Alliant Global Services

Global Knowledge Center – Legal & Regulatory Updates

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Contents

Belgium

Law protecting employees undergoing fertility treatment against termination and discrimination, imminent

Published 23 March 2024

On 21 March 2024, proposed law to protect employees undergoing fertility treatment against termination and discrimination was approved by Parliament and is now pending royal assent after which it comes into force upon its publication in Belgian's official journal of laws.

According to the text of the Parliament-approved proposed legislation, its provisions would come into effect 10 days after its entry into force.

Typically, fertility treatment and medically assisted reproduction require time that inevitably result in an employee's absence from work, which in turn can affect the organization of work and the deliverables for their employer. The forthcoming law introduces employment protection for employees.

Employee obligations

The Employee must inform their employer by medical certificate to be entitled to employment protection under the forthcoming legislation.

Each medical certificate provided by the employee triggers two months of protection against involuntary termination of employment and discrimination.

Employee protections

The parliament-approved law, once in effect, would protect employees undergoing fertility treatment against termination and discrimination. These employee protections are detailed below.

Employment protection

Termination of an employee undergoing fertility treatment or medically assisted reproduction is only possible for reasons unrelated to the employee's treatment. The burden of proof rests on the employer.

An affected employee is entitled to request written justification of their termination.

The duration of employment protection starts once the employer is notified via a medical certificate and ends two months after the notification. An employee undergoing a longer treatment may submit monthly medical certificates to extend the duration of protection. Each medical certificate submitted by the employee triggers a two-month employment protection period.

Protection against discrimination

Under the provisions of the forthcoming law, concerned employees would be better protected against discrimination related to fertility treatment or medically assisted reproduction.

Following an absence from work that is related to fertility treatment, the employee is entitled to:

- resuming their role, and if this is not possible, to an equivalent or comparable role;
- any improvements in employment conditions that they could have claimed had they not been absent for receiving fertility treatment; and
- any acquired rights, or ongoing statutory entitlements during their absence from work (e.g., time in service).

The duration of protection against discrimination starts upon notification and lasts two months after each medical certificate.

Sanctions

In the event of violation of either of these two types of employee protections, a penalty in the form of a lump sum compensation equivalent to six months of the employee's gross salary applies.

Such penalties can be cumulated in case of multiple violations by the employer.

In case an employee is terminated without sufficient justification, or if the employer's justification relates to the employees absence(s) due to fertility treatment, the employer must pay the lump sum compensation equal to six months gross salary in addition to normal termination indemnities.

Employer implications and actions to consider

Conditional on the entry into force of the Parliament-approved legislation, which at the time of publication of this article is pending Royal Assent and publication in the official journal of laws, employers are advised to:

- Update relevant internal policies and procedures to account for the imminent new employee protections;
- Ensure human resources staff are prepared to track employee notices of fertility treatment, and to respond to related requests; and
- Prepare new or update any related communication materials for management and/or employees.

Underlying legislation

The above employment protection measures are being introduced by the Proposed Law amending the laws of 16 March 1971 on labor and of 10 May 2007 to combat discrimination between women and men with a view to establishing protection for workers who are absent from work due to infertility treatment or for medically assisted procreation) (*Projet de loi modifiant les lois du 16 mars 1971 sur le travail et du 10 mai 2007 tendant à lutter contre la discrimination entre les femmes et les hommes en vue d'instituer une protection pour les travailleuses et travailleurs qui s'absentent du travail pour un traitement d'infertilité ou pour une procréation médicalement assistée*).

The proposed law is pending royal assent after which it comes into force upon its publication in Belgian's official journal of laws.

Its provisions would come into effect 10 days after their publication in the Official Journal (*le Moniteur belge*).

Tax-exempt flat-rate reimbursement for employees' use of own vehicle for work purposes decreases

Published 30 March 2024

Effective 1 April 2024 through 30 June 2024, employers' tax-exempt flat-rate reimbursement for employees' use of private vehicle for professional purposes decreases from EUR 0.4269 per kilometer to EUR 0.4265 per kilometer traveled.

Employers are free to grant a per kilometer allowance to their employees for the use of a private vehicle for work purposes that differs from the tax-exempt amount set by legislation.

However, when the employer's reimbursement exceeds the tax-exempt amount, 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 the employer and employee social contributions.

Employer Actions

Starting 1 April 2024 through 30 June 2024, employers must adjust any flat-rate reimbursements to employees for their use of a private vehicle for business purposes to remain in line with the maximum tax-exempt limit of EUR 0.4265 per kilometer traveled; or be able to justify the actual travel expenses incurred and reimbursed for the reimbursement to be exempt from the employee's income tax, and from the employer and the employee social contributions.

Underlying legislation

The decrease in the flat-rate reimbursement of employees' use of a private vehicle for work purposes was introduced by Circular No. 737. - Adaptation of the amount of the mileage allowance. - Period from April 1, 2024 to June 30, 2024 (*Circulaire n° 737. - Adaptation du montant de l'indemnité kilométrique. - Période du 1er avril 2024 au 30 juin 2024*), which was published in the Official Journal (*le Moniteur belge*) on 27 March 2024.

Legislation to align the regulatory framework of sports/culture vouchers' with that of meal voucher and eco-checks' approved

Published 22 March 2024

On 14 March 2024, Parliament adopted a bill that provides for aligning sports/culture vouchers' regulation with meal voucher and eco-checks' regulation in the context of converting all such benefits into electronic checks.

The adopted bill aims to improve the existing regulations regarding sport/culture vouchers from an economic and fiscal perspective.

It is pending publication in the Official Journal (*le Moniteur belge*), prior to coming into effect.

Once published, the approved bill would amend regulations governing sports/culture vouchers in order to align them with meal vouchers and eco-vouchers.

The following amendments that are to come into effect on 1 July 2024, are:

- Sport/culture vouchers only issued in electronic form;
- Change in the start date of validity of sport/culture vouchers from currently 1 July of each year to the date the vouchers are made available to the employee. The duration of their validity was, and remains, 15 months, which is a condition for the vouchers to be income tax and social contribution exempt;
- The possibility of a one-time reactivation of expired meal vouchers for an additional three months (This measure was temporarily introduced during the COVID-19 Pandemic); and
- Sport/culture vouchers exempt from income tax and social contributions for both employers and employees.

Parliament-approved legislation

The Bill amending various provisions relating to sport/culture vouchers and purchasing power bonuses (*Projet de loi modifiant diverses dispositions relatives aux chèques sport/culture et aux primes pouvoir d'achat*), had been approved by Parliament and is pending publication in the Official Journal.

Brazil

Federal Supreme Court extends maternity leave rights to same-sex unions

Published 14 March 2024

On 13 March 2024, in a high-profile case, the Federal Supreme Court (*Supremo Tribunal Federal, STF*) ruled that that non-pregnant mothers in same-sex unions are entitled to maternity leave. The Supreme Court's ruling applies to all public and private sector employees.

Specifically, the ruling states that:

> *"A mother who is a civil servant or a non-pregnant worker in a same-sex union is entitled to maternity leave. If her partner has used the benefit, she will be entitled to leave for a period equivalent to that of paternity leave."*

The Supreme Court's ruling has nationwide repercussions, in that it must now be applied to all similar cases in the nation's lower courts.

Details of the case

The case involved a São Bernardo do Campo municipality civil servant and her self-employed same-sex partner who had a child via artificial insemination. Given that the self-employed childbearing partner was ineligible for maternity leave, the civil servant requested 180 days of maternity leave from her employer – the São Bernardo do Campo municipality, rejected her request.

Supported by women's advocacy groups, the employee filed a legal complaint, claiming that the birth mother in their case was unable to stay home, and that she, as the child's second mother, has a constitutional entitlement to maternity leave.

The court of first instance, as well as the Special Court of Public Finance's Appeal Panel of the Court of Justice of São Paulo considered the employee's request as valid.

The municipality of São Bernardo do Campo then appealed to the Federal Supreme Court holding that there were no legal grounds for paid maternity leave in the particular case of this employee. The Supreme Court's ruling granted the employee 120 days of maternity leave.

Maternity and paternity leave duration and pay

Duration of leaves

Private sector employees are entitled to 120 days of paid maternity leave, which as provided for by Law No. 14,457 of 21 September 2022 (*Lei Nº 14.457, de 21 de setembro de 2022*), can be extended to 180 days (or to

240 days when the additional two months are drawn as half-days) if the employer adheres to the Company-Citizen Program (*Programa Empresa Cidadã*).

Paternity leave consists of five consecutive days but is extendable to 20 days if the employer adheres to the Company-Citizen Program.

The Company-Citizen Program is a Federal Revenue Service program that provides tax incentives to employers that offer extended maternity and paternity leave to their employees. The federal government bears the costs of extending the duration of the benefit, by deducting the corresponding expenses from the employer's taxes.

Payment during leaves

Employees on maternity or paternity leave are paid 100% of earning without a maximum limit. For employees with variable earnings (e.g., based on commission, bonus, gratuity, etc.) are paid their average pay calculated over the six months immediately preceding the leave.

Payment during leave is borne by social security. However, the employer pays the benefit in advance, and is subsequently reimbursed by social security.

As indicated above, in cases where the leave is extended under the Company-Citizen Program, the benefit paid by the employer for the additional days of leave is recovered as a corporate tax deduction.

Employer repercussions and recommended actions

The Supreme Court ruling has general repercussions, in that moving forward it will serve as a guide for lower courts' rulings in similar cases.

The Supreme Court ruling is likely to result in additional maternity and paternity leave requests. Employers refusing to grant maternity leave to non-pregnant employees in same-sex unions or refusing to grant paternity leave to the other partner (i.e., the partner other than the one having used maternity leave), are now likely to face legal proceedings.

Employers are advised to consider revising their leave policies and employee communications materials as applicable.

The underlying Supreme Court ruling

Federal Supreme Court, Unique Case Number 1028794-78.2017.8.26.0564, Attorney General of the Municipality of São Bernardo do Campo vs. Isabela Ligeiro De Oliveira (*Supremo Tribunal Federal Número Único: 1028794-78.2017.8.26.0564, Procurador-Geral do Municipio de São Bernardo do Campo vs Isabela Ligeiro De Oliveira*).

France

New profit-sharing law to better associate employees with company performance

Published 3 March 2024

Law n° 2023-1107 of 29 November 2023 transposes the National Inter-professional Agreement (*l'accord national interprofessionnel, ANI*) on Profit-sharing, concluded on 10 February 2023 between unions and employers. This agreement aims to better associate employees with the performance of companies, particularly in small and midsize enterprises (SMEs).

Key measures of the law which for the most are voluntary, include:

- Expanding profit-sharing to SMEs
- Negotiating exceptional profit-sharing
- New company valuation sharing plan
- Increase in the ceilings for granting free shares

Expanding profit sharing to SMEs

The law includes two measures aimed at expanding profit-sharing to SMEs. The first measure addresses employers with 50 or less employees, and the second – initially a pilot exercise – targets employers with 11 or less employees.

Companies with fewer than 50 employees

According to article 4 of the Law, employers with less than 50 employees will be able to voluntarily set up a branch or company profit-sharing mechanism which may have features that are less favorable than the statutory formula (see below). Currently, profit-sharing agreements must guarantee benefits at least equivalent to the statutory formula. By 30 June 2024, professional branches – organization of employers of specific sectors – must initiate negotiations to this effect.

The statutory formula set by the Labor Code serves to calculate the amount of the special profit-sharing reserve (*la réserve spéciale de participation, RSP*) that is to be distributed to employees. The statutory formula is as follows:

[½ (B – 5% C)] x [S/V].

Where:

- *B is the company's net profit*
- *C is the company's equity*
- *S is the company's salaries*
- *V is the company's value added*

However, regardless of the formula used, the profit-sharing bonus amount paid to an employee cannot exceed a ceiling that is annually adjusted by social security. In 2024, this ceiling is EUR 34,776.

The law does not impose any particular calculation basis for determining the RSP which is left to be negotiated by social partners.

Employers with at least 11 employees

Effective 1 January 2025, profitable employers with at least 11 employees must implement a mandatory profit-sharing mechanism. An employer is considered as being profitable if for three consecutive years its pre-tax profits are at least equal to 1% of its revenues.

Profitable employers can comply with this requirement in various ways, namely:

- Voluntary profit-sharing plan (*plan d'intéressement*)
- Mandatory profit-sharing plan (*plan de participation*)
- Contributing to an employee savings plan (*Plan d'épargne entreprise, PEE*), such as a voluntary collective company retirement savings plan (*Plan d'Épargne Retraite d'Entreprise Collectif, Pereco*), or
- Value sharing bonus plan (*prime de partage de la Valeur, PPV*).

Exemptions apply to companies already covered by a profit-sharing plan, individual employers and public limited companies with worker participation (*les sociétés anonymes à participation ouvrière, SAPO*) under certain conditions are not concerned.

Negotiating exceptional profit sharing

The Law established a new employer obligation to negotiate profit-sharing in the event of exceptional increases in profits. The new obligation concerns employers that have had a workforce of 50 or more employees for five consecutive years and have at least one union representative. The negotiation must be initiated before 30 June 2024 for employers that already have a profit-sharing plan.

Exceptional increase in profit

The law provides that the definition of the exceptional increase in profit "takes into account criteria such as:

- Employer size,
- Activity area,
- Occurrence of one or more share buyback operations by the company followed by their cancellation, provided these operations were not preceded by allocations to employees under conditions provided for in articles L. 225-197-1 to L. 225-197-5, L. 22-10-59 and L. 22-10-60 of the Code of Commerce,
- previous years' profits,
- exceptional events external to the company which occurred before the profit was made".

The text of the law leaves a large degree of flexibility to social partners, who are not obligated to consider all the legal criteria. Furthermore, the wording of the law implies that the list is not exhaustive.

Value sharing bonus (formerly the "Macron bonus")

Payments of value sharing bonus (*prime de partage de la Valeur, PPV*) are made easier. The bonus may be awarded twice a year up to the annual exemption ceilings. A limit of EUR 3,000 applies to each payment if two payments are made, and a EUR 6,000 limit applies annually. The PPV may be paid into an employee savings plan.

For employers with less than 50 employees, the bonus will until 31 December 2026 be exempt from income tax and social contributions, provided the employee's remuneration is less than three times the minimum wage.

New company valuation sharing plan

The law has introduced a new optional collective plan, called company valuation sharing plan (*plan de partage de la valorisation de l'entreprise*) – an employee retention plan. This is an optional three-year plan implemented by agreement and must benefit all employees with at least one year of service for the employer and still employed when the plan expires, unless there is a more favorable company agreement.

In the event of an increase in the value of the company during the plan's three-year lifespan, employees will be able to benefit from what is referred to as a company valuation sharing bonus (*prime de partage de la valorisation de l'entreprise*). This bonus can be placed in an employee savings plan.

Unlike the provisions applicable to voluntary and mandatory profit-sharing plans, the new company valuation sharing plan is an employee retention plan, and hence does not provide any benefit for non-employee managers/executives.

Increase in the ceilings for granting free shares

The law increased the ceilings for granting free shares to employees.

The granting of free shares system allows joint stock companies to allocate shares free of charge, under certain conditions, to their employees and corporate officers and to benefit from specific legal, social and tax regimes.

From a social contribution perspective, free shares are exempt from basic social security contributions, but subject to CSG-CRDS. The employer pays a specific contribution of 20% of the value on their acquisition date of the granted free shares.

The value of granted free shares cannot exceed a certain percentage of the share capital of the company awarding the shares. The law increased this percentage from previously 10% to 15% of the share capital, thereby increasing the ceilings for granting free shares.

Employer Actions

The large majority of measures introduced by the law are voluntary and aimed at expanding employers' profit-sharing practices to SMEs.

However, effective 1 January 2025, profitable employers with at least 11 employees must implement a mandatory profit-sharing mechanism, in the form of:

- Voluntary profit-sharing plan (*Plan d'intéressement*)
- Mandatory profit-sharing plan (plan de participation)
- Contributing to an employee savings plan (*Plan d'épargne entreprise, PEE*), such as a voluntary collective company retirement savings plan (*Plan d'Épargne Retraite d'Entreprise Collectif, Pereco*), or
- Value sharing bonus plan (*Prime de partage de la Valeur, PPV*).

Exemptions apply to certain companies and employers.

Underlying legislation

The measures were introduced by Law n° 2023-1107 of 29 November 2023 transposing the national inter-professional agreement relating to value sharing within the company (*Loi n° 2023-1107 du 29 novembre 2023 portant transposition de l'accord national interprofessionnel relatif au partage de la valeur au sein de l'entreprise*), which was published in the Official Journal (*Journal officiel de la République française, JORF*) on 30 November 2023.

Indonesia

Statutory religious holiday allowances must be paid in full, allowances for *Eid-al Fitr* due by 3 April 2024

Published 17 March 2024

On 15 March 2024, the Ministry of Manpower (MoM) issued a Circular mandating employers to pay religious holiday allowances (*Tunjangan Hari Raya, THR*) in lump sum and not in installments in 2024.

THR is governed by the MoM Regulation No. 6 of 2016. According to Article 2.1 of the Regulation, employees must annually receive an additional month of salary before their major religious holiday.

According to Article 1.2 of the Regulation, major holidays for six religions are recognized, namely: Islam, Protestantism, Catholicism, Hinduism, Buddhism, and Confucianism.

Note that the *Eid-al Fitr* holiday, which marks the end of the Islamic month of Ramadan is expected to fall on or around 10-11 April. The exact date of certain religious holidays is based on moon sighting.

As a reminder, the government's 15 March announcement of the new Circular stressed that holiday allowances are due at the latest seven days prior to the holiday's date. Therefore, allowance payments for the upcoming *Eid-al Fitr are due by 3 April 2024.*

THR Eligibility

The THR is due to all local employees who have worked continuously for one month or more, regardless of the nature of the employment relationship, including freelance daily employees. Article 2.2 of the Regulations states that THR is given to employees under an agreement for non-specified time or for a specified time.

Statutory THR amount

Article 3 of the Regulation clarifies that the THR amount is one month of salary for regular employees with 12 consecutive months of service. Employees with less than 12 months of service, are entitled to a prorated THR payment.

THR salary includes the employee's base salary and any set monthly allowance, such as meal allowances. It does not include variable remuneration such as bonuses.

The Regulation provides the details for calculating the THR for those working under a freelance work agreement. Those having worked at least 12 continuous months are entitled the average monthly pay they received over the latest 12 months. Those with less than 12 consecutive months of work are entitled the average monthly pay they received, calculated over the period worked.

Article 4 of the Regulation provides that employers may pay a higher religious holiday allowance than the statutory minimum if it is provided by an employment agreement, company regulation or collective bargaining agreement, or if the company has practiced customs.

The THR must be paid in cash in local currency (rupiah).

2024 THR payment due dates

THR allowances must be paid seven days before the start date of the employee's major religious holiday. The timing therefore varies based on an employee's religion.

In 2024 THR payment due dates for the six officially recognized religions are as follows:

- 28 February 2024, for Silence Day (Hindu employees),
- 3 April 2024 for Eid-al Fitr (Muslim employees),
- 10 May 2024, for Vesak (Buddhist employees), and
- 18 December 2024, for Christmas (Protestant and Catholic employees).

THR-related sanctions

Late payment fines

Article 10 of the Regulations provides that an employer that is late in paying THR is fined 5% of the total THR amount due; and that the imposition of the 5% late payment fine does not eliminate the employers THR payment obligation.

Non-payment fines

Article 11 of the Regulations provides that employers not paying the THR are subject to administrative sanctions.

Administrative sanctions are imposed in stages; do not exempt the employer from their obligation to pay the THR.

Administrative sanctions include:

- A fine of 5% of the total THR due to the employee;
- Written warning;
- Business activity or production restrictions, including delays in the granting of business permits; and
- Temporary suspension of production.

Once all sanctions have been imposed and the employer still does not pay the THR, the employee is entitled to initiate an Industrial Relations Court claim.

Employer Actions

In 2024, employers must ensure that religious holiday allowances (*THR*) is paid in lump sum and not in installments, and that the payment is made at the latest seven days before the religious holiday.

The THR for the next religious holiday—Eid-al Fitr which is expected to fall on or around 10-11 April, is due on 3 April at the latest.

Employers may pay a higher religious holiday allowance than the statutory minimum if it is provided by an employment agreement, company regulation or collective bargaining agreement, or if the employer has practiced customs.

Underlying Circular

The new requirement was introduced by Circular Number M/2/HK.04/III/2024 concerning Implementation of 2024 Religious Holiday Allowances for Workers/Laborers in Companies (*Surat Edaran (SE) Nomor M/2/HK.04/III/2024 tentang Pelaksanaan Pemberian Tunjangan Hari Raya Keagamaan 2024 Bagi Pekerja/Buruh di Perusahaan*), which was signed and issued on 15 March 2024

Resources

- Statutory Holidays for 2024 – Government News release of 12 September 2023
- Regulation of the Ministry of Manpower of the Republic of Indonesia Number 6 of 2016 on Religious Holiday Allowance for company workers/labourers

Ireland

WRC releases Code of Practice on remote and flexible working

Published 8 March 2024

On 7 March 2024, the Workplace Relations Commission (WRC) released a Code of Practice for Employers and Employees: Right to request flexible work arrangements and remote working arrangements in compliance with Part 4, Section 31, of the Work Life Balance and Miscellaneous Provisions Act 2023.

Purpose of the Code of Practice

The Code of Practice states that its purpose is to provide guidance to employers and employees on how requests for flexible and remote working arrangements are to be made and handled.

It aims to support employers and employees in understanding their rights and obligations under:

- the Parental Leave Acts, 1998-2023 as amended by the Work Life Balance and Miscellaneous Provisions Act, 2023 in relation to employees' flexible working requests; and
- the Work Life Balance and Miscellaneous Provisions Act, 2023 in relation to employees' remote working requests.

Flexible working

The Code of Practice elaborates on what is considered flexible working, and reasons for requesting flexible working. It addresses changes to a flexible working arrangement, ending such arrangements, and returning to the previous working arrangement. The Code of Practice also addresses employer solutions in cases where an employer has reasonable grounds for believing that the employee is abusing of a flexible working arrangement.

Remote working

In terms of remote working, the Code of Practice provides guidance on changes to and termination of remote working arrangements. More importantly, it details the work location information that employees need to include in remote working requests.

The last section of the Code of Practice – Section 3 – provides useful resources for employers, namely:

- a Work-Life Balance Company Policy template,
- an application form for flexible working requests, and
- an application form for remote working requests.

Next steps to consider

Employers are advised to review the Code of Practice, and revise their remote and flexible working policies, procedures, and practices, as needed to ensure alignment with WRC's guidance.

Note that non-compliance with the guidance provided by the WRC Code or Practice is not an offence. However, employees may refer employer non-compliance with the Work Life Balance and Miscellaneous Provisions Act 2023 may be referred to the WRC; and the Code of Practice it may be provided as evidence in any proceedings before the WRC, the Labor Court, and the civil courts.

Other useful resources

Ireland Citizen's Information: Right to request remote working

Legislation to align employment contracts' retirement age and the State Pension age

Published 22 March 2024

On 6 March 2024, a government press release announced the drafting of the Employment (Restriction of Certain Mandatory Retirement Ages) Bill 2024 in line with its response to the Pensions Commission Recommendations and Implementation Plan of 7 October 2021 focused on the fiscal sustainability of the State pension and on the use of compulsory retirement age clauses in employment agreements.

Currently, there is no statutory retirement age. In certain public sector employments, statutory retirement ages may apply.

The main provisions of the planned Bill would:

- Allow, but not compel, an employee to stay in employment until the State Pension age, which is currently 66 years, and scheduled to increase.
- Employment agreement clauses entailing a compulsory retirement age which is less than the age at which an employee can first access the State Pension would not be enforceable without the consent of the employee; and
- Entitle employees to redress if their employer imposes a compulsory retirement age which is lower than the State Pension Age without their consent.

The announced Bill would include certain exemptions concerning existing statutory retirement ages. These exemptions might apply to certain public servants or to contractual retirement ages for physically strenuous work or public-safety critical occupations.

As per the Employment Equality Acts, which address workplace discrimination, it's unlawful to discriminate against individuals in employment based on age. Currently, employers can set a retirement age, provided it can be objectively and reasonably justified by a legitimate aim, and the means of achieving that aim are appropriate and necessary. While the drafting and debate of the planned Bill have yet to commence, once enacted, its provisions would affect both existing and new employment agreements.

The actual drafting of and debate about the planned Bill has not yet commenced. However, once passed, the provisions of the planned Bill would apply to existing and new employment agreements.

Implications for employers

The accompanying Regulatory Impact Analysis of the

General Scheme Employment (Restriction of Certain Mandatory Retirement Ages) Bill 2024 indicates that there won't be notable administrative expenses associated with employers' compliance with the provisions of the planned Bill.

However, once enacted, employers will need to review and, if necessary, modify the employment agreements of their current employees to synchronize their standard retirement age with the State Pension age (currently 66 years and rising gradually).

Employers may also need to make minor adjustments to their HR processes and procedures to include obtaining employees' consent to retirement.

Implications for pension providers

Although the General Scheme of the Employment (Restriction of Certain Mandatory Retirement Ages) Bill 2024 specifically states that it shall not affect any pension scheme, pension providers consider revisiting their plans' standard retirement age and independently assess potential impacts.

Pension plan sponsors and providers should stay abreast of this bills progress. Its enactment may trigger shifts in employee retirement age patterns.

Resources

- Report of the Commission on Pensions of 7 October 2021
- Regulatory Impact Analysis Employment (Restriction of Certain Mandatory Retirement Ages) Bill 2024

United Kingdom

Amendments to family leave employment protections in cases of redundancy or restructuring introduced by law

Published 17 March 2024

Effective 6 April 2024, redundancy rules grant priority protection to employees on maternity, adoption, or shared parental leave. The period of priority protection is extended from currently 12 months to 18 months and will apply to pregnant employees starting from the day they notify their employer of their pregnancy.

Currently, employees on maternity, adoption, or shared parental leave who are selected as part of a redundancy or restructuring are given priority protection against termination, as they are entitled to a suitable employment alternative when one is available.

The new provisions enable pregnant employees to have the same protection, and in other cases extend the period of time over which the priority employment protection applies.

An employer's failure to grant priority protection to employees on maternity, adoption and shared parental leave can result in their termination being automatically considered as unfair and deemed discriminatory.

New employment protection rules

The period of the employment protection varies according to the employee's situation as detailed below.

Maternity leave

Employment protection for employees on maternity leave starts once the employer is informed of the employee's pregnancy and ends 18 months after the expected week of childbirth or the actual date of birth if the employer is informed before the end of the leave.

Adoption leave

Employment protection for employees on adoption leave starts on the leave start date and ends 18 months after the child is received by the employee or enters the country in the case of foreign adoptions.

Shared parental leave

Employment protection for employees on shared parental leave starts when the leave starts and ends 18 months after childbirth or reception of an adoptive child, provided the employee has taken at least six consecutive weeks of shared parental leave. Otherwise, the employment protection period ends at the end of the shared parental leave.

However, parent who have taken maternity or adoption leave benefit from the increased employment protection granted under those leaves.

Pregnancy employment protection

Employment protection for pregnant employees starts once the employee informs their employer and ends on the day maternity leave starts, at which point the maternity leave employment protection of at least 18 months starts to apply.

Employer actions to consider

Employers are advised to implement systems that allow for easy identification of employees with statutory priority protection, and plan ahead for receiving earlier notifications of pregnancy, and a potential increase in employee's use of shared parental leave.

Employers should ensure that HR professionals and managers are well informed in the events of redundancy planning or implementations of restructuring.

Underlying legislation

The amendments were introduced upon Royal Assent of the Protection from Redundancy (Pregnancy and Family Leave) Act 2023, on 24 May 2023.

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.