

Events, developments, and opportunities in the international marketplace.

OMAN TO RAISE FEES FOR EXPAT PERMITS



According to Oman's Ministry of Labor, the cost for renewing expat permits will be raised 5% in order to fund the Job Security System in Oman. The new fee will be added to employment visa fees issued and renewed for the non-Omani workforce. The JSS was established to provide temporary financial benefits to Omani citizens terminated from work for reasons outside their control. The new fees which are scheduled to go into effect in 2021, will exclude private permits issued to employees working in households, such as drivers or housemaids, as well as those working on farms. The current cost of the expat permit is OMR300, and starting early 2021, the fee will be raised to OMR315.

SOCIAL SECURITY CONTRIBUTIONS IN GERMANY ARE EXPECTED TO RISE AGAIN NEXT YEAR

The income thresholds for social security contributions, which also affect health insurance, are expected to be revised again from January 1, 2021. This time, the compulsory insurance limit or the general annual income threshold for employees is expected to rise from 62,550 euros to 64,350 euros. In Germany, to be eligible for private health insurance, employees must earn more than the compulsory insurance limit. This means that a person under local employment in Germany who earns more than 64,350 euros has the freedom to choose between public and private health insurance. Additionally, health insurance contributions will also rise in line with these changes. The Monthly Contributions Assessment Ceiling is the threshold above which a person will pay no social security contributions. This threshold is likely to increase to 4,837 euros per month. This means that more of the person's income may become subject to social security contributions.



PRIVATE COMPANIES IN INDIA CAN NOW CONVERT PERMANENT JOBS TO FIXED-TERM CONTRACTS



The Indian government has removed a provision prohibiting private companies in India from converting permanent jobs to fixed-term contracts. Under the Industrial Relations (IR) Code 2020, firms can now directly hire as many workers as possible using the fixed-term contract route without having any middleman or contractor involved. There is no longer any limit on the number of times a private firm can renew a fixed-term contract. This new law is a boon for private companies as it will help them hire more seasonal workers for a short period and allow these industries to save on cost and effort by hiring people without an intermediary in the hiring process. On the downside, this new rule has little to offer to employees as they have a minimal chance to secure permanent positions in such companies. Fixed-term contracts are a stepping stone to permanent jobs, which is why countries like China and Indonesia have a cap on renewing fixed-term contracts. This offered a sense of job security to employees, however, with this current ruling in India these employees will not be given retrenchment compensation or a severance package, unlike permanent employees, if the company decides to let them go. Experts fear that private firms will now hire fewer permanent employees which are likely to harm employees and their families' lives as the job market in India is already dire.

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