



#GlobalBenefitsBulletin Highlights

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Key



Retirement



Talent









Health



Risk

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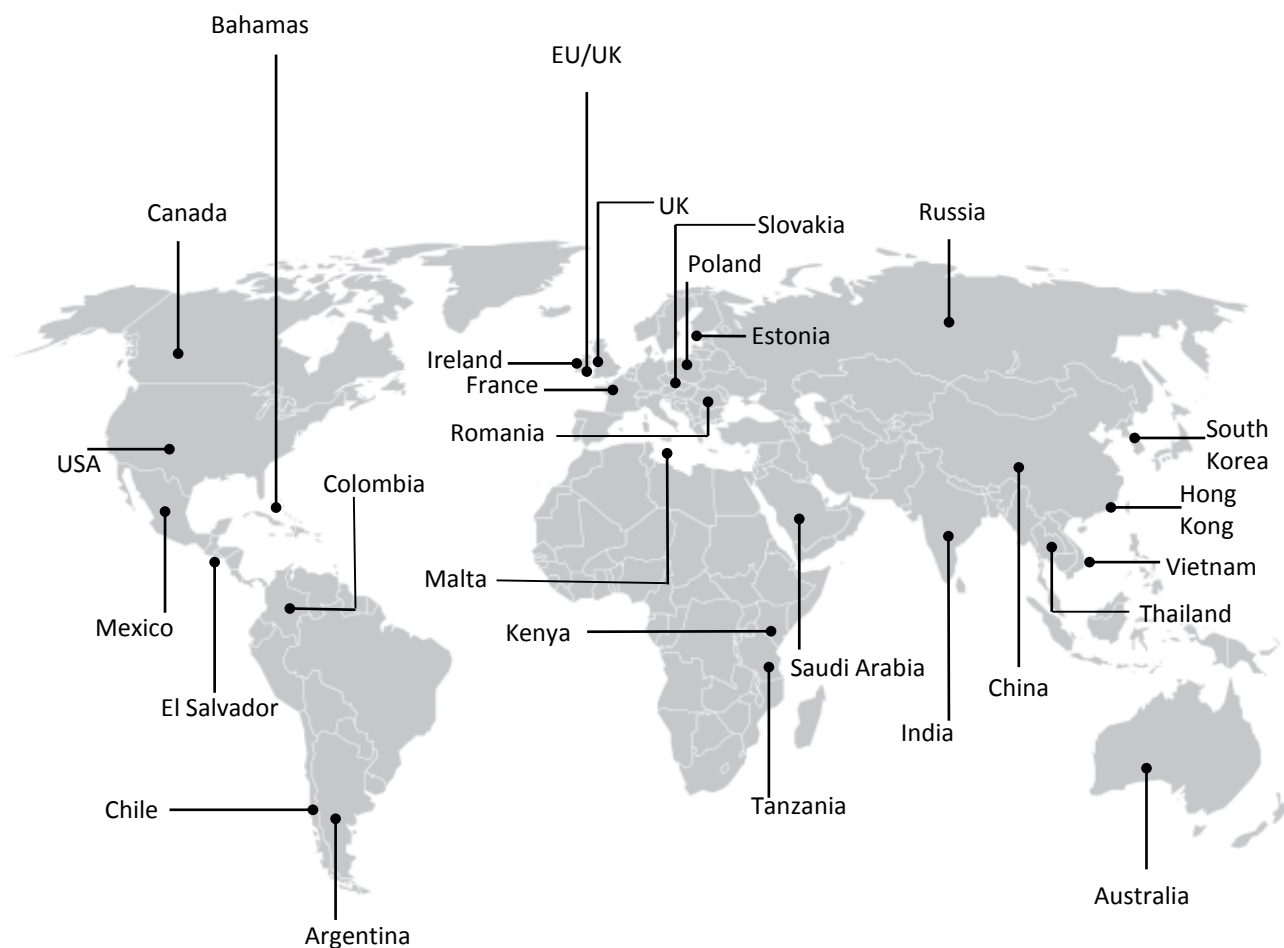
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Coverage – GBB Highlights November 2018



Key Updates

Australia: Respond



Private health insurance reforms

The Department of Health has issued implementing [regulations](#) for the new health insurance reform law. The Gold, Silver, Bronze, and Basic classification system for health insurance products will debut on April 1, 2019 and all health insurance products must conform to this system by April 1, 2020. Those Silver, Bronze, and Basic policies that substantially exceed their minimum requirements may append a 'Plus' to their designation. In addition:

- Those who purchase health insurance at age 18-29 will qualify for a discount of up to 10% on premiums until age 40.
- Waiting periods are being waived for those who upgrade to policies including mental health coverage.
- Travel and accommodation benefits may now be included in health policies for those who live in remote areas.
- There will be more flexibility in the trade-offs between higher deductibles and lower premiums.

The Department has produced a number of [fact sheets](#).

Argentina: Note



Severance pay tax guidance

Decree [976/2018](#) of November 1, 2018 clarifies the tax regime for severance pay. Statutory severance pay is tax exempt but there was some confusion over whether additional voluntary payments would always be tax-free. From November 2, 2018, supplemental termination payment to someone in a management position earning at least 15x the minimum wage is deemed a golden handshake taxable as income.

Bahamas : Watch



Standard Health Benefit consultation

National Health Insurance (NHI) Bahamas is holding a [public consultation](#) on its plan to introduce a Standard Health Benefit. The existing primary care coverage would expand to a "comprehensive" package, including expensive treatments. There would be a strong emphasis on wellness and diagnostic procedures. Employees would contribute 2% of salary, up to \$42 per month towards the premium and employer responsibility for the balance of the premium would be phased in, starting in 2020 with enterprises employing 100 or more workers. The coverage package would be offered by private health insurers and people who already have adequate health insurance coverage would not be required to join.

The deadline for feedback has now been extended to December 16, 2018.

Key Updates

Canada: Watch



British Columbia Employer Health Tax bill

On October 16, 2018, Bill 44, Budget Measures Implementation (Employer Health Tax) Act, 2018 received first reading. This bill purports to implement the Employer Health Tax (EHT), effective for the 2019 calendar year, on the remuneration paid by employers to or on behalf of employees that report for work in British Columbia.

Generally, the tax is to be paid at a rate of 1.95% of the British Columbia remuneration paid by the employer during the calendar year. If the remuneration paid by the employer is less than \$500,000, no tax is payable. If the remuneration paid by the employer is greater than \$500,000 but not greater than \$1,500,000, tax is paid at a rate of 2.925% of the amount by which the remuneration paid exceeds \$500,000.

The British Columbia government also reiterated that it is moving forward to eliminate Medical Service Plan (MSP) premiums by January 1, 2020.

Please see Aon's earlier [BC Budget 2018 Bulletin](#) for further details.

Source: [Bill 44, Budget Measures Implementation \(Employer Health Tax\) Act, 2018](#).

[Expanded Aon coverage](#) and the earlier bulletin, [Government moves forward on MSP premium elimination, tax cut for people](#).

Canada: Watch



Pay equity bill

A trio of ministries has [collaborated](#) on an Act to Establish a Proactive Pay Equity Regime within the Federal Public and Private Sectors (Pay Equity Act). Employers in the federally regulated private sector would need to review their compensation policy to confirm that men and women are receiving equal pay for work of equal value. A Pay Equity Commissioner would produce guidance and enforce the legislation.

Canada: Note



New Mandatory Data Breach Reporting Requirements (PIPEDA)

For the Aon Bulletin on this update, please [click here](#).

Key Updates

Canada: Watch



Leave-related draft Amendments to the Canada Labor Code

Additional Amendments to the Canada Labor Code [Bill C-86](#), the Budget Implementation Act, 2018, No. 2 was introduced on October 29, 2018. The Bill seeks to make the following changes to the Canada Labor Code:

Vacations with Pay

Current:

- 2 weeks (vacation pay at 4%).
- 3 weeks after 6 consecutive years of employment (vacation pay at 6%).

Proposed:

- 2 weeks after 1 year of employment (vacation pay at 4%).
- 3 weeks after 5 consecutive years (vacation pay at 6%).
- 4 weeks after 10 consecutive years (at 8%).

Leaves of Absence

Bill C-86 proposes substantial changes to administrative aspects of leaves of absence under the Canada Labor Code (applicable only to prescribed employers – see above). Changes related to new leaves, qualifying periods and length of leaves are noted below.

- Leave Related to Critical Illness + G12ss – 6 month qualifying period eliminated.
- Leave Related to Death of Disappearance – 6 month qualifying period eliminated.
- Leave for Court or Jury Duty – New – all employees entitled to leave of absence to attend court to act as a witness, act as a juror, or participate in a jury selection process.

Medical Leave – replaces Sick Leave. No change in maximum weeks (17) but now may be used for: personal illness or injury, organ or tissue donation (new), or medical appointments during working hours (new). No significant changes to benefits continuation obligations (pension, health, and disability benefits continue subject to the continued payment of contributions of employers/employees).

Leave of Absence for Members of the Reserve Force:

- Qualifying period reduced from 6 months continuous employment to 3 months of continuous employment or shorter as prescribed.
- Elimination of the prescribed or 15 day time period for annual training – replaced by generalized “Canadian military forces skills training.”
- Addition of maximum period of leave, leave for any prescribed reason can total no more than an aggregate of 24 months in any 60 month period.

Personal Leave

- New – up to five days per year for illness or injury; family health or care responsibilities; responsibilities related to education and minor children; addressing an urgent matter for self or family; attending their citizenship ceremony, or any other reason prescribed.
- First 3 days are paid and considered wages.

Domestic Violence Leave

- Added in previous bill, not yet in force.
- First five days of Domestic Violence leave to be paid – pay is considered wages.

Breaks for Medical Reasons or Nursing

- New – unpaid breaks that are necessary for medical reasons. On written request by the employer, the employee must provide a certificate issued by a health care practitioner setting out the length and frequency of the breaks needed for medical reasons.
- New – unpaid breaks necessary for nursing or to express breast milk.

Key Updates

Canada: Watch



Broader overview of Bill C-86

Aon Canada has already shared a bulletin (elsewhere in this issue) on some of the leave-related provisions on [Bill C-86](#) and the equal pay measures were previewed previously. This note surveys the entire bill, including provisions on family violence leave, minimum notice of termination, and pay parity between workers of different employment status.

On October 29, 2018, Bill C-86, Budget Implementation Act, 2018, No. 2 received first reading.

All – EI. Among other matters, the bill purports to amend the Employment Insurance Act (EI) to, among other things, increase the maximum number of weeks for which parental benefits may be paid if these benefits are divided between claimants.

Federal – Pay Equity/Employment Standards

In addition, with respect to the federal public and private sectors, the bill purports to:

- Establish the Pay Equity Act to establish a proactive pay equity regime;
- Amend the Canada Labor Code to, among other things;
- Increase the aggregate amount of maternity/parental leave if that leave is divided between employees (to co-ordinate with proposed changes to the Employment Insurance Act referred to above);
- Provide five days of paid leave for victims of family violence, a personal leave of five days with three paid days, an unpaid leave for court or jury duty, and a fourth week of annual vacation with pay for employees who have completed at least 10 consecutive years of employment;
- Eliminate minimum length of service requirements for leaves and general holiday pay and reduce the length of service requirement for three weeks of vacation with pay;
- Prohibit differences in rate of wages based on the employment status of employees;
- Address continuity of employment issues when a work, undertaking or business becomes federally regulated or in cases of contract retendering; and
- Update group and individual termination provisions by increasing the minimum notice of termination.

Chile: Watch



Pension reform plan

On October 28th, the President [unveiled](#) the administration's new pension reform plan. The key [features](#) are:

- a 4% increase in the employer contribution rate, raising it to 14% over 8 years.
- incentives for deferring retirement, including lower social security contributions and benefit increases of 40% for a five-year deferral.
- reinforcement of the solidarity pillar, funded by an addition 0.2% employer contribution, with women and the middle class slated to benefit.

Key Updates

Chile: Watch



Ruling flagged as precedent for drug reimbursement policy

The Supreme Court held in a split decision that the National Health Fund (Fonasa) must reimburse an expensive treatment that is neither on Fonasa's schedule for drug reimbursement nor that of the Ricarte Soto fund for catastrophic illnesses. The Under Secretary of Public Health warned that court challenges to Fonasa reimbursement policy could result in a "judicialisation of health" that would threaten system sustainability without further reforms.

China: Watch



New tax breaks planned

The State Administration of Taxation just held a brief [consultation](#) on draft legislation that would introduce several new personal income tax deductions. From January 1, 2019, caregivers and people with "serious" illnesses would qualify for annual tax deductions as would homeowners, renters and those incurring educational expenses for themselves or their children. Qualifying foreign residents who aren't already having these expenses subsidized by their employers may be entitled to these deductions.

Colombia: Watch



Foreign worker registry

The Ministry of Labor is [developing](#) the Unique Registry of Foreign Workers in Colombia ([RUTEC](#)) to help regularize immigrant labor and preserve the rights of foreign workers. It will include details of migrant worker employment contracts, as well as social security coverage and payroll tax. RUTEC will also document the foreign work force to better match the labor pool with job openings.

Colombia: Watch



Measure would end pension tax relief

The Executive Power has [drafted](#) a tax reform bill featuring a provision that would end the tax exemption on pension income below US \$10,000 per month.

Key Updates

El Salvador: Note



Tax break on Christmas bonuses

The National Assembly has [approved](#) a measure making Christmas and New Year bonuses tax-exempt up to two months' minimum wage in both the private and public sectors. Guidance on key details, including date of entry into force, is expected soon.

Estonia: Note



Parental leave flexibility measures

Parliament has [passed](#) in its final vote a package of amendments to the Family Benefits Act that will give parents more flexibility in parental leave :

- Parents may take up to two months of parental leave together.
- The leave may be taken in daily segments or partial days and the benefit calculation is modified accordingly.
- Parents must notify their employers 30 days in advance of a leave period.
- Each parent will be entitled to 10 days of paid leave while the child is between ages 3-9.
- Parental leave rights are extended to adoptive parents.

The transition to the new system will start with parents of children born on April 1, 2019.

EU/UK: Watch



Post-Brexit mobility plan

The European Commission has come up with a [proposal](#) for post-Brexit visa-free travel of UK citizens in the EU in a no-deal scenario, provided the UK reciprocates. From March 30, 2019, UK citizens would not need a visa for traveling in the EU and the EEA states associated with Schengen area for up to 90 days in a 180-day period. The necessary [draft amendment](#) to Council Regulation (EC) No 539/2001 will now be reviewed by the European Parliament and the Council.

Key Updates

EU: Watch



Bill would expand protection of worker rights

Parliament's Employment and Social Affairs Committee (EMPL) has [approved](#) a set of amendments to the Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on transparent and predictable working conditions in the [European Union](#). Among them:

- Coverage would be expanded in light of the new economy to include platform workers, on-call workers and those freelancers working "under the direction of another person in return for remuneration."
- Probation periods would be capped at 6 months (9 for management) and could not be renewed.
- Detailed written disclosure to workers from day one would now include bonuses, overtime premiums and training.
- Working hours would have "a minimum level of stability and predictability."

Parliament and the European Council will now reconcile their texts.

France: Respond



New withholding tax rules

Employers are being reminded that from January 1, 2019, all taxable income, whether French-sourced or foreign-sourced, will be subject to withholding tax ("prélèvement à la source", [PAS](#)). The current practice is to tax workers on income in the year following the year they were paid. The launch date had already been deferred and came close to being delayed again. Stakeholders are bracing for unintended consequences and French tax authorities are producing guidance on a variety of scenarios involving cross-border workers and foreign employers.

France: Watch



PACTE bill would harmonize tax regime for savings plans

The Action Plan for Growth and Business Transformation (Plan d'action pour la croissance et la transformation des entreprises, PACTE) [bill](#), which cleared the National Assembly last month and is expected to get through the Senate early next year, would harmonize the tax regime for private-sector retirement savings plans (plans épargne retraite, PERs), provided that they share some key features. These include a standard cap on transfer fees and tax-deductible contributions, full portability, and an investment menu with a default lifecycle option.

The bill also has provisions on exempting enterprises with fewer than 250 workers from the 20% special social levy (forfait social) on mandatory profit-sharing plans and excusing the forfait social on voluntary profit-sharing plans (PERCOs and PEEs) for employers with fewer than 50 workers.

Key Updates

France: Watch



Social security financing bill

The 2019 draft bill for financing social security ([PLFSS 2019](#)) has passed in the National Assembly and is expected to clear the Senate in time to come into force on January 1, 2019. Among the highlights:

- The bill features a provision that would exempt employees from 11.3% social welfare tax on both overtime pay and payment for time in excess of the hours set out in their employment contracts.
- It would also cut employer health insurance contributions on monthly pay up to 3,750 euros (U.S. \$4,272.75) from 13% to 7%. This is expected to come into effect on September 1, 2019.
- One measure would let employees and employers jointly apply for a three-year (renewable once) opt-out from contributions to both the state pension and the complementary ARRCO/AGIRC schemes. To qualify, the worker would have to prove adequate pension provision from another scheme and have no participation in the French social security system in the previous five years.
- There would also be increased incentives for adoption of employees' savings schemes (*épargne salariale*).

Meanwhile, a 4% employer social tax reduction on minimum wage salaries that was to have come into effect on January 1, 2019 is deferred to October 1, 2019.

Hong Kong: Respond



Retirement scheme reporting requirements

The Mandatory Provident Fund Schemes Authority (MPFA) has [alerted](#) stakeholders to the impending loss of low-risk nonreporting financial institutions (NRFI) status for Mandatory Provident Fund (MPF) schemes, ORSO (Occupational Retirement Schemes Ordinance) registered schemes, ORSO pooling agreements, and approved pooled investment funds. From January 1, 2020, these institutions will be subject to reporting requirements under the Automatic Exchange of Financial Account Information in Tax Matters (AEOI) regime. Critics have alleged that NRFI status has often allowed these institutions to be used for offshore tax evasion, sometimes by nonemployees. Plan sponsors will now need to disclose their data to the Inland Revenue Department (IRD) and communicate to members about their change in status.

Hong Kong: Note



VHI premiums set

Inland Revenue (Amendment) (No. 4) [Bill 2018](#), which was passed on October 31, sets the tax deduction on premiums for qualified health insurance products purchased under the Voluntary Health Insurance Scheme at HK \$8,000 per insured person. The Ordinance will come into force on April 1, 2019. The new VHIS [office](#) is now inviting insurers to submit products for certification.

Key Updates

India: Watch



Attempt to resolve temporary worker status

Industrial Employment (Standing Orders) Central (Amendment) Rules, [2018](#) gave notice that all private-sector companies may now hire fixed-term workers, but that they are entitled to the same statutory benefits as permanent workers. This left many sectors in limbo as the Industrial Employment (Standing Orders) Act 1946 applies to a handful of sectors and others are subject to state-level laws. The Union Labor Secretary has now sent an urgent request to state counterparts that they issue notices allowing fixed-term employment in the sectors under their jurisdiction.

India: Watch



Health insurance contract standardization proposal

The Insurance Regulatory and Development Authority of India (IRDAI) Working Group for Standardization of Exclusions in Health Insurance Contracts has published a [report](#) that proposes limiting permanent pre-existing condition exclusions for medical insurance to 17 conditions. These include AIDS, Alzheimer's, Parkinson's, and Hepatitis B. Insurers would have to cover all conditions incurred after the start of the health policy and the waiting period for coverage of those pre-existing conditions not qualified for permanent exclusion would be capped at 48 months. The IRDAI is preparing a final report on this issue for early next year.

India: Watch



Health insurance coverage exclusions

The November issue of Benefits Pulse features three articles on developments in health insurance coverage [exclusions](#).

Key Updates

Ireland: Note



New employment permit triggers

The Department of Business, Enterprise, and Innovation (DBEI) has indicated that non-EEA/EU nationals holding Irish Employment Permits must apply for a new permit when there will be a significant change in the terms of employment. These include even routine changes in worksite, compensation or job role. The change must be delayed until the new permit is obtained. Fortunately, this process is simplified by the DBEI Employment Permits Online System ([EPOS](#)) which reduces processing time, though it has recently [apologized](#) for processing delays attributed to a sharp rise in volume.

Kenya: Watch



PRMF consultation

The Retirement Benefit Authority (RBA) has been conducting extensive stakeholder consultations on draft guidelines for Post-Retirement Medical Funds (PRMF). Employers sponsoring registered retirement benefit schemes now have the option of offering a PRMF with a pension, using additional voluntary contributions or diverting part of retirement benefits to pay for medical coverage. The Treasury has already endorsed the draft, so it should be gazetted soon with the new regulatory framework improving the market for this product.

Malta: Watch



2019 Budget highlights

Under the [2019 Budget](#)

- The maximum annual exemption for pension income would rise to EUR 13,434.
- Some increases in the tax breaks for both voluntary occupational pensions and personal pensions are planned. One would raise the tax credit on qualifying contributions from 15% to 25%.
- The annual vacation entitlement would increase from 25 days to 26.
- Self-employed persons would be able to receive unemployment benefits during periods when they are unable to work.

Key Updates

Mexico: Note



Workplace psychological risk rules

The Labor Ministry has published Norma Oficial Mexicana [NOM-035-STPS-2018](#) sobre los factores de riesgo psicosocial en el trabajo , final rules on combating psychological risk in the workplace. From October 23, 2019, employers must draft and communicate a policy for assessing and preventing work-related psychological risk. Employers must also ensure that people who experience work-related trauma receive the appropriate examinations and treatment. Excess workloads, long hours, and abusive customers are among the risks flagged by the ministry. The new employer responsibilities vary by the number of employees and there could be an audit from the authorities.

Poland: Note



Upper House of Parliament adopted the Act on Employee Capital Plans (PPK)

Please view the Aon report [here](#)

Poland: Respond



President signs PPK bill

The Employee Capital Plan (PPK) bill was approved in the Senate without amendment and [signed](#) into law. It comes into force on January 1, 2019 and is mandatory for companies with over 250 people from July 1, 2019. Aon Poland has shared a [bulletin](#) on this development.

Key Updates

Romania: Note



Tiered minimum wage agreement

The Cabinet has approved the Labor Ministry's emergency ordinance on setting a higher minimum wage for those who have passed certain thresholds in education or work experience. When the draft was first introduced last month, standard minimum was proposed to rise from 1,900 lei to 2,080 lei (US\$510.85) per month while workers with a bachelors' degree or at least 15 years with the employer would be entitled to at least 2,350 lei per month. Enacting regulations confirming the differentiated minimum wage rate and setting the date of entry into force are expected soon.

Russia: Note



Supplemental pension contributions for hazardous work

The Federal Tax Service's Letter No. [BS-4-11/19048](#) provides guidance on the higher pension fund contribution rates that employers must pay for workers in "hazardous or dangerous" occupations. Under Tax Code amendments that went into effect on October 1, 2018, the supplemental contributions now range as high as 9%, depending on the hazard exposure identified in a workplace conditions assessment (WCA).

Saudi Arabia: Respond



Occupational safety rules

The Ministry of Labor and Social Development has promulgated Resolution Number 161238 introducing new occupational safety requirements for employers. Enterprises with 50 or more workers are divided into high-, medium-, and low-risk environments by sector. The resolution establishes the obligation to draw up and carry out an occupational safety policy that must be reviewed every two years and it sets employer responsibilities for ensuring workplace safety. It requires communications programs, employee safety training, and worker consultation on safety issues. The resolution went into effect on July 1, 2018.

Key Updates

Slovakia: Note



Employer-provided recreation vouchers

Parliament has passed in final vote [Bill 1108](#) which will require companies with at least 49 employees to supply annual recreation vouchers to workers who have been with them at least 24 months. The workers would have to request the vouchers to cover 55% of certain holiday expenses (including stay packages, children's holiday camps and tourism services) up to EUR 275. The law will come into effect on January 1, 2019.

Slovakia: Note



Annual reconciliation for social tax

The President is expected to sign the freshly-passed [Bill No. 997 of 2018](#) which will require annual reconciliation of employer social taxes. The existing process has employers contributing 25.2% of gross income up to 6,384 euros (U.S. \$7,285.42) on a monthly basis. It has been increasingly common to reduce the tax by paying a lower monthly salary and a large bonus at the end of the year. All payroll systems, particularly those involving irregular payments such as bonuses and commissions, will need to accommodate this change. The annual reconciliation is set to launch in 2023 for 2022 wages.

Tanzania: Note



Foreign resident reporting requirement

Foreign national residents of Tanzania with residence permits or some other legal status now have a November 30 deadline for submitting their current residence information to the [Immigration Department](#), so the Ministry of Home Affairs can have an accurate database on foreign residents. There will be workplace audits for noncompliance and "legal measures" are threatened for those who have not updated their information.

Key Updates

Thailand: Watch



National Pension Fund bill

The legislation on establishing a mandatory second-pillar scheme has cleared both the Cabinet and the Office of the Council of State. The National Pension Fund (NPF) will now go before the National Legislative Assembly. Under the rules for contributions in the current draft:

- Employers and employees would be required to contribute 3% each for the first 3 years, 5% for years 4-6, 7% for years 7-9 then 10% thereafter. The maximum pensionable salary would be 60,000 baht per month.
- Employers would contribute the employee share for workers earning under 10,000 baht per month.
- Employees would be allowed to contribute up to 30% of monthly salary and there is no limit set on employer contributions.

UK: Watch



Bill would hold employers responsible for sham self-employment

HM Treasury is reportedly preparing legislation that would make private-sector employers legally responsible for confirming the legal employment status under IR35 [rules](#) of workers whose services are provided through a Personal Services Company (PSC). This rule was introduced to curb "synthetic self-employment" in the public sector last year and private-sector stakeholders have raised alarms over an anticipated short transition period if the law is passed.

UK: Watch



Consultation on ethnicity pay reporting

The Department for Business, Energy & Industrial Strategy is holding a [public consultation](#) on the issue of mandatory ethnicity pay reporting. The ruling party's manifesto in last year's election had promised to "ask large employers to publish information on the pay gap for people from different ethnic backgrounds" and the consultation seeks feedback on how the process should be conducted. Responses are welcome through January 11, 2019.

Key Updates

UK: Watch



2018 Budget

The [2018 Budget](#) has a few provisions worth noting. From April 2020, medium and large private-sector employers would be responsible for determining whether independent contractors provided through personal service companies should be taxed as employees under IR 35 rules. There will be a public consultation on the measure early next year and one issue under consideration in the private sector is whether employers should include their independent contractors in auto-enrollment. This should also turn up in a public consultation on boosting pensions for the self-employed. In addition, the entry into force of a law making termination payments subject to UK employer social security charges is deferred a year to April 6, 2020. Meanwhile, Aon UK has produced a [bulletin](#) reviewing the budget and previewing government activity on occupational pensions in the coming months.

UK/EU: Watch



Health insurance card contingency measure

The Department of Health has [delivered](#) healthcare (International Arrangements) [Bill 2017-19](#) to Parliament as an urgent priority to ensure that benefits of the European Health Insurance Card (EHIC) for UK citizens is not a casualty of a hard Brexit. The department stated that the bill would “establish the legal basis to fund and implement vital reciprocal healthcare schemes and share necessary data after we leave the EU.”

UK: Watch



Consultation on collective defined contribution schemes

The Department for Work and Pensions has opened the public consultation. Delivering collective defined contribution (CDC) pension [schemes](#), which recommends quick action on legislation supporting “robustly designed and appropriately regulated” CDC schemes. It sets out broad proposals about how a particular type of CDC scheme might work in the UK, how the system might adapt over time to incorporate other forms, and the legislative and regulatory regime that would be needed to support such schemes. Stakeholders wishing to weigh in on any of the consultation's detailed analysis and 25 questions may reply through January 16, 2019.

Key Updates

US: Watch



EBSA Releases Proposed Regulation on Definition of “Employer” Under Section 3(5) of ERISA – Association Retirement Plans and Other Multiple-Employer Plans

On October 22, 2018, the Department of Labor's Employee Benefits Security Administration (EBSA) released a proposed regulation meant to expand access to affordable quality retirement saving options. The proposed rule would clarify the circumstances under which an employer group or association or a professional employer organization (PEO) can be considered an “employer” and sponsor a workplace retirement plan for its members or client employers. Such plans would generally be considered Multiple-Employer Plans, or “MEPs.”

The proposed regulation would allow different businesses to join a MEP, either through a group or association or through a PEO. The proposal would also permit certain working owners without employees to participate in a MEP sponsored by a group or association. Comments on the proposed regulation are due no later than December 24, 2018.

The proposed regulation is available [here](#).

The news release is available [here](#).

Courtesy of Aon U.S.

Vietnam: Respond



Social security mandatory for expats

The [decree](#) on mandatory social security coverage for foreign workers has now been issued and will come into effect on December 1, 2018. From that date, employers will contribute 3% of monthly salary for sickness and maternity benefits and 0.5% for worker's compensation. From January 1, 2022, employers will contribute 14% to retirement and survivorship schemes and workers will contribute 8%. Coverage will not be mandatory for foreign workers posted in Vietnam for less than one year.

Vietnam: Note



Decree on severance pay Employment contracts

[Decree No. 148/2018 / ND-CP](#) amended an earlier decree to:

- *Trim several items including salary review, working time, and safety equipment from the list of mandatory content in employment contracts.
- *Detail the content of retrenchment notices that must be delivered to local labor authorities.
- *Add periods of treatment and rehabilitation for occupational injuries and diseases to the formula for calculating severance pay.
- *Remove periods of probation, apprenticeship, and detention from the formula for calculating severance pay.
- *Stretch the time frame for settlement of severance pay claims in a change in control from 7 days to 30.


The decree comes into effect on December 15, 2018.

Other Notable Updates


Area	Country	Date	Name
	Canada	11/01	Legalization of Recreational Cannabis - Impact on Employee Benefit Plans
	France	11/30	Regulatory framework for telemedicine
	Singapore	11/30	Medical fee guidelines
	Slovakia	11/30	For-profit health insurance ban upheld
	US	11/01	BOO! This Halloween, Make Sure Compliance Doesn't Haunt Employers (Health Care - List of Compliance Items)
	Vietnam	11/09	Decree on health insurance fees

	Chile	11/09	Investment rules relaxed
	EU	11/30	Institutional investor guidance on climate change policy
	EU	11/30	Pension taxonomy for IORPs
	Finland	11/30	Pension contribution rate adjustments
	Latvia	11/30	Pensionable salary to rise
	Mexico	11/30	Same-sex marriage bill passed
	Monaco	11/09	Social security contribution hike
	Netherlands	11/30	Retirement age hike postponed
	New Zealand	11/30	Residency requirement for super eased
	Nigeria	11/09	Voluntary contribution guidance
	Poland	11/30	Premium cap may not be removed
	Sierra Leone	11/30	Minimum pension increase
	South Africa	11/09	Guidance on taxation of lump-sum distributions
	UK	11/09	PPF update on its compliance with minimum compensation ruling
	UK	11/15	GMP Equalisation Ruling
	UK	11/30	High Court ruling on equalisation for the effect of unequal Guaranteed Minimum Pensions
	US	11/30	Totalization agreements
	US	11/30	IRS 2019 Official Indexed Figures for Retirement Plans and Other Employee Benefit Plans

Other Notable Updates

Area	Country	Date	Name
	Armenia	11/09	Unjust dismissal banned
	Australia	11/15	New reporting standards for life insurance (LRS 750.0)
	Bangladesh	11/09	Labor reform package passed
	Belgium	11/09	Single permit system
	Brazil	11/01	Ruling on stock option tax regime
	Colombia	11/01	Guidance on gratuities
	Costa Rica	11/30	Essential services definition refined
	Denmark	11/01	New employee reimbursement process
	Equatorial Guinea	11/30	Work permit renewal requirement
	France	11/01	Ruling on executive-only 13th month pay
	Guatemala	11/15	More holiday shifts to be automatic
	Hong Kong	11/09	Paternity leave bill passed
	Hong Kong	11/30	Guidance on employee reinstatement ordinance
	Italy	11/30	Wage subsidy scheme returns
	Kazakhstan	11/09	Work permit minimum salary rises
	Kenya	11/30	New work permit rules
	Latvia	11/15	Justification needed for foreign language skill requirement
	Mauritius	11/30	Tax guidance on expatriate pensions
	Namibia	11/30	Limit on short-term work visas
	Netherlands	11/30	Partial termination ruling
	Norway	11/30	Favorable tax regime available for expatriates
	Norway	11/30	Ruling on continuity in transfer of undertaking
	Panama	11/30	Permanent residence rules relaxed
	Peru	11/01	Sexual harassment grievance process
	Qatar	11/15	Exit permit waiver not universal
	Russia	11/09	Dismissal protection for executives clarified
	Saudi Arabia	11/30	Labor market testing requirement dropped.
	Serbia	11/09	TRP expansion

Other Notable Updates

Area	Country	Date	Name
	Spain	11/15	ICT restrictions
	Sweden	11/15	Guidance on employee stock option valuation
	Ukraine	11/30	Tax treatment of pension and health insurance premiums
	Uruguay	11/09	Guarantee fund for employer bankruptcy



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