Alliant Global Services

Global Knowledge Center — Legal & Regulatory Updates

May 2026

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Australia

Minimum superannuation guarantee rate remains unchanged as payday contributions date approaches

Published 29 May 2026

Effective 1 July 2026 through 30 June 2027, the general minimum superannuation guarantee (SG) rate—the rate of mandatory employer superannuation contributions made on behalf of employees (up to the annual cap of AUD 270,830 in 2026-27, known as the Maximum Contributions Base)—remains unchanged at 12%. The SG rate for Norfolk Island, however, will increase from 10% to 11%.

Following annual increases of 0.5% between 2022 and 2025, the general SG rate reached 12% effective 1July 2025 and remains unchanged thereafter.

The gradual increase in contribution rates was legislated in 2020 as part of the measures confirmed by the 2021 Federal Budget.

As a reminder, effective 1 July 2026, employers are required to pay their employees' SG contributions at the same time as their salary and wages rather than on or before the specified quarterly due dates as is currently the case.

Gradual SG rate increases between 2022 and 2028

The table below provides the gradual SG rate increases.

Dates	General Superannuation Guarantee Rate (%)	Superannuation Guarantee Rate for Norfolk Island (%)
1 July 2022 – 30 June 2023	10.5	7.0
1 July 2023 – 30 June 2024	11.0	8.0
1 July 2024 – 30 June 2025	11.5	9.0
1 July 2025 – 30 June 2026	12.0	10.0
1 July 2026 – 30 June 2027	12.0	11.0
1 July 2027 onwards	12.0	12.0

With the exception of Norfolk Island where the minimum SG contribution rate increases from 10% to 11%, the minimum SG rate remains unchanged at 12% as from 1 July 2026. This coincides with the start of payday SG contributions, which comes into effect on 1 July 2026.

Belgium

Mileage allowance for use of a private vehicle moves to monthly adjustments

Published 28 May 2026

Starting 1 April 2026 through 30 June 2026, the tax-exempt flat-rate mileage allowance for employees' use of a private vehicle for professional purposes (*indemnité kilométrique / kilometervergoeding*) is temporarily being adjusted on a monthly basis. Monthly adjusted amounts replace the previous quarterly mileage allowance amount.

The maximum allowance amount applicable for the month of April 2026 is now 0.4571 EUR per km, instead of EUR 0.4327 per km previously set for the second quarter of 2026.

To mitigate the impact of sharp fuel price increases since the Iran war, the government is allowing for more frequent adjustments to the tax-exempt mileage allowance limit.

Regardless, employers must provide employees with the resources they need to do their work. Therefore, if an employee uses their own vehicles for work purposes, the employer must cover any related expenses.

Employers are free to grant a per-kilometer allowance to their employees that differs from the tax-exempt amount set by legislation. However, when the employer's reimbursement exceeds the tax-exempt ceiling, the actual expenses incurred by the employee must justify the reimbursements in order for the amounts to be exempt from the employee's income tax, and from both employer and employee social contributions.

Annual versus more frequent mileage allowance limits

Starting 1 October 2022, more frequent quarterly adjustments of the tax-exempt flat-rate reimbursement ceiling for employees' use of a private vehicle for professional purposes were introduced to allow for timely alignment with fluctuations in fuel prices.

Starting 1 April 2026, due to the war-related fluctuation of fuel prices, the quarterly allowance will be adjusted monthly from April 2026 through the end of June 2026. As a result, the amount applicable for the month of April 2026 is now EUR 0.4571 per km, instead of EUR 0.4327 per km planned for the second quarter of 2026.

However, in parallel to the quarterly mileage allowance adjustments, an annually adjusted mileage allowance continues to apply from 1 July 2025 to 30 June 2026.

Under normal circumstances, employers choose which mileage allowance system they adhere to—the annual or the quarterly allowance limit (which will now temporarily be adjusted on a monthly basis).

Previously, employers applying the quarterly system used a quarterly amount for the applicable three-month period (i.e., EUR 0.4326 per km from 1 January 2026 to 31 March 2026).

In some sectors the choice is made via collective bargaining agreement (CBA).

When the annual system is adopted, the employer must apply it from 1 July through 30 June of the following year, without the option to switch to the quarterly mileage allowance system until 1 July of the following year.

The tax-exempt flat-rate mileage allowance sets the maximum amount that may be reimbursed without requiring proof of the employee's actual vehicle costs.

Employer Actions

Employers who were previously applying the quarterly mileage allowance system should consider revising internal procedures and practices to replace references to quarterly mileage allowance limits used for reimbursing employees who use a private vehicle for work purposes with monthly allowance limits.

For the month of April 2026, the maximum tax-exempt allowance is EUR 0.4571 per km. The maximum tax-exempt allowance amounts for the months of May and June 2026 have not yet been announced.

Underlying legislation

Circular No. 765 of 20 May 2026 - Adjustment of the amount of the mileage allowance for the month of April 2026, (*Circulaire n° 765 du 20 mai 2026 - Adaptation du montant de l'indemnité kilométrique pour le mois d'avril 2026*), which was published in the Official Journal (*le Moniteur belge*) on 26 May 2026.

Canada

Ontario proposes increased WSIB benefits and extended coverage for employees over 65 years

Published 7 May 2026

On 20 April 2026, the Legislative Assembly of Ontario introduced Bill 105, which would:

- Increase income replacement benefits received through the Workplace Safety and Insurance Board (WSIB) from 85% to 90% of an employee's net average earnings if they are injured on the job; and
- Ensure employees over the age of 65 years continue to receive loss of earnings (LOE) benefits if they continue to work.

If passed, the proposed legislation would allow employees to receive a larger portion of their earnings while they recover from their injury.

Additionally, as more employees continue to remain in the labor force beyond what is considered retirement age, the proposed changes would allow eligible employees to continue receiving LOE benefits if they choose to continue working. Under the current rules, LOE benefit payments end at 65 years of age.

Proposed legislation

The changes were proposed by Bill 105, An Act to enact the Strengthening Talent Agency Regulation Act, 2026 and to amend various Acts.

European Union

EU/EIGE issues pay transparency toolkit to support employers' gender-neutral job evaluation systems

Published 11 May 2026

On 26 March 2026, the European Commission and the European Institute for Gender Equality (EIGE) launched updated EU-wide guidelines on gender-neutral job evaluation and classification: Step-by-step toolkit, together with templates and supporting materials for employers. The guidance is intended to help employers assess whether jobs involve equal work or work of equal value using objective, gender-neutral criteria.

The guidelines do not create new legal obligations and do not interpret EU or national legislation. EIGE describes the toolkit as a voluntary practical resource; using it does not certify or guarantee compliance. However, the toolkit is likely to be a useful benchmark for employers preparing their pay structures, job classifications and pay equity processes before the Pay Transparency Directive transposition deadline.

EU employers preparing for compliance with the EU Directive now have a practical reference point for reviewing how jobs are evaluated, grouped and linked to pay.

Regulatory framework

Directive (EU) 2023/970 requires EU Member States to transpose the Pay Transparency Directive into national law by 7 June 2026. The Directive requires pay structures to allow assessment of whether workers are in comparable situations regarding the value of work, based on objective, gender-neutral criteria. Those criteria must include skills, effort, responsibility and working conditions, and may include other job-relevant factors. The Directive also states that relevant soft skills must not be undervalued.

Following calls to postpone or simplify the Directive, the European Commission has indicated that it does not plan to include the Directive in a future "omnibus" simplification package or "stop-the-clock" measure. Employers should therefore continue preparing on the basis that the 7 June 2026 transposition deadline remains unchanged.

If a Member State fails to transpose the Pay Transparency Directive on time, or transposes it incorrectly, employees may be able to rely on sufficiently clear, precise and unconditional provisions of the Directive against the State, State employers or bodies treated as emanations of the State. Directives do not generally have horizontal direct effect against private-sector employers. However, private-sector employers may still face direct claims under the EU equal-pay principle in Article 157 of the Treaty on the Functioning of the European Union (TFEU), which the Court of Justice of the European Union (CJEU) has confirmed can be relied on in proceedings between private parties, including claims involving work of equal value.

Purpose of the Guidance

The EIGE toolkit gives employers a structured way to review whether job evaluation and classification systems are neutral, consistent and evidence based. It is designed for employers of different sizes, including microenterprise (ME), small and medium-sized enterprises (SME), and larger employers with more developed HR systems.

The toolkit is built around the EU Directive's core job-value factors, namely, skills, responsibility, effort and working conditions. It encourages employers to focus on the requirements of the job rather than the characteristics, performance or current pay of the job holder. This distinction matters, as pay transparency compliance depends on whether jobs are valued consistently, not whether individual employees are assessed favorably or unfavorably.

EIGE provides different methods depending on employer size and complexity. MEs can use a lighter graduated factor comparison method. SMEs can use a pair comparison method. Larger or more complex employers can use a point-factor method, under which job profiles are scored against defined factors and subfactors and then grouped into grades or categories of equal value.

Practical application

The EU Pay Transparency Directive will require employers to explain pay structures and pay progression by reference to objective, gender-neutral criteria. Employers will therefore need to understand not only what employees are paid, but also why roles are placed in particular grades, bands or pay ranges.

The EIGE toolkit is useful because it translates the Directive's equal-value concept into a practical exercise. It helps employers identify whether current job classifications properly capture less visible requirements, such as emotional effort, coordination, communication, care-related responsibility, manual dexterity, psychological working conditions and other skills that may be undervalued in female-dominated roles. EIGE expressly warns that job evaluation can reproduce bias if certain characteristics commonly found in female-dominated work are overlooked or if characteristics more common in male-dominated roles are overemphasized.

The guidance also links job evaluation to pay architecture. Once roles have been assessed, employers are expected to use the results to review grades, salary ranges and pay progression rules, and to check whether complementary and variable pay components are allocated by objective and gender-neutral criteria.

Employer considerations

In preparing for compliance with the Pay Transparency Directive employers should consider:

- Reviewing current job evaluation and grading systems against the Directive's required criteria: skills, effort, responsibility and working conditions;
- Checking whether job descriptions are accurate, current and written in gender-neutral language;
- Identifying whether roles with different titles, departments or reporting lines may involve equal work or work of equal value;
- Testing whether "soft" skills, emotional effort, coordination, communication, people responsibility and working conditions are properly captured in job evaluation criteria;
- Documenting the factors, subfactors, scoring, weighting and evidence used to classify jobs;
- Reviewing whether current pay grades, salary ranges and progression criteria align with the employer's job classification structure;
- Checking whether allowances, bonuses, commission, overtime, benefits and other variable or complementary pay elements are allocated using objective and gender-neutral criteria;
- Preparing processes to explain pay-setting and pay-progression criteria to employees;

- Assessing whether HR, payroll and reporting systems can produce the data needed for pay information requests, gender pay gap reporting and, where required, joint pay assessments; and
- Establishing a process for investigating and addressing unjustified pay differences identified between employees performing equal work or work of equal value.

Resources

- EU-wide guidelines on gender-neutral job evaluation and classification: step-by-step toolkit
- Directive (EU) 2023/970 - Pay Transparency Directive
- European Commission: EU action for equal pay

Germany

Occupational pensions expanded with auto-enrollment, broader access, and greater flexibility

Published 1 May 2026

As of 22 January 2026, the occupational pension framework has been amended, expanding access to the social partner model (*Sozialpartnermodell, SPM*), revising rules on automatic enrollment, increasing thresholds for severance of small pension entitlements, and introducing additional pension payout modalities.

Effective 1 July 2026, additional provisions will take effect, expanding continuity options for direct insurance arrangements. Further changes will apply from 1 January 2027, including expanded tax incentives and early retirement flexibility.

Key amendments include:

- Access to SPM expanded to employers without collective agreements, subject to approval;
- Automatic enrollment permitted outside collective agreements, but only where a works or staff councils exist and employer contributions meet higher thresholds;
- Tax incentives for lower-income earners broadened and indexed to wage growth;
- Administrative simplifications for settling small pension entitlements;
- Greater flexibility in benefit payout structures and plan continuity.

Social partner model expanded access

Previously, participation in the SPM—a defined contribution arrangement under which employers are only required to pay contributions and are not required to guarantee a minimum benefit level (referred to in the legislation as a “pure defined contribution” model)—was limited to employers bound by a relevant collective agreement. Employers outside such agreements could not participate.

From 22 January 2026, access has been extended to employers not bound by a collective agreement, including smaller employers.

Participation remains subject to approval by the SPM’s managing parties and may require contributions toward administrative costs.

Employers in these plans are only liable for paying agreed contributions and not for guaranteeing a minimum benefit amount (unchanged).

Auto-enrollment with opt-out

Previously, auto-enrollment in deferred compensation arrangements (i.e., arrangements under which employees redirect a portion of their salary into an occupational pension) was only permitted where a collective agreement explicitly allowed it and required a minimum employer contribution equal to 15% of the employee’s deferred compensation amount.

From 22 January 2026, auto-enrollment is permitted more broadly, provided that:

- The employer contributes at least 20% of the employee's deferred compensation amount;
- Employees retain the right to opt out;
- The arrangement is agreed with the elected works council or staff council.

Employers without a works council or staff council remain unable to implement auto-enrollment; in such cases, only voluntary (opt-in) arrangements continue to be permitted.

Occupational pensions plan subsidy for lower-income earners

Currently, eligibility for the Occupational Pension Plan Subsidy (*Förderbetrag zur betrieblichen Altersversorgung, BAV-Förderbetrag*) is limited to employees earning less than EUR 2,575 per month (gross) and applies to employer contributions between EUR 240 and EUR 960 per year, with the subsidy equal to 30% of the employer contribution amount.

From 1 January 2027:

- The fixed monthly income threshold will be replaced by a variable limit equal to 3% of the annual contribution assessment ceiling for statutory pension insurance (i.e., EUR 3,042 per month in 2026);
- The maximum eligible employer contribution will increase from EUR 960 to EUR 1,200 per year; and
- The maximum subsidy will increase from EUR 288 to EUR 360 per year.

The minimum contribution limit of EUR 240 per year and the subsidy rate of 30% of the employer contribution amount remain unchanged.

Severance of small pension entitlements

Previously, when the monthly benefit did not exceed 1% of the statutory monthly reference amount, small pension entitlements could be settled through a lump-sum severance payment to the employee. With employee consent the amount could be paid to the statutory pension scheme.

From 22 January 2026 the unilateral severance threshold increased to:

- 1.5% of the monthly reference amount (EUR 3,955 as of 2026); or
- 2% if the employee consents and the amount is transferred to the statutory pension scheme.

This measure is intended to reduce administrative costs associated with managing very small pension entitlements.

Pension payment modalities

Previously, pension funds (*Pensionfonds*) could only pay occupational pension benefits as a lifetime annuity or a lump-sum payment. From 22 January 2026, pension funds may also pay benefits in installments. The determination and adjustment of installment payments are governed by revised supervisory provisions.

This measure introduces additional flexibility in structuring retirement benefits.

Life insurance continuity options

Previously, under direct insurance occupational pension plans (*Direktversicherung*)—where an employer purchases a life insurance policy from an insurer to provide occupational pension benefits for employees—employer-sponsored life insurance contracts could only be resumed after periods of parental leave.

From 1 July 2026, it will be possible to resume such insurance after any period of employment without remuneration, expanding continuity options for employees.

Early retirement benefit access

Currently, early payment of occupational pension benefits is only permitted where the individual receives a full statutory retirement pension.

From 1 January 2027, early payment will also be permitted for individuals receiving a partial statutory pension, expanding access to occupational benefits in phased retirement scenarios.

Employer Actions

Employers should:

- Ensure that any severance of small occupational pension entitlements complies with the revised thresholds that took effect on 22 January 2026;
- Assess whether participation in a SPM is available and appropriate for their organization;
- Consider whether automatic enrollment arrangements should be introduced, where a works council or staff council exists and contribution requirements can be met;
- Review whether installment-based pension payments should be adopted where occupational pensions are provided through a pension fund (*Pensionsfonds*);
- Before 1 July 2026, review direct insurance occupational pension arrangements (*Direktversicherung*) to ensure processes permit continuation following periods without remuneration;
- Before 1 January 2027, assess eligibility for the revised tax subsidy for lower-income earners and determine whether contribution strategies should be adjusted;
- Before 1 January 2027, review occupational pension plan rules and administration processes to prepare for early pension claims by employees receiving partial statutory retirement pension.

Applicable legislation

The changes were introduced by the Second Act to Strengthen Occupational Pensions and to Amend Other Laws (*Zweites Gesetz zur Stärkung der betrieblichen Altersversorgung und zur Änderung anderer Gesetze*), which was published in the Federal Law Gazette on 21 January 2026.

India

Central labor code implementation advances with notification of final rules

Published 1 June 2026

Effective 8 May 2026, the Ministry of Labour and Employment (MOLE) notified final central rules under the Code on Wages, 2019; the Code on Social Security, 2020; and the Industrial Relations Code, 2020. The ministry also notified the Model Standing Orders, 2026.

Effective 9 May 2026, the ministry notified final central rules under the Occupational Safety, Health and Working Conditions Code, 2020.

The rules are an important implementation step for the four labor codes, which consolidated a number of central labor laws and came into force on 21 November 2025.

It is important to note that central rules do not automatically apply to all employers. Depending on the establishment and the applicable labor code, employers may be subject to rules issued by the relevant state government. Employers should determine which government is the "appropriate Government" for each establishment before assessing compliance obligations.

Applicability

The central rules generally apply to establishments for which the Central Government is the "appropriate Government" under the relevant labor code. This includes establishments operated by or under the authority of the Central Government and specified sectors such as railways, mines, oil fields, major ports, air transport, telecommunications, banking, insurance, central public sector undertakings, and certain entities established by central legislation.

The applicable rules depend on whether the Central Government or the relevant state government is the "appropriate Government" for the establishment under the relevant labor code. This determination varies by code and by the nature of the establishment.

Employers should therefore not assume that the newly notified central rules automatically apply to all establishments or all labor code obligations. Where a state government is the appropriate Government, the relevant state rules should be reviewed instead.

Code on Wages central rules

The Code on Wages (Central) Rules, 2026 prescribe procedures for wage administration, including minimum wage calculation, working hours, weekly rest, overtime, deductions, claims, and bonus-related administration. The rules were notified as G.S.R. 343(E) on 8 May 2026 and came into force on publication in the Official Gazette.

For employers covered by the central rules, this means payroll, timekeeping, wage classification, overtime calculations, deductions, and records should be checked against the new framework.

Social Security central rules

The Social Security (Central) Rules, 2026 prescribe procedures for social security administration, including Employees' Provident Fund, Employees' State Insurance, gratuity, maternity benefit, employee compensation, building and other construction worker welfare levy, and social security arrangements for unorganized, gig, and platform workers. The rules were notified as G.S.R. 344(E) on 8 May 2026 and came into force on publication in the Official Gazette.

For employers covered by the central rules, this may require review of registration, contribution, benefit administration, returns, records, and employee documentation processes.

Industrial Relations central rules and standing orders

The Industrial Relations (Central) Rules, 2026 prescribe industrial relations procedures for employers governed by central rules, including procedures related to works committees, grievance redressal committees, negotiating unions or councils, standing orders, notices of change in service conditions, conciliation, strike and lockout notices, retrenchment, layoff, closure, protected workers, and compounding of offenses. The rules were notified as G.S.R. 342(E) on 8 May 2026 and came into force on publication in the Official Gazette.

The MOLE also notified the Model Standing Orders, 2026 for the mining, manufacturing, and service sectors under the Industrial Relations Code, 2020. Industrial establishments meeting the standing orders threshold should review whether they must adopt, modify, certify, display, or maintain standing orders under the new rules.

Occupational safety, health, and working conditions central rules

The Occupational Safety, Health and Working Conditions (Central) Rules, 2026 prescribe procedures and standards for registration, appointment letters, working hours, overtime, registers, records, returns, accident and occupational disease reporting, safety and welfare requirements, contract labor, inter-state migrant workers, factories, mines, construction work, plantations, motor transport undertakings, and other covered establishments. The rules were notified as G.S.R. 345(E) on 8 May 2026 and were published on 9 May 2026.

Employers covered by central rules may need to update their registration processes, appointment letters, health and safety governance, contractor management, workplace records, incident reporting, and welfare arrangements.

Employer Actions

Employers should:

- Determine whether the Central Government or a state government is the “appropriate Government” under each labor code applicable to their operations;
- Identify which of the newly notified central rules apply to the employer and whether any state rules remain applicable;

- Conduct a gap analysis comparing existing policies, procedures, forms, notices, registers, and recordkeeping practices against the requirements of the applicable labor code rules;
- Review payroll and timekeeping processes for compliance with the Code on Wages (Central) Rules, 2026, including working hours, weekly rest, overtime, wage deductions, wage records, and bonus administration;
- Review social security registrations, contributions, employee classifications, benefit administration, records, and returns under the Social Security (Central) Rules, 2026;
- Assess whether standing orders are required under the Industrial Relations Code, 2020 and, where applicable, update or adopt standing orders consistent with the Model Standing Orders, 2026;
- Review industrial relations procedures, including grievance redressal, worker representation, notices of change, retrenchment, layoff, closure, and strike and lockout processes;
- Review occupational safety and health compliance, including registration, appointment letters, accident and occupational disease reporting, contractor management, welfare facilities, and required registers and returns; and
- Train HR, payroll, employee relations, and occupational health and safety personnel on any new compliance obligations arising from the applicable rules.

Applicable legislation

- Notification G.S.R. 342(E) dated 8 May 2026 issuing the Industrial Relations (Central) Rules, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 308, on 8 May 2026.
- Notification G.S.R. 343(E) dated 8 May 2026 issuing the Code on Wages (Central) Rules, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 309, on 8 May 2026.
- Notification G.S.R. 344(E) dated 8 May 2026 issuing the Social Security (Central) Rules, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 310, on 8 May 2026.
- Notification G.S.R. 345(E) dated 8 May 2026 issuing the Occupational Safety, Health and Working Conditions (Central) Rules, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 311, on 9 May 2026.
- Notification S.O. 2312(E) dated 8 May 2026 issuing the Model Standing Orders, 2026 for the mining, manufacturing, and service sectors, published in the Gazette of India.

Netherlands

Government guidance for gender-neutral pay structures released

Published 7 May 2026

On 15 April 2026, the Ministry of Social Affairs and Employment published guidance for employers on establishing, implementing, and monitoring gender-neutral and objective pay structures—a key component of the EU Pay Transparency Directive.

A draft bill, which would transpose the EU Directive into national law, is expected to enter into force on 1 January 2027 rather than by the Directive's implementation due date of 7 June 2026.

In the meantime, this guidance aims to help employers meet future obligations related to the Directive.

Key components of the guide

The focus of the guide is to provide employers with practical support and guidance to establish gender-neutral pay structures. This includes setting up a system to evaluate and classify job positions based on specific gender-neutral criteria (e.g., skills, efforts, responsibilities, working conditions) and determining the appropriate remuneration that aligns with each position.

Some of the key components of the guide include:

- A checklist to establish a job evaluation and classification system;
- An overview of the EU Pay Transparency Directive, including which employees are covered by the Directive, employer requirements after implementation of the Directive, and the implications of the Directive on pay structures;
- The overall importance of reducing the gender pay gap (GPG) with recent data on gross hourly wages disaggregated by gender, the challenges associated with the GPG, and the potential impact of reducing the GPG;
- An overview of pay structures;
- Applying job evaluation systems;
- Establishing a remuneration policy; and
- The role various stakeholders, including employers, employers' organizations, trade unions, work councils, and the government play in implementing the Directive.

Resources

- Pay Transparency: From EU Directive to Practice – A Guide to Pay Structures (*Handreiking systeem van functiewaardering en -indeling (loonstructuur)*)
- Pay Transparency Checklist (*Checklist Loontransparantie*) included as part of the overall guidance

Netherlands

Tax-exempt commuting allowance limit increases amidst rising energy prices

Published 6 May 2026

Retroactively effective 1 January 2026, the tax-exempt commuting allowance limit (*reiskostenvergoeding*) increases from EUR 0.23 to EUR 0.25 per kilometer traveled as part of efforts to address rising energy and fuel prices. This tax-exempt limit is applicable until 1 January 2027.

Tax-exempt commuting allowance

Employers may provide a tax-exempt allowance to cover expenses related to their commute to work via bicycle, car, public transportation, or by foot.

Since 2024, the maximum tax-exempt allowance has been EUR 0.23 per kilometer traveled; however, as a response to rising energy prices in 2026 a EUR 0.02 per kilometer increase applies.

Employers are reminded that payments made above the maximum tax-free travel allowance are subject to income tax and to social contributions.

Policy Decision

The tax-exempt commuting allowance limit was increased by the Decision of the State Secretary for Finance of 17 May 2026, No. 2026-8260 on fiscal measures for the Netherlands and the Caribbean Netherlands in response to the energy shock (Policy Decision on fiscal measures in response to energy shock) (*Besluit van de Staatssecretaris van Financiën van 17 mei 2026, nr. 2026-8260 over fiscale maatregelen voor Nederland en Caribisch Nederland naar aanleiding van de energieschok (Beleidsbesluit fiscale maatregelen naar aanleiding van de energieschok)*), which was published in the Government Gazette (*Staatscourant*) on 21 May 2026.

Saudi Arabia

Occupational fitness examinations become mandatory for candidates and employees in specified circumstances

Published 31 May 2026

Effective 22 April 2026, the Regulation for Occupational Fitness Examinations and Non-Communicable Diseases requires employers to ensure occupational fitness examinations for job candidates before employment and for existing employees in specified circumstances.

Previously, the Labor Law required employers to assign one or more physicians to conduct a comprehensive medical examination at least once a year for employees exposed to the risk of occupational diseases listed in the occupational diseases schedule under the Social Insurance Law.

Additionally, the Labor Law also required an employee, at the employer's request, to assign one or more physicians to conduct a comprehensive medical examination at least once a year for employees exposed to the risk of occupational diseases listed in the occupational diseases schedule under the Social Insurance Law.

Occupational fitness examinations concern all employees, regardless of the type of contractual relationship or nature of work. It includes permanent employees, temporary or seasonal workers, trainees, employees with disabilities, and remote workers.

Pre-employment examination

Effective 22 April 2026, candidates must pass an occupational fitness medical examination before completion of appointment or employment.

Before 22 April 2026, the Labor Law required annual medical examinations for employees exposed to scheduled occupational diseases but did not impose the same general pre-employment occupational fitness examination requirement under this regulation.

Additionally, Labor Law Article 65 required employees and candidates to undergo employer-requested medical examinations before joining the workforce or during employment to verify freedom from occupational or communicable diseases. Legislation did not provide for approved forms, result classifications, appeal mechanism, occupational medicine supervision, confidentiality rules, and retention periods.

Examinations during employment

Effective 22 April 2026, employers must ensure occupational fitness examinations for employees in the following situations:

- After an occupational injury;
- After returning from long medical leave;
- Where there are doubts about the employee's ability to perform work;
- Where the job or occupation requires periodic medical examinations under the regulation;

- Where the employee changes to a job or occupation requiring a different examination or additional examinations;
- Where there is a change in the work environment; and
- Where new equipment, machines, or devices are used.

Before 22 April 2026, the Labor Law required annual medical examinations for employees exposed to occupational diseases but did not provide the triggers for occupational fitness examinations.

High-risk occupations

Effective 22 April 2026, occupational fitness examinations for employees in high-risk occupations must be carried out in line with the requirements applicable to high-risk occupations. The regulation distinguishes between medical fitness examinations for hazardous occupations and medical fitness examinations for restricted occupations.

Before 22 April 2026, the Labor Law required employers to arrange annual medical examinations for employees exposed to occupational diseases listed in the applicable occupational diseases schedule. It did not establish the new regulation's job-specific occupational fitness framework, including separate requirements for hazardous occupations and restricted occupations. Effective 22 April 2026, employers must assess whether a role falls within these categories and arrange the required occupational fitness examinations according to the approved forms and the risks associated with the employee's actual job.

Employer obligations

Effective 22 April 2026, employers must:

- Be able to verify that occupational fitness examinations and follow-up are conducted using the approved forms and according to the employee's work;
- Make the necessary arrangements to enable the employee to undergo the required examinations;
- Provide the resources needed to conduct the examinations;
- Notify the occupational medicine physician of exposures or risks that may affect the employee's health or safety while performing work;
- Ensure that the employee receives health monitoring appropriate to the occupational health and safety risks to which the employee is exposed;
- Create occupational health records in accordance with personal data protection standards;
- Organize work so that occupational fitness decisions are implemented in practice, including assigning employees only to duties they are medically fit to perform, applying any work restrictions or considerations stated in the fitness decision, adjusting duties, exposure, equipment, or work location where required, and preventing employees from performing work that conflicts with the occupational medicine decision; and
- Provide alternative work if the employee is medically prohibited from performing the original job, subject to the conditions set out in the regulation.

Before 22 April 2026, the Labor Law mainly required employers to arrange annual medical examinations for employees exposed to scheduled occupational diseases and to keep the results in employer records and employee files. Effective 22 April 2026, the new regulation sets a more detailed compliance process: employers must arrange the required examination according to the employee's actual occupation and approved forms, enable the employee to attend the examination, provide the resources needed for it, notify the occupational medicine physician of workplace exposures or risks, ensure appropriate health monitoring, maintain occupational health records in line with personal data protection requirements, implement any fitness restrictions or considerations, and provide alternative work where the employee is medically prohibited from performing the original job.

Examination types and results

Effective 22 April 2026, occupational fitness examinations include pre-employment examinations, periodic examinations, and exceptional examinations. Exceptional examinations may be conducted where needed, including after an accident, a noticeable change in performance, early signs of occupational disease, similar cases arising from possible occupational exposure, exposure to toxic substances, or suspected use of prohibited or narcotic substances.

The examination result may classify the individual as fit to perform the job, fit with restrictions or considerations; or unfit to perform the job.

Before 22 April 2026, the Labor Law required medical examination results for employees exposed to scheduled occupational diseases to be recorded in employer records and employee files but did not provide the classification framework for occupational fitness outcomes.

Notification and appeals

Effective 22 April 2026, employers must notify the employee or the job candidate of the fitness-for-work assessment result immediately upon receiving it from the service provider. The employee or candidate may object to the result of any occupational fitness examination within 30 days from official notification of the result. Objections are referred to an independent committee, which must issue a decision within 15 days from receipt of the objection. Previously, the Labor Law did not provide for notification or objection procedure.

Confidentiality and health records

Effective 22 April 2026, occupational health records are confidential. The employer may not access medical details and may only know the final occupational decision on the employee’s ability to work, including whether the employee is fit, fit with restrictions or considerations, or unfit.

The entity keeping medical records must retain the occupational health record for at least 10 years from the last examination, or five years after termination of the employment relationship, whichever is longer. Where the employee was exposed to substances or factors with a long latency period or delayed health effects, such as asbestos or ionizing radiation, the record must be kept for at least 30 years after work stops and until the employee reaches 75 years of age.

Before 22 April 2026, the Labor Law required employers to record the results of annual medical examinations for employees exposed to scheduled occupational diseases in the employer’s records and the employees’ files, but it did not specify a retention period for those results.

Employer Actions

To comply with the new occupational fitness examinations employers must:

- Carry out pre-employment occupational fitness examination procedures for candidates before completion of appointment or employment is finalized;
- Identify jobs and occupations requiring periodic or occupation-specific examinations;
- Establish processes for occupational fitness examinations after occupational injury, return from long medical leave, in case of doubts about fitness for work, assignment change, changes in work environment, and use of new equipment;
- Arrange the required occupational fitness examinations using the approved forms for the employee’s occupation, and ensure that the occupational medicine physician is informed of any workplace exposures or risks relevant to the employee’s fitness to work;
- Provide the resources necessary for and enable employees to undergo the required examinations;
- Create and maintain health records in accordance with the regulation and data protection requirements;
- Limit access to medical details and ensure that the employer receives only the final occupational fitness decision and any work-related restrictions or considerations;
- Notify employees of examination results immediately after receiving them from the service provider; and
- Establish procedures for handling employee or candidate objections.

Employers should consider:

- Updating occupational health and safety policies to reflect the new examination triggers and recordkeeping requirements;
- Reviewing onboarding processes so that required occupational fitness examinations are completed before employment begins;
- Coordinating with accredited occupational medicine providers;
- Training HR, occupational health and safety, and line management teams on confidentiality limits, work restrictions, and alternative work obligations; and
- Reviewing data protection controls for occupational health records.

Underlying legislation

The requirements were introduced by Ministry of Human Resources and Social Development Decision No. 33232 approving the Regulation for Occupational Fitness Examinations and Non-Communicable Diseases (قرار وزارة الموارد البشرية والتنمية الاجتماعية رقم 33232 بشأن اعتماد لائحة فحوصات اللياقة المهنية والأمراض غير المعدية. التوقيع), which was published in the Official Gazette (أم القرى) on 24 October 2025 and entered into force 180 days after publication.

Resources

Official Gazette: Regulation for Occupational Fitness Examinations and Non-Communicable Diseases (لائحة فحوصات اللياقة المهنية والأمراض غير المعدية).

South Africa

Fair Pay Bill under legislative review

Published 11 May 2026

On 12 June 2025, the Fair Pay Bill was introduced to Parliament with the aim of promoting pay transparency and prohibiting the use of applicants' past or current salary information in recruitment and hiring decisions.

As part of the legislative process, on 30 April 2026, an updated version of the Bill was published for public comments, which are due by 29 May 2026. Stakeholders' feedback will be considered for revising or refining the provisions of the Bill as part of parliamentary review processes.

Pay transparency requirements and entitlements

According to the proposed legislation, employers would be required to disclose salary or the salary range for a job or position before appointing, promoting, or transferring an employee to that position, and when advertising or recruiting for a specific position.

Employers would also be required to provide applicants or potential candidates with salary information for open positions.

In the same vein of pay transparency, employees would also be entitled to discuss an offer of employment or salary for a job position with another employee.

Currently, no statutory pay transparency requirements apply to recruitment processes.

Inquiries or use of salary data prohibited

The proposed legislation would also prohibit employers from:

- Inquiring about applicants' past or current salary;
- Requiring applicants to disclose past or current salary information; and
- Determining salary or terms and conditions for employment based on applicants' past or current salary, unless the applicant requests that their past or current salary be considered once an employment offer has been made.

Currently, employers are legally permitted to request past or current salary information during recruitment, particularly when negotiating salary. Based on the proposed legislation, employers would be permitted to discuss an applicant's salary expectations with reference to salary information provided by the employer, as provided by the pay transparency requirements noted above.

Proposed legislation

The changes were initially proposed by the Employment Equity Amendment Bill, commonly referred to as the Fair Pay Bill, on 12 June 2025.

South Korea

Fifth-generation indemnity health insurance policies launched

Published 20 May 2026

Starting 6 May 2026, fifth-generation indemnity health insurance (실손의료보험) policies were launched and made available for sale, following supervisory amendments that took effect on 1 March 2026.

The revised framework modifies reimbursable outpatient cost-sharing; adds coverage for pregnancy, childbirth, and developmental disability-related reimbursable expenses; separates non-reimbursable expenses into severe and non-severe coverage categories; reduces coverage for non-severe non-reimbursable treatment; introduces an out-of-pocket cap for certain severe non-reimbursable inpatient treatment; and introduces transition options for existing insured individuals.

Employer-sponsored group indemnity insurance remains a private supplemental insurance benefit and is separate from statutory National Health Insurance (NHI). The reform links certain cost-sharing rules for reimbursable outpatient expenses under indemnity insurance to National Health Insurance copayment rates. Previously, under fourth-generation indemnity insurance, reimbursable outpatient expenses were the greater of 20% of covered expenses or the applicable minimum cost-sharing amount, independent of NHI copayment rates.

Financial authorities expect fifth-generation policy premiums to be approximately 30% lower than fourth-generation policy premiums and at least 50% lower than premiums for first- and second-generation policies.

Reimbursable medical expenses

For reimbursable inpatient medical expenses, the insured individual’s coinsurance remains 20% of covered reimbursable inpatient expenses.

For reimbursable outpatient medical expenses, the reform links certain cost-sharing rules under indemnity insurance to National Health Insurance (NHI) copayment rates.

Under fourth-generation indemnity insurance, reimbursable outpatient expenses were subject to the greater of:

- 20% of covered reimbursable outpatient expenses, or
- the applicable minimum cost-sharing amount, independent of National Health Insurance copayment rates.

Under the fifth-generation framework, the applicable amount is the greater of:

- the National Health Insurance copayment rate,
- 20% of covered reimbursable outpatient expenses, or
- the applicable minimum cost-sharing amount.

Non-reimbursable medical expenses

Under the revised framework, non-reimbursable medical expenses are divided into separate coverage categories, namely:

- Severe non-reimbursable treatment (특약1); and
- Non-severe non-reimbursable treatment (특약2).

Severe non-reimbursable treatment

Severe non-reimbursable treatment refers to non-reimbursable treatment for severe conditions, including conditions subject to the NHI special calculation program (건강보험 산정특례), such as cancer, cerebrovascular disease, heart disease, rare or intractable disease, severe burns, and severe trauma.

The annual insurer reimbursement limit remains KRW 50 million, outpatient reimbursement remains KRW 200,000 per visit, and inpatient reimbursement remains uncapped.

Similarly, the coinsurance structure remains unchanged at 30% of covered inpatient expenses and the greater of 30% of covered outpatient expenses or KRW 30,000 for outpatient treatment.

For severe non-reimbursable inpatient treatment at tertiary and general hospitals, an annual out-of-pocket cap of KRW 5 million applies. Under fourth-generation policies, no annual out-of-pocket cap applied to non-reimbursable treatment.

Non-severe non-reimbursable treatment

For non-severe non-reimbursable treatment, the annual insurer reimbursement limit is KRW 10 million, outpatient reimbursement is limited to KRW 200,000 per day, and inpatient reimbursement at hospitals and clinics is limited to KRW 3 million per inpatient occurrence.

Under fourth-generation indemnity insurance, non-reimbursable treatment generally had an annual insurer reimbursement limit of KRW 50 million, outpatient reimbursement of KRW 200,000 per outpatient visit, and no inpatient reimbursement cap.

For non-severe non-reimbursable treatment, coinsurance increases to 50% of covered inpatient expenses and the greater of 50% of covered outpatient expenses or KRW 50,000 for outpatient treatment.

Under fourth-generation indemnity insurance, non-reimbursable treatment was subject to 30% coinsurance for inpatient treatment and the greater of 30% of covered outpatient expenses or KRW 30,000 for outpatient treatment.

Certain additional items are excluded from reimbursement under the non-severe non-reimbursable coverage category, including unlisted new medical technologies and certain non-reimbursable services, such as musculoskeletal physical therapy, extracorporeal shock wave therapy, proliferation therapy, and non-reimbursable injections. Fourth-generation policies excluded cosmetic and plastic surgery-related items.

Transition to fifth-generation policy

As of 6 May 2026, existing insured individuals under first- to fourth-generation indemnity insurance may convert to fifth-generation policy terms with their current insurer without separate underwriting, except in specified cases such as expansion of coverage items or re-application after withdrawal of a prior conversion request.

Where an existing insured individual converts to fifth-generation policy terms and no claim is paid after conversion, the insured individual may withdraw the conversion and return to the prior policy within six months. If the insured individual withdraws within three months after conversion, withdrawal is available even if an insured event occurs during that period.

Early-generation insured individuals

From November 2026, financial authorities will introduce optional discount special coverage and contract conversion discounts for insured individuals with early-generation indemnity insurance policies without policy-change or renewal clauses issued before March 2013.

Under the optional discount special coverage arrangement, early-generation insured individuals may keep their existing first- or second-generation policy while excluding certain non-essential coverage and receiving a premium discount. The coverage items that may be excluded include musculoskeletal physical therapy, extracorporeal shock wave therapy, non-reimbursable injections, non-reimbursable MRI/MRA, and an option to apply 20% coinsurance.

The contract conversion discount arrangement will be implemented from November 2026 for six months, after which financial authorities will review whether to extend it.

Employer actions to consider

Employers sponsoring group indemnity health insurance should consider:

- Reviewing group insurance arrangements to determine whether current plans will transition to fifth-generation policy terms;
- Assessing the impact of separate severe and non-severe non-reimbursable coverage categories on plan design and employee cost-sharing;
- Reviewing whether existing group coverage includes benefits that may no longer be reimbursed under the non-severe non-reimbursable coverage category;
- Coordinating with insurers regarding transition timing, policy terms, conversion options, and employee communication; and
- Assessing whether supplemental health benefit strategy remains aligned with employee benefit objectives.

Underlying legislation

The changes were introduced by:

- Financial Services Commission Notice No. 2026-3 amending the Insurance Business Supervisory Regulations (금융위원회고시 제2026-3호(보험업감독규정)), which was published in the Official Gazette (관보) on 14 January 2026; and

- The corresponding amendments to the Detailed Supervisory Business Regulations for Insurance (보험업감독업무시행세칙) which were issued by the Financial Supervisory Service on 27 February 2026.

Resources

Financial Services Commission press release of 6 May 2026: Fifth-generation indemnity health insurance policies launched and made available for sale from 6 May 2026 (5월 6일부터 치료비 부담이 큰 중증질환의 보장을 강화하고, 보험료는 낮춘 5세대 실손의료보험이 새롭게 출시·판매됩니다).

Türkiye

Maternity and paternity leave periods extended

Published 31 May 2026

Effective 1 May 2026, Law No. 7578 extended statutory maternity leave (*analık izni*) and paternity leave (*babalık izni*), including an increase in post-birth maternity leave from eight weeks to 16 weeks, an increase in total maternity leave from 16 weeks to 24 weeks for single births, an increase in paternity leave from five days to 10 days, revised rules on working close to the expected childbirth date, and a new 10-day unpaid leave entitlement for foster family employees.

Maternity leave

Effective 1 May 2026, female employees are entitled to a total of 24 weeks of maternity leave, consisting of eight weeks before childbirth and 16 weeks after childbirth.

Previously, female employees were entitled to a total of 16 weeks of maternity leave, consisting of eight weeks before childbirth and eight weeks after childbirth.

For multiple births, employees continue to receive an additional two weeks before childbirth, resulting in 26 weeks of total maternity leave. This compares to previously 18 weeks maternity leave, comprising 10 weeks before childbirth and eight weeks after childbirth.

Work before childbirth

Effective 1 May 2026, a female employee whose health is suitable and who has medical approval may continue working until two weeks before childbirth. The time worked before childbirth is added to the post-birth maternity leave period.

Previously, a female employee with medical approval could continue working until three weeks before childbirth, and the time worked before childbirth was added to the post-birth maternity leave period.

Unpaid leave after maternity leave

Effective 1 May 2026, the right to request up to six months of unpaid leave starts after completion of the 24-week maternity leave period, or the 26-week period in the case of multiple births.

Previously, the right to request up to six months of unpaid leave started after completion of the 16-week maternity leave period, or the 18-week period in the case of multiple births.

Paternity leave

Effective 1 May 2026, an employee whose spouse gives birth is entitled to 10 days of employer-paid paternity leave, up from previously five days of employer-paid paternity leave.

Employees' wages are maintained in full during the statutory paid leave period.

Foster family leave

Effective 1 May 2026, an employee who becomes a foster family, either jointly with a spouse or individually, is entitled to 10 days of unpaid leave after the child joins the foster family.

Previously, foster family employees were not entitled to leave related to fostering.

Maternity leave payment

The law also amends the Social Insurance and General Health Insurance Law so that maternity-related temporary incapacity allowance applies to the revised maternity periods.

Previously, the maternity temporary incapacity allowance provision referred to the pre-amendment periods of eight weeks before childbirth and eight weeks after childbirth.

Employer Actions

Employers must update leave policies, employee handbooks, and leave management systems to reflect the revised maternity, paternity, unpaid leave, and foster family leave rules, as follows:

- Apply the revised maternity leave periods of eight weeks before childbirth and 16 weeks after childbirth;
- Apply the 26-week total maternity leave period for multiple births;
- Allow medically approved employees to continue working until two weeks before childbirth, where the statutory conditions are met;
- Apply the revised timing for unpaid leave requests after maternity leave;
- Grant 10 days of paid paternity leave to employees whose spouse gives birth; and
- Grant 10 days of unpaid leave to eligible foster family employees.

Employers should also consider:

- Coordinating payroll and social security administration for maternity temporary incapacity allowance periods;
- Reviewing and consider revisions to employment contracts, collective agreements, and internal policies that provide salary continuation during maternity leave; and
- Informing managers and HR teams of the revised maternity and paternity leave periods;
- Updating and disseminating employee communications on childbirth-related leave entitlements; and
- Reviewing workforce planning processes for longer post-birth maternity leave absences, increased paternity leave entitlements, and the new foster family leaves.

Underlying legislation

The changes were introduced by Law No. 7578 on the Social Services Law and Amendments to Certain Laws (*Sosyal Hizmetler Kanunu ve Bazı Kanunlarda Değişiklik Yapılmasına Dair Kanun*), which was published in the Official Gazette (Resmî Gazete) on 1 May 2026.

Uganda

Labor reforms include breastfeeding benefits and changes to short-term disability benefits

Published 18 May 2026

On 29 April 2026, the Employment (Amendment) Act, 2025 received presidential assent, introducing breastfeeding breaks and increasing the maximum duration of paid short-term disability leave.

The commencement date of the provisions of the Act is pending publication in the Official Gazette.

Breastfeeding breaks

The Act requires employers to provide daily, 30-minute breastfeeding breaks for every two hours of continuous work, or a reduction in daily working hours for 60 working days after the employee returns from maternity leave. Employees are entitled to their normal remuneration during breaks or reduced daily working hours.

Additionally, employers are also encouraged, where possible, to create designated, private breastfeeding areas with access to seating, electricity, sanitation materials, and refrigeration.

Currently, there are no statutory employee entitlements or employer obligations to support breastfeeding employees.

Short-term disability leave

The Act introduces changes to short-term disability leave with pay, and to the criteria for terminating an employment agreement due to extended short-term disability.

Leave with pay provisions

Currently, employers are required to pay employees their regular wages and benefits during the first month of leave. Under the new provisions, employees will be entitled to their full wages for the first two months of absence due to illness or injury, followed by half their monthly wages for up to an additional four months. Currently, no statutory payment obligations apply if employees are absent for more than one month due to illness or injury.

Termination of employment

In terms of termination of employment, under the new provisions, if an employee’s illness or injury persists for more than six months, employers may terminate the employment contract provided they comply with the terms of the contract up to the termination date.

Currently, the law authorizes employers to terminate employment contracts if illness or injury persist for more than two months.

Employer actions to consider

Ahead of the commencement order's publication, employers should consider the following actions:

- Review and update employee handbooks and workplace policies to reflect breastfeeding employees' entitlement to either 30-minute breaks every two hours of continuous work or reduced daily working hours, and reflect changes in short-term disability leave and pay entitlements;
- Establish protocols or procedures for managing breaks and flexible working arrangements;
- Where feasible, assess feasibility of workplace breastfeeding facilities;
- Coordinate with the payroll department or provider to ensure pay entitlements during short-term disability leave are adhered to;
- Review and update employment termination policies as they apply in cases of extended short-term disability; and
- Prepare communication materials to inform employees of the changes and their new entitlements.

Underlying legislation

The changes were introduced by Bill No. 19, The Employment (Amendment) Bill, 2022, which was published in the Official Gazette on 18 July 2022. As of the date of publication of this article, the official, consolidated Uganda Gazette version of the corresponding Employment (Amendment) Act, 2025 has not yet been universally digitized by the government for public access online.

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