mandatory for foreign workers after first year
	Singapore	07/20	Employer liability for injuries to illegal workers
	Spain	07/13	New hiring incentives
Sweden/EU	07/20	EC approves stock option tax regime	

Area	Country	Date	Name
 Talent	Thailand	07/20	Revised decree on foreign workers
	UK	07/06	Benefits in kind paid via salary sacrifice
	UK	07/20	Ruling against employee remuneration trust
	Ukraine	07/20	Work permit requirements for skilled foreign workers
	US	07/06	New apprenticeship rules

## Contacts

If you have questions please contact your Aon Hewitt representative or send a note to [Country.Profiles@aonhewitt.com](mailto:Country.Profiles@aonhewitt.com).

*Additional information on the above, plus other updates can be found in  
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