



Alliant Global Services

Global Knowledge Center –
Legal & Regulatory Updates

December 2025



Alliant Global Services

Global Knowledge Center - Legal & Regulatory Updates

December 2025



Contents

- Australia 3
 - Δ Payday superannuation contribution payment in force 3
- Belgium 5
 - Δ Tax-exempt mileage allowance for personal vehicle used for work purposes increases 5
 - Δ Tax-exempt meal voucher limits increased, but CBAs still in progress 7
- Brazil 9
 - Δ Maternity leave supplemented by additional leave in cases of postpartum hospitalization 9
- Canada 11
 - Δ Ontario introduces employment-seeking leave when 50 or more employees are terminated over a four-week period 11
- China 13
 - Δ Shanghai introduces leave to care for a hospitalized parent 13
- Lithuania 15
 - Δ Employer-paid supplemental health premiums subject to tax-exempt limit, starting 2026 15
 - Δ New social contribution due by insurers on non-life insurance premiums 16
- Luxembourg 18
 - Δ 2026 Statutory Holidays 18
- Mexico 21
 - Δ Extended breaks and designated workplace facilities for nursing mothers under legislative review 21
 - Δ Government plans to significantly reduce workweek by 2030 23
- United Kingdom 24
 - Δ Employment Rights Act receives assent, introducing wide-ranging reforms 24
- About Alliant Global 29

Australia

Payday superannuation contribution payment in force

Published 12 December 2025

Effective 1 July 2026, employers will be required to pay their employees' Superannuation Guarantee (SG) contributions at the same time as their salary and wages.

Currently, employers must pay their employees' SG contributions on or before specified [quarterly due dates](#).

On 18 November 2025, in a [press release](#), the Australian Tax Office (ATO) requested that employers be ready and ensure all SG contributions arrive in their employees' super funds within seven business days of payday. A few exceptions will allow for more time to make contributions, e.g., onboarding of a new employee, natural disaster, or widespread IT system outages affecting multiple employers.

As of 1 July 2026, the superannuation guarantee charge (SGC) will apply for failures to pay superannuation contributions on employees' paydays.

Frequency of contributions

The increase in the frequency of SG contributions will not only increase employees' overall retirement savings but will also simplify employers' payroll management and result in lower accumulation of financial liabilities.

However, because the change has cashflow implications, it was already announced in May 2023 as part of the 2023-2024 Federal Budget to provide employers ample time to plan and adjust their payroll systems.

For employees, SG contributions made on their payday will simplify contribution payment and savings tracking.

Frequency of penalties

Currently, employers who fail to pay an employee's SG contributions in full quarterly, are subject to a [superannuation guarantee charge \(SGC\)](#).

As of 1 July 2026, the penalty will apply for failures to pay SG contributions in full on employees' paydays, unless contributions are posted within seven business days after the employee's payday.

When SG payments are more than 28 days overdue, the ATO will issue a formal notice requiring the employer to make the due payments. The employer then has a 28-day window to comply. Failure to pay within this timeframe results in a SGC penalty calculated on contribution amounts due. Specifically, if the employer has a history of penalties within the previous two years, the fine is set at 50% of amounts due; otherwise, a 25% penalty applies.

Employer Actions

As of 1 July 2026, employers will be required to pay their employees' Superannuation Guarantee (SG) contributions at the same time as their salary and wages.

In preparation for the transition, employers will need to:

- Assess and prepare for the impact of the change to their cash flow; and
- Make changes to their payroll operations and systems, including:
 - Assessing payroll configurations
 - Evaluating system and vendor readiness
 - Testing end-to-end processing times, i.e., how long payments take to reach a superannuation fund;
 - Carrying out sample SG recalculations to identify risks

Non-compliance entails penalties of up to 50% of SG contribution amounts due.

Underlying legislation

The [Superannuation Guarantee Charge Amendment Bill 2025](#) (and the associated [Treasury Laws Amendment \(Payday Superannuation\) Bill 2025](#)) received Royal Assent in Australia on 6 November 2025.

Resources

[SuperStream changes factsheet](#)

Belgium

Tax-exempt mileage allowance for personal vehicle used for work purposes increases

Published 16 December 2025

Effective 1 January 2026 through 31 March 2026, employers' tax-exempt flat-rate reimbursement ceiling for employees' use of a private vehicle for professional purposes (*l'indemnité kilométrique*) increases from EUR 0.4312 to EUR 0.4326 per kilometer traveled.

Employers must provide employees with the resources they need to do their work. Therefore, if an employee uses their own vehicle 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 quarterly mileage allowance limit

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 was introduced to allow for timely alignment with fluctuations in fuel prices.

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. The current annual mileage allowance is EUR 0.4449 per kilometer.

Employers may choose which mileage allowance system they adhere to—the annual or the quarterly allowance limit. 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.

Employer Actions

Starting 1 January 2026 through 31 March 2026, employers having adopted the quarterly mileage allowance system, i.e., the quarterly tax-exempt flat-rate reimbursement ceiling for employees' use of a private vehicle for professional purposes may increase reimbursements up to the new tax-exempt limit of EUR 0.4326 per kilometer traveled; or be able to justify the actual travel expenses incurred and reimbursed, in order for higher reimbursement amounts to be exempt from the employee's income tax, and from both employer and the employee social contributions.

Employers having adopted the annual mileage allowance system must continue to apply the current annual limit of EUR 0.4449 through 30 June 2026. They may switch to the quarterly system starting 1 July 2026.

Underlying legislation

The increase in the quarterly flat-rate reimbursement of employees' use of a private vehicle for work purposes was notified via Circular No. 762 of 10 December 2025 - Adaptation of the amount of the mileage allowance - for the 1 January 2026 to 31 March 2026 period ([Circular n° 762 du 10 décembre 2025 - Adaptation du montant de l'indemnité kilométrique - Période du 1er janvier 2026 au 31 mars 2026](#)), which was published in the Official Journal (*le Moniteur belge*) on 15 December 2025.

The increase in the annual flat-rate reimbursement of employees' use of a private vehicle for work purposes was introduced via Circular No. 754 of 12 June 2025 - Adjustment of the mileage allowance for the 1 July 2025 to 30 June 2026 period ([Circular n° 754 du 12 juin 2025 - Adaptation du montant de l'indemnité kilométrique - Période du 1er juillet 2025 au 30 juin 2026](#)), which was published in the Official Journal on 20 June 2025.

Belgium

Tax-exempt meal voucher limits increased, but CBAs still in progress

Published 19 December 2025

Effective 1 January 2026, the maximum face value of an income tax and social contribution exempt meal voucher (*chèques-repas*) increases from EUR 8.00 to EUR 10.00, and the maximum of the employer's share increases from EUR 6.91 to EUR 8.91.

The new limits apply to all meal vouchers issued on or after 1 January 2026.

This increase was made possible by a temporary exclusion of meal vouchers from the salary margin (*la marge salariale*)—a statutory limit on salary expenditure increases, which is set at 0% for 2025 and 2026. The rate aims at maintaining competitiveness and is set every two years.

In parallel, effective 1 January 2026, provided the new limits are adhered to, employers can deduct EUR 4 per meal voucher as an operational expense for corporate tax purposes, irrespective of the vouchers face value, up from currently EUR 2.

As a reminder, employees are entitled to meal voucher benefits under the following conditions:

- The employer is bound by a sectoral collective bargaining agreement (CBA) providing for meal voucher benefits; or
- A company-level agreement that includes offering meal voucher benefits has been concluded at company level.

If such an agreement cannot be concluded due to the absence of a union delegation, or when a category of employees is not covered by an agreement, meal vouchers may be offered using individual agreements.

Employer Actions

Effective 1 January 2026, the face value of meal vouchers and the employer's share in the face value may be increased to EUR 10 and EUR 8.91, respectively.

It is important to note that meal vouchers with a face value of EUR 10 must be expressly stipulated in a collective bargaining agreement (CBA), a company agreement, or a written individual agreement.

Many CBA negotiations at sector level are still in progress.

Employers are therefore advised not to modify their current meal voucher parameters, until the provisions of applicable CBAs are published.

Underlying legislation

The increase in the maximum face value of meal vouchers and in the employee's share was introduced by Royal Decree amending Article 19bis of the Royal Decree of 28 November 1969 issued pursuant to the Law of 27 June

1969 revising the Decree-Law of 28 December 1944 concerning the social security of workers ([Arrêté royal modifiant l'article 19bis de l'arrêté royal du 28 novembre 1969 pris en exécution de la loi du 27 juin 1969 révisant l'arrêté-loi du 28 décembre 1944 concernant la sécurité sociale des travailleurs](#)), which was published in the Official Journal (*le Moniteur belge*) on 17 November 2025.

The freeze in salary expense increases for 2025 and 2026 was set by the Royal Decree implementing Article 7, §1 of the Law of 26 July 1996 on the promotion of employment and the preventive safeguarding of competitiveness ([l'arrêté royal portant exécution l'article 7, §1er de la loi du 26 juillet 1996 relative à la promotion de l'emploi et à la sauvegarde préventive de la compétitivité](#)), which was published in the Official Journal on 22 September 2025.

Brazil

Maternity leave supplemented by additional leave in cases of postpartum hospitalization

Published 9 December 2025

Effective 29 September 2025, Law No. 15.222/2025 supplements paid maternity leave by up to 120 days in cases where the mother or the newborn require hospitalization due to childbirth complications. The new entitlement is reduced by up to two weeks for any medically certified birth-related leave taken prior to childbirth, which is an already existing entitlement.

Pregnant employees were and remain entitled to a minimum of 120 days of employment-protected maternity leave. In addition, with a medical certificate, employees were and remain entitled to a maximum of two weeks of leave that can be used before and/or after childbirth.

In cases where postpartum hospitalization exceeds the above two-week medically certified birth-related leave, the new supplemental postpartum hospitalization leave of 120 days becomes available but is reduced by any medically certified leave days taken before childbirth. In other words, if an employee uses any part of the two-weeks of medically certified leave, their new 120-day supplemental postpartum hospitalization leave entitlement is reduced based on the number of days already used. As such, a maximum of 120 days of leave is available as needed for all mothers.

The different types of statutory maternity leave are indicated in the table below.

Type of Leave	Duration of Leave	Drawing on the Leave
Standard maternity leave (unchanged)	120 days	Before and after birth (between 28 days before childbirth and the occurrence thereof)
Medically certified birth-related leave (unchanged)	Up to two weeks	Before and after birth
New supplemental postpartum hospitalization leave	Up to 120 days, including any part of the medically certified birth-related leave used before birth	After birth

Supplemental postpartum hospitalization leave

Leave entitlement

The standard maternity leave entitlement is 120 days but can be extended to up to 180 to 240 days, if the employer adheres to the Company-Citizen Programme (*Programa Empresa Cidadã*).

With the recent amendments, a pregnant employee is also entitled to a maximum of 120 days of supplemental postpartum maternity leave without loss of employment or salary, including any portion of the two weeks of medically certified leave that is used before birth.

The standard maternity leave (or balance thereof) starts (restarts) after supplemental postpartum hospitalization leave ends.

Pay during supplemental postpartum hospitalization leave

An employee is entitled to 120 days of paid maternity leave, which can begin at any point between 28 days before childbirth and the date of childbirth (unchanged). Employees' salary during maternity leave is covered by social security.

Social security covers the total amount of the employee's earnings during the supplemental postpartum hospitalization leave without an upper limit. However, employers are required to pay employees their full salary during the leave, and then deduct the amounts paid from employer contributions due to the National Social Security Institute (*Instituto Nacional do Seguro Social, INSS*).

In the case of variable pay (i.e., commission, gratuity, overtime, or bonus pay), social security covers the equivalent of the average pay for work performed over the last six months.

Employer Actions

Effective 29 September 2025, employers must grant up to 120 days of paid supplemental postpartum hospitalization leave, if birth-related hospitalization that exceeds the existing medically certified birth-related leave entitlement is required.

Social security covers the total amount of earnings during the supplemental postpartum hospitalization leave without an upper limit.

Employers are advised to:

- Review and update leave policies and employee handbooks to reflect the new leave;
- Develop and disseminate communication materials to inform employees of their new entitlement;
- Make the required changes to their payroll and leave management systems; and
- Ensure coordination between payroll and the finance department to ensure that salary payments during the new leaves are deducted from employer social contributions due.

Underlying legislation

The changes were introduced by Law No. 15.222/2025 ([Lei No. 15.222, de 29 de Setembro de 2025](#)), which was published in the Official Gazette of the Union (*Diário Oficial da União, DOU*) on 30 September 2025.

Canada

Ontario introduces employment-seeking leave when 50 or more employees are terminated over a four-week period

Published 10 December 2025

Effective 27 November 2025, employers regulated under Ontario's [Employment Standards Act](#) (ESA) are required to provide up to three days of unpaid employment-seeking leave to affected employees when 50 or more employees are terminated over the same four-week period. The new statutory leave is one of many provisions of the Working for Workers Seven Act, 2025 (WFW-7).

Employers concerned

All employers regulated under Ontario's Employment Standards Act (ESA) are concerned by the WFW-7 amendments.

Employees concerned

Any employee to whom the employer has given a notice as part of the termination of 50 or more employees in the same four-week period.

Leave entitlement

The WFW-7 provides for a three-day unpaid leave during an employee's notice period for engaging in employment-seeking activities, such as job searches, interviews, or training, provided they received a notice of termination in the same four-week period along with 49 or more other employees.

Exceptions apply

Employees who receive pay in lieu of notice for 75% or more of the minimum statutory notice period are not entitled to the unpaid leave. For example, employees who work less than two weeks of an eight-week minimum notice period and receive pay in lieu of the remaining six weeks of notice are not entitled to the new employment-seeking leave.

Requesting the leave

Employees who opt to take the employment-seeking leave during their termination notice period must, to the extent possible, inform their employer at least three days prior to the beginning of their leave.

Additionally, employers are permitted to request that employees provide reasonable evidence of entitlement to the leave and may count any partial days of leave as a full day.

Length of notice period

As a reminder, the duration of the statutory notice period is based on the number of employees that are being terminated (unchanged), and is as follows:

- Eight weeks if 50 to 199 employees are to be terminated
- 12 weeks if 200 to 499 employees are to be terminated
- 16 weeks if 500 or more employees are to be terminated

Employer Actions

Effective 27 November 2025, employers must grant up to three days of unpaid employment-seeking leave to employees who receive a notice of termination along with 49 or more employees over any four-week period.

Employers are advised to:

- Revise their leave policies and employee handbooks to reflect the new leave;
- Update their leave management system;
- Revise communication materials intended for affected employees; and
- Revise internal separation policies or HR guidelines (where applicable).

Underlying legislation

The changes were introduced by Bill 30, [Working for Workers Seven Act, 2025](#), which received Royal Assent on 27 November 2025.

China

Shanghai introduces leave to care for a hospitalized parent

Published 12 December 2025

Effective 25 September 2025, according to amended regulations, Shanghai employers must grant up to a “cumulative total” of up to five working days of paid leave each year (seven in cases where the employee is an only child born during the implementation of the one-child policy) when an elderly individual for whom they are the primary statutory caregiver is hospitalized for inpatient treatment due to illness. During the leave the employer must pay the employee’s salary as if they were working their regular hours.

Although not mandated, for employees who are caring for an elderly parent at home, the regulatory amendments urge employers to adjust their work arrangements to accommodate their legal caregiver obligations.

In revising leave policies or employee handbook, employers should recall that under People’s Republic of China (PRC) Civil Code, and the Law of the People’s Republic of China on the Protection of the Rights and Interests of the Elderly, an elderly individual’s care is the statutory obligation of their adult children, or other relatives under certain circumstances, e.g., grandchildren or children in-law when the elderly’s child is deceased.

It is important to note that Article 2 of the amended Regulation provides for “the rights and interests of the elderly within the administrative area of Shanghai”. To prevent any ambiguity, employers are advised to clearly formulate employee eligibility in their revised leave policies or employee handbook.

Employers’ consultation and publication obligations

To be legally enforceable, employers must ensure that the revised handbook or employer policy observes statutory consultation and publication requirements (unchanged).

The primary law establishing this requirement is the PRC Labor Contract Law ([中华人民共和国劳动合同法](#)) - specifically Article 4, Paragraphs 1 and 2.

For an employer’s internal policy to be considered valid and enforceable, its content must:

- Comply with all national and local legislation (e.g., providing at least the statutory minimum) and must be reasonable and fair.
- Go through mandatory consultations with employee representatives, and publication/notification procedures according to the PRC Labor Contract Law.

Employer Actions

Employers must therefore grant the leave to eligible employees and ensure the employee’s continued earnings during the leave.

Employers are advised to update their employee handbook or leave policy to reflect the statutory provisions of the new leave, including the eligibility criteria, the application process, the required documentation. It is also

recommended to clarify any features of this leave that the recent amendments fail to address, to prevent future employee complaints, claims, or disputes. Examples include:

- What must be the parent’s age for the employee to be eligible for the leave? Note that under PRC legislation an individual aged 60 years or older is considered as “elderly”, but the amendments do not specifically provide a minimum age for the employee’s parent.
- The amendments protect “the rights and interests of the elderly within the Shanghai administrative area.” Employers must therefore clarify their policy with respect to applications for elder care leave for employees’ parents not residents or temporarily situated “within the Shanghai administrative area,” keeping in mind that caring for elderly parents/relatives is a statutory obligation in PRC.
- Is leave encashment an option for eligible employees (who for example prefer hiring care services instead of taking leave)?
- Can existing contractual leave count towards this new entitlement?
- Should the 2025 entitlement be prorated for the time that remains?
- Can the leave entitlement be drawn in segments?

Employers’ obligation to ensure that their revised employer policy or employee handbook observes statutory consultation with employee representatives and publication requirements remain applicable.

Underlying legislation

The amendments were introduced by the Decision of the Standing Committee of the Shanghai Municipal People’s Congress on Amending the Shanghai Municipality Regulation on the Protection of the Rights and Interests of the Elderly ([上海市人民代表大会常务委员会关于修改〈上海市老年人权益保障条例〉的决定](#)), adopted at the 24th meeting of the Standing Committee of the 16th Shanghai Municipal People's Congress and promulgated on 25 September 2025.

Lithuania

Employer-paid supplemental health premiums subject to tax-exempt limit, starting 2026

Published 2 December 2025

Effective 1 January 2026, an annual income tax-exempt limit of EUR 350 per employee per year applies to employer-paid supplemental health insurance premiums. Employer-paid premiums in excess of the EUR 350 limit will be subject to personal income tax.

Prior to the introduction of the EUR 350 annual limit, employer-paid supplementary health insurance premiums were exempt from personal income tax, provided the total amount of employer-paid life insurance premiums, pension contributions, and supplementary health insurance premiums did not exceed 25% of the employee's annual earnings.

As a reminder, supplementary health insurance is a voluntary and highly valued benefit offered by employers. It provides employees with faster access to specialist consultations and treatments, private healthcare facilities, and coverage for services often excluded from the public system, such as dental implants and advanced treatments and certain vision care expenses (e.g., private ophthalmologist consultations, standard frames, contact lenses).

Employer Actions

Employers must now calculate and withhold income tax on supplementary health insurance premiums that they pay for an employee in excess of the EUR 350 annual limit.

Employers are advised to:

- Adjust their payroll systems to account for the new income tax limit;
- Inform employees of the new income tax provision; and
- Review, assess, and optimize employee remuneration and benefit packages to ensure they remain a competitive employer.

Underlying legislation

The annual tax-exempt limit to employer payments of supplemental health insurance was introduced by Law No. XV-343 on the Amendment of the Law on Personal Income Tax ([Lietuvos Respublikos gyventojų pajamų mokesčio įstatymo pakeitimo įstatymas Nr. XV-343](#)), which was published in the Official Register of Act (*Teisės aktų registras, TAR*) on 27 June 2025.

Lithuania

New social contribution due by insurers on non-life insurance premiums

Published 4 December 2025

Effective 1 January 2026, legislation providing for a new 10% social security contribution due by insurers authorized to operate in Lithuania. The contributions are assessed on non-life insurance premiums paid for covering risks in Lithuania (e.g., travel, health, business risks, property, motor, liability, etc.).

The contribution is due on the total amount of premiums indicated in non-life insurance contracts that are newly concluded, extended, or amended (provided the amendment results in a change in premiums) on or after 1 January 2026.

Budget for an increase of up to 10% on the cost of all non-life insurance policies covering risks in Lithuania, including:

- Employer-paid supplementary health insurance
- Accident/travel insurance (if provided to employees)
- Commercial policies (Property, Motor Fleet, General/Professional Liability, Cyber, Directors & Officers (D&O) insurance, etc.).

Contribution assessment and payment

The contribution is assessed and paid quarterly.

The deadline for filing the declaration and paying the contribution is the fifteenth day of the month following the calendar quarter (e.g., 15 April for first quarter contributions).

If an insurer has no new, renewed, or amended contracts (resulting in increased premiums) during a quarter, no declaration is required for that period.

The declaration may be adjusted for the current quarter and for any quarter of the previous three years.

Exempted insurance contracts

The following insurance contracts are exempt from the newly introduced social contribution:

- Life insurance,
- Mandatory individual's motor third-party liability insurance, provided the vehicle is not used for business purposes and is not made available to legal entities; and
- Crop, plant, and livestock insurance.

Employer Actions

Starting 1 January 2025, employers must assess, declare, and pay contributions (on a quarterly basis) on premiums of new, renewed, or amended (when amendments in increased premiums) non-life insurance contracts.

Employers are advised to review their non-life insurance contracts that are scheduled for renewal, extension, or amendment. The new 10% contribution applies to the premiums of any contract that is newly concluded, extended, or amended (when amendments result in increased premiums) on or after 1 January 2026.

Although the new contributions are due by insurers, they are bound to translate into increased premiums for non-life insurance benefits (e.g., supplemental health, accident/travel insurance) offered by employers as part of employee incentive packages. Therefore, increases will need to be budgeted or accounted for in redesigning optimal benefit packages.

Underlying legislation

The annual tax-exempt limit to employer payments of supplemental health insurance was introduced by Law of the Republic of Lithuania on Security Contribution No. XV-283 ([Lietuvos Respublikos saugumo įnašo įstatymas Nr. XV-283](#)), which was published in the Official Register of Act (*Teisės aktų registras, TAR*) on 20 June 2025.

Luxembourg

2026 Statutory Holidays

Published 15 December 2025

On 23 October 2025, the Ministry of Civil Service (*Ministère de la Fonction Publique*) announced the 2026 statutory holiday dates in a [government circular](#) for public sector employees. These dates serve as the basis for scheduling statutory holidays for private sector employees.

The schedule of 2026 statutory holidays and applicable terms, as governed by the Labor Code ([Le Code du Travail](#)), are outlined below.

Schedule of 2026 statutory holidays

In 2026, there are 11 employer-paid statutory holidays observed over 11 working days during the calendar year, as indicated in the table below.

Statutory Holiday	2026 Dates ⁽¹⁾⁽²⁾
New Year's Day	Thursday, 1 January
Easter Monday	Monday, 6 April
Labor Day	Friday, 1 May
Europe Day	Saturday, 9 May
Ascension Day	Thursday, 14 May
Whit Monday	Monday, 25 May
National Holiday (Grand Duke's Birthday)	Tuesday, 23 June
Assumption Day	Saturday, 15 August
All Saints' Day	Sunday, 1 November
Christmas Day	Friday, 25 December
Saint Stephen's Day	Saturday, 26 December

(1) If a statutory holiday falls on a Sunday or on a day of the week on which the employee would not have worked (typically a Saturday), the employee is entitled to a compensatory leave day paid at 100% of their usual pay to be taken within three months. In 2026, Europe Day, Assumption Day, and Saint Stephen's Day fall on a Saturday.

(2) In 2026, no two holidays overlap. Therefore, employees are not entitled to any compensatory leave days (see details below).

Granting the statutory holiday

Employers are required to grant leave to all their employees on statutory holidays. If the statutory holiday falls on a workday on which the employee would normally not have worked, the employer is required to grant a compensatory day of leave to be taken within three months.

An exception applies if a company's circumstances make it impossible to grant leave on a statutory holiday, in which case the employer must pay increased wages to employees working on a statutory holiday. (Labor Code, Art. L. 232-7)

Payment during statutory holidays

When a statutory holiday falls on a normal workday (i.e., Monday to Saturday) where the employee would normally have worked, the employer must pay the employee's usual pay. The pay is required even if a statutory holiday falls on a workday on which the employee would normally not have worked.

Pay in lieu

Article L. 232-3 of the Labor Code expressly prohibits payments in lieu of statutory holidays. In fact, Article L. 232-5 of the Labor Code states that one or more statutory holidays can be replaced by a corresponding number of days, but the substitution cannot result in a different number of paid days, that is 11 paid days.

Working on a statutory holiday

If an employer's business circumstances require that employees work on a statutory holiday, employees are entitled to additional pay, which depends on whether the statutory holiday falls on a workday (i.e., Monday through Saturday) or a Sunday, and in the case of part-time employees, on whether the employee would have worked on that day if it had not been a statutory holiday. (Labor Code, Art. L. 232-6)

Employees are entitled to receive their regular salary for each legal public holiday that falls on a working day. This also applies to legal public holidays falling on a Sunday, which are replaced by alternative public holidays.

When a legal or alternative public holiday falls on a non-working day, employees are entitled to a compensatory day off within three months. If operational constraints prevent this, the compensatory leave should be taken before the end of the calendar year, except for holidays in November and December, which may be taken in the first three months of the following year.

Public holidays that fall on a weekday where an employee would have worked for four hours or less, entitle the employee to a half-day of compensatory leave in addition to their regular pay for the hours they would have worked.

Working on a statutory holiday that falls on a workday

When an employee is required to work on a statutory holiday that falls on a normal workday for the employee, then the employer must pay the employee 100% of their normal workday pay, plus 200% of their average hourly pay times the number of hours the employee has actually worked on the statutory holiday (half of which is income tax exempt). An employee's average hourly pay is equal to their monthly salary divided by 173.

If an employee is required to work on a statutory holiday that falls on a workday (i.e., Monday through Saturday) on which the employee would normally not have worked, the employer must grant the employee their usual pay, and a compensatory day of leave to be taken within three months. (Labor Code, Art. L. 232-6)

Working on a statutory holiday that falls on a Sunday

When an employee works on a statutory holiday that falls on a Sunday, the employer must grant the employee one day of compensatory leave to be taken within three months of the statutory holiday, and pay the employee:

- their average hourly pay times the number of hours actually worked; plus
- 100% of their average hourly pay per hour worked on a statutory holiday; plus
- 70% of their average hourly pay per hour worked on a Sunday; plus
- one compensatory day of leave to be taken within three months.

In sum, the employee is paid 270% of their average hourly pay for hours worked, plus a compensatory leave day. (Labor Code, Art. L. 232-3)

Furthermore, if the hours worked on the statutory holiday consist of overtime hours, the employee is also entitled to either a 40% salary increase, or compensatory rest time of 1.5 hours per overtime hour worked.

Statutory holidays that fall on a non-working day

If a statutory holiday falls on a Sunday or on a day of the week on which the employee would not have worked, the employee is entitled to a compensatory leave day paid at 100% of their usual pay, to be taken by the employee within three months of the statutory holiday. (Labor Code, Art. L. 232-6)

Bridging of holidays

The Labor Code is silent on bridging holidays with weekly rest days.

Overlapping holidays

In cases where statutory holiday dates coincide, employees are entitled to a compensatory employer-paid leave day to be taken within three months. (Labor Code, Art. L. 232-3).

Employer Actions

In preparing to communicate employees' 2026 paid holiday schedule, employers must remain in compliance with the statutory holiday provisions of the Labor Code, and in particular:

- Grant and pay employees their statutory entitlement to 11 paid holidays;
- Comply with their statutory obligations when a holiday falls on a Sunday or a non-working day or on approved annual leave or other paid statutory leave days; and
- Comply with the statutory provisions in terms of payments in lieu, and compensation for work performed on statutory holidays.

Underlying legislation

Statutory holidays are governed by Book II, Title III, Chapter II of the Labor Code ([le Code du Travail](#)).

Mexico

Extended breaks and designated workplace facilities for nursing mothers under legislative review

Published 2 December 2025

On 6 August 2025, in an effort to recognize the full rights of working women and promote early childhood development, a proposed Decree was introduced in the Senate to:

- extend daily breastfeeding breaks during the workday from one hour to two hours; and
- establish minimum mandatory requirements for breastfeeding facilities in the workplace.

Additionally, the proposed Decree would introduce penalties for non-compliance, enforced by the Ministry of Labor and Social Welfare (*Secretaría del Trabajo y Previsión Social, STPS*). The STPS would establish technical guidelines and conduct regular compliance inspections.

The proposed changes are detailed below.

Extended breastfeeding breaks

Currently, nursing mothers are entitled to two 30-minute breaks during the workday to feed their children in a suitable and hygienic place designated by the employer for up to a maximum of six months after childbirth. Alternatively, if this is not possible, there must be prior agreement with the employer that the working day will be reduced by one hour during the period indicated above.

Under the proposed changes, employers would be required to increase the daily breastfeeding break entitlement from two 30-minute breaks to two one-hour breaks for a maximum period of six months.

Designated workplace facilities

Employers would be required to set up breastfeeding facilities in the workplace that meet the following minimum mandatory requirements:

- Ergonomic chairs for nursing
- Clean surfaces or tables for setting up breastfeeding equipment
- Functional electrical outlets for breastfeeding equipment
- Exclusive or designated refrigeration space to preserve and store milk
- Handwashing station with potable water, soap, and disposable towels or hygienic drying
- Private room or area designated for nursing mothers
- Appropriate lighting and ventilation in the designated area, as well as regular maintenance and cleaning of the area

Alternative measures

In the event that the employer is unable to implement the above proposed measures, the employee, by prior agreement with the employer, would be entitled to a daily reduction in working hours of up to two hours during the maximum six-month period.

Sanctions apply

Failure to comply with the proposed changes would result in fines imposed by the STPS equivalent to 250 to 5,000 times the federal minimum wage, according to amendments that would be made to Article 994 of the Federal Labor Law ([Ley Federal del Trabajo](#)).

Transition arrangements

If passed, the proposed changes would come into effect on the day following the Decree's publication in the Official Gazette of the Federation (*Diario Oficial de la Federación*).

Employers who, at the entry into force date, do not have breastfeeding facilities in place in accordance with the proposed provisions would have a maximum of 120 calendar days to comply with the requirements.

Non-compliance would entail sanctions.

Proposed legislation

The changes would be introduced by the Draft Decree to Amend and Add Article 170, Section IV and Article 994, Section VI of the Federal Labor Law, on Dignified Breastfeeding in the Workplace ([Proyecto de Decreto por el que se Reforma Y Adiciona Los Artículo 170, Fracción Iv y Artículo 994, Fracción Vi de la Ley Federal Del Trabajo, en Materia De Lactancia Digna en Espacios Laborales](#)).

Mexico

Government plans to significantly reduce workweek by 2030

Published 17 December 2025

On 3 December 2025, the Office of the President issued a [press release](#) announcing plans to reduce the maximum number of weekly working hours from 48 hours to 40 hours by 2030, without a reduction in pay or benefits. The reform would be implemented gradually with a two-hour weekly reduction each year.

The government plans also include changes to provisions related to overtime work.

As part of the legislative process, the proposed reform will be presented to the Congress of the Union (*Congreso de la Unión*) and is anticipated to come into effect on 1 May 2026, with the first phase of implementation beginning in January 2027.

Gradual reduction of weekly working hours

If passed, the reform would introduce a phased reduction in two-hour increments of the maximum weekly working hours, to:

- 46 hours, as of January 2027
- 44 hours, as of January 2028
- 42 hours, as of January 2029
- 40 hours, as of January 2030

Overtime work

The government also plans to introduce changes to overtime work, by establishing a maximum of 12 hours per week of overtime. Additionally, overtime work would be permitted up to a maximum of four days per week.

Overtime work for minors would be expressly prohibited.

Compliance monitoring

To monitor compliance with the reduction in weekly working hours, employers would have to track ordinary and overtime hours through an electronic workday registry that would be made available by the Ministry of Labor and Social Welfare.

United Kingdom

Employment Rights Act receives assent, introducing wide-ranging reforms

Published 20 December 2025

On 18 December 2025, the Employment Rights Bill received Royal Assent and became an Act of Parliament—the [Employment Rights Act 2025](#) (ERA 2025).

The Act introduces additions and amendments to existing legislation, including the [Employment Rights Act 1996](#). Most amendments are pending commencement and will come into effect in 2026 and 2027. Many provisions require secondary implementation legislation, a process that generally entails public consultations.

Among its many measures, the Employment Rights Act 2025 includes provisions aimed at enhancing flexibility and security for working families. These measures along with other employment-related measures are detailed below.

Flexibility and security for families

Family leave employment protection

Mothers have additional protection from redundancy during the period of pregnancy, when on maternity leave and a period after maternity leave. However, redundancy is only one of five potential reasons to dismiss someone.

The ERA 2025 amends existing powers so that regulations can be made to:

- Ban the termination of women who are pregnant, on maternity leave, or during a six-month return to-work period, except in specific circumstances (e.g., genuine redundancy where no alternative role exists, gross misconduct, etc.); and to
- Regulate the termination of employees returning from adoption leave, shared parental leave, neonatal care leave, and bereaved partner's paternity leave (specifically protecting partners when the mother or primary adopter has passed away).

The exact details of how these bans will work are currently being finalized. These specific employment protection measures are scheduled to come into effect in 2027.

Paternity and parental leave eligibility and pay

Currently, to be eligible for paternity leave or parental leave, a parent must have met continuity of service requirements with their employer. Specifically, for paternity leave, they must have at least 26 weeks of continuous service, and for parental leave one year of service is required.

Starting April 2026, the ERA 2025 will ensure that paternity leave and parental leave become a 'day one' right.

Furthermore, paternity leave and pay must currently be taken before shared parental leave and pay begins. Starting April 2026, this restriction will be removed, allowing parents to take their paternity leave and pay after taking their shared parental leave and pay.

New bereavement leave

Currently, the only statutory entitlement available to employees to grieve is the parental bereavement leave. Entitlement to up to two weeks of paid parental bereavement leave is available to those who lose a child under the age of 18 years or experience a stillbirth after 24 weeks of pregnancy. Payment during the leave is set at the lower of the statutory amount of GBP 184.03 per week (for 2025/26) or 90% of average earnings.

The ERA 2025 will introduce a new entitlement to at least one week of unpaid bereavement leave, to grieve the loss of:

- Other loved ones (specific relationships like siblings or parents will be established by secondary regulations); and
- Pregnancy loss occurring before 24 weeks.

The leave must be taken within 56 days following the death.

The commencement date of bereavement measures is expected in early 2027.

Flexible work entitlements

Under the provisions of the ERA 2025, employees will have a day-one right to request flexible working. However, employers can reject such requests for several reasons. The ERA 2025 increases the burden of justification on employers so they will have to accept a request unless it is reasonably not feasible, in which case the employer will be required to provide a written explanation of reasonableness.

The government has indicated that the "Reasonableness Test" for flexible working is expected to come into full force in 2027, following further consultation on the specific Code of Practice.

Payments during sick leave

Statutory Sick Pay (SSP) is the minimum amount an employer must pay an eligible employee during sick leave. To be eligible, an employee must meet the Lower Earnings Limit, which is currently set at GBP 123 per week. Starting April 2026, the ERA 2025 will remove the Lower Earnings Limit as an eligibility criterion for SSP.

Currently, employees are entitled to SSP during any period of four or more days when they are sick including non-working days (e.g., weekends).

Additionally, SSP is not payable for the first three sick leave days. The Act also removes this provision.

Starting April 2026, the ERA 2025 will allow sick leave and related eligibility for SSP, when an employee is incapable of work be it for a single day or longer, as opposed to the current requirement that there be four consecutive sick days to receive SSP.

Other employment-related measures

Sexual harassment

An employer's duty of care, as it currently stands, requires them to take 'reasonable steps' to prevent sexual harassment.

Indeed, effective 26 October 2024, under the provisions of the Worker Protection (Amendment of Equality Act 2010) Act 2023 (WPA), a new duty to proactively take "reasonable steps" to prevent sexual harassment of their employees in the course of their employment applies to all employers.

Additionally, on 26 September 2024, one month ahead of the entry into effect of the WPA, the Equality and Human Rights Commission (EHRC) updated the [Sexual harassment and harassment at work: technical guidance](#) to include employers' legal obligations to proactively take "*reasonable steps*" to prevent employees' sexual harassment, while emphasizing that no employer is exempt from the duty of preventing sexual harassment.

Starting October 2026, the ERA 2025 will require employers to take 'all reasonable steps' as opposed to just "reasonable steps" to prevent sexual harassment and provides for regulations specifying the steps that are to be regarded as "reasonable".

Employers will be liable if they fail to take "all reasonable steps" to prevent harassment by third parties, as opposed to currently having to take "reasonable steps" to prevent sexual harassment by third parties.

Shift work and Zero hours contracts

Variable hours of work are known to be advantageous to both employees and employers, but without proper safeguards, such flexibility can become lopsided, with employees bearing unintended financial risks.

The ERA 2025 introduces a right to a reasonable notice of shifts and payment for shift cancellation or curtailment at short notice for those on zero or low-hours contracts. If notice is given later than a specific period (to be set in regulation), it will be presumed unreasonable.

The ERA 2025 also introduces a right to a guaranteed hours contract which reflects the hours eligible workers regularly work over a reference period. If a worker on a zero-hours or low-hours contract regularly works more than their contracted hours over a "reference period" (expected to be 12 weeks), the employer must offer them a contract reflecting those actual hours. Workers may reject the offer and stay on a flexible zero-hours arrangement.

Termination and redundancy

The Employment Rights Act 2025 contains a number of measures related to termination and redundancy.

Previously, employees generally required a minimum of two years of service before qualifying for the right to claim "unfair dismissal" at a tribunal. The Act repeals this two-year qualification period, transforming unfair dismissal into a "day one" right in principle. Consequently, employers may only terminate employees if the reason for termination is one of the five fair reasons specified under the Employment Rights Act 1996, namely: capability and qualifications, conduct, redundancy, breach of a statutory duty or restriction, or "some other substantial reason".

The ERA 2025 provides for regulations to set an "initial period" (statutory probation period) of employment. During this period—which the government has confirmed will be six months—a modified, lighter version of the

right to “unfair dismissal” applies, which allows employers to terminate an employee for reasons of capability, conduct, or redundancy (excluding “some other substantial reason”) without the full complexity of a standard termination process, provided a minimum statutory procedure is followed.

The expected commencement date of these measures is 1 January 2027.

Underlying legislation

The changes are introduced by the [Employment Rights Act 2025 \(c. 36\)](#). The Act’s Royal Assent was announced in the London Gazette—the UK’s official public record. The Act was published on the [official legislation website](#) on 18 December 2025.

About Alliant Global



As a truly independent global brokerage and consultancy, Alliant brings a unique fresh approach to managing global employee benefits. We are broker-neutral, and therefore represent our clients without any favoritism or conflict of interest. Asinta - a strategic partnership of independent global employee benefits advisors, enhances our agility and our current and in-depth knowledge of market intelligence.

Our model enables Alliant to offer advice and ensure compliance when placing local coverage. Our team's talents and skills are the foundation of this approach.

Our global consultants provide a single point of contact for your HR team, providing seamless coordination with local country brokers and consultants, while addressing your on-going HR and employee benefits compliance and country knowledge needs.

Alliant's global benefits management services include:

- New country expansion
- Plan brokering and renewals
- Country benchmarking
- Cost analytics
- Country news and compliance knowledge
- M&A global due diligence

In addition, we provide our client with a unique user-friendly benefit inventory system—International IQ®—that gives you a 24/7 view of your international plan benefits, renewal dates, and more.

For more information, please contact us at: GlobalBenefits@alliant.com.

Disclaimer: Alliant Global Compliance articles are designed to provide general information and guidance but have not been customized for any client's particular situation. They are based on information available at the time they are published. Alliant Global Consulting does not provide legal advice, legal interpretation, or legal opinions. Please consult a local legal counsel for such services. These articles are provided on an "as is" basis without any warranty of any kind. Alliant Insurance Services, Inc. disclaims any liability for any loss or damage from reliance on these publications.



Alliant Global Services

GlobalBenefits@alliant.com

Alliant Insurance Services is one of the nation's leading insurance brokerage firms and one of the top 5 largest US brokers, helping clients meet challenges in domestic and global benefits, risk management, and property and casualty insurance. With over 130 offices nationwide, Alliant offers a comprehensive portfolio of innovative and forward-thinking services to businesses in a wide range of industries.

CA License No. 0C36861
© 2025 Alliant Insurance Services, Inc.

