

Law & Policy Group

Global Legislative Update

By Stephanie Rosseau and Fiona Webster
December 2023



In this document

Mercer's *Global Legislative Update* covers legal developments affecting retirement, health, executive rewards, talent, diversity and inclusion, and other HR programs that affect local and/or expatriate employees. Links to developments with upcoming effective dates covered in past updates are also included to remind employers of impending deadlines. These icons indicate whether employer action is required.



Employer action required



Potential implications for employers



Developments to monitor

Please note: Mercer is not a law firm and therefore cannot provide legal advice. Please consult legal counsel before taking any actions based on the commentary and recommendations in this report.

1. Highlights.....	2
2. Global	5
3. Americas.....	7
4. Asia Pacific	29
5. Europe, Middle East and Africa (EMEA)	38

Section 1

Highlights

Global	
Reproductive rights	Global employer resources post <i>Dobbs</i> ruling
Minimum wage rates	Global employer resources
Remote working	Global employer resources
Americas	
Argentina	Cost of prepaid medicine to increase Minimum and maximum social security base announced
Canada	Pension plan limits announced Pension plan assessment rate schedule updated Federal Fall Economic Statement issued Pension changes enacted in British Columbia Final rule on assessments and fees now effective in Ontario
Costa Rica	Minimum wage to increase
United States	Top 10 health, leave benefit compliance and policy issues in 2024 Employer resources on Department of Labor's proposed expansion of overtime protections announced 2024 retirement plan limits set 2024 health, FSA, other health and fringe benefit limits set 2024 Social Security, PBGC, and projected covered compensation figures announced Regulator adjusts 2023 HIPAA, certain ACA and MSP monetary penalties National Labor Relations Board delays joint employer rule New proposal to expand ERISA investment advice Transportation plans offer valued benefits but pose compliance issues Employer resources on noncompete restrictions Employer DEI resources after SCOTUS' ruling on affirmative action

Americas (continued)	
United States	Resources for tracking state and local retirement initiatives Employer resources on states' recent equal pay laws Employer resources on states' recreational marijuana laws Employer resources on minimum wage increases Employer resources on hairstyle nondiscrimination laws Hourly workers' overtime pay exempt from state income tax in Alabama Bloomington, California aligns sick leave with state law Temporary workers' equal pay law delayed in Illinois Sick and safe leave ordinance amended in Chicago, Illinois Certain criminal records sealed in New York Prior authorization law enacted in Washington, DC
Asia Pacific	
Australia	Digital statutory declarations made permanent Sustainability finance strategy proposed Bill to strengthen work incentives for pensioners passes Bill on legislating for objective of superannuation proposed Exposure drafts for first sustainability reporting standards issued Government to fix cap for successor DB fund transfers Proposals pending on financial advice reform, red tape reduction Extending superannuation disclosure relief proposed
Europe, Middle East and Africa (EMEA)	
European Union	Proposals issued to boost job opportunities, ease skill shortages
Channel Islands	Rollout of 2024 secondary pension scheme requirements in Guernsey
Czech Republic	Changes to tax exemption of employee non-cash benefits enacted Labor code amended
France	Tax exempt home-to-work travel allowance updated
Greece	Smaller companies must appoint whistleblowing officer
Ireland	Right to paid domestic violence leave law effective Withholding, reporting requirements on exercise of unapproved share options proposed
Kenya	Compulsory Affordable Housing Levy imposed

Europe, Middle East and Africa (EMEA) (continued)	
Netherlands	Social security contribution rates published
Oman	Social protection for nationals and foreign employees expanded
Portugal	2024 minimum wage rates announced
Russia	Measures to encourage retirement savings enacted 2024 cap for combined social, pension contribution
Saudi Arabia	Localization rates for certain professions to increase
Serbia	Minimum wage rate for 2024 published
United Arab Emirates	Private sector offered another end-of-service benefits scheme option
United Kingdom	Minimum wage rates for 2024 announced Changes to annual leave entitlement, pay and employee consultation rights to move forward in 2024 Proposals to enshrine European Union equality law post-Brexit issued Financial regulators consult on new diversity and inclusion regulatory framework Autumn Statement includes employment measures Autumn Statement includes pension measures

Section 2



Global

Reproductive rights	
Status	 Ongoing initiatives
Development	Health Global employer resources on reproductive rights post <i>Dobbs</i> ruling In June 2022, the US Supreme Court’s <i>Dobbs v. Jackson Women’s Health Organization</i> decision overturned <i>Roe v. Wade</i> , finding no federal constitutional right to abortion and allowing states to regulate and ban abortions at all stages of pregnancy. To provide multinational employers some information on countries’ positions on reproductive rights and the varying employee health benefit plan issues involved, the roundup cited below provides links to organizations, government websites, third-party analyses, news articles and viewpoints.
Resources	Roundup , regularly updated
Minimum wage rates	
Status	 Ongoing initiatives
Development	Career Global employer resources on minimum wage increases To help multinational employers address the different minimum wage rates around the world, the roundup below provides some information and links to resources from organizations, government websites, third-party resources, and news articles.
Resources	Roundup , regularly updated

Remote working	
Status	 Ongoing initiatives
Development	Career — Health — Wealth Countries address remote-working issues Remote working has become a more of permanent feature for many employees and employers after various countries introduced COVID-19 measures. Remote working poses challenges and considerations for employers devising or adjusting policies. Issues to consider include the definition of remote work, eligibility criteria, hybrid working arrangements, employee engagement and performance, cybersecurity, health and safety, the right to disconnect, the impact of employees relocating to a different country or state, and the post-pandemic return to the workplace. Several jurisdictions have introduced remote-working legislation that clarifies post-pandemic employer and employee requirements, and others are expected to follow suit. To help employers, the roundup below provides analyses and links to general information about ongoing remote-working rights and trends in some countries, including resources from Marsh McLennan, organizations, government websites, news articles and other parties.
Resources	Roundup , regularly updated

Section 3

Americas

Argentina (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Cost of prepaid medicine increased</p> <p>The cost of prepaid medicine increased by 11.51% on Dec. 1, 2023, following a 10.98% increase on November 1.</p>
Resources	<p>graciela.magonza@mercermarshbeneficios.com</p> <p>Resolution 2577/2022 (Spanish) (Ministry of Labor, Nov. 10, 2022)</p>
Argentina (new)	
Status	Effective from the December 2023 accrual period.
Development	<p>Health — Wealth</p> <p>Minimum and maximum social security base announced</p> <p>From the December 2023 accrual period, the minimum and maximum salary bases for calculating the employee portion of their social security contributions are 35,603.99 ARS and 1,157,112.83 ARS, respectively. Employer contributions are uncapped.</p>
Resources	Resolution 220/2023 (Spanish) (Government, Nov. 17, 2023)
Canada (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Pension plan limits announced</p> <p>The Canada Revenue Agency (CRA) announced 2024 limits: \$32,490 for money purchase plans, \$3,610.00 for defined benefit (DB) plans, \$16,245 for deferred profit sharing plans, \$68,500 for maximum pensionable earnings, and \$73,200 for additional maximum pensionable earnings. Also, the 2025 registered retirement savings plan limit will be \$32,490.</p>
Resources	<p>marie-helene.gagne@mercer.com</p> <p>MP, DB, RRSP, DPSP, ALDA, TFSA limits, YMPE and the YAMPE (Canada Revenue Agency)</p>

Canada (new)	
Status	 Currently effective
Development	<p>Wealth</p> <p>Pension plan assessment rate schedule updated</p> <p>The pension plan assessment rate schedule for Oct. 1, 2023, to Sept. 30, 2024, has been issued by the Office of the Superintendent of Financial Institutions (OSFI). The schedule applies to plans registered or filed for registration under the Pension Benefits Standard Act. OSFI will determine the assessment due and send an invoice approximately 45 days after the plan's annual information return was due to be filed (or upon receipt of an application for registration).</p>
Resources	Pension plan assessment rate schedule — Pension Benefits Standards Act, 1985 (OSFI)
Canada (new)	
Status	 Proposal
Development	<p>Career — Health — Wealth</p> <p>Federal Fall Economic Statement issued</p> <p>On Nov. 21, 2023, the deputy prime minister and minister of finance presented the government's Fall Economic Statement. Highlights include:</p> <ul style="list-style-type: none"> • Removal of the “30 per cent rule” from investments in Canada — this restricts Canadian pension funds from holding more than 30 per cent of the voting shares of most corporations. • Requirement for large federally regulated pension plans to disclose the distribution of their investments, both by jurisdiction and asset-type per jurisdiction, to the Office of the Superintendent of Financial Institutions (OSFI). To protect pensions, the federal government has been advancing measures re-announced in Budget 2023 to require disclosures of crypto-asset exposures from federally regulated pension plans. OSFI launched consultations with federally regulated financial institutions on the implementation of public disclosure of crypto-asset exposures on Nov. 20, 2023. • Provision of a new paid leave for workers in federally regulated sectors who experience a pregnancy loss. • Introduction of a 15-week shareable Employment Insurance benefit for adoptive parents and corresponding unpaid leave for workers in federally regulated sectors.
Resources	<p>karine.bellavance@mercero.com</p> <p>2023 Fall Economic Statement (Government, Nov. 21, 2023)</p>

Canada — British Columbia (new)

Status  **Some provisions became effective on Nov. 8, 2023, but the introduction of variable life benefits and others still need to be proclaimed in force.**

Development

Wealth

Pension changes enacted

The Pension Benefits Standards Amendment Act (PBSA), 2023 (Bill 33) was passed on Nov. 8, 2023. The bill will enable defined contribution (DC) plans to offer a new type of pension called variable life benefits and also makes changes to reduce administrative burden, address policy issues and make a number of technical corrections and clarification. The changes represent the first changes to the PBSA since it was enacted in 2023. Topic highlights include:

- Introduction of variable life benefits
- Plans for specified individuals
- Auto-escalation of member contributions
- Entitlement to join a collectively bargained multiemployer plan
- Permitted transfers
- Options for preretirement survivor benefits
- Discharge for annuity purchase

Supporting regulations will need to be drafted to implement some of these changes.

Resources

kristin.smith@mercer.com

[Advisory: Amendments to Pension Benefits Standard Act \(Bill 33\)](#) (BC Financial Services Authority, Oct. 6, 2023)

Canada — Ontario (previously covered, now effective)

Status  **Currently effective**

Development

Wealth

Final rule on assessments and fees now effective

Final Rule 2022 – 001 Assessments and Fees (Fee Rule) is now effective. The Minister of Finance approved the Fee Rule on Sept. 13, 2023. The Fee Rule governs how the Financial Services Regulatory Authority (FSRA) assesses and collects fees from the sectors it regulates and aligns with the principles of fairness, consistency and transparency.

Resources

anastasia.soldatos@mercer.com

[FSRA's fee rule has been approved by the Minister of Finance](#) (FSRA, Sept. 19, 2023)

Canada (previously covered, with upcoming effective date)

Development

Wealth

- [Québec's 2023–2024 budget includes pension plan changes](#) — key date: Jan. 1, 2024
- [Pension super priority federal legislation enacted](#) — key date: April 27, 2027

Chile (previously covered, with upcoming effective date)

Development

Career — Health

- [Weekly working time to be reduced](#) — key date: Beginning in 2024

Costa Rica (new)

Status



Effective Jan. 1, 2024

Development

Career

Minimum wage to increase

The minimum wage will increase by 1.83% on Jan. 1, 2024 for all categories of workers in the private sector. Additional increases also apply for certain job types: domestic service, 2.33962%/month; semiskilled worker, 0.3986390%/month; skilled worker, 0.3955514%/day; and specialized worker, 0.5562880%/month.

Resources

[Announcement](#) (Spanish) (Ministry of Labor, Oct. 30, 2023)

Dominican Republic (previously covered, with upcoming effective date)

Development

Career

- [Minimum wage to increase](#) — Feb. 1, 2024

El Salvador (previously covered, with upcoming effective date)

Development

Career — Health

- [Large employers will be required to provide day care facilities](#) — key date: June 2024

Mexico (previously covered, with upcoming effective date)

Development

Career — Health



- [New safety and health standard for teleworkers published](#) — key date: Dec. 5, 2023



Peru (previously covered, with upcoming effective date)


Development

Career

- [New national holiday honors air force heroes](#) — key date: July 23, 2024

United States (US) (new)	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Top 10 health, leave benefit compliance and policy issues in 2024</p> <p>Employer-sponsored health plan compliance issues in 2024 will continue to generate extensive federal and state regulatory activity, legislation, and litigation. Issues in the spotlight include preparing for sweeping new mental health parity rules proposed for 2025, ongoing compliance with numerous group health plan transparency requirements, and efforts to rein in healthcare and prescription drug costs. Employers must also contend with the growing patchwork of state rules, particularly ones targeting prescription drug pricing and paid family/sick leave. Active litigation continues on several key health policy issues, including surprise billing, Affordable Care Act (ACA)-required preventive services and ERISA preemption of state benefit laws, especially those affecting prescription drug benefits. Major reforms in a divided Congress are unlikely, but bipartisan efforts to lower healthcare costs and regulate pharmacy benefit manager (PBM) practices this year could result in some new requirements for 2024 or later.</p>
Resources	<p>rich.glass@mercer.com, cheryl.hughes@mercer.com, geoff.manville@mercer.com, katharine.marshall@mercer.com, dorian.smith@mercer.com and jennifer.wiseman@mercer.com</p> <p>GRIST, Oct. 12, 2023</p>
US	
Status	 Proposal
Development	<p>Career</p> <p>Employer resources on Department of Labor’s proposed expansion of overtime protections</p> <p>The Department of Labor (DOL) announced on Aug. 30, 2023, a proposed rule that would significantly expand overtime protections — guaranteeing overtime pay for most salaried workers earning less than \$1,059 per week, or about \$55,000 per year (up from \$35,568 per year). The comment period closed on Nov. 7, 2023. The rule is controversial and will likely undergo revisions prior to being finalized. An Obama-era overtime rule was blocked in 2017 by a federal trial court, and business groups will also likely challenge this rule if finalized. To provide employers with some information about the proposed rules and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints.</p>
Resources	Roundup (Mercer, regularly updated)

US (new)	
Status	 Jan. 1, 2024
Development	<p>Wealth</p> <p>2024 retirement plan limits set</p> <p>IRS Notice 2023-75 provides official 2024 limits for qualified DB and DC retirement plans and Internal Revenue Code (IRC) Section 403(b) plans, matching Mercer’s earlier projections. Almost every key limit will rise from 2023 to 2024. The 2024 limits reflect increases in the Consumer Price Index for All Urban Consumers (CPI-U) from the third quarter of 2022 to the third quarter of 2023. Only the catch-up contribution limit, which has a relatively large rounding value, will stay the same next year.</p>
Resources	<p>margaret.berger@mercer.com and james.chaken@mercer.com</p> <p>GRIST, Nov. 3, 2023</p>
US (new)	
Status	 Jan. 1, 2024
Development	<p>Health</p> <p>2024 health, FSA, other health and fringe benefit limits set</p> <p>IRS Rev. Proc. 2023-34 gives the 2024 contribution and benefit limits for health flexible spending arrangements (FSAs), qualified small-employer health reimbursement arrangements (QSEHRAs), long-term care (LTC) policies, transportation fringe benefits and adoption assistance programs. The 2024 figures reflect the increase in the average chained Consumer Price Index for All Urban Consumers (C-CPI-U) for the 12 months ending Aug. 31, 2023, after applying statutory rounding rules.</p>
Resources	<p>katharine.marshall@mercer.com and dorian.smith@mercer.com</p> <p>GRIST, Nov. 10, 2023</p>
US (new)	
Status	 Jan. 1, 2024
Development	<p>Wealth</p> <p>2024 Social Security, PBGC, and projected covered compensation figures announced</p> <p>Social Security benefits payable in 2024 will increase by 3.2%, the Social Security Administration (SSA) announced Oct. 12 in updates that include the 2024 taxable wage base and the 2022 national average wage. The Pension Benefit Guaranty Corp. (PBGC) likewise has released the inflation-indexed 2024 premium amounts, maximum guaranteed benefit for single-employer pension plans and present value of the maximum guarantee. IRS has yet to issue 2024 covered compensation, but Mercer has projected those figures using the published taxable wage base.</p>
Resources	<p>margaret.berger@mercer.com and james.chaken@mercer.com</p> <p>GRIST, Nov. 3, 2023</p>

US (new)	
Status	 Violations occurring on or after Nov. 2, 2015
Development	Wealth Regulator adjusts 2023 HIPAA, certain ACA and MSP monetary penalties Group health plan sponsors and other entities that violate the privacy, security, breach notification and electronic healthcare transaction rules of the Health Insurance Portability and Accountability Act (HIPAA) now face higher penalties. Inflation adjustments released by the Department of Health and Human Services (HHS) apply to penalties assessed on or after Oct. 6, 2023, for violations occurring on or after Nov. 2, 2015. The adjusted penalties are calculated by multiplying the previous penalties by 1.07745 (the 2023 cost-of-living multiplier), rounded to the nearest dollar. This article highlights the changes of interest to employers sponsoring group health plans.
Resources	dorian.smith@mercer.com and katharine.marshall@mercer.com GRIST , Oct. 20, 2023

US (previously covered, updated)

Status



Effective date delayed until Feb 26, 2024.

Development

Career

National Labor Relations Board delays joint employer rule

A final rule addressing the standard for determining joint-employer status under the National Labor Relations Act (Act) was issued by the National Labor Relations Board (NLRB) on Oct. 26, 2023, and was originally to be effective for cases filed after Dec. 26, 2023. The 2020 Trump administration final rule, that set a higher threshold determination, was rescinded. The NLRB recently announced that the effective date of the joint employer rule will be delayed to Feb. 26, 2024. The NLRB said that the delay is to "facilitate resolution of legal challenges with respect to the rule," confirming that the new standard will only apply to cases filed after the rule becomes effective.

Under the new standard, an entity may be considered a joint employer of a group of employees if each entity has an employment relationship with the employees, and they share or codetermine one or more of the employees' essential terms and conditions of employment. These are defined exclusively as:

- Wages, benefits, and other compensation
- Hours of work and scheduling
- The assignment of duties to be performed
- The supervision of the performance of duties
- Work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline
- The tenure of employment, including hiring and discharge
- Working conditions related to the safety and health of employees.

NLRB says the new final rule "more faithfully grounds the joint-employer standard in established common-law agency principles" by considering the alleged joint employers' authority to control essential terms and conditions of employment, whether or not such control is exercised, and without regard to whether the exercise of control is direct or indirect.

The rule also provides guidance to parties regarding their rights and responsibilities in situations where joint-employer status has been established.

The NLRB has issued a fact sheet on the rule.



Resources


[Board extends effective date of joint-employer rule to February 26, 2024](#) (NLRB, Nov. 16, 2023); [Board issues final rule on joint-employer status](#) (NLRB, Oct. 26, 2023); [Standard for determining joint employer status](#) (Federal Register, Oct. 27, 2023) and [NLRB Fact Sheet: Joint-employer standard final rule](#) (NLRB)

US	
Status	 Comments can be submitted until Jan. 2, 2024.
Development	<p>Wealth</p> <p>New proposal to expand ERISA investment advice</p> <p>The Department of Labor (DOL) has released a new proposal to redefine and expand the scope of investment advice under ERISA. Individuals and firms who provide investment advice for a fee or other compensation are subject to ERISA's fiduciary standard of care and conflict-of-interest prohibitions. The proposal is a top priority for both DOL and the Biden White House, which posted a fact sheet explaining the proposal's objective to "minimize junk fees in retirement products, promote competition, and protect American workers' retirements."</p> <p>The proposal includes amendments to DOL's longstanding five-part test for fiduciary investment advice and updates to seven prohibited transaction exemptions. The amended definition of investment advice would also apply to individual retirement accounts (IRAs) and health savings accounts (HSAs); these accounts generally aren't covered by ERISA, but DOL has interpretive authority over similar prohibited transaction restrictions under the Tax Code.</p>
Resources	<p>matthew.calloway@mercer.com</p> <p>Proposed retirement security rule: Definition of an investment advice fiduciary (Employee Benefits Security Administration) and Fact Sheet: President Biden to announce new actions to protect retirement security by cracking down on junk fees in retirement investment advice (The White House, Oct. 31, 2023)</p>
US	
Status	 Effective dates vary.
Development	<p>Career — Health</p> <p>Transportation plans offer valued benefits but pose compliance issues</p> <p>Since 1998, employees have been able to pay for qualified transportation fringes through pretax salary reductions under Internal Revenue Code (IRC) § 132(f), and these benefits have become quite popular. (Employers could provide this benefit on a tax-advantaged basis as early as 1992.) The tax exemption extends to commuting expenses for transit passes, qualified parking, van pools, and in certain years, bicycles.</p> <p>While these benefits are not subject to cafeteria plan or ERISA rules, compliance difficulties exist, and a 2018 tax law that will expire at the end of 2025 added complexities. The federal monthly limits are adjusted every year, most recently for 2024. Some state and local jurisdictions have imposed employer mandates — including one that applies to Chicago-area employers starting in 2024 — leveraging the tax advantage of commuter benefits; other jurisdictions provide tax-related incentives.</p>
Resources	<p>rich.glass@mercer.com and cheryl.hughes@mercer.com</p> <p>GRIST, regularly updated</p>


US	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Employer resources on noncompete restrictions</p> <p>Noncompete agreements prevent former employees from working for a competing employer or starting a competing business for a certain time period after their employment ends. At the federal level, President Biden, the FTC, the NLRB and Congress have recently attempted to ban or limit the use of noncompete agreements. At the state level, four states — California, Minnesota, North Dakota and Oklahoma — have generally banned noncompete agreements, and New York is poised to do so if the governor signs approved legislation. Numerous other states have enacted restrictions, such as only allowing noncompete agreements for employees above a certain salary threshold. This roundup focuses on recent federal and state actions to restrict noncompete provisions and provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	Roundup , regularly updated
US	
Status	 Currently effective
Development	<p>Career</p> <p>Employer DEI resources after SCOTUS’ ruling on affirmative action</p> <p>On June 29, 2023, the US Supreme Court, in <i>Students for Fair Admissions, Inc. v. President and Fellows of Harvard College</i>, ruled colleges' use of race as a factor in student admissions is unconstitutional under the Fourteenth Amendment's Equal Protection Clause.</p> <p>Since the decision, there have been various viewpoints on the effect of this ruling on companies' diversity, equity and inclusion (DEI) programs. For example, the EEOC announced that the decision “does not address employer efforts to foster diverse and inclusive workforces or to engage the talents of all qualified workers, regardless of their background.” The EEOC said “[i]t remains lawful for employers to implement diversity, equity, inclusion, and accessibility programs that seek to ensure workers of all backgrounds are afforded equal opportunity in the workplace.” In July, state attorneys general wrote to Fortune 100 CEOs about the decision and took different positions based on political affiliation.</p> <p>To provide employers with some information about the decision and the varying aspects and issues to consider with respect to employers’ DEI programs, this roundup provides links to government information, third-party analyses, news articles and viewpoints. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. The content also does not necessarily reflect Mercer’s or the authors’ point of view on the subject.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	<p>Wealth</p> <p>Resources for tracking state and local retirement initiatives</p> <p>This article summarizes state and local retirement initiatives for private-sector workers and rounds up relevant Mercer and third-party resources. This listing is updated periodically and may not always reflect the latest development in every locality.</p>
Resources	margaret.berger@mercer.com and brian.kearney@mercer.com GRIST , regularly updated
US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on states' recent equal pay laws</p> <p>The federal Equal Pay Act of 1963 requires that men and women in the same workplace receive equal pay for equal work. In recent years, many states have taken further efforts to address equal pay, such as enacting laws that prohibit employers from asking job applicants about salary history, requiring disclosure of salary ranges and pay data, protecting employees who disclose their pay, expanding equal pay protections for characteristics other than sex, and broadening comparisons of work and pay. In 2023, New Jersey and Illinois expanded equal pay protections to temporary workers. Stronger federal legislation — the Paycheck Fairness Act — was first introduced in 1997 but has failed to pass after numerous attempts — most recently in June 2021. On March 15, 2022, the Biden administration also announced commitments to advance pay equity.</p> <p>This roundup primarily focuses on recent state legislative initiatives pertaining to salary history bans and salary range disclosure requirements that affect private sector employers, and provides links to state resources from organizations, government websites, third-party resources and news articles. Certain cities have also taken action, but they are generally beyond the scope of this roundup.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on states’ recreational marijuana laws</p> <p>Twenty-three states, plus Guam and Washington, DC, have legalized the possession and personal use of marijuana for recreational purposes. To provide employers with some information on states’ actions and the varying employment considerations involved, this roundup provides links to organizations, government websites, third-party analysis, news articles and viewpoints on marijuana usage for recreational purposes. Thirty-eight states, Guam, Puerto Rico, the US Virgin Islands and Washington, DC, have legalized marijuana use for medical purposes, but this roundup focuses on legal recreational marijuana use and its implications for employers. The aggregated content in each section is organized in reverse chronological order and is by no means comprehensive. It also does not necessarily reflect Mercer’s or the authors’ point of view on the subject.</p>
Resources	Roundup , regularly updated
US — States	
Status	 Effective dates vary.
Development	<p>Career</p> <p>Roundup: Employer resources on minimum wage increases</p> <p>Beginning Jan. 1, 2023, the hourly minimum wage that federal contractors must pay to their employees increased to \$16.20/hour — this follows an April 2021 executive order that required federal contractors to pay a \$15 hourly minimum wage to workers for new federal contract solicitations starting Jan. 30, 2022. Several states have also taken action to gradually increase the minimum wage to at least \$15/hour for most employees. To help employers prepare and address related issues, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.</p>
Resources	Roundup , regularly updated

US — States	
Status	 Effective dates vary.
Development	Career Roundup: Employer resources on hairstyle nondiscrimination laws The Creating a Respectful and Open World for Natural Hair (CROWN) Act movement in the United States aims to prohibit discrimination based on natural hair texture or hairstyles normally associated with race, such as braids, locks, twists, curls, cornrows, Afros, head wraps or bantu knots. The official campaign of the CROWN Act is led by the CROWN Coalition. Federal legislation, supported by the Biden administration, passed the House in March 2022. Twenty states have already passed CROWN Acts, and many others are considering legislation. To help employers ensure their employee handbooks and appearance policies are nondiscriminatory and comply with federal, state, and local laws, the roundup cited below provides links to federal and state resources from organizations, government websites, other third parties and news articles.
Resources	Roundup , regularly updated

US — Alabama (previously covered, now effective)


Status	 Exempt from tax for tax years that begin after Dec. 31, 2023, and end prior to June 30, 2025
Development	<p>Career</p> <p>Hourly workers’ overtime pay exempt from state income tax</p> <p>HB 217 exempts hourly workers’ overtime pay from state income tax — a first-of-a-kind measure to address the workforce shortage. Compensation received by a full-time hourly employee for work performed more than 40 hours in a week will be exempt from tax for tax years that begin after Dec. 31, 2023, and end prior to June 30, 2025. Employers will be subject to reporting requirements to the Department of Revenue.</p>
Resources	<p>rich.glass@mercer.com</p> <p>HB 217 (Legislature)</p>

US — California (new)


Status	 Effective Jan. 1, 2024
Development	<p>Career — Health</p> <p>Bloomington aligns sick leave with state law</p> <p>Bloomington’s city council has amended its original earned sick and safe time (ESST) ordinance, which took effect July 1. The “family member” definition was expanded to match the state’s definition that includes one designated individual. The 90-day waiting period has been eliminated. ESST frontloading is now permitted. Employers frontloading 48 hours at the start of the year must pay out unused time at year end; employers frontloading 80 hours do not. These and other changes will take effect Jan. 1, 2024.</p>
Resources	<p>Ordinance No. 2023-24 (Government) and Roundup of selected state health developments, second-quarter 2022, Aug. 22, 2022</p>

US — Illinois (new)


Status	 Delayed until April 1, 2024
Development	<p>Career — Health</p> <p>Temporary workers’ equal pay law delayed</p> <p>The Day and Temporary Labor Services Act was amended (2023 Pub. Act 103-0437) in August 2023 to require equal or greater pay and equivalent benefits for temporary employees working more than 90 calendar days at a client company. Section 65 of HB 3641 (enacted in mid-November 2023) delays the 90-calendar-day calculation under 2023 Pub. Act 103-0437 (HB 2862) from Jan. 1, 2024, to April 1, 2024.</p>
Resources	<p>rich.glass@mercer.com</p> <p>HB 3461 (Legislature)</p>

US — Illinois — Chicago (new)	
Status	 Generally effective Dec. 31, 2023
Development	Career — Health Sick and safe leave ordinance amended Chicago’s city council has passed an ordinance replacing its existing paid sick leave mandate with a paid leave and paid sick and safe leave requirement for private employers with at least one covered employee, and city employers (including public schools, city parks, transportation). The new ordinance will take effect Dec. 31 for all employers except Chicago Public Schools, which have a July 1, 2024, effective date. The state’s Paid Leave for All Workers Act (“PLAW Act”), effective Jan. 1, 2024, does not preempt Chicago’s new ordinance. Employers with workers throughout Illinois will have to comply with the Chicago ordinance for Chicago employees, and with the state law for Illinois employees working outside of Chicago. As a reminder, the PLAW Act requires covered employers to provide employees with one hour of accrued paid leave that can be used for any reason, for every 40 hours worked. The new ordinance requires employers to provide covered employees with two types of paid leave: <ul style="list-style-type: none">• Paid leave (“PL”) — up to 40 hours for any purpose• Paid sick and safe leave (“PSSL”) — up to 40 hours for an employee’s or family member’s illness, injury or preventive care, reasons related to domestic violence or sexual assault or reasons related to a public health emergency or communicable diseases. Rules and a model notice are expected from the Office of Labor Standards.
Resources	rich.glass@mercer.com City council passes historic Chicago paid time off ordinance (Office of the Mayor, Nov. 9, 2023); Ordinance (City Council)

US — New York (new)

Status	 Currently effective
Development	Career Certain criminal records sealed Certain criminal records will be sealed for individuals who were previously incarcerated, and who have not subsequently been convicted of an additional criminal act after their release, under measures included in New York State’s Clean Slate Act, and signed by the governor on Nov. 16, 2023. The measures aim to boost employment opportunities for individuals and New York State’s economy and took effect on Nov. 16, 2024. New York is the twelfth state to sign Clean Slate legislation. Highlights include: <ul style="list-style-type: none">• Eligible misdemeanor convictions will be sealed three years after an individual’s release, and certain felony convictions after eight years, on condition that they have not committed a crime in the intervening period. The Office of Court Administration will have up to three years to seal conviction records that were eligible before the law took effect.• The records will not be sealed for individuals convicted of sex crimes, murder, domestic terror and other non-drug Class A felonies. In addition, records will not be sealed until probation or parole is completed, and there are no criminal charges in the state.• Employers permitted by law to perform finger-print criminal history checks on job applicants will continue to receive those records and can use them to determine if an individual would be hired.• Conviction information will remain available for law enforcement purposes, the hiring of police, peace officers and teachers, and conducting background checks for firearm purchases and/or licenses.

Resources [Governor Hochul expands economic opportunity for New Yorkers, protects public safety by signing the Clean Slate Act \(Governor’s office, Nov. 16, 2023\)](#) and [A01029/S07551A \(Legislature\)](#)

US — Washington, DC (new)	
Status	 Effective date unknown
Development	<p>Health</p> <p>Prior authorization law enacted</p> <p>The mayor signed the Prior Authorization Reform Amendment Act (2023 Act A25-0301, B25-0124), limiting situations where fully insured plans may require prior authorization for some medications, procedures and other medical care. Under the law, prior authorization will be authorized only if determined to be medically necessary or the proposed care is experimental or investigational in nature. Prior authorization is strictly prohibited in these circumstances:</p> <ul style="list-style-type: none">• Solely on the basis of cost• For medication assisted treatment• Pre-hospitalization transportation or emergency healthcare services <p>The law also imposes notice, time frame, appeals, data transparency and continuity of care requirements. The law is subject to a mandatory 30-day Congressional review before taking effect. Washington, DC applies its insurance laws on an extraterritorial basis to state residents covered by fully insured plans issued in another state. The law does not affect self-funded plans.</p>
Resources	<p>rich.glass@mercer.com</p> <p>Prior Authorization Reform Amendment Act (2023 Act A25-0301, B25-0124)</p>

US (previously covered, with upcoming effective dates)

Development

Career

- [Minimum wage for federal contractors to increase](#) — key date: Jan. 1, 2024
- [Final SEC clawback rule requires significant changes to policies](#) — key date: early in 2024
- [Hourly minimum wage to increase to \\$16/hour in California](#) — key date: Jan. 1, 2024
- [Equal pay and antiretaliation protections expanded in California](#) — key date: Jan. 1, 2024
- [Forced arbitration tactics by employers limited in California](#) — key date: Jan. 1, 2024
- [Equal pay disclosure requirements amended in Colorado](#) — key date: Jan 1, 2024
- [Hourly minimum wage to increase to \\$18.29/hour in Denver, Colorado](#) — key date: Jan. 1, 2024
- [Minimum wage will increase to \\$15.69/hour in Connecticut](#) — key date: Jan. 1, 2024
- [Pay disclosure required in job listings, equal pay law expanded in Hawaii](#) — key date: Jan. 1, 2024
- [Law requiring pay transparency in job postings enacted in Illinois](#) — key date: Jan. 1, 2025
- [Minimum wage rate to increase in Maryland](#) — key date: Jan. 1, 2024
- [Hourly minimum wage to generally exceed \\$15.13/hour in 2024 in New Jersey](#) — key date: Jan. 1, 2024
- [Minimum wage rates to increase in Washington](#) — key date: Jan. 1, 2024
- [Wage payment salary threshold for exempt employees to increase in New York](#) — key date: March 13, 2024
- [Right-to-work law repealed in Michigan](#) — key date: March 30, 2024
- [Fast food workers to earn \\$20/hour minimum wage in California](#) — key date: April 2024
- [Minimum hourly wage for healthcare workers will gradually increase to \\$25/hour in California](#) — key date: June 2024
- [Law bans age-related inquiries during hiring process in Colorado](#) — key date: July 1, 2024
- [Two-tier minimum wage system to be eliminated in Nevada](#) — key date: July 1, 2024
- [Hourly minimum wage to increase to \\$18 in Hawaii](#) — key date: Jan. 1, 2026

US (previously covered, with upcoming effective dates)

Development

Career — Health

- [Employment discrimination based on nonworkplace cannabis use barred in California](#) — key date: Jan. 1, 2024
- [State disability insurance and paid family leave rates for 2024 issued in California](#) — key date: Jan. 1, 2024
- [Leave required for reproductive loss event in California](#) — key date: Jan. 1, 2024
- [Paid sick leave entitlement expanded, preempting some aspects of local laws in California](#) — key date: Jan. 1, 2024
- [Family and medical leave insurance wages will include pretax amounts in Colorado](#) — key date: Jan. 1, 2024
- [Paid family medical leave regulations finalized in Colorado](#) — key date: Jan. 1, 2024
- [Employers must notify remote workers electronically in Illinois](#) — key date: Jan. 1, 2024
- [New unpaid child bereavement leave law enacted in Illinois](#) — key date: Jan. 1, 2024
- [Paid leave to be required for organ donations in Illinois](#) — key date: Jan. 1, 2024
- [Paid leave coming to Illinois](#) — key date: Jan. 1, 2024
- [Medically necessary fertility preservation law enacted in Louisiana](#) — key date: Jan 1, 2024
- [Paid family medical leave contribution rate announced in Maryland](#) — key date: June 2024
- [2024 paid family leave contribution rates released in Massachusetts](#) — key date: Jan. 1, 2024
- [Paid sick and safe leave requirements adopted in Minnesota](#) — key date: Jan. 1, 2024
- [Paid family and medical leave mandated in Minnesota](#) — key date: Jan. 1, 2024
- [Unpaid domestic violence leave law changed to include sexual assaults in Nevada](#) — key date: Jan. 1, 2024
- [2024 paid family leave rates published in New York](#) — key date: Jan. 1, 2024
- [Temporary disability insurance and family leave insurance rates posted in New Jersey](#) — key date: Jan. 1, 2024
- [Voluntary paid family leave law enacted in Tennessee](#) — key date: Jan. 1, 2024
- [Voluntary family medical leave program announced in Vermont](#) — key date: Jan. 1, 2024
- [Paid family and medical leave contribution rates to drop in Washington](#) — key date Jan. 1, 2024
- [Paid family medical leave calculations changed in Washington](#) — key date: Jan. 1, 2024
- [2024 paid family medical leave benefit limits issued in Washington](#) — key date: Jan. 1, 2024

US (previously covered, with upcoming effective dates) (continued)

Development

Health

- [Telehealth services expanded in California](#) — key date: Jan. 1, 2024
- [Autism coverage mandate expanded in California](#) — key date: Jan. 1, 2024
- [Ground ambulance law passes in California](#) — key date: Jan. 1, 2024
- [App-based workers entitled to accrue sick and safe time in Seattle, Washington](#) — key date: Jan. 13, 2024
- [Paid family and medical leave revised in Maryland](#) — key date: Oct. 1, 2024
- [Maternal and infant health equity program required in California](#) — key date: Jan. 1, 2025
- [Paid family medical leave program legislation enacted in Delaware](#) — key date: 2025
- [Paid family and medical leave law enacted in Minnesota](#) — key date: Jan. 1, 2026
- [Voters approve medical debt ballot initiative in Arizona](#) — key date: Jan. 1, 2024
- [Health insurance restrictions enacted in Connecticut](#) — July 1, 2024
- [Insurance law requires third-party payments to apply toward cost sharing in Delaware](#) — key date: Jan. 1, 2024
- [New law requires annual behavioral health well check for insured plans in Delaware](#) — key date: Jan. 1, 2024
- [Prepaid Health Care Act Form HC-5 for 2024 now posted in Hawaii](#) — key date: Jan. 1, 2024
- [Prescription drug law enacted in Illinois](#) — key date: Jan. 1, 2024
- [Transportation benefits law enacted in Illinois](#) — key date: Jan. 1, 2024
- [More health insurance mandates enacted in Illinois](#) — key date: Jan. 1, 2024
- [Abortifacient, hormonal therapy and HIV coverage mandated in Illinois](#) — Jan. 1, 2024
- [Two telehealth laws enacted in Louisiana](#) — key date: 2024 plan year
- [Healthcare cost comparison website expanded to include ambulance services in Maine](#) — key date: Jan. 1, 2024
- [Fully insured plans prohibited from applying cost sharing to abortion services in Maine](#) — key date: Jan 1, 2024
- [Law increases restrictions on pharmacy benefit managers in Maryland](#) — key date: Jan. 1, 2024
- [2024 individual-mandate coverage dollar limits set in Massachusetts](#) — key date: Jan. 1, 2024
- [Voters approve medical loss ratio requirement for insured dental plans in Massachusetts](#) — key date: Jan 1, 2024
- [Pharmacy benefit management legislation enacted in Michigan](#) — key date: Jan. 1, 2024
- [New fertility coverage mandate applies to fully insured plans in Montana](#) — key date: Jan 1, 2024
- [Diabetes self-management training and education services coverage required in Montana](#) — key date: Jan. 1, 2024
- [Step therapy restricted in Nevada](#) — key date: Jan. 1, 2024
- [Insulin cost-sharing law enacted in Nebraska](#) — key date: Jan. 1, 2024
- [Prescription benefit law enacted in New Mexico](#) — key date: Jan. 1, 2024
- [Law requires a unified healthcare financing system study in California](#) — key date: Jan. 1, 2025

US (previously covered, with upcoming effective dates) continued

Development

Health (continued)

- [Diabetes insurance coverage and protections expanded in New Mexico](#) — key date: Jan. 1, 2024
- [Comprehensive pharmacy benefit manager reforms enacted in South Carolina](#) — key date: Jan. 1, 2024
- [Employers providing paid family medical leave eligible for state tax credits in Tennessee](#) — key date: 2024
- [Law eases multiple-employer welfare arrangements, adds participant protections in Texas](#) — key date: Jan. 1, 2024
- [Law applies balance billing restrictions to ground ambulance providers in Texas](#) — key date: Jan. 1, 2024
- [Multiple benefit laws enacted in Texas](#) — key date: 2024 plan year
- [Hearing aid coverage mandated in Vermont](#) — key date: Jan. 1, 2024
- [Abortion insurance coverage mandate enacted in Washington](#) — key date: Jan. 1, 2024
- [Prescription drug law enacted in West Virginia](#) — key date: Jan. 1, 2024
- [Prescription drug law enacted in Wyoming](#) — key date: Jan. 1, 2024
- [Expiration date for several health-related provisions extended in Vermont](#) — key date: March 31, 2024
- [New health data privacy law enacted in Washington](#) — March 31, 2024
- [Sweeping pharmacy benefit manager law passed in Florida](#) — key date: July 1, 2024
- [Telehealth law extended in Washington](#) — key date: July 1, 2024
- [Prescription drug law enacted in Virginia](#) — key date: July 1, 2024
- [High-deductible health plan COVID-19 testing preeductible flexibility ends](#) — key date: Jan 1, 2025
- [New law to require dental plan disclosures in California](#) — key date: Jan. 1, 2025
- [Third-party prescription drug payment law enacted in Colorado](#) — key date: 2025 plan year
- [Health coverage mandates enacted in Colorado](#) — key date Jan. 1, 2025
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 1, 2025
- [Prescription cost-sharing limits law enacted in Minnesota](#) — key date: Jan. 1, 2025
- [Prescription benefit law enacted in North Dakota](#) — key date: Jan. 1, 2025
- [Cost-sharing caps imposed on specialty drugs and EpiPens in Rhode Island](#) — key date: 2025 plan year
- [Prescription drug requirements enacted in Texas](#) — key date: Jan. 1, 2025
- [Benefit law enacted in Washington](#) — key date: Jan 1, 2025
- [Fertility treatment law enacted in Washington, DC](#) — key date: Jan. 1, 2025
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Telehealth law to expire in Hawaii](#) — key date: Dec. 31, 2025
- [State-based exchange delivery to change in Oregon](#) — key date: Nov. 1, 2026

US (previously covered, with upcoming effective dates) continued

Development

Wealth

- [SECURE 2.0 retirement reforms are now law](#) — key date: Jan. 1, 2024
- [Final required minimum distribution rule delayed, relief for SECURE Act given](#) — key date: Jan. 1, 2024
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026
- [Eagerly awaited DB mortality tables issued](#) — key date: 2025
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026

Section 4

Asia Pacific

Australia (new)

Status



Effective Jan. 1, 2024

Development

Career — Health — Wealth

Digital statutory declarations made permanent

The Statutory Declaration Amendment Bill 2023 received Royal Assent on Nov. 17, 2023, and amends the Statutory Declarations Act 1959. The bill makes permanent the permitted use of digital execution, electronic signatures and video-link witnessing for statutory declarations required under federal laws. The amendments take effect on Jan. 1, 2024, immediately following the expiration on Dec. 31, 2023, of temporary measures introduced during the COVID-19 pandemic.

Statutory declarations will also be executed online using the myGov platform and myGov digital ID. An online execution platform will be required to demonstrate compliance with privacy laws and appropriate fraud and security measures, and they will not be allowed to retain a copy of the statutory declarations.

Resources

paul.shallue@mercer.com

[Statutory Declaration Amendment Bill 2023](#) (Legislature)

Australia (new)	
Status	 Proposal
Development	<p>Wealth</p> <p>Sustainability finance strategy proposed</p> <p>A consultation paper on Australia's Sustainable Finance Strategy sets out a proposed strategy for sustainable finance and alignment of the capital markets with evolving international standards. The comment period closed on Dec. 1, 2023, after which the government will issue an implementation roadmap for the Sustainable Finance Strategy. The strategy's policy priorities are structured in three key pillars: improve transparency on climate and sustainability; financial system capabilities; and leadership and engagement. The government sought input on the proposed strategy, tools and policies, including:</p> <ul style="list-style-type: none"> • Options for developing a labelling regime for sustainable investment products, including for managed investment products and superannuation options • Next steps in the development of a sustainable finance taxonomy, including permanent governance arrangements • Options to enhance the disclosure of corporate transition plans; steps to identify and address data-related challenges faced by financial system companies and investors; and plans to increase Australia's international engagement on sustainable finance.
Resources	<p>paul.shallue@mercer.com</p> <p>Sustainable Finance Strategy (Treasury, Nov. 2, 2023)</p>

Australia (new)

Status



Effective dates vary.

Development

Wealth

Bill to strengthen work incentives for pensioners passes

Measures that will provide more choice and flexibility for older Australians and eligible veterans feature in the Social Security and Other Legislation Amendment (Supporting the Transition to Work) Bill 2023 (Act No. 106) and will pay an increased pension Work Bonus, doubling the employment income nil-rate period and expanding access to the nil rate period for recipients who enter full-time work. Schedule 1 of the Bill (dealing with the pensioner work bonus) will commence on Jan. 1, 2024, and Schedule 2 (dealing with extending the employment income nil rate period) from July 1, 2024.

The act will enable eligible social security pensioners older than the pension age, and certain recipients of the veterans' entitlement who are older than the qualifying age, to earn up to AUD \$4,000 before the income test is applied. The Work Bonus unused concession balance will increase by AUD \$4,000 for all newly commencing eligible recipients. Furthermore, the current temporary AUD \$4,000 increase to the maximum unused concession balance (from AUD \$7,800 to AUD \$11,800) will be available to all eligible pensioners going forwards.

The act will also enable eligible social security recipients — including recipients who take up full-time work to benefit from an extended employment income nil rate period of 24 weeks under the Social Security Act 1991. This will allow more recipients continued access to supplementary benefits, such as concession cards and an additional childcare subsidy, if their own and/or their partner's income (including some employment income) exceeds the relevant income limit for a longer period. Recipients will also have a longer period to have their benefits restored if they lose their job or report an income reduction.

Resources

paul.shallue@mercer.com

[Social Security and Other Legislation Amendment \(Supporting the Transition to Work\) Bill 2023 \(Legislature\)](#)

Australia (new)

Status



Proposal

Development

Wealth

Bill on legislating for objective of superannuation proposed

The proposed objective of the recently introduced Superannuation (Objective) Bill 2023 is “to preserve savings to deliver income for a dignified retirement, alongside government support, in an equitable and sustainable way” — identical to the definition included in Exposure Draft Consultation issued in September 2023. that would commence 28 days after Royal Assent.

The bill would require policy makers to assess future changes to superannuation legislation for compatibility with the objective, and to include a statement of compatibility in the explanatory materials accompanying all Commonwealth bills and regulations concerning superannuation (unless an exception applies).

According to the bill’s explanatory statement, the objective would provide stability and confidence to policymakers, regulators, industry, and the community. Changes to superannuation policy would be aligned with the purpose of the superannuation system and ensure that members and funds have more certainty over future changes through the accumulation and retirement phases.

The explanatory statement also clarifies its potential impact on trustees’ obligations, stating that the objective does not intend to change the operation or interpretation of existing superannuation law, prudential standards or governing rules of superannuation entities, and would not impact regulatory supervision activities. It would be aligned with, but separate from, trustees’ fiduciary duties and would not aim to guide the regulation of trustees’ conduct or change existing trustee obligations.

Resources

paul.shallue@mercer.com

[Superannuation \(Objective\) Bill 2023 \(Legislature\)](#) and [Exposure Draft Consultation \(Treasury, Sept. 1, 2023\)](#)

Australia (new)

Status



Proposal

Development

Wealth

Exposure drafts for first sustainability reporting standards issued

The Australian Accounting Standards Board (AASB) has released exposure drafts of the first Australian Sustainability Reporting Standards (ASRS Standards) that set out proposed new requirements for climate-related financial disclosures by Australian reporting entities. Comments are invited through Mar. 1, 2024, and the AASB has also invited feedback via an online survey and intends to conduct roundtable discussions.

The exposure drafts follow a government consultation in June 2023 on mandatory climate reporting requirements for Australian entities, and publication by the International Sustainability Standards Board (ISSB) of inaugural global sustainability disclosure standards (International Financial Report Standards IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures).

Exposure Draft ED SR1 Australian Sustainability Reporting Standards — Disclosure of Climate-related Financial Information includes three draft ASRS Standards (general requirements for disclosure of climate-related financial information; climate-related financial disclosures; and references in Australian sustainability reporting standards).


The proposals in the Exposure Draft could be subject to change based on the government's anticipated announcement following its June 2023 consultation, in addition to exposure draft legislation specifying the entities that would be required to prepare climate-related financial disclosures in accordance with ASRS Standards, and final amendments to that legislation.

Based on the government's June consultation proposals, mandatory reporting requirements would commence on July 1, 2024, initially for the largest listed and unlisted companies and financial institutions (including superannuation funds regulated by the Australian Prudential Regulation Authority).

Resources

paul.shallue@mercero.com

[Exposure Draft ED SR1 Australian Sustainability Reporting Standards — Disclosure of Climate-related Financial Information](#) (Australian Accounting Standards Board, Oct. 23, 2023)

Australia (new)	
Status	 Proposal
Development	Wealth Government to fix cap for successor DB fund transfers The Australian government announced it will issue amendments to the transfer balance cap for individuals with a capped DB lifetime pension to ensure they are not adversely impacted in the event of a merger or successor fund transfer between superannuation funds. Currently, a member's transfer balance cap may be unintentionally impacted because the original income stream is treated as ceasing and a new one beginning — this requires a new valuation of the capped DB income stream that may cause a higher valuation for the transfer balance cap, resulting in adverse outcomes for some members. The Australian Taxation Office published its opinion of the current law in proposed updates to Taxation Ruling 2013/5DC1, Income tax: When a superannuation income stream commences and ceases. Super funds have called on the government to take urgent action to amend the law.
Resources	paul.shallue@mercer.com Taxation ruling 2013/5DC1 (Australian Taxation Office)

Australia (new)

Status



Proposal

Development

Wealth

Proposals pending on financial advice reform, red tape reduction

Consultation on draft legislation that would deliver the first tranche of the Delivering Better Financial Outcomes package of reforms, announced in June 2023, closed on Dec. 6, 2023. The draft legislation responds to several (but not all) of the Michelle Levy Quality of Advice Review (QAR) recommendations that aim to remove red tape and provide legal certainty about the payment of adviser fees from super accounts. However, the draft legislation does not address the replacement of Statements of Advice with “a fit-for-purpose financial advice record,” or the removal of the ‘Safe Harbour’ steps from the Best Interest Duty. The Financial Services Minister confirmed the government will announce its final position on the remaining QAR recommendations by the end of 2023, with further legislation to be released in 2024.


The QAR recommendations included in the consultation include:

- Recommendation 7: clarification of the legal basis for superannuation trustees that reimburse a member’s financial advice fees from their superannuation account, and the associated tax consequences.
- Recommendation 8: streamline ongoing fee renewal and consent requirements and removal of the requirement to provide a fee disclosure statement.
- Recommendation 10: provide more flexibility on how Financial Services Guide (FSG) requirements can be met.
- Recommendations 13.1-14.5: Simplification and clarification of provisions governing conflicted remuneration, These include: Recommendations 13.1 and 13.3 on clarification that monetary or non-monetary benefits given by a client are not conflicted remuneration along with the removal of consequential exceptions; Recommendation 13.4 on removal of the exception to conflicted remuneration rules for financial products where advice has not been provided in the previous 12 months; Recommendation 13.5 on the removal of the exception to conflicted remuneration rules of agents or employees of Australian Authorised Deposit-Taking Institutions (ADIs); Recommendation 13.2 on the introduction of a specific exception to the conflicted remuneration provisions that permits a superannuation fund trustee to pay a fee for personal advice subject to the client’s request.
- Recommendations 13.7 to 13.9: introduction of new standardized consent requirements for life risk insurance, general insurance and consumer credit insurance commissions.

Resources

paul.shallue@mercer.com

[Delivering better financial outcomes — reducing red tape and other measures](#) (Treasury); [Delivering better financial outcomes — roadmap for financial advice reform](#) (Treasury, June 13, 2023) and [Quality of advice review](#) (Treasury)

Australia (new)**Status**  **Proposal****Development****Wealth****Extending superannuation disclosure relief proposed**

The consultation period closed on Dec. 4, 2023, for proposals issued by the Australian Securities and Investments Commission (ASIC) that would extend for a further two years — until Jan. 1, 2026 — the long-standing exemption for super trustees from complying with the consistency obligations in Section 29QC of the Superannuation Industry (Supervision) Act 1993.

Section 29QC requires that information given to the public (such as information included in disclosure documents) is calculated in the same way as the information is reported under an Australian Prudential Regulation Authority reporting standard.

ASIC Class Order [CO 14/541] provides relief from section 29QC due to uncertainty about how to achieve the disclosure requirements given the evolution of APRA's reporting standards as part of APRA's Superannuation Data Transformation project. The relief has been in place, in some form, since July 1, 2013.

Resources

paul.shallue@mercero.com

[ASIC proposes to temporarily extend relief from disclosure and reporting consistency obligations for super trustees \(ASIC, Nov. 6, 2023\)](#) and [ASIC Class Order \[CO 14/541\]](#) (Federal Register of Legislation)

Australia (previously covered, with upcoming effective dates)**Development****Career**

- [Regulator finalizes new remuneration disclosure requirements](#) — key date: Jan. 1, 2024
- [Employer gender pay, equality reporting requirements expanded](#) — key date: April 1, 2024

Career — Wealth

- [Financial Accountability Regime begins for super trustees and insurers](#) — key date: March 15, 2025

Wealth

- [Protecting Worker Entitlements Bill includes superannuation measures](#) — key date: Jan. 1, 2024
- [Regulator issues final prudential standards and guides](#) — key date: Jan. 1, 2024
- [New operational risk management standard to apply](#) — key date: July 1, 2025

China (previously covered, with upcoming effective date)**Development****Career**

- [Preferential taxation policy for expatriates expanded](#) — key date: Dec. 31, 2027
- [Preferential taxation policy for annual one-time bonus extended](#) — key date: Dec. 31, 2027

Hong Kong (previously covered, with upcoming effective date)

Development

Career

- [Gender board diversity, corporate governance required](#) — key date: Dec. 31, 2024

Wealth

- [Mandatory pension fund offsetting to end](#) — key date: May 2025

India (previously covered, with upcoming effective date)

Development

Career — Health — Wealth

- [Labor and employment laws reformed](#) — key date: effective date delayed

Japan (previously covered, with upcoming effective date)

Development

Wealth

- [Defined contribution reforms enacted](#) — key date: Dec. 1, 2024

Malaysia (previously covered with upcoming effective dates)

Development

Career

- [Progressive wage policy to be included in 2024 budget](#) — key date: April or May 2024

Singapore (previously covered with upcoming effective dates)

Development

Career

- [Legislation to combat discrimination will be issued](#) — key date: 2024

Career — Health

- [Infant care and paternity leave to increase](#) — key date: Jan. 1, 2024

Wealth

- [Budget increases CPF contribution rates for workers aged 50 to 55 years](#) — Jan. 1, 2024
- [Central Provident Fund monthly salary cap for calculating contributions increased](#) — December 2024

South Korea (previously covered with upcoming effective dates)

Development

Career

- [Minimum wage to increase](#) — key date: Jan. 1, 2024

Taiwan (previously covered with upcoming effective dates)


Development

Career

- [Employee protections from sexual harassment expanded](#) — key date: March 8, 2024

Europe, Middle East and Africa (EMEA)

European Union (EU) (new)

Status  Proposal

Development

Career

Proposals to boost job opportunities, ease skill shortages issued

The European Commission issued on Nov. 15, 2023, proposed initiatives addressing skills and talent mobility to help member states address EU-wide skill shortages in several industry sectors and meet demographic challenges. The measures include a regulation that would establish an EU Talent Pool, a recommendation on the recognition of professional qualifications of third-country nationals and a recommendation to expand the scope of learning mobility to all ages.

The commission is also currently developing “Talent partnerships” with five countries — Egypt, Morocco, Tunisia, Bangladesh and Pakistan. The EU Talent Pool would support the implementation of these partnerships, allowing candidates that have been awarded a “Talent Partnership Pass” to register on the jobs platform.

Resources

[Commission proposes new measures on skills and talent to help address critical labour shortages](#) (European Commission, Nov. 15, 2023)

EU (previously covered, with upcoming effective date)

Development

Career

- [Directive on promoting statutory minimum wages finalized](#) — key date: Nov. 15, 2024
- [Reforms to Blue Card coming for highly skilled workers](#) — key date: Nov. 18, 2024
- [Law to improve gender balance on company boards approved](#) — key date: June 7, 2026

Career — Health — Wealth

- [EU requires enhanced corporate sustainability disclosures](#) — key date: July 6, 2024
- [Sustainability reporting standards issued](#) — key date: 2025

Belgium (previously covered, with upcoming effective date)

Development

Wealth

- [Blue- and white-collar pension harmonization postponed](#) — key date: Jan. 1, 2027
- [Federal government agrees on pension reforms](#) — key date: Jan. 1, 2028

Channel Islands — Guernsey (new)

Status



Effective July 1, 2024, for employers with 26 or more employees

Development

Wealth


Rollout of secondary pension scheme requirements in 2024

From July 1, 2024, employers in Guernsey with 26 or more employees must enroll their employees in a secondary pension scheme. The measures are included in the Secondary Pensions (Guernsey and Alderney) Regulations, 2023, and will be phased-in for smaller employers. Highlights include:

- The effective dates are July 1, 2024, for employers with 26 or more employees; Oct. 1, 2024, for 11 to 25 employees; Jan. 1, 2025, for 6 to 10 employees; July 1, 2025, for two to five employees; and Oct. 1, 2025, for one employee. Employers must have set up a pension scheme by the corresponding effective date.
- Employers that have their own qualifying pension scheme must give employees the option to instead enroll in Your Island Pension (the government's default pension scheme) and provide them with information to enable comparison of both schemes.
- The minimum contribution amounts are included in guidance. Employer contributions to Your Island Pension, or another pension scheme that follows the minimum contribution amounts, will start in 2024 at 1% each for employers and employees, and by 2023 will increase to 3.5% for employers, and 6.5% for employees. Employers that offer another pension scheme can determine the employer and employee contribution amounts as part of the remuneration package.
- Employees aged 16 or older who earn more than the Lower Earnings Threshold for social security contributions must be enrolled within seven days of the applicable date, unless they are already a member of a qualifying pension scheme or choose to opt out. Employers can defer enrollment for up to three months.
- If membership in a qualifying pension scheme is not compulsory under an employee's employment terms and conditions, employers must provide employees with a Notice of Immediate Enrolment, or a Notice of Deferred Enrolment, on or before the applicable enrollment date.
- Employers must notify employees that previously opted out within three months of the third anniversary of their decision. If they do not renew their opt out, the employer must enroll them into a pension scheme within three months and seven days of the three-year anniversary.
- Employers must notify the tax authority about employees who have opted out and the amount of contributions paid.

Resources

[Secondary pensions \(Government\)](#) and [Secondary Pensions \(Guernsey and Alderney\) Regulations, 2023 \(Government\)](#)

Czech Republic (new)	
Status	 2024
Development	<p>Health</p> <p>Changes to tax exemption of employee non-cash benefits enacted</p> <p>The tax exemption of certain employee non-cash benefits will become less favorable from 2024 under a package of fiscal measures aimed at reducing the public deficit that was signed by the President on Nov. 22, 2023. They will apply either from a benefit's entitlement date, or when it is provided. Highlights of the proposals include:</p> <ul style="list-style-type: none">• Non-cash benefits provided to employees and their families (such as culture, books, recreation, education, sports facilities and the purchase of medical services and equipment) will be tax-exempt up to an amount equivalent to one-half of the annual average salary. Amounts exceeding this threshold will be considered as taxable income, and subject to employer and employee social and health insurance contributions.• Benefits-in-kind with a value of up to one-half of the annual average salary will not be tax deductible for employers, but amounts exceeding this threshold will be.• Gratuitous benefits given to employees (up to 2,000 CZK per year), and social assistance payments to employees, will no longer be tax exempt. <p>The tax rules applying to meal vouchers and non-cash meals provided at the workplace will be aligned with the current cash contribution for meals.</p>
Resources	Legislation (Czech) (Parliament, Dec. 1, 2023)

Czech Republic (new)

Status



Effective dates vary.

Development



Career



Labor code amended



Amendments to the labor code were published in the Collection of Laws on Sept. 19, 2023, with most measures taking effect on Oct. 1, 2023, and others from Jan. 1, 2024. Certain measures implement EU directives on transparency and predictable working conditions (EU 2019/1152), and on work-life balance for parents and carers (EU 2019/1158), and others expand the digitization of labor law documents. Highlights include:

- Employers must provide new employees with expanded information about their employment within seven days of starting their job, down from one month. Individuals who were employed prior to Oct. 1, 2023, are allowed to request notification of the expanded information concerning their employment.
- Individuals who are not in an employment relationship but have a contract to perform work or complete a task ('DPC' or 'DPP' status), must be given three days' written notice of their work schedule, and they could be eligible to accrue paid annual leave from Jan. 1, 2024. Individuals on a DPC or DPP contract will be entitled to a regular employment contract if they have worked for the same employer for more than six months.
- Employees can request an adjustment of their work schedule (such as reduced working hours) if they are pregnant, care for a child younger than 15 years or provide long-term care for a dependent individual. Employers can refuse such requests on operational grounds but must provide written reasons.
- Remote work arrangements must be set out in a written agreement and may allow for termination of the arrangement with 15 days' notice. Employees who were working remotely before Oct. 1, 2023, should have concluded a remote work agreement by Nov. 1, 2023.
- Employees who are pregnant, have children younger than age nine years, or provide long-term care for another person, can request to work remotely — employers must provide written reasons for refusal.
- The rules on the reimbursement of costs to remote workers have changed, and employers can choose to pay a lump sum, instead of an itemized reimbursement. A decree will set out the reimbursement amount that will be tax-exempt (additional reimbursement amounts will be taxable).
- Other revisions concern the electronic signature of documents, and changes to the delivery method for certain employment-related documents.

[Law](#) (Czech) (Collection of Laws, Sept. 19, 2023)

France (new)	
Status	 Currently effective
Development	<p>Health</p> <p>Tax exempt home-to-work travel allowance updated</p> <p>Updated tax exemption thresholds applicable to home-to-work travel allowances were recently issued by France's tax authority, applicable from the 2022 tax year. Highlights include:</p> <ul style="list-style-type: none"> • The annual exemption from payroll tax and social contributions for home-to-work travel increased to €700 per employee and includes a maximum €400 exemption for fuel costs. • Employers must pay 50% of the subscription transport ticket cost. Employers can also pay an additional 25% of the cost under a cost-of-living measure introduced for tax years 2022-2023. • Tax exemption of payments made under the sustainable mobility package, and exempt subscription transport ticket costs, are capped at €800.
Resources	Law (French) (Government, August 16, 2022) and Guidance (French) (Government, Nov. 11, 2023)
France (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • New gender quotas imposed for senior execs/management teams — key date: March 1, 2026 <p>Career — Health</p> <ul style="list-style-type: none"> • Metallurgy sector agrees on national CBA — key date: Jan. 1, 2024 • Women who experience a miscarriage have expanded protections — key date: Jan. 1, 2024
Greece (previously covered, soon to be effective)	
Status	 Deadline is Dec. 17, 2023.
Development	<p>Career</p> <p>Smaller companies must appoint whistleblowing officer</p> <p>Companies with 50 to 249 employees have until Dec. 17, 2023, to appoint an officer to receive, and follow-up on, whistleblowing reports. Larger companies had to make the appointment by May 11, 2023. In both cases, companies must notify the labor inspectorate within two months of the officer's appointment. However, companies in certain industry sectors (finance, transport and environmental) must appoint a whistleblowing officer, regardless of their workforce size. The officer can be either an employee of the company or a third party, and the law provides their required competencies and responsibilities. The measures feature in Law 4990/2022 that implements the EU directive on whistleblowing.</p>
Resources	maria.markopoulou@marsh.com Law 4990/2022 (Greek) (Government)

Hungary (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Minimum wage rates announced</p> <p>Minimum wage rates in Hungary increased on Dec. 1, 2023. The basic mandatory minimum wage increased by 15% to 266,800 HUF/month, up from 232,000 HUF/month, and the guaranteed minimum wage for roles requiring individuals to have secondary education or vocational qualifications increased by 10% to 326,000 HUF/month, up from 296,400 HUF/month.</p>
Resources	Announcement (Hungarian) (Government, Nov. 23, 2023)
Ireland (new)	
Status	 Currently effective
Development	<p>Career — Health</p> <p>Right to paid domestic violence leave law effective</p> <p>From Nov. 27, 2023, employees in Ireland who experience domestic violence can take up to five days of paid leave in any consecutive 12-month period. Employees receive their full rate of pay, paid for by the employer. The measures are included in the Work Life Balance and Miscellaneous Provisions Act 2023 — most other provisions in the act took effect in July 2023. Highlights include:</p> <ul style="list-style-type: none"> • Domestic violence includes violence or the threat of violence, including sexual violence and acts of coercive control committed against an employee, or a “relevant person,” by another person. • All employees — including part-time and fixed-term employees — are entitled to domestic violence leave, with no minimum service requirement. • Employees can use the leave to seek medical attention; obtain services from a victim services organization; obtain psychological or other professional counselling; relocate temporarily or permanently; obtain an order under the Domestic Violence Act 2018; seek legal advice; seek police assistance; and seek or obtain any other relevant services. • Employees can take domestic violence leave to assist a “relevant person” (these include the spouse or civil partner of the employee, cohabitant, a person with whom the employee has an intimate relationship, the employee’s child who has not attained full age, or a person who is a dependent person on the employee). • The government published a domestic violence leave policy template for use by employers and a guidance note.
Resources	Victims of domestic violence to receive full pay as part of new domestic violence leave measures (Government, Aug. 7, 2023) and Work Life Balance and Miscellaneous Provisions Act 2023 (Government, April 4, 2023)

Ireland (new)	
Status	 Proposal
Development	<p>Career</p> <p>Withholding, reporting requirements on exercise of unapproved share options proposed</p> <p>Employers in Ireland would need to modify payroll procedures under a proposal that would introduce a new withholding tax and reporting requirements on the exercise of unapproved share options by employees on or after Jan. 1, 2024. Finance (No. 2) Bill 2023 issued by the Department of Finance is currently before parliament but is expected to be finalized and enacted before the end of 2023.</p> <p>The measures would require employers to withhold tax, Universal Social Charge and Pay-Related Social Insurance, and report to Irish Revenue the taxable income arising from the sale of unapproved share options. Employers would have to settle the charges within 30 days of the exercise using Form RTS01. Currently, employees must self-report and pay the taxes using Form RTS01. Employers must also continue to report to Irish Revenue their existing annual employee share option reporting obligations for 2023.</p>
Resources	Finance (No. 2) Bill 2023 (Legislature, Oct. 19, 2023)
Ireland (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Gender pay gap regulations to apply to smaller employers — key date: 2024
Kenya (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Compulsory Affordable Housing Levy imposed</p> <p>Kenya's Finance Act 2023 introduced the Affordable Housing Levy ("levy") that took effect on July 1, 2023 and which contributes to the National Housing Development Fund (NHDF).</p> <p>Employers and employees must each pay 1.5% of employees' gross salaries. The salary base for calculating the levy is uncapped, and gross salary includes all employment-related cash and non-cash benefits and allowances that are due to the employee. Employers must remit total contributions to the Kenya Revenue Authority no later than the ninth day of the following month or face a 2% late payment penalty calculated on the unpaid amount, per month.</p> <p>The NHDF was established in 2018, and raises funds aimed at providing affordable housing to Kenyans.</p>
Resources	The Finance Act, 2023 (Kenya Gazette, June 26, 2023) and Finance Act 2023 (Collection of affordable housing levy by Kenya Revenue Authority) (Kenya Revenue Authority)
Luxembourg (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> Meal voucher scheme adjusted — Jan. 1, 2024

Netherlands (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Health — Wealth</p> <p>Social security contribution rates published</p> <p>Effective Jan. 1, 2024, the maximum contribution base for calculating employers' social security contributions will be €71,628, up from €66,956.</p> <p>Employer contributions will be 2.64% for general unemployment insurance; 0.68% for government unemployment insurance; 7.54% for occupational disability insurance; and 0.5% for the childcare allowance contribution. The total state social security contribution remains unchanged at 27.65% and includes old-age, survival pension and long-term care. The health general contribution rate is 6.57%, down from 6.68%, calculated on a maximum contribution base of €71,628.</p>
Resources	Announcement (Dutch) (Government, Nov. 20, 2023)
Netherlands (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Hourly rate to be introduced — key date: Jan. 1, 2024 <p>Wealth</p> <ul style="list-style-type: none"> • Parliament agrees to significant occupational pension reforms — key date: Jan. 1, 2025
Nigeria (previously covered, with upcoming effective date)	
Development	<p>Health</p> <ul style="list-style-type: none"> • Health insurance coverage to significantly expand — key date: implementation date unknown
Poland (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Two-phase minimum wage increase announced — Jan. 1, 2024

Oman (new)

Status



Effective dates vary.

Development

Career

Social protection for nationals and foreign employees expanded

Omani employees


- A new unified social protection fund will replace 11 different social insurance funds and is expected to ease benefit and pension administration. It will be run by a Social Protection Benefits Entitlement Committee that includes representatives from government, employers and employees. Employer contributions are 10% of employee's gross salary.
- The fund introduces new social benefits for Omani nationals, including unemployment benefit for individuals who are made redundant; a government-funded monthly pension 115 OMR per month paid to Omani nationals aged 60 or older; disability pension; pension paid to orphans aged 18 or older, and widows aged 60 or older; and a childhood benefit paid to children aged 17 and younger.
- Effective July 2023, the retirement age will increase by one year every seven years until it reaches age 65 for men, and 60 for women — currently it is 60 for men and 55 for women. Other measures have tightened the early retirement eligibility criteria and reduced pension benefits for early retirees. A decreased DB accrual formula now applies, and employer and employee contributions are each slated to increase by 0.5% from Jan. 1, 2024.


Foreign employees. Under the new law, foreign employees will benefit from expanded social benefit coverage.

- Effective July 2024, foreign employees will be entitled to 98 calendar days of maternity leave, and seven calendar days of paternity leave paid for by Oman's social security fund. Employers must pay 1% social security contribution calculated on the employee's gross salary to cover the cost of this benefit.
- Effective July 2025, foreign employees can take paid sick leave and certain other paid leaves, such as leave for caregivers, marriage and bereavement. Employers will have to pay an additional 1% social security contribution calculated on the employee's gross salary.
- Effective July 2026, foreign employees will be entitled to work injury and illness benefits paid for by an additional 1% social security contribution, split equally between the employee and the employer.
- Effective July 2026, the end-of-service gratuity paid to foreign employees at the end of their employment will be replaced by a contributory savings fund.


Resources


[Royal Decree \(Arabic\)](#) (Government, July 19, 2023)


Portugal (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Career</p> <p>2024 minimum wage rates announced</p> <p>The monthly minimum wage will increase to €820 on Jan. 1, 2024, up from €760.</p>
Resources	Decree Law No. 107/2023 (Portuguese) (Official diary, Nov. 17, 2023)
Romania (previously covered, with upcoming effective date)	
Development	<p>Health</p> <ul style="list-style-type: none"> Maximum value of tax-free meal tickets increased — Jan. 1, 2024
Russia (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Career</p> <p>Measures to encourage retirement savings enacted</p> <p>From Jan. 1, 2024, individuals can contribute up to 400,000 RUB on a tax-deductible basis to long-term savings accounts under measures announced by Russia's Ministry of Finance that aim to boost retirement savings. The investments must be held for at least 10 years in order to qualify for tax exemption status and can also include pension contributions to non-state pension arrangements and deposits to investment accounts. In addition, a new type of individual long-term savings account with more flexibility will be available from January 2024 — individuals can choose to convert any accounts opened before January 2024 to the new model. Individuals will be restricted to three investment accounts, but the amount in each account will be uncapped.</p>
Resources	Press release (Ministry of Finance, Nov. 7, 2023)
Russia (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Health — Wealth</p> <p>2024 cap for combined social, pension contribution</p> <p>The maximum contribution base for calculating the single social and pension insurance contribution will be 2,225,000 RUB in 2024. The contribution rate is 30%, divided between social insurance (2.9%), medical insurance (5.1%) and pension (22%). An additional contribution of 15.1% will be levied on salary exceeding 2,225,000 RUB, divided between pension (10.1%) and medical insurance (5.1%).</p>
Resources	Announcement (Russian) (Government, Nov. 10, 2023)

Saudi Arabia (new)	
Status	 Effective Dec. 24, 2023
Development	<p>Career</p> <p>Localization rates for certain professions to increase</p> <p>Certain private sector companies in Saudi Arabia that have procurement, sales, project management, postal and freight employee roles will be subject to increased localization (also known as “Saudization”) rates on Dec. 24, 2023:</p> <ul style="list-style-type: none"> • Project management roles. Private sector companies with three or more employees working in certain project management roles must have a 35% localization rate by Dec. 24, 2023, and 40% by Dec. 12, 2024. The roles include project manager, project management specialist, project management office specialist, communications project manager, project manager for business services and transportation project manager. • Sales roles. Private sector companies with five or more employees working in certain sales roles must have a 15% localization rate by Dec. 24, 2023. The roles include sales manager, retail sales manager, commercial specialist, sales specialist, wholesale sales manager, information and communication technology equipment sales specialist, sales representative, commodity broker and futures commodity broker. • Procurement roles. Companies with three or more employees in procurement roles will be subject to a 50% localization rate from Dec. 24, 2023. The roles include purchasing manager and representatives, contracts manager, private trademark supply specialist, bidding specialist and procurement specialist. <p>Freight forwarding and broker roles were subject to the increased rates from Oct. 26, 2023.</p>
Resources	The decision to localize freight forwarding and freight brokers services outlets ; The decision to localize project management professions ; The decision to localize sales professions and The decision to localize procurement professions (Human Resources and Social Development, May 28, 2023)
Saudi Arabia (previously covered, with upcoming effective date)	

Development	<p>Career</p> <ul style="list-style-type: none"> • Contracting with companies with regional headquarters outside of the kingdom to cease — key date: Jan. 1, 2024
-------------	---

Serbia (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Career</p> <p>Minimum wage rate for 2024 published Effective Jan. 1, 2024, the hourly minimum wage will be 271 RSD, up from 230 RSD.</p>
Resources	Government passes decision on minimum wage for 2024 (Government, Sept. 14, 2023)
Spain (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Protections for LGBTQ employees enacted — key date: March 2, 2024 <p>Wealth</p> <ul style="list-style-type: none"> • Changes to public pension system enacted — key date: Jan. 1, 2024
Switzerland (previously covered, with upcoming effective date)	
Development	<p>Career</p> <ul style="list-style-type: none"> • Hourly minimum wage to be introduced in Zurich and Winterthur — key date: effective date unknown <p>Career — Health</p> <ul style="list-style-type: none"> • Employer compensation for high sick-pay costs to phase-out — During 2024 • Paid leave introduced in Geneva — key date: effective date unknown <p>Wealth</p> <ul style="list-style-type: none"> • First-pillar pension scheme reforms approved — key date: Jan. 1, 2024 • Occupational pension reforms pass parliament — key date: effective date unknown

United Arab Emirates (UAE) (new)	
Status	 Currently effective
Development	<p>Career</p> <p>Private sector offered another end-of-service benefits scheme option</p> <p>Private sector employers in the UAE — including those located in the free zones — can opt for an Elective Alternative System (EAS) instead of the current end-of-service gratuity (EOSG) for selected employee categories and grades under measures included in Cabinet Resolution No 96 of 2023. The EAS is supervised and controlled by the Ministry of Human Resources and Emiratization (MOHRE) and the Securities and Commodities Authority. Highlights of the EAS include:</p> <ul style="list-style-type: none"> • The EAS offers an investment program that aims to provide employees with end-of-service benefits by paying a monthly subscription into a licensed investment fund. The goal is to protect employees from inflation, default or bankruptcy of their employer. • Employers that subscribe to the EAS must submit a request to the MOHRE, and contract with a licensed investment fund. Employers can later withdraw from the EAS, subject to certain conditions. • Employers subscribed to the EAS must select the employee categories and levels to be covered — EAS participation is then mandatory for the selected employees although they will receive accrued EOSG benefits. However, the EOSG continues to cover those employees who are not selected for EAS enrollment. • Employers must make monthly contributions for employees enrolled in the EAS, without deductions from the employee’s salary. The contribution amount depends on the employee’s length of service — 5.83% of the monthly basic salary for employees with fewer than five years of continuous service, and 8.33% for those with longer service. Contributions must be paid within the first 15 days of each calendar month, and penalties apply for late payments and other breaches. • Employees can also contribute voluntarily to the EAS — up to 25% of their total monthly salary, or a lump sum payment of up to 25% calculated on their total annual salary. • Employees can choose their preferred investment strategy offered by the fund, but unskilled workers who earn less than 4,000 AED per month are restricted to the capital guaranteed option.
Resources	Cabinet Resolution No. 96 of 2023 (Parliament)

United Kingdom (UK) (new)	
Status	 Effective Jan. 1, 2024
Development	<p>Career</p> <p>Minimum wage rates for 2024 announced</p> <p>The Government announced minimum wage rates (the National Living Wage — NLW) that will apply from April 1, 2024. The NLW paid to individuals aged 21 and older will be £11.44/hour (up from £10.42); £8.06/hour for individuals aged 18 to 20 (up from £7.49); and £6.40/hour for individuals aged 16 to 17 (up from £5.28). The rate for apprentices will be £6.40/hour (up from £5.28) for individuals younger than 19 years, or in the first year of an apprenticeship. The daily allowable accommodation deduction will be £9.99 (up from £9.10) for employer-provided accommodation. From April 2024, the NLW will be extended to include 21 and 22 year olds.</p>
Resources	<p>Largest ever cash increase to the minimum wage (Government, Nov. 21, 2023)</p>

UK (new)

Status



Proposal

Development

Career — Health

Changes to annual leave entitlement, pay and employee consultation rights to move forward in 2024

The UK government has published its response to two earlier consultations on the calculation and payment of annual leave included in the Working Time Regulations (WTR), and the employee consultation requirements under Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). A draft statutory instrument has been laid before parliament and is slated to take effect on Jan. 1, 2024.

Annual leave, entitlement and payment:


- The calculation of annual leave entitlement for workers working part of the year or irregular hours will be calculated either as an average of a 52-week reference period, or accrual of 12.07% of hours worked over the preceding pay period (for example, weekly, bimonthly, monthly).
- Annual leave entitlement will continue to be paid at two different rates — four weeks at normal pay, and 1.6 weeks at basic pay.
- The definition of “normal pay” will be clarified and will include payments linked to the performance of tasks that the employee must carry out; payments for professional or personal status relating to length of service, seniority or professional qualifications; and overtime and other regular payments to workers during the previous 52 weeks.
- Rolled-up holiday pay will be introduced for working irregular hours or for part of the year with a single rate of pay, based on a worker’s total earnings in a pay period.
- The provision for the carry-over of annual leave restates EU Union case law. Workers will be allowed to carry-over annual leave for up to 18 months due to having taken sick leave.
- Employers will only have to keep adequate working time records to show their compliance with the regulations.

TUPE:

The consultation requirements for TUPE will allow employees with fewer than 50 employees, or employers proposing to make fewer than 10 redundancies, to consult directly with employees if there are no current employee representatives.

Resources

[Retained EU Employment law](#) (Department for Business & Trade) and [The Employment Rights \(Amendment, revocation and transitional provision regulations 2023\)](#) (Legislature)

UK (new)	
Status	 Proposal
Development	<p>Career</p> <p>Proposals to enshrine EU equality law post-Brexit issued</p> <p>Draft regulations that would amend the Equality Act 2010 and incorporate EU case law into domestic law from Jan. 1, 2024, were published by the UK government, without prior consultation, on November 8. The proposed regulations would allow certain equality measures to continue that otherwise will cease on Dec. 31, 2023 under the Retained EU Law (Revocation and Reform) Act — the act was introduced following Brexit to manage the removal and replacement of EU-derived laws from the UK statute book. The draft regulations must now be approved by parliament; the government has confirmed no new guidance will be issued. Highlights of the measures include:</p> <ul style="list-style-type: none"> • Prohibition of associative indirect discrimination where a group with one or more protected characteristics is put at a disadvantage by a provision, criterion or practice. An individual who does not share the characteristic — but who suffers the same disadvantage — can also bring an indirect discrimination claim. • Single source allowed for equal pay claims. Claimants can bring an equal pay claim that compares themselves with other individuals whose terms are set by a single body, and regardless if the claimants have the same employer. Currently, domestic law requires the comparator to be employed by the same, or an associated, employer. • Expansion of direct sex discrimination to include women treated less favorably because they are breastfeeding. • Protection of women from being treated unfavorably in connection with their pregnancy or a pregnancy-related illness during pregnancy or maternity leave, including situations where the unfavorable treatment occurs after an individual returns from maternity leave. • Expansion of maternity protection to include workplace maternity rights that are substantially similar to the statutory regime. • Broaden the definition of disability. The ability to carry out normal day-to-day activities would include an individual's ability to “participate fully and effectively in work life” on an equal basis with others. • Expansion of an employer's liability for direct discrimination if discriminatory statements are made regarding an individual's recruitment, even if there is no active recruitment. This would include statements made by individuals who are not employed by the employer, if there are reasonable grounds to assume they could decisively influence the employer's recruitment decisions.
Resources	The Equality Act 2010 (Amendment) Regulations 2023 (Government, Nov. 8, 2023); Equality Act 2010 (Legislature) and Retained EU law (revocation and reform) Act 2023 (Legislature)

UK (new)

Status



Proposal

Development

Career

Autumn Statement includes employment measures

Several human resource measures are included in the UK government's Autumn Statement, and they include reform of the "fit note" for individuals returning to work after a period of illness, occupational health initiatives, reduced national insurance contributions and increased National Living Wage rates. Highlights include:

- The government will consult in 2024 on proposed reforms of the "fit note" for individuals whose health affects their ability to work, with the aim of enabling quicker access to specialized employment and health support and their return to work. Long-term sickness and disability affects 2.6 million individuals — nearly 500,000 more than before the COVID-19 pandemic.
- The government will develop a voluntary minimum framework for employers on the minimum level of occupational health intervention they could adopt. This initiative is part of the government's response to its July 2023 consultation on Occupational health: Working better.
- Class 1 National Insurance (NI) contributions will be reduced to 10% — down from 12% — from Jan. 6, 2023, for individuals earning more than £12,570 per year. The NI 2% contribution levied on earnings exceeding £50,270 is unchanged.

Resources

[Autumn Statement 2023](#) (Government)

UK (new)

Status



Effective dates will vary.

Development

Wealth

Autumn Statement includes pension measures

The Autumn Statement included several pension-related announcements, with many measures building on announcements included in the July 2023 Mansion House speech. Highlights of the pension measures include:

- Confirmation that a multiple default consolidator model for small defined contribution (DC) accounts will be introduced, along with a new call for evidence on a “lifetime provider” model for DC savers.
- Confirmation that legislation will be introduced in due course requiring trustees of DC schemes to provide decumulation products and services. Interim guidance from The Pensions Regulator will be published in the meantime.
- Next steps will be published on a Value for Money framework in DC schemes, and a review of the regulation and oversight of Master Trusts.
- A consultation will be issued on the rules on return of DB surpluses. The government confirmed that the tax on returns of DB refunds to employers will reduce to 25%, down from 35%, from April 6, 2024.
- Measures to encourage investment in productive assets, including the intention to establish a Growth Fund within the British Business Bank.
- Confirmation that the effective date for abolition of the lifetime allowance (LTA) will be April 6, 2024 (this follows the abolition of LTA charges in April 2023).

Resources

anne.bennett@mercer.com

[Autumn Statement 2023 \(Government\)](#)

UK

Status



Comments can be submitted through Dec. 18, 2023.

Development

Career

Financial regulators consult on new diversity and inclusion regulatory framework

The Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) have issued consultations on proposals to introduce a new regulatory framework on boosting diversity and inclusion in the financial sector, building on a 2021 discussion paper.

FCA's proposal highlights include:

- The FCA aims to better integrate nonfinancial misconduct considerations into staff fitness and propriety assessments, conduct rules and the suitability criteria for financial sector firms. The measures would not set sector-wide targets and companies would remain free to determine their own targets, consistent with their needs.
- Certain firms would be required to report annually (at entity level, not group) their average number of employees; collect, report and disclose certain diversity and inclusion data; establish, implement and maintain a diversity and inclusion strategy; determine and set appropriate diversity targets; and recognize a lack of diversity and inclusion as a nonfinancial risk.
- The requirements would apply differently to companies, depending on their workforce size, their categorization under the Senior Managers and Certification Regime and if they are dual-regulated. Smaller firms with fewer than 251 employees (the workforce size would be calculated over a rolling three-year period from a specified reference date) would be exempt from many of the requirements.

PRA's proposal highlights:

- The PRA aims to improve diversity and inclusion in PRA-regulated firms to support prudent decision-making, better risk management and reduce the risk of groupthink.
- Companies would be required to publish their diversity and inclusion strategy, including values, measurement of progress, the role of individuals in the firm to support the strategy and the role of risk and control functions in supporting the strategy.
- The largest companies would be required to set their own diversity targets, publish a strategy to promote board-level diversity, clarify expectations on succession planning and disclose information on the targets they have set for themselves.
- Companies would have to assign individual accountability for diversity and inclusion among relevant senior management functions; assign board and board subcommittee responsibilities for diversity and inclusion; and conduct internal monitoring and regulatory reporting.

Resources

[Consultation Paper 23/20: Diversity and inclusion in the financial sector — working together to drive change \(FCA\) and CP18/23 — Diversity and inclusion in PRA-regulated firms \(Bank of England, Sept. 25, 2023\)](#)

UK (previously covered, with upcoming effective date)

Development

Career

- [Certain workers to have more rights to request more predictable hours](#) — key date: autumn 2024
- [Employers have new duty to prevent workplace sexual harassment](#) — key date: autumn 2024

Career — Health

- [Increased immigration health surcharge takes effect in 2024](#) — Key date: Jan. 16, 2024
- [Employees to be allowed neonatal care leave](#) — key date: expected April 2024
- [Employees will be able to annually take carers' leave](#) — key date: expected April 2024
- [Stronger job protection from redundancy given to employees on maternity leave](#) — key date: expected April 2024
- [Law makes it easier to request flexible working requests](#) — key date: mid-2024

Wealth

- [Pension auto-enrollment to expand, reducing eligible age and abolishing earnings threshold](#) — key date: Unknown
- [Pension dashboard, connection deadlines change](#) — key date: Oct. 31, 2026



Mercer LLC

1166 Avenue of the Americas

New York, NY 10036

www.mercer.com

Copyright © 2023 Mercer LLC. All rights reserved.