Volume 316 November 2023

GLOBEX UPDATE
HEALTH & BENEFITS

Events, developments, and opportunities in the international marketplace.

Recent Success Stories

- **Implemented travel medical coverage for a group of U.S. expats in Mexico.**
- **Assisted a client in finding a disability war risk solution for an employee in the Middle East.**
- **Consulted alongside a partner broker to present private unemployment insurance options for a French organization.**

India

Employers in India who are looking to stand out to employees may want to consider adding festive perks or holiday bonuses their benefits packages. There currently seems to be a disconnect between employers and employees when it comes to festive perks. A survey revealed that 43% of employees have not received any perks, which is sharply below the 66% of respondents who expect some form of holiday bonus this season. Of those who are given bonuses, only 29% are satisfied with what they are receiving. Perks such as cash bonuses, gift cards, and extra vacation can help to create a sense of belonging and loyalty among the workforce. 75% of respondents believe festive benefits have a meaningful impact on employee satisfaction. As holiday season approaches, Indian employers may want to spend on festive benefits to support and form connections with their employees.

Canada

The Canada Revenue Agency has announced adjustments for several retirement schemes, including the maximum pensionable earnings under the Canada Pension Plan for the upcoming year. The maximum pensionable earnings under the CPP will increase from $66,600 to $68,500. This ceiling increase will raise the maximum annual combined contribution to $3,867.50. In addition, a second earnings ceiling has been established at $73,200. Earnings in between $68,500 and $73,200 will be subject to a 4% contribution, in addition to the base 5.95% contribution rate. Both employees and employers will be responsible for making contributions to the pension plan. Also from the announcement, Canadians should anticipate an increase in the Tax-Free Savings Account limit to $7,000. These new ceilings were calculated in accordance with the CPP legislation and take into account the growth in average weekly wages and salaries in Canada.

Netherlands

As a way to increase tax revenue in response to low interest rates on student loans, the House of Representatives in the Netherlands had recently voted to remove the so called “30% rule” for expats. This rule is a tax advantage to incentive expats to move to

the Netherlands. For the first five years of the expats stay in the Netherlands, 30% of their salary is not taxed. If signed into law, the 30% rule will be replaced with a new tax scheme that phases out the deductions over time. For the first 20 months of the expat's stay, 30% of their salary will be tax free. For the next 20 months, 20% of their salary will be tax free. For the following 20 months, only 20% of their salary will be tax free. This new plan will only apply to new expats entering the country. Those already in the Netherlands will be grandfathered into the plan.

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.

Contact us

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