

# Global Legislative Update

Law & Policy Group

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# 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.

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# Section 1

## Highlights

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## Americas (continued)

### United States (US)

[Some states require group health plan reporting](#)  
[Resources for tracking state and local retirement initiatives](#)  
[Roundup: Employer resources on states' recent equal pay laws](#)  
[Roundup: Employer resources on states' recreational marijuana laws](#)  
[Roundup: Employer resources on minimum wage increases](#)  
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['Stay-or-pay' provisions banned from 2026 in California](#)  
[Pharmacy benefit manager law enacted in California](#)  
[Paid sick and safe leave laws and unpaid leave laws amended for additional permitted uses in California](#)  
[Insulin mandate enacted in California](#)  
[State disability and paid family leave rates published in California](#)  
[Paid family and medical leave rules amended in Colorado](#)  
[2026 paid family medical leave rates issued in Connecticut](#)  
[Prepaid Health Care Act Form HC-5 for 2026 issued in Hawaii](#)  
[Tax treatment of paid family medical leave benefits clarified in Maine](#)  
[Law prohibits employers' captive-audience meetings on unionization in New Jersey](#)  
[Maximum weekly paid family leave benefit announced in New York](#)  
[Paid family medical leave rates drop to 9% in Oregon](#)  
[Benefit and leave laws vary in Puerto Rico](#)  
[Paid family and medical leave contributions announced in Washington](#)

## Asia Pacific

### Australia

[Requirements for registrable superannuation entity licensees proposed](#)  
[Payday Superannuation legislation enacted](#)  
[Employees are entitled to employer-paid parental leave in case of stillbirth or infant death](#)  
[Guidance issued on source of funds and wealth](#)  
[Enforcement priorities for 2026 announced by ASIC](#)  
[Fringe benefit tax exemption of electric cars clarified](#)  
[Regulator issues financial systems risk report and stress test](#)

### China

[Occupational injury insurance coverage to interns and older workers expanded in Shanghai](#)

### India

[Labor codes implemented](#)  
[Paid menstrual leave to be introduced in Karnataka](#)

### Japan

[Monthly tax-exempt commuting allowances announced](#)

### Singapore



[Wage increases for in-house security officers announced](#)

Asia Pacific (continued)	
Thailand	<a href="#">Maternity leave expanded, parental and care leave introduced</a>
Vietnam	<a href="#">Minimum wage to increase</a>
Europe, Middle East and Africa (EMEA)	
European Union (EU)	<a href="#">Ruling on minimum wage directive issued</a> <a href="#">Measures to improve access, effectiveness of supplementary pensions issued</a> <a href="#">Measures to simplify sustainability reporting introduced</a>
Belgium	<a href="#">Maximum value of meal vouchers to increase</a>
Croatia	<a href="#">Increased minimum wage announced</a>
Czech Republic	<a href="#">Minimum wage increase announced</a>
Denmark	<a href="#">Bereavement leave for spouses, cohabitating partners expanded</a>
Egypt	<a href="#">Salary thresholds for social insurance calculations increased</a>
Finland	<a href="#">Health insurance contribution rates announced</a>
Hungary	<a href="#">Expanded food purchase options using SZEP card temporarily permitted</a>
Ireland	<a href="#">Government announces significant auto-enrolment policy change</a> <a href="#">Budget for 2026 includes benefit and employment measures</a> <a href="#">Minimum wage to increase</a>
Lithuania	<a href="#">Minimum wage to increase</a>
Moldova	<a href="#">Minimum wage to increase</a>
Netherlands	<a href="#">Deadline extended for transition to new pension system</a>
Norway	<a href="#">Company-specific age limits abolished</a>
Poland	<a href="#">Collective bargaining agreements streamlined and expanded</a> <a href="#">Method for determining length of service expanded</a>
Russia	<a href="#">Minimum wage to increase</a>
Saudi Arabia	<a href="#">Health insurance disclosure form for smaller employers to be introduced</a>
Slovakia	<a href="#">Minimum wage to increase</a> <a href="#">Public holidays, sick leave payments and health insurance contributions adjusted</a>

EMEA (continued)	
Norway	<a href="#">Company-specific age limits abolished</a>
Tanzania	<a href="#">Minimum wage for private sector to increase</a>
United Kingdom	<a href="#">Minimum wage to increase</a>
	<a href="#">Budget includes pension changes</a>
	<a href="#">Immigration changes introduced</a>
	<a href="#">Four consultations on measures in Employment Rights Bill issued</a>
	<a href="#">Consultation on the use of noncompete clauses in employment contracts published</a>

## Section 2

# Global

Artificial Intelligence	
Status	 Ongoing initiatives
Development	<b>Career</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 numerous 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
Minimum wage	
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	<b>Career — Health — Wealth</b> <b>Roundup: Countries address remote-working issues</b> Remote working has become more of a 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.
Resources	<a href="#">Roundup</a> , regularly updated

## Reproductive rights

### Status



### Ongoing initiatives

### Development

#### Health

#### Roundup: Global employer resources on reproductive rights post *Dobbs* ruling

In June 2022, the US Supreme Court's *Dobbs v. Jackson Women's Health Organization* decision overturned *Roe v. Wade*, 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

[Roundup](#), regularly updated

## Right to disconnect

### Status



### Ongoing initiatives

### Development

#### Career

#### Roundup: Right to disconnect around the world

In recent years, several countries have enacted legislation requiring employers to allow employees the “right to disconnect” — or to “switch off” from work-related electronic communications (such as emails) outside of their normal working hours. To help employers consider the issues associated with the right to disconnect, this roundup provides links to general information about countries' legislative/regulatory governance initiatives and trends. Sources include organizations, government websites, third-party resources and news articles.

### Resources

[Roundup](#), regularly updated



## Section 3

# Americas

### Argentina (new)

#### Status



December 2025

#### Development

##### Wealth

##### **Mobility adjustment and pension values for December 2025 announced**

The mobility adjustment and pension values for December 2025 are as follows:

- Mobility adjustment for December 2025 is 2.34%.
- Minimum legal pension is AR\$340,879.59
- Maximum pensionable amount is AR\$2,293,796.92
- Minimum taxable remuneration is AR\$114,808.17
- Maximum taxable remuneration is AR\$3,731,212.01
- Basic Universal Pension (PBU) is AR\$155,936.86. It is expected that the "extraordinary pension bonus" of AR\$70,000 will be maintained, but this is not official.
- Universal Pension for Older Adults (PUAM) is AR\$272,703.67

#### Resources

[Resolution 359/2025](#) (Spanish) (Official Journal, Nov. 26, 2025)  
[maria.maydana@mercer.com](mailto:maria.maydana@mercer.com)

### Argentina (new)

#### Status



Proposal

#### Development



##### Career

##### **Labor reform bill presented to parliament**

The government has presented a comprehensive labour reform bill to parliament, aiming to introduce significant changes across the labour market. Key provisions include measures concerning collective bargaining agreements, tax burdens, union and employer financing, collective rights, individual and self-employed work, union democracy and boosting youth employment and labour market flexibility. This flagship initiative is targeted for approval by the end of December 2025.

#### Resources

[Bill](#) (Spanish) (Government)  
[maria.maydana@mercer.com](mailto:maria.maydana@mercer.com)

Brazil (previously covered, with an upcoming effective date)	
Development	<p><b>Career</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Measures gradually reintroduce the payroll tax</a> — key date: Jan. 1, 2026</li> </ul> <p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Inclusion of psychosocial risks in risk management process postponed</a> — key date: May 26, 2026</li> </ul>
Canada (new)	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Wealth</b></p> <p><b>New pension limits for 2026 and 2027 announced</b></p> <p>The Canada Revenue Agency announced the new pension plan limits for 2026 and 2027. These will impact pension plan administration. The limits are:</p> <ul style="list-style-type: none"> <li>• 2026 money purchase (MP) — C\$35,390</li> <li>• 2026 defined benefit (DB) — C\$3,932.22</li> <li>• 2027 registered retirement savings plan (RRSP) — C\$35,390</li> <li>• 2026 deferred profit-sharing plan (DPSP) — C\$17,695</li> <li>• 2026 year's maximum pensionable earnings (YMPE) — C\$74,600</li> <li>• 2026 year's additional maximum pensionable earnings (YAMPE) — C\$85,000.</li> </ul>
Resources	<a href="#">What's new — Savings and pension plan administration</a> (Government, Oct. 30, 2025)
Canada (previously covered, soon to be effective)	
Status	 <b>Effective Jan. 1, 2026</b>
Development	<p><b>Career — Health</b></p> <p><b>Employment Insurance contribution rates adjusted for 2026</b></p> <p>In 2026, the Employment Insurance (EI) contribution rates will decrease, and the maximum insurable earnings will increase. Highlights of the changes include:</p> <ul style="list-style-type: none"> <li>• For employees outside Québec, the contribution rate will be 1.63%, down from 1.64%, and the employer rate will decrease to 2.28%, down from 2.3%.</li> <li>• In Québec, the employee contribution rate will reduce to 1.3% (down from 1.31%), and the employer contribution rate will be 1.82%, down from 1.83%.</li> <li>• The maximum insurable earnings will increase to C\$68,900, up from C\$65,700.</li> </ul> <p>Additionally, the one-week waiting period before a worker can start receiving EI benefits will be waived for an additional six months until April 11, 2026. During this time, termination pay (including vacation pay, severance pay and pay in lieu of notice) will not be deducted from EI benefits.</p>
Resources	<a href="#">Summary of the 2026 Actuarial Report on the Employment Insurance Premium Rate</a> (Government, Sept. 22, 2025)

## Canada — British Columbia (previously covered, now effective)

**Status**  **Currently effective**

**Development** **Career — Health**  
**Sick requirement for short-term health leave eased**  
 Employers are no longer allowed to ask employees to provide a health practitioner's note for short-term health-related leave under changes that aim to reduce the administrative burden on health practitioners. The measures were included in amendments to the Employment Services Act that received Royal Assent on May 29, 2025. Employees in the province are entitled to five paid and three unpaid days for short-term illness and injury leave.

**Resources** [kristin.smith@mercer.com](mailto:kristin.smith@mercer.com)  
[Sick notes restriction will leave more time for patient care](#) (Government, April 15, 2025)

## Canada — Nova Scotia (new)

**Status**  **Effective Jan. 1, 2026**

**Development** **Career**  
**Minimum wage to increase**  
 In 2026, the minimum wage will increase in two phases. The first increase to C\$16.75/hour will take effect on April 1, 2026. A second increase to C\$17/hour will take effect on Oct. 1, 2026.

**Resources** [Minimum wage to increase twice in 2026, reaching \\$17 in October](#) (Government, Dec. 2, 2025)

**Canada — Ontario (new)****Status**  **Effective dates vary.****Development****Wealth****2025 Fall Economic Statement includes pension modernization commitments**

Ontario's 2025 Fall Economic Statement includes a commitment to modernize the province's pension framework. Bill 68, the Plan to Protect Ontario Act (Budget Measures), 2025 (No. 2), followed the Economic Statement and received Royal Assent on Nov. 27, 2025. However, the Schedule amending the Pension Benefits Act is not yet in force. Key highlights of the pension modernization commitments include:

- OMERS Governance Enhancements. Amendments to the Ontario Municipal Employees Retirement System Act, 2006 (OMERS) will improve its governance, transparency and accountability.
- Pension Benefits Guarantee Fund (PBGF) Review. A mandatory review of the PBGF must be completed by spring 2026, as required every five years under the Pension Benefits Act. This review will assess the fund's financial health and its ability to protect pension benefits and pensioners, and the government will report the review's findings in the 2026 Ontario Budget.
- Variable Life Benefit Framework Development. The government is developing legislation for Variable Life Benefits (VLBs), which will be available through pooled registered pension plans, defined contribution pension plans and plans allowing additional voluntary contributions. Following consultations earlier in 2025, VLBs are designed to give workers more choice in managing their retirement savings. Retirees opting for a VLB would receive a monthly lifetime benefit, with payments adjusted based on the fund's performance and members' mortality.
- Modernization of the Jointly Sponsored Pension Plan (JSPP) Conversion Framework.
- The framework will be updated and expanded to allow defined contribution (DC) plans to convert to JSPPs. Members will be able to use DC balances from previous employer pension plans to purchase defined benefit credits. Additionally, smaller JSPPs will have a pathway to merge with larger, well-established JSPPs

**Resources** [2025 Fall Economic Statement](#) (Government, Nov. 6, 2025)**Canada — Quebec (new)****Status**  **Effective Jan. 1, 2026****Development****Career — Health — Wealth****Social security contribution reductions announced**

Québec's Update on Québec's Economic and Financial Situation, issued on Nov. 25, 2025, includes reduced social security contributions, effective Jan. 1, 2026. The reduced contribution rates will apply to the Québec Pension Plan (QPP) and the Québec Parental Insurance Plan (QPIP), and employers will need to adjust their payroll systems accordingly.

**Resources** [Update on Québec's Economic and Financial Situation](#) — Fall 2025 (Government)

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

- [Pay transparency duties to start in Ontario](#) — key date: Jan. 1, 2026

**Career — Health**

- [‘Right-to-disconnect’ established for employees](#) — key date: Slated to take effect in 2025
- [Revision of workplace laws finalized in Saskatchewan](#) —key date: Jan. 1, 2026

**Wealth**

- [Basic rate for pension plans set](#) — key date: April 1, 2026
- [Pension super priority federal legislation enacted](#) — key date: April 27, 2027

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

- [Female board representation boosted](#) — key date: Jan. 1, 2026

**Colombia (previously covered, with an upcoming effective date)****Development****Career — Wealth**

- [Labor laws revised, worker protections expanded](#) — key date: July 1, 2026
- [New regulation on provision of breastfeeding spaces issued](#) — key date: July 1, 2026

**Wealth**

- [Pension reforms issued](#) — key date: Postponed from July 1, 2025, pending judicial decision

**Mexico (new)****Status****Currently effective****Development****Health****VAT rules changed on claims handling of medical expenses**

Mexico has announced that carriers/insurers can no longer credit value-added taxes (VAT) charged on third-party invoices concerning payments for claims handling of medical expenses (such as hospitals and suppliers). This is a tax measure affecting how insurers record and credit VAT, and it is not an automatic modification of policies. The VAT adjustment impacts medical benefits and auto insurance and is retrospectively applicable to 2025. Highlights include:

- Current policies remain in force — coverage and contractual obligations do not change by default.
- Commercial decisions by each carrier could impact pricing or supplier management. Operational reviews could impact processes and the timing of payment.
- Premiums will not automatically increase for clients, and the carrier must officially notify them of any adjustment. Additional premium increases of between 8% and 10% for major medical expenses are expected for the 2026 renewal. However, increases will depend on each insurance company’s circumstances (such as losses recorded in 2025, solvency, available capital and other aspects).

**Resources**

[Law](#) (Spanish) (Government, Nov. 7, 2025)

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

- [Employer social security contributions increased](#) — key date: March 1, 2027

**Peru (previously covered, with an upcoming effective date)****Development****Career — Wealth**

- [Pension system modernization law issued](#) — key dates: 2027 and 2028

**Wealth**

- [Regulations to support pension system reform issued](#) — key date: starting in June 2027

**United States (US) (new)****Status****Effective Jan. 1, 2026.****Development****Health — Wealth****2026 quick benefit facts**

This brief user-friendly summary gives key retirement and healthcare benefit limits for the upcoming year. The summary includes comparative information for the prior two years. Commentary next to each section provides insights into how the amounts are indexed from year to year.

**Resources**



[2026 quick benefit facts](#) (Mercer, November 2026)




**US****Status****Amendments must be made by Dec. 31, 2025.****Development****Wealth****Most retirement plan sponsors have few 2025 year-end amendments**

Retirement plan sponsors have few (if any) plan amendments to adopt before the end of 2025. For most plans, no required changes under law or guidance need amendments by Dec. 31, 2025. However, sponsors of calendar-year plans may need to update their plan documents before the end of the year to reflect discretionary changes that took effect earlier in 2025. Looking ahead, most sponsors have until the end of 2026 to amend their plans for several significant law changes enacted in recent years. However, tax-exempt sponsors of 457(b) plans must amend their plans by Dec. 31, 2025, for certain provisions of the Setting Every Community Up for Retirement Enhancement Act of 2019 (Div. O of Pub. L. No. 116-94) (SECURE 1.0) and the SECURE 2.0 Act of 2022 (Div. T of Pub. L. No. 117-328).

**Resources**

[brian.kearney@mercer.com](mailto:brian.kearney@mercer.com) and [margaret.berger@mercer.com](mailto:margaret.berger@mercer.com)  
[GRIST](#), Oct. 3, 2025

US (new)	
Status	 <b>Effective Jan. 1, 2026</b>
Development	<b>Wealth</b> <b>2026 retirement plan limits</b> IRS Notice 2025-67 provides official 2026 limits for qualified defined benefit and defined contributions retirement plans and Internal Revenue Code (IRC) Section 403(b) plans. The 2026 limits reflect increases in the Consumer Price Index for All Urban Consumers (CPI-U) from Q3 2024 to Q3 2025.
Resources	<a href="mailto:margaret.berger@mercercorp.com">margaret.berger@mercercorp.com</a> <a href="#">GRIST</a> , Nov. 14, 2025
US	
Status	 <b>Ongoing developments</b>
Development	<b>Career — Health</b> <b>Top 10 health, fringe and leave benefit compliance and policy issues in 2026</b> This comprehensive report provides a Congressional outlook describing the fate of the looming expiration of Affordable Care Act (ACA) subsidies as well as potential year-end legislation that might include pharmacy benefit manager (PBM) reforms, healthcare pricing transparency, restraints on drug price increases, new provider billing rules and health savings account (HSA) enhancements. Additionally, the report details the 10 top year-end 2025 and 2026 compliance and policy developments expected to affect health and fringe benefit plans and leave programs.
Resources	<a href="mailto:rich.glass@mercercorp.com">rich.glass@mercercorp.com</a> , <a href="mailto:cheryl.hughes@mercercorp.com">cheryl.hughes@mercercorp.com</a> , <a href="mailto:geoff.manville@mercercorp.com">geoff.manville@mercercorp.com</a> and <a href="mailto:katharine.marshall@mercercorp.com">katharine.marshall@mercercorp.com</a> <a href="#">Top 10 health, fringe and leave benefit compliance and policy issues in 2026</a> (Mercer, Oct. 30, 2025)
US	
Status	 <b>Ongoing developments</b>
Development	<b>Career</b> <b>Roundup: Employer resources on H-1B reforms</b> On Sept. 19, 2025, President Trump signed a proclamation to restrict the entry into the US of H-1B alien workers in specialty occupations, requiring a \$100,000 payment to accompany or supplement H-1B visa petitions for new applications. Other planned H1-B changes were also included in the proclamation. Guidance in response to the proclamation was issued by US Citizenship and Immigration Services, US Customs and Border Protection, the Department of State, and the Department of Homeland Security. However, implementation of the proclamation has caused confusion among employers and H-1B holders. On Sept. 20, 2025, the Chamber of Commerce released the following statement: “We’re concerned about the impact on employees, their families, and American employers. We’re working with the Administration and our members to understand the full implications and the best path forward.” To provide employers with some information about the new H-1B visa requirements and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints.
Resources	<a href="#">Roundup: Employer resources on H-1B reforms</a> , regularly updated

US	
Status	 <b>Currently effective</b>
Development	<b>Career</b> <b>Roundup: Employer resources on tax deduction for overtime pay</b> On July 4, 2025, President Trump signed the “One Big Beautiful Bill,” which includes a federal income tax deduction on nonexempt workers’ overtime pay covered by the Fair Labor Standards Act. The overtime tax deduction is currently scheduled to expire after 2028. To provide employers with some information about the deduction and the varying aspects and issues to consider, this roundup provides links to government information, third-party analyses, news articles and viewpoints.
Resources	<a href="#">Roundup: Employer resources on tax deduction for overtime</a> , regularly updated
US	
Status	 <b>Effective dates vary.</b>
Development	<b>Career — Health</b> <b>2025 state paid family and medical leave contributions and benefits</b> Mandates requiring paid leave for an employee’s own health condition exist in California, Colorado, Connecticut, Hawaii, Massachusetts, New Jersey, New York, Oregon, Rhode Island and Washington, along with Puerto Rico and Washington, DC. Delaware, Maine, Maryland and Minnesota will start similar programs in the next few years. Except for Hawaii and Puerto Rico, these jurisdictions also require paid family leave. Voluntary group family leave insurance is now available in Alabama, Arkansas, Florida, Kentucky, Michigan, South Carolina, Tennessee, Texas and Virginia. Private employers may opt in to the state program for governmental employees in New Hampshire and Vermont.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:katharine.marshall@mercer.com">katharine.marshall@mercer.com</a> <a href="#">GRIST</a> , updated Jan. 29, 2025 and <a href="#">Paid family and medical leave: Snapshots across the US</a> (Mercer, Sept. 23, 2025)
US	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Domestic partner benefits remain popular, but present challenges</b> Domestic partner benefits continue to be common among many employers. However, compliance complexities present challenges for employers. The GRIST cited below (with minor updates and clarifications) reviews the major issues, particularly related to taxation and documentation, and provides useful tools, including a tax dependent flow chart, an employer domestic partner checklist and two tables summarizing applicable state laws.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:patty.cartwright@mercer.com">patty.cartwright@mercer.com</a> <a href="#">GRIST</a> , regularly updated



## US

## Status

**Effective dates vary.**

## Development

**Career — Health****Roundup: State accrued paid leave mandates**

More than one-third of all states have some form of accrued paid leave requirement. All these laws have certain common features, including the following:

- Which employers must comply, and which employees can accrue and take paid leave
- How much paid leave employees may accumulate, use and carry over from one year to the next
- Whether a new hire waiting period is permissible before using accrued paid leave, and whether leave may be accrued and/or taken in increments other than one hour
- Whether employers may front-load or credit total annual paid leave at the start of each year and avoid the need to track hourly accruals or provide year-end carryovers
- What reasons — in addition to an employee's own illness — justify the use of accrued paid leave
- What notice or documentation employers may require employees to provide, and what information about the paid leave entitlement employers must provide to employees
- What protections — in addition to job protections — apply to employees who exercise rights to accrued paid leave
- Whether employers must pay out unused accrued leave when employees separate from service, and what rules apply when an individual is rehired


The accrued paid leave laws summarized in the Section 2 tables in the GRIST cited below generally have common features — not featured in the tables — including the following:

- Paid leave requirements are based on the employee's work location and accruals start on the date of hire.
- Employers whose existing paid leave programs meet or exceed the maximum accrual and allow the same leave uses without more restrictions or limitations don't have to provide additional paid leave.
- The term "health" includes mental health, preventive care and chronic conditions in addition to physical illness.
- Employees exempt from federal minimum wage and overtime standards are considered to work 40 hours per week.
- Properly classified independent contractors are not eligible for accrued paid leave.
- Employers may require reasonable notice if the leave is foreseeable.
- If leave is unforeseeable, employees should provide notice as soon as practicable.
- Worker protections and antiretaliation provisions apply.
- Leave mandates don't apply to federal government employers but often apply to state and/or local government employers.
- Workers covered under the federal Railroad Unemployment Insurance Act are excluded because of preemption
- Requirements typically don't apply to employees covered by a collective bargaining agreement (CBA) in effect at the time of a law's passage. CBAs negotiated after a law's enactment typically would not be subject to these laws if the CBA expressly waives the law's requirements and provides for equivalent or more generous paid sick leave.

## Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com) and [katharine.marshall@mercer.com](mailto:katharine.marshall@mercer.com)

[Roundup: State accrued paid leave mandates](#) (Mercer, regularly updated)

US	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Beyond COBRA: State laws add complexity to continuation coverage</b></p> <p>Though COBRA has endured for decades, state continuation laws are its less familiar sidekick. These laws (often referred to as “mini-COBRA” laws), fill in COBRA’s gaps, particularly for small employers offering fully insured group health plans as well as fully insured large-employer group health plans (often referred to as “post-COBRA” laws), where coverage is required beyond COBRA’s normal time frames. The GRIST cited below summarizes the major aspects of state continuation requirements.</p>
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">GRIST</a> , Nov. 12, 2024
US	
Status	 <b>Currently effective</b>
Development	<p><b>Health</b></p> <p><b>Group fixed-indemnity plans pose legal, tax issues</b></p> <p>Concerns that fixed-indemnity plans may too easily be mistaken for comprehensive medical coverage or may improperly treat some benefit payments as tax free has led to a final rule from the departments of Labor, Treasury, and Health and Human Services. The rule requires fixed-indemnity plans to supply a new consumer notice beginning in 2025 but omits more sweeping proposals that would have required many employers to redesign their fixed-indemnity coverage. Treasury proposals to clarify the tax treatment of employer-provided accident and health plans — particularly the tax treatment of fixed-indemnity plans — also were left out of the final rule. The GRIST cited below provides background information about group fixed-indemnity plans, details about the new consumer notice, an overview of proposals left out of the final rule, and a summary of IRS guidance identifying a variety of fixed-indemnity designs (often paired with a wellness program) as improper “double dipping” schemes. This article also summarizes provisions in the rule addressing individual fixed-indemnity plans and short-term limited duration insurance.</p>
Resources	<a href="mailto:jennifer.wiseman@mercer.com">jennifer.wiseman@mercer.com</a> and <a href="mailto:cheryl.hughes@mercer.com">cheryl.hughes@mercer.com</a> <a href="#">GRIST</a> , Aug. 27, 2024

**US****Status****Effective dates vary.****Development****Wealth****User's Guide to SECURE 2.0**

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 efforts, 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).

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, including separate treatment of provisions specific to DC and DB plans.

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.

This guide doesn't address SECURE 2.0's employee stock ownership plan (ESOP) provisions and a handful of other non-benefit-related provisions. When referring to the original SECURE Act, this guide uses the term "SECURE 1.0" to avoid any confusion between the laws.

This guide is updated periodically to reflect additional information and guidance.

**Resources**

[margaret.berger@mercero.com](mailto:margaret.berger@mercero.com), [matthew.calloway@mercero.com](mailto:matthew.calloway@mercero.com) and [brian.kearney@mercero.com](mailto:brian.kearney@mercero.com)  
[User's guide to SECURE 2.0](#), periodically updated

**US****Status****Effective dates vary.****Development****Career — Health****Transportation plans offer valued benefits, but pose compliance issues**




Since 1998, employees have been able to pay for qualified transportation fringe benefits 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.

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 adds 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.

**Resources**

[rich.glass@mercero.com](mailto:rich.glass@mercero.com) and [cheryl.hughes@mercero.com](mailto:cheryl.hughes@mercero.com)  
[GRIST](#), regularly updated

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 after their employment ends. At the federal level, former President Biden, the Federal Trade Commission (FTC), the National Labor Relations Board (NLRB) and Congress have attempted to ban or limit the use of noncompete agreements. The FTC's final rule banning noncompetes was scheduled to be effective on Sept. 4, 2024, but on Aug. 20, 2024, a federal judge in Texas blocked the rule from taking effect nationwide. While the FTC has appealed the ruling, the rule will remain on hold until a future judicial decision either permanently blocks it or upholds it as lawful. The rule has been challenged in other lawsuits, with conflicting results. These divergent rulings and the impact of the recent Supreme Court Loper decision that overturned the "Chevron doctrine" of deference to federal agencies have led to employer uncertainty as to how to proceed. The Trump administration may also affect the fate of noncompetition provisions.</p> <p>At the state level, several states have generally banned noncompete agreements. 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 resources on the changing landscape of DEI</b></p> <p>In June 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 14th Amendment's equal protection clause. Since the decision, various viewpoints have emerged on the ruling's effect on companies' diversity, equity and inclusion (DEI) programs. While the Biden administration actively supported affirmative action and various DEI initiatives, President Trump's administration has adopted a firm stance against DEI programs in both the federal government and private sectors, issuing several executive orders (EOs) to limit these efforts. This roundup provides links to government information, third-party analyses, news articles and viewpoints about the varying aspects and issues to consider regarding employers' DEI programs.</p>
Resources	<a href="#">Roundup</a> , regularly updated

US — States	
Status	 <b>Compliance dates vary.</b>
Development	<b>Health</b> <b>Some states require group health plan sponsor reporting</b> Several states and localities have group health plan reporting requirements. The GRIST cited below summarizes key reporting mandates in three categories: individual health coverage mandates, health plan assessments and surcharges, and other types of reporting. This year, a new table was added to describe individual tax liability for failure to maintain minimum essential coverage (MEC) in the five states (plus Washington, DC) that impose MEC mandates.
Resources	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> and <a href="mailto:dorian.smith@mercer.com">dorian.smith@mercer.com</a> <a href="#">GRIST</a> , regularly updated
US — States	
Status	 <b>Effective dates vary.</b>
Development	<b>Wealth</b> <b>Resources for tracking state and local retirement initiatives</b> 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.
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	 <b>Effective dates vary.</b>
Development	<b>Career</b> <b>Roundup: Employer resources on states' recent equal pay laws</b> 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 not passed after numerous attempts — most recently in June 2021. 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	<a href="#">Roundup</a> , 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, plus 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**

On March 14, 2025, President Trump rescinded former President Biden's April 2021 executive order requiring federal contractors to pay a \$15 hourly minimum wage to workers for new federal contract solicitations starting Jan. 30, 2022, and increasing to \$17.75/hour in 2025. Federal appeals courts have different positions on the legality of the 2021 order, and the Department of Labor rules implementing the order remain in place. Executive Order 13658 — which was implemented by the Obama administration and currently requires federal contractors to pay \$13.30/hour — also remains. Numerous states have taken action to gradually increase the minimum wage to at least \$15/hour for most employees. To help employers prepare and address related issues, this roundup provides links to federal and state resources from organizations, government websites, third-party resources and news articles.

**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 — California (new)**

**Status**



**Effective for contracts entered into on or after Jan. 1, 2026.**

**Development**

**Career**

**‘Stay-or-pay’ provisions banned from 2026**

California will prohibit employment contracts entered into on or after Jan. 1, 2026, from including “stay-or-pay” (also known as clawback) repayment provisions under Assembly Bill 692. These provisions currently allow employers to require employees to repay costs such as training or relocation expenses if they leave their job early. Highlights of the new law include:

- Employers cannot require workers to sign contracts that obligate them to repay debts to the employer, training providers or debt collectors if their employment ends.
- This prohibition applies regardless of whether the repayment agreement is voluntary.
- Employees will have the right to bring civil actions against noncompliant employers, and employer face financial penalties starting at \$5,000 per affected employee, and could be liable for legal fees, costs and injunctive relief.

Repayment is still allowed for:

- Discretionary bonuses or relocation payments if the employee leaves voluntarily or is terminated for misconduct. Repayment terms must be in a separate agreement from the employment contract; the employee must be informed of the right to consult an attorney; repayment is pro-rated and does not exceed two years; and the employee can defer repayment until the end of the retention period.
- Transferable educational credentials if they meet the following criteria: the agreement is a separate contract, not part of the employment contract; repayment is not a condition of employment; costs are clearly disclosed and capped; repayment follows a pro-rated schedule; and no repayment is required if the employee is terminated without misconduct.
- State-approved apprenticeship programs.
- Government-sponsored loan forgiveness or tuition programs.

New York’s legislators also recently passed similar legislation, but it has not yet been signed or vetoed by the governor.

**Resources**

[AB-692 Employment: Contracts in restraint of trade](#) (Government, Oct. 13, 2025)

**US — California (previously covered, soon to be effective)**

**Status**



**Generally effective for plan years starting in 2026.**

**Development**

**Health**

**Pharmacy benefit manager law enacted**

The governor signed a comprehensive pharmacy benefit manager (PBM) bill (2025 Ch. 605 (SB 41)), that imposes several restrictions on PBMs, but the scope is primarily limited to fully insured plans and healthcare service plans (including HMOs) subject to state law. It fully applied to self-funded ERISA plans before it was amended in the last days of the legislative session. As it stands, the only applicable provision for self-funded plans is a PBM fiduciary duty to “be fair and truthful toward the client, to act in the client’s best interests, to avoid conflicts of interest, and to perform its duties with care, skill, prudence, and diligence.” Here is a summary of other provisions:

- Ban on spread pricing
- 100% rebate pass-through to the payor (i.e., plan sponsor) or program
- Prohibition on calculating a participant’s cost sharing at a greater amount than the actual rate paid by the plan or insurer for a prescription drug
- Prohibition against a PBM requiring use of only an affiliated pharmacy and imposing requirements, conditions or exclusions that discriminate against a nonaffiliated pharmacy
- Mandated PBM compensation de-linking, where PBM income must come solely from a management fee through a pass-through pricing model.
- Quarterly PBM reporting to fully insured plan sponsors.


The law will generally take effect for plan years starting in 2026. With a few exceptions (like domestic partner coverage), 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.

**Resources**


[rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[2025 Ch. 605](#) (SB 41) (Legislature, Oct. 11, 2025)



**US — California (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Career — Health</b> <b>Paid sick and safe leave and unpaid leave laws amended for additional permitted uses</b> Under a new law (2025 Ch. 148, AB 406), the paid sick and safe leave (PSSL) and unpaid leave laws were amended for additional permitted uses. Employees may use PSSL or unpaid leave if they or a family member are a victim of specified crimes and are attending any judicial proceeding related to that crime. The key definition is “victim,” a person against whom a violent felony, serious felony or felony theft or embezzlement is committed. Victims also include those who suffer direct or threatened harm because of a lengthy list of crimes or delinquent acts. These provisions will take effect on Jan. 1, 2026. Also, effective Oct. 1, 2025, two additional PSSL reasons already covered under the unpaid leave law apply: appearing in court as a witness to comply with a subpoena or other court order and serving on an inquest jury or trial jury. These provisions expire on Jan. 1, 2035.
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">2025 Ch. 148</a> , AB 406 (Legislature, Oct. 1, 2025)

**US — California (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective for 2026 plan year</b>
<b>Development</b>	<b>Health</b> <b>Insulin mandate enacted</b> Fully insured plans and healthcare service plans (including Health Maintenance Organizations) in the large group market cannot impose cost sharing on insulin exceeding \$35 for a 30-day supply, effective for 2026 plan years. The same requirement will apply to small group plans, starting in 2027. An exception exists for Health Savings Account-qualifying high-deductible health plans. Step therapy is permissible if a plan covers at least one insulin in each drug type without step therapy. With a few exceptions (like domestic partner coverage), 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 ERISA plans.
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">2025 Ch. 737</a> , SB 40 (Legislature, Oct. 13, 2025)

**US — California (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Career — Health</b> <b>State disability and paid family leave rates published</b> The Employment Development Department published its State Disability Insurance (SDI) and Paid Family Leave (PFL) rates for 2026. The employee contribution rate, which includes both SDI and PFL, will increase from 1.2% (2025) to 1.3% (2026). Employer SDI/PFL contributions are not required. For voluntary plans, the employer voluntary plan assessment rate (equal to 14% of the employee contribution rate) will increase from 0.168% (2025) to 0.182% (2026).
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">Contribution rates</a> (Employment Development Department) and <a href="#">Unemployment insurance code</a> (Government)

## US — Colorado (previously covered, soon to be effective)

### Status



**Effective Jan. 1, 2026**

### Development

#### Career — Health

#### **Paid family and medical leave rules amended**

The Family and Medical Leave Insurance (FAMLI) Division amended several sets of regulations, primarily to implement SB 25-144, which added neonatal intensive care as a permitted use. Highlights include:

- “Neonatal intensive care unit” (NICU) excludes well-baby nurseries, pediatric intensive care units and units not classified by the treating facility as NICU. The rules clarify the parameters for this leave, including documentation. For benefits starting in 2026, the FAMLI Division will withhold and remit federal income taxes from benefits for leave to care for a covered individual’s own serious health condition. Care for a family member encompasses assistance with basic medical, hygienic, nutritional, safety, transportation needs, physical care or psychological comfort.
- An employer may require exhaustion of FAMLI leave as a condition to short-term disability or long-term disability or other separate bank of leave benefits. However, an employer cannot require an employee to exhaust available FAMLI leave or begin FAMLI leave as a condition to access leave that it is otherwise required to provide, like the Federal Medical Leave Act or state paid sick leave. Employees are not required to exhaust employer-provided benefits to access FAMLI benefits. Actions by employers suggesting otherwise may constitute unlawful interference.
- Annual attestation is no longer required. Private plan benefits are not subject to Colorado income tax.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)

[Rules and Guidance](#) (Department of Labor and Employment) and [SB 25-144](#) (Legislature)

## US — Connecticut (previously covered, soon to be effective)

### Status



**Effective Jan. 1, 2026**

### Development

#### Career — Health

#### **2026 paid family medical leave rates issued**

Connecticut announced its paid family and medical leave (PFML) contribution rates and benefit maximums for 2026. The employee PFML contribution rate will remain at 0.5% of wages (up to the Social Security maximum wage base, not yet announced for 2026), per a recent CT Paid Leave Authority announcement. The program does not require employer contributions. The maximum weekly benefit equals 60 times the state minimum wage, which will increase from \$16.35 to \$16.94/hour in 2026. As a result, the maximum weekly benefit will increase from \$981 to \$1,016.40.

### Resources

[rich.glass@mercer.com](mailto:rich.glass@mercer.com)

[Information on Connecticut Paid Leave](#) (Government)

## US — Hawaii (previously covered, soon to be effective)

**Status**  **Effective Jan. 1, 2026.**

**Development** **Health**  
**Prepaid Health Care Act Form HC-5 for 2026 issued**  
Hawaii's Prepaid Health Care Act (PHCA) requires employers to offer health coverage to all eligible employees in the state. An employee may waive coverage under the employer's health plan if certain conditions apply, such as having other health coverage. To claim an exemption, the employee must complete and provide Form HC-5 (Employee Notification to Employer) to the employer. This notice is binding for only one year, so exempt employees must annually complete a new form by Dec. 31, using the current calendar year's form. The employer must keep this form on file.

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Form HC-5 employee notification to employer for calendar year 2026](#) (Department of Labor and Industrial Relations, October 2025) and [Prepaid Health Care links](#) (Disability Compensation Division)

## US — Maine (new)

**Status**  **Beginning with the 2026 tax year**

**Development** **Career — Health**  
**Tax treatment of paid family medical leave benefits clarified**  
The Maine Department of Labor (MDOL) updated an employee FAQ (Q/A-26) to clarify state and federal taxation of paid family and medical leave (PFML) benefits, starting with the 2026 tax year. Essentially, MDOL will follow federal guidance described in Revenue Ruling 2025-4. Here are the highlights:

- Family leave. Leave benefits related to family members will be considered taxable non-wages (i.e., not subject to FICA (Social Security and Medicare taxes). At the end of the year, employees receiving this type of leave benefit will receive a Form 1099-G from the state.
- Medical leave. Leave benefits related to the employee's health condition will be considered taxable wages to the extent attributable to employer contributions (the state's default position is a 50-50 split). The state will withhold FICA taxes from the benefit amounts. The state can also withhold additional amounts for state and federal taxes at the employee's election. The employer is responsible for reporting the leave benefits on Form W-2.
- Employee contributions. All employee contributions are on a post-tax basis. All employer contributions are nontaxable, unless the employer contributes more than required by law.

PFML benefits become available in Maine on May 1, 2026. A few other states have provided PFML taxation guidance, including Colorado, Connecticut, Massachusetts and Minnesota.

**Resources** [Employee FAQ](#) (Government, November 2025)

**US — New Jersey (previously covered, now effective)****Status**  **Currently effective**

**Development** **Career**  
**Law prohibits employers' captive-audience meetings on unionization**  
 New Jersey's legislation (A 4429) extends the prohibition on required employer-sponsored meetings (captive audience meetings) to include an "employee's decision to join or support a labor organization or association." Employers will be required to post a notice of employee rights in a conspicuous place reserved for employment-related notices and in a place commonly frequented by employees. The law became effective on Dec. 2, 2025 — 90 days after enactment. Twelve other states have laws banning captive audience meetings, and the National Labor Relations Board ruled in 2024 that these types of meetings are unlawful. The Trump administration is likely to restore employers' power to force workers to attend captive audience meetings.

**Resources** [A 4429](#) (Legislature)**US — New York (previously covered, soon to be effective)****Status**  **Effective Jan. 1, 2026.**

**Development** **Career — Health**  
**New York announces maximum weekly paid family leave benefit**  
 The Department of Financial Services announced an increase from \$1,777.32 to \$1,228.53 to the maximum weekly paid family leave benefit for 2026.


**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[New York paid family leave updates for 2026](#) (New York State)

**US — Oregon (new)****Status**  **Effective Jan. 1, 2026.**


**Development** **Career — Health**  
**Paid family medical leave rates drop to 9%**  
 The Oregon Employment Department has posted its 2026 rates for paid family and medical leave (PFML), decreasing the overall contribution rate from 1% to 0.9% of wages.  
 Under the Paid Leave Oregon program, employees pay 0.6% (0.54% in 2026) and employers with 25 or more employees (including out-of-state workers) pay 0.4% (0.36% in 2026). Employers with fewer than 25 employees are not required to contribute; employees do not make up the difference in that event. The taxable wage base continues to align with the Social Security maximum taxable wage base (\$184,500 in 2026).

**Resources** [rich.glass@mercer.com](mailto:rich.glass@mercer.com)  
[Current tax and contribution rates](#) (Employment Department) [State paid family and medical leave contributions and benefits](#), regularly updated

**US — Puerto Rico**

<b>Status</b>	 <b>Currently effective</b>
<b>Development</b>	<b>Career — Health</b> <b>Benefit and leave laws vary</b> <p>Puerto Rico is an unincorporated territory within the US with a separate tax code, constitution, and benefit and insurance laws. Nonetheless, many (but not all) US laws apply to this territory of approximately three million residents. The GRIST cited below summarizes major requirements and special issues, including an overview of complicated tax-related health and fringe benefit rules, leave laws, the ACA and more.</p>
<b>Resources</b>	<a href="mailto:rich.glass@mercer.com">rich.glass@mercer.com</a> <a href="#">GRIST</a> , Aug. 12, 2024

**US — Washington (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Career — Health</b> <b>Paid family and medical leave contributions announced</b> <p>The Employee Security Department announced that paid family and medical leave contributions will increase to 1.13% of wages, up from 0.92%, starting in 2026. The employer portion of that rate is 28.57% (0.32284%); the employee portion is 71.43% (0.80716%). Employers with fewer than 50 Washington employees are not required to contribute, but they must still collect and remit employee contributions or pay their portion on their behalf. The maximum wage base for contributions equals the Social Security maximum taxable wage base (\$184,500 in 2026).</p>
<b>Resources</b>	<a href="#">Paid family and medical leave premium rate</a> (Employment Security Department, Oct. 29, 2025) and <a href="#">Social security contribution and benefit base</a> (Government)

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

<b>Development</b>	<b>Career — Health</b> <ul style="list-style-type: none"> <li>• <a href="#">One Big Beautiful Bill includes employer-friendly provisions</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Paid family and medical leave law enacted in Colorado</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Salary and benefit disclosures in job postings to be required in Delaware</a> — key date: Sept. 26, 2027</li> <li>• <a href="#">Nursing mothers to be paid for break time to express milk required in Illinois</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Paid family and medical leave mandated in Minnesota</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Paid family medical leave rates adjusted in Minnesota</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Paid family medical leave regulations issued in Minnesota</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Minor changes made to paid family medical leave and paid sick and safe leave programs in Minnesota</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Rest and meal break requirements for employees clarified in Minnesota</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Some 2026 paid family medical leave rates announced in New Jersey</a> — key date: Jan. 1, 2026</li> </ul>
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## US (previously covered, with upcoming effective dates) (continued)

### Development

- [2026 paid family medical leave rates announced in New York](#) — key date: Jan. 1, 2026
- [Amended Earned Sick and Safe Time Act adds permitted uses in New York City](#) — key date: Feb. 22, 2026
- [Paid sick and safe leave allowed for voluntary blood donation in Oregon](#) — key date: Jan. 1, 2026
- [Paid family medical leave law modified in Rhode Island](#) — key date: Jan. 1, 2026
- [Law allows employees donating a living organ or bone marrow to take paid family medical leave in Rhode Island](#) — key date: Jan. 1, 2026
- [Coverage required for adverse effects of gender transition in Texas](#) — key date: Jan. 1, 2026
- [2026 paid family medical leave benefit limits in Washington](#) — key date: Jan. 1, 2026
- [Paid family medical leave grant program, job protections expanded in Washington](#) — key date: Jan. 1, 2026
- [Hate crimes a permitted use of paid/unpaid domestic violence leave in Washington](#) — key date: Jan. 1, 2026
- [Paid family and medical leave law tweaked in Maine](#) — key date: May 1, 2026
- [Leave to be required for employee blood and organ donation in Illinois](#) — key date: June 1, 2026
- [Leave required for employees with a child in a neonatal intensive care unit in Illinois](#) — key date: June 1, 2026
- [Paid family medical leave law delayed in Maryland](#) — key date: Jan. 1, 2027
- [Paid family medical leave law enacted in California](#) — key date: July 1, 2028

### Health

- [Mental health parity changes](#) — key date: Jan. 1, 2026
- [2026 HSA, HDHP and excepted-benefit HRA figures set](#) — key date: Jan. 1, 2026
- [Update on CMS audits and penalties for noncompliant section 111 reporting for group health plans](#) — key date: Jan. 1, 2026
- [Prescription law enacted in Arizona](#) — key date: Jan. 1, 2026
- [Breastfeeding consultation services coverage required in Arkansas](#) — key date: Plan years starting in 2026
- [Portable benefit plan for independent contractors created in Alabama](#) — key date: Jan. 1, 2026
- [Health Care Expenditure rates hiked in San Francisco, California](#) — key date: Jan. 1, 2026
- [Contractor-lessee health plan, pay rates updated in San Francisco, California](#) — key date: Jan. 1, 2026
- [Prior authorization report law enacted in California](#) — key date: Reports must be provided by July 1, 2026.
- [Upper prescription drug limit set in Colorado](#) — key date: Effective date is unknown
- [Telehealth law enacted in Colorado](#) — key date: Jan. 1, 2026
- [New law focuses on prior authorization practices for fully insured plans in Colorado](#) — key date: Jan. 1, 2026
- [Law eliminates the exception for individual and small-group market-plans regarding abortion coverage mandate in Colorado](#) — key date: Jan. 1, 2026
- [Doula coverage mandated in Delaware](#) — key date: Plan years beginning in 2026

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

Development	Health
	<ul style="list-style-type: none"> <li>• <a href="#">Abortion coverage required in Delaware</a> — key date: Plan years starting on or after Jan. 1, 2026</li> <li>• <a href="#">Colonoscopy coverage mandate enacted in Illinois</a> — key date: Plan years starting in 2026</li> <li>• <a href="#">Fertility-related insurance laws enacted in Illinois</a> — key date: Plan years starting in 2026</li> <li>• <a href="#">Pregnancy-related services coverage mandate enacted in Illinois</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Pharmacy benefit manager law enacted in Illinois</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Pharmacy benefit manager laws enacted in Indiana</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Dependent coverage law enacted in Illinois</a> — key date: Plan years starting in 2026</li> <li>• <a href="#">Pharmacy benefit manager licensure law to take effect in Massachusetts</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">2026 individual-mandate coverage dollar limits set in Massachusetts</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Immunization law enacted in New Mexico</a> — key date: July 1, 2026</li> <li>• <a href="#">Pharmacy benefit manager law to change in Nebraska</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Fertility mandate enacted in Nevada</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Ground ambulance surprise billing banned in New Hampshire</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Network adequacy standards increased in Oregon</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Telehealth law enacted in Oregon</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Pharmacy benefit manager law enacted in Pennsylvania</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Telehealth laws enacted in Washington</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Pharmacy benefit manager law enacted in Washington</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Hotel medical rates released for 2026 in Seattle, Washington</a> — key date: Jan. 1, 2026</li> <li>• <a href="#">Telehealth parity extended in New Jersey</a> — key date: July 1, 2026</li> <li>• <a href="#">Prior authorization insurance law enacted in Wyoming</a> — key date: July 1, 2026</li> <li>• <a href="#">Insurance law mandates gender detransition coverage in Montana</a> — key date: Oct. 1, 2026</li> <li>• <a href="#">State-based exchange delivery to change in Oregon</a> — key date: Nov. 1, 2026</li> <li>• <a href="#">Three covered services added to California's benchmark plans</a> — key date: If approved by federal Department of Health and Human Services, inclusion will start in 2027</li> <li>• <a href="#">Pharmacy benefit manager law enacted in Colorado</a> — key date: Jan. 1, 2027</li> <li>• <a href="#">Obesity and pre-diabetes treatment coverage mandated in Colorado</a> — key date: Jan. 1, 2027</li> <li>• <a href="#">Ground ambulance law passed in Illinois</a> — key date: Jan. 1, 2027</li> <li>• <a href="#">Telehealth reimbursement parity extended in Hawaii</a> — key date: Dec. 31, 2027</li> </ul>

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

### Development



### Wealth

- [Rules finalized on Roth catch-up mandate for high earners — key date: Most plans will need to comply starting in 2026](#)
- [2026 mortality tables for defined benefit plans released](#) — key date: Jan. 1, 2026
- [Effective date for portion of upcoming required minimum distribution regulations delayed — key date: Jan. 1, 2026](#)
- [Tax withholding rule for pension payments outside of the US finalized](#) — key date: Jan. 1, 2026
- [IRS delays SECURE 2.0's Roth catch-up mandate](#) — key date: 2026
- [Employer contributions to Trump accounts can begin](#) — key date: July 2026
- [Rules finalized for SECURE 2.0 'super catch-up' contributions](#) — key date: 2027 plan year



## Section 4

# Asia Pacific

Australia (new)	
Status	 <b>Consultation is open through Dec. 16, 2025.</b>
Development	<b>Wealth</b> <b>Requirements for registrable superannuation entity licensees proposed</b> <p>On Nov. 18, 2025, the Australian Prudential Regulation Authority (APRA) opened a consultation on a proposed class exemption from certain ownership and control approval requirements under the Superannuation Industry (Supervision) Act 1993 (SIS Act). Comments are invited through Dec. 16, 2025.</p> <p>Since 2019, the SIS Act requires individuals or entities to obtain APRA's approval before acquiring a controlling stake (more than 15%) in a Registrable Superannuation Entity (RSE) licensee. However, some office holders with minimal holdings must also seek APRA approval. APRA's proposed exemption would waive approval requirements for management employees and company secretaries holding less than a 2% direct interest in an RSE licensee, reducing the administrative burden and cost for APRA and individuals.</p>
Resources	tasnima.bhuiyan@mercer.com <a href="#">Proposed class exemption: Approval to own or control an RSE licensee</a> (APRA, Nov. 18, 2025)
Australia (new)	
Status	 <b>Currently effective</b>
Development	<b>Career — Health</b> <b>Employees are entitled to employer-paid parental leave in case of stillbirth or infant death</b> <p>From Nov. 7, 2025, parents in Australia who experience a stillbirth or the early death of an infant, including in surrogacy or adoption situations, remain entitled to employer-paid parental leave under the Fair Work Amendment (Baby Priya's) Bill 2025 (Act No. 56). Employers are prohibited from cancelling this leave unless both the employer and employee explicitly agree to alternative arrangements. This change aligns employer-paid leave with existing government-funded paid parental leave and unpaid parental leave provisions.</p>
Resources	<a href="#">Fair Work Amendment (Baby Priya's) Bill 2025</a> (Parliament, Nov. 6, 2025)

**Australia (new)****Status**  **Currently effective****Development****Wealth****Payday Superannuation legislation enacted**

The Treasury Laws Amendment (Payday Superannuation) Act 2025 received Royal Assent and came into effect on Nov. 6, 2025, following extensive industry consultation. The Australian Superannuation Funds Association (ASFA) has launched the Payday Super Hub to provide guidance on navigating the changes. Key changes introduced by the Act include:

- The payment frequency for super guarantee (SG) contributions will increase from July 1, 2026 — they will be paid in line with employees' salary payment dates and cycles instead of the current quarterly in-arrears payment schedule.
- The SG Charge (SGC) calculation is now calculated based on a new measure called Qualified Earnings (QE), and employers who fail to pay contributions fully and on time will be liable for the SGC. The SGC will be updated and consist of: individual final SG shortfall (any unpaid contributions when the SGC is assessed, and the shortfall will be calculated based on Qualified Earnings); notional earnings (an interest component to compensate employees for lost super fund earnings due to late payments); administrative uplift (an extra charge to cover enforcement costs and encourage voluntary disclosures to the Australian Taxation Office — ATO); and choice loading (penalties will apply where employers do not comply with employee fund choice rules).
- Compressed payment timeframes (funds must generally receive and allocate eligible contributions within seven business days after payday)
- Compressed allocation timeframes (Super funds must allocate contributions within three business days of receipt)
- Modified penalty framework (updated penalties to support compliance)

The ATO has issued transitional rules for compliance in draft guidance — PCG 2025/D5 — during the first year.

**Resources**

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[Superannuation Guarantee Charge Amendment Bill 2025](#) (Parliament) and [Payday Super Hub](#) (Government)

**Australia (new)****Status**  **Currently effective****Development****Health****Fringe benefit tax exemption of electric cars clarified**

The Australian Taxation Office (ATO) has clarified the fringe benefits tax (FBT) exemption for eligible electric cars and associated car expenses. This exemption applies to employers who provide the private use of electric cars that fulfill all specified conditions. The ATO confirmed that electric motorcycles and scooters are not eligible for the exemption, plug-in hybrid electric vehicles (EVs) will not be classified as zero- or low-emissions from April 1, 2026 (with some exceptions) and the EV home charging rate will be A\$0.042/kilometer. Finally, the private use of an eligible electric car, including associated expenses, must still be reported as a fringe benefit.

**Resources**

[Electric cars exemption](#) (ATO, Nov. 20, 2025)

Australia (new)	
Status	 <b>Currently effective</b>
Development	<p><b>Wealth</b></p> <p><b>Guidance issued on source of funds and wealth</b></p> <p>The Australian Transaction Reports and Analysis Centre (AUSTRAC) has issued guidance on identifying the source of funds and source of wealth on certain high-risk customers and higher-risk transactions or activities that forms an important part of the ongoing reforms to Australia's Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) framework. AUSTRAC requires reporting entities to have risk-based procedures in their AML/CTF programs to establish Source of Funds (SOF) and Statement of Work (SOW), particularly for high-risk members and complex transactions. SOF refers to the origin of specific monies used in a single transaction or service, and SOW relates to the origin of a customer's entire wealth and assets rather than monies involved in a single transaction. AUSTRAC is developing a factsheet with scenarios to clarify when entities must collect or verify information about a customer's source of funds or source of wealth.</p>
Resources	<p><a href="mailto:tasnima.bhuiyan@mercer.com">tasnima.bhuiyan@mercer.com</a></p> <p><a href="#">AML/CTF reform</a> (AUSTRAC)</p>
Australia (new)	
Status	 <b>Priorities for 2026</b>
Development	<p><b>Wealth</b></p> <p><b>Enforcement priorities for 2026 announced by ASIC</b></p> <p>Private credit practices, financial reporting misconduct, insurance complaints and claims handling and misleading pricing are among the range of new enforcement priorities the Australian Securities and Investments Commission has unveiled for 2026. Highlights of the enforcement priorities include:</p> <ul style="list-style-type: none"> <li>• Misleading pricing practices that impact cost of living for Australians; poor private credit practices; financial reporting misconduct including failure to lodge financial reports; claims and complaint handling failures by insurers; continuing work to hold those responsible for the collapse of the Shield; and First Guardian Master Funds.</li> <li>• Continuing enforcement priorities include strengthened investigation and prosecution of insider trading conduct; misconduct exploiting consumers facing financial difficulty including predatory credit practices; unlawful practices seeking to evade small business creditors; holding super trustees to account for member services failures and auditor misconduct.</li> </ul>
Resources	<p><a href="mailto:anthony.nemec@mercer.com">anthony.nemec@mercer.com</a></p> <p><a href="#">ASIC enforcement priorities</a> (ASIC)</p>

**Australia (new)****Status****Report****Development****Wealth****Regulator issues financial systems risk report and stress test**

The Australian Prudential Regulation Authority (APRA) has released the System Risk Outlook, a new biannual report that provides insights into the domestic and international risks and vulnerabilities facing Australia's financial system. The report confirms that the system remains stable and resilient, with sufficient capacity to withstand potential adverse shocks. It identifies three areas of concern: geopolitical risks, high levels of housing debt and the interconnectedness of financial institutions.

To address these risks, APRA is collaborating with other financial regulators through a dedicated geopolitical risk work program. This includes engaging with lenders to ensure effective use of macroprudential policy tools and conducting exploratory stress tests to assess the impact of superannuation funds on the system.

**Resources**

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[System Risk Outlook](#) (APRA, November 2025)

**Australia (previously covered)****Development****Wealth**

- [Extension of superannuation disclosure relief confirmed](#) — key date: Jan. 1, 2026
- [Anti-money laundering, counter-terrorism legislation effective](#) — key date: March 31, 2026
- [Superannuation, Medicare implications of 2025/26 federal budget highlights](#) — key date: July 1, 2026
- [Superannuation service standards for claims handling released](#) — key date: July 1, 2026

**China — Shanghai (new)****Status****Currently effective****Development****Career — Health****Occupational injury insurance coverage to interns and older workers expanded**

Starting Dec. 1, 2025, employers in Shanghai can include interns and workers older than the statutory retirement age (but under 66) in the occupational injury insurance scheme. Previously, these groups were excluded from these social insurance programs because they were not officially classified as “employees.” Consequently, employers either had to purchase commercial insurance to cover these workers or bear full responsibility for any occupational injuries or illnesses they might incur.

**Resources**

[Announcement](#) (Chinese) (Government, Oct. 27, 2025)

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

<b>Development</b>	<b>Career</b>
	<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>
	<b>Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Commercial insurance catalog for innovative medicines developed</a> — key date: Effective date unknown</li> </ul>

**Hong Kong (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Working time threshold for ‘continuous contracts’ reduced</a> — key date: Jan. 18, 2026</li> </ul>
	<b>Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Revised fee schedule for public healthcare services gazetted</a> — key date: Jan. 1, 2026</li> </ul>

**India — Karnataka (new)**

<b>Status</b>	 <b>Currently effective</b>
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<b>Development</b>	<b>Career — Health</b>
	<p><b>Paid menstrual leave to be introduced</b></p> <p>Effective Nov. 12, 2025, female employees aged 18 to 52 in both the private and public sectors are entitled to one day of paid menstrual leave per month. No medical certificate is required, and unused leave cannot be carried over to subsequent months.</p> <p>Key considerations such as confidentiality, potential workplace bias and the exclusion of workers in the unorganised sector have not been addressed.</p> <p>Other states that offer menstrual leave include Bihar, Kerala, Odisha and Sikkim.</p>

<b>Resources</b>	<a href="#">Proceedings of Karnataka government</a> (Government, Oct. 9, 2025)
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India (updated)	
Status	 <b>Effective dates vary.</b>
Development	<p><b>Career — Health — Wealth</b>  <b>Labor codes implemented</b></p> <p>On Nov. 21, 2025, the Government of India officially implemented four new consolidated labor codes, replacing 29 central labor laws. These codes, enacted in 2019 and 2020, aim to simplify labor regulations, improve worker protections and formalize the workforce. Employers will also face higher compliance costs due to expanded social security coverage and revised wage definitions. Some of the provisions in the codes took effect immediately, while others will come into force once detailed rules are issued by central and state governments. Highlights of the codes include:</p> <ul style="list-style-type: none"> <li>• Code on Wages, 2019. The code introduces uniform definitions for wages, workers and employees; sets minimum wages; requires timely payment of wages and bonuses; establishes equal pay for equal work; and establishes a national floor wage, with states deciding the exact rates. At least 50% of total remuneration must be classified as wages, which may increase employer costs related to the Provident Fund, gratuity, bonuses and leave encashment liabilities. Statutory deductions will also increase, which will potentially reduce workers' take-home pay.</li> <li>• Industrial Relations Code, 2020. The code revises rules on hiring, termination, layoffs, trade unions and dispute resolution. Employers must issue formal appointment letters to all workers, and fixed-term employment contracts are officially recognized for the first time. A Reskilling Fund for retrenched workers will be introduced by the government, funded by employer contributions, and employers will need government approval only if laying off 300 or more workers.</li> <li>• Code on Social Security, 2020. The code expands social security benefits (Provident Fund, insurance, maternity, welfare) to fixed-term, contract, gig and platform workers. Employers must now pay a gratuity to fixed-term employees after one year of service. The broader coverage and wage definitions will increase employers' gratuity and other social security costs.</li> <li>• Occupational Safety, Health &amp; Working Conditions Code, 2020. The code consolidates laws on workplace safety, health and welfare across industry sectors. It standardizes working hours, safety audits and employer infrastructure requirements. Employers must also provide all workers with a legally enforceable written appointment letter.</li> </ul> <p>To ensure compliance with the labor codes, companies should model payroll costs in accordance with the revised wage definition and expanded social security coverage; assess new gratuity and leave liabilities; update employment contracts and appointment letters for all employees; conduct workplace safety audits; adhere to the revised retrenchment procedures; and revise human resource policies and employee handbooks accordingly.</p> <p><a href="mailto:ansh.gandhi@mercer.com">ansh.gandhi@mercer.com</a> and <a href="mailto: jyotsna.tiwari@mercer.com">jyotsna.tiwari@mercer.com</a>  <a href="#">Labour codes</a> (Ministry of Labour &amp; Employment); <a href="#">Government announces implementation of four labor codes to simplify and streamline labour laws</a> (Government, Nov. 21, 2025) and <a href="#">GRIST</a>, Oct. 29, 2020</p>
Resources	

**Indonesia (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Details of public housing savings program, contributions and registration issued</a> — key date: May 20, 2027</li> </ul>
	<b>Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">New insurance regulation for health insurance products issued</a> — key date: Delayed from Jan. 1, 2026</li> </ul>

**Japan (new)**

**Status**  **Currently effective**

<b>Development</b>	<b>Career — Health</b>
	<p><b>Monthly tax-exempt commuting allowances announced</b></p> <p>Japan's National Tax Agency has announced the maximum permitted monthly tax-exempt commuting allowances. The new rates took effect on Nov. 20, 2025, and apply to commuting expenses due on or after April 1, 2026.</p> <p>The maximum commuting allowance for individuals using public transportation or toll roads, including commuter passes and allowances, is unchanged at 150,000 JPY/month. The maximum monthly tax-exempt commuting allowance for individuals using transportation, such as cars and bicycles, is up to 38,700 JPY, depending on the commuting distance.</p>
<b>Resources</b>	<a href="#">Announcement</a> (Japanese) (National Tax Agency)

**Malaysia (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career — Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Employment protections for gig workers finalized</a> — No effective date specified</li> </ul>

**New Zealand (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Wealth</b>
	<ul style="list-style-type: none"> <li>• <a href="#">KiwiSaver scheme and contribution amounts adjusted</a> — key date: Jan. 1, 2026</li> </ul>

**Singapore (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career</b>
	<ul style="list-style-type: none"> <li>• <a href="#">The Workplace Fairness (Dispute Resolution) Bill passed</a> — key date: End of 2027</li> </ul>
	<b>Career — Wealth</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Retirement and reemployment ages to increase</a> — key date: July 1, 2026</li> </ul>
	<b>Wealth</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Central Provident Fund contribution rates for older workers to increase</a> — key date: Beginning in 2026</li> </ul>

**Singapore (previously covered, soon to be effective)**

**Status**  **Effective Jan. 1, 2026, with further increases in 2027 and 2028.**

**Development****Career****Wage increases for in-house security officers announced**

Starting from Jan. 1, 2026, Singapore's 7,000 full-time and part-time in-house security officers will receive scheduled wage increases over a three-year period, lasting until Dec. 31, 2028. This follows the government's acceptance of the Security Tripartite Cluster's recommendations regarding the Security Progressive Wage Model (PWM).

From Jan. 1, 2026, the wages of 1,500 full-time in-house security officers will increase to at least the new entry-level PWM wage of SG\$2,475. Over the course of 2026 to 2028, the baseline monthly gross wage will further increase to SG\$2,795, up from SG\$2,475.

Since Jan. 1, 2024, the Security PWM has included a separate wage model specifically for in-house security officers.

**Resources**

[Announcement](#) (Government, Oct. 30, 2025)

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

- [Implementation plans, effective date for labor relations law announced](#) — key date: March 10, 2026

**Wealth**

- [Plans to increase pension premiums, expand coverage](#) — key date: Jan. 1, 2026

**Taiwan (previously covered, with upcoming effective date)****Development****Career — Health**

- [Parental leave flexibility to increase](#) — key date: Jan. 1, 2026

**Career — Wealth**

- [Employees and employers can negotiate post-retirement age employment](#) — key date: unknown

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

- [Minimum wage to increase](#) — key date: Effective 90 days after publication in the Royal Gazette

**Health**

- [Start date of Employee Welfare Fund postponed](#) — key date: Oct. 1, 2026



**Thailand (new)****Status****Currently effective****Development****Career — Health****Maternity leave expanded, parental and care leave introduced**

Thailand's parliament recently agreed to expanded paid maternity leave and introduced parental and infant care leaves under measures that amend the Labour Protection Act B.E. 2541 (1998) and the Labour Protection Act B.E. 2562 (2019) that took effect on Dec. 7, 2025 — 30 days after publication in the Royal Gazette. Highlights of the law include:

- Maternity leave has expanded to 120 days, up from 98 days per pregnancy.
- Employers must pay full wages for the first 60 days, up from 45 days. Additionally, the Social Security Office has expanded the childbirth leave allowance to 60 days, also up from 45.
- Mothers that have used up their maternity leave entitlement are allowed up to 15 days of paid infant care leave if their child suffers from a medical condition that poses risks. Employers must pay 50% of the employee's normal wage during this leave. This is a new entitlement.
- Employees are now entitled to 15 days of parental leave per pregnancy to support their spouse. Employers must pay full wages, and the leave must be taken within 90 days, before or after the birth. This is a new legal entitlement in the private sector.

**Resources**[Law](#) (Thai) (Government)**Vietnam (new)****Status****Effective Jan. 1, 2026****Development****Career****Minimum wage to increase**

On Jan. 1, 2026, the minimum monthly and hourly wages across the four regions will increase under measures included in Decree 293. The regional monthly minimum wage will increase to 5,310,000 VND (up from 4,960,000 VND) in Region 1; 4,730,000 VND (up from 4,410,000 VND) in Region 2; 4,140,000 VND (up from 3,860,000 VND) in Region 3; and 3,700,000 VND (up from 3,450,000 VND) in Region 4. The hourly minimum wage will increase to between 17,800 VND and 25,500 VND (up from 16,600 VND and 23,800 VND), depending on the region.

**Resources**[Decree 293](#) (Vietnamese) (Government, Nov. 10, 2025)**Vietnam (previously covered, with upcoming effective date)****Development****Career**


- [Unemployment insurance participation expanded](#) — key date: Jan. 1, 2026

**Health**


- [Start date of Employee Welfare Fund postponed](#) — key date: Oct. 1, 2026

# Section 5

## Europe, Middle East and Africa (EMEA)

European Union (EU) (new)	
Status	 Currently effective
Development	<p><b>Career</b></p> <p><b>Ruling on minimum wage directive issued</b></p> <p>On Nov. 11, 2025, the European Union's (EU) Court of Justice (Court) issued a <a href="#">ruling</a> on the EU <a href="#">directive</a> concerning adequate minimum wages. The Court concluded that, overall, the directive does not represent direct interference by EU law in the setting of minimum wages and that it was adopted on a valid legal basis. However, the Court identified two specific provisions that exceeded EU authority because they would interfere with how pay is determined. The ruling does not affect the national legislation of member states that implements the directive. The European Commission has confirmed it will continue to work towards the full and correct implementation of the directive across all member states. The case was initiated by Denmark and supported by Sweden, which argued that the directive should be annulled in full because it violated the EU's treaties by encroaching on areas reserved for national governments and social partners. In January 2025, the Court's Advocate General issued a preliminary opinion recommending that the Court rule in favor of Denmark.</p> <p>The directive, agreed upon in 2022, aims to ensure adequate minimum wages and to strengthen collective bargaining throughout the EU. The Court annulled the two provisions that would have required member states to follow specific criteria when setting statutory minimum wages and would have prohibited reductions in existing minimum wages when these are automatically adjusted through indexation. The European Commission is currently analyzing the impact of these annulled provisions.</p>
Resources	<a href="#">Ruling</a> (Europa, Nov. 11, 2025)


EU (new)	
Status	 Proposals
Development	<p><b>Wealth</b></p> <p><b>Measures to improve access, effectiveness of supplementary pensions issued</b></p> <p>The European Commission (Commission) published on Nov. 20, 2025, a package of measures to improve individuals' access to more effective supplementary pensions. The measures are part of the Commission's Savings and Investments Union (SIU) Strategy and include a review of the Pan-European personal pension products (PEPP) Regulation. The Commission estimates that only about one in five European Union (EU) citizens participate in an occupational scheme and even fewer hold personal pension products. Highlights of the package include:</p> <ul style="list-style-type: none"><li>• A Commission Recommendation addresses pension tracking systems (online systems that provide individuals with an overview of their pension entitlements and projected benefits); pension dashboards (these provide policymakers and other key stakeholders with an overview of the adequacy and sustainability of national pension systems, consolidating key indicators such as coverage, contributions, retirement income across different population groups and fiscal costs); and encouragement for member states to introduce supplementary pension scheme autoenrollment.</li><li>• Two legislative proposals that cover areas already subject to EU financial market regulation: an amending IORP II Directive (this aims to make IORPs work more efficiently and at scale, and would apply the IORP framework to other funded retirement institutions not covered by EU prudential legislation) and an amending Regulation on PEPP (this aims to increase its appeal for savers and financial market participants).</li><li>• A Commission communication clarifies the standard for those managing pension schemes' assets (the Prudent Person Principle) to ensure that equity investments by supplementary pension schemes are not discouraged.</li></ul> <p>An assessment of the finalized measures would be conducted as part of the midterm review of the Savings and Investments Union (SIU) strategy, which will be published in 2027.</p>
Resources	<a href="#">Commission proposes to boost supplementary pensions to help ensure adequate retirement income</a> (European Commission, Nov. 20, 2025)

EU (updated)	
Status	 Ongoing
Development	<p><b>Career</b></p> <p><b>Measures to simplify sustainability reporting introduced</b></p> <p>In February 2025, the European Commission (Commission) introduced proposals as part of the Omnibus I Package aimed at simplifying and clarifying companies' reporting and due diligence obligations under the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The CSRD establishes a framework for large companies to report on their environmental, social and governance (ESG) impacts, and the CSDDD requires companies to identify and address human rights and environmental risks within their operations and value chains. Here are the key highlights of the Omnibus I Package proposals, some of which are ongoing while others have been finalized:</p> <ul style="list-style-type: none"> <li>• “Stop the clock” directive. This directive postpones the first reporting deadlines for certain companies under the CSRD. “Second wave” companies will now report in 2028 for the 2027 financial year (previously 2026 for 2025). “Third wave” companies will report in 2029 for the 2028 financial year (previously 2027 for 2026).</li> <li>• A “quick fix regulation,” effective from the 2025 financial year, allows “first wave” companies that have already started to report under the CSRD to omit certain information in their future reports. This regulation was necessary because these companies were not covered by the “stop the clock” directive.</li> <li>• The deadline for EU member states to transpose the CSDDD into national law has been extended to July 26, 2027 (previously 2026). “First wave” companies must comply with the CSDDD from July 26, 2028 (previously 2027).</li> <li>• Substantive changes proposal. A proposed directive would introduce major changes to sustainability reporting and due diligence required by the CSRD and CSDDD — notably, it could reduce by approximately 80% the number of companies in scope of the CSRD. The European Parliament adopted its negotiating position on Nov. 13, 2025, and discussions are still ongoing.</li> </ul> <p>Changes to the Taxonomy Delegated Acts that would simplify reporting, reduce the number of data points companies must report and introduce a financial materiality threshold are also being considered. Additionally, the Commission has proposed removal of its authority to adopt sector-specific European Sustainability Reporting Standards, and companies would be permitted to refrain from requesting certain sustainability information from entities in their value chains that fall outside the scope of the CSRD.</p>
Resources	<p><a href="#">Commission adopts ‘quick fix’ for companies already conducting corporate sustainability reporting</a> (European Commission, July 11, 2025); <a href="#">Delegated act details</a> (Europa, July 4, 2025); <a href="#">Directive 2025/794</a> (Eur-Lex, April 14, 2025); <a href="#">Omnibus package</a> (European Commission, April 1, 2025); <a href="#">Directive 2024/1760</a> (Eur-Lex, June 13, 2024); <a href="#">Proposal for a directive</a> (European Commission, Feb. 26, 2025) and <a href="#">Directive EU 2022/2464</a> (Eur-Lex, Dec. 14, 2022)</p>

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

<b>Development</b>	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Law approved to improve gender balance on company boards</a> — key date: June 30, 2026</li> <li>• <a href="#">Ban on forced or child labor finalized</a> — key date: Dec. 14, 2027</li> <li>• <a href="#">Revised European Works Council Directive approved</a> — key date: Member states must transpose by late 2027, full application by late 2028</li> </ul> <b>Career — Health</b> <ul style="list-style-type: none"> <li>• <a href="#">Platform Worker's Directive moves forward</a> — key date: Dec. 2, 2026</li> </ul> <b>Career — Health — Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Pay transparency law must be transposed into national law</a> — key date: June 7, 2026</li> </ul>
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## Albania (previously covered, soon to be effective)

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Career</b> <b>Increased minimum wage announced</b> On Jan. 1, 2026, the monthly minimum wage will increase to 50,000 ALL.
<b>Resources</b>	<a href="#">Announcement</a> (Albanian) (Government, Sept. 30, 2025)

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

<b>Development</b>	<b>Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Eligibility criteria for early retirement adjusted</a> — key date: Jan. 1, 2026</li> </ul>
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## Belgium (previously covered, with upcoming effective date)

<b>Development</b>	<b>Career — Health</b> <ul style="list-style-type: none"> <li>• <a href="#">Summer deal includes employment measures</a> — key date: Implementing legislation must be agreed to, and clarification is still required for some measures</li> </ul> <b>Wealth</b> <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>
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**Belgium (updated)****Status**  **Effective Jan. 1, 2026****Development****Health****Maximum value of meal vouchers to increase**

A Royal Decree published on Nov. 10, 2025, confirms that the maximum permitted value of meal vouchers will increase to €10, up from €8 per working day — the measures had been included in the coalition government agreement (the so-called Arizona Agreement).

Employers do not have to offer the maximum value of meal vouchers, but the increased amount will also depend on company-level decisions and sectoral agreements (these will be concluded in fall 2025). The current permitted tax deduction is unchanged at €2 per meal voucher. Additional tax deductibility will be permitted, subject to meeting eligibility criteria (the increased meal voucher value would have to exceed the current maximum value of €8).

The Arizona Accord also flagged other possible changes to the meal voucher program. These include possible increased meal voucher value (to €12 in 2027) and expanded options for spending meal vouchers. However, these measures have not yet been confirmed.

**Resources** [Decree](#) (French) (Government, Nov. 10, 2025) and [Arizona Agreement](#) (French) (Government, Feb. 3, 2025)**Croatia (previously covered, soon to be effective)****Status**  **Effective Jan. 1, 2026.****Development****Career****Increased minimum wage announced**

On Jan. 1, 2026, the gross monthly minimum wage will increase to €1,050, up from €970/month. The government has also announced that the minimum wage will increase to €1,250 gross by 2028.

**Resources** [Announcement](#) (Croatian) (Government, Oct. 24, 2025) and [Announcement](#) (Croatian) (Government, Sept. 24, 2025)**Croatia (previously covered, with upcoming effective date)****Development****Wealth**

- [Pension Act revised](#) — key date: Jan. 1, 2026

**Czech Republic (previously covered, soon to be effective)****Status**  **Effective Jan. 1, 2026.****Career****Minimum wage increase announced**


On Jan. 1, 2026, the minimum wage will increase to 22,400 CZK/month. A new methodology for calculating the minimum wage indexation was introduced in 2025, and the indexation amount is now announced annually, by the end of September.

**Resources** [Announcement](#) (Czech Trade, Aug. 31, 2025)

**Czech Republic (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Simplified employee reporting to be introduced</a> — key date: Jan. 1, 2026</li> </ul>
	<b>Wealth</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Pension contribution rules changed for employees in arduous job roles</a> — key date: Jan. 1, 2026</li> </ul>


**Denmark (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Career — Health</b>
	<p><b>Bereavement leave for spouses, cohabiting partners expanded</b></p> <p>Starting in 2026, the government will grant families the right to 12 weeks of paid bereavement leave when an individual loses their spouse or cohabiting partner, provided they have minor children together. This leave will be compensated at the same rate as maternity benefits paid in cases where the other parent passes away. These provisions are part of the 2026 Finance Act.</p>
<b>Resources</b>	<a href="#">Announcement</a> (Danish) (Government, Oct. 24, 2025)

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

<b>Development</b>	<b>Career — Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Leave for parents of hospitalized newborn or adopted child and bereavement leave benefits expanded</a> — key date: Jan. 1, 2026</li> </ul>

**Egypt (new)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
<b>Development</b>	<b>Health — Wealth</b>
	<p><b>Salary thresholds for social insurance calculations increased</b></p> <p>The National Social Insurance Authority has announced increased minimum and maximum salary thresholds that must be used to calculate insurance contributions. The changes are effective Jan. 1, 2026, and amend the Social Insurance and Pensions Law No. 148 of 2019. The minimum salary amount for calculating insurance contributions will be EG£2,700, up from EG£2,300, and the maximum salary amount will be EG£16,700, up from EG£14,500.</p> <p>The increased amounts aim to improve pensions and strengthen social protection. Furthermore, employers that have more than 100 insured employees can submit wage adjustment forms electronically to ease compliance.</p>
<b>Resources</b>	<a href="#">Announcement</a> (Arabic) (Government, Nov. 30, 2025)

**Finland (new)****Status**  **Effective Jan. 1, 2026**

**Development** **Health**  
**Health insurance contribution rates announced**  
 Finland's Ministry of Social Affairs and Health has announced updated health insurance contribution rates for 2026. The rates will increase to 1.10% of earned income taxed in municipal taxation (up from 1.06%) for medical care fees; 1.49% of taxable pension and benefit income (up from 1.45%) for medical care fees; 1.91% (up from 1.87%) for earned income insurance premiums; and 0.88% of wages and entrepreneurial income (up from 0.84%) for the daily allowance contribution for wage earners, if an individual's total wages and entrepreneurial income is €17,255 euros or more. No daily allowance contribution is charged to individuals whose total wages and income are less than €17,255.

**Resources** [Announcement](#) (Finnish) (Government, Dec. 20, 2025)**France (previously covered, with upcoming effective date)**

**Development** **Career**

- [New gender quotas imposed for senior execs/management teams](#) — key date: March 1, 2026

**Germany (previously covered, with upcoming effective date)**

**Development** **Career**

- [Minimum wage increase for cleaners](#) — key date: 2026

**Wealth**

- [Corporate tax reductions that will impact company pension schemes introduced](#) — key date: Jan. 1, 2028

**Greece (previously covered, with upcoming effective date)**

**Development** **Career – Health**


- [Labor law changes introduced](#) — Effective dates vary

**Hungary (new)****Status**  **Currently effective**

**Development** **Health**  
**Expanded food purchase options using SZÉP card temporarily permitted**  
 From Dec. 1, 2025, in-store purchases of cold food using the Széchenyi Recreation Card (SZÉP card), a fringe benefit, are permitted. The temporary rule is effective until April 30, 2026, and has been introduced in response to increased inflation.

**Resources** [Law](#) (Hungarian) (Government)



Ireland (new)	
Status	 Regulations expected to be published by mid-December.
Development	<p><b>Wealth</b></p> <p><b>Government announces significant auto-enrolment policy change</b></p> <p>Ireland's Department of Social Protection (the Department) has announced upcoming regulations to set a minimum automatic enrolment pension contribution rate of 3.5% of gross pay for employees to be exempt from automatic enrolment into the new central retirement savings system, MyFutureFund (MFF). Employers must contribute at least 1.5% with the remaining 2% contributed by either the employer or the employee. This represents a sudden and significant policy change that could affect many employers, and it responds to government concerns that some employers were enrolling employees in company pension schemes with minimal employer contributions. Such schemes exempt employees from joining MFF but offer less favorable terms, with no option to transfer to MFF.</p> <p>The government expects to publish these new regulations by mid-December 2025, although the exact date they would come into effect remains uncertain. Some reports suggest a possible start date as early as Jan. 1, 2026. However, before implementation, the Pensions Authority must be consulted, the approach approved by the National Automatic Enrolment Retirement Savings Authority (NAERSA) and relevant systems updated and tested.</p> <p>Under the Automatic Enrolment Retirement Savings System Act 2024, the government had planned to introduce mandatory "minimum standards" for qualifying pension plans to ensure their terms are "at least as favourable" as those of MFF. According to the Department's website, NAERSA was to introduce these standards by the end of year six at the latest, following consultation with the Pensions Authority. Previously, the Department had indicated that any employer pension contribution above zero would suffice for MFF exemption.</p> <p>Employers who have prepared to enroll employees in their own pension schemes to avoid MFF enrolment may now need to adjust their plans quickly to meet the new minimum contribution rate of 3.5% of gross pay. This aligns the total pension contribution with what MFF participants will receive in Years 1 to 3, which includes employer and employee contributions of 1.5% each, plus a State top-up of 0.5%.</p> <p>Noncontributory schemes that meet the minimum 3.5% contribution requirement will not be affected by these changes.</p>
Resources	<p><a href="mailto:lorna.white@mercer.com">lorna.white@mercer.com</a></p> <p><a href="#">Letter</a> (Department of Social Protection, Nov. 17, 2025)</p>

## Ireland (previously covered, soon to be effective)

**Status**  **Most changes effective Jan. 1, 2026.**

### Development

#### Career — Health — Wealth

#### Budget for 2026 includes benefit and employment measures

The government presented its Budget for 2026 on Oct. 7, 2025. Key employment-related measures include:

- The national minimum wage will increase by 65 cents to €14.15/hour.
- The Universal Social Charge will increase by €1,318 (or 2%), bringing the new limit to €28,700/year.
- The benefits-in-kind (BIK) regime for company cars will change. The temporary universal relief on the original market value of vehicles, introduced in 2023, will be gradually reduced. It will remain at €10,000 in 2026 and then it will reduce to €5,000 in 2027 and €2,500 in 2028 and will be abolished from 2029 onwards. Additionally, a new vehicle category will be introduced for zero-emission cars, applying the lowest BIK rates.
- The core State Pension (contributory and noncontributory) rates will increase by €10/week, effective January 2026. This follows three consecutive increases of €12/week and signals a moderation of welfare growth as inflation returns to more typical levels. The increase will affect all “integrated” pension schemes that calculate benefits and/or contributions based on the State Pension.

### Resources

[lorna.white@mercer.com](mailto:lorna.white@mercer.com)

[Budget 2026](#) (Government, Oct. 7, 2025) and [Announcement](#) (Government, Oct. 16, 2025)

## Ireland (previously covered, soon to be effective)

**Status**  **Effective Jan. 1, 2026**

### Development

#### Career

#### Minimum wage to increase

In 2026, the minimum wage will be €14.15/hour. Currently, the minimum wage is €13.50/hour. Lower statutory rates apply to employees younger than 20. The government announced earlier in 2025 the postponement of the National Living Wage to 2029 — it had been due to take effect in 2026.

### Resources

[Minimum wage set to increase to €14.15 an hour in 2026](#) (Government, Oct. 7, 2025)

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

### Development

#### Wealth

- [Small delay for start of ‘My Future Fund’ for pension auto-enrollment](#) — Jan. 1, 2026
- [Pension-related issues included in Finance Bill](#) — key date: Jan. 1, 2026

**Isle of Man (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Minimum wage to increase</a> — April 1, 2026</li> </ul>

**Italy (previously covered, with upcoming effective date)**

<b>Development</b>	<b>Career — Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Leave for employees with disabling or chronic oncological diseases expanded</a> — key date: Jan. 1, 2026</li> </ul>

**Lithuania (previously covered, soon to be effective)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
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<b>Development</b>	<b>Career</b> <b>Minimum wage to increase</b> On Jan. 1, 2026, the monthly minimum wage will increase to €1,153, up from €1,038. The minimum gross hourly wage will increase to €7.05, up from €6.35.
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<b>Resources</b>	<a href="#">Law</a> (Lithuanian) (Official Journal, Oct. 16, 2025)
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**Lithuania (previously covered, with upcoming effective date)**


<b>Development</b>	<b>Health</b>
	<ul style="list-style-type: none"> <li>• <a href="#">Changes to taxation of benefits</a> — key date: Jan. 1, 2026</li> </ul>

**Moldova (new)**

<b>Status</b>	 <b>Effective Jan. 1, 2026</b>
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<b>Development</b>	<b>Career</b> <b>Minimum wage to increase</b> On Jan. 1, 2026, the minimum wage will increase to 6,300 MDL/month, up from 5,500 MDL/month for a full working week, averaging 169 hours/month.
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<b>Resources</b>	<a href="#">Announcement</a> (Romanian) (Government, Nov. 24, 2025)
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Netherlands (new)	
Status	 <b>Deadline is extended to Jan. 1, 2028.</b>
Development	<b>Wealth</b> <b>Deadline extended for transition to new pension system</b> <p>On Dec. 2, 2025, the Senate approved a law extending the deadline for all pension plans to transition to the new system to Jan. 1, 2028 — from Jan. 1, 2027. This amendment to the Future Pensions Act (Act), regulated by a General Order in Council (AMvB), aims to ensure a careful and well-managed transition.</p> <p>The extension gives employers and pension funds additional time to adapt their plans accordingly. Pension plans that fail to meet the new requirements by the deadline will incur penalties for employers and direct taxation for employees. The Act covers both future pension accruals and pensions already accrued.</p>
Resources	<a href="#">Announcement</a> (Dutch) (Government, Dec. 2, 2025)
Netherlands (previously covered, with upcoming effective date)	
Development	<b>Health</b> <ul style="list-style-type: none"> <li>• <a href="#">Employer disability and sickness benefit premiums increased</a> — key date: Jan. 1, 2026</li> </ul> <b>Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Significant reforms to the occupational pension system</a> — key date: Unknown</li> <li>• <a href="#">Lump-sum Revision Act start date postponed again</a> — key date: Postponed until July 1, 2026</li> </ul>
Norway (previously covered, soon to be effective)	
Status	 <b>Effective Jan. 1, 2026</b>
Development	<b>Career — Health</b> <b>Company-specific age limits abolished</b> <p>Starting Jan. 1, 2026, it will be illegal for employers in Norway to enforce company-specific age limits that require employees to retire before the age of 72 under measures included in the amended Working Environment Act. The only exception applies to professions with specific health and safety regulations that mandate earlier retirement. Norway's general retirement age increased to age 72, up from 70, in 2015.</p> <p>For companies with existing collective agreements that set a lower retirement age, a transition period is allowed. These agreements can remain in effect until they expire, but no later than Jan. 1, 2029.</p>
Resources	<a href="#">Amended Working Environment Act</a> (Norwegian) (Government, May 27, 2025)
Oman (previously covered, with upcoming effective date)	
Development	<b>Career</b> <ul style="list-style-type: none"> <li>• <a href="#">Annual salary increment scheme revised</a> — Key date: Jan. 1, 2026</li> <li>• <a href="#">Social protection for foreign employees expanded</a> — key date: July 2026</li> </ul> <b>Health — Wealth</b> <ul style="list-style-type: none"> <li>• <a href="#">Three workforce insurance schemes postponed</a> — key date: July 19, 2026</li> </ul>

**Poland (new)**

**Status**  **Effective date is 14 days after official publication in the Official Gazette.**

**Development****Career****Collective bargaining agreements streamlined and expanded**

On Nov. 27, 2025, the President signed the Law on Collective Bargaining and Collective Agreements (CBAs), which streamlines the process for concluding and registering collective agreements and broadens the range of negotiable topics. The law will come into effect 14 days after its publication in the Official Gazette. Key provisions of the law include:

- CBAs cannot contain terms less favourable than those established by labour law.
- Company-wide or multi-company CBAs may address issues beyond labour law, such as work-life balance, the integration of new technologies (including artificial intelligence), gender equality, anti-mobbing measures and initiatives targeting psychosocial risks like stress and burnout.
- CBAs must be submitted electronically to the National Register of Collective Bargaining Agreements.
- Parties may engage a mediator during negotiations.
- The duration of CBAs is now more flexible, allowing for fixed-term agreements or CBAs with possible extensions or indefinite terms.
- Multiemployer collective bargaining agreements (involving two or more employers) can be concluded without the participation of an employer organisation.

**Resources** [Law](#) (Polish) (Government, Nov. 28, 2025)

**Poland (previously covered, soon to be effective)**

**Status**  **Jan. 1, 2026**

**Development****Career — Health****Method for determining length of service expanded**

Starting Jan. 1, 2026, the government will broaden the way an employee's length of service is calculated. The new method will include work performed for the same employer outside of traditional employment contracts, such as self-employment, service contracts or work under "mandate contracts." This change, introduced through amendments to the labor code, aims to include individuals who have years of professional experience but are currently excluded from benefits linked to length of service.

The measure will affect employee entitlements linked to length of service, including additional holiday leave, long service awards and eligibility for roles requiring documented work history. However, these entitlements will only apply if the individual is actively employed when claiming them, and if social security contributions were paid during those periods. The Social Insurance Institution (ZUS) will issue certificates confirming these periods of service. If ZUS cannot provide a certificate, employees may submit their own documentation to verify their length of service.

**Resources** [Announcement](#) (Polish) (Government, Oct. 16, 2025)

**Russia (new)****Status**  **Effective Jan. 1, 2026**

**Development** **Career**  
**Minimum wage to increase**  
 On Jan. 1, 2026, the monthly minimum wage will increase to 27,093 RUB, up from 22,440 RUB.

**Resources** [Law](#) (Russian) (Government, Nov. 28, 2025)**Saudi Arabia (previously covered, soon to be effective)****Status**  **Effective Jan. 1, 2026**


**Development** **Health**  
**Health insurance disclosure form for smaller employers to be introduced**  
 Starting Jan. 1, 2026, health insurance providers in Saudi Arabia have the right to request employers (policyholders) with fewer than 100 employees to complete a medical disclosure form for newly issued policies. This requirement is outlined in a circular issued on Oct. 19, 2025.  
 While the policyholder may submit the medical disclosure forms to the insurance providers, it is mandatory that the individual beneficiaries complete these forms themselves. Health insurance companies retain the right to request additional information if necessary and may also waive the requirement to provide some or all the disclosed data. For employers with more than 100 employees, health insurance providers may only request medical disclosure under specific circumstances: if the individual beneficiary is older than 65, or if an individual is added to the policy after it has already taken effect (this includes new employees and/or spouses on a dependent visa, within 30 days of the start of employment or their marriage).

**Resources** [zaid.ahmed@marsharabia.sa](mailto:zaid.ahmed@marsharabia.sa)  
[Circular](#) (English and Arabic) (Insurance Authority, Oct. 19, 2025)

**Slovakia (previously covered, soon to be effective)****Status**  **Effective Jan. 1, 2026**

**Development** **Career**  
**Minimum wage to increase**  
 On Jan. 1, 2026, the minimum wage rate will increase to €915/month and to €5.259/hour. The current rates are €816/month and €4.69/hour. Different rates apply to employees depending on their job grades.

**Resources** [Announcement](#) (Slovak) (Government, Oct. 8, 2025)

Slovakia (previously covered, soon to be effective)	
Status	 Generally effective from 2026.
Development	<p><b>Career — Health — Wealth</b></p> <p><b>Public holidays, sick leave payments and health insurance contributions adjusted</b></p> <p>Changes to Slovakia’s public holidays, employers’ requirement to pay sick leave and health contribution rates are included in a “comprehensive law” that aim to consolidate public finances. The measures will start in 2026 except for the permanent cancellation of the Nov. 17 public holiday which was effective this year. Highlights of the changes include:</p> <ul style="list-style-type: none"><li>• Changes to public holidays. Starting in 2025, Nov. 17 is no longer a public holiday — this is a permanent change. May 8 and Sept. 15 will temporarily lose their status as public holidays in 2026.</li><li>• On Jan. 1, 2026, employers will have to pay the wages of employees who are on sick leave for 14 calendar days, up from 10. Social insurance will only be paid from the 15th day of incapacity.</li><li>• On Jan. 1, 2026, social insurance must be paid if an employee receives any taxable income, for example while on sick leave or during leave to care for a family member.</li><li>• Effective Jan. 1, 2026, employees’ health insurance contribution will increase to 5%, up from 4%; for individuals with disability, and the contribution rate will increase to 2.5%, up from 2%. On Jan. 1, 2028, the contribution rate for employers will decrease to 10%, down from 11%.</li><li>• The amount of the thirteenth old-age pension, early retirement pension and disability pension (upon reaching retirement age) will be fixed at €667.30 from 2026 to 2028.</li></ul>
Resources	<p><a href="mailto:petr.boldis@mercer.com">petr.boldis@mercer.com</a></p> <p><a href="#">Announcement</a> (Slovak) (Government, Sept. 25, 2025)</p>

**Slovenia (new)****Status****Currently effective.****Development****Career****Mandatory winter bonus payment to be introduced**

Measures that require employers to pay a winter bonus to employees, starting in 2025, took effect on Nov. 23, 2025.

Highlights of the new measures include:

- Special arrangements apply in 2025 due to the law's late approval and publication.
- Employers must pay a winter bonus in cash equal to half of the minimum salary, which is currently €639 gross.
- Employees who have worked only part of the year — including those whose employment ended during the year — or who work part-time, are entitled to a proportional share of the winter bonus.
- The winter bonus must be paid no later than 18 days after the November payroll date.
- To be exempt from tax, the combined total of the winter bonus and any tax-free performance bonus must not exceed 100% of the average monthly salary (for 2025 this is €2,394.92 gross).
- The winter bonus is exempt from social security contributions.

**Resources**

[Law](#) (Slovenian) (Government, Nov. 24, 2025)

**Slovenia (new)****Status****Effective dates vary.****Development****Career — Wealth****Pension reforms will increase retirement age**

Slovenia's pension reforms aim to ensure the long-term sustainability of the country's pension system and will gradually increase the retirement age between 2028 and 2035 under measures included in the Pension and Disability Insurance Act. Key highlights include:

- Individuals with at least 40 years of employment will be able to retire at age 62, up from age 60. The pension amount will be 70% of their average lifetime earnings — up 6.5% from the current rate. However, the pension accrual will be calculated based on the full 40 years minus the five worst earning years — instead of the current method of using 24 years of highest earnings.
- Individuals with fewer than 40 years of work will have a retirement age of 67, up from age 65.
- Increased benefits for widows, survivors and disabled pensioners will come into effect in 2026.

Some trade unions and civil society groups oppose the reforms and have announced plans to initiate a referendum, which, if successful, could delay implementation.

**Resources**

[Pension and Disability Reform Act](#) (Slovenian, Nov. 14, 2025)



**Slovenia (previously covered, with upcoming effective date)****Development****Career — Wealth**

- [Phased retirement introduced, hiring of older employees boosted](#) — key date: Upon proclamation

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

- [Expanded remuneration and pay gap disclosures required](#) — key date: Upon proclamation

**Spain (previously covered, with upcoming effective date)****Development****Career — Health**

- [Birth and child care leave expanded](#) — Jan. 1, 2026

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

- [Flexibility of receiving occupational pension benefit payments increased](#) — key dates: Jan. 1, 2026

**Tanzania (previously covered, soon to be effective)****Status****Effective Jan. 1, 2026.****Development****Career****Minimum wage for private sector to increase**

On Jan. 1, 2026, the minimum wage for private sector employees will increase to 358,322 TZS, up from 275,060 TZS.

**Resources**

[Announcement](#) (Swahili) (Government, Oct. 17, 2025)


**United Kingdom (UK) (new)****Status****Effective April 1, 2026****Development****Career****Minimum wage to increase**

Effective April 1, 2026, the applicable minimum wage rates will be as follows:

- The National Living Wage will increase to £12.71/hour, up from £12.21/hour for individuals 21 and older.
- The National Minimum Wage rate for individuals 18 to 20 will be £10.85/hour, up from £10/hour, and £8/hour, up from £7.55/hour, for individuals 16 to 17.
- The apprentice rate will increase to £8/hour, up from £7.55/hour.

**Resources**

[Budget 2025 in full](#) (Government, Nov. 26, 2025)

UK (new)	
Status	 Effective dates vary.
Development	<p><b>Wealth</b></p> <p><b>Budget includes pension changes</b></p> <p>The budget, delivered on Nov. 26, 2025, included many of the key pension changes that were the subject of extensive press speculation in the run-up to the Chancellor’s speech. Highlights include:</p> <ul style="list-style-type: none"><li>• Effective April 6, 2029, the maximum annual threshold for pensions salary sacrifice will be £2,000. For sums exceeding this amount, national insurance (NI) will be payable by employees and employers, increasing the tax burden for those using this arrangement. The impact will vary depending on an individual’s earnings, the amount that is sacrificed and if the employer is currently sharing their NI savings with the employee.</li><li>• From April 6, 2027, well-funded Defined Benefit (DB) pension schemes will be allowed to pay surplus funds directly to scheme members who are older than the normal minimum pension age, subject to trustee and scheme rules. This measure is part of the government’s agenda to encourage the use of surplus in DB schemes.</li></ul> <p>The budget also announced an extension of the current freeze on NI contribution thresholds until 2031 and increases to the minimum wage rates (see above summary).</p>
Resources	<a href="#">Budget 2025 in full</a> (Government, Nov. 26, 2025)

UK (new)	
Status	 Effective dates vary, with some to take effect soon.
Development	<p><b>Career</b></p> <p><b>Immigration changes introduced</b></p> <p>The government has announced significant increases to the Immigration Skills Charge that will come into effect in December 2025. Other changes include expanded English language requirements and measures affecting employment in the UK for foreign graduates. Highlights of these changes include:</p> <ul style="list-style-type: none"><li>• From Dec. 16, 2025, the Immigration Skills Charge will increase to £1,320/year for large sponsors, up from £1,000/year. Small or charitable sponsors will see an increase to £480 per year, up from £364. A Statutory Instrument confirming the revised charges will be issued shortly.</li><li>• On Nov. 4, 2025, the list of eligible universities for recruitment under the High Potential Individual route doubled, allowing more recent foreign graduates to qualify for this route, which grants the right to work in the UK for up to two years. The number of applications under this route is now capped at 8,000/year.</li><li>• Effective Jan. 8, 2026, main applicants who apply under the Skilled Worker, Scale-Up and High Potential Individual routes will have to demonstrate English language proficiency at Level B2 of the Common European Framework of Reference for Languages (CEFR), an increase from the current Level B1. This requirement will only apply to first-time applicants.</li><li>• Also from January 2026, the period during which foreign nonPhD graduates who have recently graduated from UK universities can work in the UK without sponsorship will be reduced to 18 months, down from two years. The length of permission for PhD graduates to be employed in the UK remains unchanged at three years.</li></ul>
Resources	<a href="#">Statement of changes to the Immigration Rules: HC 1333</a> (Government, Oct. 14, 2025)

UK

Status



**Consultations close on Dec. 18, 2025, and Jan. 15, 2026.**

Development

**Career — Health**


**Four consultations on measures in Employment Rights Bill issued**

On Oct. 23, 2025, the government published four consultation papers detailing measures included in the Employment Rights Bill (the Bill), which is expected to receive Royal Assent in the coming weeks. Additionally, on July 1, 2025, the government released a roadmap outlining the anticipated implementation dates for the Bill. Several measures in the Bill require further consultation and subsequent regulations. These consultations focus on additional details to be included in regulations concerning bereavement leave; enhanced dismissal protections for pregnant women and new mothers; the duty to inform workers of their right to join a trade union and the rights of trade unions to access workplaces. Highlights of the four consultations include:

- The Bill would require employers to provide workers with a written statement informing them of their right to join a trade union at the start of their employment and at other specified times. The consultation seeks feedback on the content of this statement and the timing of when it should be reissued and consultation closes on Dec. 18, 2025.
- The Bill would establish a statutory right for trade unions to physically access workplaces and communicate with workers both in person and digitally, to support union recruitment and collective bargaining. The consultation covers how unions should request access, how employers should respond (proposing a five-working-day response period followed by a 15-working-day negotiation period) and the factors the Central Arbitration Committee would consider when deciding if and on what terms access should be granted. This consultation closes on Dec. 18, 2025.
- The Bill would introduce a new, additional day-one right to unpaid bereavement leave for employees who experience the loss of a loved one, including pregnancy loss. It includes minimum statutory requirements, a minimum leave period of one week and a 56-day window for the leave to be taken. The consultation seeks views on eligibility criteria, total duration of leave, the timeframe for taking the leave and the types of pregnancy loss covered. This consultation closes on Jan. 15, 2026.
- The Bill would prohibit the unlawful dismissal of pregnant women, women on maternity leave and mothers who have returned to work for at least six months after their return, except in specific circumstances. The consultation requests input on when this protected period should begin, if it should be a day-one right, the circumstances that would justify fair dismissal and if other parents should receive enhanced dismissal protection. This consultation closes on Jan. 15, 2026.

Resources

[Employment Rights Bill](#) (Parliament) and [Duty to inform workers](#); [Trade union right of access](#); [Leave for bereavement](#); and [Enhanced dismissal protections](#) (Government, Oct. 23, 2025)

UK (new)	
Status	 Consultation is open until Feb. 18, 2026.
Development	<p><b>Career</b></p> <p><b>Consultation on the use of noncompete clauses in employment contracts published</b></p> <p>The UK government has published a working paper seeking views on potential reforms to the use of noncompete clauses in employment contracts. These clauses restrict employees from working for, or starting, a competing business after leaving their current job. The government's goal is to enhance labour market flexibility, reduce recruitment barriers, encourage competition and protect workers from prolonged periods of not working. Stakeholders are invited to submit comments by Feb. 18, 2026. The working paper outlines the following policy options:</p> <ul style="list-style-type: none"> <li>• Introduction of statutory limits on the duration of noncompetes.</li> <li>• Introduction of limits on noncompete durations based on the employer's size.</li> <li>• Implementation of a complete ban on noncompete clauses.</li> <li>• Ban the use of noncompete clauses for employees earning below a certain salary threshold.</li> <li>• Combine a ban below a specified salary threshold with a maximum allowable duration.</li> </ul>
Resources	<a href="#">Working paper on options for reform of noncompete clauses in employment contracts</a> (Department for Business and Trade, Nov. 26, 2025)
UK (previously covered, with upcoming effective date)	
Development	<p><b>Career — Health</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Paternity leave to be expanded to bereaved partners</a> — key date: provisionally 2026</li> <li>• <a href="#">Benefits-in-kind digitization reporting confirmed</a> — key date: April 2026</li> </ul> <p><b>Wealth</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Pension auto enrollment to expand, reducing eligible age and abolishing earnings threshold</a> — key date: unknown</li> <li>• <a href="#">Government responds to consultation on unconnected multiemployer CDC schemes</a> — key date: July 31, 2026</li> <li>• <a href="#">Policy paper on inheritance tax and pensions death benefits</a> — key date: April 6, 2027</li> </ul>



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