Alliant Global Benefits

Global Knowledge Center – Legal & Regulatory Updates

August 2022

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Australia

Australia: Government to introduce employer-paid family and domestic violence leave

Published on 28 August 2022

On 28 July 2022, the government submitted the Fair Work Amendment (Paid Family and Domestic Violence Leave) Bill 2022 to the House of Representatives. If passed, the Bill would amend the Fair Work Act 2009 to introduce 10 days of paid family and domestic violence leave for employees.

Expected effective dates

On 4 August 2022, the Bill was referred to Senate Education and Employment Legislation Committee and is pending a report due on 1 September 2022. Prior to becoming Law, the final text of the Bill agreed to by both the House of Representatives and the Senate is presented to the Governor-General for assent.

If the Bill passes, its provisions would affect all employers, as employee entitlements to the paid leave would come into effect on 1 February 2023 (or 1 August 2023 for small businesses employers, i.e., employers with less than 15 employees at a time).

The effective dates provide employers ample time for:

Revising their leave policies;

Preparing employee communication materials;

Ensuring that their payroll or their payroll provider makes the necessary adjustments; and

Incorporating the estimated expenses in their budgeting forecasts.

Leave accrual

The Family and Domestic Violence Leave would not be accrued. It would be available upfront at the commencement of each year.

New employees would be entitled to the 10 paid days immediately upon their employment, while existing employees would immediately become entitled the 10 days of paid Family and Domestic Violence Leave upon entry into force of the Law if the Bill passes, and their entitlement would be reset to 10 paid days per year on the anniversary of their commencement date.

Currently, all employees (including part-time and casual employees) are entitled to 5 days unpaid Family and Domestic Violence Leave per year. The entitlement to unpaid Family and Domestic Violence Leave is provided for by the National Employment Standards. The proposed 10 days of paid leave would replace the current 5 days of unpaid Family and Domestic Violence Leave.

Payment of the leave

The employee other than casual employees would be entitled to 100% of their pay, i.e. full rate of pay, during the Family and Domestic Violence Leave. According to Section 18 of the Fair Works Act 2009, full rate of pay includes incentive-based payments and bonuses, loadings, monetary allowances, overtime or penalty rates and any other separately identifiable amounts.

For casual employees, the employer must pay the employee's full rate of pay, worked out as if the employee had worked the hours in the period for which the employee was rostered (i.e., =for which the employee has accepted an offer to work).

Existing company agreement leave entailments

The provisions of the Bill would introduce a new form of paid leave that would apply to all national system employees, including employees under company agreements that already provide for paid Family and Domestic Violence Leave. The Bill provides for ways for the Fair Work Commission to resolve any ambiguities or inconsistencies between the new proposed entitlements and any existing company agreement entitlements.

Belgium

Belgium: Labor inspectors further empowered to use "Mystery Calls" to detect discrimination in recruitment practices

Published on 12 August 2022

Starting 8 May 2022, Labor Inspectors are empowered to resort to the so-called Mystery Calls (*Appels mystères*) to detect discrimination in an employer's recruitment practices, by pretending to be a job applicant to assess employer behavior and practices throughout the recruitment process, provided they have:

Either an objective indication of discrimination, or on a complaint, or on data (from datamining and data-matching) indicating discrimination practices; and

A written agreement of the labor auditor or the public prosecutor.

Previously, for labor inspectors became empowered to resort to Mystery Calls to detect employers' discrimination practices the following 3 conditions had to both be met:

- There had to be objective indications of discrimination triggered by a complaint or a report to the Labor Inspectorate;
- The indications of discrimination had to be substantiated by datamining and data-matching results; and
- A written agreement of the labor auditor or the public prosecutor.

In practice however, the above conditions were rarely all three met simultaneously, constraining labor inspectors in their use of Mystery Calls to shed light on employers' discrimination practices.

Furthermore, the previously applicable conditions that the underlying facts had to be more serious than those for which Mystery Calls were used is abolished, so that a Labor Inspector who commits an offense while investigating discrimination practices no longer commits an offense and cannot not prosecuted.

Previously, by using a false name or a false degree, Labor Inspectors were in fact breaking the law, which required that the offenses they commit be less serious than those for which they rely on Muster Calls. That was not the case. For instance, penalties for forgery in writing, which Labor Inspectors have to do when resorting to Mystery Calls investigation methods, are heftier than those for violations anti-discrimination legislation.

Finally, effective 29 April 2022, to carry out their investigative mission, Labor Inspectors may contract third parties, when it is manifestly necessary to the success of their mission.

Resources

This change was introduced by the Law amending section 2/1 of the Social Penal Code concerning the specific powers of social inspectors with regard to findings relating to discrimination (*Loi modifiant la section 2/1 du Code pénal social concernant les pouvoirs spécifiques des inspecteurs sociaux en matière de constatations relatives à la discrimination*) which was published in the Official Journal (*le Moniteur belge*) on 28 April 2022.

Canada

Canada: CAPSA seeks comments on draft ESG Guidelines for pension fund administrators

Published on 23 August 2022

On 9 June 2022, the Canadian Association of Pension Supervisory Authorities (CAPSA) released a draft document entitled CAPSA Guideline: Environmental, Social and Governance Considerations in Pension Plan Management for public consultation and stakeholder feedback. The draft document provides guidance to pension fund administrators on incorporating environmental, social, and governance (ESG) considerations in their financial investment decisions.

Comments on the Draft Guidelines are due by 15 September 2022

ESG in Pension Plan Management

The Draft Guidelines spell out a set of pension plan management ESG-related principles pertaining to:

- Plan administrators' fiduciary duties to the plan, in light of ESG consideration;
- The implementation of ESG considerations in a plan's governance and risk management framework and decision-making processes; and
- The disclosure of the pension fund's investment policies in relation to ESG considerations

Resources

CAPSA encourages and invites interested parties to participate and contribute to the consultation process. Stakeholders may make written submissions to: capsa-acor@fsrao.ca, Attention: CAPSA Secretariat

Canada: Ontario extends employees' entitlement to COVID-19 Leave

Published on 15 August 2022

On 21 July 2022, the Ontario government extended employees' entitlement paid COVID-19 related Leave though 31 March 2023 by filing Regulation 464/2, which amends Regulation 228/20 (Infectious Disease Emergency Leave) of 29 April 2021.

Maximum duration of paid COVID-19 Leave

Regulation 228/20 entitles employees to up to 3 paid days of leave per year for a wide range of COVID-19 related reasons.

This entitlement to 3 paid days as infectious disease emergency leave is in addition to employees' entitlement to unpaid infectious disease emergency leave.

The paid infectious disease emergency leave is available for certain reasons related to COVID-19, including:

- Getting tested for COVID-19
- Waiting for COVID-19 test results
- Being sick with COVID-19
- Getting mental health treatment related to COVID-19
- Being vaccinated or for vaccination side effects
- Self-isolation
- Providing care or support to certain relatives for COVID-19 related reasons

Employer leave payments and reimbursements

Employers are required to pay employees up to 3 days of leave taken for COVID-19 related reasons. The required amount of employee pay during the leave equals the wages that they would have earned had they not taken the leave, up to CAD 200 per day, and up to 3 days per year.

Employers are in general entitled to reimbursement and may submit claims to the Workplace Safety and Insurance Board (WSIB) for a reimbursement called the Ontario COVID-19 Worker Income Protection Benefit.

Exclusion from reimbursement

An employer is not entitled to WSIB reimbursements for paying an employee during a COVID-19 related leave if:

- the employee received WSIB benefits for the same days of leave; or
- the employer cancelled or rescinded paid leave offered to the employee in an employment contract, on or after 19 April 2021.

In other words, an employer cannot cancel their employee's contractual entitlement to paid leave and instead take advantage of the province's COVID-19 Worker Income Protection Benefit.

Employer Actions

With the province's extension of the paid COVID-19 Leave, Ontario employers must continue paying for such leaves through 31 March 2023.

Employers may submit claims for reimbursement of payments of up to CAD 200 per day for up to 3 days per employee per year to the WSIB.

Exclusion from WSIB reimbursement applies if:

- the employee received WSIB benefits for the same days of leave; or
- the employer cancelled or rescinded paid leave offered to the employee in an employment contract, on or after 19 April 2021.

Resources

Employer claims for reimbursement

Costa Rica

Costa Rica: New paternity and special leaves introduced

Published on 1 August 2022

Effective 7 April 2022, Law No.21,149 amended the Labor Code to include paternity leave, special leaves, and other provisions. The amendments are detailed below.

Law No.21,149 was published in the Official Gazette No. 103 (*La Gaceta No. 103*) of 3 June 2022.

Parental Leave

Previously, there was no statutory requirement for employers to provide parental leave, the Law amended Article 95 of the Labor Code to introduce new parental leave provisions requiring that employers grant biological fathers 2 days of paid leave per week during the first 4 weeks after the birth of their child.

Payment during leave

Payment of the parental leave will be covered by the employer and the Costa Rican Social Security Fund (*Caja Costarricense de Seguro Social CCSS*) in equal parts.

Special leaves

The Law amends article 95 to include the following leaves:

- Leave for the individual adopter: paid leave of 3 months is granted.
- Leave for joint adoption: paid leave of 3 months is granted divided between the adopting parents regardless of gender.
- Leave for the death of a mother: if the mother dies in childbirth or during maternity leave, the biological father will be granted a postpartum leave of the deceased mother. If the father does not agree to take care of the child, the leave will be granted to the worker who proves that they will care for the newborn child.

Payment during special leave

Payment of the special leaves will be covered by the employer and CCSS in equal parts.

Other provisions

The Law includes new requirements for the employee to choose the suitable interval for their breastfeeding time. The breastfeeding intervals are as follows:

- 15 minutes every 3 hours.
- 30 minutes twice a day.
- 1 hour at the beginning of the workday.

- 1 hour before the end of the workday.
- Choice of either arriving an hour later or leaving an hour earlier from the workplace.

The Law also amends article 100 to include the employer's obligation to have a breastfeeding room when the employer has breastfeeding mothers in the workplace. Previously, employers had to have a total of at least 30 pregnant employees to provide a breastfeeding room. The new provisions would oblige the employer to provide a breastfeeding room regardless of the number of pregnant employees.

The Law also amends article 70 to include the prohibition for the employer to request a medical pregnancy test from the employee upon the entrance to the workplace.

Employer Actions

Effective 7 April 2022, employers are required to grant biological fathers 2 days of parental leave per week during the first 4 weeks after the birth of their child. Payment of the leave will be covered by the employer and the CCSS in equal parts.

Employers are also required to grant eligible employees the following new special leaves, which are paid by the employer and CCSS in equal parts:

- Leave for the individual adopter;
- leave for joint adoption; and
- leave for the death of a mother during childbirth.

Payment of the special leaves will be covered by the employer and the CCSS in equal parts.

Employers are also required to have a breastfeeding room when they have breastfeeding mothers in the workplace.

Furthermore, employers are prohibited from requesting a medical pregnancy test from the employee upon entrance to the workplace.

Employers are advised to update their leave policies and employee communication materials to reflect the new leave provisions.

France

France: New legislation introduces measures to enhance purchasing power

Published on 22 August 2023

In response to unusually high inflation rates in 2022, new legislation introducing emergency measures for the protection of purchasing power was adopted by Parliament on 3 August 2022. However, some of the measures were subject to review by the Constitutional Council prior to the entry into force of the legislation. The Constitutional Council declared the measures constitutional on 12 August 2022.

The key measures of the law affecting employers and/or employees, some of which come into effect retroactively, are detailed below, and pertain to:

- Value Sharing Bonus
- Employer contribution deduction for employee overtime and or waiver of rest days
- Profit-sharing agreements and employee savings plans
- Expanded scope of use of meal vouchers
- Alignment of CBA salary grids with the minimum wage
- Early revaluation of certain social benefits

These measures are detailed below.

Value Sharing Bonus

Article 1 of the law introduces the option for employers to pay their employees a so-called Value Sharing Bonus (*Prime de partage de la valeur*) that is exempt from employer and employee social contributions, as well as other salary-related taxes. These provisions of the law apply retroactively to bonuses paid as of 1 July 2022.

Employees concerned

All employees under an employment agreement with the employee, temporary agency workers made available to the employer, employees with disabilities working via ESAT on the date of bonus payment, on the date collective agreement filing with the competent authority, or on the date of signature of the employer's unilateral decision.

Terms for establishing the Value Sharing Bonus

The mechanism for the payment of this newly introduced bonus can be established by agreement (negotiated at company or group level) according to the terms applicable to optional profit-sharing agreements (*Accords d'intéressement*) or by a unilateral employer decision.

The Value Sharing Bonus may be paid in one or more instalments, within the limit of once per quarter, during a calendar year, and cannot replace any of the elements of an employee's compensation, nor can it replace increases in remuneration or bonuses provided for by a salary agreement, by the employment contract, or by the practices in force in the company.

The bonus amount may differ across employees depending on their pay, the level, the years of service, the duration of effective presence during the past year, or the duration of the employment contract.

Contribution exemption limits

This exemption is capped at EUR 3,000 per beneficiary and per calendar year, or EUR 6,000 when certain conditions, linked to the implementation of a mandatory or optional profit-sharing scheme (*Plan d'intéressement ou de participation*), are met – a limit that is 3 times the exceptional purchasing power bonus (*Prime exceptionnelle de pouvoir d'achat*) which was in effect through March 2022. The exemption limit is also increased to EUR 6,000 when the Value Sharing Bonus is paid by associations or foundations recognized as being of public or of general interest.

Furthermore, within this same limit of EUR 3,000 or EUR 6,000 the Value Sharing Bonus is also exempt from income tax, the generalized social contribution (*Contribution sociale généralisée, CSG*) and (*Contribution pour le remboursement de la dette sociale, CRDS*) when paid, between 1 July 2022 and 31 December 2023, to employees whose remuneration during the 12 months preceding the bonus payment, was less than 3 times the annual minimum wage (*Salaire minimum de croissance, SMIC*), prorated to the amount of work provided for by their employment agreement.

Employer contribution deduction for employee-waived overtime and rest days

Currently only employers with less than 20 employees are entitled to a flat-rate deduction of employer social security contributions on overtime, equal to EUR 1.50. A deduction also applies to employees on a fixed-number-of-days-per-year contract (*Salarié en forfait jours*) who work beyond 218 days.

Effective 1 October 2022, Article 2 of the Law entitles employers with at least 20 employees but less than 250 employees to a flat-rate deduction (*Deduction Travail Emploi Pouvoir d'Achat, TEPA*):

- On employer contributions due on overtime pay. The amount of this deduction remains to be set by a forthcoming implementation decree. This new entitlement relates to hours worked beyond:
  - 35 hours per week;
  - limits set by collective agreement that define working time over a period longer than a week; and
  - 1,607 hours for employees on a flat-rate hour over the year contract (*Salariés au forfait heures sur l'année*), i.e., employees whose working time cannot be predetermined and who have autonomy in organizing their schedule.
- For days worked beyond 218 days per year by their employees on a fixed-number-of-days-per-year contract, provided they relinquish part of their days off, with the written agreement of their employer.

These 2 deductions will be credited from social contributions due in respect of and limited to pay related to overtime work and work on rest days by employees on a fixed-number-of-days-per-year contract.

The above deductions may be combined with other employer contribution exemptions, up to a limit of total social contributions due per employee concerned.

Employers are entitled to the above deductions provided they comply with any legal or contractual provisions relating to working hours; and provided that the overtime worked is paid at a rate that is least equal to 100% of the employee's regular hourly pay.

The deductions are not applicable when pay replaces amounts that would otherwise be subject to social contributions, unless a period of at least 12 months has elapsed between the last (full or partial) cancellation of pay and the first payment for overtime work, or for days of rest worked by employees on a fixed-number-of-days-per-year contract.

Profit-sharing agreements and employee savings plans

Effective 1 October 2022, Article 3 of the Law introduces the following changes:

- Increases the maximum duration of optional profit-sharing agreements (Accord d'intéressement) from 3 to 5 years;
- Renewal by tacit agreement may take place several times; and
- Where no branch profit-sharing agreement covers an employer, the employer may set up a optional profit-sharing plan by unilateral decision when the employer has fewer than 50 employees and does not have a union representative or Social and Economic Committee (CSE); or has at least one trade union representative or has a CSE after failure of the negotiations as attested by a disagreement report and after consultation of the CSE.

Notably, paternity leave periods are assimilated to periods of employee presence if profit-sharing is distributed according to employee presence at work.

A digitalized procedure for drafting a profit-sharing agreement has been created, making it possible to check an agreement's compliance with the legal provisions in force at the time of filing, in which case, any exemptions are deemed acquired for the duration of the agreement.

Article 4 of the Law shortens by 1 month the legality control deadlines applicable to employee savings plans for agreements and plans filed on or after 1 January 2023.

Article 5 of the Law allows for early withdrawals at the request of the employee, of resources from an optional or mandatory profit-sharing plan (allocated to funds before 1 January 2022) in one installment of up to EUR 10,000 (net of social security contributions), in order to finance the purchase of products and/or services through 31 December 2022.

In addition, Article 5 of the law provides that an employer must inform its employees of their entitlements within 2 months of its promulgation.

Expanded scope of use of meal vouchers

Effective 31 December 2023, meal vouchers, also referred to as restaurant vouchers (*Titres restaurant*) for purchasing any food product, regardless of whether it is directly consumable.

Previously, not all food products were eligible for payment via meal vouches. Directly consumable food products, such as prepared meals, fruits and vegetables, were expenditures eligible for payment via meal vouchers (which are partially financed by the employer). However, using meal vouchers for purchasing for example pasta, starchy foods, basic products from a grocery shop or even unprocessed meats and/or fish were not expenditures eligible for meal voucher payment.

Alignment of CBA salary grids with the minimum wage

The provisions of the law encourage branches to align updates of their salary grids with changes in the minimum wage (SMIC). More specifically, the Law lays down new provisions so that branch collective bargaining agreements (CBA) guarantee compliance with adjustments in the minimum wage (SMIC).

Reduced deadline for initiating negotiations

In order to increase the minimum wage of employees under branch agreements in a timely manner, branches will have 45 days (instead of previously 3 months) to engage in wage negotiations if the national professional minimum wage for employees without qualifications falls below the minimum wage (SMIC). If the branch fails to enter into such negotiations, trade unions will be able to do so.

Extended conditions for a branch merger procedure

According to Article 7 of the La, the low number of agreements or amendments ensuring a professional national minimum wage for employees without qualifications that is at least equal to the minimum wage (SMIC) is now a reason enabling the Minister of Labor to initiate a procedure to merge branches with similar social and economic features. This procedure is laid down in Article L. 2261-32 of the Labor Code and is aimed at reducing the number of branches agreements.

Reduced deadline for reviewing CBA amendments

The Law stipulates that the maximum duration, set by regulation, of the accelerated review procedure for amendments to an extended agreement that only relates to wages may not exceed 2 months. This provision applies provided the minimum wage (SMIC) has increased at least twice during the last 12 months preceding the conclusion of the amendment.

Early revaluation of selected social benefits

Retroactively effective 1 July 2022, Article 9 of the Law provides for a 4% revaluation of the basic old-age pension and the disability pensions. The revaluation will apply to pension payments for the month of August, which is paid on 9 September. The amount corresponding to the revaluation of the old-age pension for the month of July will also be paid on 9 September 2022.

Resources

The measures were introduced by Law n° 2022-1158 on emergency measures for the protection of purchasing power (Loi n° 2022-1158 portant mesures d'urgence pour la protection du pouvoir d'achat), which was published in the Official Journal (*Journal officiel de la République française, JORF*) on 17 August 2022.

Decision of the Constitutional Council n° 2022-842 DC of August 12, 2022 (*Décision du Conseil constitutionnel n° 2022-842 DC du 12 août 2022*) confirming the constitutionality of the emergency measures introduced by Law n° 2022-1158 for the protection of purchasing power was published in the Official Journal on 17 August 2022.

Employer Actions

Employers must inform their employees of their new profit-sharing plan related entitlements under Article 5 of the Law.

Among the many emergency measures for the protection of purchasing power that concern both employers and employees, Article 5 of the Law obligates employers to inform all profit-sharing plan beneficiaries within 2 months of the promulgation of the Law (hence between 17 August 2022 and 17 October 2022) of their new entitlement to withdraw optional or mandatory profit-sharing plan resources (allocated to funds before 1 January 2022) in one installment of up to EUR 10,000 (net of social security contributions), in order to finance purchases of products and/or services through 31 December 2022.

France: Inflation induces a third increase in the statutory minimum wage in 2022, starting 1 August

Published on 4 August 2022

Effective 1 August 2022, in response to inflation the gross hourly minimum wage increased by 2.01% – the third increase since 1 January 2022. The new hourly minimum wage amount is EUR 11.07 (or EUR 1,678.95 monthly) in mainland France, Guadeloupe, Guyana, Martinique, Reunion, Saint-Barthélemy, Saint-Martin and Saint-Pierre-et-Miquelon. The minimum hour wage in Mayotte amounts to EUR 8.35 (EUR 1,266.42 per month).

Furthermore, the guaranteed minimum amount (*le minimum garanti*) – a reference amount that serves as basis for calculating various private sector tax favorable in-kind allowances, and social allowance minima increases to EUR 3.94, up from previously EUR 3.86. The guaranteed minimum amount also makes it possible to set tax favorable allowance limits for business expenses (e.g., travel expenses or meal vouchers).

The guaranteed minimum also factors into the calculation of the childminders' or the mother's helper allowance (*l'indemnité d'entretien des assistantes maternelles*), the amount of which must not be less than 85% of the guaranteed minimum in force. In terms of social safety net, it serves to set the daily allowances for the solidarity income (*le revenu de solidarité active, RSA*), the minimum old age pension amount, etc.

Employers and employees concerned

The statutory minimum wage must be complied with by all employers. The increase affects all employees whose gross wage is less that the new level of the statutory minimum wage. Collective bargaining agreements (CBA) may provide for higher amount that the statutory minimum wage.

Employer Actions

Effective 1 August 2022, employers must ensure that all employees are paid at or above the new level of the statutory minimum wage (i.e. EUR 11.07 per hour or EUR 1,678.95 monthly) in mainland France, Guadeloupe, Guyana, Martinique, Reunion, Saint-Barthélemy, Saint-Martin and Saint-Pierre-et-Miquelon. The minimum gross hourly wage in Mayotte amounts to EUR 8.35 (EUR 1,266.42 per month).

Collective bargaining agreements (CBA) may provide for higher amount that the statutory minimum wage.

Resources

The increase in minimum wage was introduced by Decree of 29 July 2022 related to the increase in the minimum wage (*Arrêté du 29 juillet 2022 relatif au relèvement du salaire minimum de croissance*), which was published in the Official Journal (*Journal officiel de la République française, JORF*) on 30 July 2022.

France: INRS releases a guide to support employers through the workplace accident assessment process

Published on 26 August 2022

On 22 June 2022, the National Research and Security Institute (l'Institut national de recherche et de sécurité, INRS) released a brochure called Analyze work accidents to act for their prevention (*Analyser les accidents du travail pour agir pour leur préventio*) to serve as a practical guidance for employers through the various stages of workplace accident reviews and assessments.

The INRS Brochure

The brochure is structured as follows:

- Employer information
- Creating a multi-disciplinary analysis group
- Data collection and identification of facts
- Determining of the causes of the accident
- Choice and formalization of a remedial action plan
- Feedback and communication
- Monitoring and evaluation of corrective actions
- An Annexed Form: Accident at Work Data Collection Form, which includes the following sections:
  - Administrative information regarding the accident
  - Information for analyzing the accident
  - Detailed account of the incident

Intended users and uses

The guide is intended for employers, prevention specialists, members of the Social and Economic Committee (*Comité social et économique, CSE*), of the Health, safety and working conditions committee (*la Commission santé, sécurité et conditions de travail, CSSCT*), as part of their investigative role, but also for employee representatives, CSE proximity representatives (*représentant de proximité*), and individuals designated to analyze a workplace accident.

The INRS brochure specifically indicates that it is not to be confused with the search for responsible parties which is part of a judicial investigation. The analysis of an accident consists of looking for all the causes that contributed to its occurrence in order to understand its source and to draw preventive lessons, and not for identifying responsible parties to an accident.

Hong Kong

Hong Kong: Employers must take precautions against employee heat strokes

Published on 3 August 2022

On 1 August 2022, the Occupational Safety and Health Branch of the Labour Department issued measures for employers to prevent heat strokes during periods of high temperature announced by the Hong Kong Observatory. The Occupational Safety and Health Branch of the Labour Department produced the "Prevention of Heat Stroke at Work in a Hot Environment" risk assessment leaflet as a reference for employers.

Mandatory heat stroke preventive measures

According to the measures issued by the Occupational Safety and Health Branch of the Labour Department to prevent employee heat strokes, employers must:

- Adapt work schedule arrangements to weather reports to mitigate employee exposure to heat, or provide rest breaks during high temperatures;
- Ensure availability of first aid kits;
- Provide water, shaded rest areas, and drinks with electrolytes for employees working outdoors;
- Provide mechanical aids to minimize physical demands;
- Provide essential information on preventive measures for heat strokes to employees; and
- Complete the "Checklist for Heat Stress Assessment".

Furthermore, employers must also ensure that their employees take the following precautions:

- Wear suitable clothing that minimizes heat absorption and suitable hats for outdoor work, (Suitable clothing includes loose fitting, cotton, and light colored.)
- Drink water and other provided beverages,
- Rest in cool and shaded areas whenever heat-related symptoms occur, and ensure supervisors are present and aware to take immediate actions.

Employers should take into consideration employees who have difficulties adapting to hot working environments due to their personal health conditions. Employers must consult the employee's physician (with the employee's approval) to assign suitable tasks based on their physician's recommendations.

Public training and occupational health talks

The Occupational Safety and Health Branch of the Labour Department provides trainings and occupational health talks at public venues to raise employer and employee awareness on the risks

of heat strokes at the workplace and on preventive measures. The trainings and health talks started on 2 August 2022 and will continue until 29 August 2022.

Employer Actions

Starting 1 August 2022, employers must take heat strokes prevention measures prescribed by the Occupational Safety and Health Branch of the Labour Department during periods of high temperature announced by the Hong Kong Observatory. Employers must not only comply with prescribed measures themselves but must also ensure that their employees take the precautions prescribed by the Occupational Safety and Health Branch of the Labour Department.

India

India: New rule permits WFH for IT and ITeS employees in Special Economic Zones

Published on 25 August 2022

Effective 14 July 2022, the Ministry of Commerce and Industry amended Rule 43A Special Economic Zones Rules 2006, to include work-from-home (WFH) for up to 50% of the IT and ITeS sector employees in Special Economic Zone units (SEZ). The Notification amending Rule 43A was published in the Official Gazette of India on 14 July 2022.

The measure aims to increase space rentals at information technology parks, while help employers attract and retain talent with flexible WFH and hybrid work options.

Rule 43A conditions

Effective 14 July 2022, Rule 43A authorized WFH for up to 1 year (annual extensions may apply) for 50% of the IT or ITeS sector employees in SEZ.

The Rule lists all the following employees as eligible:

- employees in the IT or ITeS sectors;
- employees who are temporarily incapacitated;
- employees who are travelling; and
- employees who are working offsite.

Rule 43A will cover up to 50% of eligible employees (including contractual employees) of an IT/ITES SEZ unit at any point in time. Exceptions may apply to include more eligible employees for *bona-fide* reasons at the discretion of the development commissioner.

WFH approval is granted for 1 year and can be extended annually for eligible employees. Once the employees are approved to WFH, the SEZ unit must maintain accurate attendance record for the entire WFH duration. As per Article (7) of the Rule, a copy of attendance should occasionally be submitted by the SEZ to the Development Commissioner.

Application process

In order to obtain approval to WFH, the SEZ unit needs to submit an application to the Development Commissioner of the SEZ containing the terms and conditions of WFH, including the date from which the permission for WFH shall be utilized and the details of concerned employees.

Applications must be submitted at least 15 days in advance, except for employees who are temporarily incapacitated or are travelling. For employees who are already working offsite, the application must be submitted within 90 days of the date of issuance of the Rule.

WFH office assets

The SEZ unit may provide an employee with the following assets during the approved WFH duration:

- Laptop, computer, video projection systems; and
- Other electronic equipment and secured connectivity (for virtual private network, and virtual desktop infrastructure).

In order to establish a connection between the employee and work-related projects from the SEZ unit to domestic tariff area, the SEZ unit needs to:

Issue a certificate authorizing the employee, containing the details of equipment. Such certificate needs to be endorsed by the Specified Officer and acknowledgement thereof shall be kept in the SEZ unit's records; and

Maintain proper record of goods removed from SEZ unit and certificates issued.

The permission for temporary removal of goods would be valid up to the end date of the approved WFH duration.

Italy

Italy: Criteria for employers to become gender equality certified set by decree

Published on 10 August 2022

The Decree of 29 April 2022, Parameters for the achievement of certification of gender equality by companies and involvement of company trade union representatives and the territorial and regional equality advisors (*Decreto 29 aprile 2022, Parametri per il conseguimento della certificazione della parita' di genere alle imprese e coinvolgimento delle rappresentanze sindacali aziendali e delle consigliere e consiglieri territoriali e regionali di parita'*), was published in the Official Journal (*La Gazzetta Ufficiale*), on 1 July 2022.

The Decree of the Ministry of Equal Opportunities sets the minimum requirements in terms of pay and work-life balance measures for employers to obtain a gender equality certification. The Decree also establishes the procedures for the involvement of trade union representatives and of national and regional equality advisors in monitoring continued compliance required to remain certified.

According to the provisions of the Decree, the minimum requirement (referred to as the reference parameters) are set out in the UNI/PdR 125:2022 Reference Standards, on Guidelines on the gender equality management system, which requires the adoption of Key Performance Indicators (KPIs) for company gender equality, and was published on 16 March 2022.

These guidelines identify KPIs in 6 areas that determine the inclusive and gender-equal nature of employers. These are:

- Culture and strategy;
- Governance;
- HR processes;
- Opportunities for growth and inclusion of women in the company;
- Gender pay equity; and
- Protection of parenthood and work-life balance.

The Decree states that certification is issued by conformity assessment bodies, accredited under Regulation (EC) no. 765/2008, and must comply with the parameters set out in the Conformity assessment — Requirements for bodies providing audit and certification of management systems (Uni Cei Iso/Iec 17021-1), specifically for Uni/PdR 125:2022, which sets out the Guidelines on the Management System for Gender Equality (*Linee Guida sul sistema di gestione per la parità di genere*) through the adoption the key performance indicators.

Company trade union representatives and the territorial and regional councilors of equality are assigned with monitoring compliance necessary to maintaining the certification.

In this context, employers must annually provide a report that reflects the degree of compliance with the UNI / PdR 125: 2022 Guidelines on gender equality to the monitoring and conformity assessment bodies (*organismi deputati alla valutazione della conformità*).

Any anomalies or critical issues must be reported by the Company Trade Union Representatives and the territorial and regional equality councilors to the conformity assessment body that issued the certification, giving the employer 120 days to resolve any issues and/or anomalies.

Italy: Further reduction in social contributions and tax exemption of employer welfare plan acquisitions increased

Published on 30 August 2022

New legislation commonly referred to as the *"Aiuti Bis"* (Additional Aid) Decree-Law grants employees additional financial support, primarily motivated by the sharp increase in energy prices. The Decree-Law came into force on 10 August 2022. Its provisions have varying effective dates, including provisions that are retroactively effective.

Key employment-related measures of the *Aiuti Bis* Decree Law affect all employers and are:

- A further reduction in social contributions for certain employees; and
- An increase in the income tax exemption limit for products and services acquired from employer welfare plans.

The measures are detailed below.

Reduced employee social security contributions

Retroactively effective 1 July 2022 through 31 December 2022, the existing exemption on the portion of social contributions for old age, survivors' and disability paid by certain employees is increased by 1.2 percentage points to now 2%. This exemption is implemented on an exceptional basis and will not impact the calculation of an employee's future social benefits. The increased exemption applies to employees with annual earnings of up to EUR 35,000 (including the 13th month payment).

Tax-exemption of employer welfare plan acquisitions

Employer welfare plans (*Piani di welfare aziendale*) provide a range of social and welfare related products and services to employees. Employees' acquisitions from an employer welfare plan will be income tax-exempt up to EUR 600 (up from previously EUR 285) for 2022. This measure is temporary and applies to purchases through 31 December 2022.

Additionally, per Article 51, Para, 3 of the *Aiuti Bis* Decree-Law, employer will be able to include utilities (e.g., electricity, gas, water) in their range of corporate welfare products and services.

Underlying legislation

The changes were introduced by the Decree-Law n. 115 on Urgent measures in the fields of energy, water emergency, social and industrial policies (*Decreto-Legge di 9 agosto 2022, n. 115 Misure urgenti in materia di energia, emergenza idrica, politiche sociali e industriali)*, which was published in the Official Gazette *(Gazetta Ufficiale) on* 9 August 2022, and came into force on 10 August 2022.

Employer Actions

Retroactively effective as of 1 July 2022, employers must ensure that their payroll or payroll administrators adjust their systems to account for the increase in social contributions exemption paid by employees earning less than EUR 35,000 (including the 13th month).

With respect to the increased income tax exemption ceiling applicable to employees' acquisitions from an employer welfare plan, employers may wish to communicate the change to their employees, as well as any changes that might be made to the products and services offered under the welfare plan, should the plan add household utilities (utilities (e.g., electricity, gas, water), which are now authorized for 2022.

Japan

Japan: iDeCo participation requirements relaxed, DC plan contribution limits change starting 1 October 2022

Published on 28 August 2022

Effective 1 October 2022, members of a corporate defined contribution (DC) pension plan may join an Individual Defined Contribution Pension (iDeCo) with a monthly contribution not exceeding JPY 20,000 without it resulting in a reduction in their employer's contribution to the corporate DC plan.

Prior to 1 October 2022, the total monthly contribution (i.e., employer and employee) to a corporate DC plan is limited to JPY 55,000, or JPY 27,500 if the employer provides both a funded DB plan and a DC plan, and this regardless of the benefit amount provided under the DB plan.

Currently, most members of company DC plans cannot join an iDeCo due to the provisions of their DC plan agreement. When employees are able to join iDeCo, they can do so provided their monthly contributions to the company DC plan are reduced from JPY 55,000 to JPY 35,000 (or from JPY 27,500 to JPY 15,500 if they were also enrolled in a defined benefit plan).

The monthly iDeCo contribution amount is capped at JPY 20,000 (JPY 12,000 per month, if the employee is also enrolled in other retirement plans such as DB, or welfare pension fund, etc.), meaning contributions are capped at JPY 55,000 per month (JPY 27,500) when combined with the employer DC plan contributions.

Starting 1 October, a system of combined DC plan and iDeCo contribution management enters into effect, so that DC plan members do not have to reduce the upper limit of the DC plan contributions in order to enroll into an iDeCo.

The total DC plan contribution limit of JPY 55,000 per month remains unchanged. However, if an employer has both a DC plan and a DB plan, the DC plan contribution limit is determined by subtracting the DB plan equivalent accrual from the maximum total DC contribution.

However, it should be noted that the employer contribution amount to a corporate DC plan and contribution amounts to an iDeCo are subject to the limits indicated in the table below.

	When employee is a corporate DC plan member only	**When the employee is enrolled DC plan and a funded DB plan (or welfare pension fund, etc.)**
Employer contributions to DC Plan	JPY 55,000 per month	JPY 27,500 per month
iDeCo Contribution Amounts	JPY 55,000 minus the monthly employer DC Plan contribution	JPY 27,500 minus the monthly employer DC Plan contribution

	When employee is a corporate DC plan member only	When the employee is enrolled DC plan and a funded DB plan (or welfare pension fund, etc.)
	Capped at JPY 20,000 per month.	Capped at JPY 12,000 per month.

Furthermore, if the corporate DC plan allows for employee contributions, employees can decide between contributing to the corporate DC plan or to iDeCo.

Although employee contributions cannot exceed employer contributions to the corporate DC, plan, with iDeCo becoming available, employees will have more options. Employees may also have more investment options n under iDeCo than those available under a corporate DC plan.

The monthly amount of the combined employer and employee contributions to the corporate DC plan cannot exceed JPY 55,000.

Employer Actions

The relaxation of iDeCo participation requirements provides employees more options. If an employee contributes to both a corporate DC plan and iDeCo, they will need to adjust their iDeCo contributions to ensure that the total of employer DC plan contributions and employee iDeCo contributions do not exceed the JPY 55,000 monthly limit.

Employers must ensure that DC plan administrators inform plan members of the maximum amount they can contribute to iDeCo.

Employers would be well advised to cooperate with DC plan administrators in informing and training employees on the new options; to adjust their administrative processes, and to revise existing and future employee training and communication materials.

Resources

Relaxation of iDeCo subscription requirements for corporate DC subscribers (企業型DC加入者のiDeCo加入の要件緩和（2022年10月1日施行)

Official iDeCo website

Mexico

Mexico: Government seeks stakeholder feedback on draft telework health and safety rules

Published on 24 August 2022

On 15 July 2022, the Ministry of Labor and Social Welfare published the draft Project of Official Mexican standards regarding telework health and safety (*Project of the Mexican Official Standard PROY-NOM-037-STPS-2022, Telework safety and health conditions, NOM-037)*, in the Federal Official Gazette (*Diario Oficial de la Federación, DOF*).

, individuals can submit comments related to its content to the National Consultive Committee for Standardization of Safety and Health at Work via email 60 days following the day of publication, i.e., by 13 September 2022. After the public consultation process and any resulting amendments, the NOM-037 will go into effect 180 days following the day of its publication in the Official Journal.

New health and safety rules for telework

The new rules spelled out in the draft project NOM-027 regarding telework health and safety standards would, once finalized and published, affect all employers that have employees that telework more than 40% of their workweek, and all said employees.

NOM-037, is currently under public consultation, and the final version is expected to go into effect 180 days following the day of publication in the Official Journal.

New health and safety rules for telework

The proposed new rules outlined in the draft project NOM-027 entail the following employer obligations:

- Have an up-to-date list of employees who telework, including at least the following information: name, gender, job position, job profile, telephone number, address; and the place/places of work agreed upon with the employer, with addresses of where telecommuting will be carried out;
- Ensure that the place/places of work the employee agreed upon with the employer has connectivity, health and safety conditions such as good electricity, lighting, ventilation, and ergonomic conditions;
- Establish a teleworking policy in writing;
- Communicate work shift distribution, and the employee's right to disconnect from work at the end of a work shift;
- Provide teleworkers with an ergonomic chair, and other necessary accessories to guarantee proper performance and ergonomic conditions;
- Inform teleworkers of the possible ergonomic, psychosocial, and health risks related to teleworking; and
- Provide a health and safety conditions checklist (Reference guide 1) to ensure employees meet the standard conditions.

In order for the employer to validate the health and safety conditions of the employee's telework place, the employer must either:

- Make a visit to the telework place, with the prior authorization of the teleworker. This would be done through contracting the services of an Inspection Unit accredited and approved under the terms of the Quality Infrastructure Law and its Regulations, to assess compliance with health and safety conditions; or
- Provide teleworkers with a health and safety conditions checklist (i.e., Reference guide 1) that includes questions about the conditions of the telework place and, with the prior authorization of the teleworker, and to complement the provided information the employer may request from the teleworker a remote review of the telework place, supported by ICT.

Proposed employer obligations

The proposed new rules outlined in the draft project NOM-027 entail the following obligations for all employees who telework more than 40% of their work week must do the following:

- Comply with the Telecommuting Policy established by the employer;
- Inform the employer of any change in the health and safety conditions at work; and
- Participate in any risk information processes and training regarding teleworking provided by the employer.

Resources

Employer can share Reference guides 1 through 5 with their employees who telework.

United Kingdom

United Kingdom: Bill to introduce a statutory Neonatal Care Leave under review by the House of Commons

Published on 15 August 2022

A Bill to make provision about leave and pay for employees with responsibility for children receiving neonatal care – a private members' bill with the backing of the government, submitted on 12 July 2022 is currently undergoing a second reading in the House of Commons.

Statutory entitlement to neonatal care leave

The Bill would create a statutory paid leave entitlement for parents or individuals with a personal relationship with a baby admitted to the hospital for at least 7 continuous days in the first 28 days of their life. The Neonatal Care Leave would be in addition to existing family-related leave entitlements.

The entitlement to up to 12 weeks of paid leave would apply from an employee's first day of employment. However, there would be a qualifying period for statutory neonatal care pay (see below)

Statutory entitlement to neonatal care leave pay

The Bill would amend the Social Security and Benefits Act 1992 to add a new Part 12ZE on Statutory Neonatal Care Pay. This would create an entitlement to statutory neonatal care pay for eligible employees, provided they have been employed an employer for a continuous period of at least 26 weeks. The entitlement would also be subject to the lower earnings limit specified in section 5(1)(a) of the 1992 Act.

Employers would be liable to pay neonatal care pay to their employees, provided employees notify their employer of their intention to take leave. Additional regulations would specify conditions under which the liability to pay during Neonatal Care Leave would shift from the employer to the government.

The entitlement to pay during Neonatal Care Leave would be available to all employees with at least 26 weeks' continuous service and whose weekly earnings are at or above the lower earnings limit (i.e., GBP 123 per week for 2022-23).

The amount and duration of pay would be set by regulations but concerned employees would be able to claim at least 12 weeks of pay.

Employers and their HR teams would therefore need to account for more employees being absent from work for family-related reasons.

Legislative process

Prior to becoming law, the Bill would need to pass its third reading in the House of commons and its third reading in the House of Lords. The expected timing for the corresponding legislation is currently unknown.

Background

In 2019 the government launched a consultation, Good Work Plan: Proposals to support families which included the now proposed Neonatal Care Leave from day one, and Neonatal Care Leave pay subject to the same time in service requirement as Maternity Leave pay. The government's response of March 2020, committed to introducing a statutory Neonatal Care Leave and corresponding pay.

Measures to introduce Neonatal Care Leave and pay were included in the Employment Bill proposed in the Queen's Speech of December 2019, but was not introduced in the 2019-21 session nor in the Queen's Speeches of 2021 or 2022. However, the government has in response to a Parliamentary Question on 25 May 2022 committed to introduce Neonatal Care Leave and pay.

United Kingdom: Health and Safety Executive requests that heat conditions be included in workplace risk assessments and employers' long-term planning

Published on 31 August 2022

On 10 August 2022, in a press release the Health and Safety Executive (HSE) advised employers to act now in ensuring that their workplaces are prepared for warmer weather in the future and requesting that extreme heat conditions be included in employers' long-term planning.

The HSE reminds employers of their legal obligation under the Management of Health and Safety at Work Regulations to evaluate employees' health and safety risks (including risks from more frequent extreme weather); to review and update the risk controls they have in place, as needed.

While there is no statutory maximum temperature for workplaces, the provisions of the Workplace (Health, Safety and Welfare) Regulations 1992, require employers ensure that during working hours, the temperature in all workplaces inside buildings be reasonable.

While the Workplace (Health, Safety and Welfare) Regulations 1992 do not extend to home offices, employers' statutory duties to assess and control risks apply to work-from-home employees.

HSE provides specific outdoor working guidance to employers, where the effects of hot weather can potentially have a serious impact on an employee's health if not properly managed.

Employer Actions

In line with the employer obligations spelled out in the Workplace (Health, Safety and Welfare) Regulations 1992, the HSE expects employers to review the controls they have in place to mitigate risks of high temperatures in their workplace and to update them, as needed. Employers should home office conditions when assessing temperature risks and related controls.

United Kingdom: Government publishes guidance on workers' status

Published on 26 August 2022

On 26 July 2022, in a press release the government released its new Employment status and employment rights: guidance for HR professionals, legal professionals and other groups. The Guidance spells out the differences that are already clear in labor legislation between the different categories of employment status for purposes of applicable employment legislation and statutory entitlements. These are employees, workers, and self-employed individuals.

This Guidance is intended for HR departments, employers, and workers with limited knowledge of the distinctions.

According to the government, the Guidance articulates that it is nature of an employment relationship, as opposed to the terms of a written employment contract, that serve to determine which category 3 categories of employment status applies, and iterates the Supreme Court's 19 February 2021 ruling that deemed Uber platform drivers to be 'workers' as opposed to 'self-employed'.

Importantly, the Guidance specifically states that it does not apply to individuals' status for tax purposes, stressing that for tax purposes there are only 2 categories of employment status, namely that of an employee or that of a self-employed individual.

Resources

Employers can use the Check Employment Status for Tax (CEST) tool to find out if a worker, should be classed as an employee or a self-employed individual for tax purposes.

Spain

Spain: New law amends the pension plan regulations to promote and strengthen occupational plans

Published on 30 August 2022

On 2 July 2022, new legislation (Law 12/2022) regulating the promotion of occupational pension plans came into force. With the exception of several of its provisions that come into effect on 1 January 2023, the majority of its provisions are effective 2 July 2022.

According to the text of the legislation, "The low average amount assets of Spanish pension funds is an element that affects their efficiency in terms of management costs and, ultimately, their profitability. Hence, an essential objective of this law is to favor the existence of publicly promoted occupational pension funds with an adequate size to ensure lower management costs, allow a for diversified investments, and in turn improve fund profitability, placing them in line with those of other collective investment institutions."

Key provisions of Law 12/2022 include:

- Creation of open public promotion occupational pension funds;
- Development of simplified occupational pension plans;
- New government incentives and tax favorable measures; and
- Government tax and contribution incentives.

These measures are detailed below.

Open public promotion occupational pension funds

Law 12/2022 provides for the creation of open public promotion occupational pension funds (*Fondo de pensiones de empleo de promoción pública abierto, FPEPP*), consisting of a collective supplemental savings vehicle for retirement, which will be promoted by the Ministry of Inclusion, Social Security and Migration (*Ministerio de Inclusión, Seguridad Social y Migraciones, MISSM*) through the Promotion and Monitoring Commission created for this purpose.

The FPEPP occupational pension funds will be promoted by the MISSM through the Promotion and Monitoring Commission (PMC) created for this purpose.

The FPEPPs will be managed by private financial institutions under the supervision of the Special Control Commission, which will comprise 13 members appointed by the PMC. The MISSM will, once every 3 years, convene an open procedure to select the managing entities of pension funds and for the constitution and management of new FPEPPs. A cap on management costs which remains to be set by forthcoming regulation will apply. Entities that meet the criteria established in the law may serve as depository entities of FPEPPS.

FPEPP assets will be invested taking into consideration profitability, risk as well as the social and environmental impact of the investments.

Simplified occupational pension plans

The provisions of Law 12/2022 provide for the creation of Simplified occupational pension plans (*Planes de pensiones de empleo simplificados, PPES*), which are a new kind of occupational defined contribution (DC) plan with a streamlined implementation process, promoted by companies covered by sectoral collective bargaining agreements (CBA).

Companies covered by a sectoral CBA that provides for a simplified sectoral occupational pension plan, must join the plan if it is required by the sectoral CBA. Sectoral CBAs may allow for exceptions provided the company promotes its own occupational pension plan, which must then have better conditions than those of the sectoral plan.

PPES may join FPEPPs or a private promotion occupational pension fund (*Fondo de pensiones de empleo de promoción privada*).

The PPES must be a DC plan for retirement benefit purposes. Any defined benefits (DB) that may be provided for to cover the risk of death, permanent disability and dependency of the member, etc., must be articulated in their entirety through the corresponding insurance agreements provided by the plan, which in under no circumstances will assume the risks inherent to said benefits.

Furthermore, insurance contracts covering the risks of death, disability and dependency of the member must be for a duration not exceeding 1 year renewable.

The specifications of the PPES must be common for all the companies or entities integrated under it. In addition, Additionally, a PPES agreement must include a standardized annex for each company integrated under the plan spelling out the particular contribution-related conditions. These company-specific annexes may not contain clauses that nullify or amend any of the general conditions of the PPES specifications.

Government tax and contribution incentives

Effective 1 January 2023, Law 12/2022 incentivizes the new occupational pension plans through increased corporate income tax deductions and reduced employer social security contributions, and increased deductions from personal income tax for employees.

New corporate income tax deduction

Effective 1 January 2023, a new corporate income tax deduction applies for employer contributions to occupational pension plans. Specifically:

- For employees with annual gross earnings below EUR 27,000, the amount of the deduction will be 10% of the imputed employer contributions; and
- For employees with annual gross earnings equal to or greater than EUR 27,000, the 10% deduction will apply proportionally.

Reduction in Social Security contributions

Effective 1 January 2023, employer social security contributions for common contingencies will be reduced by the full amount of their occupational pension plan contributions. The maximum monthly amount of employer contributions to the pension plan is 13 times the amount obtained by applying the general employer contribution rate (23.60% in 2022) to the minimum daily contribution base of Group 8 of the General Social Security Program (EUR 38.89 in 2022).

Employee income tax deductions

Effective 1 January 2023, employees may deduct contributions to social security or occupational pension funds from their taxable income, but only up to a maximum annual combined limit of EUR 1,500. This maximum annual deduction may be increased to EUR 8,500, provided certain conditions are met.

Specifically, for employees, the current contribution limit of EUR 1,500 is maintained, but may be increased to EUR 8,500, provided the increase results from employer contributions to an occupational pension plan.

The provisions of the Law include incentives favorable to employees with lower income (those with an annual income of less than EUR 60,000) by allowing them to contribute more than their employer's contribution to the occupational pension plan, but within limits that depend on employer's contribution amount, and up to a maximum employer contribution of EUR 1,500 per year.

The coefficients for calculating the maximum employee contributions based on employer contribution amounts to the occupational pension plan are presented in the table below.

Annual employer contribution	**Coefficient for calculating the maximum annual employee contribution**
Up to EUR 500	2.5
EUR 500.01 to EUR 1,000	2.0
EUR 1,000.01 to EUR 1,500	1.5
Greater than EUR 1,500	1.0

When employer contributions are higher than EUR 1,500 or when the employee's earnings are greater than EUR 60,000, employees can contribute up to the amount of the employer contributions.

Applicable legislation

Law 12/2022, of June 30, regulating the promotion of occupational pensions plans, amending the revised Law on Regulation of Pension Plans and Funds, approved by Royal Legislative Decree 1/2002, of November 29 (*Ley 12/2022, de 30 de junio, de regulación para el impulso de los planes de pensiones de empleo, por la que se modifica el texto refundido de la Ley de Regulación de los Planes y Fondos de Pensiones, aprobado por Real Decreto Legislativo 1/2002, de 29 de noviembre*), which was published in the Official Journal (*Boletín Oficial del Estado, BOE*) on 1 July 2022, and came into force on 2 July 2022.