

#GlobalBenefitsBulletin Highlights

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RESPOND



Retirement

Australia: Superannuation tax reform bill clears Parliament.



Health

Ecuador: Aon bulletin on private health insurance market.



Talent

Qatar: Reforms to migrant employment system.

WATCH



Retirement

India: Impact of demonetization on employee benefit liabilities and exempt provident fund trusts.



Talent

Qatar: New Human Resources Law due soon.

NOTE



Retirement

EU: Parliament adopts revised IORP Directive.



Retirement

Ukraine: Ukraine adopts European Code of Social Security.

Key Updates

Australia

RESPOND

Superannuation tax reform bill clears Parliament.



Retirement

Treasury Laws Amendment (Fair and Sustainable Superannuation) Bill 2016 has now been passed by both houses of Parliament. Effective July 1, 2017, it will:

- Set the objective of superannuation into legislation, providing retirement income to supplement the age pension.
- Set a lifetime cap of A\$1.6M for concessional and nonconcessional contributions.
- Cut the annual concessional contribution cap to A\$25,000 and the annual nonconcessional cap to A\$100,000.
- Reduce the income threshold for the Division 293 tax on superannuation contributions from A\$300,000 to A\$250,000.
- Introduce a Low Income Super Tax Offset which is similar to the current Low Income Super Contribution.
- Remove the requirement that an individual must earn less than 10% from employment-related activities to claim a tax deduction on super contributions.
- Increase the amount of income a spouse can earn and achieve a tax offset for spouse contributions.
- Change the earnings tax exemption to encourage innovation for retirement income streams.
- Remove anti-detriment tax (the tax deduction for death benefits paid to financial dependants).
- Refine superannuation administration arrangements.
- Include half of the defined benefit income above A\$100,000 per year as assessable income (i.e., it will be taxed at the individual's marginal tax rate).

Note that there is an additional item which is not effective in working out an individual's concessional contributions cap until July 1, 2019 onwards. Those who have superannuation balances under A\$500,000 can utilize unused concessional contribution cap amounts from up to five previous financial years.

Ecuador

RESPOND

Aon bulletin on private health insurance market.



Health

Please click here for the full report.

<https://goo.gl/6lRYmx>

EU

NOTE

Parliament adopts revised IORP Directive.



Retirement

Parliament announced that it has passed by a wide margin a revised version of its directive on Institutions for Occupational Retirement Provision (IORP). Providers of occupational pensions moving the scheme across a border must secure the approval of a majority of affected members and beneficiaries, as well as the relevant authorities in both countries. The directive sets minimum reporting requirements, including the contents of a Pension Benefit Statement for participants. Each IORP must publish an annual report on its website. The investment strategies for these pension funds would have to factor in the "environmental, social and governance (ESG) risks" of prospective investments. The directive has a few more stages before final passage, but these are widely viewed as formalities.

India

WATCH

Impact of demonetization on employee benefit liabilities and exempt provident fund trusts.



Retirement

Aon bulletin linked here: <https://goo.gl/ArLCAQ>

Qatar

WATCH

New Human Resources Law due soon.



Talent

The government announced that it will soon gazette a new Human Resources Law to help the transformation from an oil-based economy to a knowledge-based economy. Among the more significant measures:

- New mothers would receive two months paid maternity leave, three if they have twins. Mothers of children with serious disabilities could qualify for a five-year paid leave, renewable with the Prime Minister's approval.
- Paid leaves would be introduced for marriage, study, bereavement, and the Hajj pilgrimage.
- An end-of-service benefits scheme would be launched.
- Promotions and raises would reflect high performance, education level, and lifetime learning.

The law will take effect when it is published in the official gazette and the enabling regulations will follow.

Qatar

RESPOND

Reforms to migrant employment system.



Talent

A set of measures introducing greater flexibility to the kafala migrant worker system will come into effect on December 14. Among the changes:

- Fixed-term contracts will be capped at five years.
- Workers with indefinite-term contracts may switch employers after five years.
- A new committee will be established to settle foreign worker disputes with their employers. Each case must be resolved within three weeks.
- Foreigners on fixed-term contracts may get a new job at the end of their contract without getting a non objection certificate from their employer, but they would still need permission from both the Ministry of Labor and the Ministry of Interior.
- Foreign workers may obtain exit permits directly from the Ministry of Interior, but the employer has a right to object. An exit grievance committee would mediate.
- An employer can be fined for keeping a worker's passport.

Ukraine

NOTE

Ukraine adopts European Code of Social Security.



Retirement

The Deputy Prime Minister has signed the European Code of Social Security, committing the Ukraine to the minimum standards set out in the code and some level of harmonization with the other signatories. Standards for scope of coverage are included for old age benefit, medical care, sickness benefit, workers compensation, maternity benefits, long-term disability, unemployment insurance, and survivor's benefit including funeral grant.

Other Notable Updates

Area	Country	Date	Name	
 Health	Ireland	12/2	Health levy hike signaled.	
	Oman	12/8	Compulsory health insurance timetable.	
	Taiwan	12/8	Copayment schedule undergoes revisions.	
	US	12/2	The people have spoken - now what? US Elections	
 Retirement	Australia	12/2	New governance rules for super trustees.	
	China	12/15	CIRC guidelines on pension fund investments.	
	Finland	12/8	Some Competitiveness Pact measures passed.	
	Germany	12/2	Pension insolvency fund suspends contributions for 2016.	
	Germany	12/15	Pension reform proposal.	
	Ireland	12/2	Additional DC Codes of Governance issued.	
	Israel	12/8	Phase 2 of Amendment 16 rate hike.	
	Japan	12/8	Minimum pension contribution period cut.	
	Japan	12/8	Ruling upholds post-retirement wage cut.	
	Japan	12/15	Reprieve for tax freeze on corporate pensions.	
	Malaysia	12/8	Ruling on tax treatment of termination pay.	
	Netherlands	12/8	Retirement age hike.	
	Philippines	12/15	Two-stage benefit increase for the Social Security System.	
	Poland	12/8	Cabinet is reviewing pension reform proposal.	
	Sri Lanka	12/2	2017 Budget	
	Turkey	12/2	Earnings cap set to rise.	
	UK	12/2	Autumn Statement targets foreign pensions.	
	 Talent	Argentina	12/15	Tax break set for 13th month bonus.
		Australia	12/8	Temporary visa rules tightened.
Bosnia & Herzegovina		12/15	New employee rulebook introduced.	
Canada		12/8	Ranking system for express entry revised.	
China		12/8	Employer labor law compliance measures.	
China		12/8	Anti-smoking regulations imminent.	
China		12/15	Implications of new Cybersecurity Law.	

Area	Country	Date	Name
 Talent	Costa Rica	12/15	Wage adjustment formula changes.
	Finland	12/2	Tax preparation ruled a taxable benefit.
	Germany	12/8	Ruling on fixed-term contract duration.
	Hungary	12/2	New intracompany transfer rules.
	Hungary	12/15	New tax regime for nonsalary benefits.
	Ireland	12/2	Stock scheme, benefit disclosure requirement.
	Italy	12/2	Secondment decree.
	Malta	12/8	Streamlined hiring for select third country nationals.
	Netherlands	12/8	Transposition of Intra-Corporate Transfer directive.
	Netherlands	12/15	Postponement for employment relationship law.
	Russia	12/8	Business travel reimbursement ruled tax-exempt.
	Rwanda	12/8	Maternity leave scheme comes into force.
	Singapore	12/2	Family leave package passed.
	Singapore	12/15	Retrenchment notice requirement.
	South Africa	12/8	Minimum wage proposal.
	Spain	12/8	Court clarifies threshold for collective dismissals.
	Tunisia	12/2	Restrictions on foreign workers eased.
	Turkey	12/2	Flexible hours options for new parents.
	Turkey	12/2	Regulations on private employment agencies.
	UK	12/15	Guidance on share scheme taxation.
US	12/8	DOL's Final Regulations on Federal Contractor Paid Sick Leave	

Additional information on the above, plus other updates can be found in Greater Insight which is updated & emailed on a weekly basis
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Contacts

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