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GLOBEX UPDATE
HEALTH & BENEFITS

Events, developments, and opportunities in the international marketplace.

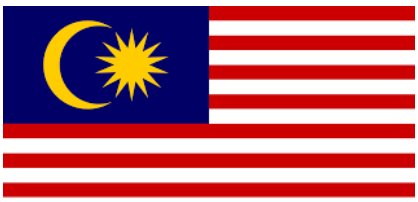
Recent Successes

- **Secured group travel medical program for chemical manufacturer.**
- **Helped technology client establish employee benefits programs in three new European locations.**
- **Implemented expat medical program for employees of workers comp provider.**
- **Implemented group travel program for leading manufacturer of forest products.**

Global

As organizations brace for economic uncertainty, multinational companies have shifted their benefits strategy priorities dramatically this year. In the current environment, there is a renewed focus on managing costs and ensuring employee benefits are highly valued, while also rolling out global minimum standards, according to a recent global survey. The challenge then is providing programs and solutions that attract and retain talent, while doing so in a predictable, value-driven, and cost-effective way. While most cost-containment strategies have focused on short-term solutions (e.g., increasing reliance on market reviews and carrier negotiations rather than restructuring or reducing benefits), survey respondents also reported success in improving their employee communication strategies to better inform and educate their employees about what benefits are available and how to use them.

Malaysia



A recent survey called attention to employee benefits trends in Malaysia relating to healthcare, flexible working arrangements and financial wellbeing. Healthcare cost remains a key concern for employers in Malaysia. Employers are seeing 5-10% annual benefits cost increases, primarily due to rising medical costs and increased benefits usage. This financial pressure may lead employers to reconsider benefit levels and plan design, which can impact employee wellbeing. In a recent survey, 81% of employers and 77% of employees acknowledged that flexible working improves work/life balance and flexibility. At the same time, 73% of employees expressed concern that too much flexibility could have a negative impact on workplace culture and employee collaboration. And while 96% of employees surveyed rated financial wellbeing as a top priority, only 30% had reviewed their retirement income and felt on track with savings, highlighting a disconnect between current financial habits and retirement planning.

Mexico

In early 2025, Mexico advanced a landmark labor reform that would reduce the maximum legal workweek from 48 to 40 hours, a change that has sparked intense debate among employers, unions, and policymakers. The proposal, building on earlier expansions of mandatory holidays and minimum wage increases, reflects the government's broader agenda to strengthen work-life balance and employee protections. If enacted, the reform would align Mexico with Chile and Colombia, which have already begun similar reductions, signaling a regional trend toward shorter workweeks. For employers, the implications are significant: a 40-hour cap would increase overtime obligations, potentially raise payroll costs, and force companies to rethink staffing models, particularly in industries reliant on extended shifts such as manufacturing, retail, and logistics. Multinational organizations operating in Mexico must also consider compliance risks, as failure to adjust contracts and scheduling practices could lead to fines or litigation. The reform underscores how labor law changes in Latin America are reshaping the benefits landscape, moving beyond traditional health and retirement programs to encompass broader dimensions of employee well-being. For HR and benefits leaders, the challenge will be balancing regulatory compliance with cost management, while seizing opportunities to position themselves as progressive employers in a rapidly evolving market.

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Globex International | 101 Maple Avenue | Chester, NJ 07930 US

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