



GLOBEX UPDATE

HEALTH & BENEFITS

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Events, developments, and opportunities in the international marketplace

INDIA MAKES CHANGES TO MATERNITY LEAVE POLICIES

India is set to change their maternity leave benefits, increasing paid leave time from 12 weeks to 26 weeks for women working at companies with at least 10 employees. With these changes, India is poised to surpass many European and Asian countries in terms of maternity benefits for working mothers. Additional maternity benefits include day care facilities for working mothers, a non-discriminatory performance appraisal system that acknowledges the female employee's absence, and work from home policies. While these changes have many positive effects for employees which includes greater job security and higher employee retention, there are some disadvantages. For example, many countries divide the cost of maternity leave between the government, employer, insurance and other social programs, however, Indian employers will have to endure the entire cost. Also, the daycare facilities required by the new legislation, would require employers to establish adequate infrastructure that will lead to more expenses. These increased costs could affect employer hiring practices, resulting in a lower demand for female workers. Employers who are faced with hiring between male and female candidates of equal skill, the decision could largely come down to the cost implications of paid maternity leave, daycare facilities as well as the cost of potentially hiring a new employee to fill in during the female employee's absence. Females could also face reductions in upfront salaries as firms compensate for the higher cost and increases. When the law is set to take effect is still yet to be determined.

HONG KONG SEES GROWING GAP IN HEALTH CARE BENEFITS

According to a recent survey conducted by a large healthcare insurer, there is a significant difference in the health care benefits Hong Kong citizens expect from their employers and what they are actually receiving. The survey noted that employees found that the benefits they are receiving from employers are less than what they should be getting. For example, 60 percent of employees in the survey reported that they expected general practitioner visits to be included in their health benefits, whereas only 18 percent actually received it. While the survey found that healthcare benefits, including wellness programs, had little influence on where an employee decided to work, it did have a much higher effect in terms of retention. Employees between ages 18-39 saw this as a more important factor in their decision to change employers, and companies have started focusing more resources in those programs as a key retention tool.

Success Stories

- Completed market review of energy client's Canadian group benefits, resulting in cost savings of over 12%
- Conducted expat marketing review of US based multinational benefits plans.
- Secured group travel medical policy for tech company going to India.

JAPAN EXPECTS LOWER LIFE INSURANCE PREMIUMS

Due to an increase in life expectancy, life insurance providers in Japan are likely to reduce premiums by 5-10% in 2018. New data collected by The Institute of Actuaries of Japan show that along with increasing life expectancies, advancements in medical technology and a drop in suicides are all contributing factors which will lead to the decreased premiums. The study found that people in their 30s and 40s would have the most to gain from these factors and as such, they are expected to see larger premium cuts than older policyholders. Lower premiums would only be offered to new customers or existing customers renewing policies and those offering premium reductions would depend on the insurer. Lower life premiums could have an adverse effect on health insurance premiums, since a higher life expectancy would result in an increase in medical insurance claims.

Recruiting and retaining key talent around the world remains a formidable challenge for HR management. More and more, a company's success depends on the ability to offer a competitive benefits package while remaining within budget. Globex Partner Brokers can offer their clients access to a range of products, capabilities and resources custom-tailored to helping multinationals optimize their employee benefits around the world. Contact any member of the Globex Health & Benefits Team to learn more.

PLEASE NOTE OUR NEW TELEPHONE AND FAX NUMBERS



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