#GlobalBenefitsBulletin Highlights

Status Key

- Action Required = Requires Revisions to Policies or Procedures
- To Be Reviewed = Recommend Employer Review for Impact to Policies or Procedures
- Watch = Monitor

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Key Updates - Retirement

Gibraltar: Press Release Issued Effective Date: In Force

Social insurance contributions

The government announced an increase in the minimum and maximum weekly employer social insurance contributions. According to the press release (Social Insurance Payments - 480/2021), from July 1, 2021, the minimum contribution is increased by £9.85 a week to £28 and the maximum contribution is increased to £50 from £40.15. Also, the announcement stated that from July 1, employees with earnings (at the level of the national minimum wage) will pay an increased contribution as a result of the 25p an hour increase in their pay (to £7.50 an hour). However, they are not affected by the new caps which rise by £6.05 a week at both the minimum and maximum levels. Additionally, the contribution rate for employees (at 10% of earnings), employers (at 20%), and the self-employed (at 20% of earnings) remain the same.

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Key Updates - Talent

France: Law Enacted   Effective Date: July 1, 2021

Increase in paternity leave

Parliament approved legislation that provides for an increase in paternity leave from 14 to 28 days. The measure was included in Article 35 (Extend paternity and childcare leave and make it partly compulsory) of the law and to fund social security for 2021 (Project of Law of to fund social security for 2021).

- Under the legislation, new fathers may take up to 28 days of paternity leave (three will be paid by the employer and 25 will be paid by the social security administration).
- In case of multiple births (i.e., twins, triplets), the social security administration will pay for up to 32 days of paternity leave (total of possible paternity leave to 35).
- New fathers will be required to take at least seven days of leave immediately after the birth of a child. If they take additional leave beyond the mandatory seven days, the father will be able to do so either immediately after this initial leave, or later (within a period that will be defined by decree at a future date).
- Adoptive fathers will be eligible for paternity leave also.
- Article 35 of the bill provides that this new extended paternity leave will be applicable to fathers of children born or adopted on or after July 1, 2021. It will also be applicable to fathers of children born before that date, so long as the predicted due date was on or after July 1, 2021.

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Jersey: Reminder Issued   Effective Date: February 15, 2022

The new combined employer return

The government has issued a reminder on the new combined employer return (CER) for companies. The CER will change the way employers submit their returns of employees' tax deductions, taxable benefits, contributions, and manpower. They will be able to file their tax, social security, manpower, and benefit in kind on one return. The reminder covers the procedures for filing combined returns for taxes and social security contributions through CER; the deadline for filing the first monthly CER (February 15, 2022); and information required to file CERs.

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New Zealand: Law Enacted Effective Date: July 24, 2021

Holidays (Increasing Sick Leave) Amendment Act

Parliament has passed the Holidays (Increasing Sick Leave) Amendment Bill and it received Royal Assent. It aims to increase the availability of employer-funded sick leave for employees. The Holidays (Increasing Sick Leave) Amendment Act 2021 (2021/18) includes measures to increase the minimum employee sick leave entitlement from 5 days to 10 days per year after a worker has six months of continuous employment with their employer. The bill will go into effect from July 24, 2021.

- An employee will first become entitled to 10 days' sick leave on their next entitlement date. (This is based off their anniversary date.)
- New employees will receive 10 days entitlement as soon as they become entitled to sick leave.
- Employees who already have a sick leave entitlement when the legislation comes into force will become entitled to 10 days' sick leave on their next entitlement date. (i.e., on the 12-month anniversary of when they last became entitled to sick leave).
- Employees who already receive an entitlement to 10 or more sick leave days a year will not be directly affected by this change in the minimum entitlement.

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South Korea: Law Enacted Effective Date: In Force

Maximum working hours

The Labor Standards Act was amended in 2018 (Act No. 15513 of March 20, 2018) to restrict an employee's maximum work hours. The amendment provides various dates on which the rule becomes applicable to businesses, depending on the number of their employees. Starting July 1, 2021, the 52-hour workweek rule will apply to all businesses that have 5 or more employees (i.e., up to 50). The rule was applicable to businesses with 50 or more employees in 2020 but, it was not enforced until January 2021. Failure to comply with the rule may result in the employer being subject to criminal punishment of up to 2 years in prison or a fine of up to KRW 20 million. Employers will need to monitor and record how many hours their employees are working per week.

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United Kingdom: Guidance Issued Effective Date: In Force

Right to work checks update

The Home Office has updated its guidance on Coronavirus (COVID-19): right to work checks. It confirms that the temporary adjustments made for COVID distance working arrangements will now end on August 31, 2021. From September 1, 2021, employers must either check their employees' original documents or check employees' right to work status online.

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Vietnam: Decree Issued Effective Date: July 1, 2021

Support measures for employers and employees

Decree No 68/NQ-CP on certain policies (related to social insurance, unemployment insurance, labour accident, and occupational disease insurance) supporting employees and employers facing difficulties due to COVID-19 was issued on July 1, 2021. Under the Decree:

- There will be a reduction of insurance premium for labour accidents and occupational diseases. Employers are entitled to a contribution rate of 0% of the salary fund to the labour accident and occupational disease insurance fund. The exempted amounts will be used to support employees facing difficulties caused by the COVID-19 pandemic. The reduction will be applicable from July 1, 2021, to June 30, 2022.
- There will be a suspension of social insurance contribution to retirement and survivorship funds for certain employers. Employees and eligible employers are entitled to temporarily suspend contributions into retirement and survivorship funds for 6 months from the time of filing applications. Also, for those that have been entitled to payment suspension, if eligible, they will still be entitled to a payment suspension (up to 12 months).
- Additionally, there will be financial support for training, re-training and improvement of vocational skills. Employers who meet the criteria, will receive financial support (i.e., maximum VND 1,500,000 per employee per month) from the unemployment fund for training, re-training and improvement of vocational skills. The entitlement period is for a maximum of six months. Applications must be submitted within the period of July 1, 2021, to June 30, 2022.

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Key Updates - Health

Argentina: Decree Issued Effective Date: July 7, 2021

Medical coverage option limitation

Decree no. 438/2021, effective July 7, 2021, modifies the option regime that employees have in relation to assigned medical coverage (specifically regarding the terms to exercise this option). Employee medical coverage is either related to the worker's "relevant union" (depending on the employer's activity) or one that is for employees in management. The right of option grants the employees the opportunity to choose a different medical coverage other than the one assigned to them. Under the Decree, the right of option will be limited.

- New employees must remain for at least one year in their assigned medical coverage before being able to exercise the right of exchange option.
- The exchange option may be exercised only once a year (within the calendar year) and will be effective as of the first day of the following month of the formalization of the request.

Some companies offer better medical coverage through a private provider and "derive" the withholdings and contributions to be paid for the assigned medical coverage. Employers, during the first year of the employment relationship, may not be able to obtain these withholdings and contributions. In this case, an employer who wants to maintain the benefit of private coverage, will have to cover the full payment of the coverage, without the possibility of deriving the withholdings and contributions made.

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Brazil: Notice Published

Re-adjustment percentage for individual health plans

The National Supplementary Health Agency has published the re-adjustment percentage for individual health plans. According to the ANS, individual or family health plans will have a negative re-adjustment percentage from May 2021 to April 2022. The established index is -8.19% and reflects the drop in expenses in the sector in 2020 due to the Covid-19 pandemic. In practice, the negative percentage results in a reduction in the monthly fee and operators are required to apply the index, which cannot be higher than defined by the regulatory agency. ANS has also published questions and answers on this subject, available here.

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Key Updates - Health

China: Plan Drafted

Health care system reform

The Cabinet has drafted a new plan for further reforming the medicine and health care system in 2021. The circular, issued by the General Office of the State Council on June 17, 2021, calls for efforts to accelerate the coordinated reform of medical services, health insurance, and the pharmaceutical industry. The plan includes :

- actions to promote the centralized drug procurement system and to promote a sound pricing system to guarantee “deserved” prices for medical services at hospitals;
- reforming payment methods for medical insurance;
- establishing a national medicine center and the second batch of regional medical centers in a trial program to expand provision of high-quality health care resources; and
- better medical insurance and aid for major diseases along with revitalizing the traditional Chinese medicine industry.

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Dubai: Proposal

Additional services covered by Essential Benefits Plan

It has been reported that the basic health insurance plan will now cover mental health and psychiatry, and alternative medicine treatments (Ayurveda and homeopathy). These were not covered in the basic insurance coverage of the Essential Benefits Plan which is used by low-income workers with a salary of up to Dirham 4,000. The scheme is expected to come into effect two months from the date of issuance of the circular. According to the circular, psychiatry and mental health inpatient, outpatient, and emergency coverage will be up to Dirham 10,000 per annum (with outpatient to get 20% coinsurance) payable by the insured per visit).

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European Union: Guidance Issued

Guidance for returning to work after being infected with the COVID-19 virus

The European Agency for Safety and Health at Work has published guidelines for returning to work after being infected with the COVID-19 virus (including managing individual differences in workers experiencing “long-COVID”). The guidelines discuss steps to improve the chances of successful return to work and offers "individually tailored" early support and modifications. The guidelines are available here: European Agency for Safety and Health at Work, COVID-19 infection and long COVID – guide for managers, 6 July 2021 and European Agency for Safety and Health at Work, COVID-19 infection and long COVID – guide for workers, 6 July 2021.

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India: Scheme Approved Effective Date: July 1, 2021

COVID-19 Emergency Response & Health System Preparedness Package: Phase-II

The Union Cabinet has approved the COVID-19 Emergency Response & Health System Preparedness Package: Phase-II, which will be implemented from July 1, 2021, to March 31, 2022. This scheme aims to "accelerate health system preparedness for immediate responsiveness for early prevention, detection, and management, with the focus on health infrastructure development". Phase-II of the Package has Central Sector (CS) and Centrally Sponsored Schemes (CSS) components. Under the CS component, support will be provided to Central Hospitals and other institutions; National Centre for Disease Control (NCDC) would be strengthened; support would be provided for the implementation of the Hospital Management Information System, and for expanding the National Architecture of eSanjeevani Tele-consultation platform to provide up to 5 lakhs teleconsultations per day. Under the CSS component, the efforts are aimed at strengthening district and sub-district capacity for an effective and rapid response to the pandemic.

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Oman: Announcement Issued

Electronic link of the health insurance system

The Capital Market Authority (CMA) has announced the commencement of the introductory programs of the electronic link of the health insurance system in the Sultanate in preparation for the first phase of the platform. The Dhamani Platform is an electronic platform for the exchange of information, claims settlement, funds transfer, requests for approvals and verification and audit of insurance coverage between the parties of the insurance relationship, the regulators and supervisors. The Platform was developed with an aim to reduce fraud, abuse, and misuse to preserve market stability and to promote confidence in the health insurance market. It is expected to be launched in September 2021.

The Dhamani project will be implemented in three main phases:

- Electronic linkages between agencies and the exchange of data and information,
- Electronic exchange of medical referral data, and
- The completion of the platform's programmes.

In May, the CMA announced a tender for an e-payment service for the Dhamani health insurance platform. The service will enable the transfer of funds between health service providers and insurance policyholders. The e-payment service will be added in the first phase of the platform which will be launched in the fourth quarter of 2021 to enable the regulators to monitor funds transfers between the parties of the insurance relationship to ensure the funds are paid within the specified term in the health insurance regulations.

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Oman: Announcement Issued

Health insurance

The Capital Market Authority (CMA) has announced that the Insurance Companies Law and the Takaful Insurance Law have been amended by royal decrees to separate health insurance as a line of business independent of other insurance activities. The CMA emphasized that "the importance of the sector distinctiveness from the other branches of insurance require enhancement of the efficiency of the health insurance companies" as well as the importance of regulating them to ensure their financial stability to protect policyholders. The measures in the decrees aim to enhance regulatory readiness in health insurance in response to the increasing significance of this sector (the average annual growth of the sector during the past eight years was 19%) and the rapid growth in the volume of the health insurance market (lead all other sectors of the insurance with 34% share of the gross insurance premiums in the year 2020).

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Peru: Law Enacted Effective Date: In Force

COVID-19 in the workplace

Law No. 31225, which "promotes the acquisition and provision of the COVID-19 vaccine as a vaccination health strategy to guarantee its timely access", was published on June 21, 2021. Under the Law, the Executive Power, through the Ministry of Health, authorizes companies to vaccinate their staff against COVID-19 within the framework of the National Universal Vaccination Plan against COVID-19. Companies in the private sector may purchase the vaccines but they must be administered free of charge and their workers may be prioritized in the process.

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Russia: Announcement Issued

State information system of compulsory health insurance (GIS CHI)

The government has announced the launching of the state information system of compulsory health insurance (GIS CHI) along with the approval of the rules of its functioning. The system is designed to record information about medical care, control the efficiency and quality of its provision, and maintain departmental reporting. It will include a unified register of insured persons, which will become the basis for the transition to a digital compulsory medical insurance policy. Also, within the framework of the GIS, a single internet portal for compulsory health insurance will be launched. Its purpose is to increase the openness and accessibility of information about CHI. The system will be put into operation in stages. The full functionality of the system is expected to be available in 2022.

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Singapore: Advisory Issued

New advisory regarding COVID-19 vaccination in the workplace

On 2 July 2021, the Singapore tripartite partners (Ministry of Manpower, Singapore National Employers Federation and National Trades Union Congress) issued a new advisory regarding COVID-19 vaccination in employment settings. Highlights include:

- Employers should not make COVID-19 vaccinations mandatory. However, employers are requested to strongly encourage and facilitate all their medically eligible employees to get vaccinated by granting paid time-off to employees for the COVID-19 vaccination.
- Employers may also ask employees for their vaccination status for business purposes (i.e., business continuity planning). Employees who decline vaccination should not be penalized (i.e., employment terminated on the ground of declining vaccination).
- For employees in a “higher risk employment setting”, an employer may require COVID-19 vaccination as a company policy with an aim to ensure the health and safety of employees and to minimize the risk of outbreaks.
- If employers adopt a company policy of requiring COVID-19 vaccination for higher risk employment settings, they should provide affected employees with additional paid sick leave (beyond contractual or statutory requirements) to support their recovery from any immediate adverse medical complications arising from vaccination.
- Employers should also exempt (from the vaccination requirement) employees who belong to groups identified by the Ministry of Health as not suitable to receive the COVID-19 vaccine or are not scheduled for vaccination yet. The MOH website will provide updated information.

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United Arab Emirates: Resolution Issued

Exceptions to the Health Data Law

The Ministry of Health and Prevention (MoHAP) has issued a resolution which outlines the exceptions to the Health Data Law (Article 13 of Federal Law No. 2 of 2019). The Health Data Law prohibits the transfer, storage, generation, or processing of health data outside of the UAE that relates to health services provided in the UAE ("UAE Health Data"). Provisions in Ministerial Resolution 51/2021 relaxes the data transfer restriction for certain types of processing operations.

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United States of America: Guidance Issued

COVID-19 Guidance for Health Care Workers and Updates Guidance for Other Industries

On June 10, 2021, the Occupational Safety and Health Administration (OSHA) issued an emergency temporary standard (ETS) to protect health care workers from contracting COVID-19. The standard focuses on health care workers most likely to have contact with someone infected with the virus. OSHA announced the new standard alongside new general industry guidance, both of which are aligned with the Centers for Disease Control and Prevention guidance.

On the same day, OSHA also published updated guidance to help employers and workers in other industries protect employees who are still not vaccinated, with a special emphasis on other industries noted for prolonged close-contacts like meat processing, manufacturing, seafood, and grocery and high-volume retail. According to the OSHA guidance page, the summary of latest changes includes:

- Focusing protections on unvaccinated and otherwise at-risk workers;
- Encouraging COVID-19 vaccination; and
- Adding links to guidance with the most up-to-date content.

Please refer to both sets of guidance for specific details.

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Key Updates - Health

United States of America: Case Dismissed

Supreme Court of the United States (SCOTUS) Dismisses Latest Affordable Care Act (ACA) Challenge

The U.S. Supreme Court threw out the latest legal challenge to the Affordable Care Act (ACA), holding that the plaintiffs did not have standing to bring the lawsuit. The plaintiffs —18 states and two individuals—had challenged the constitutionality of the ACA after Congress zeroed out the individual mandate tax penalty in 2017.

The case, captioned California v. Texas, was the third major legal challenge to the ACA since its passage in 2010, following the challenges to the individual mandate in NFIB v. Sebelius in 2012 and to federal subsidies for the public Exchange in King v. Burwell in 2015.

The Aon bulletin is available here.

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Vietnam: Proposal

Health insurance fee

The government has announced an agreement between Social Security and the Vietnam General Confederation of Labor that would allow laborers to be exempted from paying the health insurance fee. The Vietnam Social Insurance has agreed to exempt health insurance fees for employees who are temporarily suspending the performance of their labor contracts, and those who take unpaid leave at units and businesses that have suspended operations at the request of State agencies for the prevention and control of COVID-19. Also, the agency agreed with the policy of maintaining health insurance cards for employees who lose their jobs for a maximum period of eight months. However, there is an eligibility requirement that employees must have participated in health insurance for two consecutive years or more before the time of losing their job. The date for implementation has not been published.

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Russia: Order Issued   Effective Date-In Force

New control procedure for insurance medical organizations and medical organizations for compulsory medical insurance system

The Ministry of Health has announced that the federal compulsory medical insurance fund has received new authority to control the activities of medical insurance organizations. Order No. 255n of March 26, 2021, approved a new control procedure carried out by territorial compulsory health insurance funds in relation to medical organizations in the compulsory medical insurance system. The territorial fund will exercise control over the activities of such organizations based on an agreement on financial support concluded between the territorial fund and an insurance medical organization.

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Argentina: Decree Issued Effective Date: August 1, 2021

Recognition of Contribution Periods for Care Tasks

The National Social Security Administration (Anses) has issued a notice regarding the recognition of contributions for "care tasks". Under Decree 475/2021, the Comprehensive Program for the Recognition of Contribution Periods for Care Tasks was established which provides for an additional one to three years of computable services for the retirement of women and pregnant persons for each child. The agency also published additional details for the scheme that will be applicable from August 1, 2021. Details of the measure include:

- It covers women with children who are of retirement age (60 years or more) who do not have the years of necessary contributions (i.e., 30 years). Also, they must not have a pension already granted or in process.
- The recognition of contributions for care tasks “will compute as” one year of contributions per child and two years of contributions per adopted (as a minor) daughter or son.
- The scheme will additionally recognize one year per child for those who are disabled and two years in the case of a child that has been a beneficiary of the Universal Allowance for at least 12 months.
- In addition, the periods of maternity leave will be recognized for women who have made use of these periods at the time of the birth of their children.
- Women who are eligible for the scheme may request “a shift” online.

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Australia: Law Enacted Effective Date: June 22, 2021

The Treasury Laws Amendment (Your Future, Your Super) Bill 2021 given Royal Assent

The Treasury Laws Amendment (Your Future, Your Super) Bill 2021 received Royal Assent on June 22, 2021. Highlights of Act no: 46 include:

- From November 1, 2021, if a new employee has an existing 'stapled' superannuation fund and does not choose a fund to receive contributions, their employer is required to make contributions on behalf of the employee into the stapled fund.
- The Act requires the Australian Prudential Regulation Authority to conduct an annual performance test for MySuper products and other products to be specified in the regulations. If the products fail to meet the benchmarks, they will be required to inform members and, those who miss their targets two years in a row, will be prevented from taking on new members. Members are expected to be notified by 1 October if their fund fails this test.
- It requires trustees of registrable superannuation entities and self-managed superannuation funds and directors of the corporate trustee of a registrable superannuation entity to “perform their duties and exercise their powers in the best financial interests of the beneficiaries”.
- The evidential burden of proof for the “best financial interests” duty is reversed so that the onus is on the trustee of a registrable superannuation entity.
- It allows regulations to be made to prohibit certain payments made by trustees of registrable superannuation entities and prescribe additional requirements on trustees and directors of trustee companies of registrable superannuation entities.
- It allows contraventions of record-keeping obligations specified in regulations to be subject to a strict liability offence.
- The Act removes an exemption from disclosing information about certain investments under the portfolio holdings disclosure rules.
- From July 1, 2021, workers will be able to compare super funds on the new interactive online YourSuper tool. The tool will list MySuper funds, ranked by fees and investment returns, and show a member’s current super accounts, with a prompt to consolidate accounts if they have more than one.

Several provisions of the Act went into force on June 22, 2021, while others have future commencement dates.

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Australia: Law Enacted Effective Date: In Force

Self-managed superannuation funds

As part of the reform package, self-managed superannuation funds (SMSF) would have the option of widening their membership. Currently, such funds can have a total of four members in their fund. Proposed amendments also make changes to provisions that relate to SMSFs and small APRA funds. These changes ensure continued alignment with the increased maximum number of members for SMSFs. Proposals of the reform include:

- an increase in the maximum number of members of an SMSF from four to six members;
- an increase in the age to access the "bring forward non-concessional contributions" to the age 67, and;
- changes to determining the exempt current pension income of a fund.

The Treasury Laws Amendment (Self-Managed Superannuation Funds) Bill 2020 (Act no: 47) was given Royal Assent on June 22, 2021. It will apply from the start of the first quarter that commences after the Act receives Royal Assent (i.e., June 22, 2021).

The Treasury Laws Amendment (More Flexible Superannuation) Bill 2021 (Act no: 45) was given Royal Assent on June 22, 2021. It will apply from the start of the first quarter that commences after the Act receives Royal Assent (i.e., June 22, 2021).

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Australia: Letter Issued

Financial fees charged to members

The Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC) have issued a joint letter outlining the regulators' expectations of superannuation trustees in their oversight of financial advice fees charged to members' accounts. The letter provides additional guidance for trustees in reviewing and improving their oversight framework and practices. Key points include:

- Members may benefit from financial advice provided through superannuation, and the law permits advice fees to be charged to members' superannuation accounts if requirements are met.
- Trustees need to consider their arrangements for overseeing fees charged to members' superannuation accounts based on findings included in the letter; and on law reforms introducing prohibitions on some advice fee deductions and consent requirements.
- Trustees can expect further follow up from APRA and ASIC in relation to their oversight practices.

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Australia: Levy Determination Published

Supervisory Levies Determination 2021

The Australian Prudential Regulation Authority has published the Supervisory Levies Determination 2021 which includes the determinations for the superannuation supervisory levy and the retirement savings account (RSA) providers supervisory levy for the 2021–22 year.

- For superannuation funds other than small APRA funds (SAFs), the restricted levy component of the value of assets for 2021–22 is 0.00390% (subject to a minimum of $7,500 and a maximum of $800,000). The unrestricted component of the 2021–22 levy will be calculated at 0.002925% of assets.
- SAFs will be levied a flat amount of $590 per fund for 2021–22.
- For pooled superannuation trusts, the restricted component of the value of assets is 0.00195% (subject to a minimum of $7,500 and a maximum of $400,000). The unrestricted component of the 2021–22 levy will be calculated at 0.000970% of assets.
- RSA providers will not be levied directly for 2021–22.

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China: Notice Issued Effective Date: In Force

Voluntary third-pillar individual account pension program

The China Banking and Insurance Regulatory Commission (CBIRC) has issued a Notice regarding a one-year pilot of a voluntary third-pillar individual account pension program. The aim of the Pilot Program of Exclusive Commercial Pension Insurance is to increase the retirement savings (specifically among informal-sector workers) along with encouraging capital market development. The provisions in the Notice regulate the payment method, accumulation period and collection period design, insurance liability, surrender rules, information disclosure, product management of exclusive commercial pension insurance products. It also clarifies the proportion of equity asset allocation and minimum capital requirements. Highlights of the new program include:

- From June 1, 2021, six family life insurance companies will administer and initially cover residents in two jurisdictions in China (the eastern province of Zhejiang and the southwest municipality of Chongqing). The companies are directed to develop retirement products that offer easy enrollment, flexible payment schedules, and stable investment returns.
- Under the new program, participants can choose the amount and frequency of their contributions, which are invested on their behalf by the managing insurance companies.
- Employers in newer business sectors may contribute on a voluntary basis.
- When participants reach age 60, they can begin drawing down their accounts by taking payouts (over a period of at least 10 years).
- The insurance companies are required to submit quarterly reports to the CBIRC that summarize their progress in meeting these objectives and their adherence to regulatory requirements.

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Croatia: Amendment Enacted Effective Date: August 1, 2021

Pension Insurance Act amendment

The Parliament has amended the Pension Insurance Act which provides for the extension of the eligibility to work part-time and receive a full pension to family pension beneficiaries. Those with the lowest pension will also be allowed to work four hours without their pension being reduced. Beneficiaries receiving an old age pension, early retirement pension, disability pension due to inability to work, or family pension who exercised their right by December 31, 2013, are entitled to the lowest pension in the case of part-time employment. The amended law enters into force on August 1, 2021.

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European Union: Proposal

Consultations on the development of pension tracking services and pension dashboards

The European Insurance and Occupational Pensions Authority (EIOPA) launched two consultations on the development of pension tracking services and pension dashboards. The two consultations are in response to the European Commission's (EC) request for technical advice and are part of the implementation of the Capital Markets Union action plan.

- Regarding the pension tracking services (PTS) consultation, EIOPA has provided recommendations on the role and scope of the PTS; what information to provide and how to present it to citizens considering individual's cognitive and behavioral biases; the data and technical requirements and standards to establish a PTS; and the governance structure, legal requirements, and implementation strategy to effectively establish the PTS. It also considered ways to foster the compatibility of a national PTS with the European Tracking Service on Pensions.
- The consultation paper outlines the EIOPA's draft technical advice to the European Commission on the development of pension dashboards and the collection of pensions data.
- EIOPA's technical advice also proposes that the existing adequacy and sustainability indicators proposed by the EC (i.e., demographic and macroeconomic assumptions) are "complemented with indicators" that relate to private pension providers (including insurance undertakings and institutions for occupational retirement provision).

EIOPA is inviting stakeholders to provide feedback to both consultation papers by responding to questions via an online survey by September 8, 2021. The final advice to the EC will be submitted in December 2021 together with feedback statements on the consultation responses of stakeholders.

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Key Updates - Retirement

France: Announcement Issued

Postponement of the transfer of the collection of supplementary pension contributions

The Urssaf (the entity that collects and distributes the social contributions and contributions which finance the entire social security system) has announced the one-year postponement of the transfer of collection of supplementary pension contributions. Provisions in the 2020 Social Security financing law provided for the "transfer of the declaration and payment" of Agirc-Arrco contributions to the Urssaf network aiming to simplify the process for companies. (Arrco is the supplementary pension scheme for all employees in the private sector, regardless of their status or the nature and duration of their employment contract. Agirc is the supplementary pension scheme for executive employees, which supplements the Arrco scheme.) Currently, compulsory supplementary pension contributions for such are paid to Agirc-Arrco. The public authorities decided to postpone the transfer until early 2023 rather than implementing such in 2022.

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Hong Kong: Proposal

Electronic Mandatory Provident Fund (eMPF) Platform project

The Government tasked the Mandatory Provident Fund Schemes Authority (MPFA) to design, build, and operate a common electronic platform (including an electronic system), known as the eMPF Platform, to standardize, streamline, and automate the administration processes of the Mandatory Provident Fund Schemes (MPF schemes). The MPFA announced the publication of the Mandatory Provident Fund Schemes (Amendment) Bill 2021 in the Official Gazette on July 9, 2021 and announced the introduction of the Bill into the Legislative Council on July 14, 2021. The draft legislation is the next step in the implementation of the eMPF Platform project. The "second-stage" amendments, mainly address the public functions of the Company, the operating framework and mandatory use of the eMPF Platform, as well as the streamlined workflow and other miscellaneous amendments to the law.

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India: Notice Issued

Pension Fund Regulatory and Development Authority (PFRDA) changes

In a gazette notification, the Pension Fund Regulatory and Development Authority made several announcements which include:

- It is allowing subscribers of the National Pension Scheme (NPS) to withdraw the entire accumulated pension wealth without purchasing an annuity if the pension corpus is equal to or less than Rs 5 lakh. (Currently, NPS subscribers having a corpus of over Rs 2 lakh at the time of retirement or attaining the age of 60 years need to buy an annuity, offered by insurance companies, on a mandatory basis.) They can take out the remaining 60% as a lump sum.
- PFRDA also stated that the premature withdrawal limit on a lump-sum basis for NPS has been increased to Rs 2.5 lakh from Rs 1 lakh.
- If the subscriber chooses to withdraw the entire accumulated pension wealth without purchasing an annuity, the right of the subscriber to receive any pension or other amount under the pension system or from the government or employer will be terminated.

The regulator also increased the maximum age of entry into the National Pension System (NPS) from 65 to 70. The exit age limit has also been extended to 75 years.

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Israel

Retirement updates

The June 2021 AKT Pensions Update covers retirement updates, available here.

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Saudi Arabia: Notice Issued

Merger of the Public Pension Agency and the General Organization for Social Insurance

The Council of Ministers announced that the merger of the Public Pension Agency and the General Organization for Social Insurance (GOSI) has been approved. The merger will unify the public- and private-sectors' insurance protection umbrella. The announcement indicated that the GOSI will replace the Public Pension Agency, including all its responsibilities, powers, rights, and obligations. Also, all assets of the Public Pension Agency will be transferred to GOSI. According to the Finance Minister, the merger is part of ongoing reforms and restructuring under Vision 2030. It is expected to go into effect from the date of 22/12/1442 AH (i.e., August 1, 2021).

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Key Updates - Retirement

Turkey: Regulations Issued Effective Date: May 6, 2021 & July 1, 2021

Regulation on the Private Pension System amendments

The purchase and sale of pension investment funds via a central electronic platform has been introduced. From July 1, 2021, participants may purchase or sell private pension system funds through the Private Pension Fund Trading Platform (BEFAS). Also, upon receiving the opinion of the Capital Markets Board, funds established by other companies traded on the BEFAS will be included in the pension plans determined by the Agency and will be presented to participants.

Regulations on the purchase and sale of pension investment funds through the Private Pension Fund Trading Platform entered into force on July 1, 2021. However, the amendments are only applicable for individual plans at this time. The amendments will be applicable to group plans from January 1, 2022. The remaining amendments entered into force on May 6, 2021.

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United Kingdom: Funding Statement Published Effective Date: May 26, 2021

Pensions Regulator publishes Annual Funding Statement

The Annual Funding Statement sets out the Regulator's expectations for current actuarial valuations and covers a range of themes relevant to all DB schemes.

For 2021 valuations, it advises caution when adjusting longevity assumptions for the effects of COVID-19. It expects trustees to try to reduce recovery periods where conditions permit and only to agree to a reduction in contributions in specific circumstances.

The statement provides insight into how the Regulator expects trustees to act, which is helpful for employers planning how to approach actuarial valuations.

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United Kingdom: Newsletter Published

Her Majesty's Revenue and Customs (HMRC) pension schemes newsletter 130

HMRC has published pension schemes newsletter 130, which includes information on the extension of temporary changes to pension processes as a result of COVID-19, the Managing Pension Schemes service and signing into online services.

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Key Updates - Retirement

United Kingdom: Response Published

Government confirms new powers for Pensions Regulator

The Government has published its response to its consultation on regulations for the Pensions Regulator's new Contribution Notice and information gathering powers, which will be effective from 1 October 2021. There are some minor amendments as a result of the consultation and confirmation of the Government's view on the lookback power – the new employer resources and insolvency tests will only apply to acts (or failures to act) from 1 October 2021. Employers should understand the new powers, and the potential implications of the Contribution Notice powers for corporate activity.

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United Kingdom: Proposal

Defined Contribution (DC) investment and consolidation

The Government is pressing ahead with changes that aim to improve outcomes for members of DC schemes.

For scheme years ending after 1 October 2021, all relevant schemes (broadly, schemes that provide money purchase benefits other than just AVCs) will have to report on the net investment returns of funds.

For scheme years ending after 31 December 2021, schemes with total assets under £100m will have to produce a value for members assessment each year. With some exceptions, if a scheme cannot demonstrate that it is delivering good value, trustees will be expected to wind up the scheme and consolidate.

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Key Updates - Talent

Argentina: Decree Issued Effective Date: In Force

Extension of dismissal ban

The government has announced an extension on employee dismissals to December 31, 2021. Under Decree 413, 2021, employers may not fire or suspend employees without just cause or as a result of force majeure or a reduction in workload through the end of the year.

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Argentina: Resolution Issued Effective Date: In Force

New minimum wage schedule

The Labor Ministry and Minimum Wage Council revised the timing of the increases in the minimum wage scheduled. Under Resolution 6/2/21, the final monthly minimum wage of 29,160 Argentine pesos remains the same but, will take effect on September 1, 2021 (with intermediate increases taking effect July 1 and August 1). The increases were originally planned for July 1, September 1, November 1, 2021, and February 1, 2022. On July 1, the wage was increased to 27,216 pesos.

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Australia: Law Enacted Effective Date: In Force

Fringe benefit exemption

The Treasury Laws Amendment (2021 Measures No 4) Act 2021 (No. 72,2021) received Royal Assent on June 30, 2021. Schedule 1 provides for a fringe benefit exemption for employers if they provide training or education to a redundant, or soon to be redundant, employee for the purpose of assisting that employee to gain new employment. It is applicable to benefits provided on or after October 2, 2020.

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Key Updates - Talent

Belgium: Implemented Effective Date: March 1, 2021

Telework guidance

Teleworking has been mandatory since the end of October 2020 (with exception). The tax administration recently issued Circular 2021 / C / 20, effective 1 March 2021, as guidance on employees that will continue to telecommute post-COVID-19.

- An employer can grant a flat-rate indemnity of up to €129.48 per month to employees who work from home on a structural and regular basis. For the second quarter of 2021, this amount is temporarily increased to a maximum of €144.31. This amount is not to be reduced for part-time work.
- The flat-rate office allowance covers expenses incurred while working from home (with the exception of the costs related to the purchase of office furniture and computer equipment). In the past, costs related to the acquisition of office furniture were included in the lump-sum compensation. The flat-rate indemnity can no longer apply if any of the office expenses, such as ink cartridges or electricity, are already subject to reimbursement.
- Employers may reimburse for other expenses in addition to the flat-rate office allowance (i.e., office chair and table, desk lamp, second computer screen, etc.).
- No benefits-in-kind are to be considered regarding the provision of equipment itself. Therefore, no withholding tax or social security is due (unless the goods made available unreasonably exceed the needs of working at home).
- Additional information regarding the allowances is available here.

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Cambodia

Paid time off for COVID-19 vaccination

The Ministry of Labour and Vocational Training issued Notification No. 26/21 that requires employers to give employees one day of paid leave for the second dose of a Covid-19 vaccine. Employers are obliged to allow employees to receive the vaccine dose at the location and on the date indicated on their vaccination card.

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Canada

Employment Standards/Equal Pay/Retirement-Defined Benefit; Disability Benefit/Employment Standards; Pay Equity/Old Age Security pension payment

Aon's weekly Radar is available as of: June 17 and June 24 and July 8, 2021.

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Key Updates - Talent

Colombia: Notice Issued Effective Date: In Force

Digital connectivity allowance

As a result of the Ministry of Health announcing the extension of the sanitary emergency until August 31, 2021, due to the COVID-19 crisis, several tax measures are in effect until that time. Such measures include the digital connectivity allowance.

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Hungary: Decree Issued Effective Date: June 10, 2021

Employer-Provided fringe benefits

Decree No. 318/2021, published in the Official Gazette, implements tax relief measures due to the coronavirus pandemic. Measures in the Decree include increasing the employer-provided fringe benefits card (SZÉP Card) limit with an exemption from social security contributions. The Decree generally entered into force on June 10, 2021.

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India: Notice Issued

Economic relief

The Finance Minister has announced economic relief measures for sectors which have been severely impacted by the second wave of the Covid-19 pandemic. It includes extending Atmanirbhar Bharat Rozgar Yojana to March 31, 2022, from June 30, 2021. With this measure, the wage subsidy scheme has been extended for an additional nine months through the Employees Provident Fund Organisation (EPFO) to increase job creation at the lower end of the salary structure in formal jobs. The measure also will increase take-home pay of new employees or those who are re-joining after being retrenched during covid-19 pandemic; and reduce employee costs of companies due to the government covering the statutory EPF dues on behalf of employers. The scheme was launched last year to provide incentives for employers to create new employment and restore loss of employment through EPFO.

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Key Updates - Talent

India: Proposal

Draft rules relating to Employee's Compensation under the Code on Social Security, 2020

The Ministry of Labour and Employment, Government of India issued a notification on June 3, 2021, as to the draft rules relating to Employee's Compensation under the Code on Social Security, 2020. The Ministry has invited stakeholders to submit objections and suggestions to the draft rule within 45 days from the notification date. The Code on Social Security, 2020 amends and consolidates the laws relating to social security with the goal to extend social security to employees and workers in the organised as well as unorganised sectors. The draft rules provide for the provisions relating to manner of application for claim or settlement, rate of interest for delayed payment of compensation, venue of proceedings and transfer of matters, notice and manner of transmitting money from one competent authority to another, and arrangements with other countries for the transfer of money paid as compensation.

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Italy: Decree-Law Issued Effective Date: June 30, 2021

Decree-Law no. 99 of June 30, 2021

Decree-Law of June 30, 2021, no. 99 has been published in the official gazette (No. 155 of 30 June 2021) and came into force on the same date. It provides for additional urgent measures to support businesses and protect jobs, regarding the COVID-19 emergency. Highlights include:

- Private employers suspending or reducing their work activity due to COVID-19-related events and who are not allowed to apply for ordinary wage subsidies, will be granted extraordinary wage subsidies for a maximum of 13 weeks until December 31, 2021.
- Employers who apply for wage subsidies may not (for the duration of the wage subsidies used up to December 31, 2021) initiate procedures for the reduction of staff. Pending procedures initiated after February 23, 2020, are also suspended for the same period with exception (i.e., in the case where the staff affected by the termination, already employed in the contract, is re-employed following the takeover of a new contractor by law, by a national collective labour agreement, or by a clause of the contract). These employers are also precluded in the same period, regardless of the number of employees, from dismissing individuals "for objective reasons".
- It also provides measures for specific sectors (i.e., air transport and textile industries).

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Key Updates - Talent

Netherlands: Decree Issued Effective Date: January 1, 2022

Abolition of Tax Deduction for Educational Expenses Act

The government has announced the date for which the Abolition of Tax Deduction for Educational Expenses Act will come into force. It provides for the abolition of the income tax deduction for educational costs in excess of EUR 250 effective on January 1, 2022. Under Decree of 12 July 2021, which was published in the Official Gazette No. 349 of 16 July 2021, an employee can request a personal development budget for education and development (Stimulans van de Arbeidsmarktpositie-budget).

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Spain: Law Enacted Effective Date: In Force

Provisions on equality and non-discrimination in remote work for workers with disabilities

Law 10/2021, of July 9, 2021, on remote working, replaces Royal Decree-Law 28/2020; includes new provisions on equality and non-discrimination in remote work for workers with disabilities; and revises the penalty amounts under Royal Decree-Law 5/2000, approving the revised Labor and Social Security Infringements and Penalties Law.

- Companies are required to avoid any, direct or indirect, discrimination for workers providing their services remotely (including gender-based discrimination, and discrimination based on age, length of service, or professional category or disability). They will now have to ensure equal treatment, provide support, and make any reasonable adjustments that may be required.
- Regarding disabled workers, the company must ensure that the resources, equipment, and tools for remote working (including digital elements) are universally accessible to avoid any exclusion for this reason.
- Risk assessments for remote workspaces must consider the accessibility of the effective working environment.
- The penalty amounts under the Labor and Social Security Infringements and Penalties Law will increase, starting on October 1, 2021. The highest penalty amount for serious infringements related to labor relations and employment is set at €7,500 (from the previous €6,250); the highest amount for very serious infringements increases from €187,500 to €225,018; and the highest penalties for occupational risk prevention infringements will amount to €983,736 (previously €819,780).

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Sweden: Position Issued

Tax deduction benefits of a terminated employee

The tax agency has issued its position (Dnr: 8-1068987) on the tax deduction benefits when an employment is terminated. It clarifies that the last regular payment and any termination benefits paid to an employee upon termination is considered part of their regular income; tax withholding must be made according to a one-off table if the benefits and income are paid together; and the benefits are eligible for a 30% withholding calculation, if income and benefits are paid in separate months.

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United Kingdom: Announcement Issued

Online tool for expectant parents

The government has launched a new online tool that will help expectant parents share time off in the early stages of their baby's life. It would also allow them to check eligibility for the scheme, what they would be entitled to, and give their employer notification using the tool. Additionally, expectant parents can pay entitlement with the Shared Parental Leave and Pay scheme. Shared Parental Leave and Pay allows working parents across Great Britain to share up to 50 weeks of leave and up to 37 weeks of pay in the first year of their child's life (or within a year of placement if the child is adopted).

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United Kingdom: Announcement Issued

Tax measures extended

The United Kingdom HM Revenue and Customs announced the extension of the temporary income tax and class one national insurance contributions exemption for employer-reimbursed expenses that cover the cost of relevant home-office equipment due to the coronavirus pandemic. It will be extended to April 5, 2022, from April 5, 2021.

Also, the agency announced an extension of the temporary income tax and national insurance contribution exemptions for employer-provided and employer-reimbursed coronavirus tests for tax years 2020-21 and 2021-22.

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Key Updates - Talent

United Kingdom: Guidance Issued

New guidance on returning to work

The government has updated its Guidance, COVID-19 Response: Summer 2021. Under the guidance:

- It is no longer necessary for the government to instruct people to work from home. Employers can start to plan a return to workplaces.
- Businesses must not require a self-isolating worker to come to work and should ensure that workers and customers who feel unwell are not physically on-site.
- It will remain a legal requirement for people to self-isolate if they test positive or are told to do so by NHS Test and Trace.

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United States of America: Guidance Issued

New FAQs for Small and Mid-Sized Employers Under American Rescue Plan Act (ARPA)

On June 11, 2021, the Internal Revenue Service (IRS) published two new, separate sets of frequently-asked-questions (FAQs) to assist families and small and mid-sized employers in claiming credits under the American Rescue Plan Act (ARPA). Both the child and dependent care credit as well as the paid sick and family leave credit were enhanced under the ARPA, enacted in March 2021 to assist families and small businesses with the fallout of the COVID-19 and recovery underway. The two sets of FAQs provide information on eligibility, computing the credit amounts, and how to claim the tax benefits.

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Key Updates - Talent

United States of America: Resources Published

Resources About Sexual Orientation and Gender Identity Workplace Rights

On June 15, 2021, the Equal Employment Opportunity Commission (EEOC) announced the release of new resources to educate employees, applicants, and employers about the rights of all employees, including lesbian, gay, bisexual, and transgender workers, to be free from sexual orientation and gender identity discrimination in employment. The materials include a new landing page on the EEOC website that consolidates information concerning sexual orientation and gender identity discrimination and a new technical assistance document to help the public understand the Bostock decision and established EEOC positions on the laws the agency enforces.

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United States of America: Notice Issued

Notice Extending Tax Relief for Employer Leave-Based Donation Programs That Aid Victims of COVID-19

On June 30, 2021, the Internal Revenue Service (IRS) issued Notice 2021-42, which extends the tax relief provided in Notice 2020-46 for calendar year 2021 for employers whose employees forgo sick, vacation, or personal leave because of COVID-19. Notice 2021-42 provides that cash payments employers make to charitable organizations that provide relief to victims of COVID-19 in exchange for sick, vacation, or personal leave which their employees forgo will not be treated as compensation. Similarly, the employees will not be treated as receiving the value of the leave as income and cannot claim a deduction for the leave that they donated to their employer. Employers, however, may deduct these cash payments as a business expense or as a charitable contribution deduction if the employer otherwise meets the respective requirements of either Section.

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Key Updates - Health

Germany: Proposal

New SARS-CoV2 occupational health and safety regulations

The current SARS-CoV2 occupational health and safety ordinance expires on June 30, 2021. A new SARS-CoV2work safety regulation is now under draft. It modifies previous regulations due to the easing of the infection rate.

- Only basic requirements such as contact reduction, the obligation to test offers, and the obligation to create and update operational hygiene concepts are to remain in the new regulation.
- The reference to the SARS-CoV-2 occupational health and safety rule and the guidelines provided by the accident insurance institutions are retained.
- There is an obligation to provide mouth and nose protection only if the risk assessment (to be carried out by the employer) shows that the protection of employees through technical and organizational protective measures is insufficient and the wearing of protective masks is necessary.
- The requirement to offer free tests twice a week should no longer be necessary if other suitable protective measures ensure equivalent protection for employees, or a corresponding protection can be proven in some other way.
- The retention obligation for the evidence of the procurement of tests or agreements with third parties about employee testing would be extended to September 30, 2021.

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Saudi Arabia: Rules Issued

Health Insurance Risk Pools

The Saudi Central Bank (SAMA) has announced the issuance of the Rules governing Forming and Managing Health Insurance Risk Pools through Brokers. The rules aim to regulate and develop the mechanism of forming and managing health insurance risk pools and providing access to suitable insurance coverage at low costs. SAMA clarified that health insurance risk pools "provides SMEs the ability to secure the best health insurance coverage at the best prices and insurance coverages considering a set of rules, which ensure quality of services provided and fair competition". Highlights of the rule provisions include:

- A risk pool may be formed for employers through a broker authorized by SAMA.
- The broker forms and renews the risk pool for a group of employers in accordance with certain conditions (i.e., the minimum number of beneficiaries and the maximum share of the pool which an employer may hold).
- A Commitment Agreement must be signed between each employer and the broker and must cover certain terms (i.e., authorization by the employer to the broker to represent the employer with the insurer; defining the insurance benefits; number of beneficiaries; provisions for withdrawal from the pool; and procedures for submission of insurance claims and complaints).
- A separate insurance policy will be issued by the insurer for each member of the pool, with a common policy inception and end-date for all policies.
- The benefits of the insurance coverage offered for each pool members must be uniform.

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Key Updates - Health

South Africa: Proposal

Compensation of Occupational Injuries and Diseases Amendment (COIDA) Bill

Parliament is currently considering provisions of the Compensation of Occupational Injuries and Diseases Amendment (COIDA) Bill (B21-2020).

- The bill has measures that would provide medical care to workers injured on the job. Diseases and post-traumatic stress disorder resulting from the workplace will now be included.
- Medical service providers would be prohibited from submitting their invoices to financial institutions or third-party administrators for early payment or access to overdrafts. The draft legislation would also prevent them from being pre-funded (i.e., they would have to wait about two years for their medical accounts to be settled by the Compensation Fund).
- The definition of workers' dependents and beneficiaries would be expanded to include their spouse(s), children, siblings, parents, and grandparents which reflects the country's cultural norms.
- It would now include domestic workers (who were previously excluded).

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Key Updates - Retirement

Cambodia: Sub-Decree Issued Effective Date: In Future

Compulsory pension scheme and voluntary pension scheme

The government issued Sub-Decree 32 (dated 4 March 2021 on the Social Security Scheme on Pension Money Section for Persons Who are Under the Provisions of the Labor Law) which establishes a social insurance pension scheme that provides private-sector employees with public old-age, disability, and survivor benefits. The compulsory pension scheme and voluntary pension scheme is administered by the National Social Security Fund (NSSF) and financed through employee and employer contributions, state funds, and investment returns. Details of the program include:

- Employees working at private-sector firms will be required to participate in the program. Private-sector firms must register all employees with the NSSF (new employees within three days from the date of employment) Voluntary coverage is available for individuals younger than age 60 who are not mandatorily covered (i.e., self-employed persons and household workers).
- During the first five years the program is in operation, employees and employers will each contribute 2% of covered monthly earnings. The combined contribution rate of 4% will then increase by 4% in the next five-year period and by 2.75 percentage points in every subsequent 10-year period. Covered employees will also be able to pay additional contributions on a voluntary basis for a higher benefit.
- A monthly old age pension will be paid to insured persons who are age 60 and have at least 12 months of contributions. The pension will be calculated based on the insured person's covered earnings and a predetermined benefit rate.
- A monthly disability pension will be paid to insured persons who have at least five years of contributions and are no longer able to work because of a disability. The minimum disability pension will be 45% of the insured person's covered earnings.
- A survivor pension will be available for eligible dependents of a deceased person who was an old age or disability pensioner or had at least five years of contributions.

The implementation date of the Decree will be established by Joint Prakas between the Ministry of Labor and Vocational Training and the Ministry of Economy and Finance.

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Key Updates - Retirement

India: Proposal

Plan to separate provident fund and pension accounts

The government is considering separating the provident fund and pension accounts of formal sector workers covered by the Employees' Provident Fund Organisation (EPFO) with an aim to protect and increase the monthly pension payouts. Currently, employees often withdraw from their provident fund while withdrawing from their pension accounts as well because the funds are part of the same account. The plan's measures would ensure that employees do not withdraw all their savings from the pension fund while withdrawing from the provident fund. The separation of the accounts will end the withdrawal from the Employees' Pension Scheme (EPS).

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Norway: Proposal

Pension law proposals

Parliament (Storting) is considering a legislative proposal that would change two major aspects of the pension law with an aim to increase the amount of private occupational pension income the population will receive in retirement. Prop. 223 L (2020–2021) contains proposals for legislative amendments on pensions from the first krone in private occupational pension schemes and on guaranteed pension products. Highlights include:

- A minimum requirement for pension savings of 2% of income from the first krone and the first day is proposed. It is proposed that the right to start pension savings for salaries above 1 G be removed in defined contribution schemes, so that income from the first krone will provide pension earnings for the members.
- There is a proposal to replace the current minimum requirements for age and job fraction with a rule that employees must be registered in the scheme "when the wage income exceeds the limit for reportable salary to the tax authorities via the a-scheme".
- Pension providers would be allowed to offer "paid-up" policyholders a compensation by converting "ordinary paid-up policies" into "paid-up policies with investment options".
- Extensions are proposed in the limits in order to be able to reduce the payment period for paid-up policies with low benefits and to be able to transfer small pension earnings from benefit schemes to individual pension schemes instead of having paid-out policies issued.

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Key Updates - Retirement

Philippines: Proposal

Proposal to create an Employee Pension and Retirement Income (EPRI) Account

Under the proposed Capital Market Development Act (House Bill 9343), now pending in the Senate, there are measures to establish an employee pension and retirement income account from the proposed private retirement and pension system which will be fully funded and portable. The bill aims to "develop a sustainable corporate pension system to help secure the future of workers and their families while making more capital available in the financial sector to stimulate economic growth". Highlights of the scheme include:

- Provisions of the proposed Act create a Capital Market Development Council (CMDC) composed of institutional members from both the public and private sectors. Its main functions are to promote and develop the Philippine capital market on a national scale.
- At the start of employment, a fully funded and portable Employee Pension and Retirement Income (EPRI) Account must be established.
- EPRI would be compulsory to cover all employees and employers in the private sector (with exceptions). Self-employed and professionals may opt for its voluntary coverage.
- An employee (or those voluntarily covered) would only have one account. The EPRI account would be permanent until retirement and would be owned, maintained, and managed by the owner regardless of changes in employment or transfer of employer.
- As a private pension system, the EPRI owner would make all investment decisions pertaining to their EPRI assets.
- Both the employee and the employer would be obliged to contribute to the EPRI Account. The amount of such contribution ("which shall be fair, equitable, affordable, adequate and sustainable") would be determined by the IC in implementing rules and regulations.
- The employer's contribution made to the EPRI would be allowed as a deductible expense. All income earned by the EPRI (including interest and gains earned from the placements or investment of the EPRI assets) would be exempt from all taxes. All benefits and distribution received by the employee at the time of vesting or retirement would be exempt from all taxes.

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Thailand: Proposal

Proposal to reduce social security contribution for casual workers

The Cabinet has approved a draft proposal that would reduce the social security contributions for people covered by Section 40 of the Social Security Act to mitigate the impact of the pandemic. Under the draft regulation, the contribution rate would be reduced to 60% of the original contribution for six months. The monthly contribution amounts would decrease to 42 Thai baht (from 70 baht), 60 baht (from 100 baht), or 180 baht (from 300 baht) for insured individuals. The announcement also stated that the government's contribution is set at half of the contribution received from insured individuals.

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Key Updates - Retirement

Ukraine: Proposal

Plans to introduce Defined Contribution scheme

The Prime Minister has announced plans to introduce a defined contribution pension system. The Cabinet of Ministers has approved the establishment of a working group on the introduction of mandatory defined contribution pension system and the development of private pension system.

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United Kingdom: Proposal

Pensions Regulator consults on Contribution Notice tests

The Regulator has published a consultation on changes to Code of Practice 12, which currently relates to the material detriment test applied for Contribution Notices. The Code is to be expanded to cover the two new Contribution Notice tests to be introduced under the Pension Schemes Act 2021: the employer insolvency test and the employer resources test. The draft code includes related guidance with several illustrative examples of scenarios that could be the subject of a Contribution Notice.

Employers should be aware of the new tests and the Regulator's approach.

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United Kingdom: Proposal

Climate risk governance and reporting

Occupational schemes will be required to have effective governance and risk management measures to address climate change risks and opportunities. Following consultation, the Government has published regulations and drafted statutory guidance. Trustees will need to meet requirements in line with the 11 recommendations of the Task Force on Climate - related Financial Disclosures (TCFD), and to report on how they have done so and to publish that report on a publicly available website, linking to it in scheme publications. The requirements will first apply to the largest schemes.

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Key Updates - Talent

Australia: Proposal

Proposals to prevent workplace sexual harassment

The Federal Government has introduced the Sex Discrimination and Fair Work (Respect at Work) Amendment Bill 2021 and the Fair Work Amendment (Respect at Work) Regulations 2021 (Cth) (the Respect@Work Regulations) which provide several legislative amendments on workplace sexual harassment as recommended in the Australian Human Rights Commission's (AHRC) Respect@Work Report. The Report provided recommendations to improve the legal and regulatory framework relating to sexual harassment in the workplace. The Bill implements six of the 55 recommendations included in the Report. Highlights include:

- It inserts a new provision in the Sex Discrimination Act 1984 (SD Act) to make it expressly clear that it is unlawful to harass a person based on their sex. This new provision prohibits any harassment by reason of the sex of a person (i.e., a woman's pregnancy), or a characteristic that relates to or is attributed to the sex of a person (i.e., carer's responsibilities).
- A proposal clarifies that victimizing conduct can form the basis of a civil action for unlawful discrimination in addition to a criminal complaint under the SD Act.
- It extends the time period to file a sexual harassment complaint to the AHRC to two years.
- It clarifies that sexual harassment can be a valid reason for dismissal under the Fair Work Act 2009 (Cth) (FW Act).
- A proposal allows the Fair Work Commission to make "stop sexual harassment" orders to prevent sexual harassment in the workplace, irrespective of whether the harassing conduct occurred once or on multiple occasions.

In addition to implementing the above recommendations from the Respect@Work Report, the Bill would amend the FW Act by extending the existing entitlement to compassionate leave to include miscarriage as a permissible occasion. Employees would be able to take up to two days of paid compassionate leave (unpaid for casuals) if the employee, or their current spouse or de facto partner, has a miscarriage. The Bill has been referred to the Senate Education and Employment Legislation Committee for "inquiry and report" by August 6, 2021.

Also, the Respect@Work Regulations, commencing on July 10, 2021, amends the Fair Work Regulations 2009 (Cth) to add sexual harassment to the list of conduct which falls within the definition of "serious misconduct" under the Act. The Respect@Work Regulations also supports amendments to be made under the Bill by inserting the heading of "sexually harassed" under the existing "stop-bullying jurisdiction".

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Key Updates - Talent

Belgium: Proposal

Corona bonus proposal

The Council of Ministers has approved a draft royal decree that would allow employers to grant their workers a corona bonus for the year 2021 (if the company has recorded good results during the crisis). Highlights of the draft decree include:

- A measure providing for a one-off increase in the form of a corona bonus of a maximum of 500 euros (per worker).
- The bonus would take the form of a check that can be used in certain businesses and establishments to support consumption and contribute to the economic recovery following the coronavirus pandemic.
- The corona premium is subject to a special employer contribution of 16.5%. However, it would be a full deduction for employers. There is no personal contribution due by the workers.
- The tax-free bonus payments to qualified employees would be paid between August 1 and December 31, 2021.

The draft law will now go to the Council of State for review.

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Belgium: Proposal

Social security contribution reduction

The Chamber of Representatives adopted Bill No. 55K2002001 which introduces various tax support measures due to the coronavirus pandemic. Measures include reducing social security contributions by a lump sum amount of 2,400 euros (per company) to support hiring.

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Key Updates - Talent

Greece: Proposal

Labor Protection Bill

Parliament has approved the bill on Labor Protection. Highlights of the bill include:

- It introduces the digital work card for the control and suppression of "black" - declared work and contribution evasion. With the card, ERGANI II will be informed in real time about the working hours of the employees and will automatically characterize each working hour as normal working hours, overtime or arrangement, breaks, along with hours and days of absence, leave, etc.
- The bill would upgrade the Labor Inspectorate to an Independent Authority. The Labor Inspectorate will have operational independence and administrative and financial independence.
- Rules for telework and "right of disconnection" would be established. The teleworker would be able to stop work (i.e., via telephone, electronic or digital means) outside working hours and during leave.
- It introduces a 14-day paternity leave, a 4-month parental leave for each parent (with a subsidy from OAED for 2 months), and the right to flexible work arrangements for parents of children up to age 12.
- Also, it introduces measures against violence and harassment in the workplace. Provisions in the bill would extend existing protection (which treats harassment as a form of discrimination) and add violence as a punishable behavior.
- Employees would have more options to change their schedule based on their needs. Employees would have the option of a longer working day (up to 10 hours per day) in exchange for time off.
- It is envisaged that the break will be granted after four working hours instead of the six hours and clarifies the duration of the break (i.e., 15-30 minutes).
- The limit for overtime would be consolidated and increased to 150 hours per year (currently it is 96 in industry and 120 in other sectors). The fee for overtime for when the "approved procedures" are not followed is also increased (i.e., increased by 120% compared to the current 80%).
- It expands the list of cases of invalid dismissal.

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Key Updates - Talent

Ireland: Proposal

Proposal for sick pay scheme

On June 8, 2021, the government announced its approval for a statutory sick pay scheme (General Scheme of the Sick Leave Bill 2021). It provides a general right to statutory sick pay for workers. The entitlement to sick pay will be legally enforceable by employees through the Workplace Relations Commission and the Courts. Highlights include:

- The Scheme would be phased in over a four-year period, beginning with the introduction of an employee right to three employer-paid sick leave days per year in 2022 (which will fill the three-day gap before employees on sick leave become eligible for the Illness Benefit from the government) and rising incrementally to five days in 2023, seven days in 2024 and 10 days in 2025.
- Employers would pay at a rate of 70% of an employee's wage, subject to a maximum limit of €110 per day to minimise cost exposure for employers (especially where employees receive high salaries). There will not be a “top up of salary” by the government.
- Once the statutory sick pay entitlement period ends and provided the employee has the requisite social insurance contributions, the employee may then qualify for Illness Benefit from the State (which is currently set at €203 per week) or COVID-19 Illness Benefit (currently up to €350 per week).
- Employees must obtain a medical certificate and have completed 6 months' service with the employer to avail of statutory sick pay.

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Ireland: Proposal

Gender Pay Gap Information Bill 2019

The Gender Pay Gap Information Bill 2019 (published in early 2019), has been passed by both Houses of the Oireachtas. It will amend the Employment Equality Acts 1998 to 2015 and aims to provide transparency on the gender pay gaps that exist in organisations. Provisions in the bill provide for:

- A requirement for the Minister for Children, Equality, Disability, Integration and Youth to make regulations mandating certain employers to publish information relating to the gender pay gap in their organizations.
- The regulations would include a requirement for employers to publish the difference between both the mean and the median hourly pay of male and female employees; the difference between both the mean and the median bonus pay of male and female employees; the difference between both the mean and the median hourly pay of part-time male and female employees; and the percentage of male and female employees who received bonuses and benefits in kind.
- Also, employers would be required to publish the reasons for any differences and the measures taken by them to eliminate or reduce the gender pay gap.
- The regulations would only apply to employers with 250 or more employees in the first two years after their introduction. In the third year, the requirements would also apply to employers with 150 or more employees. The requirements will then apply to employers with 50 or more employees. The regulations will not apply to employers with fewer than 50 employees.
- Additionally, a central website onto which employers will be required to upload their information may be established.

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Other Notable Updates

Area	Country	Date	Name
Health	European Union	7/15	Green COVID-19 – European Union digital COVID certificate
	Philippines	7/1	COVID-19 testing

Retirement	Argentina	7/29	Exceptional bonus for retirees
	United Kingdom	7/22	Guaranteed Minimum Pensions (GMP) equalisation – Pensions Administration Standards Association (PASA) publishes guidance on conversion

Talent	Australia	7/15	Financial regulator bill
	Canada	7/22	Budget Implementation Act, 2021
	Germany	7/15	Short-time allowances extended
	Germany	7/22	Tax treatment of Corona short-time allowance
	Netherlands	7/15	Tax relief measures extended

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