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The IBA Global Employment Institute

# 13th Annual Global Report

National regulatory trends in  
human resources law



**Prepared by**

The International Bar Association Global Employment Institute

The International Bar Association (IBA), the global voice of the legal profession, is the foremost organisation for international legal practitioners, bar associations and law societies. Established in 1947, shortly after the creation of the United Nations, it was born out of the conviction that an organisation made up of the world's bar associations could contribute to global stability and peace through the administration of justice. In the ensuing 70 years since its creation, the organisation has evolved, from an association comprised exclusively of bar associations and law societies, to one that incorporates individual international lawyers and entire law firms. The present membership comprises more than 80,000 individual international lawyers from most of the world's leading law firms and some 190 bar associations and law societies spanning more than 170 countries. Through its global membership the IBA influences the development of international law reform and shapes the future of the legal profession throughout the world.

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Please note that the information contained in this report is accurate as of the time of the collection of information from the country reporters and does not reflect subsequent legal or factual developments.

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# 1. Introduction

The Annual Global Report (AGR) is an annual report prepared by the IBA Global Employment Institute (GEI) highlighting general international trends in human resources law. This is the 13th AGR and is based on responses from lawyers in 53 countries. The methodology used is described in section 2. The 13th AGR covers legal developments during the calendar year 2023 and parts of 2024. Each AGR builds on the historical perspective of previous editions. This may prompt changes to the topics covered in future editions of the AGR.

Please note that it is not the intention or purpose of the AGR to set out the law on any particular topic: its aim is to highlight changes and trends. Any reference to a particular law is not intended to be a description or summary of that law and should not be relied on as a statement of the law or treated as legal advice. Readers should seek appropriate legal advice before taking any action.

## 2. Methodology

Lawyers from 53 countries (Schedule 1) were asked to respond to the questionnaire (Schedule 2). The questions were designed to cover the most relevant issues relating to employment, industrial relations, discrimination and immigration law. Lawyers were asked to consider changes during 2023 (and the first half of 2024) and very briefly explain them and their significance. The answers to the questionnaire have been consolidated and summarised in section 3 of this report (*Trends and developments*). Although survey responses mostly reflect the status as of early 2024, in some instances, especially where legislative proceedings were pending, the status of such proceedings was verified, and where possible, updated during the drafting process. As previously noted, the AGR's goal is to highlight general international trends in human resources law. Readers seeking more in-depth analysis are welcome to contact the GEI or the lawyers who participated in the survey.

On behalf of the GEI Council, Björn Otto (CMS Germany) and his team (in particular Carolin Millgramm, Fritz Reckenfelderbäumer, Demi Pröpfer, Meike Frisch and Jyotsna Paul) took lead responsibility for coordinating and drafting the AGR. They updated the questionnaire with the help of co-author Todd Solomon (McDermott Will & Emery, US, GEI Council Member), contacted lawyers from different countries (Schedule 1) and reviewed the completed questionnaires. Björn Otto and his team then analysed the survey results and wrote the draft AGR, assisted by Todd Solomon and a team of McDermott Will & Emery lawyers. The GEI Council wishes to convey its gratitude to all those involved for their participation and interest in the development of the survey and the preparation of the AGR.

## 3. Trends and developments

### 3.1 Termination of employment, retirement issues and employment disputes

#### *Termination of employment*

Dismissal of employees is a globally relevant and ongoing issue in many jurisdictions. Laws on the subject have varying degrees of protection for employees. The following changes are reportable.

One of the objectives of the Finnish government's current labour market reform programme is to change the rules on personal reasons for dismissal. Under the current law, dismissal must be based on a *serious* and *valid* reason. The aim is to ensure that in the future a valid reason alone will be sufficient to terminate an employment contract. This will make it easier for employers to dismiss employees.

The Irish government has recently enacted legislation to introduce new protections for employees in the event of collective redundancies, particularly, but not exclusively, where the collective redundancies are due to the insolvency of the employer. The overall aim of the legislation is to enhance and complement the protection afforded to employees.

An amendment to the Polish Civil Code has indirectly reduced the ability of employers to dismiss workers by making it much cheaper for workers to challenge dismissals in court. The Polish government has also changed the rules on probationary and fixed-term contracts by limiting the duration of probationary contracts (which are easier to terminate because the employer does not have to give formal reasons for dismissal). For fixed-term contracts, employers must now provide written reasons for dismissal, so that in practice the protection against dismissal is now essentially the same for fixed-term and permanent contracts.

At the end of December 2023, a new law came into force in Russia that provides for the suspension of employment contracts with employees who have signed a contract for voluntary participation in the performance of duties in the National Guard of the Russian Federation (Rosgvardia). If the employee does not return to work within three months of the expiration of such a contract, the employer has the right to terminate the employment contract. In addition, as of February 2024, an amendment to the law protects employees who are single parents of children under the age of 16 from dismissal by their employer, including in the event of downsizing. These employees can only be dismissed under certain circumstances (eg, absenteeism, disclosure of legally protected secrets or drunkenness at work). From April 2024 similar guarantees also apply to the spouse of a deceased war veteran (within one year of the death of the employee's spouse).

In February 2024, the Minister of Manpower in Singapore announced the development of guidelines for the reasonable use of restrictive employment clauses such as non-compete or restraint of trade clauses, which prevent retrenched and other employees from finding new jobs.

As in the previous year, the vast majority of countries (eg, Australia, Brazil, Bulgaria, Denmark, Finland, Germany, India, Israel, Latvia, Lithuania, Nigeria, Romania, Serbia, South Africa, Spain,

Sweden, Turkey, Taiwan, Thailand, the United Kingdom and Vietnam) report that employers generally follow the procedure for dismissing workers.

In Colombia, employers are more aware of the importance of complying with regulations to protect vulnerable workers, such as disabled or sick employees or pregnant women. In Mexico, employers were reported to often fail to follow the required procedure, which, as in China, has led to a huge increase in legal complaints. While state and foreign employers comply, small private employers oftentimes do not. Also, in Taiwan, there are some employers who do not comply, and labour rights groups point to the need for improvement in the case of dismissals, especially mass dismissals.

There has also been an increase in litigation in other countries, such as Finland. There, wrongful dismissal is among the top three areas of litigation, as it is in India, and is the most controversial area of labour law. In the UK, there is concern that increasing economic uncertainty and the cost-of-living crisis may force employers to make more redundancies, which could lead to an increase in claims against them. In Ireland, unfair dismissal is the most common reason for an employee to challenge a dismissal. Although case law tends to be in favour of employees, as in India or Lithuania, there is now a tendency for decisions to be made in favour of employers in Lithuania. In countries such as Denmark and South Africa, failure to comply with the dismissal procedure usually results in claims for damages or compensation. In Serbia, employers face heavy fines or must rehire the employee. As a result, employers in almost all countries comply with the law.

### *Retirement*

Countries around the globe are facing challenges posed by ageing populations, raising concerns about the impacts on retirement policies.

Early retirement offers workers the opportunity to leave the labour market before the normal retirement age, which can not only increase individual freedom and quality of life, but also plays an important role in the world of work by making the transition to retirement more flexible and accounting for demographic change. However, early retirement can also bring challenges, such as the loss of experienced specialists for employers, a potential burden on the social security system and a shortage of specialised workers in the labour market, which could have a long-term impact on the productivity and innovative capacity of a company. In order to counteract the negative effects of early retirement and to ensure a proper balance between the needs of workers and the demands of the labour market, legislators can introduce targeted regulations that both provide incentives to work longer and strengthen the protection of social security systems.

Against this background, even though the majority of jurisdictions left their laws unmodified, there have been changes in legislation or regulation through case law in some countries. The most notable changes can be summarised as follows.

In order to implement the ruling of the Constitutional Court of Colombia, from January 2027 the number of weeks of social security contributions required for women to receive a pension under the fixed contribution model (*prima media con prestación definida*) from the public institution Colpensiones will be reduced by 25 weeks per year. This will continue until January 2037, when the

requirement will fall to 1,000 contribution weeks. The current requirement for both sexes is 1,300 contribution weeks. This is to take account of the different status of the sexes in the labour market.

In the Czech Republic, on the other hand, legal changes have made early retirement less advantageous, although it is still not compulsory. Given the lower benefits, it can be assumed that there is less interest in early retirement on the part of employees.

The enactment of Law 213/2023 has led to important changes in Italy with regard to early retirement. The Quota 103 programme allowed retirement before the standard retirement age of 67 under various conditions to be met by 2024, such as reaching the age of 62 and having 41 years of contributions. The Opzione Donna programme allows women aged 61 and over (with further deductions for children) with 35 years of contributions to take early retirement if they (1) care for people in their immediate social environment, (2) are unable to work and (3) leave the labour force due to redundancy or are employees of certain companies. The APE (*Anticipo finanziario a garanzia pensionistica*) social benefit was extended until 2024, although the income limits for beneficiaries were tightened. Finally, eligibility for the *pensione anticipata* has been adjusted according to age, years of contribution and income thresholds, with lower requirements for women with children. All these options remain voluntary, which means that there are no legal provisions in Italy that can force someone into early retirement.

While most countries have not seen significant changes, there is a trend of gradually increasing retirement ages in Belgium, the Czech Republic, Denmark, France, the Netherlands, Poland, Romania, Serbia, Singapore, Spain and Vietnam.

In Latvia, the retirement age has been adjusted. Since 1 January 2014, the retirement age has been gradually increased by three months per year. In 2023, the minimum age for early retirement was 62 years and six months, while the official age was 64 years and nine months. In 2024, the earliest retirement age rose to 62 years and nine months, while the official age remains at 64 years and nine months.

In Portugal specifically, there were no significant changes to the possibility of early retirement. Only the regular retirement age has been brought forward by three months and is now set at 66 years and four months.

In 2023, Romania's public pension system adopted a law, effective 1 September 2024, eliminating the category of partial early pensions. Under this law, early retirement pensions are available up to five years before reaching the standard retirement age for individuals who have contributed at least eight years beyond the full contribution threshold. Partial early retirement pensions are also available up to five years before the standard retirement age for individuals who have met the full contribution threshold or exceeded it by up to eight years.

In China, the current retirement age regulation was abolished on 1 May 2024, and on 13 September 2024 China officially approved the draft proposal to gradually raise the statutory retirement age starting 1 January 2025.

As the primary focus remains on increasing the retirement age, further effective efforts remained limited within the past year.

On 17 November 2023, the Australian government passed the Social Services and Other Legislation Amendment Act 2023, granting pensioners the ability to earn up to AUS11,800 plus an additional AUS300 a fortnight before their income affects their Age Pension, from 1 January 2024.

In Hungary, the Labour Code provides enhanced redundancy payments for older workers where the amount of payment depends on the length of the employment relationship and employers are exempt from payment of social contribution when employing pensioners. In Singapore, guidelines are provided to assist employers in the re-employment of older employees.

Denmark, Hungary, India, the Netherlands, New Zealand and Singapore have expressed confidence in their limited public pension funds in 2023 and remain confident about the stability. In contrast, Luxembourg, which showed confidence in its system in the previous year, now acknowledges the challenges that the pension fund may be exhausted by 2042 if no changes are made to the system.

Most countries recognise the increasing pressures on public pension funds, primarily driven by demographic changes. As noted above, a common response to address these challenges has been raising the statutory retirement age, which also helps stabilise public pension systems.

Most other government proposals remain vague but encompass various measures. Luxembourg is considering reducing pensions for high earners, while Indonesia has proposed expanding pension coverage to include informal sector workers in an effort to increase contributions to the pension fund.

Given the uncertainty surrounding the future of public pension funds, private pension plans have become increasingly important.

In Indonesia, changes to the private pension funds were introduced, which allow for the transfer of their investment assets to investment managers. This aims to provide better returns and professional management of the pension assets. Moreover, the measures are meant to improve the management and sustainability of pension schemes.

The Dutch Future Pensions Act, which took effect on 1 July 2023, marks a significant reform of the pension system in the Netherlands. It addresses the need for financial sustainability and aims to better meet pension beneficiaries' changing demographics and needs, by introducing three options: (1) the so-called solidary defined contribution schemes, with collective investment and age-related allocation of the investment returns resulting in a variable life-long annuity; (2) the so-called flexible defined contribution scheme, offering an individual capital to be used for a fixed or variable life-long annuity; as well as (3) the so-called fixed annuity contract, offering an individual capital to be used for a fixed life-long annuity and which can only be operated by an insurer.

In Spain, the regulations on pension plans were modified in July 2023, including changes about the classification of board members to be included in the general social security system as 'employees'; a prohibition on requiring more than one month of seniority to be able to join an employment pension plan; and an obligation to provide greater information to participants and beneficiaries. In addition, with regards to adaptations for corporate or business operations in which the same entity is the promoter of several employment pension plans or the promoter of one employment pension plan and at the same time the taker of one or more corporate social security plans, an additional 12-month extension will be allowed to request to proceed with the integration of the rights of participants, insured persons, and beneficiaries, where applicable, into a single one.

In conclusion, the global trend of addressing ageing populations through gradual increases in retirement ages continues, with many countries emphasising extended working years. While efforts to incentivise longer work have been made, significant changes have remained limited. Despite very few countries expressing confidence in their public pension systems, relatively few recent developments in this area have been made.

### *Employment disputes*

Given the numerous challenges within the workplace, it is unsurprising that many issues escalate into employment disputes, leading to cases being brought before courts and tribunals. However, recent changes in the way employment cases are reported, including the power to restrict reporting at the request of the parties, remain limited.

In Chile, there is an increasing trend towards maintaining the confidentiality of employment files, particularly in cases involving allegations of violations of the right to mental integrity and work-related accidents.

Poland has introduced two significant changes in civil procedure. First, employee-related lawsuits are now fully exempt from court fees, marking an exception to the general rule requiring plaintiffs to pay an upfront fee of approximately five per cent of the claimed amount. This change encourages employees to challenge decisions in court without the financial risk of losing the court fee. Second, protected employees – such as trade union leaders or employee council members – whose employment has been terminated can now request the court to mandate their reinstatement for the duration of the proceedings with limited discretion for courts to deny such requests.

In line with last year's report, the majority of labour disputes are still being addressed through formal court systems, highlighting the pivotal role of legal institutions in resolving employment-related conflicts.

In China, employment disputes are primarily resolved through arbitration proceedings, as it is a statutory pre-procedure to litigation of labour disputes.

In Ireland, labour arbitration is uncommon and limited to resolving minor employment disputes. In Chile, arbitration in labour matters is restricted to specific issues related to collective bargaining.

Canada attributes the dominance of formal court systems to the fact that arbitration provisions are either unenforceable or, when enforceable, cannot override public policy protections for employees or the administrative remedies offered to employees.

In contrast, in South Africa, employment disputes are primarily resolved through arbitration proceedings. New Zealand has observed a preference for settling employment disputes through arbitration, driven by the desire for quicker resolutions and more flexibility.

In Australia, Myanmar, Romania, Taiwan and Turkey, disputes are often resolved through mediation and conciliation before reaching arbitration or litigation.

The option to conduct virtual employment court hearings instead of in-person hearings was almost universally introduced due to the Covid-19 pandemic, with the exception of Venezuela, where video hearings are not legally permitted.

While virtual hearings are legal in most countries, they are uncommon in India, Mexico, Nigeria, Switzerland, Taiwan and Thailand. In Romania, virtual hearings are not regulated and do not take place in practice. The Covid-19 pandemic did not change this, neither in Romania nor in Serbia.

While virtual hearings became a standard practice during the Covid-19 pandemic and were widely implemented in 2020, countries such as Belgium and France have noted that the option was temporary and is no longer the standard. In Canada and New Zealand, courts have since opted to return to in-person hearings. Similarly, Brazil has seen an increase in the demand for in-person hearings over the past year. Although Spain views in-person hearings as the standard practice, as of March 2024, it introduced measures aimed at improving digital and procedural efficiency in the justice system, with the goal of making it more accessible and user-friendly for all parties involved.

In Argentina, Australia, China, Colombia, Ireland, Latvia, Poland, South Africa and Sweden, courts implemented virtual hearings during the pandemic, and they have since become a common practice. In Korea, virtual hearings by video increased significantly in 2023, with nearly 10,000 cases occurring in the last three months of the year. Portugal and Russia are also seeing a growing trend in requests for video hearings.

Therefore, employment disputes are still primarily addressed through formal courts, but efforts to improve efficiency, along with the impact of the pandemic, have led to virtual hearings becoming increasingly common worldwide with potential for further growth in the future.

### **3.2 Corruption and whistleblowing**

Compared to the previous year, there has been little progress in corruption and whistleblowing regulations in many countries, including Australia, Colombia, India, Indonesia, Israel, Japan, Lithuania, Malaysia, Russia, Serbia and the United States, where no significant changes have been reported. However, the European Union's Whistleblower Directive (2019/1937), which was already highlighted in previous discussions, remains highly relevant. It obligates EU Member States to implement legal protections for whistleblowers who report corruption or other unlawful behaviour within their organisations. Among its provisions, it mandates that companies with more than 249 employees establish internal reporting channels and procedures for protected disclosures.

Several EU Member States, including Belgium, Bulgaria, Finland, Hungary, Luxembourg and Sweden, have aligned their national laws with the Directive. While these countries recognise the benefits of the new regulations, their actual effectiveness remains to be seen. In Belgium, for instance, larger companies have largely complied with the requirements, whereas smaller businesses are lagging. In Luxembourg, there has been a noticeable increase in companies' willingness to implement whistleblowing mechanisms. However, the picture is less clear in Poland, where the Directive has not yet been transposed into national law, leading to significant legal uncertainty. The ongoing legislative process in Poland has caused many companies to address whistleblowing independently through internal policies based on the Directive.

In other regions, such as South Africa and Nigeria, no recent developments have been observed. South Africa relies on a combination of existing anti-corruption laws, internal company policies, and international conventions to address workplace corruption, which have proven relatively effective. In contrast, Nigeria continues to grapple with the absence of comprehensive whistleblowing legislation. While the Money Laundering (Prevention and Prohibition) Act (MLPPA) of 2022 serves as a national anti-corruption framework, efforts to introduce stronger whistleblowing protections remain ongoing. Nigerian employers largely depend on internal policies to address workplace corruption, but these measures often lack the robustness needed to make a significant impact.

In Germany, the *Hinweisgeberschutzgesetz* (Whistleblower Protection Act) came into force on 2 July 2023, after the transposition deadline for the EU Whistleblower Directive had passed. Since its introduction, the establishment of secure reporting channels has contributed to a noticeable rise in whistleblower reports of potential legal violations. This, in turn, has led to an increase in internal investigations. The act also introduces specific requirements for companies in managing these internal investigations. While its practical implementation marks a significant step forward, it remains to be seen whether the *Hinweisgeberschutzgesetz* will achieve its intended effect of fostering greater transparency and accountability within organisations. Taiwan recently enacted the Public Welfare Whistleblower Protection Act, set to take effect on 22 July 2025, to combat corruption and bribery in government-affiliated workplaces.

New technologies are also increasingly being utilised to monitor and prevent workplace corruption, though their effectiveness remains subject to debate. Tools like artificial intelligence, blockchain and digital auditing systems are designed to detect fraudulent patterns, secure transactions and provide anonymous whistleblowing platforms. In China, for instance, companies like iFlytek have implemented digital audit and supervision systems to systematically analyse risks, and transition from traditional sample-based audits to comprehensive automated processes. Similarly, in Indonesia, advanced payment systems have proven helpful in fraud prevention.

However, many countries have not yet observed significant positive impacts from these technologies. Finland, Japan, Nigeria, Poland and Serbia report limited results with criticism pointing to various challenges. In the Netherlands, privacy laws impose strict restrictions on using monitoring tools, which limits their potential effectiveness. Romania highlights issues such as limited access to technology in certain regions and insufficient training for personnel, which hinders the broader adoption of advanced anti-corruption systems. Nigeria identifies additional barriers, including poor data quality, resource constraints and the ability of perpetrators to exploit loopholes in existing systems.

While the potential of new technologies to combat workplace corruption is evident, their effectiveness varies widely depending on the regulatory environment, resources and implementation strategies in each country. The combination of clear legislation, such as the EU Whistleblower Directive, and innovative technologies remains crucial for making meaningful progress in addressing corruption globally.

### 3.3 Alternative workforce

Developments relating to the use of temporary workers, including independent contractors, agency workers, the ‘gig’ economy and crowd-working schemes, vary from country to country. A common problem within multiple countries is specifically posed by independent delivery drivers, such as food or parcel delivery.

Several countries, including Canada, France, Nigeria, Romania, South Africa and the UK, report a consistent increase in the demand and use of temporary workers. Nonetheless, a considerable number of countries, such as Argentina, Brazil, Bulgaria, Chile, Colombia, Ecuador, Hungary, Ireland, Israel, Latvia, Lithuania, Luxembourg, Malaysia, Mexico, Myanmar, New Zealand, Poland, Sri Lanka, the US and Venezuela, do not reference regulatory developments since last year’s report. Bulgaria does not have regulations within this field. In the Czech Republic, the use of external workers is often considered illegal, and new legislation from January 2024 has further tightened the penalties. Under the law in Thailand intermediate class workers do not exist. However, the Independent Workers Protection Act has been proposed with the intent to guarantee fundamental rights for gig workers.

In Vietnam, the new Labour Code sets out a broader definition of employees, which includes temporary workers, recognising them as de facto employees.

In Australia, the Australian Fair Work Act 2009 has been modified, effective from August 2024, to implement a new legal framework for protecting the gig economy and regulate the minimum pay of labour hire employees.

In July 2023, a Legislative Decree came into force in Italy introducing relevant new rules on fixed-term employment contracts, giving an important role to collective bargaining by extending the range of reasons for which fixed-term contracts can be longer than 12 months and up to 24 months. The decree stipulates that renewals and extensions of fixed-term contracts are subject to the same regulation; this type of contract can be freely renewed or extended during the first 12 months and thereafter only for the reasons mentioned above. On this basis, the national collective agreement for employees of companies operating in the commercial sector has been renewed.

Around the same time, the Indian state of Rajasthan introduced the Rajasthan Platform-based Gig Workers (Registration and Welfare) Act 2023 to constitute a welfare board and guarantee social security to platform-based gig workers.

Employees in the Netherlands are now entitled to the same minimum hourly wage as full-time workers.

In Japan, a freelance protection law was agreed on in May 2023 and came into force in November 2024, which requires written work agreements that clearly show the contract conditions such as the amount of freelance service fees.

In Portugal, amendments to the law were made that included reducing the number of times a temporary employment contract can be renewed.

Singapore aims to align basic protection for platform workers with those in other sectors, especially by providing standardised insurance protection for workplace injuries and making Central Provident Fund (CPF) payments mandatory for platform workers below 30 years old, with an opt-in option for older workers.

New working conditions, following the Directive on transparent and predictable working conditions of the EU from March 2024, have so far been imposed by law in Denmark, Finland and Spain.

While no law has been established in Taiwan, Guiding Principles have been.

South Korea still has not modified its laws to incorporate temporary workers, but in March 2024 the Supreme Court ruled that a court must determine reasonable working conditions even in the absence of employees performing the same or similar tasks. This ruling sets a precedent that could strengthen the protection of working conditions of temporary workers.

In Belgium, a so-called ‘Parcels Act’ was adopted to specifically protect parcel delivery employees from large companies.

This leads to the conclusion that, with an increase of temporary, independent, ‘agency’ and ‘gig’ workers, more and more regulatory developments will be imposed over time.

### **3.4 Flexible working**

#### *Overall trends*

The landscape of flexible working has undergone significant transformation worldwide, particularly in the wake of the Covid-19 pandemic. As organisations adapt to new norms and the demand of flexible working schemes, remote and hybrid working models have emerged as a dominant trend reshaping how we think about work. In particular, flexible working arrangements that provide more flexibility in terms of working hours (eg, part-time, ‘sliding’ work schedules, ‘flexitime’) or place of work (eg, remote work, hybrid working schemes) are common. In addition, countries such as Luxembourg, the Czech Republic, Ireland and Hungary also mentioned practices such as job or employee sharing.

Even though flexible working schemes are now widely used, they continue to occupy companies, governments and legislative bodies worldwide. It is noticeable that many efforts are geared towards regulating the practice of working from a home office and making corresponding practices more transparent and accessible to a larger group of employees. In addition, legislative efforts often aim to create the necessary legal framework for remote work. In Germany, a working group of experts from various fields developed guidelines in a one-year process at the initiative of the Federal Ministry of Labour and Social Affairs, which were finally published in June 2024. The German guidelines are intended to create a framework for companies and help them design hybrid screen-based work that is effective and safe. Sweden reported, in connection with remote work regulations, that a directive is to be used to adapt more outdated tax regulations to newer, more flexible forms of work. The Swiss government has announced new taxation rules that affect cross-border remote workers and make remote work outside Switzerland for a Swiss employer subject to Swiss tax as long as a certain threshold is not reached. In addition, there are approaches to obliging employers to monitor the working hours of staff working from home (eg, Brazil and Denmark).

Even though flexible working practices continue to play a major role in the modern world of work, a return to the office can be seen in many of the participating countries. For example, a large number of countries, such as Brazil, Bulgaria, Canada, China, Israel, Norway, Pakistan and Turkey, reported

that after the peak popularity of mobile forms of work during the Covid-19 pandemic, employers are now increasingly calling workers back to offices. An appealing compromise is often found in a hybrid working model.

Furthermore, remote work largely remains an option offered by employers and is not a mandatory requirement. However, differences can also be seen depending on the industry and the available resources of companies, as noted in particular by Australia and the UK. The primary reason for this change to a mandatory requirement is that companies want to remain competitive and meet the demands of employees for a modern workplace. Switzerland noted, for example, that offering remote work is intended to make the job position attractive to younger employees ('Gen Z') in particular. In addition, from a company perspective, cost factors such as savings on electricity and reduced costs for rental space also play a role here. France, for example, pointed out that working from home can reduce rental costs for office space, especially in large cities like Paris.

Among most of the participating countries, the four-day week is still being discussed in the context of flexible working models in 2023. Here it is noticeable that, with regard to the respondents' answers, the wishes of the employees in favour of such a model often differ from the concerns expressed by the employers. The trend that the four-day week is increasingly becoming part of everyday working life is the exception, but it does occur in individual countries such as Denmark and the US. In an increasing number of countries (eg, France, Ireland, Poland, South Africa and the UK), individual cautious pilot projects are starting, often at the initiative of larger companies, to take a closer look at the effects of introducing a four-day week. A uniformly positive response cannot be determined, even if isolated projects, such as the experiment in the UK, were largely seen as very positive by participating companies and – according to the findings in the project – should contribute to the overall wellbeing of employees.

In addition to the four-day week, other innovative working models are also subject to debate. In Sweden, for example, a debate is underway about the six-hour working day. In the US, there is also a reported trend towards offering half days on Fridays.

### *Right to disconnect*

Closely linked to flexible working arrangements and the increasing blurring of the lines between work and personal life is the question of a real 'right to disconnect' in order to cushion the impact on mental health and a good work-life balance for the workforce as much as possible. This year, there have been developments at the national level in some of the participating countries that further establish the right and the opportunity to disconnect from work.

In Australia, a 'right to disconnect' has been introduced, which came into force for larger business employers on 26 August 2024 and will come into force for smaller business employers on 26 August 2025. Under the newly introduced law, employees will be able to refuse to monitor, read or respond to contact from an employer or a third party unless the refusal is unreasonable. In addition, the amendment contains criteria to be considered when determining the extent to which the employee's refusal is unreasonable. In particular, in cases where employees receive additional compensation for remaining contactable outside of their working hours, a refusal to make contact

may be unreasonable. In this respect, it is likely that the new regulations will have little impact, especially in higher positions.

In Luxembourg, a law was also introduced in June 2023 that contains regulations on the right to disconnect. According to this law, whenever employees use digital tools for their work, a scheme must be set up to ensure compliance with the right to disconnect outside of working hours. The law also contains substantive requirements for the scheme, such as the practical and technical design, the inclusion of awareness and training measures, and compensation payments for cases of deviation from the right to disconnect.

In Bulgaria, the Bill on Act for Amendment and Supplement of the Labour Code was introduced, which clarifies that employees are generally not obliged to respond to an employer's contact outside of their working hours, unless exceptions from individual and/or collective labour agreements apply. The amendments were published in the state gazette at the end of March 2024 and came into force on 2 April 2024.

In Spain and France, there have been no legislative changes, but additional clarity is increasingly being provided at the level of national collective bargaining agreements and the 'right to disconnect' is being further developed. In Spain, for example, the fifth Agreement on Employment and Collective Negotiation was published on 19 May 2023, which summarises in more detail which guidelines and best practices are to be taken into account in the future when negotiating provisions on the right to disconnect in collective agreements.

### *The Great Resignation and quiet quitting*

In the aftermath of the Covid-19 pandemic, phenomena such as the 'Great Resignation' and 'quiet quitting' have become apparent in the labour market. While the term 'Great Resignation' refers to the mass voluntary departure of employees from their jobs, 'quiet quitting' refers to staying in the job but disengaging emotionally and mentally, fulfilling only the basic duties without extra effort or enthusiasm. The reasons most frequently cited by the participating countries for the latter phenomenon include, in particular, stagnant wages and limited promotion progress.

While no such tendencies could be detected among the working population in many of the participating countries, such as Ukraine, Lithuania, Sweden, Pakistan and Russia, other countries are still dealing with the phenomenon. In Canada, a survey found that 71 per cent of Canadian employees want to change jobs, but a study from 2023 shows that only 34 per cent are willing to change jobs in the next 12 months. It is assumed that relative job security during unstable economic times is often the driving factor in practice, which is why a Great Resignation often does not occur despite employees being dissatisfied with their current work situation.

This could explain why countries such as Colombia, France and Hungary observe the phenomenon of quiet quitting more frequently overall, since in these cases employees retain their jobs and thus financial support. Romania also pointed out that new phenomena such as 'career cushioning' are likely to play a particularly important role in the upcoming years. Here, the employee only fulfils the minimum requirements of their current position, similar to quiet quitting, while also undertaking further training and development in other areas in order to prepare for a possible job change as a plan B.

## *Cost-of-living crisis*

Compared to the answers of the participating countries from last year, it is striking that the situation around the cost-of-living crisis for the year 2023 at the beginning of 2024 has improved in many countries such as Belgium, China, France, Korea, Latvia and Lithuania, and that inflation has been brought under control. However, according to the country reports of many countries, this does not change the fact that the current cost of living continues to be a burden for the population. Spain, for example, pointed out that even though inflation in Spain returned to a more balanced situation in 2023, the still elevated prices continue to be felt by the population. In Korea, the tense economic situation is particularly noticeable in the comparatively high housing costs, which mainly affect younger tenants in their thirties, and in Nigeria, the abolition of fuel subsidies in May 2023 resulted in a noticeable increase in fuel costs.

On the other hand, the situation regarding the cost-of-living crisis in other participating countries seems to be increasingly under control. Belgium mentioned the rather uncommon Belgian system of automatic indexation of wages is said to have effectively protected the purchasing power of the Belgian population over the last few years, and was therefore also supported and defended by rather liberal parties in the 2024 election campaign. In China, data published by the National Bureau of Statistics on 12 January 2024 showed that consumer prices rose by only 0.2 per cent year-on-year in 2023 as a whole.

This year, measures were taken by employers and/or legislators to deal appropriately with the increased cost of living in the work context. Here, it is particularly noticeable that the envisaged measures relate primarily to particularly affected households and are intended, for example, to cushion the disadvantages for families through tax breaks and state benefits. For example, the government in New Zealand plans to introduce a bill that provides various tax benefits for families and a so-called FamilyBoost payment for families with children in early childhood education. In the UK, cost-of-living support measures have been taken that include income and disability benefits, bills and allowances, childcare, housing and travel support. In addition, pensioners, low-income households or those on disability benefits received cost-of-living payments in the UK between spring 2023 and spring 2024. In Nigeria, a federal initiative was presented in October 2023 that aimed to provide financial support to 12 million poor households in Nigeria. The Swedish and South Korean governments also took measures to protect particularly vulnerable households and curb inflation.

In Portugal, the Portuguese government approved a package of measures on 24 March 2023 in response to the increased cost of living. These measures included, among other things, VAT exemptions for various essential products, financial aid for agricultural production amounting to €140m, and support for numerous families, children and young people who are entitled to family allowance.

In terms of the reactions of employees and employee representatives, the measures taken are more cautious. Only in a few countries (eg, Nigeria, South Africa) does the increased cost of living seem to be associated with an increase in undeclared work, taking on a 'side hustle' alongside one's primary job, or an increase in industrial action. In South Korea, the traditional understanding that employees typically have one job in one company for their entire career has changed due to the fact that changing jobs and taking on side jobs are becoming increasingly common. Indonesia pointed out that workers resorting to moonlighting is a common reaction in some sectors at best.

Some countries, such as Colombia, Israel, Poland and Switzerland, noted that the most common reaction of the workforce to increased living costs is to demand a salary increase.

### 3.5 Family-friendly policies

Family-friendly policies, such as those related to maternity, paternity and parental leave are expanding globally. This growth is fuelled by the push for more adaptable work arrangements and evolving expectations around work-life balance. A key driver of these changes is a commitment to advancing gender equality not only in the law, but also in everyday workplace culture. In addition, there is sometimes a willingness to be inclusive and to ensure that a variety of family structures are supported and recognised within these frameworks.

In June 2024, the Indonesian House of Representatives ratified a new law extending maternity leave from three to six months, increasing paternity leave from two days to up to 40 days, and introducing up to seven days of leave for husbands in the event of a miscarriage.

In Ireland, the parental leave period for both parents has been extended from five to seven weeks, with an allowance of €274 per week.

According to the 2023 pension reform in France, parental leave now counts towards the calculation of retirement benefits. A proposed ‘maternity leave’ for 2025 aims to replace current parental leave with six months’ leave at a minimum of 66 per cent pay.

In Italy, parental leave has been slightly improved by Law No 213. Employees now have the option of taking two months’ maternity or paternity leave with an allowance of 80 per cent of their salary for children under the age of six. However, the following seven months will continue to be paid at a rate of 30 per cent of their salary, whereas the tenth and final month will not be remunerated.

In December 2023, the Mexican House of Representatives approved an amendment to the Federal Labour Law to extend paternity leave from five to 20 days for new or adoptive parents, and up to 30 days in the case of complications after childbirth. In Romania, the duration of adoption leave has now been increased from one to two years, bringing it closer to the duration of parental leave.

Portugal’s Labour Code, amended in May 2023, significantly extended parental leave and introduced new protections for various family-related circumstances, such as adoption and foster care, and introduced new allowances for pregnancy mourning, medically assisted procreation, prenatal consultations and breastfeeding without loss of rights. Maternity leave was therefore extended to 42 days and paternity leave to 28 days, with additional leave days for fathers after the birth. Fathers now receive parental leave during adoption, and similar rights have been granted to foster families. Parental leave is also extended to adoptive parents, tutors and legal guardians, and their partners living with the child.

Recent amendments to the Labour Code in Bulgaria have introduced new provisions to provide more flexibility for working parents. Once a child is six months old, a mother can transfer her paid maternity leave to one of her or her partner’s parents, excluding the father, if they are employed. For adopted children, the adoptive mother can similarly transfer her leave to her partner, one of

her partner's parents or herself within six months of adoption and before the child's fifth birthday, provided they are employed.

Denmark introduced new rules on earmarked parental leave to promote equality, which provide better leave options for LGBT+ families and single parents as of 1 January 2024. These rules allow legal parents to transfer unassigned parental leave to social parents or close family members, with single mothers eligible to transfer up to 36 weeks and single fathers up to 44 weeks. In Switzerland, as of 1 January 2024, when a parent dies, the surviving parent is entitled to use the unused parental leave of the deceased parent in addition to his or her own parental leave entitlement.

Both Luxembourg and Spain have implemented EU Directive 2019/1158, which aims to improve work-life balance, through their own legislation. Paternity leave of at least ten working days has been introduced and parental leave of four months has been defined. At least two of such months are non-transferable. In addition, working parents of children under the age of eight and people who care for children are entitled to flexible working hours and up to five days of childcare leave per year.

The Spanish government is reviewing a new family law aimed at recognising diverse family models and establishing comprehensive support policies to enhance their wellbeing, including recognising single-parent families, expanding criteria for 'large families', and equating domestic partnerships with marriages.

In June 2024, the Canadian government also made a progressive amendment to the Labour Code so that leave can now be taken in connection with a pregnancy loss or placement, which recognises the diversity of experiences in this area.

Recent amendments by the Serbian government to the 2024 Law on Financial Support for Families with Children have introduced more comprehensive benefits for parents, in particular supporting women entrepreneurs and improving paternal leave options. The amendments extend maternity and childcare leave compensation for female entrepreneurs to two years for the third and subsequent children, bringing it in line with benefits for employed women. The revised law also allows employed fathers whose wives are entrepreneurs to take childcare leave and receive wage compensation, starting three months after the child's birth, for up to one year for the first two children and up to two years for the third and subsequent children.

Recent legislative changes in Ukraine have expanded leave options for employees in various family situations. Adoptive parents are now entitled to one-time paid leave of 56 days for the adoption of one child and 70 days for the adoption of two or more children. Probationary periods can now be imposed on all employees, including pregnant women and single mothers, which was previously prohibited. As of July 2023, pregnant women will be able to choose the start date of their maternity leave, allowing them to take all or part of the 70 days of prenatal leave after childbirth. A new law in December 2023 grants fathers up to 14 days of paid leave within three months of the birth of their child, even if the father is not married to the mother but lives with her. In addition, single parents can request leave for grandparents or other adult relatives to care for their child.

The UK's Protection from Redundancy (Pregnancy and Family Leave) Act, which came into force in April 2024, extends an employer's duty to offer a suitable alternative post to an employee on maternity leave in the event of redundancy to include employees on adoption or shared parental leave. It also

allows fathers and partners to take paternity leave and pay in two non-consecutive blocks of one week each, rather than in a single block of one or two weeks.

In Mexico, a non-binding legal precedent was recently issued stating that, whenever a woman is dismissed and claims that the reason for her dismissal was her pregnancy, the labour courts must review the case in light of gender discrimination and determine whether the evidence presented by the employer is sufficient to prove that the dismissal was not due to the employee's pregnancy.

As family benefits legislation evolves around the world, employer practices show considerable support for work-life balance. In France, many companies are improving maternity, paternity and parental leave, with some offering full pay or additional leave beyond social security. In Australia, three out of five employers offer additional paid parental leave, although only 12 per cent of primary caregiver leave is taken by men. Ireland also shows a trend of large employers going beyond the legal requirements. In Mexico, companies are extending maternity and paternity leave beyond the legal minimum, while the Nigerian civil service recently added 14 days of paternity leave and extended maternity leave to four months. In the UK, while some employers offer additional benefits, many still adhere strictly to the legal minimum.

In several countries, employer practices regarding family benefits are quite basic. In Israel, Latvia, Chile, Venezuela and Russia, employers generally stick to the legal requirements without offering additional benefits. Luxembourg and South Korea also show little interest in improving benefits beyond the legal minimum. In Spain, where social security covers the full cost of parental leave, employers rarely offer additional benefits. The situation is different in New Zealand, where it is relatively common practice for larger organisations to offer enhanced benefits above the statutory entitlements. Similarly, in Canada, where a study showed that 58 per cent of employers offer a supplement to maternity pay, but significantly fewer employers offer a supplement to parental or paternity pay. The study also shows that for women, the supplement to maternity pay is often linked to the absence of other benefits such as coaching programmes or childcare support. While some Romanian employers offer more leave to fathers, most adhere to the legal standards. Similarly, increased benefits are rarely seen in practice in Serbia.

### **3.6 Absenteeism due to stress and mental health issues**

In the aftermath of the Covid-19 pandemic, absenteeism due to stress and mental health issues in the workplace has increased driven by the prolonged isolation and workplace changes, which have contributed to increased emotional distress and related mental health challenges.

Most countries recall an increasing awareness of employers about arising mental health issues amongst employees, such as Indonesia, Italy, Korea, Latvia, Myanmar, the Netherlands, Norway, Portugal, South Africa and Sri Lanka. In Australia, Brazil, the Czech Republic, Lithuania, Russia and Switzerland, employers of larger and multinational companies are more commonly providing psychological support to employees with mental health concerns. Few companies in Lithuania have implemented remote work guidelines for employees not to overstrain themselves. In New Zealand, a few employers have introduced mental health leave in addition to the minimum entitlements for employee sick leave.

Twenty per cent of employers in Ireland have a budget dedicated to mental health and wellbeing support measures. Ukraine credits various mental health issues to the ongoing war and mentions employers' responses such as paid psychological counselling, moral support, training and seminars, regular one-on-one meetings, additional days off, and financial assistance.

Bulgaria recalls similar efforts, such as remote work policies, flexible hours policies, granting additional paid leave days, happy hour policies, team buildings and other team activities. The China Mental Health Association actively promotes the development and incorporation of the 2004 established Employee Assistance Programme. Companies in France are obliged to nominate an employee as a health and security representative. In Serbia employers tend to hire HR staff with a psychology degree for daily mental support. In Mexico, support groups to provide advice on mental health issues resulting from the Covid-19 pandemic have been launched by employers as well as the government.

The UK government has published guidance for employers to address and manage mental health concerns. Additionally, various charities actively work with employers to train to be able to spot the signs of an employee struggling with their mental health and to offer constructive support to those employees. The Department of Mental Health in Thailand has provided a toll-free hotline to contact about mental health issues.

Outside of those mainly employer-led changes, the vast majority of countries do not recall mentionable legal developments in response to employees' stress and mental health issues. The Indonesian government enacted a Law on Health in 2023, which addresses issues such as acknowledging mental health as a right, acknowledging the rights of patients experiencing mental health issues and ensuring patients receive proper care. In the Luxembourg Labour Code, rules to refrain from moral harassment in the course of an employment relationship as well as obligations on employers to take appropriate measures to stop and protect are now ensured. The Nigerian Mental Health Act was a significant step to promote and protect the lives of people with mental health conditions, mandating access to medical, social, and legal services and prohibiting the termination of employment based on mental health issues.

In conclusion, while legal developments regarding employees' stress and mental health issues have remained limited, many employers worldwide have taken proactive steps to respond to stress and mental health challenges in the workplace, from implementing mental health programmes such as psychological support to more flexible working arrangements. This appears to signal a voluntary shift toward more comprehensive mental health support in the workplace by the employers.

### **3.7 Data protection, privacy and human rights**

#### *Data protection and privacy*

Data protection, surveillance and privacy remain important factors within the workplace, with legal as well as employer-driven changes. Multiple countries recounted legal changes within the past year.

The Vietnamese government issued the first draft of a new Law on Personal Data Protection on 24 September 2024, potentially set to take effect in 2026, regulating more stringent provisions for Personal Data Protection.

A recent project in Bulgaria, the Bill on Act for Amendment and Supplement of the Labour Code, was promulgated and introduces a provision stating that the employer is obligated to provide the employees working remotely with written details regarding the nature and extent of work-related data collected, processed, and stored within the system.

The Cyberspace Administration of China (CAC) issued Provisions on Promoting and Regulating Cross-border Flow of Data, which significantly adjust the obligations relating to cross-border transfers of personal information, listing several situations where data export procedures are not required. India passed the Digital Personal Data Protection Act 2023 while in Korea the Amended Enforcement Decree and in Russia new rules concerning the cross-border transfer of personal data came into effect. The Dutch Data Protection Authority has provided advice on the proposal of the law providing more certainty for flexible workers.

In Spain, the Data Protection Agency published a guide on the use of biometric data for tracking work time and access control. Additionally, in a recent ruling, the Supreme Court confirmed that companies intending to modify policies on the use of digital devices must involve employees' representatives. Taiwan has also reported amendments to its Personal Data Protection Act.

In Italy, the Data Protection Authority's Guidance Document from December 2023 was published in February 2024, introducing guidelines and restrictions for the management of employee emails. A public consultation was held shortly after, to gather comments and proposals from those affected by the new data protection provisions and postponed their entry into force pending the outcome of this consultation.

The EU privacy and data protection law is exceptionally dynamic and continuously evolving. Turkey has made ongoing efforts to align its Personal Data Protection Law with the European General Data Protection Regulation (GDPR). Norway is also striving to adhere to all EU legislation on privacy and data protection.

No recent developments were noted by Argentina, Australia, Belgium, Colombia, Denmark, Israel, Japan, Latvia, Lithuania, New Zealand, Nigeria, Pakistan and the US. In Venezuela, data protection remains governed solely by general principles.

While no legal modifications were made in the Czech Republic, France and Poland, employers introduced more tools and internal policies regarding data protection. The increase of surveillance software by employers in Switzerland is largely attributed to the pandemic and led to a revised Swiss Data Protection Act.

Following the new guidelines in Canada, as mentioned in last year's report, privacy authorities across Canada adopted a joint resolution during their annual meeting, calling on their respective government body to improve privacy legislation by addressing current statutory gaps, respect the workers' right to privacy in the workplace and regulate the use of electronic monitoring and AI to ensure its use is fair and appropriate.

On 1 March 2024, the Personal Data Protection Commission of Singapore issued guidelines on using personal data in AI systems, clarifying consent and notification obligations under the Personal Data Protection Act. While not legally binding, the guidelines offer insight into the enforcement approach.

## *Human rights*

While there have been few new legal developments or newly adapted employer practices regarding human rights protection in the workplace within the past year, existing regulations remain the primary framework and the commitment to upholding these rights remains strong.

As noted in last year's report, Australia sought to strengthen its efforts against modern slavery and has now passed an amendment that proposes the establishment of an Australian Anti-Slavery Commissioner. On 8 January 2025, the Workplace Fairness Act was enacted in Singapore, marking a significant milestone to legally strengthen the protection against workplace discrimination. In response to increasing concerns over workplace harassment and violations of personal rights in South Korea, a proposed amendment to the Civil Act was introduced by the government on 10 November 2023, aiming to explicitly codify the basis of general personal rights in the law. Many companies in Brazil enhanced their diversity programmes, especially regarding the integration of LGBTQIA+ individuals as well as the empowerment of women at the workplace. The President of Indonesia issued a Presidential Regulation, providing regulatory and institutional frameworks to ensure businesses respect human rights.

In early 2023, the European Committee of Social Rights concluded that Ireland was in breach of certain of its labour rights obligations under the Revised European Social Charter, a binding human rights treaty that Ireland ratified in 2000. The assessment will be evaluated in the context of the existing legislation protecting workers in Ireland, with several appropriate improvements to employment laws already implemented, for instance, the Work Life Balance and Miscellaneous Provisions Act 2023 introduces a domestic violence leave of five paid days in a 12-month period.

In Italy, new whistleblowing procedures introduced by a Legislative Decree came into force in July 2023. These broaden the guaranteed protection in the case of reports by an employee to inform the authorities of an offence of which they have become aware because of or during their work performance.

The continued commitment emphasises the need to align workplace policies with human rights standards, even in the absence of significant legislative changes. In summary, despite limited legal changes or new employer practices in the past year, the protection of human rights and data remains a priority.

### **3.8 Discrimination in the workplace**

The issue of discrimination has become increasingly important.

While China's labour law prohibits discrimination based on characteristics such as ethnicity, gender and religion, it does not specifically refer to age. The average age of workers is approximately 38, a trend that has been reinforced by waves of job reductions (especially in the tech sector) due to an economic slowdown and regulatory concerns. In the Chinese technology industry, a preference for younger workers has been publicly expressed, as younger workers are perceived as more passionate and willing to make personal sacrifices for the company. Eighty-seven per cent of programmers surveyed had serious concerns about being dismissed or being unable to find new employment after turning 35, as many job advertisements restricted applications for those under 35.

The issue of discrimination raises not only public awareness but leads to more legislative changes as well as practical actions to be taken in order to counter discrimination in all its forms more effectively.

Malaysia has modified the Employment Act 1955, effective January 2023, to include workplace discrimination for the first time and in this respect amended it to now include the power of the Director General to inquire into and decide any dispute between an employee and their employer in respect of any matter relating to discrimination in employment. An employer who fails to comply with any order of the Director General commits an offence, and shall, on conviction, be liable to a fine up to MYR 50,000.

The main development in Poland's law on discrimination relates to the Civil Procedure Amendment, which now provides employees with the opportunity to file lawsuits based on discriminatory claims without any court fees, and thus demand much higher compensation.

In Finland the Non-Discrimination Act has been revised regarding the definition of harassment, which can now be directed at a group of people. Employers must also carry out an equality assessment for recruitment and a workplace equality plan must be drafted which includes a conclusion of the equality assessment.

Japan has implemented the Act on Promoting Public Understanding of Diversity in Sexual Orientation and Gender Identity in June of 2023, which is the first national statute that generally prohibits unfair discrimination based on sexual orientation or gender identity. It therefore encourages companies to make efforts on taking measures such as a consultation system for LGBTQIA+ employees.

On 26 October 2023, the UK revised the Worker Protection Act (Amendment of Equality Act 2010) to impose a legal obligation on all employers to take proactive measures to prevent sexual harassment within the workspace. However, the claim must be brought with a claim for sexual harassment.

The Ministry of Labour and Social Policy of Italy adopted a Decree in March 2024 which identifies the training activities that give access to the 'fund for training activities in preparation for the certification of equality between men and women' and the related procedures for the allocation and transfer of funds to the regions.

The draft Anti-Discrimination Act is currently under review by Taiwan's administrative agency, with public hearings being held to gather the public's opinions and input. In Germany a revision of the General Act on Equal Treatment is in theoretical discussion but without actual plans so far.

Florida's Stop WOKE Act, mentioned in last year's report, intending to restrict diversity training in the workplace, has since been blocked by the Court of Appeals. As of July 2024, an appeal to the Supreme Court has not been filed. However, a Chief District Judge in the US has issued an order against workplace training provisions, as the law violates free speech rights against the Amendments of the US Constitution.

Recognising the lack of pay transparency as a significant obstacle to closing the gender pay gap, the EU implemented the Wage Transparency Directive, which contains measures such as the requirement for companies with over 100 employees to disclose salary information. These standards came into force in June 2023; EU Member States have until June 2026 to enforce relevant national laws.

Besides the legislative changes, practical measures have been introduced to aid the prevention of discrimination in the workplace.

Brazil's Salary Transparency Report, issued by the Ministry of Labour and Employment reports on gender pay gaps and therefore imposes an indirect control of the audited companies. Colombia ordered government officials to adopt their own protocols for protection measures against all kinds of discrimination in the workplace based on any reason.

The responses show that employers mostly comply with the anti-discrimination laws. Offers for training employees about workplace discrimination laws have not been noticeably magnified within the last year and the practice varies from country to country.

In Denmark, Hungary, Latvia, Russia and Turkey, discrimination is prohibited and employers generally do not provide training on the law. Most countries, such as Bulgaria, Canada, Chile, Italy, Mexico, Nigeria, Spain, Thailand and the UK, suggest certain training possibilities. Japan reports a yearly improvement of this trend. Some countries credit this more commonly to larger and multinational companies, such as Australia, Brazil and Pakistan. Switzerland specifies that employers generally offer training on workplace discrimination laws largely driven by a potential liability in case of compensation payments.

Meanwhile many countries – including Belgium, France, Korea, Romania, South Africa and Sweden – have made it mandatory for certain employers to provide training on anti-discrimination laws.

Despite not every country reporting measurable changes to prevent discrimination in the past year, the pursuit of a discrimination-free workspace is a general trend.

### **3.9 Diversity**

In line with last year's report, only minimal developments in legislation and employer practices regarding gender parity have been implemented over the past year.

Notable developments in Chile include the publication of amendments to the regulations of the current inclusion law in November 2023, which modify the total number of employees for the purpose of determining the hiring percentages of employees with disabilities. Additionally, in August 2024, a new labour law amendment was implemented, increasing the required percentage of individuals with disabilities or disability pension beneficiaries to be hired by companies and included in the annual staff. In the Czech Republic and Latvia, more employers – mainly larger companies – are voluntarily enhancing gender diversity in the workplace.

Spain saw the enactment of two significant laws: the law on the full and effective equality of transgender people and for the guarantee of LGBTQIA+ rights, which entered into force on 2 March 2023, and the law on sexual and reproductive health and the voluntary termination of pregnancy, which came into force on 1 April 2023.

In May 2023, the Ukrainian Parliament adopted the draft law 'On Amendments to Certain Laws of Ukraine on Ensuring the Rights of Persons with Disabilities to Work'. This law aims to create favourable conditions for the employment of persons with disabilities by introducing incentive mechanisms for employers and expanding opportunities, built on successful approaches from other countries.

Accommodations for religious practices or beliefs by employers are still not a usual practice in Chile, China, Colombia, the Czech Republic, Latvia or Lithuania.

Developments regarding such accommodations are not noted in 2023.

Only a few other changes in law or the corporate practices designed to increase diversity in the workplace have been implemented. In mid-2023, the Irish Human Rights and Equality Commission recommended the introduction of a prohibition of discrimination on the grounds of socio-economic status and/or criminal conviction. However, as a review of the Employment Equality and Equal Status Acts is underway, it is not expected that these proposed amendments will be introduced. In Israel, the number of women serving as directors in the public and private sectors has increased and courses are being held to encourage women in management positions.

Italy, with regards to implementing the National Strategy for Gender Equality 2021–2026, Legislative Decree No 19 of March 2024, which provides for ‘further urgent provisions for the implementation of the National Recovery and Resilience Plan (PNRR)’, introduced benefits for employers who obtain the Gender Equality Certification System. A recognition that certifies that an organisation has effectively implemented a gender equality management system, with the aim – by 2026 – of improving its score in the ranking of the Gender Equality Index developed by the European Institute for Gender Equality, which currently ranks Italy in 14th place among all EU countries.

In the Netherlands, as of 2023, companies must report to the Social Economic Council on gender diversity in Dutch companies. A diversity portal has been set up for this purpose, containing all information on the Diversity Quota and Targets Act, where companies can submit their annual reports on targets, the male-female ratio and the plan of action.

As of January 2024, Swiss paternal leave is now called ‘leave of the other parent’ and expressly also applies to a female employee who is legally the other parent at the time of the birth of the child.

### **3.10 Behaviour in the workplace and sustainability**

#### *Sexual harassment*

When assessing behaviour in the workplace, sexual harassment and sustainability are crucial considerations.

While there is no effective legal protection against harassment under Russian law, leading large companies tend to implement anti-harassment regulations independently. Most countries already have established rules regarding sexual harassment in the workplace, and therefore report no further changes in laws or employer practices within the past year.

Although changes are generally relatively limited, an Act to prevent and combat psychological harassment and sexual violence in the workplace was assented to by the Lieutenant Governor of Quebec, Canada, in March 2024, amending various employment laws to adapt institutions and labour authorities to the specific issues related to sexual harassment, sexual assault and victim’s need.

Other noted changes also include the System for Eliminating Sexual Harassment in the Workplace in China, which was issued to clarify the definition of sexual harassment and instructs employers to

protect employees. Denmark has issued new rules regarding sexual harassment in the workplace and Indonesia drew up guidelines on preventing sexual violence.

New Zealand increased the timeframe for raising a personal grievance related to sexual harassment from 90 days to 12 months, starting June 2023.

In Korea an amendment to the Equal Employment Opportunity was issued in May 2024, due to the mishap that the term 'employer' solely referred to the owners, not the representative of the corporation. This meant that fines for sexual harassment committed by such could not be imposed.

Following up on the situation in Malaysia as mentioned as in last year's report, the Anti-Sexual Harassment Act has now come into force in March 2024.

In May 2023, Spain ratified a Convention of the International Labour Organization on Violence and Harassment, which establishes requirements for companies to prevent and eradicate work-related violence and harassment.

Results from the Mexican labour reform contain obligations to implement a protocol to prevent gender-based discrimination, violence and sexual harassment within the workplace.

Amendments to the Nigerian constitution now grant the National Industrial Court the authority to apply ratified international treaties concerning labour matters in Nigeria.

Taiwan passed amendments to the Act of Gender Equality in Employment, including establishing an external complaint channel for government intervention, increasing employer obligations and liability for sexual harassment committed by the highest-ranking officials, and clearer procedures for filing complaints.

In the Netherlands, while no laws were changed, a handbook that explains how an employer can/should act on a report of sexual harassment in the workplace was published.

### *Sustainability/ethical business*

As sustainability becomes more and more vital in every aspect of life, the importance of ethical business and green behaviour in the workplace is growing. Legislative changes to further support these efforts remain limited, leaving much of the progress driven by employer initiatives towards adopting more responsible and sustainable practices.

On 16 November 2023, the Monetary Authority of Singapore launched a digital platform called Gprnt, aiming to simplify sustainability reporting to support their sustainability initiatives. The platform is expected to help companies automate their environmental, social and governance (ESG) reporting process.

Chile reports an increased awareness of this issue among companies. The government is promoting policies aimed at an image of sustainability and business ethics, supported by state agencies issuing certifications to companies that implement ethical and sustainability programmes.

Many companies in Spain are adopting unilateral policies and commitments to promote more sustainable business models. Collective bargaining agreements increasingly include provisions

on sustainability and environmental protection, both from an internal perspective – taking into consideration the work environment – and from an external perspective – promoting environmental protection from companies. In Brazil and Poland, most large multinational companies implement their own policies regarding sustainability and green behaviour at the workplace, as well as fostering diversity and inclusion initiatives. Moreover, private anti-modern slavery inspections are becoming more common in Brazil, especially in sectors more exposed to it within their supply chain. For companies in Portugal, it is common to implement internal policies like becoming paperless, recycling and electricity conservation within the office, to minimise the environmental impact.

As of February 2024, the Italian government has been mandated by law to amend the existing legislation to ensure the coordination of the national regulatory frameworks for sustainability reporting and the attestation of compliance.

### **3.11 Technology and artificial intelligence**

The use of technology – specifically artificial intelligence (AI) – affects various areas of the modern work environment and is globally gaining more and more importance.

The majority of countries recollect an increase of employers' reliance on AI, including France, Israel, Japan, New Zealand, Nigeria, Serbia, Singapore and Sri Lanka, as well as a distribution of usage in a wider range of work fields. In China, employers have incorporated AI, especially within painting, writing, customer service and within sectors of finance, education and medical care. In Latvia, 42 per cent of surveyed employers have integrated AI into their work. Luxembourg highlights 35 per cent of employers that use external AI. Thirty-six per cent of Canadian employers estimate AI will increase productivity. Multiple countries also predict an increase in the utilisation of AI in the near future. In the UK, 41 per cent of employers see the potential of AI use.

Very few countries, including Belgium, Bulgaria, Chile, Ecuador, Hungary, Lithuania, Mexico, Myanmar, Pakistan and Spain, currently see no significant increase in employers' reliance on AI. Russia also remains in the early stages of the AI development but predicts that 63 per cent of leading businesses will be affected within the next year. In Thailand and Turkey, the use of such technology is limited to certain sectors of the work field, specifically the technology and security field. On one hand, Italian companies increasingly adopt the use of AI, while on the other hand, some continue to prohibit the use due to concerns of potential exposure of sensitive and important data and because of the unclear intellectual property implications of AI products.

Only Poland recorded a local decrease in AI use, which is explained by rising costs and inflation within the country.

So far, existing jobs have primarily been augmented to improve efficiency and productivity. Many countries see opportunities and possibilities for the creation of new jobs with the implementation of AI technology. Documented results include positions such as AI consultants in South Africa and positions with AI management skills in Nigeria.

However, Brazil, Finland, Poland, Romania and Russia have all seen job losses in sectors such as banking, finance and logistics. In Thailand, a reduction of translation work was noticed. Indonesia has not observed such changes and bases this on the current low integration of AI tools in general.

While the benefits of AI use are being recognised, a general fear of job loss resonates. Canada reports that the increased use of AI tools by Canadian employers is inevitable.

All countries agree that digitalisation will shape the future of HR. In particular, recruitment processes are expected to become more data-driven. By automating repetitive tasks, HR is expected to become more efficient and optimised. This also poses the possibility of job losses. France, however, puts an emphasis on the impact of digitalisation on the employees' health and sees HR as having a crucial role to maintain social interactions among the employees.

No country has yet implemented national legal regulations specifically dedicated to AI technologies. Arising legal issues concerning AI are primarily being handled within the context of the existing laws.

More and more countries are discussing how to deal with AI issues in the future. In this regard, China has enacted official measures for AI management in 2023 and corresponding regulations are currently being developed.

The Government of Canada proposed a Voluntary Code of Conduct on the Responsible Development and Management of Advanced Generative AI Systems in September 2023, with the purpose to provide common standards to enable employers to demonstrate they are developing and using AI responsibly, while waiting for formal legislation on the topic.

In January 2024, Australia announced a plan to establish a regulatory framework around high-risk AI and safety regulations.

Malaysia is developing a set of AI governance standards and a corresponding code of ethics. In Colombia, various bills of law concerning employee rights are currently being discussed which include standards to ensure human rights when using AI and the responsible use of AI tools. Similarly, in Chile, a bill seeking to regulate AI was introduced in May 2024 and is currently being processed.

The August 2024 European AI Act is the EU's first comprehensive AI legal regulation and is applicable in all EU Member States. The regulations differentiate the applicable obligations by the level of AI-posed risks.

In a decision of 19 January 2024, the Hamburg Labour Court in Germany ruled that a works council has no right to co-determination regarding the general use of generative AI and an attempt to prohibit the use of generative AI systems was dismissed. A co-determination would however be evaluated differently if the employers have direct access from the external provider acting as a data processor. This would possibly grant a co-determination right to the works council, ensuring that the benefits and risks of AI technology are carefully considered and addressed within the workplace environment before implementation.

Aside from national legal regulations, ethical considerations surrounding AI in the workplace have not been the focus of attention and cannot be recalled by a number of countries, including Belgium, Brazil, India, Nigeria, Pakistan, Poland, Thailand and Ukraine.

The arising ethical issues of using AI in the workplace have been discussed within Bulgaria, France, Japan, Mexico, Netherlands, Portugal, South Africa and Spain.

Some countries, such as Indonesia and Israel, have set ethical guidelines for the use of AI, which many other countries are planning on enacting as well.

The main ethical concerns include data privacy, the need for transparency, accountability, and human dignity, especially regarding protection from discrimination through AI algorithms.

While the need to archive digital skills through various methods was on topic in last year's report, the overpowering number of countries view the employer and the government as responsible for ensuring that employees obtain the required skills for a digitalised economy.

The main response concludes that employers are responsible for providing employees with adequate training options. Additionally, local or federal governments generally contribute by initiating and providing training options or funding.

The Australian Cyber Security Skills Partnership Innovation Fund, for example, has awarded a total of AU\$8.2m in funding to improve the quality, quantity and diversity of the cyber security workforce (as of 18 January 2024). Romania's Ministry of Investment and European Projects launched a new digitalisation programme on 31 January 2024 for digitisation in culture, with a priority on digitisation in central public administration and the business environment.

Another measure is being taken by Canadian universities, which are introducing more AI programmes to equip Canadians with the necessary skills for a digital economy.

According to the majority of countries, employee representation has not been vastly affected by digitalisation within the last year. The main improvements are still the possibility of virtual meetings, therefore enhancing communication and enabling a broader involvement.

As technology is becoming an integral part of the modern working world, countries worldwide are seeing the possibilities AI technologies have to offer as well as the challenges that need to be overcome.

## **3.12 Unions, collective bargaining and industrial action**

### *Legal changes*

Only a few countries reported on new legal provisions and developments in relation with collective bargaining, freedom of association, strikes or other industrial action. Instead, most of the countries surveyed reported no significant legal changes.

In Malaysia, the Malaysian Parliament passed the Trade Unions (Amendment) Act 2023. This Act is intended to remove the previous restrictions on the formation of trade unions and allow the establishment of multiple trade unions in each Malaysian institution, trade, profession or industry.

In Poland, two amendments to the Code of Civil Procedure have at least an indirect impact on collective bargaining: in particular, on the role of trade unions and trade union members. Firstly, lawsuits initiated by employees are now 100 per cent exempt from court fees, so that particular employees who are active in collective bargaining and/or trade unions can no longer be dismissed in practice, as they can now defend themselves against dismissal without having to pay upfront court fees. Furthermore, Polish procedural law now provides for a procedure in favour of specially

protected employees, which includes trade union leaders, whereby they can generally ensure their continued employment in the event of dismissal for the duration of the court proceedings.

The low number of legislative changes in the area of collective bargaining and the right to strike is mainly due to the fact that agreement on corresponding legal changes often proves difficult, and that legislative changes and related proposals are occasionally met with fierce criticism.

One example of this is the Strikes (Minimum Service Levels) Act in the UK, which was reported on in last year's report and which received Royal Assent in July 2023. The Act was primarily introduced to set minimum levels of service which must be met during strikes to ensure the safety of the public and access to public services. Surprisingly, the unions have mostly reacted negatively to the Act, which has now come into force. The Trades Union Congress in the UK, for example, has taken the view that the Strikes Act will poison industrial relations, make it harder for disputes to be resolved and also stands in conflict with international law.

The New Zealand Fair Payment Agreement Act, which was mentioned in last year's report, also faced significant criticism. The Act, which came into force on 1 December 2022, aimed to set minimum standards for employees and employers across specific industries and occupations nationwide. In response to the criticism, it was repealed by the current government on 20 December 2023.

In South Korea, a bill has been introduced, referred to as the 'Yellow Envelope Act', that aims to amend Articles 2 and 3 of the Trade Union and Labour Relations Adjustment Act so that in future, persons who are not party to the employment contract but who are in a position to substantially and specifically control or determine the working conditions of workers will also be considered 'employers' for the purposes of the law. It also seeks to limit companies' claims for damages arising from strikes. The amendment passed the National Assembly, but it was vetoed by the president. It remains to be seen whether the elections and the resulting new majority in the 22nd National Assembly will lead to the Yellow Envelope Act being passed after all.

In addition to the preceding developments in South Korea, the Seoul High Court ruled in a notable decision that a primary contractor must respond to collective bargaining demands from subcontractor workers if the primary contractor exercises substantial and specific control or determination over their working conditions. The primary contractor has appealed to the Supreme Court, so a decision by the full bench of the Supreme Court is expected soon.

### *Strike action*

Reports have been received of a range of strike actions affecting a wide variety of sectors and with a considerable disparity in scope. Nevertheless, some sectors are affected by strike action with particular frequency. This year, there were strikes in the healthcare sector of many countries (eg, in New Zealand, Romania, Serbia and the UK), and teachers went on strike in countries such as Canada and Romania. Poor working conditions, low salaries and corporate restructuring measures with adverse effects on the workforce are cited as the most common triggers for strike action.

In Sweden, a notable dispute arose between IF Metall and TM Sweden AB (Tesla) after failed negotiations for a framework agreement. On 17 October 2023, IF Metall announced impending industrial action, including strikes and blockades at Tesla's various locations in Sweden affecting

around 120 employees, half of whom are union members. The action was set to begin on 27 October 2023. Tesla's refusal to agree to a collective contract led to escalating conflicts and sympathy strikes from other unions and employers. The situation raised questions about Tesla's use of strikebreakers, which is rare in Sweden, and prompted discussions about limiting sympathy actions to protect collective agreements. Legal proceedings also emerged regarding the rights to industrial action. By the end of 2023, the conflict was still unresolved, resulting in an estimated loss of 1,936 workdays due to the strikes.

France reported on the strike activities in the agricultural sector in several regions that finally led to an increased awareness by the public of their precarious situation due to media coverage. The new attention to the topic could lead the French government to consider responding to their needs and ultimately legislate about it.

In South Africa, a so-called 'taxi strike' occurred in August 2023 in the Western Cape around Cape Town, which lasted for several days and resulted in some violent protests and even deaths. The strike was called by the taxi association Santaco (South African National Taxi Council) in response to the increase in regulatory measures imposed on shared taxis – the main form of local transport in South Africa. The so-called taxi strikes also have a party political component and are a result of power struggles between South Africa's two largest parties, the African National Congress and the Democratic Alliance. A preliminary agreement was reached at the end of August, although many contentious issues remain unresolved.

In Poland, two major strikes also occurred in connection with a political background and were closely related to the ongoing Russia–Ukraine war. Firstly, the Polish–Ukrainian border was blocked for several days by the freight carrier industry and truckers to protest against competition from Ukrainian truck drivers, who were granted access to the EU market due to the ongoing war. In addition, Polish farmers tried to take action against the import of Ukrainian grain and other agricultural products, as well as certain EU reforms, in a nationwide protest.

### **3.13 Minimum wage, banking reform and executive remuneration**

#### *Minimum wage/remuneration models*

In recent years, discussions around minimum wage and remuneration models have gained significance, driven by evolving labour markets and factors such as inflation and economic shifts.

Most countries have a legislative statutory minimum wage in place. Italy, however, has no statutory minimum wage but instead passed a law giving the government the flexibility to ensure fair remuneration without imposing a fixed salary threshold, with most workers therefore being protected by collective bargaining agreements. Singapore does not have a conventional statutory minimum wage but instead a 'progressive wage model', designated to increase wages through upskilling and improving productivity.

As mentioned in last year's report, nearly all countries report a general increase of the minimum wage with countries, including Australia, Brazil, France, Korea and Pakistan, raising the minimum wages on a regular annual basis.

Following a six-month provisional wage increase in Nigeria from October 2023 until March 2024, the National Minimum Wage Act came into effect in July 2024, introducing a permanent increase in the minimum wage rate for all workers in Nigeria and shortening the review period for the minimum wage rate from five years to three years.

In January 2024, Taiwan enacted a Minimum Wage Act, which incorporates the Consumer Price Index as a reference indicator. At the same time, Ukraine enforced a law about monthly and hourly minimum wages, resulting in rising prices in the labour markets and therefore a decline in employment.

In Serbia, the minimum wage is determined on the basis of the minimal price of work in the relevant calendar year, issued by the competent authority.

As the UK differentiates between a national minimum wage (NMW) and a national living wage (NLW), adjusted according to age and whether they are an apprentice, the age to be paid a NLW will be reduced from workers aged 23 to ages 21 and older.

Ecuador's minimum wage has been increased to US\$470 a month as of January 2025, positioning it amongst the highest minimum wages in Latin America.

Few countries do not have federal statutory minimum wages. In others, the separate regions are entitled to set regional minimum wages, no lower than existing federal rules dictate, such as in Russia and Switzerland. The minimum wage in Thailand also depends on the location of the workplace.

Sweden remains one of the few countries without a statutory minimum wage in place. During the investigation about the implementation of the European Minimum Wage Directive, it was concluded, that the directive's purpose of fair wages is ensured by the Swedish model of wage formation, without the need for a legislative regulation.

Romania sees the positive effects of minimum wages on the employment sector in the increased attractiveness of work in certain categories of employees. Japan, on the other hand, views higher wages as a burden to companies in general. Looking ahead, the upward trend in the minimum wage is expected to persist.

Inflation and economic shifts significantly influence wage adjustments worldwide.

In Argentina, Australia, France and India, the minimum wage is regularly raised to account for inflation. In Indonesia, inflation as well as a region's economic growth is considered when formulating the minimum wage. This results in Jakarta having the highest minimum wage in the country. New Zealand attributes the recent increase to the ongoing cost of living crisis. Employers in Nigeria, who fail to adjust wages accordingly risk losing talent to more competitive employers.

The increase in the minimum wage in Colombia has been higher than inflation. In Ireland the increase in wages is also above the European average and wage increases in the past year have not matched inflation.

In South Africa the increase is less than the current rate of inflation, pressuring businesses to come up with innovative strategies for retaining key employees.

In China, the impact of inflation and economic shifts has led to wage freezes and even salary reductions in many industries.

In Chile, however, the increase of the minimum wage is politically motivated and does not necessarily align with the economic situation.

In addition to fixed gross monthly salaries, other compensation models are becoming more popular in many countries, as such benefits serve as valuable tools for attracting and retaining talented workers.

These include compensation for transport to work in Belgium, extended parental leave and health-related benefits, including mental health and gym access in Brazil. In Romania, common employee benefits include a company car and company equipment, meal vouchers, medical or life insurance, private pension contributions and gym subscriptions. Nigeria lists a growing emphasis on non-monetary benefits and perks as part of the compensation package, such as flexible work arrangements, health insurance coverage, wellness programmes, meal tickets, childcare support, and professional development opportunities to attract and retain talent in a competitive market.

Chile, Lithuania, Luxembourg, Nigeria, Poland, Romania, Russia and Serbia especially see a rise among performance-based bonuses for the purpose of employee motivation.

In Taiwan, many companies offer 14-month salary packages with additional salaries paid as bonuses before the Lunar New Year and other important festivals in Taiwan. Korean companies have seen an increase in stock-based compensation for performance achievements.

In the future, the upward trend in minimum wage increases is expected to continue, largely driven by inflation and economic changes. Alongside fixed monthly salaries, alternative compensation models – such as performance-based bonuses and non-salary benefits – are gaining popularity as effective tools for attracting and retaining talented workers.

### *Financial institutions/banking reform*

Over the past year, there have been very few noticeable legal developments concerning the regulation of financial institutions and their executives related to the post-financial-crisis regulations.

In Korea, the Act on Corporate Governance and Financial Companies took effect in July 2024. It requires financial companies to establish a Compensation Committee, responsible for deliberating and deciding on matters related to the determination and payment methods of compensations.

The Central Bank of Nigeria released the Customer Due Diligence Regulations in June 2023, to assist financial institutions with implementation and compliance with all the relevant laws and international best practices relating to customer due diligence. It also published the Corporate Governance Guidelines 2023, to provide the corporate governance principles and recommended practices for financial institutions.

To strengthen UK financial services, the government implemented several legislative changes. In June 2023, a Memorandum of Understanding was implemented to facilitate the regulatory cooperation in financial services between the UK and the EU post-Brexit. Simultaneously, the UK government passed the Financial Services and Markets Act, which repeals most of the retained EU law and increases regulators' responsibilities.

The Act implements the outcomes of the Future Regulatory Framework Review, changes the role and accountability of financial regulators, grants the Bank of England and Financial Conduct Authority (FCA) new powers over market infrastructure, provides new powers over the cash access and wholesale cash industry, introduces a new Bank of England levy, improves provisions for insurers in financial difficulties, and requires firms to obtain specific permissions to approve financial promotions.

The Canadian government implemented an amendment, effective from 1 January 2025, of the current legislation defining the criminal interest rate in section 347 of the Criminal Code, reducing the maximum permissible interest rate from 60 per cent to 35 per cent and introducing additional requirements for risk management pertaining to national security and foreign interference for federally regulated financial institutions.

### *Executive remuneration*

There have been no significant changes regarding executive remuneration, including issues such as CEO pay ratios, in the past year.

While in Nigeria executive remuneration terms are generally governed by individual contracts of employment, specific sectors adhere to recommended practices and principles outlined in corporate governance codes. The Central Bank of Nigeria issued the Corporate Governance Guidelines 2023 to provide further guidelines for financial institutions: stipulating, for instance, that stock options for executives must not be priced at a discount and are not exercisable until a year after the executive's tenure.

While there is no statutory regulation in Romania regarding executive remuneration, the National Bank of Romania published Order No 5/2023 on the reporting of information regarding high-income individuals within credit institutions, obliging entities to submit an electronic report. Non-compliance with the provisions of this order results in measures such as warnings, fines or withdrawal of approval.

In an attempt to increase the competitiveness of the market in the UK, the Prudential Regulation Authority and FCA confirmed that the bankers bonus cap would be lifted with effect from 31 October 2023. Updates to the Corporate Governance Code were introduced in January 2024, with several changes to take effect in January 2025. Some of these changes relate to executive pay and have been introduced to make a clear distinction of the relationship between remuneration and business strategy. The Code enforces a 'comply or explain' policy, requiring businesses to annually report on their governance and corporate decisions and to address any form of non-compliance.

## **3.14 Gender pay gap/equal pay for equal work**

The gender pay gap remains a global issue with women still frequently earning less than men. In response, many countries have enacted legislation and policies in recent years to address these disparities. Legislations such as the long-standing Equal Pay Act in the US and the EU's Pay Transparency Directive aim to address this disparity through promoting transparency and accountability in remuneration practices.

On 22 December 2023, the Norwegian Parliament passed a new legislation mandating gender balance in the boards of Norwegian companies by introducing gender representation requirements.

In Brazil, the Ministry of Labour and Employment issued an ordinance regulating a law that enforces equal pay and remuneration criteria between women and men. The Ministry is responsible for monitoring compliance as well as addressing complaints. However, the impacts of this new legislation are yet to be fully assessed.

In France, a law introduced in December 2021 implemented measures to promote gender equality, including a requirement for employers to publish an index about gender equality. This measure has increased the national average index score from 86 out of 100 in 2022 to 88 out of 100 in 2023.

Italy has implemented a Gender Equality Certification programme designed to encourage voluntary efforts to improve the inclusion of women in the labour market, ensure a higher quality of women's work, promote transparency in business processes, reduce the gender pay gap, increase opportunities for growth in the company and protect maternity rights. According to the Ministry of Equal Opportunities, 1,632 companies have been certified and the Certification System has gained increasing significance, especially towards the end of 2023 and into 2024.

Portugal has intensified its efforts to address the gender pay gap. In 2024, the Authority for Working Conditions began notifying companies failing to meet their obligations to reduce pay disparities: failure to fulfil this obligation results in substantial fines. The 2023 Statistical Report by the Portuguese Citizenship and Gender Equality Commission highlights ongoing challenges, noting significant disparities in remuneration despite some progress over the years. On a positive note, in November 2023, more than 14,000 companies in Portugal were recognised for outstanding performance in gender pay equality and achieve a gender pay gap of between one per cent and negative one per cent. Data from the European Institute for Gender Equality ranks Portugal 15th in the EU on the 2023 Gender Equality Index, with notable improvements since 2010. According to the 2023 Statistical Report published by the Portuguese Citizenship and Gender Equality Commission, although the gender pay gap has been narrowing over the years, a significant disparity in the remuneration between men and women with a similar level of qualifications remains.

While some progress has been made, the effectiveness of such legislation varies with ongoing challenges in some countries. For example, in Malaysia and Sri Lanka, there is no explicit legislation addressing gender equality in remuneration.

The World Economic Forum's Global Gender Gap Report 2023 states that women in Nigeria occupy more than 64 per cent of senior positions yet earn only 50 per cent of the income earned by men. Consequently, in terms of gender gap parity, Nigeria ranks 54th globally and 30th in the Sub-Saharan Africa region.

Although many countries recall no recent developments, such changes are anticipated in the near future. Specifically, the Pay Transparency Directive is set to be implemented within EU Member States in upcoming years, prompting companies to begin preparations soon.

## 3.15 Immigration and talent issues

### *Responding to talent shortages*

Ongoing skills shortages in the workforce continue to pose a significant challenge globally, maintaining the trend observed in previous years.

While the skill shortage is presumably one of the major struggles in the workplace economy, certain industries are particularly affected by the shortage (as stated by an overwhelming amount of countries) especially the technology and the construction sectors, which have long struggled with skills shortages affecting multiple positions within the fields. Similarly, the healthcare sector has been highlighted as affected by many countries.

The shortage is caused by multiple factors. Australia observes that the shortage varies across states and territories, and between urban and rural areas. Belgium attributes the shortage to many individuals pursuing paths that do not connect to the labour market.

Overall, many countries indicate that skill shortages are especially caused by specific factors, such as a disconnect between the high demand and the lack of skill requirements, as not enough people are training for the skills needed in the labour market, as well as a disparity between the offer and the salary expectations of candidates.

Many countries such as Hungary, Lithuania, Mexico, Poland, Serbia, South Africa and Turkey also observe an increase in migration of skilled workers to foreign countries with companies providing better opportunities. Meanwhile, the US and Italy have noticed restrictions and difficulties in obtaining skilled worker visas, as entries in some sectors are limited by yearly quotas.

Other acknowledged reasons include the demographic changes and retirement of many skilled workers. In Switzerland, this is especially credited to early retirement becoming quite common.

Chile, Colombia, India and Venezuela reported no difficulties related to skill shortages.

In many countries, such as Canada, Luxembourg, Mexico, Nigeria, Poland, Portugal, Russia, Sweden, Switzerland, Turkey, the US and Venezuela, the global trend towards remote work has positively impacted the skills shortage and the methods of addressing it, as it provides an opportunity to resolve skills shortage issues by enabling companies to recruit talent from other regions or abroad.

However, this trend is sector-specific, as certain industries, such as healthcare and trade, typically require in-person roles that cannot easily be fulfilled by remote work positions. As a result, in countries like Australia, Bulgaria, Colombia, the Czech Republic, Finland, Italy, Lithuania, New Zealand, Norway, Pakistan, Serbia and Thailand, remote work has had limited influence on addressing skills shortages.

In China, while the opportunities of remote work are recognised, the legal framework for such arrangements remains undeveloped. For instance, in 2023, a Chinese programmer offering remote services to overseas clients and receiving remuneration faced legal consequences when the remuneration was deemed as illegal gains and confiscated by the local authorities.

## *Government strategies*

The majority of governments are persistently implementing proactive measures to combat skill shortages.

The main form of aid from governments towards a reduction of skill shortages is through immigration measures to recruit skilled foreign workers. For example, in Romania, legislative changes for foreigners entering the country and the conditions under which they may be hired by employers came into force in March 2024.

Overall, most governments are taking a multifaceted approach.

In December 2023, Australia released a Migration Strategy which sets out new commitments, including developing a new Skills in Demand visa.

In the UK, the Immigration Salary List came into effect April 2024 and names an official list of skilled jobs for which workers are deemed to be in short supply, as part of a package of immigration measures.

Lithuania established easier procedures for obtainment of temporary residence permits by foreigners from third countries. The government is also increasing the minimum monthly wage consistently.

In 2023, the Swedish Migration Agency introduced a new model for handling work permit cases and established units for international recruitment; the Swedish government also instructed the Swedish Public Employment Service to continue to strengthen and develop its work with labour market policy initiatives.

As of January 2024, Hungary changed its immigration legislation with the introduction of the Immigration Act on the Entry and Residence of Third-Country Nationals. The Hungarian government's measures also include the support of student work, delaying retirement of older workers, facilitating re-entry into the labour market, increasing wages and lowering taxes.

The government of Ireland has expanded the Critical Skills Occupations List to provide for specific employment permits in respect of potential immigrants with qualifications in affected areas.

New rules on the recruitment of foreign labour entered into force in Denmark in April 2023, introducing a new supplementary pay limit scheme to address labour shortages, an expanded positive list, an extension of the fast-track scheme and an automatic three-year job search period for individuals completing a Danish bachelor, professional bachelor, master or doctoral degree.

In Belgium, unemployed individuals enrolled in a training course for short-term professions retain unemployment benefits and support in the costs of transport and childcare.

The European Commission has presented an action plan to tackle labour and skills shortages; it proposes to work with Member States and partners to address these issues and strategies. The plan aims to help people to get the right skills for quality jobs and support companies in addressing skills shortages. It outlines actions in five key areas for implementation at EU, national and social-partner levels. These include supporting the integration of underrepresented groups in the labour market, enhancing skills development through training and education, and improving working conditions in specific sectors. Additionally, it aims to facilitate fair intra-EU mobility for workers and attract talent from outside the EU through enhanced migration pathways.

## *Employer strategies*

Employers are addressing skills shortages with similar key priorities and a range of strategies.

The foremost taken measure by employers to overcome skill shortages is the recruitment of skilled workers from abroad. According to Brazil, this process is easier now that remote work has become a more frequent format of work in companies.

Another common strategy is to provide training to upskill employees, as seen in China, India, New Zealand, South Africa, Switzerland, Taiwan, Thailand, and the UK. An annual survey in Bulgaria indicates that over 40 per cent of companies in the country are actively investing in specialised training for their employees. In Argentina, employers have implemented in-house training programmes to compensate the shortage of skilled university graduates.

Some employers are also outsourcing activities, especially in Australia, Brazil, Czech Republic, Finland, Ireland, Israel, Italy, Japan, Poland and Venezuela.

Employers are actively seeking ways to improve working conditions to attract and retain suitable employees, thus implementing a variety of measures. In the US, large companies – even state and local governments – no longer expect a college education as a prerequisite to certain roles. In doing so, they have been able to quickly fill roles with workers who may not have pursued higher education, but who are nonetheless capable of working in the role as required.

To address the changing skills required in the workplace, both governments and employers increasingly focus on providing further education and training for current and potential employees.

Initiatives include offering more free further education in Australia and a new tripartite agreement in Denmark, with the purpose of ensuring skilled workers to make the green transition. The UK government provides a number of apprenticeships, as well as skills boot camps, free courses and training for employees. In Finland, it is obligatory to count mandatory employee training as working time. The Hungarian government addresses this issue through certain reforms of the education system, while employers often implement self-sponsored training. Employers in Ukraine try to actively engage students in internship programmes. In Latvia, skill shortages are addressed through different surveys and statistical data, while in Bulgaria a National Career Day was held in April 2024 that provided an opportunity for meetings and interviews between employers and potential workers.

## *Foreign nationals, immigration and business visitors*

An overview of recent legal modifications highlights numerous changes to the laws regarding foreign nationals, including rights to obtain permanent residency and the associated rights and benefits for their family members. This is due to the welcoming stance towards skilled foreign workers to address skill shortages.

The EU has enacted a directive introducing the EU Blue Card, designed to attract highly qualified third-country nationals in occupations with a shortage of qualified personnel or where a shortage is likely to arise in future. Applicants must possess a university degree or equivalent higher professional qualifications, along with a job contract or binding job offer for at least one year with a salary above

the average for that country. The changes aim at making it easier to hire non-EU skilled workers, by being able to take up residence in the EU for the purpose of commencing gainful employment.

The Netherlands failed the obligation to implement the EU Blue Card Directive, resulting in the directive having direct effect. At the end of 2023, the Australian government has removed restrictions for migrants being able to apply for permanent residency as well as the limit on the number of partner visas issued per year. In France, an immigration law dated January 2024 makes it easier for foreign workers employed in sectors with shortages to obtain a residence permit and plans the regularisation of certain undocumented workers in those sectors. In September 2023, Indonesia introduced the 'golden visa', given to foreigners who engage in capital investment, family regroupings and repatriations or who have second homes in Indonesia.

In August 2023, Luxembourg introduced amendments to its immigration law, which now includes additional exemption from the requirement for a work permit for third-country nationals wishing to stay in Luxembourg for a maximum of 90 days over a period of 180 days and enables family members of those holding a Luxembourg residence permit to benefit from free access to the labour market instead of being obliged to apply for a work permit in addition to their residence permit.

Nigeria introduced the Brown Card in 2023. Those eligible are mainly foreign nationals of African descent, investors following established guidelines and individuals with exceptional talents in specific fields.

Since January 2024, the duration between applying for a residence permit and receiving it is now acknowledged as sufficient to meet the legal requirements for acquiring Portuguese nationality, and a new platform for family reunification has been introduced.

Russia has introduced several legislative amendments, starting in January 2024, including the possibility for highly qualified specialists and their family members to obtain an indefinite permanent residence permit if they meet certain conditions.

Despite the significant geopolitical events in recent years, such as the Ukraine war and the Israel/Palestine conflict, many countries, particularly those located far from the conflict zones, have not made any notable policy changes regarding the movement of foreign nationals and business visitors. They have relatively minimal impact on the movement of foreign nationals despite EU countries receiving more asylum applications than ever, with an increase of almost 30 per cent (the highest level since 2016).

The rights of Ukrainian refugees to stay have been extended in Belgium, Czech Republic, France, Israel and Italy. Similarly, Spain has also extended these rights; however, it has observed significant challenges during border crossings due to expired identification documents. In the Netherlands, the temporary protection for Ukrainian residents without Ukrainian citizenship will automatically expire on 4 March 2026.

Meanwhile, Finland has extended travel restrictions for Russians with Schengen visas for non-essential purposes.

The impact of current political events on regulations regarding short-term assignments for business visitors remain limited. In countries like China, changes are more often attributed to efforts to promote tourism and facilitating entry for foreign nationals.

Romania has introduced the legislative framework enabling digital nomads to obtain temporary residence visas for an initial period of six months, with the possibility of extension, as long as they can prove that specific conditions are met.

In South Africa, the Trusted Employer Scheme has been established as a one-stop point of contact for business visa applications, to reduce visa processes from 22 weeks to an average of 20 days and easing the administrative burden for visa applications.

## *Refugees*

As established, refugee and migration flow due to ongoing geopolitical conflicts, particularly the war in Ukraine and the Israel/Palestine conflict, have been on an upward trend in the post-pandemic years. Compared to the previous years, countries like Ireland, Israel and Latvia have observed a continued increase in the refugees caused by these conflicts in 2023. In contrast, Russia has experienced a decline in the number of foreign citizens migrating to the country while the number of people leaving Russia has increased over the past year.

The impact of migration flows resulting from geopolitical conflicts varies significantly between countries. Brazil, Chile, Colombia, Japan, Myanmar, Taiwan, Thailand and Vietnam are not typically considered common destinations for refugees. Singapore maintains a closed-door policy, which is attributed to its limited space and natural resources. In Malaysia, there is no legal framework in place for individuals seeking refugee status. Luxembourg does not consider itself a popular destination compared to other EU countries while the Czech Republic is primarily a popular destination for current refugees from Ukraine. A few other EU countries, such as Bulgaria, Hungary, Latvia and Serbia, are not common destinations for refugees but often serve as transit countries for those heading towards their destination. Latvia, in particular, attributes its position to the low financial support compared to other EU countries, as well as the country's climate.

Given the current situation, many refugees stem from Ukraine and Venezuela. Therefore, they are not typical destinations for refugees from other countries.

Most countries, however, consider themselves popular destinations for foreign populations seeking refugee status. According to a UN Refugee Agency's Global Trends Report, Canada hosted 146,800 refugees in 2023, compared to 94,400 in 2022. Eurostat reports that France ranked as the second-most popular destination for asylum applications in the EU in 2023. Factors contributing to popularity among the countries include measures to ensure refugees access to quickly obtain employment opportunities, such as in Denmark, or as in Portugal, where they are generally granted access to financial aid while job seeking.

Possibly due to its political neutrality, Switzerland is widely perceived as a relatively safe haven.

Finland also provides an integration plan that supports refugees in acquiring the language and other skills to integrate into society and the workforce. In Israel, refugees are entitled to all

rights and benefits specified in Israeli labour law. Poland's geographical location, cultural and linguistic similarities help refugees integrate smoothly into both society and the labour market. In the Netherlands, refugees qualifying for the temporary protection are allowed to work without restrictions and do not require a work permit. Lithuania has warmly welcomed a significant number of Ukrainian war refugees, particularly as Ukrainians are often skilled workers who contribute to the local labour market. Additionally, special Ukrainian schools are being established to support their integration.

Ireland is becoming an increasingly popular destination due to its generous refugee integration programme, which provides refugees with equal treatment in respect to education, training, the labour market, healthcare and social welfare benefits.

In contrast, refugees in the UK are generally not permitted to work while their claims are being considered, except for jobs in shortage areas. However, they receive accommodation and support to meet their essential needs if they would otherwise be destitute.

South Africa hosts the largest number of immigrants in Africa, due to its middle-income status, stable democratic institutions, and industrialised economy. Mexico is a common destination for Central and South American refugees, because it allows immigrants to enter the country; implements temporary working, medical, food, housing and educational programmes while the refugee status is approved; and once it is approved, grants permanent refugee status and assistance with the integration into society and the workforce.

### **3.16 Covid-19**

With the beginning of the Covid-19 pandemic, the question of adapting to possibilities such as remote work and digitalisation was posed. Ever since then, the landscape of remote work post-pandemic has been improved worldwide, to include regulations for remote work and digitalisation.

The pandemic has generally influenced the evolution of organisational culture as businesses have been required to adapt and be open to change. A significant aspect is the increased focus on employee wellbeing as well as fostering greater flexibility in work arrangements.

Even though most health and safety measures are no longer required, employers' perspectives on health and safety issues have been reshaped by the pandemic. Therefore, many long-term measures are still integrated into the workplace environment post-pandemic in 2023, such as an emphasis on hygiene with sanitisers and handwashing stations.

Only a few countries, such as the Czech Republic, the Netherlands, Nigeria, Pakistan, Poland, Spain and Venezuela, state that no such long-term measures are in action.

Other long-term changes to support employees' mental health and wellbeing, such as options of more flexible hours, promoting a healthy work-life balance and more mental health support offers, including counselling and psychological support, are still in effect. In Canada, many employers recognise that there is no 'one-size-fits-all' solution and are approaching mental health concerns in a more preventative, strategic and holistic manner.

Within many countries, the pandemic accelerated the digital transformation and the adoption of new technologies in the workplace. The improved digital infrastructure mainly includes communication tools to improve remote work in general, as well as virtual meetings, digital HR tools and online cloud services.

As a long-term response to the pandemic, office space design and utilisation has changed in line with an increased use of flexible working arrangements. Employers in many countries are noticed to have downsized physical office spaces with non-assigned workspaces.

Countries such as Belgium and Colombia recall more common spaces rather than individual offices, while countries like China, Mexico, South Africa and Ukraine on the other hand see an increase in office layouts ensuring more physical distance between employees.

Looking towards the future, most countries recognise that a majority of employers are requesting and encouraging a return to the workplace. Nonetheless, the established part-time and flexible remote work rules will continue to be standard practice. Therefore, the hybrid model of dividing time between in-office work and remote work is anticipated to become a global standard. Venezuela, however, states that office space design and utilisation has not changed as a result of the pandemic but rather due to the economic conditions in the country.

As the pandemic officially ended in 2023, its long-term effects have fundamentally reshaped the work environment leading to lasting changes in how and where people work, with flexibility and hybrid models now integral to the modern workplace.

### **3.17 Impact of other political and world events**

In 2023, political and global events such as the war in Ukraine, the Israel–Palestine conflict, international trade conflicts, increased isolationism and nationalism and climate change issues notably impacted the working environment and labour markets worldwide. This has prompted businesses to reassess workplace practices, labour rights and the future of the work environment.

In respect of the ongoing war in Ukraine, most countries located at a considerable geographical distance, such as Australia, Brazil, Canada, India, Japan, Mexico, Pakistan, Taiwan, Thailand, New Zealand, Venezuela and Vietnam, are not experiencing a direct impact on human resources issues.

For neighbouring countries to Ukraine such as Bulgaria, Czech Republic, Hungary and Luxembourg, the human resources issues continue to primarily be related to the resulted migration and evaluating the effect of refugees on the work environment. In Lithuania refugees effectively joined the labour market and eased the lack of employees, whereas Switzerland highlights integration difficulties due to language barriers.

As Ukraine has a large impact on the energy sector, the war resulted in price inflation and led to tensions in wages and higher salary demands in France.

This type of conflict is noticed to spark discussions and lead to differences of opinions. In Belgium, HR managers were reported trying to proactively avoid discussions regarding the Israel–Palestine conflict; in the UK, HR managers were advised to be especially alert with regard to potential harassment and discrimination, to prevent a dispute. In the Netherlands, a court ruled that an employee was

allowed to post statements about the conflict on LinkedIn as they have the right of freedom of expression but can be restricted by the right of instruction by the employer.

In Nigeria human resources challenges due to the conflicts include discrimination and tension and possibly less productivity to support affected employees. Australia shares that employees have been impacted by having family in Ukraine, Israel or Palestinian territories, or by the uncertainty of the war, which can result in mental health issues.

Since the conflict began, Israel noticed a shortage of labour in the construction and agriculture sectors, and in response has entered into agreements with several countries to expedite work permits for foreign workers from Moldova, Sri Lanka and others.

While many countries do not recall recent impacts on the workplace, human resources issues have arisen indirectly.

All kinds of conflicts, including current trade conflicts between the US and China as well as the US and the EU have impacted the global economy, causing costs of materials to rise, resulting in elevated prices of essential commodities and salary values. Common consequences also include the reduction of salaries and job losses.

In Belgium, one of the last car manufacturing factories, and one of the biggest employers of Brussels, announced it was closing, posing the threat of job losses. This is reported to be caused by the fact that it produces expensive electric cars which must compete with cheaper Asian models. China also acknowledges job losses due to business decline from the trade conflict with the US. India on the other hand ended up as a beneficiary in view of some of the ongoing trade conflicts, as companies look to move out of China to other countries (including India) leading to increased business activities and job growth.

Despite the increase in isolationism and nationalism, there has been little to no noticeable impact on changes within the workplace in 2023.

Other political developments on a global and regional scale with effect in the work field are elections such as in Colombia and Indonesia, as well as the challenge of irregular immigration from neighbouring countries, such as in Chile. However, human resources issues or regulatory developments in relation to other political developments are minimal.

Climate change-related regulations have not had a notable effect on the labour market in most countries within the past year. Canada adopted the Canadian Sustainable Jobs Act in June 2024 to foster the creation of sustainable jobs as well as help the workforce gain the necessary skills, training, and tools to fill these new job opportunities. In Australia, the coal mining and coal-fired electric generation industries are expected to be impacted with the reduction of job opportunities and security. A modification of the taxation of company cars in Belgium has caused a major shift towards greener company cars. In Indonesia, the development of the renewable energy sector is intended to create new job opportunities. Japanese media reports a trend that university students base their job hunting on how actively the company is aiming to reach the sustainable development goals. This increased awareness of climate change amongst employees is also noticed in the Netherlands.

In 2023, global political and economic events, including conflicts driven by geopolitical tensions, trade disputes, nationalism and climate issues, created new challenges and opportunities for both employers and employees. Overall, businesses are adjusting to a complex and evolving landscape shaped by these diverse factors.

### 3.18 Global leadership issues

#### *Current human resources challenges*

When discussing the current challenges in the field of human resources, it is important to be aware, first and foremost, that the very different socio-economic circumstances and developments in the countries around the world naturally lead to different challenges. In particular, criteria such as the level of development of different countries, the extent to which they are affected by conflicts, and the economic and demographic situations mean that individual challenges may only arise in individual countries, or at least to different degrees.

In the following, the most frequently mentioned and current challenges will be identified from the various ones mentioned in order to present the current trend in the field of human resources.

#### CHALLENGES RELATED TO THE FLEXIBILISATION OF THE WORKPLACE

A common feature of a large number of participating countries was that the topics that are currently occupying the HR departments of companies are often related to the flexibilisation of the workplace. It was pointed out by countries such as Brazil, Luxembourg and Hungary that workplaces will have to be adapted to meet the requirements of employees for a modern and flexible workplace, and that this will give rise to various consequential problems. In Portugal, the main challenges seem to be focused on new workplace organisation models through the ‘anywhere office’ model and new processes such as digital time attendance control and flexible working hours.

However, it is not only about the practical design of the workplace but also about adapting the law in the sense of flexible labour law regulations. Countries such as Brazil and Mexico noted that the practical world of work today has largely moved away from older and outdated legislation and that labour law must be modernised accordingly.

The strong need for flexibility is not only felt by employees, but also by employers. The Czech Republic noted that one of the future challenges is to enable employers to react flexibly to market fluctuations through instruments such as outsourcing. Many countries such as Germany, Italy, Romania and Spain also mentioned challenges in connection with topics such as reskilling, upskilling and cross-skilling, which are important tools for employers in the context of the ongoing digitalisation of the workplace.

#### CHALLENGES AROUND THE INCREASED USE OF AI IN THE WORKPLACE

In addition, the ongoing progress in the field of artificial intelligence continues to occupy the HR departments of companies in many participating countries, such as Switzerland, Latvia and Japan. In particular, AI is increasingly being used in recruitment and selection procedures, although this

not only presents opportunities but also risks. Portugal pointed out that AI support in the context of candidate selection is increasingly developing the possibility of hiring without human contact and is becoming necessary in an increasingly global and competitive application process. Nevertheless, the challenges in terms of ensuring a fair and diverse process must also be taken into account and are already expected to pose challenges in the area of human resources. In Latvia, the increased use of artificial intelligence makes it necessary to establish frameworks for liability and for the regulation of artificial intelligence usage.

At the same time, the increasing use of AI in the workplace also poses challenges in the area of data protection and the processing of employees' personal data. In particular, countries such as Canada, South Africa and Denmark pointed out that the increasing digitalisation of work processes inevitably raises the issue of data protection and attracts the attention of the human resources sector. Canada noted that the intersection between privacy/data protection law and employment law is and will continue to be at the forefront of employee matters in coming years. This is because more sophisticated monitoring mechanisms are being developed, and employers are using artificial intelligence or other solutions for processing, monitoring, and reviewing employee and candidate data.

#### CHALLENGES ASSOCIATED WITH THE GROWING IMPORTANCE OF ESG

ESG issues also continue to occupy many of the countries surveyed. Companies are increasingly recognising their social responsibility towards their employees and that beneficial action, particularly in the area of mental health, is imperative for sustainable business practices. Nevertheless, the development towards sustainable business practices is not yet complete and some countries face major challenges in this regard.

Serbia, for example, pointed out that the health and safety of the workforce remains a challenge. Chile also mentioned in this context that, above all, the inclusion and improvement of the working environment for women is demanding a great deal of capacity. The recent Chilean law on workplace harassment, sexual harassment and violence was the regulatory response to this challenge. Now, the biggest obstacle will be implementing it while considering Chilean idiosyncrasies.

In Portugal, challenges related to environmental responsibility and mental health are becoming increasingly dominant in the HR sector and are essential issues for companies to improve their organisational culture and employer branding.

In the US, it is also becoming apparent that many companies and organisations want to pursue an internal, employee-oriented strategy in the new year and consciously set priorities here.

With regard to environmental responsibility, there are still some steps to be taken to restore the carbon cycle to balance (the goal is to achieve 'net zero'). Large companies in particular have a strong responsibility here, given their enormous influence on the increase but also the reduction of global greenhouse gas emissions.

There are also challenges that have arisen more as a result of local events. Many jurisdictions are currently struggling with the successful inclusion of refugees in their own labour markets. In this context, some European countries (Switzerland, the Czech Republic, but also the UK) noted the various hurdles that refugees often face and have to overcome before they can access the labour market. Refugees from Ukraine have a special status here, as they benefit from a special refugee status in many countries.

Countries such as Romania, Japan, the Netherlands and Sweden also addressed demographic factors and related issues such as the burden on the pension system and personnel shortages.

### *Litigation*

As in previous years, most countries (eg, South Africa, Spain, Taiwan, Poland and many more) are seeing the largest number of lawsuits and litigations arising from issues related to the unjustified termination of employment. In this context, France noted that the Macron grid has significantly reduced the number of lawsuits. On the other hand, the French Macron grid – which provides a scale of damages in the event of an abusive dismissal – resulted in an increase in discrimination-based claims which are one of the reasons that allow the judges to depart from the grid of damages. In Belgium, a large number of lawsuits against dismissals are related to alleged discrimination on grounds of health.

Lawsuits against dismissals are closely followed by complaints about alleged outstanding payments and benefits, which keep the labour courts in many of the participating countries busy. There are a variety of different benefits (employee compensation, remuneration, benefits, pensions) that employees can sue for. Naturally, disputes often arise around variable compensation. In Switzerland, the question of whether specific employees can participate in a bonus programme and how high the bonus is for the respective year is often the subject of labour court disputes. In Japan, Brazil and Hungary, unpaid overtime is a frequent cause of lawsuits filed by employees.

Increasingly, disputes arise from workplace incidents involving discrimination and (especially sexual) harassment, and other breaches of contractual obligations. India is witnessing an increasing number of sexual harassment claims (especially as employees return to offices) as well as cases of employee fraud and misconduct. Belgium and Canada are also seeing an increase in cases of workplace harassment. In Serbia, harassment often occurs following the dismissal of employees.

Only a few countries have addressed issues that are more commonly associated with collective labour law. In this context, only Australia noted that disputes about the interpretation and application of collective agreements and other employment rights are among the human resources issues that most often result in lawsuits.

### *Future human resources challenges*

In an economy that is constantly changing and a labour market that repeatedly has to respond to new challenges, it is foreseeable that companies and state actors will continue to face challenges in the future. In many cases, the challenges already mentioned are ones that cannot be solved quickly

and will therefore continue to confront the countries with the task of finding solutions in the future. However, it is also foreseeable that further problems will arise in the next few years that can only be vaguely imagined at present.

In this context, numerous countries (eg, Belgium, Brazil, Chile, Denmark, France, Ireland, Italy, Israel, Japan and Malaysia) mentioned the questions arising from the continued increase in the use of AI. The forms of use are very diverse. Romania gave some examples in this context, such as use in recruitment, performance management and employee monitoring. New Zealand stated that software such as ChatGPT can generate human-like responses to text input and could be used to automate certain tasks carried out in the workplace. Poland and Nigeria pointed out in this context that a real legal framework will be imperative in the future. India also noted that the path to the optimal use of AI, which both exploits potential and does not lose sight of people, will be essential.

Countries also mentioned the regulation of the increasing surveillance possibilities for employers that arise from forms of modern technology as a challenge. Here, data protection must be given more consideration in order to ensure an appropriate balance. A challenge that many countries may have in common is regulation and litigation arising out of employee surveillance, as Switzerland noted.

In Sweden, employee integrity must be guaranteed as a result of new monitoring opportunities. This important issue in Sweden is regulated on the basis of general standards on data protection (the GDPR) and protection of privacy and correspondence (European Convention on Human Rights). It is thus not always easy to determine what legal possibilities a certain employer has with regard to supervision, or, conversely, which supervision and integrity-infringing measures an employee must accept in working life. Issues concerning the protection of workers' privacy are of such dignity that they will most need to be clarified and concretised by the Swedish legislator in the light of European law.

In the context of the use of artificial intelligence, challenges arise in particular in regard to the expected loss of jobs. In Belgium, the increase of artificial intelligence will replace several jobs that are currently done by individuals with none or lower education, so there will be a need for individuals to be qualified for more sophisticated work quickly to stay in the formal employment market. In the Netherlands, there is an expectation that jobs will disappear or change because of AI. This will be a challenge, especially as it is indicated that the Netherlands is not well prepared for these job losses. Turkey also expects a decreasing demand for labour in the low-skilled sector.

Flexible forms of work and the balanced handling of such will also play a role in many countries. In particular, Serbia, Russia and the Netherlands see challenges here in the coming years. The Netherlands rightly pointed out that not only the consideration in legislation but also the practical implementation is of central importance.

In Canada, existing and potential legislation surrounding 'gig workers' or 'digital platform workers' will require digital platforms to invest a significant amount of time and resources to ensure that they are compliant with new protections for independent contractors who are currently unprotected.

In China too, the development of the internet and the platform economy has led to the flourishing of new forms of employment, with an increasing number of Chinese individuals engaging in

industries such as food delivery and ride-hailing. However, it will be a task for the future to capture and take into account the specific needs of these working methods by law.

Furthermore, various countries expect that – as has often been the case in the recent past – external events from outside the labour market will occur and then pose challenges. New Zealand mentions climate-related disasters that will lead to present employment issues across the world. The UK pointed out that the increasing tension in many parts of the world that could lead to the displacement of civilians and increasing numbers of refugees, rising costs due to disrupted trade and changes to UK domestic and foreign policy, the effects of which are difficult to estimate.

## 4. Conclusions

Unsurprisingly, the global world of work continues to change. In this context, the trends examined in more detail this year fall in line with the developments already outlined in the last reports. Even though former challenges such as the Covid-19 pandemic are increasingly being left behind globally, new questions are arising that companies, governments and legislators around the world must find answers to. In multifaceted and diverse societies in which new technologies are increasingly conquering the labour market, the various interests must be reconciled.

The use of AI systems, which has become even more prevalent this year, is emblematic of the dilemma and raises fundamental questions about the extent to which corresponding methods should be used in a work context. Employees must no longer be perceived as mere workforces, but also as private individuals. In particular, mental wellbeing, family-friendly working conditions that allow for a life outside of the job, the promotion of a tolerant and diverse working environment, and the protection of personal data and integrity are coming to the fore. Companies that meet these modern workplace requirements and also counteract the ongoing shortage of skilled workers in fluctuating industries with the available resources and measures are likely to be well positioned in the future and should be able to retain employees in the long term. After all, economic interests and the desire for a strong economy remain of great importance. Even though some countries seem to have better control over inflation compared to recent years, the additional financial burden in everyday life still remains noticeable for the general public.

### *Labour market*

In 2023 and early 2024, the global labour market experienced significant shifts, driven by evolving workplace dynamics and technological advancements. Key trends included the continued rise of remote and especially hybrid work models to attract and retain talent in some of the countries surveyed (eg, in Luxembourg, the Czech Republic, Ireland and Hungary). In other countries (eg, in Brazil, Bulgaria, Canada, China, Israel, Pakistan and Turkey), there was a noticeable return to the office compared to the summarised trends during last year's report. The ongoing shift to a modern working place plays a crucial role in the further expanding talent pool, enabling businesses to hire from diverse geographical regions. Nevertheless, the labour markets of many countries are facing a situation in which there is a lack of sufficiently qualified workers, particularly in technological sectors, in healthcare and in the manufacturing industry. Employers try to tackle those challenges in very different ways, not only relying on talent from abroad but also becoming creative with their own workforce and facilities, investing in upskilling, training and measures to use their employees' full potential and to make their own workplace more appealing to qualified workers.

### *Artificial intelligence*

This year the use of AI continued to significantly reshape workplaces and offer improvements in efficiency, personalisation and decision-making. This development of the labour landscape is ambivalent. In addition to the clear opportunities offered by the simplification and automation of a wide range of processes, the increased use of artificial intelligence also brings new challenges. People

analytics and data-driven decision-making are becoming central to human resources strategies, allowing businesses to better understand workforce trends, productivity and engagement levels. On the other hand, new challenges are occurring, including job displacement, ethical concerns, and the need for regulatory oversight and legal frameworks. Here, legal frameworks and carefully considered and balanced guidelines can provide benchmarks and ensure transparency. With the European AI Act, first attempts have now been made to legally embed the complex issue. Moving forward, businesses will need to navigate these challenges by investing in employee retraining, addressing ethical issues in AI design, and ensuring that AI technologies complement rather than replace human creativity and innovation.

### *Flexible workplace*

Once again, alternative work arrangements continued to evolve globally, reflecting diverse cultural, economic, and organisational priorities. Many countries, such as Brazil, Bulgaria, Canada, China, Israel, Pakistan and Turkey, experienced a trend towards a return to the office, driven by employers seeking to foster collaboration, creativity and organisational culture. However, hybrid working models gained significant traction, balancing the benefits of on-site collaboration with the flexibility of remote work. The continuing trend towards flexible working hours with the first cautious attempts and projects towards a four-day week could also be identified. However, the adoption of these alternative arrangements still poses challenges in aligning with existing labour laws. Complexities around tax regulations, employment protections, and benefits distribution, particularly in cross-border remote work, underscored the need for updated legal frameworks. Policymakers worldwide grappled with balancing the needs of employers, workers, and broader economic systems, signalling an ongoing transformation in the global labour landscape.

### *Other trends*

#### RECENT POLITICAL AND SOCIAL DEVELOPMENTS

Global conflicts such as the ongoing Russia–Ukraine war and the renewed outbreak of the Israel–Palestine conflict in October 2023 significantly impacted labour markets. These conflicts not only placed immense psychological and emotional stress on affected employees, particularly those with direct ties to the regions, but also created tensions within workforces as differing opinions on the conflicts surfaced and challenged workplace cohesion. Economically, the ripple effects of these conflicts strained labour markets worldwide. Supply chain disruptions, fluctuating energy prices, and economic instability in affected regions forced employers to adapt quickly. Industries dependent on international trade, raw materials or regional markets faced workforce reductions, halted operations, or needed to upskill to shift focus to alternative markets. Moreover, refugee flows and displacement kept pressuring labour markets in host countries, requiring efforts to integrate migrants while balancing existing employment demands. These challenges underscored the interconnected nature of global labour markets, pushing companies and governments alike to navigate uncertainty with resilience and adaptability.

## RETIREMENT

Overall, the countries surveyed are still grappling with challenges posed by ageing populations. Specifically, many countries (eg, Belgium, the Czech Republic, Denmark, France, the Netherlands, Poland, Romania, Serbia, and Spain) are raising retirement ages to stabilise strained public pension systems. However, significant structural reforms were limited, and most countries recognised the need for further action to address long-term pension sustainability amidst demographic challenges.

## STRESS AND MENTAL HEALTH

In the wake of the Covid-19 pandemic, absenteeism due to stress and mental health issues has risen, prompting employers worldwide to take proactive measures to support employee wellbeing and especially their mental health. Initiatives range from psychological support programmes and mental health leave to flexible work arrangements and additional paid leave. Despite limited legal developments globally, the employer-led measures in many of the countries surveyed indicate a growing recognition of the importance of mental health in the workplace.

## DATA SECURITY AND PRIVACY

The increasing use of employee surveillance technologies has heightened the need for robust data protection measures prompting legal and employer-driven changes worldwide. Different jurisdictions are busy evolving their privacy laws to address gaps, regulate electronic monitoring, and ensure fair use of AI in workplaces. While some nations (eg, Australia, Belgium, Colombia, Denmark, Israel, Japan, Latvia, Lithuania, New Zealand, Nigeria, Pakistan and the US) reported no recent developments, many employers are independently implementing data protection tools and policies in response to growing surveillance practices and evolving privacy concerns.

## UNION ACTIVITY/STRIKES

Strike activity remained high throughout 2023 and early 2024, with significant differences across sectors such as healthcare, education and agriculture. Strikes were frequently triggered by issues like poor working conditions, low pay and corporate restructuring. In contrast, approaches to change and improve the legal framework for collective bargaining, freedom of association, strikes or other industrial action were not particularly common.

## REMUNERATION, WHISTLEBLOWING AND CORRUPTION

Companies and governments around the world are still trying to contain and counteract the widely noticeable gender pay gap. Although compared to the years before this year's report fewer developments were seen overall in the area of whistleblowing, national laws in many European countries (eg, Belgium, Bulgaria, Finland, Hungary, Luxembourg and Sweden) have been improved and raised to the standard set by the EU Whistleblower Directive. In addition, automated processes using AI have also found their way into the monitoring of corruption, albeit with varying degrees of success.

Sustainability and ethically sound business practices remain a hot topic amongst companies around the globe, with employers becoming increasingly aware of their responsibilities towards their own employees and the environment. Regarding the behaviour in the workplace from the employer's point of view, the focus is on efforts to create a working atmosphere that invites employees to feel comfortable on the one hand and to counteract harassment and hostility of any kind from the outset by means of preventative measures on the other.

DISCRIMINATION AND DIVERSITY

Closely linked to the above-mentioned goals are ongoing efforts by companies to ensure a diverse and tolerant work environment. This year saw a continued focus on combatting workplace discrimination, with various measures introduced to empower affected employees. These initiatives aim to prevent discrimination in the first place and to simplify the process of seeking justice in the aftermath, whether through internal company channels or legal proceedings in court.

## 5. About the IBA GEI

The International Bar Association Global Employment Institute was established in 2010. Its primary purpose is to develop a global and strategic approach to the main issues in the human resources and human capital fields for multinational groups and global institutions.

The Executive Council Officers of the IBA GEI are:

- Co-Chair: Oscar De La Vega Gómez
- Co-Chair: Regina Glaser
- Senior Vice Chair: Ignacio Funes de Rioja
- Vice Chair: Jelle Kroes
- Vice Chair for Multinationals: Patrick L Benaroché
- Vice Chair for Knowledge Management: Philip Berkowitz
- Vice Chair for Website and Publications: Juan Bonilla Blasco
- Vice Chair of Membership: Marianne Granhøj
- Vice Chair for Diversity and Inclusion: Anne Frances O'Donoghue
- Vice Chair for Communications: Peter Talibart
- Vice Chair for Internal Affairs: Karl Waheed
- Secretary: Valeria Morosini
- Chair, Advisory Board: Anders Etgen Reitz

# Schedule 1: Countries and lawyers

## **Argentina**

Juan Javier Negri (Negri & Pueyrredon) – Employment and immigration law

## **Australia**

Adrian Morris and Alexandra Law (Ashurst) – Employment and immigration law

## **Belgium**

Chris Van Olmen (Van Olmen & Wynant) – Employment and immigration law

## **Brazil**

Patricia Barboza and Maury Lobo (CGM Advogados) – Employment and immigration law

## **Bulgaria**

Youliana Naoumova and Yoanna Pantaleeva (Djingov, Gouginski, Kyutchukov & Velichkov) – Employment and immigration law

## **Canada**

Patrick L Benaroch and Charif El-Khoury (Stikeman Elliott) – Employment and immigration law

## **Chile**

Ignacio García, Camila Quiroz and Fernanda Bravo (Porzio Ríos García Abogados) – Employment and immigration law

## **China**

Carol Zhu (Zhong Lun) – Employment and immigration law

## **Colombia**

Lorena Arámbula and Angela Cubides (Dentons Cárdenas & Cárdenas Abogados) – Employment and immigration law

## **Czech Republic**

Andrea Krásná and Pavla Karásková (Baroch Sobota) – Employment and immigration law

## **Denmark**

Anders Etgen Reitz (IUNO) – Employment and immigration law

## **Ecuador**

José Xavier Endara Madera and Juan Pablo Coronel Barrera (Lexvalor Abogados) – Employment and immigration law

## **Finland**

Jani Syrjänen (Borenius) – Employment and immigration law

## **France**

Karine Audouze (Watson Farley & Williams LLP) – Employment and immigration law

## **Germany**

Björn Otto and Carolin Millgramm (CMS Germany) – Employment and immigration law

## **Hungary**

Zoltán Balázs Kovács and Martina Pataki (Szecskay Attorneys at Law) – Employment and immigration law

## **India**

Vikram Shroff (AZB & Partners) – Employment and immigration law

## **Indonesia**

Abadi Tisnadisastra, Robbie Julius and Muhammad Ghiffari (ATD Law in Association with Mori Hamada) – Employment and immigration law

## **Ireland**

Ronnie Neville (Mason Hayes & Curran) – Employment and immigration law

## **Israel**

Tsvi Kan-Tor and Daniel Aspiro (Kan-Tor & Acco) – Employment and immigration law

## **Italy**

Patrizio Bernardo (Studio Legale Delfino e Associati Willkie Farr & Gallagher LLP; transitioned to ADVANT Nctm as of 1 March 2025) – Employment and immigration law

Claudia Schmiedt and Sara Salmeri (Studio Legale Delfino e Associate Willkie Farr & Gallagher LLP; transitioned to ADVANT Nctm as of 15 February 2025) – Employment and immigration law

Marco Mazzeschi (Mazzeschi Srl) – Immigration law

## **Japan**

Masako Banno (Okuno & Partners) – Employment and immigration law

## **Latvia**

Sintija Radionova (WALLESS) – Employment and immigration law

## **Lithuania**

Robert Juodka and Jaroslav Pavlovski (Noewe) – Employment and immigration law

## **Luxembourg**

Anne Morel and Pauline Wirtzler (Bonn Steichen & Partners) – Employment and immigration law

## **Malaysia**

Vijayan Venugopal (Shearn Delamore & Co) – Employment and immigration law

## **Mexico**

Francisco J Peniche Beguerisse and Julio Rodrigo Alvarez Ortega (Creel, García-Cuéllar, Aiza y Enríquez, SC) – Employment and immigration law

## **Myanmar**

Kyaw Min Tun and Nwe Oo (Tilleke & Gibbins) – Employment and immigration law

## **Netherlands**

Cara Pronk and Puck van Genuchten (Van Doorne) – Employment and immigration law

## **New Zealand**

John Rooney (Simpson Grierson) – Employment and immigration law

## **Nigeria**

Kunle Obebe (Bloomfield) – Employment and immigration law

## **Norway**

Nils Kristian Lie (CMS Norway) – Employment and immigration law

## **Pakistan**

Salim Hasan (Meer & Hasan) – Employment and immigration law

## **Poland**

Tomasz Rogala, Piotr Kozłowski and Aleksander Dżuryło (PCS Paruch Chruściel Schiffter Stępień | Littler Global) – Employment and immigration law

## **Portugal**

Sofia Costa Lobo (CMS – Rui Pena & Arnaut) – Employment and immigration law

## **Romania**

Adelina Iftime-Blagean (Wolf Theiss) – Employment and immigration law

## **Russia**

Irina Anyukhina and Olga Pimanova (ALRUD) – Employment and immigration law

## **Serbia**

Milena Jakšić Papac (Karanovic & Partners) – Employment and immigration law

## **Singapore**

Jenny Tsin and Michelle Thio (WongPartnership) – Employment and immigration law

## **South Africa**

Irvin Lawrence and Kara Barnard (ENSafrica) – Employment and immigration law

## **South Korea**

Soojung Lee, Christopher Mandel, Tae Eun Lee, Jahyeong Ku, Yeon Chang Song, Dong Hyun Kim and Lawrence Shim (Yulchon LLC) – Employment and immigration law

## **Spain**

Ruben Agote Eguizábal (Cuatrecasas) – Employment and immigration law

## **Sri Lanka**

John Wilson and Sadini Jaburagoda (John Wilson Partners) – Employment and immigration law

## **Sweden**

Jonas Lindblad (Nordia Law) – Employment and immigration law

## **Switzerland**

Irène Suter-Sieber and Gustaf Heintz (Walder Wyss) – Employment and immigration law

## **Taiwan**

Christine Chen (Winkler Partners) – Employment and immigration law

## **Thailand**

Pimvimol (June) Vipamaneerut, Penrurk Phetmani, Ketnut Pukahuta, Dusita Khanijou (Tilleke & Gibbins) – Employment and immigration law

## **Turkey**

Emre Atayılmaz, Alperen Erbay, Kardelen Akça and Arda Cem Karabulut (PAE Law) – Employment and immigration law

## **United Kingdom**

Paul McGrath, Charlotte Moorhouse and Daisy Daynes (McDermott Will & Emery) – Employment and immigration law

## **United States**

Abigail Kagan and Melis Solaksubasi (McDermott Will & Emery) – Employment and immigration law

## **Ukraine**

Oksana Voynarovska, Valeriya Bezpala, Anna Odynokova and Evelina Rozovetska (Vasil Kisil and Partners) – Employment and immigration law

**Venezuela**

John Tucker (LEGA) – Employment and immigration law

**Vietnam**

Ngan Thuc Nguyen (Tilleke & Gibbins) – Employment and immigration law

# Schedule 2: Questionnaire

## 2023 Annual Global Report Questionnaire

Please briefly respond to each question. When relevant, please describe both legal rules and employee/employer practices (whether or not legally required).

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**I. Country:** \_\_\_\_\_

**II. Attorney name(s) and Employer to list in the Annual Global Report:** \_\_\_\_\_

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### **I. Immigration and Talent**

#### **A. Skills shortage and changing skills requirements**

1. Is there a skills shortage in your country? In which industries? What are its causes?
2. How is the government responding to any skill shortage?
3. How are employers responding to any skill shortage (outsourcing, recruiting foreign workers, training, re-hiring retired employees/pensioners, etc)?
4. How are the government and employers addressing changes in skills needed in the workplace?
5. Has the global trend towards remote work influenced the skills shortage or the methods of addressing it?

#### **B. Foreign Nationals and Business Visitors**

1. What changes have there been to your country's laws regarding foreign nationals, including the right to obtain permanent residence and changes in the rights and benefits of their family members?
2. Have there been any policy changes in response to geopolitical events (like the Ukraine war, Israel/Palestine conflict, etc) affecting the movement of foreign nationals and business visitors?
3. Have there been any changes in your country regarding short-term assignments for business visitors (eg, limits on length of stay, reporting requirements, specific visa obligations) in particular with regard to current geopolitical events?

#### **C. Refugees**

1. Is your country a common destination for foreign populations seeking refugee status? If so, how is your country encouraging the integration of refugees into society and the workforce?

2. Have refugee/migration flows changed due to current geopolitical conflicts (particularly the war in Ukraine and the Israel/Palestine conflict)? If so, in which way?

## **II. The Work Environment**

### **A. Work-Life Balance**

1. What changes have there been in your country's laws that are intended to have an impact on flexible working practices, including remote working and flexible hours?
2. Are employers applying flexible working practices to a greater degree?
3. What types of flexible working arrangements are most common in your country?
4. Do you see a shift from remote working/working from home (WFH) as an optional offer to a mandatory requirement (eg, with a view to reduce office space/cost) in your country? Or do you rather experience employers asking employees back to the office/to reduce their WFH time?
5. Have there been any changes in legal rules or corporate practices regarding the 'right to disconnect' from work (ie, certain hours or days when an employee is not obligated to monitor or respond to work communications)?
6. Has there been an increase in the adoption of four-day work weeks or other innovative work models?
7. Have there been any changes in the rules relating to maternity, paternity, or dependents? Are employers receptive to paying enhanced benefits over and above their legal obligations?
8. Is there a trend in your country in which employees are voluntarily resigning from their job ('Great Resignation'/'Big Quit') or are increasingly doing only what is outlined in their job description / needed as a minimum to complete their tasks ('quiet quitting')? If so, what are the reasons?
9. Is there a cost-of-living crisis in your country?

If so, how do employers and / or legislators react to higher prices/costs of living in an employment law context (eg, state backed subsidies for food/energy in return for no-dismissal commitments, out-of-cycle wage increases, etc)?

If so, how do employees and/or employee representatives react to higher prices/costs of living (eg, moonlighting, increasing levels of industrial action, etc)?

### **B. Alternative Workforce**

1. Have there been any developments relating to the use of temporary workers, including independent contractors, agency workers, the 'gig' economy, and crowd-working schemes?
2. Have regulations been enacted to ensure adequate payment, working conditions or social security (insurance) for 'gig' economy workers?

### **C. Stress and Mental Health**

1. How have employers responded to rising mental health concerns among employees?
2. Have there been any legal developments or employer-led changes in response to employee stress and mental health issues, in particular with remote working?

#### D. Collective Bargaining

1. Have there been any significant strikes or other organised employee/industrial action in the public or private sectors?
2. What legal changes have there been in relation to collective bargaining, freedom of association, strikes, or other industrial action?

#### E. Remuneration

1. Has a statutory minimum wage been introduced or modified in your country? What effects on the labour market can you identify in this context?
2. What has been the impact of inflation and economic shifts on wage adjustments in your country?
3. What changes have there been with regard to gender equality in remuneration, including legislation addressing the gender pay gap and the reporting of gender pay disparities? Are such laws showing effect?
4. What trends can you identify in terms of remuneration models and compensation structure?
5. Since the introduction of post-financial-crisis regulations, have there been legal developments regulating financial institutions and their executives?
6. Have there been changes with respect to executive remuneration (eg, CEO pay ratio, etc)? Are laws on executive remuneration enforced and, if so, how – by the government, or in the courts?

#### F. Corruption and Whistleblowing

1. Have there been any legal or employer changes to address corruption and bribery in the workplace, including whistleblowing procedures? Have these been effective?
2. How effective are new technologies in monitoring and preventing workplace corruption?

#### G. Privacy

1. Have there been any legal or employer changes related to privacy, surveillance, data protection and the use of social media in the workplace?

#### H. Human Rights

1. Please describe any developments related to the protection of human rights in the workplace, including legal requirements and employer practices.

#### I. Discrimination

1. What changes have there been in laws on discrimination in the workplace by reason of gender, sexual orientation, age, race, ethnicity, religious belief or disability?
2. Do employers in your country provide training to their employees about workplace discrimination laws? Do employers generally comply with anti-discrimination laws?

## J. Diversity and inclusion

1. Have there been any developments in law or employer practices relating to the imposition of government quotas or targets for gender parity, including board membership, or employment of individuals with disabilities?
2. To what extent do employers in your country make accommodations for religious practices or beliefs?
3. Have there been any other changes in law or corporate practices designed to increase diversity in the workplace?

## K. Sexual Harassment

1. Have there been any changes in laws or employer practices regarding sexual harassment in the workplace?

## L. Sustainability/ethical business

1. Have there been any changes in laws or employer practices regarding sustainability/ethical business/green behaviour in the workplace (eg, anti-modern slavery regulation, corporate social responsibility initiatives)?

## M. Technology/Artificial Intelligence

1. Has there been an increase in employer reliance on artificial intelligence/workforce analytics software in your country?
2. Have artificial intelligence tools resulted in a loss of jobs or in the creation of new jobs in your country? If so, in which areas/industries?
3. Have there been any laws adopted in your country related to the use of artificial intelligence?
4. Have ethical considerations surrounding artificial intelligence in the workplace been of importance in your country?
5. Who is responsible (state/government, employee, employer) for ensuring that employees obtain the skills required in an increasingly digitalised economy? Are there specific programmes of government bodies/authorities providing training/support in this respect?
6. Have you noticed any effects of digitalisation/technical systems on employee representation?
7. How do you think the digital transformation will shape the future of HR?

## III. **Separation from Service**

### A. Termination

1. What changes have there been that affect the ability of employers to dismiss employees? Do employers in your country generally observe these procedures?
2. Are there other trends or specific models besides termination to reduce headcount/workforce related costs in your country?

3. Have there been any significant changes in relation to enforcement of restrictive covenants and obligations of confidentiality?

## B. Retirement

1. Have there been any legal or employer changes related to early retirement, including the ability to impose early retirement?

2. How have changing demographics impacted retirement policies in your country?

3. Have there been government or employer efforts to incentivise employees to work longer due to longer life expectancies, financial need, lack of qualified workers, or other demographic or corporate needs?

4. Are limited public pension funds a concern, and how are the government and employers addressing this issue?

5. Have there been any developments regarding private (company-sponsored) pension schemes?

## C. Employment Disputes

1. Have there been any changes in the way employment cases before the courts and tribunals are reported, including the power to restrict reporting at the request of the parties?

2. Are employment disputes resolved more often in court or via arbitration proceedings?

3. Is it legal and common to have employment court hearings held by video rather than on site in your country? Have there been (temporary or permanent) changes due to the Covid-19 pandemic in this respect?

## IV. **Impact of Recent Political and World Events**

### A. Covid-19 pandemic

1. How has Covid-19 permanently altered the landscape of remote work in your country?

2. What long-term health and safety measures have been integrated into workplace environments post-pandemic?

3. Has the pandemic accelerated digital transformation and the adoption of new technologies in the workplace? If so, in what ways?

4. What permanent changes have been made to support employee mental health and wellbeing as a result of the pandemic?

5. How has office space design and utilisation changed as a long-term response to the pandemic?

6. How has the pandemic influenced the evolution of organisational culture in your country?

7. Looking into the future – do you think employers will shift their focus from remote work to requesting higher office presence? Do you think employees will appreciate the option/the requirement of spending more time in the office again?

## **B. Other recent and political world events**

1. What global human resources issues have arisen, or do you expect to arise, with respect to the war in Ukraine or the Israel/Palestine conflict?
2. What global human resources issues have arisen, or do you expect to arise, with respect to current trade conflicts (eg, USA–China; USA–EU) and the resulting impact on the economy/labour markets?
3. Have you seen any changes in the workplace as a result of increased isolationism/nationalism?
4. Have there been notable human resources issues or regulatory developments in relation to other political developments (on a global and/or regional scale)?
5. Have you noticed any effects of climate change/climate change-related regulations on the labour market in your country?

## **V. Summing Up Current and Future Trends**

- A. What do you consider to be the top three challenges in the area of human resources law and practice in your country right now? Is your government considering or implementing any solutions?
- B. Which human resources issues in your country generate the most litigation?
- C. Which challenges in the area of human resources law and practice do you expect to become more important over the next five to ten years?



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