



GLOBEX UPDATE

HEALTH & BENEFITS

Volume 199

Visit us at: www.globexintl.com

September 2017

Events, developments, and opportunities in the international marketplace

PUERTO RICO INTRODUCES NEW PENSION REFORM LAWS

New pension reform legislation has been passed in Puerto Rico that will help improve the current depleted defined benefit system by creating a defined contribution plan for active workers and new hires. The new law will provide for the new defined contribution plan to be administered by a third-party provider and it prevents the government from accessing the assets in the retirement plan. The changes to the pension laws will also fund existing pension obligations on a 'pay go' basis, which means the government will pay benefits to retirees directly as they come due, rather than attempting to pre-fund future benefits. Additionally, active employees and newly hired workers will be enrolled in a true defined contribution retirement system whereby each employee has an individual account separate from their contributions from their existing accounts and protects their contributions to pay for their own future goals. Lastly, the new pension plans to ensure that all newly hired employees are enrolled in Social Security program in Puerto Rico. Enrolling newly hired employees, and potentially current employees as old as age 40, could provide those employees with a more solid source of retirement income.

MULTINATIONAL FIRMS IN INDIA OFFER BEREAVEMENT LEAVE

Companies in India are looking at a new trend in HR policies with bereavement leave being a way to differentiate themselves from competitors. Major companies in India have started offering up to five days of bereavement leave to mourn the passing of loved ones. In many cases, bereavement leave only covers immediate family members, not extended family. However, these firms have opened up that definition to include not only immediate family members but also distant relatives. Currently, there is no law mandating bereavement leave however companies believe that offering such benefits will help increase engagement with employees as well as their overall benefit offerings to attract and retain top talent.

Success Stories

- Implemented local benefits program for large tech firm in Hong Kong
- Helped Partner Desk client implement a new benefits package in the Netherlands.
- Completed benchmarking study for multinational financial company in China.

BRAZIL LOOKS TO AMEND LABOR LAW REGULATIONS

New changes to labor laws in Brazil that are expected to reform outdated labor rules. The new laws which are set to take effect in November 2017, include, greater autonomy for employers and employees, as well as employers and trade unions to negotiate; the removal of compulsory union dues, alternative dispute resolution and specific definition of salaries and bonuses. The law also introduces regulations on remote work and companies will get more flexibility to allocate work hours and vacation time. The changes are expected to make the job market more flexible while lowering the risks associated with new hires. Other key inclusions within the new labor laws are protection clauses for pregnant or breastfeeding employees and the right to elect an Employee's Representative Committee in companies with at least 200 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.

PLEASE NOTE OUR NEW TELEPHONE AND FAX NUMBERS



GLOBEX INTERNATIONAL GROUP 101 Maple Ave.
Phone 908-879-1150 E-Mail globex@globexintl.com

Chester, NJ 07930
Fax 908-879-1160