



GLOBEX UPDATE

Health & Benefits

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JAPAN IMPOSES NEW LABOR LAW REQUIREMENTS

Effective April 2019, Japan will introduce new labor legislation designed to reform work habits and to reduce working hours. One change going into effect includes mandatory maximum limits to overtime hours for large and small employers. For large employers (generally large employers are designated with 50 or more employees), the legislation will take effect in April 2019, and for small employers it will start April 2020. There will be a Basic Overtime Limit Rule and an Extended Limit Rule. The Basic Limit Rule designates that overtime work hours, which are working hours exceeding 8 hours per day or 40 hours per week, cannot exceed 45 hours per month and 360 hours per year. The Extended Limit Rule allows employers to extend the Basic Limit under special circumstances, such as unforeseen rise of customer complaints. The total number of overtime work and work on statutory holidays cannot exceed 100 hours per month, and the average overtime hours cannot exceed 80 hours per month in the applicable second through sixth months after the rule takes effect for each employee, including both overtime work and work on statutory holidays. The yearly maximum Extended Limit hours for overtime work will be set at 720 hours. In addition, Japan will now make it a requirement for employees to take annual leave. Full-time employees are entitled to annual leave, anywhere from 10 to 20 days depending on the length of service with the employer. The new law will require employees to take at least five days of annual leave if they have more than 10 days of unused annual leave. So if the employee has not taken five days of annual leave in a year, the employer will need to designate the days for annual leave so that the employee will actually take those days off.

UAE ANNOUNCES CHANGES FOR EXPAT WORKERS

The UAE recently amended legislation that will now permit foreign workers to sponsor family members according to their income. Previously, foreign employees could only sponsor family members based on profession which prevented many workers from bringing their families on assignment. With the amendment in the visa law, it makes it easier for employees with reasonable income to sponsor their families. The amendment will include all categories of jobs which will benefit many expats with the means and an income to sustain their families in the UAE. Male employees in the UAE, employed in certain job categories, can sponsor their immediate family members, such as his wife and children, if he earns a monthly salary of Dh4,000 or Dh3,000 plus accommodation provided by his employer. Similarly, a female resident could sponsor her family only if she was a teacher, engineer or a health professional and earned Dh4,000 per month. If she worked in any other sector, she needs to have a minimum monthly salary of Dh10,000 and a special approval from the General Directorate of Residency and Foreigners Affairs.

FOREIGN WORKERS IN KOREA FACE NEW HEALTH INSURANCE RULES

In a measure designed to prevent foreign residents from abusing the National Health System in Korea, expats must now enroll in the state healthcare program through a non-employer-sponsored plan and pay monthly premiums if they have continuously resided in the country for at least 6 months. Expats who leave Korea for 30 continuous days are dropped from the system but they can re-register without waiting another six months if they pay the premium for the months they were gone. After a six-month period, foreign workers (with exceptions given to marriage migrants and exchange students) must wait another six months to be eligible for the insurance coverage again.

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.

Success Stories

- Kicked off a new Benefits Assessment for multinational tech company with operations in 13 countries.
- Assisted with setting up and implementing local benefits package for manufacturing firm in Vietnam.
- Implemented group expat plan for multinational tech firm.

GLOBEX BROKER SERVICES

a division of Globex International Group

Phone: (908) 879-1150 | E-mail: globex@globexintl.com | Fax: (908) 879-1160