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Welcome to the first edition of our new global newswire

— bringing you employment law updates and the latest pay, tax and benefits data from across the globe.

FedEE is currently changing its focus from Europe to the wider world and as such we are rolling out a number of new global services, some of which you may already have noticed.

Over the past few months we have been adding employment law information for countries outside of Europe to our knowledgebase, in a section entitled [non-European country data](#). We now have full knowledgebase entries for Algeria, Argentina, Australia, Japan, Morocco, South Africa and UAE. Knowledgebase entries will also soon be available for China, Brazil, Hong Kong, India and Mexico.

You may also have seen that some of our [guidance notes](#) now include information on key countries outside of Europe. In addition, we will shortly be adding a number of employment guides for the 'Global Employer' to our database, which have been provided by our partners Baker & McKenzie. These focus on topics

such as termination, discrimination, global immigration and mobility and post-acquisition integration.

Our [economic data](#) has also been expanded to include information on countries outside Europe and a series of Latin American Law Programmes will soon be available. We hope to expand the law programme even further in the near future to other key global jurisdictions.

If you have any questions about our changing services or any other matter please feel free to contact us at membershipservices@fedee.com.

Brazil: Discrimination on the basis of HIV/AIDS status now a criminal offence

In Brazil, it is now a criminal offence to discriminate against individuals with HIV/AIDS.

As far as employment is concerned, Law 12.984 states that individuals must not be discriminated against on the basis of their HIV/AIDS status at the point of recruitment or termination of the employment relationship. In addition, individuals must not be segregated from other employees on the basis of their

HIV/AIDS status. Any individual disclosing another's HIV/AIDS status where it is intended to offend the person's dignity will also be committing an offence. An employer committing an act of discrimination may be punished with a term of imprisonment of between one and four years. They will also be liable to pay a fine.

Prior to this law, the Superior Labour Court in Brazil had established the presumption of discrimination when an individual with HIV or another serious medical condition had their employment terminated. In such cases the termination would be deemed invalid and the employee would be entitled to reinstatement.

In 1995, prohibition against discrimination in the workplace was extended to include discrimination on the basis of sex, marital status, family status and age. At this time it also became a criminal offence for employers to require employees to take a pregnancy test or present a certificate to prove that they are not pregnant.

China: Minimum wage increases

On July 1st, the minimum wage was raised in the Sichuan, Jiangxi, Guizhou and Inner Mongolia provinces of China. The minimum wage was increased to 1,400 yuan (227 US dollars) per month at the highest level in Sichuan, 1,390 yuan (225 US dollars) for one area of the Province of Jiangxi, 1,250 yuan (203 US dollars) in a district of the Guizhou Province and 1,500 yuan (243 US dollars) in Inner Mongolia's regions. The hourly minimum wage has also been adjusted for part-time workers in some provinces.

So far this year, 16 provinces and major cities in China have increased their minimum wages — the average increase amounting to 14.2% compared to the minimum wages in the first half of last year. Shanghai's minimum wage is currently the highest in the country at 1,820 yuan (295 US dollars) per month or 17 yuan

(2.76 US dollars) per hour. An overall growth in wages of at least 10% is expected across the country by the end of 2014.

France: Employer's obligation to provide training

In two recent decisions, the French Supreme Court has confirmed the extent to which employers are obliged to provide training to their employees.

In the first case, an employee who had been with a company for seven years brought a claim against her employer for not having received any training during the course of her employment. Although the employer argued that the lack of training has had no detrimental effect on her ability to carry out her work, the Supreme Court held that not offering training was, in itself, a breach of the employers' obligation.

In the second case, a number of employees, who had each worked for their employer for between two and 12 years, brought a claim against their employer when their employment was terminated, for failure to provide training. Although the Court of Appeal found in the employer's favour because the employees had not made any requests for training during their employment, the Supreme Court found otherwise. The Supreme Court held that it is the employer's responsibility alone to offer training and, whether or not an employee requests training, the employer's failure to provide it is sufficient to establish a breach of the obligation. [Cases 13-14749 and 13-14916]

Irish Republic: Draft legislation to replace Registered Employment Agreements

The Government of the Republic of Ireland has approved draft legislation which provides for the

replacement of Registered Employment Agreements (REAs).

REAs are collective bargaining agreements made between employers and workers representatives to regulate pay and working conditions for a particular sector or group of workers which are then registered with the Labour Court. In 2013, however, the Supreme Court found these agreements to be unconstitutional.

The Ministry for Jobs, Enterprise and Innovation have announced that the new legislation will provide a mechanism whereby the Labour Court will be entitled to commence a review process of the pay, pensions and sick pay terms of employees in a particular sector and put forward proposals to the Minister. Employer associations and trade unions will also have the right to apply to the Labour Court in order to start a review or put forward a particular recommendation to the Minister. Any other interested parties may also submit suggestions to the Labour Court in the context of a review.

A number of safeguards will be put into place to ensure that the employers' associations or trade unions that apply for reviews or make recommendations are 'substantially representative' in the applicable sectors and that that obligations created in this way may be reviewed in the face of changing economic circumstances.

The draft law is now being sent to the Dáil and it is hoped that it will be enacted shortly afterwards.

Romania: New law on employee inventions

Amendments to the Romanian Patent Law regarding inventions created by employees have now come into force.

The amendments provide a precise definition of the term 'employee' and define two categories of employee inventions. The first category is 'inventions with an inventive mission', which include inventions that are the result of the employee's employment contract and job description. Employers will have the rights over these inventions. The second category is 'inventions without an inventive mission', which include inventions made using the employer's resources during the period of employment and up to two years after termination. Inventions under this second category belong to the employee, provided the employer does not make a claim for rights over the invention.

Under the new law, an employee who creates an invention is required to immediately notify the employer of the invention made, giving all the relevant details. Employers will then be able to classify an employee's invention into one of these two categories and notify the employee of their decision. The employee may decide to challenge the classification by taking judicial action — this must be done within four months of the employee receiving notification from the employer, unless a longer period is stated in the employer's internal rules. [Law No. 83/2014]

Slovenia: Stricter rules to prevent illegal work

The majority of Slovenia's new Law on the Prevention of Illegal Labour and Employment, which was published in the Official Gazette on May 5th 2014, is due to come into force this month.

From August 18th, the Customs Administration will have additional powers to control illegal employment. The Labour Inspectorate will, however, retain their powers to prohibit illegal employment and remedy irregularities of employment.

Higher fines will also apply for illegal employment practices. For example, a fine of between 5,000 and 26,000 euros will be imposed on an employer who is not an individual when they facilitate the work of an individual who has not entered into an employment contract or has not been declared for social security purposes.

Employers should note that the law specifically states that, if an individual is employed on the basis of a civil law contract for the provision of temporary or casual work, a copy of this contract must be made available at the workplace at all times during the term of the employment. Employers who fail to comply may face a fine of between 5,000 and 26,000 euros.

The provisions of the law relating to personal supplementary work will come into force on January 1st 2015.

Spain: Unions claim that labour reforms violate European Social Charter

Labour reforms approved by the Spanish government in 2012 are being challenged by two of Spain's largest trade unions — Workers' Commissions (CCOO) and the General Union of Workers (UGT). These unions have sent a report to the European Committee of Social Rights, whose decisions are binding on all signatory governments of the Council of Europe, claiming that the reforms violate several rights enshrined in the European Social Charter.

Firstly, CCOO and UGT are concerned by the fact that, under the new law, employers are free to distribute working time in an irregular way — they do not face restrictions based on objective or technical work-related reasons. Before the reform, it was only possible to distribute working time in this way if there was an agreement between the employer and employees. The

trade unions believe the new law breaches the right to just working conditions.

Secondly, the unions claim that the reform violates the right to equitable compensation as the current minimum wage in Spain is one of the lowest in the EU and does not provide enough to ensure workers and their families a decent standard of living. They also condemn the government for not allowing the active participation of trade unions in the matter of minimum pay.

Finally, both trade unions consider that allowing contracts to include a probationary period of up to one year — during which time the worker has no guarantees of the application of a collective agreement and may be dismissed without receiving notice or compensation — breaches Charter provisions.

Pay, Tax and Benefit Trends

AUSTRALIA: In a recent decision, the Full Bench of the Fair Work Commission in Australia has clarified the rules on annual leave pay. The Fair Work Commission refused to approve an enterprise agreement which proposed that annual leave should be paid on a gradual basis through incorporation into the employee's wage rate, rather than being paid at the time annual leave is taken. Until now the legal position on the matter of prepaying annual leave has been unclear due to conflicting decisions by the judiciary. In this decision, however, the Full Bench held that 'paid annual leave' should be understood to mean that the pay is provided alongside the leave. The prepayment of annual leave would constitute the cashing out of annual leave and as such, be inconsistent with the Fair Work Act. [Canavan Building Pty Ltd [2014] FWCFB 3202]

CZECH REPUBLIC/RUSSIAN FEDERATION: A treaty between the Czech Republic and the Russian Federation on social security has now been ratified. It

will come into force on November 1st 2014. The bilateral agreement, which guarantees equality of treatment in the payment of social security contributions and easier access to benefits for migrant workers moving between the two countries, replaces the original agreement of 1959 which was terminated in 2008 having become obsolete.

HUNGARY: According to information released by the Hungarian Central Statistical Office, average gross monthly earnings of employees in Hungary amounted to 234,490 forints (747.45 euros) in the period January to May 2014. This is a 2.9% increase compared with the same period last year. The average gross monthly earnings were highest in information and communication (461,943 forints/1,472 euros) and in financial and insurance activities (497,066 forints/1,584 euros). In administrative and support service activities the average gross monthly wage was 182,500 forints (581 euros).

IRISH REPUBLIC: Revenue Commissioners in the Republic of Ireland have instructed employers to make deductions from the pay of employees who have not paid their property tax or household charges. In the past few weeks, the Revenue Commissioners have sent more than 100,000 notices to employers and pension providers to take pay from liable individuals, either through the PAYE system or other methods, over the course of the next few months.

LUXEMBOURG: Luxembourg's statistical office, STATEC, has published a report that analyses the importance of benefits in kind as a part of an employee's income. Based on data collected in collaboration with CEPS/INSTEAD and from EU-Statistics on Income and Living Conditions, the report explains that 11.8% of employees in Luxembourg received income in kind in 2012. Nearly 40% of managers received benefits in kind in 2012. This is much higher than the benefits in kind obtained by administrative workers (8.1%) and manual workers

(4.9%). Additionally, employees who have signed an indefinite contract of employment are 3.5 times more likely to receive benefits in kind than those on a fixed-term contract. However, in 2012, benefits in kind only made up 0.8% of an employee's total income.

MOLDOVA: According to the National Bureau of Statistics, the gross nominal average earnings in Moldova in May 2014 were 4,032.6 lei. This is a 7.3% increase when compared with May 2013. The real earning index for May 2014 compared to May 2013 was 102.5%.

SOUTH AFRICA: South Africa's Department of Labour has announced that it is looking into the possibility of introducing a national minimum wage. The Department will talk with employers and employees in order to determine the best minimum wage model — whether this be a national minimum wage that cuts across sectors or a minimum wage with different pay structures depending on the sector.

SOUTH AFRICA: South Africa's National Union of Mineworkers has recently signed two important wage agreements. The first deal — worth 8.5% over two years — was with the state power utility Eskom and ends the threat of strike action in a sector where industrial stoppages are illegal. The second deal, with Kumba Iron Ore, gives an immediate 18% rise in the lowest monthly basic rate to 6,833 rand (639 US dollars), rising to 7,516 rand (703 US dollars) next year and 8,192 rand (767 US dollars) in 2016.

SPAIN: The Spanish Government has approved a draft law relating to the charging and collecting of social security contributions. Under the draft law, social security contributions would be billed directly to companies each month based on an individual calculation of social security contributions for each worker. The employer would then be able to pay the invoice by direct debit or electronically. The system is intended not only to facilitate the payment of social

security contributions but to increase transparency by providing more information to both employers and employees. It is expected that the direct billing system will begin to be introduced in the final quarter of 2014.

Other Global HR news in brief

BRAZIL: A new regulation is now in force in Brazil which regulates temporary workers. Previously, employers could hire a temporary worker for three months and renew their contract for a further three months, provided this was authorised by the Ministry of Labour and the need for the extension was justified. The maximum period a temporary worker could be engaged, therefore, was six months. Now, employers may retain temporary workers for up to nine months in order to cover employees on long-term leave. Temporary work is still limited to six months for cases of extraordinary increases in workload.

FRANCE: A measure to encourage the hiring of apprentices has been approved by the French National Assembly. From September, companies in France with fewer than 50 employees may benefit from a 1,000 euro bonus when they hire their first apprentice. To qualify a company must not have employed an apprentice since July 1st of the previous year in the same place of work and must be covered by an industry-wide agreement including commitments to apprenticeship. The bonus will be paid by the regions and may be received in addition to the bonus offered to companies with fewer than 11 employees who hire an apprentice.

FRANCE: A record number of terminations by mutual agreement (*ruptures conventionnelles*) were approved in France in June 2014. According to figures released by the Ministry of Labour, of the 35,380 applications that were filed, 32,695 were approved by authorities. First established in 2008, termination by mutual consent has increasingly gained popularity — 15,899

of these types of terminations were approved on average each month in 2009 and 26,658 on average per month were approved in 2012. From 2012, the increase in number of terminations by mutual consent was more modest. However, since early 2014, the monthly average has been 27,547.

IRISH REPUBLIC: The Government of the Irish Republic has approved the Workplace Relations Bill which will reform the Irish workplace relations bodies. Under the proposed law, the responsibilities of the five existing workplace relations organisations — the Labour Relations Commission, the National Employment Rights Authority, the Equality Tribunal, the Employment Appeals Tribunal and the Labour Court — will be merged into just two bodies. The new system will comprise of a new Workplace Relations Commission, which will deal with complaints at first instance, and the Labour Court, which will deal with appeals. The Bill is expected to be enacted by the end of 2014.

ITALY: Italy's largest trade union confederation, the Italian General Confederation of Labour (CGIL), has announced that it is challenging Law Decree no. 34/2014 before the European Commission. The so-called 'Jobs Act', which was passed in Italy in May this year, significantly reformed the rules on fixed-term contracts. In particular, it removed the requirement for justified reasons to be given for entering into a fixed-term contract. CGIL believes this violates European law because it incentivises firms to recruit employees on a temporary or a fixed-term contract of employment. CGIL claims that this goes against EU standards which focus on employment stability and the protection of workers' rights.

RUSSIAN FEDERATION: Russia's Federal Labour and Employment agency, Rostrud, has issued guidelines to employers regarding how best to deal with hot weather conditions. The agency recommends that employers should install air conditioning systems

or reduce employees' working time when the weather is hot. Working days should be reduced by one hour where the temperature indoors is 28.5 degrees Celsius, two hours if it reaches 29 degrees Celsius and four hours if it reaches 30.5 degrees Celsius. Other recommendations include extending lunch breaks so people can go outside, adjusting work schedules, providing short-term paid leave, and allowing employees to work from home. Employers may have to pay substantial fines for violating rules or even have their activities suspended.

TURKEY: In a recent economic survey, the Organisation for Economic Cooperation and Development (OECD) has highlighted that rigid labour market rules are suppressing growth in Turkey. It suggests that abolishing constraints on different forms of employment, including temporary work, agency employment, work from home and remote work, would make it easier for employers to recruit low-skilled workers and encourage job creation. Turkey should continue to diminish differences in employer's tax and social obligations in relation to their size. Reforms are also needed to promote the participation of women in the workforce.

UAE: Anyone working in the UAE, who is not a UAE citizen, must obtain a labour card (work permit) issued by the Ministry of Labour. From July 13th 2014, old plastic labour cards that need to be renewed will be replaced by electronic cards that are valid for two years. Paper employment contracts will also become electronic. Employers may apply for these electronic labour cards and contracts through Tas'heel (online government system for labour related processes) service centres or within their companies (only if they were registered under Tas'heel) within 60 days from the worker's entry into the UAE. The Ministry will grant the applicant a preliminary authorisation if they meet all the relevant requirements and will issue the permit electronically within 48 hours from the date of submitting the application on the ministry's e-portal, eNetwasal.

UK: In the UK, 443,600 working days were lost in 2013 as a result of work stoppages arising from labour disputes, according to the Office of National Statistics. This is almost double the total number days lost in 2012. In the private sector, 81,000 days were lost due to 64 stoppages. This accounts for 18% of all working days lost in 2013.

Dates for your diary:

August 18th 2014: Law on the Prevention of Illegal Labour and Employment comes into force in [Slovenia](#) (see above for details).

September 1st 2014: New laws regarding the prevention of psychosocial risks at work come into force in [Belgium](#).

September 1st 2014: Interns in [France](#) receive a monthly pay increase of 43.50 euros, making their new minimum wage 469.50 euros per month.

Latest news for business travellers:

Business travellers should be aware that heavy rainfall, flooding and landslides are affecting road and rail travel in [Bosnia and Herzegovina](#).

Flash floods are also a hazard in southeast Michigan, Montgomery County in Maryland and other areas in the eastern states of the [USA](#).

According to the World Health Organisation, there is a low risk of tourists or business travellers becoming infected with the Ebola virus during a visit to the areas affected by the recent outbreak in [West Africa](#). Transmission requires direct contact with bodily fluids, therefore, in non-medical professions infection can be normally avoided.

Individuals expecting to travel to [Indonesia](#) on business in the coming weeks should be aware that the outcome of a Constitutional Court appeal against the 2014 presidential election result is expected before August 22nd 2014. Those concerned should monitor local media for information and avoid protests and demonstrations which could turn violent. Provinces with a greater risk of violence include Jakarta, Papua and Aceh.

Business travellers are advised not to travel to the towns of Akçakale and Ceylanpinar in [Turkey](#) and to travel to the provinces of Hakkari, Sirnak, Siirt and Tunceli and areas within 10km of Turkey's border with Syria only when essential.

The US Department of State has warned citizens to defer all non-essential travel to [Pakistan](#) because of the increased threat of terrorism and criminality.

FedEE news:

NEW ADDRESS AND TELEPHONE NUMBER: As reported in the last edition of the newswire, our head office has just moved to new premises in Bristol. Please note that our new address is 6th Floor, Broad Quay House, Prince Street, Bristol, BS1 4DJ, UK and our new telephone number is 0044 (0)117 975 8611. Please direct future communications to our Bristol office. Our email contact details remain unchanged.

TRAINING FILM OFFER: FedEE's professionally produced training film on workplace racial discrimination is now available on special offer at just £59.94 (+ VAT where applicable, free P&P). To purchase a copy while this offer lasts please follow the following link to our online [eShop](#).

REFER A COLLEAGUE TO FEDEE AND WE WILL DISCOUNT YOUR MEMBERSHIP FEES: Don't forget our 'refer a friend' scheme. If you refer a colleague from another company to FedEE we will discount your company's next-due membership fee by £100 for each new member that comes out of your referral. To refer a colleague contact Angelika Rivero, with their contact details on membershipservices@fedee.com.

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