Alliant Global Services

Global Knowledge Center — Legal & Regulatory Updates

June 2025

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Australia

ATO releases its 2025-26 reasonable travel allowance limits for domestic and international travel

Published 27 June 2025

Effective 1 July 2025, revised tax-exempt travel allowance limits for domestic and international travel apply.

The Australian Taxation Office (ATO) released its "reasonable" travel allowance amounts for domestic and international travel on 25 June 2025.

Travel allowances paid by employers are exempt from an employee's income tax, provided they do not exceed the amounts considered as "reasonable" by the ATO.

The allowance limits applicable as of 1 July 2025 can be found in the latest ATO Taxation Determination.

Domestic travel

The domestic travel allowance limits are separated for accommodation, meals, and incidentals, and vary depending on the destination and the employee's salary.

The reasonable allowance limits for accommodation apply for short stays in commercial establishments like hotels, motels, and serviced apartments. If a different type of accommodation is used by the employee, the allowance limit cannot be used for income tax purposes, even if the employee receives a travel allowance.

For meals the income tax exempt allowance limit depends on the duration of travel, and only cover meals that fall within the travel timeframe.

The reasonable allowance limit for incidentals applies in full for each day of travel covered by the allowance, including for the departure and arrival days.

International travel

The income tax exempt allowance limits for international travel paid by the employer are split in two for meals and incidentals and depend on the destination and the employee's salary.

Destination countries are divided into six different cost groups, each with their own reasonable allowance amount limits.

When an employee travels to two or more countries on the same day, the higher travel allowance amount limit is used as the reasonable amount for that day.

The reasonable amount for incidentals applies in full to each day of travel covered by the allowance, including the departure and arrival days.

Employer actions to consider

Employers should ensure that their payroll departments or payroll service providers take the new reasonable travel allowance limits into consideration when planning and processing expenses related to employee business trips.

Official ATO document

Taxation Determination, 2025-26 Determination TD 2025/4 – Income tax: reasonable travel and overtime meal allowance expense amounts for the 2025-26 income year

Canada

British Columbia issues new Information Security Guideline for pension plan administrators

Published 17 June 2025

Effective 1 July 2025, pension plan administrators and other provincially regulated financial institutions in British Columbia (BC) will be required to follow the BC Financial Services Authority's (BCFSA) new Information Security Guideline, which highlights key principles and best practices to help mitigate information security risks.

The new Guideline will replace the October 2021 Information Security Guideline for Provincially Regulated Financial Institutions and includes:

- Information Security Guideline for Pension Plan Administrators
- Information Security Guideline for BC Credit Unions, Insurance Companies, and Trust Companies

Key components of the new Guideline

The new BCFSA Information Security Guideline maintains similar guidance to the October 2021 version with emphasis on pension plan administrators, and highlights the importance of:

- Establishing an information security risk management program;
- Identifying and understanding potential information system risks to personnel, assets, data, systems, and other capabilities;
- Protecting data and systems to avoid compromising their sensitivity and value;
- Establishing monitoring mechanisms to detect information security threats and risks;
- Developing and implementing procedures to respond to and report information security incidents;
- Developing recovery plans; and
- Communicating with BCFSA in the event of a material information security incident.

The new Guideline also includes specific directives for pension plan administrators for reporting information security incidents:

- Demonstrate that they have familiarized themselves with the Canadian Association of Pension Supervisory Authorities (CAPSA) Guideline No. 4: Pension Plan Governance, Pension Plan Administrator Governance Self-Assessment Questionnaire, and other guidelines as applicable;
- Inform beneficiaries and members about any material incidents that may affect their benefits or financial or personal interests, and communicate the measures being taken to address the impact; and
- Contact BCFSA within 24 hours of identifying that an information security incident is material.

Employer Actions

Employers would be well advised to review the new Information Security Guideline and take any necessary steps to ensure compliance, starting 1 July 2025.

Canada

Ontario to introduce leave for collective terminations entailing 50 or more employees

Published 12 June 2025

On 28 May 2025, the government of Ontario introduced Bill No. 30, the Working for Workers Seven Act, 2025, which includes amendments to various labor and employment related laws, including the Employment Standards Act, 2000. If passed, the Bill would require employers to provide up to three days of unpaid leave for employees who receive a notice of termination as part of a mass termination of 50 or more employees.

Key provisions of Bill No. 30

Among its various provisions, the Bill includes a new three-day unpaid leave entitlement that would allow employees to engage in employment-seeking activities, such as job searches, interviews, or training.

Once the Bill passes, employees who opt to take the employment-seeking leave must inform their employer at least three days prior to the beginning of their leave. Additionally, employers would be permitted to request that employees provide reasonable evidence if they are entitled to this leave and may count any partial days of leave taken as a full day on that day.

Exceptions apply

Employees who receive pay in lieu of notice that is 25% or less of the minimum statutory notice period would not be entitled to the new unpaid leave.

Notice period

As a reminder, in cases of mass termination, where 50 or more employees are being terminated within a four-week period, the duration of the statutory notice is based on the number of employees that are being terminated, and remains unchanged as follows:

- 8-week notice if 50 to 199 employees are to be terminated
- 12-week notice if 200 to 499 employees are to be terminated
- 16-week notice if 500 or more employees are to be terminated

Proposed legislation

The changes would be introduced by Bill No. 30, *Working for Workers Seven Act, 2025*, which was submitted by the Ministry of Labour, Immigration, Training and Skills Development to the Legislative Assembly of Ontario on 28 May 2025, and if passed would come into force on the date it receives Royal Assent.

Canada

Quebec multi-parent families recognized by Superior Court; ruling orders Civil Code amendments

Published on 9 June 2025

On 25 April 2025, the Quebec Superior Court ruled that a two-parent filiation limit infringes on a child's right to equality, and that it is unconstitutional to limit a child's legal affiliation to one or two parents.

Superior Court recognizes multi-parent families

The Superior Court ordered that the names of all parents be indicated on a child's birth certificate.

The government has been granted 12 months to amend 44 provisions of its Civil Code ruled as being discriminatory towards families with more than two parents and violating the Canadian Charter of Rights and Freedoms.

Beyond the inclusion on a birth certificate, filiation determines access to rights, responsibilities, and protections, such as custody, financial support, inheritance, insurance, medical decisions, and more.

From an employment perspective, the ruling is likely to create uncertainties in terms of employee benefits entitlements, such as family-related leaves, and dependant benefits (e.g., health insurance, survivors' rights).

Quebec government to appeal the ruling

On 29 May 2025, Quebec's Justice Minister and Attorney General announced their decision to appeal in an attempt to avoid the legal recognition of multi-parent families ahead of the question period in the National Assembly.

It is worth recalling that Ontario, British Columbia, Saskatchewan, and Newfoundland and Labrador already recognize multi-parent families.

Other jurisdictions around the world that recognize multi-parent families, include:

- Argentina
- Netherlands
- California, Connecticut, Delaware, Maine, Nevada, Vermont, and Washington state, in the US

Challenges for employers

Since legislation has not yet been amended to reflect this ruling, employers operating in Quebec need to be prepared for new challenges, including the possibility of having to:

- Address past cases where employee requests were denied;
- Decide on the way future requests would be addressed;
- Balance employee rights and HR management capacity; and
- Evaluate potential cost implications to incorporate in future budgeting exercises.

Court ruling

Superior Court of Quebec (Civil Division / Family Division), V.M. v. Director of Civil Status, 2025 QCCS 1304 (Cour supérieure du Québec (Chambre civile / Chambre familiale), V.M. c. Directeur de l'État civil, 2025 QCCS 1304), 25 April 2025

France

Proposed law to introduce comprehensive anti-discrimination measures and new family-related leave entitlements

Published 6 June 2025

On 6 May 2025, a proposed law aimed at introducing comprehensive anti-discrimination measures and new leave entitlements for male employees undergoing medically assisted reproductive treatment (MART), as well as for all employees (irrespective of their gender) who are engaged in an adoption process, was unanimously approved by the National Assembly at its first reading.

Comprehensive anti-discrimination measures

According to Article L. 1225-3-1 of the Labour Code (*Article L. 1225-16 du Code du travail*), an employee undergoing MART has the same statutory non-discrimination entitlements as a pregnant employee, in terms of recruitment, job transfer, and termination during a probation period. That is:

- An applicant's MART status cannot be taken into consideration when refusing their recruitment, nor can an employee's MART status be taken into consideration for a termination during their probation period, or a job transfer; and
- The applicant or employee is not required to reveal their MART status to the employer unless they wish to assert their statutory protections.

The proposed law would introduce the same protections for men undergoing MART.

Additionally, any employee engaged in an adoption process, irrespective of their gender would have the same protection. Currently, during an adoption process the protections only apply from the moment the adopted child arrives at the employee's home.

Moreover, the Article L. 1225-3-1 of the Labour Code (*Article L. 1225-3-1 du Code du travail*) which prohibits employers from announcing job openings, refusing to recruit, initiating a job transfer, terminating or not renewing an employment agreement, or making any decision regarding remuneration, training, assignment, qualification, classification, promotion, or transfer on the basis of gender, pregnancy, or family situation, would be amended to include employees undergoing MART.

New leave entitlement

Currently, Article L. 1225-16 of the Labor Code (*Article L. 1225-16 du Code du travail*) provides for leaves for:

- Pregnant employees to attend medical examinations as part of medical monitoring of pregnancy and postpartum care;
- Employees undergoing MART for the necessary medical procedures; and

- A spouse, a civil union partner, or a cohabiting partner of the pregnant woman or woman undergoing MART, to attend a maximum of three medical examinations or procedures.

The proposed legislation would extend these leave entitlements to:

- Men undergoing MART and, similarly to their employed spouse, civil partner, or cohabiting partner; and
- Employees engaged in an adoption process, to attend adoption interviews required for obtaining approval. The maximum number of leaves in this case would be set by an implementation decree.

Proposed legislation and the legislative process

The Proposed law aimed at protecting individuals engaged in a medically assisted reproduction from discrimination at work (*Proposition de loi visant à protéger les personnes engagées dans un projet parental des discriminations au travail*) was adopted at a first reading by the National Assembly on 6 May 2025.

As part of the legislative process, it was returned to the Social Affairs Commission (*Commission des affaires sociales*) for an in-depth review of proposed amendments and was debated in a public session on 4 June 2025. It must now be submitted to the Senate for a vote before it can be definitively adopted. Once adopted, it would be published in the Official Journal (*Journal Officiel De La République Française, JORF*) prior to coming into effect.

France

New Labor Code chapter on the prevention intense heatwave-related risks created by decree

Published 4 June 2025

Effective 1 July 2025, all employers must take measures to protect their employees during heatwaves and ensure that workplace temperatures are not too high.

This is the first time that employers will be required to ensure that workplace temperatures are not too high. Currently, employers only have the statutory obligation to ensure that workplace temperatures are sufficiently high.

The requirement has been introduced by a decree amending the Labor Code, linking the Labor Code's provisions to *Météo-France's* national heatwave monitoring system.

The main change is the creation, of chapter III in the Labor Code entitled Prevention of Risks Related to Intense Heat Episodes (*Prévention des risques liés aux épisodes de chaleur intense*).

Assessment and preventive measures

A new Article R. 4463-3 of the Labor Code reinforces the need to assess intense heatwave-related risks and lists the preventive measures or actions that can be implemented in the event of a heatwaves, such as the layout of the workplace, adaptation of work organization, or provision of appropriate equipment.

Effective 1 July 2025, when an assessment identifies a risk of that is harmful to the health and safety of employees due to exposure to episodes of intense heat, the employer is required to determine preventive measures or actions to reduce these risks, particularly based on:

- The implementation of work processes that do not require exposure to heat or require less exposure;
- Modification of the layout and arrangement of workplaces and workstations;
- Adaptation of work organization, and in particular working hours, in order to limit the duration and intensity of exposure and to provide rest periods;
- Technical means to reduce solar radiation on exposed surfaces, for example by damping or insulation, or to prevent the accumulation of heat at the workplace;
- Increasing, as much as necessary, the amounts of fresh drinking water made available to employees;
- The choice of appropriate work equipment, taking into account the nature of the employee's work, and the maintenance of a stable body temperature;
- The provision of personal protective equipment to limit or compensate for the effects of high temperatures or to protect against the effects of direct or diffuse solar radiation; and
- Adequate information and training of employees on the actions to be taken in the event of extreme heat, and on the correct use of work equipment and personal protective gear so as to reduce their exposure to heat to as low a level as technically possible.

These preventive measures must be applied in the event of an episode of intense heat and be adapted by the employer in the event of intensification of the heat.

If this list of measures or actions to prevent occupational risks linked to episodes of intense heat is not determined, the labor inspectorate has the option of formally requiring the employer to establish it.

Provision of adequate amount of fresh water

Furthermore, according to a new Article R. 4463-3 of the Labor Code, in the event of an episode of intense heat according to the *Météo-France* vigilance system (*le dispositif de vigilance de Météo-France*), the employer must provide sufficient amount of drinking water that is maintained fresh, including for outdoor workstations. This quantity must be adjusted to the nature of the employee's tasks or the conditions of its execution.

Employer Actions

Employers must have effective plans for assessing and adequately addressing high workplace temperatures during heatwaves by 1 July 2025.

Preventive measures are now outlined in the Labor code.

The Labour Inspector can place the employer on notice for non-compliance. The employer must then respond within eight days.

Underlying legislation

Decree No. 2025-482 of May 27, 2025 relating to the protection of workers against heat-related risks (*Décret n° 2025-482 du 27 mai 2025 relatif à la protection des travailleurs contre les risques liés à la chaleur*), which was publishd in the Official Journal (*Journal officiel de la République française, JORF*) on 1 June 2025.

Official resources for employers and employees

- Heatwave Risk Prevention | 2023 Guide (*Prevention des risques liés aux vagues de chaleur | Guide 2023*)
- Heatwave: I'm preparing and taking action | Employer brochure | 2025 (*Vague de chaleur, je me prépare et j'agis | Brochure employeurs | 2025*)
- Good reflexes in extreme heat | Poster | 2023 (*Les bons réflexes par fortes chaleurs | Affiche | 2023*)
- DGT instruction relating to the management of heat waves dated 5 June 2025 (*Instruction de la DGT relative à la gestion des vagues de chaleur en date du 5 juin 2025*)
- ORSEC Guide | Health management of heat waves | Refer to sheet 02.K for employers (*Guide ORSEC | Gestion sanitaire des vagues de chaleur | Se référer à la fiche 02.K à destination des employeurs*)
- Interministerial instruction relating to the management of heat waves dated 27 May 2024 (*Instruction interministérielle relative à la gestion des vagues de chaleurs en date du 27 mai 2024*)
- DGT instruction related to heatwave management, dated 5 June 2025 (*Instruction de la DGT relative à la gestion des vagues de chaleur en date du 5 juin 2025*)

Czech Republic

Legislation prohibits pay secrecy clauses, as part of EU Pay Transparency Directive implementation

Published 3 June 2025

Effective 1 June 2025, new legislation commonly referred to as the "Flexi-Amendment to the Labor Code" partially implementing one of the requirements of Article 7 of the EU Pay Transparency Directive prohibits confidentiality clauses in employment agreements. Employers can no longer prohibit employees from disclosing the amount and structure of their wages, salaries, or remuneration.

Violations can result in fines of up to CZK 400,000 for misdemeanor.

Under the previous legislation, wage confidentiality clauses were already subject to sanctions by the labour inspectorate.

However, with this ban legislators explicitly adopt provisions of Article 7 of the EU Pay Transparency Directive of 2023.

Scope of the legislation

The Flexi-Amendment to the Labor Code brings significant changes to employment conditions. In addition to the prohibition of confidentiality clauses in employment agreements, the new legislation modifies the termination notice period, extends the maximum probation period, and strengthens employment protection provisions of the Labor Code.

The ban on employment agreement secrecy clauses partially transposes the provisions of Article 7 of the EU Pay Transparency Directive of 2023, which requires all EU Member States to transpose its provisions into their local legislation by 7 June 2026. If a member state fails to transpose an EU Directive in a timely manner or fails to do it at all, the Directive takes "direct effect", meaning that individuals become able to derive rights from that Directive directly, despite its provisions not being transposed into domestic legislation.

Employer Actions

Confidentiality clauses have been a common practice in employment agreements. Employers must therefore revise their employment agreement templates, and amend existing agreements as needed and avoid any explicit or *de facto* non-compliance with the new law.

An employment agreement that is not in compliance with the provisions of the law can be remedied either via:

- An amendment to the employment contract or agreement; or
- A unilateral waiver of the right by the employer, including a declaration that the provision will not be enforced.

To be thorough, it should be noted that a confidentiality obligation regarding the employee's remuneration amount or structure may not be stipulated in the employer's internal regulations or in a separate confidentiality agreement.

Underlying legislation

The prohibition was introduced by the “Flexi-Amendment to the Labour Code”, or more formally the Act amending Act No. 262/2006 Coll., the Labour Code, as amended, and certain other acts (*Zákon, kterým se mění zákon č. 262/2006 Sb., zákoník práce, ve znění pozdějších předpisů, a některé další zákony*), which was published in the Official Journal (*Sbírka zákonů*) on 29 April 2025.

Directive (EU) 2023/970 of the European Parliament and of the Council of 10 May 2023 to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms

Czech Republic

New law enhances conditions and protections for working parents

Published 12 June 2025

Effective 1 June 2025, among its many provisions, the so-called Flexi-Amendment to the Labor Code introduces stronger protections for working parents.

Specifically:

- While on parental leave, parents can do the same type of work they were doing before taking parental leave for the same employer while they are on parental leave;
- No limit applies to the number of times a fixed-term employment contract can be renewed in the case of a worker replacing an employee on maternity leave, paternity leave, or parental leave. This measure grants employers the flexibility to accommodate working parents who decide to extend their initially intended family-related leave.
- For parents returning to work before their child(ren) reach the age of two years, the employer is required to grant them the position and workplace they occupied prior to their leave.

Working during parental leave

Effective 1 June 2025, the Flexi-Amendment to the Labor Code increases flexibility for both employers and employees by allowing an employee on parental leave to perform the same type of work for the same employer as agreed in a separate employment contract, i.e., based on a written agreement to perform work (*Dohoda o pracovní činnosti, DPČ*) or on a written agreement to complete a job (*Dohoda o provedení práce, DPP*).

Previously, employees on parental leave were not authorized to perform the same type of work for their employer through an agreement concluded outside their existing employment relationship.

Here, it is important to recall that since 2024, employees under DPP or DPČ contracts are entitled to employer-paid annual leave if they work at least 80 hours over a period of four weeks for the same employer. The annual leave accrues roughly at a rate of 1.5 hours per 20 hours worked.

During parental leave (which is not employer-paid), employees do not accrue paid statutory annual leave because they are not actively working, and the employer does not make social contributions (since they are not paid by the employer during the leave). However, the social security system recognizes parental leave time (up to the child's fourth birthday) as a "substitute period" for retirement benefit eligibility purposes.

Fixed-term employment contract renewal rules

Previously, a fixed-term employment contract between the same contracting parties could be concluded for a maximum of three years in one period and could be renewed no more than twice, i.e., a maximum of three years for the initial fixed-term contract years, plus three years for a first renewal of a contract, plus another three years for a last/second renewal of the fixed-term contract.

Effective 1 June 2025, fixed-term employment contracts may be renewed repeatedly for contingent workers who are replacing an employee on maternity leave, paternity leave, or parental leave.

The only limitation that remains unchanged in cases of contingent workers replacing a regular employee on family-related leave is the maximum cumulated duration of fixed-term contracts, which may not exceed a total of 9 years.

Note that what matters is to accurately indicate the rationale for resorting to a the fixed-term agreement in the employment contract, i.e. that the contract is indeed for substituting a regular employee on family-related leave.

This provision of the Law also applies to employees who work for the employer prior to the entry into effect of the Flexi-Amendment to the Labor Code.

Returning to work after parental leave

Effective 1 June 2025, the Flexi-Amendment to the Labor Code guarantees employees who return from parental leave before the child reaches two years of age the right to be assigned to their original job at the same workplace.

Previously, upon returning from a period of parental leave, an employer is only required to assign such an employee a job corresponding to the employment contract, but not necessarily the same job they had prior to taking parental leave. This differs from the provisions of the Labor Code pertaining to employment protection during maternity leave, where an employee is entitled to return to their original job and workplace after the end of maternity leave.

Scope of the legislation

The Flexi-Amendment to the Labor Code is a wide-ranging piece of legislation that brings significant changes to labor and employment provisions. In addition to enhanced flexibility and employment protection provisions for working parents, the new law includes many other measures such as the prohibition of confidentiality clauses in employment agreements, abolition of pre-employment medical clearance exam in low-risk cases, changes to the statutory minimum termination notice period, and extension of the maximum probation period.

Underlying legislation

The changes were introduced by the “Flexi-Amendment to the Labour Code”, or more formally the Act amending Act No. 262/2006 Coll., the Labour Code, as amended, and certain other acts (*Zákon, kterým se mění zákon č. 262/2006 Sb., zákoník práce, ve znění pozdějších předpisů, a některé další zákony*), which was published in the Official Journal (*Sbírka zákonů*) on 29 April 2025.

Czech Republic

Pre-employment medical clearance exams abolished for low-risk work

Published 7 June 2025

Effective 1 July 2025, employers' entitlement to require a pre-employment medical clearance exam is abolished for low-risk work (or non-risk) work, i.e. work that does not involve activities for which health fitness conditions are set by legislation.

Although the mandatory requirement is abolished, employers retain the right to request a preemployment medical clearance exam in cases where they have fitness for work concerns.

In parallel, the new legislation allows employers to introduce health and wellbeing promotion programs. Details of such programs are pending implementation decrees.

Pre-employment medical exams

Effective 1 July 2025, new legislation informally referred to as the Flexi-Amendment to the Labour Code abolishes the pre-employment or initial occupational medical exam for employees performing low-risk work, i.e. work classified under category one according to the Public Health Protection Act (*Zákon o ochraně veřejného zdraví*), provided the work does not involve performing tasks for which health fitness conditions are established by legislation.

The Public Health Protection Act and the Ministry of Health implementation Decree 432/2003 (*Vyhláška 432/2003 Sb*.) classify work tasks into four risk categories based on potential adverse effects on employees' health.

The so-called low-risk (or non-risk) falls into the first category, which typically includes most administrative work.

The abolition does not apply to work involving health risks in any of the four risk categories, including category one. The provisions for other types of occupational medical exams (i.e., periodic, extraordinary, or exit) remain unchanged.

Rationale for eliminating the pre-employment medical exam

The rationale for abolishing the pre-employment medical clearance exam is to reduce the administrative burden for both employers and employees and streamlining the recruitment and onboarding process wherever possible. In addition, this measure provides financial relief for employers, as they will no longer have to incur the expenses associated with pre-employment medical clearance exams.

The measure assumes that a job applicant is considered to be medically fit to perform non-risk work unless proven otherwise.

It is important to note that an employer remains entitled to require an initial medical examination even for such non-risk work. For example, if the employer is unsure about a job applicant's medical fitness for the opening and decides to request an initial medical exam, then the exam is legally considered to be mandatory for that applicant. If the applicant does not undergo the requested initial exam, then they will be considered medically unfit to perform the work.

Occupational Health and wellbeing programs

The new legislation allows employers to introduce health and wellbeing promotion programs. Details regarding occupational health and wellbeing programs and prevention tools will be determined by an implementing decree of the Ministry of Health.

Scope of the law

The so-called Flexi-Amendment to the Labor Code is wide-ranging and brings significant changes to labor and employment provisions. In addition to abolishing the pre-employment medical clearance exam, the new law includes many other measures such as the prohibition of confidentiality clauses in employment agreements, changes to the statutory minimum termination notice period, extension of the maximum probation period, enhanced employment protection provisions of the Labor Code for working parents, and abolition of the pre-employment medical clearance.

Underlying legislation

The changes were introduced by the “Flexi-Amendment to the Labour Code”, or more formally the Act amending Act No. 262/2006 Coll., the Labour Code, as amended, and certain other acts (*Zákon, kterým se mění zákon č. 262/2006 Sb., zákoník práce, ve znění pozdějších předpisů, a některé další zákony*), which was published in the Official Journal (*Sbírka zákonů*) on 29 April 2025.

Hong Kong

Employers must take precautions against employee heat strokes

Published 26 June 2025

On 25 June 2025, following a Very Hot Weather Warning issued by the Hong Kong Observatory, the Labour Department issued a Press Release reminding employers to take heat stroke preventive measures in times of Heat Stress at Work Warning.

The government's reminder stresses the fact that employees who work in non-air-conditioned environments face high levels of heat stress and are at a relatively higher risk of heat stroke.

Employers must assess heat stress risk factors and based on identified risk, take necessary preventive and control measures, including rescheduling employees' working time, ensuring employee have proper ventilation and heat dissipation equipment, reminding employees to drink water, and to the extent feasible, encouraging hourly rest breaks.

Heat Stress at Work Warnings

The Labour Department sets the Heat Stress at Work Warning based on the Hong Kong Heat Index. There are three levels of the warning: Amber, Red and Black, intended to support employers to better understand the level of heat stress and assess heat stroke risks.

When the Labour Department issues the Heat Stress at Work Warning, employers must refer to the criteria and recommendations provided in the Labour Department's Guidance Notes on Prevention of Heat Stroke at Work to carry out risk assessments.

To reduce employees' risk of heat stroke, appropriate rest breaks should be arranged every hour, to the extent it is reasonably practicable.

The Guidance Notes on Prevention of Heat Stroke at Work detail various risk factors that employers must consider when assessing heat stress risks and implementing mitigation measures for identified risk factors.

Recommended precautions

The Labour Department's press release reminds employers and employees of precautions to prevent heat stroke.

Employer precautions

Employers are advised to:

- Track weather reports and adopt shift work or arrange appropriate rest breaks accordingly;

- Provide cool potable water for employees at all times during work. If necessary, provide drinks containing minerals for employees to replenish loss of electrolytes;
- Avoid having employees work under direct sunlight and set up temporary sunshade wherever possible;
- Increase air flow by enhancing ventilation or air-conditioning as appropriate;
- Minimize physical demands by using tools or mechanical aids at work;
- Isolate heat-generating facilities at the workplace and use insulating materials to minimize heat dissipation to the other work areas; and
- Provide relevant information and training for employees on heat stroke such as preventive measures and first aid treatment.

Furthermore, the government reminds employers to take into account any health conditions that would hinder adapting to a hot working environment, and to consider the recommendations of employees' physicians when assigning work.

Employee precautions

Employers are advised to: inform their employees of the precautions recommended for them, namely:

- Wear weather-appropriate clothing (e.g., made of cotton) that is loose-fitting and light-colored to help heat dissipation, or minimize heat absorption;
- Drink plenty of water or other appropriate beverages to remain hydrated and replenish electrolytes;
- Wear a wide-brimmed hat when working outdoors; and
- Inform supervisors and take appropriate actions immediately in the event early heat stroke symptoms are experienced or observed, such as feelings of thirst, fatigue, nausea, or headache. Later symptoms include shortness of breath, rapid and weak pulse, dizziness, confusion, or even loss of consciousness and convulsion.

Employer Actions

Employers have been asked by the Labour Department to take preventive measures and precautions based on the Hong Kong Observatory's newly issued Very Hot Weather Warning.

Employers are reminded that when a Heat Stress at Work Warning is issued, employers must refer to the criteria and recommendations provided in the Labour Department's Guidance Notes on Prevention of Heat Stroke at Work to carry out risk assessments.

The government's Press Release also provides recommendations for employees. Employers would be well advised to inform their employees of the precautions specifically recommended for them.

Resources

The Labour Department has produced resources for employers, including:

- Workplace Heat Stress Risk Assessment Form
- Rest Time Calculator
- Prevention of Heat Stroke at Work in Hot Environment

Hong Kong

"468 Rule" replaces "418 Rule" relaxing the criteria determining employees deemed to be working under a continuous contract

Published 27 June 2025

Effective 18 January 2026, new legislation amends the Employment Ordinance, replacing the so-called "468 Rule" by the "418 Rule", reducing the weekly working hours' threshold for continuous contracts from currently 18 hours to 17 hours; and deems an employee as working under a continuous contract if they work at least 68 hours in total over a four-week period.

The amendment will affect employers as it favors part-time, temporary, or casual workers in terms of their entitlements to certain benefits. The change is expected to expand workforce benefits eligibility.

Currently, under the "418 Rule", an employee is considered as working under a continuous contract—and hence entitled to certain benefits such as statutory holidays, sick leave, or severance pay—if they have worked for the employer a minimum of 18 hours per week for four consecutive weeks.

The amendment reduces the weekly number of hours of work required from 18 to 17. In addition, an employee will be deemed as working under a continuous contract if they work a total 68 hours at least over any four-week period, regardless of whether they meet the 17 hours of work per week criteria.

As such, the government is lowering thresholds for benefit entitlements and enhancing flexibility in the calculation of working hours, to ensure reasonable protections for the evolving labor force and employment landscape.

Employer Actions

The change will increase payroll costs for employers that rely more heavily on part-time employees, temporary or casual workers.

Employers should therefore review their workforce and recruitment patterns and employment agreements to distill areas requiring adjustments and to identify any employees who would qualify for additional employment benefits before the entry into effect of the changes on 18 January 2026.

Once the affected employees are identified, employers are encouraged to inform them of their new entitlements, wherever relevant.

Underlying legislation

The changes were introduced by the Employment (Amendment) Ordinance 2025, which was published in the Government of the Hong Kong Special Administrative Region Gazette on 27 June 2025.

Netherlands

Option to withdraw a lump sum amount from savings upon retirement further delayed by one year

Published 5 June 2025

On 13 March 2025, the Ministry of Social Affairs and Employment announced to the Lower House of Parliament that the effective date of the Lumpsum Revision Law (*Wet herziening bedrag ineens*) will be further delayed from 1 July 2025 to 1 July 2026. The new effective date may be subject to further delays as discussions continue in the Senate.

In January 2021, the Senate passed the Lumpsum, Early Retirement Scheme and Leave Savings Act (*Wet bedrag ineens, RVU en verlofsparen)*, which included the option for individuals to withdraw up to 10% of their retirement savings as a lumpsum upon retirement. The Senate postponed the effective date of the lumpsum withdrawal provision by one year, from 1 January 2022 to 1 January 2023.

The effective date has since been postponed each consecutive year due to potential implications affecting the remaining balance amount and other financial matters, such as retired individuals' social benefits' eligibility. This latest delay is also a response to concerns raised by pension providers, which are transitioning to a new pension system and are determining the right mechanisms for administration, communication, and choice guidance.

Requirements for lumpsum withdrawal

Once the law goes into effect, individuals whose retirement start date is in the same month as when they reach the social retirement program (*Algemene Ouderdomswet, AOW)* age of 67 years, or individuals whose retirement start date is the first day following the month in which they reach the statutory retirement age will receive up to 10% lumpsum of their savings as of 1 July 2026, if they have opted in.

There are certain instances in which individuals cannot choose the lumpsum option, specifically when:

- The member opts for a phased benefit payout arrangement, whereby prior to collecting AOW benefits the member receives higher benefits, which are later reduced to a lower amount once they start receiving their AOW benefits;
- The total retirement account balance upon the member's retirement is lower than statutory redemption limit (*wettelijke afkoopgrens*), i.e., EUR 613.52 in 2025;
- The balance remaining after a lumpsum withdrawal is below the statutory redemption limit; and
- The individual is already retired after the provision comes into effect.

Implications of lumpsum withdrawal

Once the law goes into effect, employees who opt for the lumpsum withdrawal option will have a higher income in the year of payment. This can potentially affect eligibility for social healthcare benefits and rent allowances.

Additionally, employees who retire before they receive their AOW benefits may pay more in income taxes in the year of withdrawal if the payment places them in a higher tax bracket.

The Ministry of Social Affairs and Employment is planning to introduce a new lumpsum tool to support individuals in making an informed decision about selecting the lumpsum option. The tool is still under development.

Proposed legislation

The delayed effective date pertains to the Amendment of the Lumpsum, Early Retirement Scheme and Leave Savings Act in connection with the revision of the possibility of buy-out in the form of a lumpsum and to amend the Wage Tax Act 1964 (Lumpsum Revision Act) (*Wijziging van de Wet bedrag ineens, RVU en verlofsparen in verband met de herziening van de mogelijkheid tot afkoop in de vorm van een bedrag ineens alsmede tot wijziging van de Wet op de loonbelasting 1964 (Wet herziening bedrag ineens)*), which was initially submitted to parliament on 29 June 2022.

United Kingdom

Employment Rights Bill aimed at reforming employee protections enters final stages of parliamentary review after amendments

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On 24 June 2025, during the final day of Committee Stage of the House of Lords a line-by-line review of the Employment Rights Bill (as amended in Committee) took places. The Report Stage – an opportunity to further scrutinize the provisions of the Bill and make eventual amendments – is scheduled on 14 July 2025. It precedes the third and final reading by the House of Lords.

The Bill is expected to be given Royal Assent and to become the Employment Rights Act in the summer of 2025, with many of its measures expected to come into effect from spring 2026.

The reform Bill was introduced to the House of Commons on 10 October 2024. It was accompanied by a government document entitled, "Next Steps to Make Work Pay" the government's strategy.

The key elements of the proposed reforms as amended throughout the legislative process are outlined below.

Family-friendly rights

The Bill includes a number of provisions aimed at enhancing flexibility and security for working families. These measures, some of which have been amended since the initial proposal, are detailed below.

Family leaves 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 statutory reasons to terminate an employee.

The Bill would amend existing government powers so that regulations could be made to ban the termination of women who are pregnant, on maternity leave, and during a six-month return to-work period - except in specific circumstances.

The Bill would also expand existing government powers with respect to other family-related leaves, such as adoption leave, shared parental leave, neonatal care leave, and bereaved partners paternity leave, to enable regulation of termination in the period after an employee's return to work following a family-related leave.

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.

The Bill would ensure that paternity leave and parental leave become a 'day one' entitlement.

Furthermore, paternity leave and pay must currently be taken before shared parental leave and pay begins. The Bill would remove this restriction, allowing parents to take their paternity leave and pay after taking their shared parental leave and pay.

Bereavement leave

There is currently no statutory entitlement to bereavement leave, with the exception of bereavement leave for a child who dies under the age of 18 years or a child that is stillborn after 24 weeks of pregnancy.

The Bill would grant the government the power to introduce a day one entitlement to a minimum of one week of bereavement leave. Regulations would specify the qualifying relationship with the deceased.

Eligibility for this leave and how the leave would be taken would be set by secondary regulations.

Miscarriage leave

Currently, there is no statutory leave for parents experiencing a miscarriage. As indicated above, entitlement to the parental bereavement leave is only available to those who lose a child under the age of 18 years or experience a stillbirth after 24 weeks of pregnancy.

Miscarriage leave is akin to a bereavement leave for employees affected by a miscarriage, i.e., loss prior to 24 weeks of pregnancy.

The Bill would introduce a new entitlement to miscarriage leave, to include mothers and partners who experience pregnancy loss before 24 weeks.

Specifically, eligible parents (including partners) would be entitled to a statutory employer-paid miscarriage leave of up to five days. The entitlement would apply to miscarriages, ectopic pregnancies, molar pregnancies, terminations, or unsuccessful IVF due to embryo transfer loss.

Flexible work entitlements

Under the provisions of the Bill, employees would have a day one right to request flexible working. However, employers could reject such requests for several reasons. The Bill would increase the burden of justification on employers, so would have to accept a request unless it is reasonably not feasible.

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. The initial Bill had proposed to remove meeting the Lower Earnings Limit as an eligibility criterion for SSP. This proposal was abandoned during consultations, and amendments made.

The amendments aim to exclude lower earners while avoiding that they be financially incentivized to receive SSP instead of working. Consequently, the amended Bill proposes that those earning less than the Lower Earnings Limit would be entitled to the lower of 80% of their normal weekly earnings or the SSP. Entry into effect of this provision of the Bill would require secondary regulations prior to coming into effect.

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

Additionally, SSP is not payable in relation to the employee's first three working days. The Bill would also remove this provision. This proposal of the initial Bill has remained unchanged.

In other words, the Bill would allow sick leave, and hence eligibility for SSP, when an employee is incapable of work be it for a single day or longer, as opposed to the current requirement of four consecutive sick days in order to receive SSP .

Other employment-related measures

Sexual harassment

Currently, an employer's duty of care, as it 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.

The Bill, as initially introduced, would require employers to take "all reasonable steps" as opposed to just "reasonable steps" to prevent sexual harassment and would provide for further regulations to be made specifying what steps are to be regarded as "reasonable".

Employers would 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.

As a result of an amendment to the Bill during the legislative process, the Bill proposes that the time limit for bringing tribunal claims be extended from currently three to six months.

A government call for evidence on the "reasonable steps" employers should take to prevent sexual harassment closes on 30 June 2025.

Shift work and Zero hours contracts

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

The initial draft of the Bill had proposed to introduce a right to a reasonable notice of shifts and payment for shift cancellation and curtailment at short notice for those on zero and low hours contracts; as well as a right to a guaranteed hours contract which would reflect the hours an eligible employee regularly works over a reference period.

Due to mounting trade union pressure, the proposed zero hours provisions of the Bill now also includes agency workers. Meaning end hirers of agency workers would have to offer guaranteed hours to qualifying agency workers.

Termination and redundancy

The Bill contains a number of measures related to termination and redundancy.

Currently, employees must generally have a minimum of two years of service for their employer before they qualify for the right to claim unfair dismissal at a tribunal.

The Bill would repeal this qualification period., meaning employers would only be able to be terminate employees if the reason for termination is one of the five fair reasons for termination. Specifically, under the Employment Rights Act 1996, there are five potentially fair reasons for terminating an employee, namely, capability and qualifications, conduct, redundancy, breach of a statutory duty or restriction, or some other substantial reason, such as employee refusing to agree to changes to terms and conditions of employment.

The provisions of the Bill would provide for regulations to set an "initial period" of employment during which a modified version of the right to unfair dismissal would apply for some of the specified reasons.

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