

Law & Policy Group

# Global Legislative Update

By Stephanie Rosseau and Fiona Webster  
March 2024



# 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. Global .....

3. Americas.....

4. Asia Pacific .....

5. Europe, Middle East and Africa (EMEA) .....

2

5

7

27

35

## Section 1

# Highlights

Global	
Artificial Intelligence	<a href="#">Global employer resources</a>
Reproductive rights	<a href="#">Global employer resources post <i>Dobbs</i> ruling</a>
Minimum wage rates	<a href="#">Global employer resources</a>
Remote working	<a href="#">Global employer resources</a>
Americas	
Argentina	<a href="#">Individuals allowed more medical insurance choice</a>
Colombia	<a href="#">Court rules on new calculation method for pension contributions</a>
United States	<a href="#">Final regulations on minimum present values issued</a> <a href="#">Agencies launch SECURE 2.0 reporting and disclosure review</a> <a href="#">User's guide to SECURE 2.0</a> <a href="#">Transportation plans offer valued benefits, but pose compliance issues</a> <a href="#">Employer resources on noncompete restrictions</a> <a href="#">Employer DEI resources after SCOTUS' ruling on affirmative action</a> <a href="#">Resources for tracking state and local retirement initiatives</a> <a href="#">Employer resources on states' recent equal pay laws</a> <a href="#">Employer resources on states' recreational marijuana laws</a> <a href="#">Employer resources on minimum wage increases</a> <a href="#">Employer resources on hairstyle nondiscrimination laws</a> <a href="#">Employer resources on Department of Labor's proposed expansion of overtime protections</a> <a href="#">PrEP/PEP insurance coverage expanded in California</a> <a href="#">"Right to work law" repealed in Michigan</a> <a href="#">Revised sick time ordinance clarified in St. Paul, Minnesota</a> <a href="#">Wage payment salary threshold for exempt employees to increase in New York</a> <a href="#">Telehealth law enacted in South Dakota</a>

## Americas (continued)

<b>United States</b>	<a href="#">Paid family medical leave bill advances in Virginia</a>
	<a href="#">New health data privacy law enacted but excludes federally protected health information in Washington</a>
	<a href="#">Prior authorization restrictions enacted in Washington, DC</a>

## Asia Pacific


<b>Australia</b>	<a href="#">Guidance on claiming reduced input tax credits issued</a>
	<a href="#">Digital statutory declarations allowed</a>
	<a href="#">Changes proposed to Treasury Portfolio Law</a>
	<a href="#">Consultation on increased flexibility for advisers' approved degrees</a>
<b>China</b>	<a href="#">Guidelines issued to improve employment protection of platform workers</a>
<b>Singapore</b>	<a href="#">National Wages council guidelines accepted</a>
<b>Taiwan</b>	<a href="#">Employee protections from sexual harassment expanded</a>

Europe, Middle East and Africa (EMEA) (continued)	
European Union	<a href="#">Proposals to strengthen transnational information and consultation rights issued</a>
Austria	<a href="#">Pension reforms encourage longer working lives</a>
Bahrain	<a href="#">Changes related to end-of-service gratuity scheme now effective</a>
Channel Islands — Guernsey	<a href="#">Employer-provided benefits tax exemption guidance issued</a>
Denmark	<a href="#">A public holiday abolished from 2024</a>
Greece	<a href="#">Same-sex civil marriage law enacted</a>
Italy	<a href="#">2024 budget includes employment measures</a> <a href="#">Eligibility criteria for expatriate tax regime tightened</a>
Kenya	<a href="#">New social health insurance scheme launched</a> <a href="#">No legal basis for employers to deduct housing levy, rules court</a>
Lithuania	<a href="#">Additional leave for adoptive mothers introduced</a>
Luxembourg	<a href="#">Regulator increases maximum guaranteed interest rate</a>
South Africa	<a href="#">Consultation on sectoral numerical targets under employment equity law</a> <a href="#">Two-pot pension changes announced</a>
United Arab Emirates	<a href="#">Medical insurance policies must be uploaded electronically</a>
United Kingdom	<a href="#">New defined benefit publishing regime published</a> <a href="#">New general code published by Pension Regulator</a> <a href="#">More flexible statutory paternity leave proposed in Great Britain</a>

## Section 2

# Global

Artificial Intelligence	
Status	 Ongoing initiatives
Development	<b>Health</b> <b>Roundup: Global employer resources on artificial intelligence</b> Artificial Intelligence (AI) has become more of a permanent feature of the workplace for many employees and employers around the world and poses many challenges and considerations as it reshapes work. To help employers consider the issues associated with AI, the roundup cited below provides links to general information about ongoing legislative and governance initiatives and trends. Sources include Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated
Reproductive rights	
Status	 Ongoing initiatives
Development	<b>Health</b> <b>Roundup: Global employer resources on reproductive rights post <i>Dobbs</i> ruling</b> 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 analysis, news articles and viewpoints.
Resources	<a href="#">Roundup</a> , regularly updated
Minimum wage rates	
Status	 Ongoing initiatives
Development	<b>Career</b> <b>Roundup: Global employer resources on minimum wage increases</b> To help multinational employers address the different minimum wage rates around the world, the roundup cited below provides links to resources from organizations, government websites, third-party resources, and news articles.
Resources	<a href="#">Roundup</a> , regularly updated

Remote working	
Status	 Ongoing initiatives
Development	<p><b>Career — Health — Wealth</b></p> <p><b>Roundup: Countries address remote-working issues</b></p> <p>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 consider the issues associated with remote working, the roundup cited below provides links to resources from Marsh McLennan, organizations, government websites, third-party analysis, news articles and viewpoints.</p>
Resources	<p><a href="#">Roundup</a>, regularly updated</p>

## Section 3

# Americas

### Argentina (new)

#### Status



**Currently effective**

#### Development

#### Health

##### Individuals allowed more medical insurance choice

Changes to the Social Security and Prepaid Medical Entities option regime are included in Decrees 170/2024 and 171/2024 and will take effect on March 1, 2024, providing beneficiaries with more choice when selecting their medical coverage. The measures will impact around 14 million employees, and the government aims to encourage more competition between social and prepaid medical entities. Highlights include:

- Beneficiaries will have the freedom to choose between prepaid medical entities or social security healthcare providers ('Obras Sociales').
- Individuals starting a new job will no longer have to remain in the social security healthcare provider of their industry sector for a minimum period of one year before making a change. Individuals will be limited to changing their social security healthcare provider no more than once per year.
- Individuals will no longer have to rely on a social security healthcare provider as an intermediary to direct their contributions to a prepaid medical entity ('Empresas de Medicina Prepagas').
- Prepaid medical entities can now participate in the social security system, subject to registration.
- Prepaid medical entities must contribute 20% to the Solidarity Redistribution Fund.
- The Superintendent of Health Services will be responsible for supervising contributions, as well as the contributions paid to social and prepaid entities.

#### Resources

[juan-pablo.sebastian@mercermarshbeneficios.com](mailto:juan-pablo.sebastian@mercermarshbeneficios.com)

[Decree 170/2024](#) (Spanish) (Official Bulletin, Feb. 20, 2024) and [Decree 171/2024](#) (Spanish) (Official Bulletin, Feb. 20, 2024)

### Canada (previously covered, with upcoming effective date)

#### Development



#### Career


- [Minimum wage to increase in Nova Scotia](#) — key date: April 1, 2024


#### Wealth

- [Pension super priority federal legislation enacted](#) — key date: April 27, 2027



Colombia (new)	
Status	 <b>Currently effective</b>
Development	<b>Wealth</b> <b>Court rules on new calculation method for pension contributions</b> <p>The method for calculating pension contributions has changed following a Supreme Court ruling that is expected to have a far-reaching impact. The new method requires contributions to be calculated in calendar days -- not in months or years. The ruling will not have immediate effect, and its impact will have to be assessed, case by case.</p>
Resources	<a href="mailto:maria.a.restrepo@mercer.com">maria.a.restrepo@mercer.com</a> <a href="#">Ruling</a> (Spanish) (Supreme Court, February 2024)
El Salvador (previously covered, with upcoming effective date)	
Development	<b>Career — Health</b> <ul style="list-style-type: none"> <li><a href="#">Large employers will be required to provide day care facilities</a> — key date: June 2024</li> </ul>
Peru (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">New national holiday honors air force heroes</a> — key date: July 23, 2024</li> </ul>
United States (US) (new)	
Status	 <b>Sponsors may immediately rely on the regulations, which will generally apply to distributions starting Oct. 1, 2024.</b>
Development	<b>Wealth</b> <b>Final regulations on minimum present values issued</b> <p>Final regulations under Internal Revenue Code (IRC) Section 417(e) update procedures for defined benefit (DB) plans to calculate minimum values for lump sums and other accelerated forms of payment. The regulations — issued without fanfare more than seven years after IRS first proposed the rules in late 2016 — have a few changes from the proposal. Notably, the final rules include new and welcome flexibility for DB plan sponsors to change Section 417(e) rates used for other purposes. The changes are generally optional and unlikely to have a significant effect on participant benefits. Accordingly, many plan sponsors may simply decide to leave plan administration unchanged. However, certain contributory plans and plans that haven't been treating Social Security level-income options (SSLIOs) as subject to Section 417(e) may need to change procedures. Sponsors may immediately rely on the regulations, which will generally apply to distributions starting Oct. 1, 2024.</p>
Resources	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> , <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> and <a href="mailto:bruce.cadenhead@mercer.com">bruce.cadenhead@mercer.com</a> <a href="#">GRIST</a> , Feb. 20, 2024

US (new)	
Status	 Comments can be submitted until April 22, 2024
Development	<p><b>Wealth</b></p> <p><b>Agencies launch SECURE 2.0 reporting and disclosure review</b></p> <p>A new triagency request for information (RFI) seeks stakeholder input on the effectiveness of existing reporting and disclosure requirements for retirement plans under ERISA and the Internal Revenue Code (IRC). Section 319 of the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) charges the Treasury Department, Department of Labor (DOL), and Pension Benefit Guaranty Corp. (PBGC) with reviewing these requirements and providing findings and recommendations to Congress by Dec. 29, 2025.</p>
Resources	<p><a href="mailto:margeret.berger@mercero.com">margeret.berger@mercero.com</a> and <a href="mailto:matthew.calloway@mercero.com">matthew.calloway@mercero.com</a></p> <p><a href="#">GRIST</a>, Feb. 14, 2024</p>

US	
Status	 Effective on March 11, 2024
Development	<p><b>Career — Health</b></p> <p><b>Final rule issued to determine independent contractor vs. employee status</b></p> <p>On Jan. 9, 2024, the Department of Labor (DOL) announced a final rule that revises how to determine if an individual is an independent contractor or an employee entitled to minimum wage, overtime and other protections under the federal Fair Labor Standards Act (FLSA). The final rule rescinds the 2021 rule issued by the Trump administration that made it easier to achieve independent contractor status and aligns the DOL's approach with longstanding judicial precedent. The final rule will be effective on March 11, 2024 and is similar to the proposed rule issued in October 2022.</p> <p>The rule restores the multifactor, totality-of-the-circumstances analysis, in which the factors do not have a predetermined weight and are considered in view of the economic reality of the whole activity. Under the economic reality test, the consideration is whether workers are either economically dependent on the employer for work (employees) or are in business for themselves (independent contractors). The six economic reality factors to consider include: opportunity for profit or loss depending on managerial skill; investments by the worker and the potential employer; degree of permanence of the work relationship; nature and degree of control; extent to which the work performed is an integral part of the potential employer's business; and workers' skill and initiative.</p> <p>Additional factors may also be considered if they are relevant to the overall question of economic dependence.</p> <p>The Chamber of Commerce (among other organizations) opposes the rule saying that it is "clearly biased towards declaring most independent contractors as employees" and is considering a legal challenge. Some companies (like those in the ride-share, construction, trucking and other industries) were concerned about the rule's effect on their businesses, but the changes do not appear to be as significant as anticipated. For example, Uber said in a statement that "[t]his rule does not materially change the law under which we operate" and noted that "DOL officials have repeatedly stressed that the rule is intended to address misclassification of workers in traditional industries, and that it is unlikely to result in any large-scale classification changes."</p> <p>While the rule establishes the DOL Wage and Hour Division standards, it is not binding on courts, or on most other laws/rules that address misclassification, such as the ACA employer shared responsibility, the Internal Revenue Code, ERISA, and the National Labor Relations Act. However, employers typically do not make separate determinations under each law, so this final rule may become the baseline determination. In June 2023, The National Labor Relations Board also modified its independent contractor standard, returning to the 2014 standard. The federal FMLA uses the FLSA definition of employee, so the rule would be applied.</p>
Resources	<p><a href="#">Roundup: Employer resources on DOL's final independent contractor rule</a> (Mercer, regularly updated) <a href="#">US Department of Labor announces final rule on classifying workers as employees or independent contractors under the Fair Labor Standards Act</a> (DOL, Jan. 9, 2024); <a href="#">Employee or independent contractor classification under the Fair Labor Standards Act</a> (Federal Register, Jan. 10, 2024) and <a href="#">Frequently asked questions — Final rule: Employee or independent contractor classification under the FLSA</a> (Wage and Hour Division, Jan. 10, 2024)</p>

## US

### Status



Comments can be submitted until April 1, 2024. Guidance and rule are currently effective.

### Development

#### Career


##### Federal contractors face pay transparency requirements



The White House has announced equal pay measures that will apply to federal contractors and the federal workforce. Highlights include:



- The Federal Acquisition Regulatory Council has issued a proposal to prohibit federal contractors and subcontractors from seeking and considering information about job applicants' compensation history when hiring or setting pay for personnel working on or in connection with a government contract. In addition, the proposal would require federal contractors and subcontractors to disclose expected salary ranges in job postings. Comments can be submitted until April 1, 2024.
- The Department of Labor's Office of Federal Contract Compliance Programs has issued guidance clarifying existing protections against discrimination in hiring or pay decisions. The new guidance is intended to help federal contractors understand when reliance on an individual's compensation history for hiring or pay decisions may result in unlawful discrimination.
- The Office of Personnel Management (OPM) has issued a final rule ensuring that more than 80 federal agencies will no longer consider an individual's current or past pay when determining the salaries of federal employees.

### Resources

[Fact sheet: Biden-Harris administration announces new actions to advance pay equity on the 15<sup>th</sup> anniversary of the Lilly Ledbetter Fair Pay Act](#) (The White House, Jan. 29, 2024); [Statement from President Joe Biden on the 15th anniversary of the Lilly Ledbetter Fair Pay Act](#) (The White House, Jan. 29, 2024); [regulation: pay equity and transparency in federal contracting](#) (Federal register, Jan. 30, 2024); [Frequently asked questions on compensation history](#) (Department of Labor, Jan. 30, 2024) and [Release: OPM finalizes regulation to prohibit use of nonfederal salary history](#) (OPM, Jan. 29, 2024)

US	
Status	 Effective dates vary.
Development	<p><b>Wealth</b></p> <p><b>User's guide to SECURE 2.0</b></p> <p>A dizzying array of legislation affecting defined contribution (DC) and defined benefit (DB) plans became law on Dec. 29, 2022, as part of a fiscal 2023 government spending package. Capping several years of congressional effort, the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328) is intended to build on changes made by the Setting Every Community Up for Retirement Enhancement (SECURE) Act of 2019 (Div. O of Pub. L. No. 116-94).</p> <p>Navigating SECURE 2.0 is a formidable challenge. The statute consists of 120 pages of text and 90 individual sections — with no table of contents. To help employers and plan sponsors understand the legislation's implications, this guide provides a high-level summary of SECURE 2.0 provisions grouped topically — as outlined in the preceding table of contents — including separate treatment of provisions specific to DC and DB plans.</p> <p>The six tables in this guide describe statutory changes and their effective dates, identify whether the changes are mandatory or optional for employers, and provide initial observations, including implementation challenges for which agency guidance would be helpful. The act also includes several apparent drafting errors for which Congress intends to introduce technical corrections legislation. Those errors are noted in the relevant sections of the guide.</p> <p>This guide doesn't address SECURE 2.0's employee stock ownership plan (ESOP) provisions and a handful of other nonbenefit-related provisions. When referring to the original SECURE Act, this guide uses the term "SECURE 1.0" to avoid any confusion between the laws.</p> <p>This guide will be updated periodically to reflect additional information and guidance.</p>
Resources	<p><a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a>; <a href="mailto:matthew.calloway@mercer.com">matthew.calloway@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a></p> <p><a href="#">User's guide to SECURE 2.0</a> (periodically updated)</p>

US	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career — Health</b></p> <p><b>Transportation plans offer valued benefits, but pose compliance issues</b></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><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:cheryl.hughes@mercer.com">cheryl.hughes@mercer.com</a></p> <p><a href="#">GRIST</a>, regularly updated</p>
US	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer resources on noncompete restrictions</b></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	<a href="#">Roundup</a> , regularly updated

US	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Roundup: Employer DEI resources after SCOTUS’ ruling on affirmative action</b></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	<a href="#">Roundup</a> , regularly updated
US — States	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Wealth</b></p> <p><b>Resources for tracking state and local retirement initiatives</b></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	<a href="mailto:margaret.berger@mercer.com">margaret.berger@mercer.com</a> and <a href="mailto:brian.kearney@mercer.com">brian.kearney@mercer.com</a> <a href="#">GRIST</a> , regularly updated

**US — States****Status****Effective dates vary.****Development****Career****Roundup: Employer resources on states' recent equal pay laws**

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.

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 acted, but they are generally beyond the scope of this roundup.

**Resources**[Roundup](#), regularly updated**US — States****Status****Effective dates vary.****Development****Career****Roundup: Employer resources on states' recreational marijuana laws**

Twenty-four 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.

**Resources**[Roundup](#), regularly updated




**US — States****Status****Effective dates vary.****Development****Career****Roundup: Employer resources on minimum wage increases**



Beginning Jan. 1, 2024, the Executive Order 14026 minimum wage rate for federal contracts will increase to \$17.20/hour — up from \$16.20/hour in 2023. This minimum wage rate will apply to nontipped and tipped employees alike, as this executive order eliminated the lower cash wage that contractors may pay tipped employees. Several states have also acted 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 analysis, news articles and viewpoints.


**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 during the last session of Congress — but was not enacted. Many 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, third-party analysis, news articles and viewpoints.


**Resources**[Roundup](#), regularly updated


US	
Status	 Proposal
Development	<b>Career</b> <b>Roundup: Employer resources on Department of Labor’s proposed expansion of overtime protections</b> 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 websites, third-party resources, news articles and viewpoints.
Resources	<u><a href="#">Roundup</a></u> (Mercer, regularly updated)


US — California	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>PrEP/PEP insurance coverage expanded</b></p> <p>A California law (SB 339) amends sections of the Health and Safety Code and Insurance Code — applicable to managed care plans (including HMOs) and insured plans, respectively — to require coverage of prescription preexposure prophylaxis (PrEP) and postexposure prophylaxis (PEP) drugs furnished by a pharmacy.</p> <p>Previously, coverage was limited to a 60-day supply every two years of PrEP medications. Coverage is required for in-network and out-of-network pharmacies and must include any needed pharmacist services and related testing. The law took immediate effect when Governor Gavin Newsom signed on Feb. 6.</p> <p>California generally does not apply its insurance laws on an extraterritorial basis to fully insured plans issued in another state, as long as both an employer’s principal place of business and a majority of employees are located outside of California. The law does not affect self-funded plans.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">SB 339</a> (Legislature)</p>
US — Michigan (previously covered, now effective)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>“Right to work” law repealed</b></p> <p>Michigan is the first state in decades to repeal its “right-to-work” law that allows employees in unionized workplaces to opt-out of paying union dues and fees, even if the union represents them in negotiations. Signed by the governor on March 24, 2023, SB34 took effect on Feb. 13, 2024. Highlights include:</p> <ul style="list-style-type: none"> <li>• Private sector workers in unionized workplaces could be contractually required to join the union or pay dues or agency fees for workers who object to funding union activities unrelated to collective bargaining and grievance matters.</li> <li>• No law or policy can “prohibit or limit an agreement that requires all bargaining unit employees, as a condition of continued employment, to pay to the labor organization membership dues or service fees.”</li> </ul> <p>Twenty-six states still have right to work laws.</p>
Resources	<p><a href="#">SB 0034</a> (Legislature, March 24, 2023) and <a href="#">Union members in Michigan — 2022</a> (Bureau of Labor Statistics)</p>

US — Minnesota — St. Paul (new)	
Status	 Currently effective
Development	<div><div>Career — Health</div><div><div>Revised sick time ordinance clarified</div><div>St. Paul’s Department of Human Rights and Equal Economic Opportunity (HREEO) recently issued final rules clarifying its amended Earned Sick and Safe Time (ESST) ordinance, enacted last October and now in effect. The ordinance was revised primarily to align with the state’s ESST law, which took effect on the same day. The rules cover 21 topics. Highlights include:</div><div><ul style="list-style-type: none"><li>• Accrual. Travel time before and after work does not count. Accrual is based only on actual hours worked; it does not include time off. It includes overtime hours for hourly employees and any paid on-call time. Salaried employees accrue ESST based on their expected hours of work (capped at 40 per week).</li><li>• Eligibility. Employees are eligible if they work from home at least 80 hours per year within the city limits or if the employer is located within city limits.</li><li>• Frontloading. Employers may choose carryover or frontloading for different job classifications but must use the same method for all frontloaded employees. If an employer switches from carryover to frontloading (or vice versa), affected employees must have at least as many ESST hours available on the first day of the new year as they did on the last day of the prior year.</li><li>• Usage. Employers can prohibit use of ESST if an employee is suspended or on leave for disciplinary reasons.</li><li>• Payments. The rules include calculations for workers paid on a piecework basis.</li><li>• Employee notice. Employees are deemed to provide notice when the reason is within ESST’s scope, without explicitly referencing the ordinance or mentioning ESST. Employees need not disclose the specific nature of the illness or specific reason as long as the reason is permitted by the ordinance.</li><li>• Employer notice. The rules detail nine required content items for the employer notice, provided upon hire. A poster is also required.</li><li>• Recordkeeping. The rules require retention of 13 items for a minimum of three years.</li></ul></div><div>More information, including the poster, is available on the HREEO webpage.</div></div></div>
Resources	<div><div><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></div><div><a href="#">Final rules</a> (St. Paul Human Rights &amp; Equal Economic Opportunity, Jan. 8, 2024) and <a href="#">Ordinance</a> (Government, Oct. 18, 2023)</div></div>


US — New York (previously covered, soon to be effective)	
Status	 Effective March 13, 2024
Development	<p><b>Career</b></p> <p><b>Wage payment salary threshold for exempt employees to increase</b></p> <p>From Mar. 13, 2024, the weekly salary threshold for exempting executive, administrative and professional employees from New York’s state wage payment laws will increase to \$1,300, up from \$900. The measures are included in SB 5572, signed by the governor on Sept. 15, 2023, and will expand the number of employees who can submit wage claims to the State Department of Labor.</p> <p>Executive, administrative and professional employees are exempt from state laws regulating direct deposit and pay frequency, and they cannot file wage claims with the state’s labor standards division. However, nonexempt employees who do not meet the weekly salary threshold are subject to state law that sets out the frequency of pay and requires employees’ consent for direct deposits. Employers must also use permitted methods for making payments and comply with their policies on expense reimbursement, employee benefits, vacation, severance, and holiday pay.</p> <p>This salary threshold differs from the salary threshold for exemption from state minimum wage and overtime pay laws that requires, executive administrative employees must earn a weekly salary at least 75 times the state minimum wage, or \$1,125 or \$1,065 depending on the employer’s location. The salary threshold for exempt professional employees is \$684 per week — the federal salary threshold.</p>
Resources	<a href="#">SB 5772</a> (Legislature, Sept. 15, 2023)
US — South Dakota (new)	
Status	 Effective July 1, 2024
Development	<p><b>Health</b></p> <p><b>Telehealth law enacted</b></p> <p>With the enactment of 2023 HB 1107, South Dakota becomes the 39th state (plus Washington, DC) to join the Psychology Interjurisdictional Compact (PSYPACT), an interstate compact between states, facilitating the practice of mental health services across state boundaries.</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">HB 1017</a> (Legislature, Feb. 13, 2024)</p>

US — Vermont (previously covered, extension ending soon)	
Status	 Generally extended until March 31, 2024
Development	<p><b>Health</b></p> <p><b>Expiration date for several health-related provisions extended</b></p> <p>Vermont extended certain COVID-19 expiration dates, such as:</p> <ul style="list-style-type: none"><li>• Compliance with HIPAA rules related to telehealth services (including dental)</li><li>• Temporary registration of out-of-state health care professionals for telehealth purposes (June 30, 2023 expiration date was removed altogether)</li><li>• Allowance and temporary licensing of out-of-state health care professionals to provide services (including mental health) to state residents</li><li>• Any emergency rule-making related to insurance cost sharing.</li></ul>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">HB 411</a> (Legislature, March 29, 2023)</p>

US — Virginia (new)	
Status	 Proposal
Development	<p><b>Career — Health</b></p> <p><b>Paid family medical leave bill advances</b></p> <p>Virginia’s SB 373, a comprehensive paid family and medical leave (PFML) bill, passed the state House on Feb. 26 on a 50-46 vote and appears headed to Governor Glenn Youngkin, who has not publicly stated whether he will sign or veto the bill. Governor Glenn Youngkin has not publicly expressed an opinion on the bill. A similar proposal died in the House last year. If enacted, the bill would replace Virginia’s current optional paid family leave insurance program with a law that would include these features:</p> <ul style="list-style-type: none"><li>• Contributions starting on Jan. 1, 2026 and benefits starting a year later</li><li>• Employer/employee contributions determined by the Virginia Employment Commission</li><li>• Benefits equal to 80% of an employee's average weekly wage, capped at 80% of the state average weekly wage</li><li>• Maximum duration of 12 weeks per application year</li><li>• Applicable to all employers (other than the state government) who employed at least one employee who earned \$1,500 in the current or prior calendar year or who employed at least one employer for 20 weeks in the current or prior calendar year</li><li>• A “family member” definition that does not include designated individuals</li><li>• A private plan option</li></ul> <p>The governor has seven days to sign the bill after it has been officially sent to him or else the bill becomes law. If the bill is not sent until after the legislature adjourns (expected during the week of March 4), then the deadline is extended to 30 days</p>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">SB 373 (Legislature)</a></p>

US — Washington (previously covered, soon to be effective)	
Status	 Most provisions will take effect March 31, 2024 (June 30, 2024 for certain small businesses).
Development	<p><b>Health</b></p> <p><b>New health data privacy law enacted but excludes federally protected health information</b></p> <p>Washington has enacted the My Health My Data Act (2023 Ch. 191, HB 1155), a comprehensive law designed to protect consumer health data. However, the law does not extend to protected health information used and disclosed by covered entities (including health plans) and business associates under the Health Insurance Portability and Accountability Act (HIPAA). The law protects state residents and others whose consumer health data is collected in Washington. The law applies to entities doing business in Washington but exempts government agencies and tribal nations. Requirements include:</p> <ul style="list-style-type: none"><li>• Entities must obtain an individual’s opt-in consent to collect or share consumer health data; unauthorized sale on that data is banned.</li><li>• Consumers have the right to request deletion of their data</li><li>• Entities cannot use “geofencing,” a technology employing a global positioning system (GPS) to establish a virtual boundary around a physical location for targeted advertising.</li><li>• Entities must publish a detailed privacy policy.</li></ul>
Resources	<p><a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a></p> <p><a href="#">Ch. 191, HB 1155</a> (Legislature, April 27, 2023)</p>



US — Washington, DC (new)	
Status	 Currently effective
Development	<p><b>Health</b></p> <p><b>Prior authorization restrictions enacted</b></p> <p>A new law (2023 Act 25-0100, B25-0124) sets restrictions on when fully insured plans may impose prior authorization. Highlights include:</p> <ul style="list-style-type: none"><li>• Explicit timelines for insurers to respond to prior authorization requests and appeals</li><li>• Qualification requirements for personnel that make determinations</li><li>• Standards for providing information on prior authorization determinations to patients and their medical providers</li><li>• Prohibition against prior authorization for a treatment based solely on cost</li><li>• Notice requirements for employers related to covered medications and treatments.</li></ul> <p>With the expiration of the mandatory Congressional Review period and publication in the DC Register on Feb. 16, the law took effect on Jan. 17. 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 ERISA plans.</p>
Resources	<p><a href="mailto:rich.glass@mercercor.com">rich.glass@mercercor.com</a></p> <p><a href="#">2023 Act 25-0100</a> (Legislature, Feb. 16, 2024 (Legislature))</p>
US (previously covered, with upcoming effective dates)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"><li>• <a href="#">Fast food workers to earn \$20/hour minimum wage in California</a> — key date: April 2024</li><li>• <a href="#">Minimum hourly wage for healthcare workers will gradually increase to \$25/hour in California</a> — key date: June 2024</li><li>• <a href="#">Law bans age-related inquiries during hiring process in Colorado</a> — key date: July 1, 2024</li><li>• <a href="#">Two-tier minimum wage system to be eliminated in Nevada</a> — key date: July 1, 2024</li><li>• <a href="#">Obligations imposed on employers who use freelancers in New York</a> — key date: May 20, 2024</li><li>• <a href="#">Employers will need to provide notice of workers' bill of rights in New York City</a> — July 1, 2024</li><li>• <a href="#">Law requiring pay transparency in job postings enacted in Illinois</a> — key date: Jan. 1, 2025</li><li>• <a href="#">Hourly minimum wage to increase to \$18 in Hawaii</a> — key date: Jan. 1, 2026</li></ul>

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

### Development

#### Career — Health

- [Temporary workers' equal pay law delayed in Illinois](#) — key date: April 1, 2024
- [New unpaid child bereavement leave law enacted in Illinois](#) — key date: June 1, 2024
- [Employers need to develop workplace violence prevention plans in California](#) — key date: July 1, 2024
- [Effective date of paid sick and safe leave law delayed in Chicago, Illinois](#) — key date: July 1, 2024
- [Paid family medical leave contribution rate announced in Maryland](#) — key date: October 2024
- [Paid family and medical leave mandated in Minnesota](#) — key date: Jan. 1, 2026
- [Pay range disclosure required in job ads, salary history inquiries banned in Washington, DC](#) — key date: June 30, 2024

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

### Development

#### Health

- [Paid family and medical leave revised in Maryland](#) — key date: Oct. 1, 2024
- [Health insurance restrictions enacted in Connecticut](#) — July 1, 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
- [Fertility coverage mandate expanded in New Jersey](#) — key date: Aug. 1, 2024
- [Telehealth parity requirement extended in New Jersey](#) — key date: Dec. 31, 2024
- [High-deductible health plan COVID-19 testing preeductible flexibility ends](#) — key date: Jan 1, 2025
- [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
- [Law requires a unified healthcare financing system study in California](#) — 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
- [Telehealth law effective for existing plans in Louisiana](#) — key date: Jan. 1, 2025
- [Medically necessary fertility preservation law effective in Louisiana](#) — earlier of renewal or Jan. 1, 2025
- [Prescription cost-sharing limits law enacted in Minnesota](#) — key date: Jan. 1, 2025
- [Ancillary plan exception finalized in New Mexico](#) — 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
- [Insulin cost-sharing law enacted in Illinois](#) — key date: July 1, 2025
- [Data protection law enacted in Tennessee](#) — key date: July 1, 2025
- [Law applies balance billing restrictions to ground ambulance providers in Texas](#) — key date: Expires Sept. 1, 2025
- [Telehealth law to expire in Hawaii](#) — key date: Dec. 31, 2025
- [Paid family and medical leave law enacted in Minnesota](#) — key date: Jan. 1, 2026
- [State-based exchange delivery to change in Oregon](#) — key date: Nov. 1, 2026


### Development


#### Wealth

- [Eagerly awaited defined benefit 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	 <b>Compliance will be enforced after July 1, 2024</b>
Development	<p><b>Wealth</b></p> <p><b>Guidance on claiming reduced input tax credits issued</b></p> <p>The Australian Taxation Office (ATO) issued guidance for super funds and Investor-Directed Portfolio Service (IDPS) investment platforms about their eligibility to claim Reduced Input Tax Credits (RITCs) on adviser fees. On 1 Feb. 2024, the ATO announced that it will not devote compliance resources to review RITC claims for adviser services fees paid under certain arrangements for tax periods that end before July 1, 2024 — this is postponed from April 1, 2024.</p> <p>The guidance addresses arrangements that have certain specified characteristics, and which the ATO considers are common in the industry. They include arrangements where a member or investor engages a financial adviser to provide personal advice relating to their interest (or potential interest) in the fund, and the fund pays the adviser services fees by deducting the amount from the individual's fund account.</p> <p>In the specified circumstances, the ATO considers that the fund is not eligible to claim RITCs for goods and services tax paid on the adviser services fees because the fund is not the recipient of a supply for which the fees are consideration. The guidance says entitlement to RITCs will depend on a fund's particular circumstances.</p> <p>Funds should review their current contractual arrangements and ensure greater transparency between advisers, members and funds. The ATO recognizes that private advice it has previously provided may have contributed to some funds considering they could claim RITCs for adviser services.</p>
Resources	<p><a href="mailto:paul.shallue@mercero.com">paul.shallue@mercero.com</a></p> <p><a href="#">Eligibility of super funds and investor-directed portfolio services investment platforms to claim reduced input tax credits on adviser fees</a> (ATO, Feb. 1, 2024)</p>

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Digital statutory declarations allowed</b></p> <p>Super funds must prepare to receive digital statutory declarations following the Government’s announcement that Australians can now create a Commonwealth statutory declaration in a new end-to-end digital process in myGov, without needing an approved witness.</p> <p>The new myGov digital statutory declaration uses the Australian Government’s Digital ID to verify the identification of the person making the declaration. Digital declarations also include a unique QR code which can be scanned using the myGov app scanner, giving organisations the option to check the authenticity of the document they’ve received by comparing the text and details on the QR code page with the declaration received.</p> <p>This means Australians can now complete a Commonwealth statutory declaration in three equally valid and legally effective forms:</p> <ul style="list-style-type: none"><li>• Through the myGov platform and myGov ID Digital ID</li><li>• Digitally using electronic signatures and video-link witnessing</li><li>• Paper-based method</li></ul> <p>The new myGov statutory declarations facility follows the Statutory Declaration Amendment Act 2023 (the Act) that came into effect on Jan. 1, 2024.</p> <p>The Act includes safeguards to protect against fraud and misuse of personal information. It includes a range of provisions to ensure transparency and accountability, and a requirement for approved online platforms and identity services to demonstrate that they comply with privacy laws and have robust fraud and security arrangements. It also prohibits approved online platforms from retaining copies of statutory declarations, noting that they can hold particularly sensitive personal information.</p>
Resources	<p><a href="mailto:paul.shallue@mercercorp.com">paul.shallue@mercercorp.com</a></p> <p><a href="#">Digital statutory declarations now available in myGov</a> (Attorney General, Feb. 12, 2024) and <a href="#">Statutory Declaration Amendment Act 2023</a> (Legislature, Nov. 17, 2023)</p>

Australia (new)	
Status	 <b>Proposal</b>
Development	<p><b>Wealth</b></p> <p><b>Changes proposed to Treasury Portfolio Law</b></p> <p>The government proposed draft miscellaneous amendments that aim to correct technical or drafting defects, and address unintended outcomes, to ensure that the Treasury Portfolio law operates as intended. Comments closed on Feb. 12. Highlights include:</p> <ul style="list-style-type: none"> <li>• Amendment of the default insurance conditions in sections 68AAB and 68AAC of the Superannuation Industry (Supervision) Act (SIS Act) to ensure all members' insurance can be automatically maintained following a successor fund transfer.</li> <li>• Clarifying changes to the provisions requiring actuaries and auditors to report to the Australian Prudential Regulation Authority if they consider that a fund is in an unsatisfactory financial position.</li> <li>• Removal of references to "annual report" and their replacement of the reference with "fund information" (section 106 of the SIS Act).</li> </ul>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Miscellaneous amendments to Treasury Portfolio Laws 2024</a> (The Treasury, Jan. 30, 2024)</p>
Australia (new)	
Status	 <b>Consultation closed on Feb. 27, 2024</b>
Development	<p><b>Wealth</b></p> <p><b>Consultation on increased flexibility for advisers' approved degrees</b></p> <p>The Treasury released a consultation on draft legislation that would provide financial advisers with greater flexibility to demonstrate that they fulfil the conditions of an approved degree. The draft legislation would amend the Corporations (Relevant Providers Degrees, Education and Training Standards) Determination 2021. Comments are invited through Feb. 27, 2024. Highlights include:</p> <ul style="list-style-type: none"> <li>• Financial advisers could demonstrate they fulfil the conditions of an approved degree/qualification via an academic transcript(s) issued by the provider of the approved degree, and/or a statement(s) issued by the provider of the approved degree confirming that the person met the required conditions.</li> <li>• Changes to transitional arrangements for tax (financial) advisers. An adviser would meet the educational requirements to be a qualified tax relevant provider if they are registered with the Tax Practitioners Board or have a registration application pending before Jan. 1, 2022.</li> </ul>
Resources	<p><a href="mailto:paul.shallue@mercer.com">paul.shallue@mercer.com</a></p> <p><a href="#">Financial advisers — amendments to certain legislative instruments</a> (The Treasury, Jan. 30, 2024)</p>

## Australia (previously covered, with upcoming effective dates)

### Development

#### Career


- [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

- [Some provisions to strengthen work incentives for pensioners now effective](#) — key date: July 1, 2024
- [New operational risk management standard to apply](#) — key date: July 1, 2025
- [Extension of superannuation disclosure relief confirmed](#) — key date: Jan. 1, 2026

China (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Health</b></p> <p><b>Guidelines to improve employment protection of platform workers issued</b></p> <p>Guidelines that aim to improve the protection of platform workers, such as those working in ride-hailing, transport, food delivery and home services, were published on Feb. 23, 2024 by the Ministry of Human Resources and Social Security. The guidelines interpret the application of current labor laws to platform workers, and regional authorities are expected to promote them to platform enterprises. The government estimates that around 84 million workers are engaged in new types of employment, including platform work. Highlights include:</p> <ul style="list-style-type: none"> <li>Platform enterprises must disclose their systems for order allocation; remuneration and payment (including piece rate payments, commission, payment cycle and method); working hours and rest (including task completion time limits); occupational health and safety; service specifications and other rules and contracts directly related to the basic rights and interests of platform workers; and the use of algorithms and rules concerning workers entering and exiting the platform; order allocation rules; establish regular communication methods; and, establish internal labor mediation and grievance procedures, etc.</li> <li>Working time must be organized to take account of the specific characteristics of platform work and avoid overwork. working time must also be properly recorded to allow platform workers to examine full records of time worked.</li> </ul> <p>Organizations must consult with workers' representatives and/or labor unions about working time arrangements that are applicable to the particular type of platform work, as well as changes to labor rules.</p> <ul style="list-style-type: none"> <li>Platform workers have the right to join labor unions, and unions are encouraged to recruit such workers to their membership.</li> <li>Labor unions can supervise platform enterprises with regard to employment matters and have the right to provide opinions and to require correction.</li> </ul> <p>Platform workers in an employment dispute with a platform enterprise can apply to the People's Mediation Committee for binding mediation and also complain to the regional employment and social security authorities.</p>
Resources	<a href="#">Guidelines</a> (Chinese) (Government, Feb. 23, 2023)
China (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li><a href="#">Preferential taxation policy for expatriates expanded</a> — key date: Dec. 31, 2027</li> <li><a href="#">Preferential taxation policy for annual one-time bonus extended</a> — key date: Dec. 31, 2027</li> </ul>



### 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

#### Career

- [Employers' notification of employment terms to change](#) — key date: April 1, 2024

#### 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 (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>National Wages Council guidelines accepted</b></p> <p>The Singapore Government has accepted the National Wages Council (NWC) Guidelines for 2023/2024 applicable from Dec. 1, 2023 until Nov. 30, 2024. The guidelines apply to all employees at all job levels, and to those employed in unionized and nonunionized firms and in both the public and private sectors. They include recommended wage increases, differentiated by the employers' performance, and their business prospects. Highlights:</p> <ul style="list-style-type: none"> <li>• Employers should “reward employees with wage increases that are fair and sustainable: built-in wage increases should be given in line with firms' business prospects, while variable payments should reflect firms' performance and workers' contributions.”</li> <li>• Employers should consider giving a one-off special lump sum payment to employees, with more help given to lower-to middle-income employees. This should be done through mutual agreement between employers and the union in unionized companies.</li> <li>• The NWC urges employers to improve the wages of lower-wage workers, and the NWC suggests pay increases of 5.5% – 7.5% for employees earning up to SG\$2,500 gross per month.</li> <li>• The NWC also includes the 2024–2025 schedule of Occupational Progressive Wages wage requirements for administrators and drivers that will apply from July 1, 2024 to June 30, 2026.</li> </ul>
Resources	<a href="#">Highlights of NWC's recommendations</a> (Ministry of Manpower, Oct. 31, 2023)
Singapore (previously covered with upcoming effective dates)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Legislation to combat discrimination will be issued</a> — key date: Second half of 2024</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Central Provident Fund monthly salary cap for calculating contributions increased</a> — December 2024</li> </ul>

Taiwan (previously covered, now effective)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Employee protections from sexual harassment expanded</b></p> <ul style="list-style-type: none"><li>• The protection of employees from sexual harassment has expanded, and employers now have more responsibility to prevent and address sexual harassment from March 8, 2024, under measures included in the amended Act of Gender Equality in Employment. Highlights include:</li><li>• The definition of sexual harassment includes actions that occur outside working hours or perpetrated by business associates in different business units. Sexual harassment also includes situations arising from those individuals in positions of power (such as supervisors and individuals in charge of others).</li><li>• Employers must take steps to prevent sexual harassment and ensure that employees are trained accordingly.</li><li>• Employers with 10 to 30 employees must establish, and publicize, their workplace complaints mechanism — currently, the workforce threshold is 30 for establishing this mechanism.</li><li>• Any instances of sexual harassment — including those that are not notified using the complaints mechanism — must be investigated by the employer, and corrective measures taken, including the provision of medical assistance and counselling to the complainant.</li><li>• The alleged perpetrator can be suspended or transferred to a different role, and individuals must receive back pay if the complaint is not substantiated. However, perpetrators could be terminated within 30 days because of their employer's investigation, or if the authority finds that severe sexual harassment had occurred.</li><li>• Employers must notify local authorities about any sexual harassment complaint and the outcome of employer-led investigations. Employees can lodge complaints with the labor authority if their employer does not follow the correct procedures.</li><li>• The statute of limitations for employees who are minors (younger than age 18), or who resigned from their roles, will be extended. Individuals will be allowed to file a complaint up to one year after their resignation, or 10 years after the sexual harassment ceased.</li><li>• Penalties for breaches of the law have increased to NT\$1million if the perpetrator is a person in charge and is the employer. Damages have increased by five times the previous amount. Criminal penalties also have increased to three years for perpetrators of sexual harassment.</li></ul>
Resources	<p><a href="mailto:echo.liu@mercer.com">echo.liu@mercer.com</a></p> <p><a href="#">Act of Gender Equality in Employment</a> (Chinese) (Government, July 31, 2023)</p>

# Europe, Middle East and Africa (EMEA)

## European Union (EU) (new)

Status  Proposal

### Development

#### Career

##### Proposals to strengthen transnational information and consultation rights issued


The European Commission issued proposals in January 2024 to strengthen European Works Councils (EWCs) used for informing and consulting with employee representatives about transnational issues. The measures would impact companies that already have a EWC (including legacy EWC arrangements), and new EWCs. Elections to the European Parliament in June 2024 could delay initial discussions of the proposals until later in the 2024, although this would not prevent member states from starting discussions in the Council of Ministers. Highlights:


- Exemptions for certain early EWC agreements would be deleted, allowing employee representatives to trigger negotiations for a new EWC procedure.
- EWCs negotiated between June 2009 and 2011 would have to align with the new directive.
- An expanded definition of information and consultation would apply.
- Employee representatives must be able to express their opinion on a proposed management decision, and management must provide a written reasoned response before taking its final decision.
- Management would be subject to stricter criteria when withholding information from the EWC or restricting the wider circulation of information shared with the EWC.
- The number of plenary EWC meetings under the default EWC model would increase to two per year.
- Sanctions under national laws would be expanded.
- EWC agreements would have to allow for the “reasonable costs” of experts and for legal expertise and representation to support employee representatives.
- Outside experts that support employee representatives would be allowed to participate in negotiating sessions and EWC meetings held with the company’s management.

### Resources

[fiona.webster@mercer.com](mailto:fiona.webster@mercer.com)

[Commission proposes to improve European Works Councils to strengthen transnational social dialogue](#) (European Commission, Jan. 24, 2024)

European Union (EU) (previously covered, with upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Directive on promoting statutory minimum wages finalized</a> — key date: Nov. 15, 2024</li> <li>• <a href="#">Reforms to Blue Card coming for highly skilled workers</a> — key date: Nov. 18, 2024</li> <li>• <a href="#">Law to improve gender balance on company boards approved</a> — key date: June 7, 2026</li> </ul> <p><b>Career — Health — Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">EU requires enhanced corporate sustainability disclosures</a> — key date: July 6, 2024</li> <li>• <a href="#">Sustainability reporting standards issued</a> — key date: 2025</li> </ul>
Austria (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Pension reforms encourage longer working lives</b></p> <p>Reforms aimed at encouraging Austrians to remain longer in work and defer claiming their old-age pension benefits took effect on Jan. 1, 2024. Highlights:</p> <ul style="list-style-type: none"> <li>• For individuals who defer their pensions after the normal retirement age, the pension bonus for each year increased to 5.1%, up from 4.2%. The bonus will only be paid for three years — a total of 15.3%. The current normal retirement age is 60.5 for women and 65 for men but is slated to increase to age 65 by 2033 for women.</li> <li>• Individuals who reach retirement age and continue to work and defer claiming their pension are exempt from paying employee contributions on the first €1,037 of their monthly salary for up to two years. However, employers must continue to pay contributions (12.5% of the monthly covered payroll).</li> <li>• Employers must inform their employees about these changes and their impact on pensions.</li> </ul>
Resources	<p><a href="#">Information on the reforms</a> (German) (Government, Dec. 13, 2023)</p>

Bahrain (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career — Wealth</b></p> <p><b>Changes related to end-of-service gratuity scheme now effective</b></p> <p>Changes to Bahrain's end-of-service gratuity system took effect on March 1, 2024. The measures are included in Resolution (109) of 2023 (Arabic) and further clarification of the new rules is expected. Highlights include:</p> <ul style="list-style-type: none"> <li>• Employers are required to remit end-of-service entitlement contributions on a monthly basis — they have a grace period of one month from March 1, 2024 to submit data to the Social Insurance Organization (SIO) data on the wages of their insured workers, including their non-Bahraini workers.</li> <li>• Employers must pay the gratuity contributions within 15 days of the start of each month. Interest and penalties will apply for late or nonpayment of contributions.</li> <li>• The contributions amounts remain unchanged (4.2% of the worker's annual salary for each of the first three years of employment, and 8.4% for subsequent years until termination).</li> <li>• Going forward, workers will have to apply to the SIO on termination of their job for their gratuity payment whereas currently, employers pay the gratuity on termination.</li> </ul>
Resources	<p><a href="mailto:shakir.pangat@marsh.com">shakir.pangat@marsh.com</a></p> <p><a href="#">Resolution (109) of 2023 (Arabic) (SIO)</a></p>
Belgium (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Blue- and white-collar pension harmonization postponed</a> — key date: Jan. 1, 2027</li> <li>• <a href="#">Federal government agrees on pension reforms</a> — key date: Jan. 1, 2028</li> </ul>

**Channel Islands — Guernsey (new)****Status**  **Currently effective****Development****Career — Health****Employer-provided benefits tax exemption guidance issued**

An ordinance about the tax exemption of employer-provided benefits related to employee transportation in Guernsey was published on Feb. 22, 2024, and took effect on March 1, 2024. Tax-exemption applies to bus passes and bicycles (including e-bicycles) used by employees to travel to work, and the payment of mileage allowances to employees who use their bicycles for work purposes. The government also issued an explanatory guide on benefits-in-kind (including new rates and scales for employees and managers, benefits that are exempt and taxable, the valuation of benefits and the reimbursement and treatment of partial-year benefits), and a guide for employers on taxes and contributions.

**Resources**

[Income tax \(exemption of benefits\) \(amendment\) ordinance, 2024](#) (Government); [Benefits in kind — An explanatory guide \(updated for 2024\)](#) (Revenue Service) and [Guidance for employers](#) (Revenue Service, February 2024)

**Channel Islands — Guernsey (previously covered, with upcoming effective date)****Development****Wealth**

- [Rollout of secondary pension scheme requirements in 2024](#) — key date: July 2024

**Denmark (new)****Status**  **Currently effective****Development****Career****A public holiday abolished from 2024**


From 2024, Denmark has abolished a public holiday — the Great Prayer Day — that is scheduled for the fourth Friday after Easter. Going forward, it will be a normal working day, and employees who are paid monthly will instead receive a fixed supplement of 0.45% of their annual salary. The supplement accrues from Jan. 1, 2024, and it will be prorated for employees terminated during the year. It must be paid either as part of the normal monthly salary, or in May or August.

**Resources**


[Announcement](#) (Danish) (Government, Feb. 28, 2024)


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


- [Additional employment deduction to be implemented](#) — key date: Jan. 1, 2025



France (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li><a href="#">Mandatory profit-sharing measures expanded</a> — key date: July 2024</li> <li><a href="#">New gender quotas imposed for senior execs/management teams</a> — key date: March 1, 2026</li> </ul>
Germany (previously covered, with upcoming effective date)	
Development	<b>Career — Health</b> <ul style="list-style-type: none"> <li><a href="#">Parental allowance eligibility reduced</a> — key date: April 1, 2024</li> </ul>
Greece (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Same-sex civil marriage law enacted</b> Parliament approved a bill on Feb. 15, 2024 that allows same-sex civil marriage and same-sex couples to adopt children. The law also includes changes to align employment legislation with the new right, including the extension of benefits to same-sex spouses and parents, and the protection of individuals against discrimination.
Resources	<a href="mailto:spyridon.spyrakos@marsh.com">spyridon.spyrakos@marsh.com</a> <a href="#">Law No 5089 (Greek) (Government, Feb. 16, 2024)</a>
Hungary (previously covered, with upcoming effective date)	
Development	<b>Wealth</b> <ul style="list-style-type: none"> <li><a href="#">Medical suitability assessments no longer required</a> — key date: Sept. 1, 2024</li> </ul>



Italy (new)	
Status	 Currently effective
Development	<p><b>Career — Health</b></p> <p><b>2024 budget includes employment measures</b></p> <p>Several employment measures are featured in the State Budget 2024 and took effect on Jan. 1, 2024. Highlights:</p> <ul style="list-style-type: none"> <li>• For 2024, the parental leave allowance increased to 80% of salary, capped at two months. From 2025, the parental leave allowance will increase to 80% for one month, with the second month paid at 60%. Employees who have completed their maternity leave after Dec. 31, 2023 are eligible for the leave, and the two months of leave may be taken by both parents for children up to age six years.</li> <li>• The early retirement scheme — “Quota 103” — will continue through 2024. It is open to individuals aged 62 as of Dec. 31, 2024, subject to having 41 years or more of pension contributions by December 2024.</li> <li>• The early pension allowance (‘APE Sociale’) will continue through 2024 for individuals aged 63 years and five months (up from 63), and who meet other eligibility criteria.</li> <li>• Women can take early retirement at 61 years (‘Opzione Donna’), subject to having 35 years of pension contributions.</li> <li>• Employers will be exempt from social security contributions (capped at €8,000) if they hire unemployed women who have been abused and are registered in the government’s program (‘Reddito di Libertà’). The scheme is open from 2024 through 2026, and the exemption applies for 24 months in the case of permanent hires, and 12 months for individuals hired on a fixed-term contract (or 18 months if converted into a permanent contract).</li> <li>• For 2024, the fringe benefit cap is €1,000 for employees without dependent children, and €2,000 for employees with dependent children. Fringe benefits are excluded from income calculations, and they include utility costs paid for, or reimbursed by, employers; rent or mortgage interest payment for an employee’s first home; and the value of goods sold and services provided to employees.</li> <li>• From Jan. 1, 2024, to Dec. 31, 2026, a 100% contribution waiver applies to mothers who have three or more children (under age 18) and are hired on a permanent contract. The amount is capped at €3,000 per year, and €250 per month. For 2024 only, the contribution waiver also applies to mothers of two children (under age 10).</li> </ul>
Resources	<p><a href="mailto:ilaria.salvini@merceracademy.com">ilaria.salvini@merceracademy.com</a></p> <p><a href="#">Budget 2024</a> (Italian) (Government, Jan. 2, 2024)</p>

Italy (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>Eligibility criteria for expatriate tax regime tightened</b></p> <p>Changes to Italy's expatriate tax regime took effect on Jan. 1, 2024, reducing the amount of tax relief available to eligible expatriate employees, and restricting the scheme to highly qualified or specialized individuals. Employers should assess the eligibility of inter-company transfers and other expatriate employees to ensure they fulfill the new eligibility criteria. Highlights include:</p> <ul style="list-style-type: none"> <li>• Individuals who were not a tax resident Italy during the three years immediately prior to their transfer will be eligible for the tax relief scheme, subject to being tax-resident in Italy for a minimum period of four consecutive fiscal years. The tax relief is capped at a total of five years and cannot be extended (previously, the scheme could be extended for a further five-year period).</li> <li>• The individual must be highly qualified or specialized, and the majority of their work must be done in Italy.</li> <li>• The tax relief amount is generally reduced to 50% for Italian-sourced income of up to €600,000. Previously, the tax relief was 70%, and there was no income cap.</li> <li>• A 60% tax relief will be given to individuals that have a minor child resident in Italy. The relief will be for a five-year period, starting the year of the child's birth or adoption.</li> <li>• Different eligibility rules apply to individuals employed by the same corporate group prior to their transfer to Italy. In such cases, the employee must have been a nonresident of Italy during the previous six years, or seven years if they previously had worked in Italy for the same group.</li> <li>• Transitional rules apply to certain individuals who moved their residence to Italy before Dec. 31, 2023 with the expectation that the old tax relief rules would apply but who have transferred their tax residency to Italy in 2024.</li> </ul>
Resources	<p><a href="mailto:maurizio.cicciu@mercer.com">maurizio.cicciu@mercer.com</a></p> <p><a href="#">Law</a> (Italian) (Official Gazette, Dec. 28, 2023)</p>
Ireland (previously covered, with upcoming effective date)	
Development	<p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Changes to state pension</a> — key date: October 2024</li> </ul>

Kenya (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>New social health insurance scheme launched</b></p> <p>Kenya introduced the Social Health Insurance (SHI) on Jan. 26, 2024 that replaces the National Health Insurance Fund. The collection of SHI contributions commenced in March 2024. Highlights:</p> <ul style="list-style-type: none"><li>• Employees must contribute at least KES300 per month or 2.75% of gross monthly salary — there is no maximum cap. Employers are not required to contribute but are responsible for remitting employee contributions.</li><li>• Nonsalaried employees must pay an annual contribution of 2.75% of their household income. The contributions of low-income individuals are paid for by central or county government, subject to means testing.</li><li>• All residents in Kenya must apply to the Social Health Authority for SHI registration within 90 days of the regulations coming into force.</li><li>• The “essential benefits package” will be reviewed every two years and paid for by three funds: the Primary Healthcare Fund, the Social Health Insurance Fund and the Emergency Chronic and Critical Illness Fund. Each fund pays for different types of healthcare benefits. Registered individuals are entitled to the same healthcare, regardless of their contribution amounts.</li><li>• The provision of overseas healthcare that cannot be provided in Kenya will be reviewed annually by the Benefits Package and Tariffs Advisory Panel.</li><li>• Healthcare is restricted to individuals who have paid their contributions, and healthcare facilities must verify an individual's eligibility.</li><li>• Penalties will be levied for the nonpayment of contributions — equivalent to 10% of the amount due — and nonpayers will not be able to access healthcare services.</li></ul>
Resources	<a href="#">The Social Health Insurance Bill, 2023</a> (Government)

Kenya (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Career</b></p> <p><b>No legal basis for employers to deduct housing levy, rules court</b></p> <p>Kenya's Court of Appeal ruled on Jan. 26, 2024, that employers have no legal basis for deducting the affordable housing levy from salaried employees. Employers who deducted the levy in January 2024 should reimburse the full amount to employees. The levy was 1.5% calculated on gross salaries, matched by the employer, and its collection started in July 2023.</p> <p>The Court of Appeal declined to issue stay orders to suspend implementation of the High Court's judgment of Nov. 28, 2023 that ruled the levy unconstitutional. After the High Court's ruling, the government had filed an appeal with the Court of Appeal to continue collection of the levy while it addressed the issues raised in the ruling.</p> <p>The Court of Appeal is yet to determine the government's substantive appeal. If the court were to overturn the High Court's ruling, it is uncertain if the Kenya Revenue Authority (KRA) could require back payment of the levy.</p>
Lithuania (new)	
Status	 <b>Effective July 1, 2024</b>
Development	<p><b>Career — Health</b></p> <p><b>Additional leave for adoptive mothers introduced</b></p> <p>From July 1, 2024, adoptive mothers will be allowed to take up to 30 calendar days of paid leave until their child is 70 days old — on the same terms as adopted fathers on paternity leave. The Social Insurance Fund will pay for this leave. Adoptive fathers are already entitled to paternity and parental leave, but currently adoptive mothers can only take parental leave. Employers will not be allowed to refuse an employee's notification to take leave and could face sanctions and financial penalties of up to €3,000.</p>
Resources	<a href="#">Law</a> (Lithuanian) (Nov. 9, 2023)

**Luxembourg (new)****Status****Currently effective****Development****Wealth****Regulator increases maximum guaranteed interest rate**

The Commissariat aux Assurances (CAA) issued the interest rate caps that insurance companies must use to guarantee individual/group pension products. The rates are included in Circular 23/17 and took effect on March 1, 2024. The maximum rates vary, depending on the currency:

- EUR — 2%
- CHF — 0.75%
- DKK — 1.5%
- GBP — 2.25%
- NOK — 2%
- SEK — 1.5%
- USD — 2.25%

These rates have evolved over time (for example, for products in Euro, the rate was 4% prior to Jan. 7, 1998; 2.75% on Jan. 4, 2009; 0.5% on Jan. 4, 2018, 0.00% on Jan 1, 2020 and 1.25% on May 1, 2023). Premiums invested in traditional insurance products based on tariffs that allow for a guaranteed interest rate before and on Feb. 28, 2024 benefited from the old rates, but new premiums (paid on or after March 1, 2024) are subject to the new rates. Insurance companies can also allocate a discretionary profit sharing each year, dependent on their financial results and the prevailing economic situation.

**Resources**

[thierry.laloux@mercer.com](mailto:thierry.laloux@mercer.com)

[Circular 23/17](#) (French) (CAA, Dec. 29, 2023)

**Netherlands (previously covered, with upcoming effective date)****Development****Wealth**


- [Parliament agrees to significant occupational pension reforms](#) — key date: Jan. 1, 2025

**Nigeria (previously covered, with upcoming effective date)****Development****Health**

- [Health insurance coverage to significantly expand](#) — key date: implementation date unknown

**Oman (previously covered, with upcoming effective date)****Development****Wealth**

- [Social protection for foreign employees expanded](#) — key date: July 2024

Poland (previously covered, with upcoming effective date)	
Development	<div>Career</div> <ul style="list-style-type: none"><li><a href="#">Minimum wage to increase</a> — key date: July 1, 2024</li></ul>
South Africa (new)	
Status	<div> Consultation is open until May 2, 2024</div>
Development	<div>Career</div> <div><b>Consultation on sectoral numerical targets under employment equity law</b></div> <p>The South African government published on Feb. 1, 2024 a second draft regulation on setting five-year sectoral numerical targets for “designated employers” with comments invited through May 2, 2024. The Employment Equity Amendment Act 4 of 2022 (EEA) that was signed into law on April 14, 2023 allows the government to identify and set numerical employment equity targets in 18 national economic sectors. A first set of proposed targets were published for consultation in May 2023 for eligible employers. Highlights of the second consultation document:</p> <ul style="list-style-type: none"><li>A single percentage target is proposed for each economic sector, differentiated by gender. The proposed targets refer to “designated groups,” and they do not distinguish between designated racial groups.</li><li>The proposed targets would focus on top four managerial levels, professional qualified and skilled employees and people with disabilities. No targets are proposed for semi-skilled and unskilled individuals, and foreigners are excluded from the workforce profile.</li><li>The proposed five-year sectoral targets are minimum targets. “Designated employers” will be measured against the annual targets set towards meeting the five-year target.</li><li>“Designated employers” are generally employers with at least 50 employees, but the proposed regulations clarify that employers with between 1 and 49 employees are a “designated employer” if they are an organ of state, or if they are bound by a collective agreement that appoints it as a designated employer for purposes of the EEA.</li></ul> <p>Guidance and examples of reasonable or justifiable grounds for not meeting the targets are included.</p>
Resources	<div><a href="mailto:boipelo.setswe@mercer.com">boipelo.setswe@mercer.com</a></div> <div><a href="#">Draft regulations on proposed sectoral numerical targets</a> (Official Gazette, Feb. 1, 2024)</div>

## South Africa (new)

### Status



**Expected to take effect on Sept. 1, 2024, following postponement from March 1, 2024.**

### Development

#### Wealth

##### Two-pot pension changes announced

South Africa's Financial Sector Conduct Authority (FSCA) issued on Feb. 16, 2024 a communication on the two-component (or two-pot) pension system that is included in the Revenue Law Amendment Bill (RLAB) and the Pension Funds Amendment Bill (PFAB). The system will allow individuals to access some of their accrued pension fund before they retire and preserve sufficient retirement funds. Highlights of the FSCA communication include:

##### Defined contribution funds


- From Sept. 1, 2024, all contributions to retirement funds (including pension funds, provident funds, preservation funds or retirement annuity funds) will be allocated to a retirement and a savings component. Fund rules will have to ensure that members can access their benefits as appropriate. Any delay must be approved by the FSCA.
- The retirement component must cover two-thirds of contributions plus investment returns accruing from Sept. 1, 2024. Members will not be allowed to access these funds until retirement, and a certain amount of the accrued benefits must be used to provide an annuity and will be taxable.
- The savings component must cover one-third of all contributions from Sept. 1, 2024 together with any investment returns. Members will be allowed to withdraw SAR2,000 once in any tax year — the withdrawals will be taxable.
- Funds will need to provide for a seed capital amount of 10% of the value of the member's fund immediately prior to Sept. 1, 2024. The amount will be capped at SAR30,000, and certain categories of member will be ineligible.
- Fund rules will have to include procedures for transfer of accrued benefits from savings to retirement components, across funds and of vested components. Benefit statements would have to be adjusted to reflect transactions.
- Provident Fund members that are 55 on March 1, 2024 and who remain in that fund until Sept. 1, 2024, can choose to participate in the two-pot system. No further contributions will be made to this vested pot, and members will still be allowed to receive their vested benefit on termination of their employment before retirement.
- Changes must be communicated to members "in a manner which is simple, clear, and comprehensive", timely and updated as required.

##### Defined benefit funds



Defined benefit fund rules will have to stipulate the seed capital amount (the suggested amount is 10% of the value of the member's retirement fund before Sept. 1, 2024, capped at SAR30,000), when it would be paid and how cash payment amounts would be valued. Funds adopting different methodologies would have to seek FSCA approval.



### Resources

[susana.da.silva@mercermarshbenefits.com](mailto:susana.da.silva@mercermarshbenefits.com)  
[Communication](#) (FSCA, Feb. 16, 2024)

Switzerland (previously covered, with upcoming effective date)	
Development	<div><div>Career</div><ul style="list-style-type: none"><li>Hourly minimum wage to be introduced in Zurich and Winterthur — key date: effective date unknown</li></ul><div>Career — Health</div><ul style="list-style-type: none"><li>Employer compensation for high sick-pay costs to phase out — During 2024</li><li>Paid leave introduced in Geneva — key date: effective date unknown</li></ul><div>Wealth</div><ul style="list-style-type: none"><li>Occupational pension reforms pass parliament — key date: effective date unknown</li></ul></div>
United Arab Emirates (new)	
Status	<div><div> Currently effective</div></div>
Development	<div><div>Health</div><div><b>Medical insurance policies must be uploaded electronically</b> From Jan. 17, 2024, insurance companies must upload electronically all medical insurance policies and additions for insured members in Abu Dhabi and Northern Emirates to the Federal Authority for Identity, Citizenship, Customs and Port Security (ICP) via the authorized service provider. A charge of AED24 is levied, per upload. In addition, any changes to Emirates identity documentation and/or the Unified Number will also incur a charge of AED24, plus VAT, per member.</div></div>
Resources	<div><a href="#">Uploading medical insurance policies electronically</a> (Central Bank of the UAE, Jan. 17, 2024)</div>



United Kingdom (UK) (new)	
Status	 <b>Effective for valuation dates from Sept. 22, 2024 (expected)</b>
Development	<b>Wealth</b> <b>New defined benefit publishing regime published</b> <p>The government has published a near-final version of the regulations underlying the incoming DB funding regime, together with its response to the earlier consultation on the original draft. Highlights include:</p> <ul style="list-style-type: none"> <li>• The regime's key principles are confirmed. Trustees will need to work towards an objective of low dependency on sponsors by the time their scheme is significantly mature.</li> <li>• The regulations pave the way for The Pensions Regulator (TPR) to publish the final version of its associated funding code that will set out TPR's expectations for trustees and sponsors agreeing valuations, as well as the legislative requirements.</li> <li>• TPR can now finalize its proposed "fast track" and "bespoke" approach to regulation.</li> <li>• The regulations, code and regulatory approach are expected to be in place by April 2024, and the new funding regime will apply to scheme valuations that have effective dates of Sept. 22, 2024 or later.</li> </ul>
Resources	<a href="mailto:robbie.smith@mercer.com">robbie.smith@mercer.com</a> <a href="#">Annex C — The draft occupational pension schemes (Funding and investment strategy and amendment) regulations</a> (Government, updated Jan. 29, 2024)
UK (new)	
Status	 <b>Beginning April 2026</b>
Development	<b>Career — Health</b> <b>Benefits-in-kind digitization reporting confirmed</b> <p>The government will mandate the reporting and paying of income tax and Class 1A National Insurance Contributions on benefits-in-kind (BiK) via payroll software from April 2026. This change will support the government's aim to fully digitalize the reporting of BiK, simplifying the tax affairs of around three million people and reducing the need for them to contact the tax authority (HMRC).</p> <p>HMRC will engage with stakeholders to discuss the design and delivery decisions, and draft legislation will be published later in 2024. HMRC will also issue guidance ahead of the 2026 start date.</p>
Resources	<a href="#">Simplification update — January 2024</a> (Government, Jan. 16, 2024)

UK	
Status	 <b>Expected to come into force on March 27, 2024.</b>
Development	<p><b>Wealth</b></p> <p><b>New general code published by Pension Regulator</b></p> <p>The Pension Regulator's new general code has been published and presented to Parliament. It is expected to take effect on March 27, 2024.</p> <p>The new code consolidates 10 of the existing 15 codes of practice into a single web-based code, consisting of 51 topic-focused modules. Schemes will have to have an “effective system of governance” and assess the adequacy of this with a triennial “own risk assessment” (ORA). The first ORA is not due for at least two years. There are also new risk management functions, and new modules on cyber security, stewardship, pension scams, recordkeeping and climate change.</p> <p>Trustees and scheme managers need to review the new code to identify gaps between its requirements and their scheme's current practice, start planning how to align, and prepare for their first ORA.</p>
Resources	<p><a href="#">New code of consultation</a> (The Pensions Regulator, Jan. 10, 2024) and <a href="#">Pension trustees challenged on TPR's general code</a> (The Pensions Regulator, Jan. 10, 2024)</p>
UK — Great Britain (new)	
Status	 <b>Proposal, but likely to take effect on March 8, 2024.</b>
Development	<p><b>Career — Health</b></p> <p><b>More flexible statutory paternity leave proposed</b></p> <p>Fathers or partners will have more flexibility in how they take their two weeks of statutory paternity leave under measures included in the draft Paternity Leave (Amendment) Regulations 2024. If approved, the regulations are likely to take effect on March 8, 2024, and for babies where the expected week of birth begins after April 6, 2024, and to adoption placements occurring after the same date. The measures will apply in England, Scotland and Wales but not in Northern Ireland. Highlights include:</p> <p>Fathers or partners will be able to take their two weeks of statutory paternity leave in either one block of two weeks, or two separate blocks of one week. Currently, employees can take only one period of paternity leave — either one or two continuous weeks.</p> <p>Leave could be taken at any time in the first year of birth or placement for adoption. Currently, statutory paternity leave must be taken within the first eight weeks.</p> <p>Individuals will have to notify their employers about their entitlement to paternity leave 15 weeks before the birth, and then provide 28 days of notice before the dates of their leave periods. Currently, individuals must provide their leave dates 15 weeks before the expected week of childbirth. The notification for adoptions remains unchanged —within seven days of being notified of the adoption or matched for adoption.</p>
Resources	<p><a href="#">The paternity leave (amendment) regulations 2024</a> (Government)</p>

## UK (previously covered, with upcoming effective date)

### Development

#### Career

- [Minimum wage rates for 2024 announced](#) — key date: April 2024
- [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

- [Employees to be allowed neonatal care leave](#) — key date: expected April 2025
- [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: April 2024

#### Wealth

- [Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold](#) — key date: Unknown
- [Autumn statement includes pension measures](#) — key date: April 6, 2024
- [Pension dashboard, connection deadlines change](#) — key date: Oct. 31, 2026



**Mercer LLC**

1166 Avenue of the Americas

New York, NY 10036

[www.mercer.com](http://www.mercer.com)

Copyright © 2024 Mercer LLC. All rights reserved.