



GLOBEX UPDATE

Health & Benefits

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SOME UK EMPLOYERS NOT SUPPORTIVE OF WELL-BEING INITIATIVES

In a recent study, it was found that around 12% of UK employers do not believe in supporting the emotional and social wellbeing of their employees. Studies have shown that investment by companies into employee wellbeing benefits can have a significantly positive impact on business growth. The companies that do not provide support for the emotional wellbeing of staff will likely feel the adverse effects, such as a higher absenteeism rates, a decline in productivity, and lower staff retention. In the UK, the most popular group risk product, Group Life Assurance, with almost 10 million insured, often include access to EAP programs that provide staff with day-to-day emotional support and access to counseling services. However, there are around 13 million insured covered under group risk products that include life insurance, income protection, and critical illness, which indicates a huge opportunity for employers to provide some sort of wellbeing support for employees. The more popular wellbeing benefits favored by employees include flexible working, work-life balance initiatives, and professional support services such as mindfulness training.

INDIA PROPOSES TAX ON PROVIDENT FUND CONTRIBUTIONS

India's Finance Minister is proposing a tax on employer's contribution towards their provident fund (PF), which is the national pension scheme in India. The tax would be imposed on high-income earners that exceed Rs 750,000. The proposal is said to discourage companies from structuring the salary packages of high-paid employees in such a way that they allocate much of their funds in these retirement plans as a way to save on taxes. Expatriate employees who work in India could face additional challenges with this proposal as their contribution towards their PF is much higher. Faced with compliance issues, employers typically don't have the choice of reducing the amount of contribution. However, expatriate employees who come from countries that have a totalization agreement with India along with a certificate of coverage from their home country's social security authorities, will not be impacted should the proposal become law, as they do not have the same requirement to contribute towards the PF.

Success Stories

- Secured group travel medical policy for cyber security firm
- Placed group benefits plan for finance company in Singapore
- Implemented local benefits plan for tech company in India

EXPATRIATE EMPLOYEES FIND BETTER WORK-LIFE BALANCE ABROAD

According to a recent study conducted by a global health insurer, almost 50% of expats find that their work-life balance is better abroad than in their home country. While a third of those expats work less hours, they cite other factors that lead to an improved work-life balance. The most common reasons include having better leisure opportunities, more disposable income, an easier commute, and spending more time with family. Given the stress that an international assignment can place on an employee and his/her family, and with almost 25% of respondents stating they work in excess of 46 hours per week, many expats say that they accepted the assignment and moved abroad specifically for the benefits offered for a better work-life balance.

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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