



GLOBEX UPDATE

HEALTH & BENEFITS

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Events, developments, and opportunities in the international marketplace

INDIA TO PLACE RESTRICTIONS ON FIXED-TERM EMPLOYMENT CONTRACTS

India has proposed to allow fixed-term employment contracts in all sectors of the economy which is predicted to create an estimated 7 million jobs in 2018. In January, India's Ministry of Labor and Employment proposed new rules to fixed-term contracts that would entitle those employees to the same wages and benefits as permanent employees, with the exception of termination benefits such as notice or pay in lieu of notice. Experts believe that this proposal would offer a much needed compromise between permanent employment and contract jobs. The amendment would allow fixed-term employment contracts across all business industries with some sectors such as Oil & Gas, Mining, Tourism, Construction and IT/Tech potentially to see the largest growth of fixed-term employees. Currently, contract laborers are not being paid salaries/benefits on the same level as other employees who generally perform the same type of work. The proposed amendment would mandate that fixed-term contract workers get the same wages, allowances, hours of work, and other benefits as permanent workers, as well as all statutory benefits proportionate to their period of service. For employers, fixed-term contracts are appealing in light of the fact that they give adaptability in procuring to a restricted time, opportunity from complexities identifying with end of business/termination, and prohibition from the prerequisites of the agreement work law.

CZECH REPUBLIC INTRODUCES PATERNITY LEAVE BENEFITS

Effective February 1, 2018, the Czech Republic introduced new legislation for paternity leave, which will provide seven days off work and up to 70 percent of salary. The new paternity leave law will be available to both employees and self-employed individuals within the first six weeks of the birth or adoption of a child. The new paternity leave law will likely create some administrative burdens for employers, but will not bring any financial constraints since it is a state-funded benefit. The leave will be financed from sickness insurance contributions, which are mandatory for employees and voluntary for self-employed individuals. New fathers will receive benefits equal to 70 percent of wages up to 28,000 koruna (\$1,200), 60 percent of wages between 28,000 to 42,000 koruna, and 30 percent of wages from 42,000 to 85,000 koruna.

Success Stories

- Implemented competitive group benefits expat plan for multinational manufacturing company.
- Helped tech company establish a review benefits plans for their operations in Canada leading to economies of scale for cost savings.
- Assisted multinational client in reviewing a Group Business Travel medical plan options.

UK EMPLOYERS LOOK TO MANAGE WORKPLACE SICKNESS ABSENCES

A recent study on workplace and employee health benefits found that presenteeism – where employees choose to work while they are sick, has increased in 2017. The study found that employees worked an average of 28 days while sick in 2017 compared to 24 days in 2016. The increase in presenteeism has led employers to realize the importance of having a holistic understanding of the mental and physical wellbeing of their employees. The data demonstrates that employees who make healthier lifestyle choices benefit from an additional 25 days of productive time each year and exhibit higher levels of work engagement and lower levels of stress. With this information, companies are looking to implement effective workplace health and wellbeing initiatives that can improve employee engagement and productivity, which would lead to increase profitability while reducing sickness absences among employees.

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.

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