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FedEE
Federation of European Employers
Fédération des Employeurs Européens

Mettre à jour

Latest News from the Federation of European Employers (FedEE)

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ECJ: Mother in surrogacy case denied paid maternity leave

A female employee who had a child through a surrogate mother is taking her case to the European Court of Justice (ECJ) after her employer refused to grant her maternity leave. The woman became a mother through surrogacy, but took over immediate care of the child following the birth. Her employer offered her a career break, unpaid leave and extended holiday - but not maternity leave.

The UK employment tribunal in Newcastle has referred her case directly to the ECJ to establish whether UK parental leave laws, which make no provision for surrogacy, are compatible with EU directives. A decision on the matter is expected later in the year.

Eurozone: Fall in real gross pay levels

According to the European statistical agency Eurostat real pay levels fell by 0.4% in the eurozone over the year to Q4 2011. Average earnings rose by 2.5%, but prices rose over the same period by 2.9%.

Changes in average earnings over the year to Q4 2011 ranged from 3.7% in Germany to falls of 1.9% and 1.7% respectively in Ireland and Portugal.

Italy: Paternity leave and paid parental leave Bill

The Italian Cabinet is currently considering a draft Bill that would give new fathers the right to take paternity leave. The proposal entitles fathers to take three consecutive days paid leave within the five months immediately following the birth of their child. Employees who qualify for paternity leave would also be able to claim ongoing paternity pay for eight hours per week (for up to three years after the child is born) and to negotiate reduced hours with their employers.

If approved by the government, the Bill will be submitted to the national parliament and on clearing all further political hurdles will become effective 90 days after the final vote in the Senate.

Italy: PM heads talks on labour market reform

Italy's prime minister, Mario Monti, is heading the final round of talks to overhaul Italy's labour market and push ahead with plans to reduce regulations on temporary work and employee dismissal.

The talks continue to centre on the reworking of Article 18 of the Labour Code. This gives employees the right to be reinstated (in companies with more than 15 employees) if they are found to have been unfairly dismissed. So far, agreement has been reached on changes to the system of unemployment and new, more secure, contracts for young workers.

Netherlands: Pension managers take note

The Dutch parliament has adopted a Bill to change the commencement date of the state old age pension. With effect from April 1st 2012 state pensions will commence on the actual day that a person reaches the age of 65 - rather than the first day of the month when they are due to retire. This change should be reflected in employment contracts and staff handbooks in order to avoid potential unfair dismissal and age discrimination claims.

New figures from the Dutch Central Bank reveal that the value of pension funds has risen from 68% of GDP in 1986 to 146% of GDP at the end of 2011. The country's 450 sectoral and company funds fared particularly well during the last quarter of 2011, with gains amounting to 34bn euros.

Switzerland: Referenda on paid leave and minimum wage

Swiss voters have rejected a proposal to extend the mandatory period of paid annual leave from four to six weeks. 66.5% of voters in a national referendum were against the plan and the turnout level was low - at just 45%.

The Swiss Federal Chancellery has agreed to set a date for a national referendum on the introduction of a minimum wage, following the submission of more than 112,000 signatures from Swiss citizens supporting the measure. The proposed change calls for federal legislation to fix the minimum wage at 22 CHF (18 euros) per hour and the linking of the wage to both the cost of living and industrial wage indices

Switzerland: New social security agreement

A social security agreement between Switzerland and Japan has come into force and covers seconded employees, self-employed persons, public employees, employees on board a sea-going vessel and members of diplomatic missions.

Seconded employees covered under the agreement are exempt from social security contributions in the host country for a period of 60 months. However, an extension for an additional 12 months may be granted unilaterally by the social security authority of the home country. Whilst working abroad secondees will only be subject to the social security regulations of their home country.

The agreement covers the following benefits:
• Switzerland – old-age and survivors' insurance, invalidity insurance and sickness insurance.
• Japan – national pension, employees' pension insurance, mutual aid pension and health insurance.

Turkey: Foreign-based workers count for threshold purposes

The Turkish Court of Appeal has determined that when calculating employee numbers for employment protection purposes the total number of employees should include all those in the company's employment - including those working abroad in the same business field.

Under articles 18 to 21 of the Labour Code only employees in workplaces with 30 or more employees benefit from employment protection. In such circumstances, termination may only take place where there is a valid reason relating to the conduct of the employee or to satisfy clear business needs (9th Chamber Court of Appeal, 2011/131K).

Pay, Tax and Benefit Trends

GREECE: Greek Labour ministry statistics indicate that social security funds are currently owed around 11 billion euros in contributions by 802,000 employers, employees and self-employed workers. According to the latest figures, less than half of self-employed workers paid contributions during the first half of 2011. There have also been delays in contributions because some 400,000 employees have been subject to pay arrears of between one and five months.

NETHERLANDS*:* A facility in the Netherlands that gives students from elsewhere in the European Union a maintenance grant of 266 euros a month if they work for at least eight hours a week is to be tightened up from the start of the next academic year. In future, foreign students will have to work in the Netherlands for at least 14 hours a week to qualify for a full maintenance grant.

SERBIA/SLOVAKIA: Serbia and Slovakia have concluded a mutual social security pact. This provides the right to health care, pensions, unemployment insurance and child support when citizens move from one country to live and work in the other country.

UK: Average UK gross weekly earnings in January 2012 fell for the fourth month running to £461. Overall pay levels rose by just 0.7% during the year to January 2012, although pay levels in finance and business services were up 1.8% over the same period.

UK: The UK national minimum wage for workers aged 20 and under is set to be frozen at £4.98 (5.93 euros) an hour in an attempt to create more jobs for young people.

UK: New state benefit rates will come into force in the UK on April 9th 2012. Statutory maternity, paternity and adoption pay, as well as the maternity allowance will increase from £128.73 (152.80 euros) to £135.45 (160.79 euros) per week. Additionally statutory sick pay will increase from £81.60 (96.87 euros) to £85.85 (101.91 euros) per week.

Other European HR news in brief

CROATIA: The Croatian government is urgently seeking to maintain its international credit rating by removing rigidities from its labour market. Negotiations are underway with trade unions to determine what reforms may be possible to the Labour Code. Deputy premier Radimir Cacic is also keen to end the commitments in public sector collective agreements that give generous benefits to state employees.

CZECH REPUBLIC: Consumption of alcohol during working hours has risen to the fourth most common reason for dismissal in the Czech Republic, according to a survey recently conducted by the research company Commservis. In their 2009 survey alcohol abuse was found to be the 18th most common reason for dismissal. Under the Czech Labour code employees are prohibited from consuming alcohol in the workplace - or at any time during working hours.

ESTONIA: The Estonia parliament has approved a measure that will make it easier for employers to terminate a collective agreement. An agreement may now be cancelled indefinitely upon giving six months' notice to other parties to the agreement. Previously, an existing agreement automatically remained in force until a new one was concluded.

EU: The publication of a final draft EU Directive on seasonal work has been delayed because of disagreement between the European Parliament and the EU Council. The Directive would establish a common framework for the admission of seasonal workers and a specified core body of employment rights. Furthermore, it would establish a new, streamlined approval procedure for non-EU citizens - provided they undertake to work for no longer than six months (during any calendar year) in the host state and possess both a binding job offer and written contract.

IRISH REPUBLIC: The Irish government is currently planning for a merger this autumn of the Equality Tribunal, National Employment Rights Authority, Labour Relations Commission and some elements of the Employment Appeals Tribunal. There will be a single appeals body achieved by expanding the functions of the Labour Court.

NETHERLANDS: From May 1st 2012 all employment agencies in the Netherlands will have to be listed on a trade register and this will be denied any agency that does not comply with Dutch temporary employment and work permit rules. In order to further encourage compliance the Social Affairs Ministry has set up a whistleblower hotline through which the public can report rogue agencies.

NETHERLANDS: The Dutch job centre and benefits agency UWV has reported that they filled only 2,000 permanent positions last year compared with 83,000 in 2010. However, the number of short-term job contracts for periods of longer than one year grew from 227,000 in 2010 to 368,000 last year.

NORWAY: The Norwegian Prime Minister has announced that the European Agency Work Directive will come into force in spite of strong opposition from members of the ruling coalition parties and trade unions. A joint liability clause making employment agencies and companies jointly responsible for ensuring equal working conditions between temporary agency staff and end-user employees has also been unpopular. The Directive is expected to come into force on July 1st 2012.

SPAIN: Vodafone Spain and employees representatives have reached an agreement aimed at avoiding the company opting for a labour-adjustment plan (ERE) or seeking to outsource many of its activities. The company's 4,000 Spanish-based employees will now take two weeks unpaid leave each year and there will be a new facility to lay-off workers on Fridays or for extended periods with a commensurate reduction in pay.

UK: The UK business secretary Vince Cable has announced that the government is to launch a consultation exercise in order to discover whether dismissal and redundancy regulations should be altered for small businesses. The principal proposal is the concept of a ‘no-fault dismissal’ which would allow companies with fewer than ten employees to make a worker redundant at any time, providing a set amount of compensation is awarded.

UK: The proportion of women on the boards of the UK's 100 largest listed companies has risen over the past year to a record 15.6%, a report by Cranfield School of Management has found. Back in 1999 the proportion was just 6.9% and for many years it remained at 12%. However, if current trends continue it could reach 26.7% by 2015 and 36.9% by 2020 - well beyond the government's 25% target.

FedEE news:

THE NEXT FEDEE NETWORKING MEETING

FedEE will be holding its next UK Networking Meeting on the afternoon of April 24th at the Novotel, Hammersmith, London. Attendance is free - so do not miss this opportunity to meet up with other HR professionals in multinational companies.

The theme for the meeting will be 'employee engagement' and our guest speaker will be Terry Grourk of the survey company Enhancing who will be showing us how to conduct international employee surveys and interpret the results. FedEE's Secretary-General, Robin Chater, will also be providing a round- up of recent employment law and HR developments from around Europe.

The event will run from 3.00 pm until 4.30 pm and will include refreshments. As places are strictly limited please contact us as soon as possible on admin@fedee.com or by calling (0044) 0207 520 9264.

For further information on the event visit www.fedee.com and see our events page.

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