

The Global Guide Quarterly

LABOR AND EMPLOYMENT LAW UPDATES
FROM AROUND THE GLOBE



QUARTER 4, 2025

Geida D. Sanlate, Littler Editor

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Angola

Legal Framework for Microinsurance Activity Approved

New Legislation Enacted

Authors: Nuno Gouveia and Elieser Corte Real – Miranda Alliance

On September 18, 2025, the Angolan Insurance Regulation and Supervision Agency (ARSEG) issued Regulatory Standard No. 9/25, establishing the regulatory framework for microinsurance providers. The standard defines the conditions for licensing, operating, and accounting for microinsurance activities, creating clearer obligations for insurers entering or continuing to operate in this market.

Insurance companies offering microinsurance must comply with the new requirements within six months. Employers that provide microinsurance as an employee benefit should evaluate their programs to ensure alignment with the updated operational and compliance standards.

Australia

Amendment to Fair Work Act Preserves Employer-Funded Paid Parental Leave if Child is Stillborn or Passes Away

New Legislation Enacted

Authors: Michael Whitbread and Naomi Seddon – Littler

On November 7, 2025, Parliament amended the Fair Work Act 2009 to prohibit employers from denying or canceling employerfunded paid parental leave when a child is stillborn or passes away. Employees who would have otherwise qualified for paid parental leave remain entitled to receive it, ensuring consistent support during exceptionally difficult circumstances.

New South Wales Digital Workplace Safety Reforms at Second Reading Stage

Proposed Bill or Initiative

Authors: Michael Whitbread and Naomi Seddon – Littler

The New South Wales Legislative Assembly is reviewing proposed reforms to the Workplace Safety Act 2011 that would introduce new obligations for employers operating digital work systems. If enacted, employers would be required to ensure that algorithms, automation, artificial intelligence, and other digital platforms do not result in unsafe workloads, unreasonable performance tracking, excessive surveillance, or discriminatory task allocation.

The bill would also allow workplace health and safety entry permit holders (e.g., union officials) to inspect digital systems relevant to suspected violations. Business groups have raised concerns about the potential exposure of commercially sensitive information, and the proposed reforms continue to generate significant debate as they progress through the legislative process.

Austria

Conclusion of Collective Agreement for Trade

New Legislation Enacted

Authors: Linda Gahleitner and Armin Popp – Littler

A new collective agreement for the Austrian trade sector will increase the minimum wage under the agreement by 2.55% effective January 1, 2026. Overpayments will remain unchanged and rounded to the nearest euro. No oneoff payments are planned. The agreement also anticipates updates to labor rules, including more flexible options for increasing part-time hours, adjustments to the distribution of standard working hours, and new provisions regarding Saturday work.

The final consolidated text has not yet been published, and the details currently available are subject to change as negotiations progress.



Changes to Marginal Employment from 2026

New Legislation Enacted

Authors: Linda Gahleitner and Armin Popp – Littler

Effective January 1, 2026, Austria introduced significant changes to marginal employment, which is subject to reduced social security contributions. The monthly earnings threshold remains EUR 551.10, meaning wage increases may push current marginal employment above the threshold and trigger full social security contributions. Access to supplemental earnings while receiving unemployment benefits or emergency assistance is now restricted, except in limited situations such as preexisting jobs or for certain groups, including older longterm unemployed persons and individuals with disabilities.

Transitional rules allow adjustments through June 30, 2026. Employers and employees with existing marginal employment arrangements should proactively review their employment and payroll practices to ensure compliance.

Clarification of Notice Periods for Workers in Seasonal Industries

New Legislation Enacted

Authors: Linda Gahleitner and Armin Popp – Littler

A new regulation effective January 1, 2026, harmonizes noticeperiod rules by limiting when collective bargaining agreements in seasonal industries may deviate from the Austrian Civil Code (ABGB). Only collective agreements concluded between January 1, 2018, and June 30, 2025, may lawfully incorporate shorter notice periods, and any future amendments may increase but not decrease notice periods.

Older provisions automatically lose validity, regardless of the industry's seasonal nature. The regulation also requires that any collectively agreed notice period be at least one week and clarifies that future revisions must provide improved, not reduced, protection for employees.

Belgium

Wage Cap for Employer Social Security Contributions

New Legislation Enacted

Authors: Isabel Lysens and Julie Rousseau – Littler

Retroactive to July 1, 2025, employers are no longer required to pay social security contributions on the portion of wages exceeding the quarterly cap of €85,000. This is pursuant to [Royal Decree](#) of October 6, 2025, concerning reductions in social security contributions.

Return to Work for Employees on Sick Leave

New Legislation Enacted

Authors: Isabel Lysens and Julie Rousseau – Littler

Effective January 1, 2026, employers must have an occupational physician assess the work potential of employees who have been incapacitated for at least eight weeks. Employers with 20 or more employees must initiate a reintegration process within six months for individuals deemed able to resume work. Employers are also required to maintain proactive contact with employees during sick leave and update their work regulations accordingly. For employers with 50 or more employees, the exemption from providing a medical certificate for the first day of incapacity has been reduced from three days per year to two.

Additionally, employers with at least 50 employees must pay a "solidarity contribution" to RIZIV, covering 30% of an eligible employee's health insurance benefit during the second and third month of illness. This contribution replaces existing penalties for longterm sickness. In cases of relapse during partial work resumption, payment of guaranteed wages may be postponed or, in certain situations, not required at all.

Review the [Royal Decree](#) amending the Code on Well-being at Work, and the [law](#) implementing a reinforced return-to-work policy in the event of incapacity at work.



Increase in Criminal or Administrative Fines

New Legislation Enacted

Authors: Isabel Lysens and Julie Rousseau – Littler

Effective February 1, 2026, Belgium will raise surcharges on criminal and administrative fines—including those related to employment and social security violations—to maintain deterrence amid inflation. Under the updated [framework](#), fines will now be multiplied by 10 rather than eight, and penalties for infringements of the Social Penal Code involving aggravating factors may not fall below half of the maximum fine associated with a level four sanction.

Enhanced Compliance Obligations in High-Risk Sectors

New Order or Decree

Authors: Isabel Lysens and Julie Rousseau – Littler

Effective January 1, 2026, Flanders [introduced](#) stricter liability rules aimed at curbing illegal employment in high-risk sectors, including construction, cleaning, meat processing, and courier services. Employers and contractors must collect and verify key documentation from subcontractors—such as identification, contact information, residence details, and proof of lawful employment—and ensure these records are readily available for social inspection authorities. If a subcontractor fails to provide the required information, employers are obligated to report the issue through the Flemish Social Inspection's electronic portal.

Brazil

Ministry of Labor and Employment's Ordinance Regulates New Rules for Employment Booklet and Employment's Electronic Domicile System Starting in 2026

New Regulation or Official Guidance

Authors: Marília Nascimento Minicucci and Pâmela Almeida da Silva Gordo – Chiode Minicucci Advogados

[Consolidated Ordinance #1](#), issued by the Ministry of Labor and Employment (MTE) on December 17, 2025, updates the rules governing the Employment Booklet (CTPS) and various systems and databases managed by the MTE. Beginning January 2026, the Digital CTPS will use the CPF (individual taxpayer's number) as its sole identification number, and employees may activate the digital document via the app or gov.br portal. Providing the employer with the employee's CPF and date of birth is now sufficient to validate the CTPS, eliminating the need for a physical receipt. Employers must record employee registrations and CTPS annotations exclusively through the eSocial platform, including reporting certain hiring data by the day before the employee's start date.

The Ordinance also consolidates the use of the Employment's Electronic Domicile (DET) and the Electronic Labor Inspection Book (eLIT) as the official channels for communicating with employers. Communications submitted through the DET must be filed by 8:00 p.m. on the final day of the applicable deadline, unless an earlier cutoff is set. Employers are deemed automatically notified of DET communications after 15 calendar days—or earlier if they access the notice content. Importantly, notifications remain effective even if employers fail to update their DET registration or do not access their inbox, reinforcing the need for accurate, regularly maintained information.

Constitutional Amendment Bill to End the 6x1 Shift

Proposed Bill or Initiative

Authors: Marília Nascimento Minicucci and Pâmela Almeida da Silva Gordo – Chiode Minicucci Advogados

On December 10, 2025, the Constitution and Justice Committee of the Brazilian Senate approved a Constitutional Amendment Bill that would eliminate the traditional 6x1 work schedule—six consecutive days of work followed by one day of rest—commonly used in the retail, services, industrial, and logistics sectors. The proposal now moves to the Senate Plenary for further review. The Bill would establish a 36-hour weekly limit, cap daily hours at eight, and guarantee at least two days of weekly paid rest, preferably on Saturdays and Sundays. A phased transition period of up to five years is provided to give employers time to adapt.



If enacted, employers would need to reassess work schedules, shift patterns, timetracking systems, and restday calculations. Updates to manager and employee training may also be necessary, along with close monitoring of collective bargaining developments. The Bill does not affect the validity of other schedules—such as 5x1, 5x2, 4x2, and 12x36—if limits on consecutive workdays, daily and weekly hours, breaks, and collective bargaining provisions are respected.

The Bill will now proceed to the Senate Plenary for review.

Canada

Quebec: New Procedural Requirements for Labor Arbitration

New Legislation Enacted

Author: Olivia Girouard – Littler

Effective October 28, 2025, amendments to the Labour Code introduced new procedural rules governing labor arbitration. As of October 28, 2026, a grievance will be presumed withdrawn if an arbitrator is not appointed or requested within six months of filing. This presumption may be reversed if evidence indicates otherwise, and the Administrative Labour Tribunal may extend deadlines or excuse noncompliance for reasonable cause. Arbitration must occur within one year of filing, subject to one possible extension, unless the arbitrator determines that circumstances and the parties' interests warrant additional time.

The amendments also require disclosure of documents, evidence, and witness lists at least 30 days before the hearing, unless there are valid grounds for withholding information. Arbitrators may convene a prehearing conference upon request, and the parties may agree to modified timelines during that conference. In addition, both parties now have a duty to consider mediation before proceeding to arbitration.

Quebec: Expanded Leave Entitlements and Higher Penalties Under Labour Code Amendments

New Legislation Enacted

Author: Olivia Girouard – Littler

Effective October 28, 2025, amendments to the Labour Code expanded employee leave entitlements and increased penalties for noncompliance. Employees are now entitled to up to 24 months of unpaid reservist leave within a 60-month period after three months of employment, doubling the previous limit of 12 months. There is no time limit when the leave relates to a national emergency. Eligibility has also been broadened to include leave for treatment or rehabilitation of physical or mental health conditions arising from military service.

The amendments introduce a new unpaid leave of absence when an employee must take time off due to a recommendation or requirement under public health or emergency legislation. In addition, fines for violations of the Labour Code have been increased.

Ontario: Employment Standards, Health and Safety, and Insurance Amendments Now in Effect

New Legislation Enacted

Author: Monty Verlint – Littler

Effective November 27, 2025, amendments to the Employment Standards Act, 2000, the Occupational Health and Safety Act (OHSA), and the Workplace Safety and Insurance Act, 1997 (WSIA) introduced new employee protections and enhanced enforcement measures. The amendments in relevant part provide:

- Employees affected by a mass termination are now entitled to three unpaid days of leave during the statutory notice period to search for new employment, unless they receive termination pay in lieu of notice and the “working notice” period represents 25% or less of the required notice.
- Nonunionized employees may also agree in writing to temporary layoffs of up to 52 weeks within a 78-week period, subject to Director approval and defined recall dates.
- The amendments further expand enforcement authority and increase penalties. OHSA inspectors can now issue administrative monetary penalties for violations of the Act, its regulations, or related orders, with decisions subject to review.
- WSIA penalties have been increased for false statements, inaccurate wage records, unpaid premiums, and repeat infractions.



Separately, effective January 1, 2026, thirdparty jobposting platforms must implement and prominently display a mechanism for reporting fraudulent job postings and retain related policy records for three years after the policy is retired.

Alberta and British Columbia: Enhanced Leave for Long-Term Illness or Injury

New Legislation Enacted

Author: Monty Verlint – Littler

Effective January 1, 2026, Alberta increased the duration of unpaid leave available to employees with at least 90 days of service who are unable to work due to illness, injury, or quarantine. Eligible employees may now take up to 27 weeks of unpaid leave per year, an extension from the previous 16week entitlement.

Separately, effective November 27, 2025, British Columbia introduced a new unpaid leave of up to 27 weeks within a 52week period for employees facing a serious personal illness or injury. There is currently no minimum employmentservice requirement, though one may be established through future regulation.

China

Shenzhen Court's Ruling Enhances Protections for Workers in New Forms of Employment

Precedential Decision by Judiciary or Regulatory Agency

Authors: Grace Yang and Jerry (Gongyu) Zhang – Littler

On November 1, 2025, a Shenzhen court issued a decision designed to enhance protections for workers engaged in new forms of employment, particularly in the platform and gig economy. The decision acknowledges the continued growth of flexible work arrangements and aims to improve worker protections without requiring platforms to uniformly reclassify these arrangements as traditional employment relationships. It encourages the use of clear written agreements to define rights and obligations and promotes the voluntary participation of platform workers in social insurance through incentives and subsidies.

The court also signaled greater regulatory scrutiny of algorithmic management practices that influence work intensity, pay, and scheduling. Platforms and service providers are expected to review their operational and compliance practices to ensure alignment with these evolving standards.

Shanghai Court Highlights Judicial Approach to Labor Issues in Platform and Flexible Work

Precedential Decision by Judiciary or Regulatory Agency

Authors: Grace Yang and Jerry (Gongyu) Zhang – Littler

On December 22, 2025, the Shanghai No. 1 Intermediate People's Court released a white paper analyzing secondinstance labor dispute cases from 2022 through October 2025 involving new forms of employment, along with six illustrative cases related to platformbased and flexible work arrangements. The white paper identifies key judicial factors used to determine whether a labor relationship exists, including the level of managerial control, algorithmic supervision, remuneration structures, and the degree of economic dependence. It also highlights systemic challenges such as limited transparency in algorithmic management and insufficient protection of workers' basic rights.

The accompanying cases demonstrate how courts analyze employer liability for wages, social insurance obligations, workrelated injury claims, and other issues—such as the enforceability of non-compete agreements—within nontraditional employment models. The materials reflect a growing judicial focus on balancing flexibility with adequate worker protections.



MOHRSS Clarifies Standards for Work Injury Determinations, Including Remote Work

New Regulation or Official Guidance

Authors: Grace Yang and Jerry (Gongyu) Zhang – Littler

On November 13, 2025, the Ministry of Human Resources and Social Security (MOHRSS) issued Opinions (III) on Several Issues Concerning the Implementation of the Work Injury Insurance Regulations, providing new guidance for determining workrelated injuries. The Opinions emphasize a factspecific approach, focusing on the employee's job duties and employer directives when assessing whether an injury occurred "during working time," "at the workplace," and "for workrelated reasons." The guidance confirms that injuries sustained during employerdirected tasks may qualify as workrelated even when they occur outside the worksite, including during remote work or commuting.

The Opinions also reaffirm exclusions from coverage, including injuries involving intoxication, intentional selfharm, or criminal acts. Employers should review internal reporting protocols and compliance mechanisms to ensure alignment with these clarified standards.

Shanghai Introduces Nursing Leave for Employees with Elderly Parents

New Regulation or Official Guidance

Authors: Grace Yang and Jerry (Gongyu) Zhang – Littler

Effective November 1, 2025, Shanghai implemented revised regulations granting employees paid nursing leave to care for hospitalized elderly parents. Employees are entitled to up to five working days of paid leave per year for this purpose. Those who are only children born under the national onechild policy are eligible for up to seven paid working days annually.

New Minimum Wages for Zhejiang and Jiangsu

New Regulation or Official Guidance

Authors: Grace Yang and Jerry (Gongyu) Zhang – Littler

Effective January 1, 2026, Zhejiang and Jiangsu implemented new minimum wage standards using a threetier system. Monthly minimum wages are now set at RMB 2,660 for Tier 1 (approximately USD 372), RMB 2,430 for Tier 2 (approximately USD 340), and RMB 2,180 for Tier 3 (approximately USD 305). For part-time workers, the hourly minimum wages are RMB 25 (approximately USD 3.50), RMB 23 (approximately USD 3.20), and RMB 21 (approximately USD 2.95), respectively.

Employers must determine whether province-specific requirements treat items, such as housing fund contributions and social insurance contributions, as part of the minimum wage or as additional mandatory payments. Overtime pay, special work allowances, and certain benefits may also need to be paid separately.

Colombia

Implementation Guidance on Working Time Reforms

New Legislation Enacted

Author: María Paula Monroy – Littler

Ministry of Labor Circular 101 of 2025 consolidates standards under the Constitution, international labor instruments, the Labor Code, and Law 2466 of 2025, and confirms the daily maximum of eight work hours and the phased reduction of weekly limits to 42 hours by July 15, 2026.

Weekly hours may be spread across five or six days with one paid rest day; extending daily hours by up to two hours across a fiveday schedule does not constitute overtime. Only one rest break is excluded from working time. All employees must receive a continuous 24-hour paid rest period, with Sunday as the default rest day unless a different day is agreed upon in writing under objectively justified circumstances. Work on rest days requires payment for hours worked plus surcharges of 80% in 2025, 90% in



2026, and 100% in 2027. Flexible schedules of four to nine hours per day are permitted within weekly limits. For 24/7 operations, successive six-hour shifts (36 hours per week) may be implemented without night, Sunday, or holiday premiums, while still guaranteeing regular salary and a paid rest day.

Domestic workers—urban and rural—are explicitly covered by limits on working hours, overtime, rest, and premium pay, and must have written contracts. Piecework arrangements also remain subject to all workingtime protections. Prior ministerial authorization for overtime is eliminated, but employers must maintain detailed records of supplemental hours, including tasks performed, timing (day/night), and proof of payment. Overtime remains capped at two hours per day and 12 per week, with a combined limit of 56 hours per week through July 14, 2026, decreasing to 54 hours weekly thereafter. Labor inspectors may suspend overtime authorization for six months in cases of noncompliance.

Procedures for Dismissal Authorization of Workers with Enhanced Job Stability

New Order or Decree

Author: María Paula Monroy – Littler

Circular 120 of 2025 outlines the requirements for employers, public authorities, or contractors seeking authorization to dismiss workers who benefit from enhanced occupational stability due to disability or health conditions. Requests must be filed with the appropriate Territorial Directorate and supported by evidence such as poor performance or other just cause, an occupational medical opinion, proof of reasonable accommodations, and documentation showing that reassignment options were exhausted.

Filing deadlines are 15 business days for justcause dismissals and 30 business days for cases involving insurmountable incompatibility related to health or disability. Labor inspectors must safeguard dueprocess rights, may hold hearings, and must decide the request within three months after the file is deemed complete. If the submission is incomplete, the employer has one month to correct deficiencies; failure to do so constitutes tacit withdrawal.

All proceedings must be recorded in the Ministry of Labor's information system for monitoring and reporting.

Certification of Work Experience for Inmates

New Order or Decree

Author: María Paula Monroy – Littler

The Ministry of Labor's Resolution 684 of 2025 implements Law 2466 of 2025 by regulating how work experience acquired by inmates is recognized and certified to support postrelease employment and social reintegration. The regulation defines the scope of eligible activities, the certification process, and the authorities responsible for administering it.

INPEC and its oversight body, USPEC, must maintain detailed records of inmates' productive and occupational activities. These entities must issue certifications that include the inmate's identification, a description of the work performed, the dates and total time accrued, and verification against official records to ensure authenticity.

New Requirements for Workplace Coexistence Committees

New Order or Decree

Author: María Paula Monroy – Littler

Resolution 3461 of 2025 updates and expands the rules governing Workplace Coexistence Committees (“Comités de Convivencia Laboral” or CCL) in private entities, repealing Resolutions 652 and 1356 of 2012. Key changes include:

- The regulation broadens coverage to apprentices, onsite independent contractors, and any person present in the work environment, and maintains parity between employer and worker representatives.
- Committee size varies by headcount (from one representative per side for fewer than five employees to two per side for entities with more than 20 employees), and companies with multiple worksites must establish both a central CCL and local committees.
- Ordinary meetings must now be held monthly, and complaints must follow a structured procedure with a maximum duration of 65 calendar days.
- CCL members must receive mandatory training on nondiscrimination, conflict resolution, communication, negotiation, and soft skills.



- Employers must adopt or update workplace-harassment prevention policies addressing respectful conduct, gender-sensitive measures, training, and formal complaint channels.
- Committees must safeguard confidentiality through secure informationhandling protocols and documented measures to protect complainants and witnesses.
- The CCL is expressly prohibited from investigating sexual harassment; these cases must follow a separate procedure established by senior management or HR for sexual harassment and gender-based violence.

Costa Rica

Paid Leave Expanded for Administrative Matters Before the Ministry of Labor

New Order or Decree

Author: Marco E. Arias Arguedas – Littler

An amendment to Article 515 of the Labor Code, published on November 12, 2025, in *La Gaceta*, now requires employers to grant paid time off when employees must attend personal administrative matters before the Ministry of Labor and Social Security. Previously, paid leave was limited to judicial hearings and summons requiring the employee's presence.

This reform broadens the scope of protected absences and imposes a mandatory employer obligation to compensate employees for time spent attending these ministryrelated procedures.

Croatia

Minimum Wage Increase for 2026

New Order or Decree

Authors: Marija Gregoric and Matija Skender – Babic & Partners Law Firm

Effective January 1, 2026, the Croatian Government set the gross monthly minimum wage at EUR 1,050—an increase of approximately 8% over 2025. Statutory supplements for overtime, difficult working conditions, night work, and work performed on Sundays and public holidays remain excluded and must be paid in addition to the minimum wage.

Employers' associations warned that higher labor costs could erode competitiveness, profitability, and potentially lead to redundancies. Trade unions welcomed the increase but argued it does not adequately address inflation or rising living costs. Economic analysts noted that many Croatian companies lack the profitability needed to convert higher wage floors into productivity gains, underscoring ongoing structural tensions in wage policy and labormarket sustainability.

Draft Amendments to Foreigners Act

Proposed Bill or Initiative

Authors: Marija Gregoric and Matija Skender – Babic & Partners Law Firm

In November, the Ministry of Interior released Draft Amendments to the Foreigners Act for public consultation to implement EU Directive 2024/1233, the EU Pact on Migration and Asylum, and Regulation 2024/1347. The proposal would extend the time for authorities to decide on specific permit applications to 90 days and require foreign employees residing in Croatia for at least one year to pass a Croatianlanguage and Latinscript exam, financed by local employers.

The Draft Amendments would also extend the validity of permits for foreign seasonal workers for up to three years, allowing them to work for three consecutive seasons for the same employer, in the same or related occupation, without needing a new permit each season.



Awaiting the First Draft of Amendments to the Croatian Employment Act

Trend/Informational

Authors: Marija Gregoric and Matija Skender – Babic & Partners Law Firm

During late 2025, public debate intensified over forthcoming amendments to the Croatian Employment Act to transpose Directive (EU) 2023/970 on pay transparency. Although the draft text is still pending, government officials and legal experts indicate that employers will face substantial new obligations, including transparent recruitment practices; disclosure of starting pay or pay ranges; a prohibition on requesting candidates' pay history; employee rights to obtain information on individual and average pay levels by sex for comparable work; and payreporting duties that vary by employer size. Where certain thresholds are met—such as a gender pay gap exceeding 5%—employers may be required to undertake joint pay assessments. Amendments are also expected to introduce transparent pay structures supporting comparisons of work of equal value across organizations and sectors.

In addition to pay-transparency measures, it has been informally announced that the reform package may address platform-work provisions and longer carryover periods for unused annual leave. The coming months offer a key opportunity for employers to review current practices, ensure compensation frameworks are transparent and defensible, and prepare for alignment with the anticipated statutory requirements.

Czech Republic

New Threshold for Sickness Insurance Participation in Work Performance Agreements

New Legislation Enacted

Authors: Tomáš Procházka and Kateřina Demová – Aegis Law

Effective January 1, 2026, the earnings threshold for employees working under an Agreement to Perform Work to qualify for social and health insurance increased to CZK 12,000 (approx. EUR 495). Employers should update HR and payroll systems to ensure accurate assessment of insurance participation.

Cancellation of Salary Swap Benefits

New Legislation Enacted

Authors: Tomáš Procházka and Kateřina Demová – Aegis Law

Starting January 1, 2026, benefits provided as partial wage compensation (commonly referred to as salary swaps) no longer have tax advantages. However, benefits granted in addition to wages (such as meal vouchers, fitness benefit cards, etc.) remain exempt from taxation. Employers are advised to review their current benefit structures to ensure compliance and optimize tax efficiency.

Unified Monthly Employer Reporting System, in Effect as of January 1, 2026

New Legislation Enacted

Authors: Tomáš Procházka and Kateřina Demová – Aegis Law

The new law and its implementing regulation introduce a unified monthly employer report as part of a major digitalization effort aimed at simplifying employer obligations and improving communication between businesses and the government. Employers must ensure their HR and payroll systems are integrated with the new platform before its official launch on April 1, 2026.

Key compliance timelines:

- Monthly reporting begins April 2026
- Reports covering January–March 2026 must be submitted by June 30, 2026



New Reporting Requirements for Hiring Foreign Nationals

New Legislation Enacted

Authors: Tomáš Procházka and Kateřina Demová – Aegis Law

Effective October 1, 2025, an amendment to the Employment Act introduced stricter reporting rules for employers hiring foreign nationals and formally defined “unreported work.” Employers must now notify the Labor Office *before* work begins, rather than on the first day of work. The requirement applies to all foreign nationals, including EU citizens, third-country nationals, and individuals with temporary protection.

Failure to submit the required notification constitutes unreported work and may result in significant penalties, including fines of up to CZK 3,000,000 (approx. EUR 121,500).

Court Narrows Contractor Rules for Delivery Platforms

Precedential Decision by Judiciary or Regulatory Agency

Authors: Tomáš Procházka and Kateřina Demová – Aegis Law

In a highprofile decision, the Supreme Administrative Court held that a major delivery company engaged in illegal employment by misclassifying couriers as independent contractors. The court found that couriers followed the company’s instructions, operated under its control, and relied on its resources. Although they were nominally allowed to use subcontractors or their own equipment, this option was purely theoretical and never exercised in practice.

The ruling emphasized the couriers’ economic dependence, as income from this work represented a significant portion of their earnings. The court concluded that this long-term arrangement constituted dependent employment rather than an equal commercial relationship.

Denmark

Injury Sustained while Traveling from Home to Work was not Covered by the Danish Workers' Compensation Act

Precedential Decision by Judiciary or Regulatory Agency

Author: Bo Enevold Uhrenfeldt – Littler

In a November 5, 2025 decision, the Danish Supreme Court held that a resource teacher was not entitled to compensation under the Danish Workers’ Compensation Act for injuries sustained in a traffic accident while commuting from home to work. Although her permanent workplace was a municipal office in another city and she frequently worked at various institutions or from home, the Court reaffirmed that commuting injuries are generally not covered unless the employer’s business or the employment relationship directly influences the transportation.

The Court found that her voluntary preparation work at home—checking emails, reviewing her calendar, and reading a draft report—did not transform the subsequent commute into work-related travel. As a result, the Supreme Court concluded she was not covered by the Act at the time of the accident.

Labor Court Holds Collective Bargaining Agreement Did Not Justify Lower Salary for Temporary Worker

Precedential Decision by Judiciary or Regulatory Agency

Author: Bo Enevold Uhrenfeldt – Littler

On November 3, 2025, the Danish Labor Court held that a temporary hospital worker was entitled to back pay after being paid less than regular employees without receiving compensatory benefits. Under the Danish Temporary Agency Workers Act, temporary workers must generally receive the same essential working conditions as permanent employees. While an exception applies when an employer is covered by a nationwide collective bargaining agreement, the Court clarified that such an agreement must still ensure the general protection of temporary workers.



The agency argued that the mere applicability of the collective agreement justified the lower salary. The Court disagreed, ruling that temporary workers must receive compensatory benefits when their terms are less favorable than those of regular employees. Because the agency provided no such compensation, the worker was awarded back pay.

EU Court of Justice Holds Countries That Rely on Collective Bargaining Agreements to Determine Wages Not Required to Follow EU Minimum Wage Directive

Precedential Decision by Judiciary or Regulatory Agency

Author: Bo Enevold Uhrenfeldt – Littler

On November 11, 2025, the Court of Justice of the European Union ruled on Denmark's challenge to the EU Minimum Wage Directive—the first time Denmark contested an EU directive for exceeding EU legislative authority. Denmark argued that the directive's requirements conflicted with its national wage-setting model, which relies exclusively on collective bargaining rather than statutory minimum wages.

The Court upheld the directive overall but annulled portions of Article 5 that required member states to follow specific procedures when setting minimum wages. As a result, countries such as Denmark that rely on collective bargaining are not required to change their wagesetting systems.

The ruling diverged from the Advocate General's opinion, which had recommended full annulment of the directive.

Termination with Shortened Notice under the 120-day Rule

Precedential Decision by Judiciary or Regulatory Agency

Author: Bo Enevold Uhrenfeldt – Littler

In a November 25, 2025 decision, the Danish Supreme Court confirmed that employers may terminate an employee with shortened notice under the 120day rule of the Danish Salaried Employees Act only when two conditions are met: the employee has received sick pay for 120 days, and the termination occurs immediately after the 120th sick day. The Court held that a notice issued after working hours on the 120th day satisfies this requirement.

Because the employee's working hours were 8:30 a.m. to 3:00 p.m. and the termination notice was sent at 4:41 p.m. on the 120th day, the Supreme Court found that the statutory conditions were fulfilled, and the shortenednotice termination was valid.

Egypt

New Framework for Employment of Foreign Nationals

New Order or Decree

Authors: Rawan Roshdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 279 of 2025, in force as of December 25, 2025, introduces a comprehensive framework regulating the employment of foreign nationals in Egypt, implementing the foreign employment provisions of Labour Law No. 14 of 2025. The decree clarifies the procedures, conditions, and fees for the issuance, renewal, amendment, and cancellation of work permits, increasing permit fees with a new cap of EGP 100,000 and requiring payments to be made electronically in the name of the foreign worker.

The decree significantly expands employers' reporting and record-keeping obligations, including strict notification timelines for hiring, termination, and employee absences, as well as mandatory periodic workforce reporting. The decree also introduces clearer exceptions for small establishments and defines short-term or task-based work as limited to a maximum of 14 days, subject to prior written approval and a dedicated fee structure. Overall, the new framework strengthens regulatory oversight and enforcement while increasing compliance and cost considerations for employers engaging foreign talent in Egypt.



Enhanced Protections for Employee Entitlements in Business Closures

New Order or Decree

Authors: Rawan Roshdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 259 of 2025, issued on December 23, 2025, strengthens employee protections during company closure, liquidation, shutdown, or reduced operations by regulating the payment of salaries and employmentrelated entitlements. It adopts the Labour Law's definition of "salary" and introduces a broad definition of "entitlements," covering amounts owed under law, contracts, internal policies, settlements, and final court judgments. The decree also confirms that employee salaries and entitlements take priority over all company assets—including government dues—and expressly includes social insurance contributions as protected rights.

The decree imposes strict procedural obligations and timelines on employers, liquidators, and trustees to calculate, pay, and report employee entitlements, with final settlements required within one year. Failure to comply may invalidate related measures and lead to corrective action or referral to the labor court, increasing enforcement exposure and litigation risk.

National System Introduced for Skills Measurement and Professional Licensing

New Order or Decree

Authors: Rawan Roshdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 266 of 2025, dated December 24, 2025, establishes a unified national system for measuring skills and licensing professions in Egypt under the Labour Law. The decree requires individuals in regulated professions to obtain a skillmeasurement certificate followed by a practice license from the relevant labor directorate, based on standardized testing, prescribed fees, and defined procedural timelines. Skill assessments include both theoretical and practical examinations, with certificates issued within seven working days and skill levels classified across five grades.

For employers, the decree introduces substantially increased compliance obligations, including inspections to verify licensing status and a threeyear period to regularize unlicensed workers, subject to limited exemptions. Overall, the decree signals heightened regulatory oversight, greater standardization of workforce qualifications, and a shift toward digitized, more rigorously enforced licensing procedures.

Accelerated Framework for Amicable Resolution of Labor Disputes

New Order or Decree

Authors: Rawan Roshdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 299 of 2025, effective as of December 26, 2025, establishes a structured amicable settlement system for individual labor disputes with the goal of early, prejudicial resolution. Either party may submit a settlement request within 10 days of a dispute, triggering review by a tripartite committee at the relevant labor directorate, which must attempt resolution within 21 days. Any agreement reached must be ratified by the labor court to become enforceable, while unresolved matters are referred to the court with a detailed committee report, and hearings must be scheduled within 20 days of referral.

The decree also creates expedited procedures for dismissal disputes, requiring urgent judicial decisions within three months and allowing interim wage payments of up to six months where claims appear valid. Overall, the framework compresses disputeresolution timelines, increases administrative oversight, and requires employers to adopt more proactive, welldocumented disputemanagement practices.



Decrees Organizing Workplace Inspections

New Order or Decree

Authors: Rawan Roshdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decrees No. 319 and 320 of 2025, effective as of December 26, 2025, significantly expand the Ministry of Labor's authority to conduct unannounced workplace inspections at any time, including at night and outside official working hours, without prior notice. Decree No. 319 establishes a centralized national inspection regime built on monthly surprise campaigns led by a Central Labour Inspection Committee, with mandatory reporting of inspection results and recurring violations directly to the Minister of Labour.

Decree No. 320 complements this framework by regulating night-time and out-of-hours inspections and enabling labor and occupational-safety inspectors to conduct enhanced oversight of establishments operating night shifts, engaging in seasonal work, employing women or minors, or presenting elevated health and safety risks.

Finland

Threshold for Individual Terminations Under Amended Employment Contracts Act

New Legislation Enacted

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd.

Amendments to the Employment Contracts Act effective January 1, 2026, lower the threshold for terminating employment by allowing dismissal for a *proper* reason, rather than the previously required *proper and weighty* reason attributable to the employee. Under the revised rules, a proper reason may arise where an employee breaches obligations related to the employment relationship, though grounds must still be assessed holistically and may not be trivial or discriminatory. In most cases, employees must also receive a warning and a reasonable opportunity to correct their conduct before termination.

Generally, an employee may not be dismissed without first being given a warning and an opportunity to remedy their conduct. In addition, the amendments further narrow the employer's obligation to consider alternative reassignment. Employers are now required to assess the possibility of placing an employee in other suitable work only when the employee's ability to work has changed during employment—such as due to illness, injury, or an occupational accident—rather than in all termination scenarios.

Employer-Provided Electric Vehicle Charging is No Longer a Tax-Exempt Fringe Benefit

New Order or Decree

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd.

Beginning in 2026, the Finnish Tax Administration will no longer treat employer-provided electric vehicle charging at the workplace as a tax-exempt fringe benefit under the Income Tax Act. Instead, the benefit is now assigned a fixed monthly taxable value based on vehicle type:

- EUR 30 per month for a fully electric vehicle
- EUR 20 per month for a plugin hybrid vehicle, including gasolineelectric and dielelectric hybrids

These standardized valuations replace prior tax-exempt treatment and must be applied by employers when reporting employee taxable benefits.

Proposed Legislation Implementing the EU Pay Transparency Directive

Proposed Bill or Initiative

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd

A draft government bill to implement the EU Pay Transparency Directive has entered consultation and is intended to take effect on May 18, 2026, subject to Parliamentary approval. The proposal would amend the Act on Equality between Women and Men and related statutes to strengthen employers' pay transparency obligations.



Key elements include a new pay-gap reporting requirement for employers with more than 100 employees, along with obligations to remedy unjustified pay disparities in cooperation with employee representatives and to conduct joint pay assessments within a reasonable period.

The draft bill would also require employers to:

- Inform job applicants of the starting salary or salary range of the applied-for position
- Provide information on average pay levels for groups performing the same work or work of equal value
- Ensure genderneutral job advertisements and job titles

France

New Law on Employment of Experienced Workers, Labor Relations and Professional Transition

New Legislation Enacted

Author: Guillaume Desmoulin – Littler

Effective October 28, 2025, new legislation was published implementing two former interprofessional collective bargaining agreements on the employment of experienced workers, labor relations, and professional transition. The law requires negotiations every four years at the branch level—and at the company level for employers with at least 300 employees—on recruitment, job retention, end-of-career arrangements, and the transfer of knowledge and skills. It also removes the limit of three successive terms for elected members of the Social and Economic Committee.

The legislation introduces a new “experience recognition contract” for jobseekers aged 60 and over, allowing employers to plan for a known retirement date and offering flexibility through phased retirement and combined employment-retirement arrangements. Additional measures include a new professional retraining program—“the retraining period”—enabling employees to pursue certification training for 150 to 450 hours over 12 months, and the creation of a strengthened Vocational Guidance and Training Council.

Court Confirms Teleworkers’ Right to Meal Vouchers

Precedential Decision by Judiciary or Regulatory Agency

Author: Guillaume Desmoulin – Littler

On October 8, 2025, the French Court of Cassation clarified that employers may not deny meal vouchers solely because employees work remotely. Although the Labor Code guarantees teleworkers the same rights as onsite employees, prior interpretations differed on whether employers were required to provide meal vouchers when telework did not generate additional meal-related expenses. The Court held that the only condition for eligibility is that the employee’s meal occurs during the workday, with no link to work location or how work is organized.

The case involved an employee who teleworked from March 2020 to March 2022 during the COVID19 pandemic and stopped receiving the meal vouchers he previously received. The Court ruled that such withdrawal was unlawful, confirming that telework does not affect entitlement when the employee’s daily schedule includes a meal period.

Court Rejects Use of Subjective Criteria in Employee Evaluations

Precedential Decision by Judiciary or Regulatory Agency

Author: Guillaume Desmoulin – Littler

On October 15, 2025, the French Court of Cassation ruled that employers may not evaluate employees using subjective, imprecise, or moralizing criteria such as “optimism,” “honesty,” or “common sense.” The case involved an individual employee development interview system introduced in 2017, which a union challenged. The Court of Appeal found that the system relied on numerous behavioral criteria and subcriteria without indicating their weight in the final assessment and included vague notions that lacked professional relevance.



The Court of Cassation upheld the decision, confirming that while employers may assess employee performance, evaluation criteria must be precise, objective, and aligned with the purpose of measuring professional skills. The method at issue failed to ensure objective, impartial assessment and included criteria too vague to establish a necessary link to employees' actual work activities.

Germany

Entitlement to Equal Pay Extends to Top Earners

Precedential Decision by Judiciary or Regulatory Agency

Author: Dr. Sabine Vianden – Littler

In a decision issued on October 23, 2025 (case no. 8 AZR 300/24), the Federal Labor Court clarified the burden of proof under the Pay Transparency Act. The case involved a female department head at an automobile manufacturer who sought pay equal to that of a male colleague performing comparable work. Although her pay was below the median for both male and female department heads, the comparator earned well above the male median. The Regional Labor Court of BadenWürttemberg held that she was only entitled to the difference between the gender-specific medians, not to match the highest-paid male employee.

The Federal Labor Court overturned that ruling, confirming that the employee is not required to demonstrate a high probability of discrimination. Instead, it is sufficient to show that a male colleague performing similar or equivalent work receives higher pay. Once such evidence is presented, the burden shifts to the employer, who must justify the pay difference with objective, gender-neutral reasons.

Overtime Pay for Part-time Employees Must Follow ProRata Principle

Precedential Decision by Judiciary or Regulatory Agency

Author: Dr. Lisa Zierke – Littler

Under German law, employers must pay part-time employees proportionally to full-time employees based on hours worked. In November 2025, the Federal Labor Court ruled that a collective provision granting overtime pay only after 41 weekly hours violated this nondiscrimination requirement. The Court held that overtime rules must reflect each employee's individual working time.

Applying the pro-rata temporis principle, the Court confirmed that part-time employees are entitled to overtime pay from the first hour worked beyond their agreed schedule, just as full-time employees receive overtime pay for hours exceeding their own contractual weekly hours.

Reasonableness of Probationary Periods in Fixed-term Contracts

Precedential Decision by Judiciary or Regulatory Agency

Author: Katherine Romanowski – Littler

On October 30, 2025, the Federal Labor Court clarified that while German law allows probationary periods of up to six months, such periods may be disproportionate when applied to fixed-term employment—particularly short-term contracts. The Court rejected the use of a fixed benchmark (such as limiting probation to 25% of the contract term) and held that appropriateness must be determined individually, considering the expected contract duration and the nature of the work.

The Court reaffirmed that a probationary period cannot extend over the entire length of a fixed-term contract. Employers must therefore ensure that probationary clauses in fixed-term agreements reflect the specific role and contract duration rather than defaulting to the statutory maximum.



Expert Commission Issues Recommendations for Implementing the EU Pay Transparency Directive

Trend/Informational

Author: Dr. Sabine Vianden – Littler

EU Member States must implement the Pay Transparency Directive (PTD) by June 7, 2026. In Germany, the Expert Commission on the “Low-Bureaucracy Implementation of the Pay Transparency Directive” published its final report on November 7, 2025. Although not a draft bill, the report provides legislators with recommendations on how to transpose the PTD into national law. The Commission advised aligning closely with the PTD’s minimum requirements rather than adopting more stringent measures.

The report notes that achieving even the PTD’s base-level compliance will require numerous detailed amendments to the existing German Pay Transparency Act. Its recommendations now serve as a key reference for lawmakers as they prepare the initial legislative proposal.

Hungary

Unlawful Strike Activity May Justify Immediate Termination

Precedential Decision by Judiciary or Regulatory Agency

Author: Zoltán Csernus – VJT & Partners Law Firm

The Supreme Court held that a work stoppage carried out in violation of the Strike Act cannot be treated as a lawful exercise of freedom of expression in the employment context. When employees continue a strike after receiving an employer warning, such conduct may constitute grounds for immediate termination because it breaches essential obligations under the employment relationship.

The Court further stated that termination in these circumstances does not constitute discrimination when the employer can demonstrate the absence of a causal link between the employee’s political expression and the dismissal. If the employer establishes that the termination was based solely on the unlawful strike activity—and not on the employee’s political views—the decision does not amount to discriminatory treatment.

No Right to Immediate Termination if the Legal Grounds and Amount of the Delayed Payment is Disputed

Precedential Decision by Judiciary or Regulatory Agency

Author: Zoltán Csernus – VJT & Partners Law Firm

The Supreme Court issued a decision involving an employee who resigned after the employer delayed overtime payment, which the employer disputed. The Court held that a delay in paying overtime—when the parties disagree on the amount or the underlying legal entitlement—is not equivalent to a delay in paying an undisputed monthly benefit such as salary.

Because the disputed overtime payment did not constitute a clear, undisputed obligation, the Court found that the employee did not have the right to terminate the employment relationship on this basis.

A Collective Bargaining Agreement May Not Be Terminated by the Trade Union that Negotiated the Agreement

Precedential Decision by Judiciary or Regulatory Agency

Author: Nándor Beck – VJT & Partners Law Firm

The Supreme Court held that once a trade union acquires the legal capacity to conclude a collective bargaining agreement, it is entitled to request amendments to the existing agreement and to participate fully in the associated negotiations. This includes initiating proposals to modify the agreement’s terms.



However, the Court clarified that this authority does not extend to terminating the collective bargaining agreement. The right to propose amendments and engage in negotiations does not confer the separate and more far-reaching right to end the agreement altogether.

India

India Overhauls Federal Labor Framework with New Labor Codes

New Legislation Enacted

Authors: Vikram Shroff and Apurva Vats – AZB & Partners

Effective November 21, 2025, the Ministry of Labor and Employment implemented four new Labor Codes that replace 29 federal labor laws—marking the most significant reform of India's labor framework to date. Employers must immediately comply with the new codes, particularly with the new unified definition of wages.

The four codes consolidate and modernize wage rules, social security programs, workplace safety requirements, and industrial relations processes:

- **Code on Wages, 2019:** Merges four wage laws into a single nationwide framework. Establishes a federal floor wage, applies wage and deduction rules to all employees, strengthens gender-based nondiscrimination, and aligns termination/bonus disqualification rules with statutory requirements including consequences for convictions related to sexual harassment.
- **Code on Social Security, 2020:** Consolidates nine federal social security laws and expands coverage to gig workers, platform workers, fixed-term employees, domestic workers, and unorganized workers. Enables government programs for provident fund, pension, and deposit-linked insurance.
- **Occupational Safety, Health and Working Conditions Code, 2020:** Combines 13 federal laws governing workplace safety across factories, mines, plantations, commercial establishments, and digital/audiovisual professions. Standardizes working hours, overtime, leave entitlements, and permits women to work night shifts with consent and safety safeguards.
- **Industrial Relations Code, 2020:** Consolidates three federal industrial relations laws, formalizes fixed-term employment with benefit parity, increases the approval threshold for layoffs and retrenchment to 300 workers, mandates grievance committees for establishments with over 20 workers, and requires a Worker Re-Skilling Fund payment upon termination.

Haryana Amends Shops and Establishments Act to Expand Flexibility and Strengthen Compliance

New Legislation Enacted

Authors: Vikram Shroff and Apurva Vats – AZB & Partners

Effective November 12, 2025, the Governor of Haryana issued the Haryana Shops and Establishments (Amendment) Ordinance, 2025, introducing new thresholds, expanded working-hour rules, and strengthened compliance requirements. The amended framework applies only to shops and establishments with at least 20 employees; those below this threshold are exempt from most provisions except a new onetime business submission under Section 13A.

Key changes include:

- **Working Hours:** Maximum daily hours increased from nine to 10; weekly limits remain 48. Continuous work before a break may now extend to six hours (previously five), followed by a minimum 30-minute rest.
- **Overtime:** Quarterly overtime cap rose substantially from 50 to 156 hours, subject to applicable overtime pay.
- **Registration Requirements:** Establishments with at least 20 employees must complete online registration within one month of commencing business. Labor inspectors will verify and issue a Registration Certificate under the timelines of the Haryana Right to Service Act, 2014. Registration will have lifetime validity.
- **Employee Documentation:** Employers must issue appointment letters with photographs and identity cards containing prescribed details.
- **Penalties:** Fines for noncompliance and false records have increased, including INR 3,000–10,000 for first offenses, higher penalties for repeat offenses, and a daily INR 500 fine for continuing violations.



Ministry of Labor Issues Order Ensuring Continuity of Labor Dispute Adjudication During Transition to New Code

New Regulation or Official Guidance

Authors: Vikram Shroff and Apurva Vats – AZB & Partners

Effective December 8, 2025, the Ministry of Labor and Employment issued the Industrial Relations Code (Removal of Difficulties) Order, 2025 to address transitional challenges arising from implementation of the Industrial Relations Code, 2020.

The Order clarifies that existing Labor Courts, Industrial Tribunals, and the National Industrial Tribunal established under the Industrial Disputes Act, 1947 will continue to adjudicate both pending and newly filed workerrelated disputes until the corresponding bodies under the new Industrial Relations Code, 2020 are formally constituted. This measure ensures uninterrupted adjudication and avoids any legal or administrative gap during the transition.

Karnataka Introduces a Paid Menstrual Leave Policy

New Regulation or Official Guidance

Authors: Vikram Shroff and Apurva Vats – AZB & Partners

Effective November 12, 2025, the State Government of Karnataka issued an order establishing paid menstrual leave for female employees aged 18–52 across establishments covered by the Factories Act, 1948; Karnataka Shops and Commercial Establishments Act, 1961; Plantation Labor Act, 1951; Beedi and Cigar Workers (Conditions of Employment) Act, 1966; and Motor Transport Workers Act, 1961.

Eligible employees may take up to 12 days of paid menstrual leave per year, at a rate of one day per month. No medical certificate or proof is required, and unused leave cannot be carried forward to subsequent months. This policy applies statewide, including Bengaluru.

A writ petition has been filed in the Karnataka High Court against the order mandating menstrual leave.

Haryana Grants FiveYear Exemption from Standing Orders Requirements for KnowledgeBased Industries

New Regulation or Official Guidance

Authors: Vikram Shroff and Apurva Vats – AZB & Partners

On November 20, 2025, the State Government of Haryana granted a five-year exemption to select knowledge-based and technology-driven sectors—including IT/ITES companies, startups, animation and gaming firms, telecom entities, Global Capability Centers, Business Process Outsourcing, Knowledge Process Outsourcing, and similar industries—from the Industrial Employment (Standing Orders) Act, 1946.

The exemption is subject to several conditions:

- **Workplace Committees:** Establishments must maintain an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and constitute a Grievance Redressal Committee with equal employer and employee representation to address complaints within a reasonable period.
- **Disciplinary Procedures:** All disciplinary actions—including suspension, discharge, termination, demotion, and dismissal—must be referred to the Jurisdictional Deputy Labor Commissioner and the Labor Commissioner, Haryana.
- **Disclosure Obligations:** Employers must submit complete information on employee service conditions within prescribed timelines when requested by authorities.

The Industrial Relations Code, 2020 (IRC)—which replaces the Industrial Employment (Standing Orders) Act, 1946—came into force the very next day. The notification states that once the IRC becomes effective, it will govern all such establishments. Because the IRC took effect the following day, the practical relevance of this exemption may already be moot.



Indonesia

Indonesia Launches Digital Platform to Strengthen Labor Law Enforcement

Important Action by Regulatory Agency

Author: Stephen Igor Warokka – SSEK Law Firm

Indonesia's Ministry of Manpower launched *Lapor Menaker* on November 12, 2025, as a centralized digital platform for confidential reporting of labor law violations. The system enables workers and the public to submit complaints related to wages, working conditions, employment documentation, and foreign worker compliance.

Reports are reviewed by labor authorities and forwarded to the appropriate agencies for follow-up, reflecting increased government oversight and stricter enforcement expectations for employers.

Israel

Court Requires Government–Union Dialogue in Welfare Tender Process

Precedential Decision by Judiciary or Regulatory Agency

Author: Orly Aviram – N. Feinberg & Co.

The National Labor Court ruled (Case No. 5448-04-25) that the government must engage in genuine workplace dialogue with the workers' union before issuing a new tender for welfare services for at-risk youth. The Court held that the government must consult the union on any tender conditions that affect employees' rights and must disclose existing collective bargaining agreements to bidders to avoid misleading tender participants. The Court rejected the claim that a new operator would automatically be bound by these agreements under Section 18 of the Collective Agreements Law, 1957–5717.

The Court based its decision on the government's direct role in shaping current employment terms and the significant impact a new tender could have on those terms, whether awarded to an existing or new operator. It clarified that workplace dialogue requires meaningful, interactive engagement rather than a one-sided presentation of positions. The Court also noted that whether this dialogue obligation applies when services shift between private providers remains unclear.

Italy

Italy Delegates Authority to Reform Employee Remuneration and Collective Bargaining

New Legislation Enacted

Authors: Carlo Majer and Alessandra Pisati – Littler

Italy's Parliament published Law No. 144 of September 26, 2025, in the Official Gazette on October 3, 2025, granting the government authority to reform employee remuneration, collective bargaining, and related control and information procedures. The law requires the government, within six months of its effective date, to issue one or more legislative decrees to strengthen the constitutional right to proportionate and sufficient pay under Article 36 of the Italian Constitution.

The delegated decrees must pursue several objectives, including ensuring fair and equitable remuneration, combating underpaid work, promoting the renewal of national collective labor agreements, and addressing unfair competitive practices linked to contractual systems that reduce labor costs and protections (commonly referred to as contractual dumping).



Validation Requirement for Resignations by Protected Parents During Probation

New Regulation or Official Guidance

Authors: Carlo Majer and Alessandra Pisati – Littler

The Ministry of Labor and Social Policies clarified that resignations submitted by working mothers or other protected parents during the probationary period—within the first three years of a child's life—must be validated by the Territorial Labor Inspectorate under Article 55(4) of Legislative Decree 151/2001. This requirement aims to ensure that such resignations are genuine and not a disguised dismissal.

Case law reinforces this principle, recognizing the validation process as a protective, anti-discriminatory safeguard designed to prevent coercion and protect parental rights.

Japan

Japan Mandates Flexible Work Measures for Parents of Young Children

New Legislation Enacted

Author: Aki Tanaka – Littler

Effective October 1, 2025, employers in Japan must introduce measures that support flexible working arrangements for employees raising children from age three until school entry. Under the amended Childcare and Caregiver Leave Act, employers are required to implement at least two of the following options:

- Flexible start and finish times (e.g., flextime or staggered hours)
- Telework arrangements available for at least 10 working days per month
- Employer-provided or supported childcare (including babysitter services)
- A “work-childcare balance leave” of at least 10 days per year, usable by the hour
- A shorthours working system

Employees may select one of the measures offered. These requirements are intended to expand work-style options and help employees maintain full-time employment during the childcare period.

Kingdom of Saudi Arabia

Mandatory Contract Registration and Enforcement Reforms

New Regulation or Official Guidance

Authors: Sara Khoja and Sarit Thomas – Clyde & Co.

Saudi Arabia introduced significant reforms to its employment contract framework under Vision 2030. All employment contracts must now be registered with both the Ministry of Human Resources and Social Development (via Qiwa) and the Ministry of Justice (via Najiz), using the official Executive Employment Contract template on Qiwa. Each contract must receive an execution number from the MOJ Documentation Center and include required details such as addresses, contact numbers, contract duration and renewal terms, and precise salary payment dates. Wage clauses are now directly enforceable before enforcement courts, with non-payment enforceable after 30 days (previously two months) and partial payment cases enforceable after 90 days.

The reforms impose phased implementation deadlines: new or updated contracts must be in place by October 6, 2025; renewed or extended fixed-term contracts by March 6, 2026; and unlimited-term contracts by August 6, 2026. Employers should adopt the new Qiwa template, ensure all contracts are registered on both Qiwa and Najiz, audit wage payment systems, and prepare for compliance with the phased rollout.



Increased Saudization Percentages in Key Medical Roles

New Regulation or Official Guidance

Authors: Sara Khoja and Sarit Thomas – Clyde & Co.

Effective October 17, 2025, Saudi Arabia raised the required proportion of Saudi nationals in several medical professions. The new Saudization thresholds now apply to all hospitals and health facilities nationwide—expanding coverage beyond major cities and large facilities. The updated requirements are:

- Medical Laboratories: 70% (up from 60%)
- Physiotherapy: 80% (up from 60%)
- Radiology: 65% (up from 60%)
- Therapeutic Nutrition: 80% (up from 60%)

These expanded nationalization targets reflect the government's broader labor-market strategy and significantly increase compliance obligations for healthcare employers across the country.

Malaysia

SOCSO Coverage Expanded to 24-hour Protection

New Legislation Enacted

Author: Selvamalar Alagaratnam – Skrine

On December 18, 2025, Parliament passed the Employees' Social Security (Amendment) Bill 2025, which is now pending Royal Assent. The Amendment introduces 24-hour protection for employees by extending SOCSO coverage—Malaysia's social security protection under the Employees' Social Security Act 1969 (SOCSO Act) that provides accident, medical, disability, and dependents' benefits—to personal injuries sustained outside of employment (non-employment injury). Coverage excludes accidents occurring outside Malaysia, incidents involving violations related to false information under Section 93 of the SOCSO Act, and cases where a foreign worker misuses a valid pass or breaches Immigration Act entry requirements.

The Bill also requires employees to contribute toward coverage for non-employment injuries, broadening the scope of financial responsibility while significantly expanding overall protection.

Bill Seeks to Expand SOCSO Employment Services and Allowances

Proposed Bill or Initiative

Author: Selvamalar Alagaratnam – Skrine

On December 2, 2025, the House of Representatives passed the Employment Insurance System (Amendment) Bill 2025, broadening SOCSO's mandate to provide employment services to all individuals, including gig and platform workers, and to operate Active Labor Market Programs. Employers are now required to notify SOCSO of job vacancies and new hires, increasing oversight and facilitating job-matching efforts.

The bill introduces new financial support, including a RM 1,000 Mobility Assistance Allowance for insured individuals who secure new employment, and increases reemployment and training-related allowances. It also clarifies that employers may not recover their contribution share from employees and grants SOCSO legal immunity under the Public Authorities Protection Act 1948.

Mandatory EPF Registration for NonMalaysian Employees

Legal Compliance

Author: Selvamalar Alagaratnam – Skrine

Effective October 1, 2025, the Employees Provident Fund (Amendment) Act 2025 requires employers to register non-Malaysian employees who hold a valid passport and work pass with the Employees Provident Fund (EPF). Employers must begin making EPF contributions on behalf of these employees.



Mexico

Mexico Increases Minimum Wages for 2026

New Order or Decree

Authors: Mónica Schiaffino and Valeria Cutipa Hernández – Littler

Effective January 1, 2026, the National Minimum Wage Commission (CONASAMI) increased the general minimum wage to MXN 315.04 per day and to MXN 440.87 pesos per day in the Free Economic Zone of the Northern Border. CONASAMI announced that the 2025 general minimum wage was raised by MXN 17.01 pesos through the Independent Recovery Amount (MIR), followed by a 6.5% percentage increase. In the Free Economic Zone, the minimum wage was raised by 5% overall.

These adjustments result in a 13% overall increase to the general minimum wage for 2026. Employers should review whether the new wage levels affect employment-related benefits—such as savings fund contributions and food coupons—depending on how those benefits were negotiated with employees or unions.

[Read the full article on Littler.com.](#)

Mozambique

Mozambique Issues Climate Risk Management Requirements for Financial Institutions

New Legislation Enacted

Authors: Nuno Gouveia and Paulo Pimenta – Miranda Alliance

On October 21, 2025, the Bank of Mozambique issued Climate Risk Management Guidelines (Notice No. 46/GBM/2025), which take effect April 20, 2026. The Notice requires financial institutions to establish mechanisms to identify, measure, control, and mitigate physical climate risks.

Institutions must also ensure appropriate training for personnel responsible for climate risk management and obtain mandatory independent assessments evaluating resilience to adverse climate events.

New Zealand

Parliamentary Committee Recommends Amendments to Employment Relations Bill

Proposed Bill or Initiative

Authors: Michael Whitbread and Naomi Seddon – Littler

The Education and Workforce Committee has recommended that Parliament pass the Employment Relations Amendment Bill, subject to significant changes. The Committee proposes adjustments to the new “specified contractor” gateway test used to determine employee status, including clarifying that providing full-time services to one company does not prevent an individual from working for others, and that declining additional work alone does not justify termination.

The Committee also recommends raising the income threshold for high-income earners who can bring unjustified dismissal claims from \$180,000 to \$200,000 in total annual remuneration and delaying future indexation until at least July 1, 2027.



Nigeria

Post-Employment Use of Employee Images and Privacy Rights

Precedential Decision by Judiciary or Regulatory Agency

Authors: Ugonna Ogbuagu and Adejumoke Ademola – **ÆLEX**

In *Miss Franca Onu Daniel v. Primetech Security Equipment Co. Ltd & Anor* (NICN/ABJ/368/2024, October 17, 2025), the National Industrial Court of Nigeria addressed two key issues: the effect of resigning without the contractually required notice, and an employer's continued use of an employee's image after separation. The Court held that although the employment relationship was described as "at will," the contract explicitly required one month's notice or forfeiture of salary in lieu. Because the claimant resigned without providing notice, the employer was entitled to withhold her salary for the notice period.

The Court also held that the employer violated the claimant's personality and constitutional privacy rights by continuing to use her image on social media for advertising after the employment relationship ended and without her consent. The Court rejected the employer's explanations that the images were taken during training sessions and ordered immediate removal of the images, awarding damages for the infringement.

Employer Obligations in Managing Disability and Long-Term Absence

Precedential Decision by Judiciary or Regulatory Agency

Authors: Ugonna Ogbuagu and Adejumoke Ademola – **ÆLEX**

In *Mr. Olakunle Jagun v. Airtel Networks Limited* (NICN/LA/343/2023, October 2, 2025), the National Industrial Court held that an employer cannot rely on internal policies to justify termination when those policies were adopted after the separation. The claimant, who was on extended medical leave due to serious health conditions, argued that the employer failed to provide reasonable accommodation, denied him a fair hearing, and terminated him without complying with contractual notice requirements. The Court agreed that health-related absences must be handled in a manner that is fair, humane, and consistent with the employment contract.

The Court found that even where an employee is absent for a prolonged period, employers must follow contractual notice provisions and cannot treat termination as automatic. The employer's failure to consider reasonable alternatives and to comply with established procedural protections rendered the termination wrongful and an unfair labor practice.

Nigeria Advances Bill to Establish Unified Social Security Framework

Proposed Bill or Initiative

Authors: Ugonna Ogbuagu and Miebi Abere – **ÆLEX**

In October 2025, the Nigerian Senate advanced the Nigeria Social Security Trust Fund Bill 2025, which would repeal the existing Nigeria Social Insurance Trust Fund Act and the Employees' Compensation Act (ECA 2010). The bill would create the Nigeria Social Security Trust Fund (NSSTF) as a centralized institution responsible for administering social security benefits for workers across both formal and informal sectors. If enacted, it would consolidate workplace injury, disability, unemployment, and retirement benefits under a single legal structure, reshaping employer contribution obligations, claims administration, compliance processes, and broader labor-management dynamics.

Labor groups—including the Nigeria Labour Congress—and employer representatives have raised concerns, suggesting that aspects of the bill may disadvantage workers and require additional stakeholder consultation.



Norway

Supreme Court Confirms Independent Contractor Status for Emergency Foster Parents

Precedential Decision by Judiciary or Regulatory Agency

Authors: Nina Thjømøe and Marit Aasbø – Littler

The Supreme Court recently held that foster parents in emergency foster homes operated by the Municipality of Oslo are independent contractors rather than employees. Relying on its 2013 precedent involving state-operated emergency foster homes, the Court found no meaningful changes in either the nature of foster-parent responsibilities or the applicable legal framework that would justify a different classification. The Court emphasized that the core function of foster parents is to provide care for a child within their own home as part of the family, which is fundamentally distinct from an employment relationship. European Economic Area law did not support contrary findings.

As a result, the appellants were not employees under the Working Environment Act and were therefore not entitled to employment protections, compensation for non-economic loss, or participation in the Municipality of Oslo's pension scheme.

Bill Proposes Clearer Requirements for Employees and Employers Regarding Sick Leave

Proposed Bill or Initiative

Authors: Nina Thjømøe and Marit Aasbø – Littler

The government has proposed amendments to the National Insurance Act and the Working Environment Act aimed at reducing sickness-related absences. The proposal would revise rules on employee participation, work activity, and workplace accommodations. Employees could be required to temporarily perform duties outside the scope of their employment contracts, while employers would be obligated to provide temporary or permanent accommodation for workers with reduced work capacity.

Employers would also need to submit a follow-up plan to the Norwegian Labor and Welfare Administration within four weeks of an employee's sickness absence.

Peru

New Law Expands Health Coverage for Civil Construction Employees

New Legislation Enacted

Authors: César González Hunt and Amable Vásquez Baiocchi – Philippi Prietocarrizosa Ferrero DU & Uría

On November 19, 2025, Peru enacted Law No. 32503, amending Law 26790 on the Modernization of Social Security in Health to strengthen health coverage for civil construction employees. Under the amendment, employees and their beneficiaries qualify for health coverage if they have contributed to the health insurance program for two consecutive or non-consecutive months within a year.

The law also provides a latency period of up to 12 months for employees and their beneficiaries, provided they contributed for at least three months during the three years preceding the termination of employment.

Decree Expands CTS Withdrawal Rights for Employees with Terminal Illness

New Order or Decree

Authors: César González Hunt and Amable Vásquez Baiocchi – Philippi Prietocarrizosa Ferrero DU & Uría

On December 17, 2025, Peru issued Supreme Decree No. 007-2025-TR, amending Article 14 and creating Article 14-A of Supreme Decree No. 004-97-TR, the regulation governing the Compensation for Time of Services (CTS)—a contingency fund roughly equivalent to an additional monthly salary per year for employees transitioning through unemployment. The amendment authorizes employees diagnosed with terminal illness or cancer to withdraw up to 100% of their CTS balance.



The decree establishes a streamlined process: employees must present medical certification verifying their condition to the employer, who must notify the bank within two business days to authorize the withdrawal. The bank then has two business days to release the funds to the employee.

Tribunal Confirms No Immediate Constitutional Impact of Suspended Outsourcing Decree

Precedential Decision by Judiciary or Regulatory Agency

Authors: César González Hunt and Amable Vásquez Baiocchi – Philippi Prietocarrizosa Ferrero DU & Uría

On October 3, 2025, the Constitutional Tribunal issued a decision in File No. 03097-2024-PA/TC, evaluating whether Supreme Decree No. 001-2022-TR—which regulates the prohibition on outsourcing core business activities—violates a company's fundamental rights. The Tribunal held that the decree does not currently affect fundamental rights because its enforcement is suspended pending the Supreme Court's resolution of a class action challenging its legality.

Because the suspension eliminates any immediate threat to constitutional rights, the Tribunal found that intervention was unnecessary and concluded that it was not appropriate to rule on the merits of the claim at this time.

Representation in Immigration Proceedings

Important Action by Regulatory Agency

Authors: César González Hunt and Amable Vásquez Baiocchi – Philippi Prietocarrizosa Ferrero DU & Uría

On October 25, 2025, Resolution No. 0363-2025/SEL-INDECOPI was published, addressing limitations on representation in administrative proceedings related to immigration status in Peru. The resolution confirms that all procedures before the Immigration Court must be conducted in person.

The resolution further clarifies that these procedures cannot be carried out by third parties acting under powers of representation; only the individual concerned may appear before the Immigration Court.

Poland

New Collective Bargaining Framework

New Legislation Enacted

Authors: Jarosław Karlikowski and Natalia Bigdowska – Wardynski & Partners

Effective December 13, 2025, the new [Law on Collective Bargaining and Collective Agreements](#) introduced revised rules governing the negotiation, scope, and registration of collective agreements.

Key changes include:

- Employers may join or withdraw from collective agreements more easily.
- The list of matters that collective agreements may regulate is open-ended.
- All employees are presumed to fall within the scope of the applicable collective agreement.
- Collective agreements must be registered in a designated system.

Minimum Wage Increases, Effective January 1, 2026

New Legislation Enacted

Authors: Jarosław Karlikowski and Natalia Bigdowska – Wardynski & Partners

Effective January 1, 2026, the minimum monthly wage [increased](#) to PLN 4,806 gross (approximately USD 1,338.65), reflecting a PLN 140 (3%) rise compared to 2025. As a result, minimum-wage-linked payments—such as night work allowances, minimum compensation for harassment or discrimination, and severance pay for terminations not attributable to the employee—will also increase.

Additionally, as of January 1, 2026, the minimum hourly rate increased to PLN 31.40 gross (approximately USD 8.75).



Draft Bill to Fully Implement EU Pay Transparency Directive

Proposed Bill or Initiative

Authors: Jaroslaw Karlikowski and Natalia Bigdowska – Wardynski & Partners

Following the December 24, 2025 [enactment of legislation](#) implementing Article 5 of EU Directive 2023/970 on pay transparency, Poland has published a [draft bill](#) to implement the Directive in full. The proposal expands employer obligations related to evaluating job value, reporting pay gaps and assessing wage equality.

Key provisions include:

- Employers must assess the value of each type of work or position. The Ministry of Labor and the Central Institute for Labor Protection are developing a [free analytical tool](#) and accompanying guidance.
- Employers, with at least 100 employees, must prepare a pay gap report.
- Under certain conditions, employers with at least 100 employees must conduct a joint wage assessment in consultation with trade unions or employee representatives.
- Determining whether employees perform equal work or work of equal value may include employees of other employers if they are covered by the same remuneration rules, particularly those adopted within a capital group.

The draft bill is scheduled to go into effect on June 7, 2026, but it remains subject to review and consultation, and further amendments may occur.

Government Halts Planned Reforms to the National Labor Inspectorate

Proposed Bill or Initiative

Authors: Jaroslaw Karlikowski and Natalia Bigdowska – Wardynski & Partners

Press reports indicate that the Prime Minister announced that the government would no longer pursue reforms to the National Labor Inspectorate and considers the matter closed.

In December 2025, significant revisions were made to a [draft amendment](#) to the Act on the State Labor Inspectorate (PIP). Although the revised text was published, the government later stated that PIP's powers would not be expanded to the extent initially proposed. One notable change concerned reclassification decisions, which, under the latest draft, would take effect only once they became final and no longer subject to appeal.

According to more recent press coverage, no reforms will move forward for now.

Portugal

New Legal Framework for Entry, Residence, and Employment of Foreign Citizens

New Legislation Enacted

Authors: David Carvalho Martins and Ana Isabel Figueiredo – Littler

Portugal's Parliament approved Law No. 61/2025 on October 22, 2025, implementing substantial changes to the legal framework governing the entry, stay, and employment of foreign nationals. The law amends Decree-Law No. 37-A/2024 and eliminates residence authorization based on "manifestations of interest," which previously allowed certain individuals to request a residence permit from within Portugal without holding a prior visa.

Key updates include creation of the "Qualified Job-Seeking Visa," enabling entry for foreign nationals with specialized technical skills seeking highly qualified employment. The visa is valid for 120 days and includes a mandatory appointment with the Agency for Integration, Migration and Asylum (AIMA). Applicants who secure employment may request a residence permit; those who do not must depart Portugal and may reapply only after one year.



The law also directs the government to pursue bilateral labor mobility agreements with third countries to support strategic economic sectors, including pre-departure training, Portuguese language preparation, and labor protections. Transitional provisions allow current employed or self-employed residence permit holders to convert their permits to teaching or cultural activities within 180 days.

Increase of the Statutory Minimum Monthly Wage and Adjustment to Multi-Year Contract Pricing

New Legislation Enacted

Authors: David Carvalho Martins and Ana Isabel Figueiredo – Littler

Decree-Law No. 139/2025, issued on December 29, 2025, sets Portugal's Statutory Minimum Monthly Wage at EUR 920.00, effective January 1, 2026. This update implements commitments under the 2025–2028 Medium-Term Agreement adopted by the XXV Constitutional Government to raise labor income.

In addition to increasing the minimum wage, the Decree-Law updates price-adjustment rules for multi-year service procurement contracts—particularly in sectors such as human security and surveillance, building and equipment maintenance, and catering services. These rules apply both to contracts signed before January 1, 2026 and to later contracts for which proposals were submitted prior to that date.

Eligibility for price adjustments requires proof that labor costs tied to the minimum wage materially affected contract pricing and that the contract was impacted by the Decree-Law. Any adjustment must be limited to what is strictly necessary to restore the contract's economic and financial balance, recognizing that some wage variation, including minimum wage increases, is reasonably foreseeable in multi-year contracts.

Court Restricts Use of Non-Consensual Recordings as Evidence in Employment Disputes

Precedential Decision by Judiciary or Regulatory Agency

Authors: David Carvalho Martins and Ana Isabel Figueiredo – Littler

Under Portuguese law, the right to present evidence is protected by Article 20(1) of the Constitution and Articles 341–342 of the Civil Code. While parties may submit evidence to support their claims or defenses, admissibility is subject to proportional and non-arbitrary limitations.

In the *Ruling of the Guimarães Court of Appeal, October 23, 2025 (Case No. 2505/24.9T8VRL-A.G1)*, an employee submitted a recording of a conversation with her manager—made without consent—to prove an alleged verbal dismissal. The Court of Appeal deemed the recording unlawful, holding that the employee's interest in proving the dismissal did not outweigh the manager's constitutionally protected privacy rights. The Court also noted that the employee could rely on less intrusive alternatives, such as witness testimony.

The ruling confirms that non-consensual recordings are admissible only in situations involving criminal conduct or serious unlawful acts where public interest and victims' rights justify the intrusion. Because these circumstances were not present, the Court held that such recordings cannot substantiate dismissals, reinforcing principles of proportionality, adequacy, and protection of fundamental rights.

Supreme Court Invalidates CBA Clauses That Disadvantage Fixed-Term Employees

Precedential Decision by Judiciary or Regulatory Agency

Authors: David Carvalho Martins and Ana Isabel Figueiredo – Littler

On November 10, 2025, the Supreme Court ruled that collective bargaining agreement provisions assigning employees on fixed-term contracts to lower job categories than permanent employees—resulting in lower pay and slower career progression—are invalid because they constitute unequal treatment.

The Court held that employees with fixed-term contracts must be placed in the same job category as permanent employees, with corresponding career progression rights. Employers are required to correct employee classifications and provide back pay and allowances that the employee would have received had they been properly placed in the appropriate category, including all associated career advancement.



Supreme Court Clarifies Requirements for Employee Resignation for Just Cause

Precedential Decision by Judiciary or Regulatory Agency

Authors: David Carvalho Martins and Ana Isabel Figueiredo – Littler

On November 12, 2025, the Supreme Court clarified the level of detail required when an employee resigns for just cause based on employer misconduct. Lower courts had dismissed the claim on the ground that the resignation letter lacked sufficient specificity.

The Supreme Court held that an employee's resignation notice is not intended to serve as a fully articulated "notice of guilt." While the employee must communicate the reasons for resigning, the explanation may be brief, and additional details may be provided later. The Court emphasized that employees should not lose legal protection simply because their initial written notice does not contain the level of detail typically expected in employer-initiated disciplinary communications.

Puerto Rico

Puerto Rico Supreme Court Invalidates Bond Requirement in Act 2 Employment Cases

Precedential Decision by Judiciary or Regulatory Agency

Author: Glorimar Irene Abel – Littler

In *Jack Javier Slim v. Royal Blue Hospitality, LLC*, 2025 TSPR 133, 216 D.P.R. ____ (2025), the Puerto Rico Supreme Court held that the non-resident bond requirement in Rule 69.5 of the Puerto Rico Rules of Civil Procedure is incompatible with summary employment proceedings under Act No. 2 of October 17, 1961 (32 L.P.R.A. §3118 et seq.). The Court found that requiring employee-plaintiffs to post a bond would undermine Act 2's expedited framework and conflict with the Legislature's intent to ensure swift resolution of labor disputes.

The Court emphasized that Act 2 strictly limits discovery and imposes mandatory, accelerated deadlines to promote rapid adjudication of unjust dismissal claims. Because the bond requirement added a procedural barrier inconsistent with this streamlined process, it could not be applied in Act 2 cases. The Court also rejected the employer's argument that the Act 2 deadline to answer the complaint was tolled by the trial court's improper imposition of the bond requirement, reaffirming that Act 2's deadlines are strict and cannot be suspended on that basis.

This decision confirms the mandatory nature of Act 2's procedural timeline and reinforces the statute's purpose of providing prompt resolution of employment disputes.

[Read the full article on Littler.com.](#)

Puerto Rico OSHA Updates Penalty Structure for Employer Non-Compliance

Important Action by Regulatory Agency

Authors: Erika Berrios Berrios and Glorimar Irene Abel – Littler

Effective November 3, Puerto Rico OSHA issued a public notice updating fines and penalties for employer noncompliance with OSHA-adopted standards. Under the revised framework, willful or repeated violations now carry penalties ranging from \$11,823 to \$165,514 per violation. Serious violations may result in fines between \$1,221 and \$16,550, while non-serious violations have no minimum penalty and a maximum fine of \$16,550.

Employers who fail to correct cited violations may be fined up to \$16,550 per day, and failure to comply with posting requirements may also result in penalties of up to \$16,550. These changes align Puerto Rico OSHA's penalty structure with federal OSHA standards and reinforce enforcement and deterrence efforts, encouraging employers to strengthen their workplace safety programs.

[Read the full article on Littler.com.](#)



Romania

New Telework Entitlements for Employees with Disabled Dependent Children

New Legislation Enacted

Author: Corina Radu – SCA Magda Volonciu & Associates

Effective October 2025, Law No. 149/2025 grants enhanced remote work entitlements to employees caring for dependent children with disabilities. Key provisions include:

- Under Law No. 81/2018 on telework, employees responsible for children with disabilities up to age 18 are entitled to eight days of remote work per month. Employees with two or more dependent children with disabilities receive an additional two days per month for each additional child. These rights apply unless the nature of the employee's work does not permit remote arrangements.
- Requests for remote work must be supported, as applicable, by a certificate issued under applicable law confirming the child's disability status.
- Separately, under the Romanian Labor Code, employees caring for children up to age 11 are entitled to four days per month of remote work—home-based or telework—unless the nature of the work prevents such arrangements.

Amended Law Increases Internship Capacity and Introduces Paid Leave for Interns

New Legislation Enacted

Author: Corina Radu – SCA Magda Volonciu & Associates

Recent amendments to the Internship Law expand the number of interns a host organization may engage at the same time. Host organizations may now enter into internship contracts with several interns up to 10% of their total workforce, an increase from the previous 5% limit. Organizations with 20 or fewer employees may conclude up to two internship contracts simultaneously.

The amendments also introduce paid leave rights for interns, calculated proportionally to the duration of the internship program. Unused leave is not compensable at the end of the contract if not taken during the internship. This differs from the labor law applicable to regular employees, who are entitled to financial compensation for unused annual leave upon termination of employment.

Romania Doubles Fines for Undeclared Work Effective January 2026

New Legislation Enacted

Author: Corina Radu – SCA Magda Volonciu & Associates

Effective January 2026, Romania doubled the fines for employing individuals without an individual employment contract (undeclared work). Employers now face penalties of RON 40,000 (approximately EUR 8,000) for each undeclared worker identified, with a maximum cumulative fine of RON 1,000,000 (approximately EUR 200,000) per employer.

Previously, undeclared work carried a fine of RON 20,000 (approximately EUR 4,000) per individual, capped at RON 200,000 (approximately EUR 40,000). The increased sanctions are intended to deter undeclared work, reduce tax evasion, and enhance worker social protection.

Employer Notification Duties When Reactivating Employment After Court-Ordered Reinstatement

Precedential Decision by Judiciary or Regulatory Agency

Author: Corina Radu – SCA Magda Volonciu & Associates

Employers must formally notify employees when reinstating them following a court-ordered annulment of an unlawful dismissal. In *Decision No. 362/2025* of October 20, 2025, the High Court of Cassation and Justice – Panel for Resolving Legal Issues – held that voluntary enforcement of a reinstatement judgment requires the employer to issue written notice informing the employee of:

- The reactivation of the individual employment contract
- The date on which the employment relationship will effectively resume



The ruling clarifies that reinstatement is not complete without clear, formal communication to the employee, ensuring transparency and proper execution of court-mandated reemployment.

Constitutional Court Declares Employee Polygraph Testing Unconstitutional

Precedential Decision by Judiciary or Regulatory Agency

Author: Corina Radu – SCA Magda Volonciu & Associates

On October 20, 2025, the Constitutional Court of Romania ruled that administering polygraph (lie detector) tests to employees is unconstitutional. The Court found that such practices violate constitutional principles requiring legal norms to be clear, predictable, and sufficiently precise.

The Court distinguished polygraph testing from psychological assessments used for specific public service positions. It upheld the constitutionality of psychological testing for those roles, recognizing its purpose in ensuring the psychological fitness of public officials in relation to their professional duties.

South Africa

Constitutional Court Restructures Parental Leave Framework in Landmark Decision

Precedential Decision by Judiciary or Regulatory Agency

Author: Tracy van der Colff – OWP Partners

On October 3, 2025, the Constitutional Court of South Africa issued a landmark judgment in *Van Wyk and Others v. Minister of Employment and Labour*, holding that the parental leave provisions in the Basic Conditions of Employment Act and the Unemployment Insurance Fund framework unfairly discriminated based on gender, biology, and family structure. The Court found that parental-leave entitlements must be organized around caregiving responsibilities rather than biological distinctions.

Although the declaration of invalidity is suspended for 36 months to allow Parliament to amend the legislation, the Court established an interim regime with immediate effect. The prior categories of maternity, adoption, surrogacy, and parental leave have been replaced with a shared parental-leave entitlement consisting of four months plus 10 consecutive days. Parents may allocate this combined leave between themselves by agreement, and each may claim Unemployment Insurance Fund (UIF) benefits for their respective portions, subject to standard eligibility criteria.

Employers must implement the interim regime now and review parental-leave policies to ensure compliance while awaiting formal legislative amendments.

Spain

New Unified Training Contract System Under Royal Decree 1065/2025

New Legislation Enacted

Author: Martina Pérez Vergnaud – Littler

Royal Decree 1065/2025 updates Article 11 of the Spanish Workers' Statute to create a single training-contract system that encompasses two contract types: the *alternating training contract*, which combines paid work with formal education, and the *professional practice acquisition contract* for individuals who have completed their studies.

Alternating training contracts may last from three months to two years, with working time capped at 65% of a comparable role during the first year and 85% in the second, and remuneration set at 60% and 75% of the comparable salary, respectively. Professional practice acquisition contracts must run between six months and one year.

Both contract types require a designated tutor at the company and educational center, as well as a formal training or practice plan. Workers under these contracts are entitled to unemployment benefits and full social security coverage. The Decree also introduces



employer-side limits on the number of training contracts: up to three contracts for companies with up to 10 employees; up to seven for companies with 11–30 employees; up to 10 for companies with 31–50 employees; and up to 20% of the workforce for employers with more than 50 employees.

Spain Revises Training Contract Rules with New Eligibility, Training, and Compliance Requirements

New Legislation Enacted

Author: Sara Olabarría – Littler

Spain's revised training-contract framework distinguishes between *alternating training contracts*, which combine paid work with formal education, and *professional practice contracts* for recent graduates seeking professional experience. Both contracts require a formal training plan that must be communicated to worker representatives, and alternating training contracts additionally require a cooperation agreement with an educational institution. The regulation reinforces the role of tutors, including limits on the number of trainees they may oversee.

Eligibility depends on the worker's training status and age, and training contracts may not be used for roles previously performed by the worker for more than six months. Professional practice contracts must be concluded within three years of graduation, extended to five years for persons with disabilities. Alternating training contracts may last three months to two years, with defined ratios between working and training time and pay set at 60% or 75% of the applicable job-group salary, subject to proportional minimum-wage rules. Professional practice contracts must last six months to one year (up to two years for persons with disabilities), with compensation established in the applicable collective bargaining agreement and never below the levels required for alternating contracts or the proportional minimum wage.

The regulation also sets quantitative limits on concurrent training contracts per workplace, with non-compliance triggering automatic conversion to permanent contracts and administrative fines of up to EUR 10,000 per contract.

Spain Requires Large Employers to Implement Sustainable Commuting Mobility Plans

Legal Compliance

Author: Sara Olabarría – Littler

Law 9/2025 on Sustainable Mobility, effective December 5, 2025, requires employers with more than 200 employees—or more than 100 employees per shift—to implement Sustainable Commuting Mobility Plans within 24 months. These plans must be negotiated with employees' legal representatives or, where none exist, with a union-based negotiating committee established under sectoral representation rules.

The plans must include measures promoting sustainable commuting, such as active mobility, collective and low-emission transport, shared mobility options, facilities supporting zero-emission vehicles, and remote work where feasible. Workplaces with more than 1,000 employees located in municipalities or metropolitan areas exceeding 500,000 inhabitants face additional obligations, including strategies to reduce peak-hour commuting and enhance low- or zero-emission and collaborative mobility.

Mobility Plans are subject to ongoing oversight, including preparation of a biennial monitoring report.

Switzerland

Performance-Related Bonus – Distinction between Salary and Discretionary Gratuities

Precedential Decision by Judiciary or Regulatory Agency

Authors: Cédric Bamert and Ueli Sommer – Littler

The Swiss Federal Supreme Court issued a recent decision addressing how to distinguish between salary components and discretionary gratuities in a two-tier bonus system. The first tier consisted of a contractually agreed "minimum bonus," payable once the employee met an objectively measurable target. Because this component was contractually guaranteed and its value could be determined in advance, the Court held that it constituted a binding part of the employee's salary.



The second tier applied a subjective “multiplier” based on an individual performance assessment. The Court ruled that while employers may exercise discretion in setting such multipliers, this discretion cannot be exercised arbitrarily—particularly in a manner that would reduce the contractually guaranteed minimum bonus. Generally, a performance-related bonus is considered salary when its amount is contractually fixed or objectively determinable; when the employer retains discretionary authority, it is treated as a gratuity. In this case, the Court affirmed that the minimum bonus formed part of the employee’s salary and was owed in full.

Entitlement to Continued Payment of Salary for Inability to Work due to Alcohol Addiction

Precedential Decision by Judiciary or Regulatory Agency

Authors: Cédric Bamert and Ueli Sommer – Littler

The Swiss Federal Supreme Court recently ruled that an alcohol-dependent service technician was entitled to continued salary payments after causing a traffic accident while under the influence of alcohol and subsequently losing his driver’s license. The Court held that alcohol dependence constitutes an illness and was the decisive cause of both the accident and the license revocation, as well as the employee’s need for inpatient treatment.

Because the employee’s inability to work resulted primarily from illness, the Court found that this circumstance did not eliminate his right to continued salary payment. The Supreme Court therefore dismissed the employer’s appeal, confirming that illness-related incapacity—even when linked to alcohol dependence—does not negate statutory salary protection.

Thailand

LPA Amendment Expands Family-Related Leave and Worker Protections

New Legislation Enacted

Author: Kraisorn Rueangkul and Trin Ratanachand – DFDL (Thailand)

The Labor Protection Act (No. 9) B.E. 2568 (2025), which amends the Labor Protection Act B.E. 2541 (1998), took effect on December 8, 2025. The amendment expands family-related leave entitlements and clarifies the categories of workers protected under the Act. Female employees are now entitled to 120 days of maternity leave per pregnancy—up from 98 days—with 60 days fully paid and the remaining period potentially unpaid. The amendment also introduces 15 days of paid parental leave for employees whose spouse has given birth, to be taken within 90 days, regardless of gender.

Additional changes include a new infant-care leave entitlement for female employees when an infant has a medical condition that poses a risk of complications, abnormalities, or disabilities. During this leave, employees receive 50% of their regular wages. The amendment further extends general labor protections to workers engaged by government agencies through service contracts, ensuring that non-civil-service contractual workers are explicitly covered under the LPA.

These updates bring Thailand’s labor protections closer to evolving international standards and strengthen support for employees with family-related responsibilities.

Ukraine

45-Day Probationary Period for Strategic Enterprises and Temporary Hiring Flexibility

New Legislation Enacted

Authors: Oleksiy Demyanenko and Inesa Letych – Asters

Effective December 4, 2025, the maximum probationary period for employees of strategic (critical) enterprises has been reduced from 90 days to 45 days. During this 45-day period, employers may hire individuals who do not have proper military registration documents or who are listed as wanted for violations of military law.



Employees must regularize their military registration status or resolve their wanted status within the probationary period. If they fail to do so, the employer may terminate employment on this basis. This termination ground applies in addition to the general statutory grounds for ending an employment relationship.

Unscheduled Inspections for Workplace Mobbing, Starting October 2025

New Legislation Enacted

Authors: Oleksiy Demyanenko and Inesa Letych – Asters

Effective October 1, 2025, the State Labor Service regained authority to conduct unscheduled employer inspections in cases involving workplace harassment, a power previously suspended under the martial law regime. These inspections allow regulators to investigate allegations of mobbing and assess employer compliance with legal obligations to prevent and address such conduct.

Mobbing consists of psychological or economic pressure intended to undermine an employee's dignity, reputation, or working conditions. Examples include ridicule, slander, discriminatory or unfair treatment, unequal pay for equal work, unjustified withholding of bonuses, and the unfair distribution of tasks among employees with similar qualifications.

Bill Proposes Single Permit to Streamline Employment of Foreign Nationals

Proposed Bill or Initiative

Authors: Oleksiy Demyanenko and Inesa Letych – Asters

A bill submitted to Parliament proposes consolidating Ukraine's current separate procedures for obtaining a work permit and a residence permit into a single permit for residence and employment. The measure is intended to simplify and accelerate the hiring of foreign nationals by reducing administrative burdens on both employers and applicants.

The draft bill would also:

- Create a state web portal for employers to post vacancies intended for foreign nationals
- Exempt certain categories of foreigners from administrative fees related to residence and work permit processing

United Arab Emirates

Federal Pension System Extended to Self-Employed Professionals

New Regulation or Official Guidance

Authors: Charles S. Laubach and Aloka Honemeyer – Afridi & Angell

On October 17, 2025, Ministerial Decision No. 3/2025, issued under Federal Decree-Law No. 57/2023, extended the federal pension and social security system to self-employed individuals, business owners, and liberal professionals without a traditional employer. The program applies to eligible individuals ages 21–55 and operates on a voluntary basis.

Participants bear the full 26% contribution rate, calculated according to selected income brackets rather than a contractual salary. Pension eligibility arises at age 60 after at least 15 years of contributions, and continuation of professional activity does not preclude entitlement. This measure broadens pension access for independent professionals, including lawyers, doctors, and engineers.

Administrative Suspensions for Domestic-Worker Law Violations

New Regulation or Official Guidance

Authors: Charles S. Laubach and Aloka Honemeyer – Afridi & Angell

On October 27, 2025, Ministerial Decision No. 0770/2025 established temporary restrictions on employer access to services of the Ministry of Human Resources and Emiratization for violations of domestic-worker protection rules under Federal Decree-Law No. 9/2022. The Decision mandates suspension of an employer's file for defined violations, including wage non-payment, unlawful recruitment, document retention, and serious occupational safety breaches.



Suspension periods range from one to 12 months depending on severity. Reinstatement requires completion of the suspension period, settlement of outstanding fines and fees, and full remediation of the violation. Employers may appeal through the Grievance Committee established under Ministerial Decision No. 45/2022.

Federal Entities Authorized to Contract Remote Non-Resident Specialists

New Regulation or Official Guidance

Authors: Charles S. Laubach and Aloka Honemeyer – Afridi & Angell

Cabinet Decision No. 162/2025, issued on November 4, 2025, authorizes federal entities to contract non-UAE professionals residing outside the UAE for specialized roles, excluding administrative and executive functions. Contracts are issued for one year, renewable, with compensation equal to 60% of the salary for the applicable grade—up to 80% with approval from the head of the entity—and without federal benefits such as housing, education, air tickets, health insurance, or end-of-service gratuity. Individuals are responsible for all taxes and fees in their country of residence. Leave entitlements include up to 20 working days of annual leave, five days of paid sick leave, and UAE public holidays.

Existing employees may request conversion to this system after three consecutive years of service, resulting in visa cancellation and remuneration adjustment; entities may still require up to 30 days of in-person attendance per year. While designed for non-nationals, UAE nationals may participate for up to one year when accompanying a spouse on official duties abroad, with pension contributions continuing in accordance with applicable laws.

United Kingdom

Enactment of Employment Rights Act 2025 with Phased Implementation Through 2027

New Legislation Enacted

Author: Stephanie Compson – Littler

On December 18, 2025, the [Employment Rights Act 2025](#) (ERA 2025) became law, marking a significant expansion from the original bill and introducing major reforms to employee relations, trade union rights, and enforcement of employment law compliance. The legislation is expected to prompt substantial operational changes for employers as new rights and regulatory frameworks take effect in stages.

Some measures took effect immediately upon Royal Assent, including the repeal of the Strikes (Minimum Service Levels) Act 2023. Additional amendments to trade union laws will follow two months later, including rollbacks of changes previously introduced by the Conservative Government relating to industrial action. Most remaining provisions require secondary legislation and are expected to be implemented gradually throughout 2026 and 2027.

The Government has [announced](#) that many measures will be subject to further consultation, with several already underway and as many as 26 additional consultations anticipated. As a result, implementation timelines may shift depending on consultation progress and regulatory development.

ERA 2025 Reduces Qualifying Period for Unfair Dismissal and Removes Compensation Cap

New Legislation Enacted

Author: Ben Smith – Littler

In a late amendment to the [Employment Rights Act 2025](#) (ERA 2025), the Government abandoned its initial plan to introduce day-one unfair-dismissal protection and instead enacted changes that substantially expand employee eligibility. The qualifying period for unfair-dismissal rights will be reduced from two years to six months, and future modifications will require legislation, making the threshold more difficult for future governments to amend.

The ERA 2025 also removes the statutory cap on the compensatory award for unfair dismissal. The basic award—calculated using a statutory formula that considers age, salary, and length of service—remains unchanged and subject to an existing cap. Regulations are still required to bring these reforms into force, but parliamentary debate indicates that the Government intends an effective



date of January 1, 2027. It is assumed, though not yet confirmed, that the removal of the compensatory-award cap will commence at the same time.

These changes will apply in England, Wales, and Scotland, but not in Northern Ireland.

Immigration Updates: New Laws on Earned Settlement, Visa Sponsorship and Skills Thresholds

New Legislation Enacted

Author: Vanessa Ganguin – Vanessa Ganguin Immigration Law

Recent and upcoming reforms implementing the Government's May 2025 White Paper include increasing the minimum English language requirement for visa sponsorship beginning in January 2026. The Government has also launched a [public consultation](#) on an "Earned Settlement" model, which proposes significant and retrospective changes to the qualifying period for permanent residence in the United Kingdom. The consultation closes on February 12, 2026, and changes are expected to begin rolling out from April 2026.

The Migration Advisory Committee has been instructed to review roles eligible for visa sponsorship under the [Temporary Shortage List](#), with a call for evidence open until February 2, 2026. Separately, the Border Security, Asylum and Immigration Act 2025 became law on December 2, 2025. Once the relevant provision takes effect, it will expand right-to-work checks to non-employees, including workers, subcontractors, and gig economy workers. A new Code of Practice will be issued before the provision becomes effective.

On December 16, 2025, the Government increased the Immigration Skills Charge by 32%. At the same time, the continued digitalization of the visa system—through the transition to fully digital work visas and the removal of passport vignette endorsements—is changing how employers conduct right-to-work checks.

Further Changes Proposed to the Use of Confidentiality Provisions

New Regulation or Official Guidance

Author: Jenny Allan – Littler

Section 17 of the [Victims and Prisoners Act 2024](#) took effect on October 1, 2025, voiding any contractual clause that restricts a "victim"—or someone who reasonably believes they are a victim—from disclosing information to specified individuals or organizations. Permitted recipients include police, qualified lawyers, and victim support services. Effective December 12, 2025, regulations expanded the list to allow disclosures to additional bodies for the purpose of pursuing compensation claims.

The Act defines "victim" broadly to include individuals who have suffered physical, emotional, mental, or economic harm as a direct result of criminal conduct or related circumstances. This includes people who witnessed the conduct or directly experienced its effects. "Criminal conduct" refers to any offense, regardless of whether it has been reported or prosecuted.

Following these developments, the Government [announced](#) plans to replace Section 17 with a significantly broader provision that would eliminate the requirement for disclosures to be made to specified individuals for specified purposes. This proposal is currently under consideration in the Victims and Courts Bill, with an implementation date yet to be confirmed.

Potential Reform of Post-Employment Non-Competes

Proposed Bill or Initiative

Author: Hannah Drury – Littler

The Government has published a [working paper](#) seeking views on potential reforms to post-employment non-compete clauses, which restrict employees from joining competitors or starting rival businesses after leaving employment. Under current UK law, such clauses are not prohibited, but they are void as restraints of trade unless the employer can show they are no broader than reasonably necessary to protect legitimate business interests. Courts assess enforceability based on multiple factors, including the duration of the restriction.



The working paper outlines several reform options, including:

- Banning non-compete clauses in employment contracts or banning them below a salary threshold
- Introducing statutory limits on the duration of non-compete clauses, potentially tied to employer size
- Combining a ban for employees below a salary threshold with a three-month statutory limit for higher-earning employees

The consultation also seeks input on broader issues, such as barriers workers face when defending enforcement actions in court. The consultation remains open until February 18, 2026, and the working paper does not indicate any timeline for potential legislation, as these proposals remain in the early stages.

United States

New Year, New Employment Laws – What Takes Effect January 1, 2026?

New Legislation Enacted

Authors: Joy Rosenquist and Sebastian Chilco – Littler

As the calendar turns to 2026, employers across the country face a fresh wave of labor and employment law changes that will reshape workplace compliance, employee rights, and business operations. From expanded protections for gig workers and whistleblowers to new rules governing employment contracts, data privacy, and workplace transparency, this year's legislative updates reflect a growing emphasis on fairness, accountability, and adaptability in the modern workforce. This roundup of new laws provides a snapshot of generally applicable labor and employment laws taking effect in or around January 1. [Read the full article on Littler.com](#)

For a roundup of new minimum wage-related laws taking effect in the new year, read this separate [article](#).

California Consumer Privacy Act Requires Privacy Risk Assessment

New Legislation Enacted

Authors: Philip L. Gordon and Zoe M. Argento – Littler

Effective January 1, 2026, employers subject to the California Consumer Privacy Act, as amended by the California Privacy Rights Act (CCPA), will be required to conduct a privacy risk assessment before engaging in many activities involving the personal information of job applicants, employees, or independent contractors who reside in California. While this new compliance obligation derives from a package of recently approved CCPA regulations focused principally on the use of automated decision-making technology (ADMT), the requirement to conduct risk assessments extends far beyond ADMT.

Moreover, human resources professionals and in-house employment counsel will need to be involved in these assessments – even at organizations with privacy professionals – because the risk assessment regulations specifically provide that “employees whose job duties include participating in the processing of personal information that would be subject to a risk assessment must be included in the business’s risk assessment process...”

[Read the full article on Littler.com](#)

New York Is the Eleventh State to Restrict Employers' Use of Credit History

New Legislation Enacted

Authors: Stephen A. Fuchs and Zoe M. Argento – Littler

On December 19, 2025, New York Governor Kathy Hochul signed into law S03072, amending the New York Fair Credit Reporting Act to prohibit New York employers from obtaining or using consumer credit history in hiring and personnel decisions.

The amended statute, which takes effect 120 days after enactment—on April 18, 2026—tracks the New York City Stop Credit Discrimination in Employment Act (SCDEA) that took effect in 2015, and makes New York the eleventh state to enact legislation restricting such use of consumer credit history, joining California, Colorado, Connecticut, Hawaii, Illinois, Maryland, Nevada, Oregon,



Vermont and Washington, as well as New York City; the District of Columbia; Chicago; Cook County, Illinois; Madison, Wisconsin; and Philadelphia, Pennsylvania.

[Read the full article on Littler.com](#)

Social Media Vetting Expansion for Visa Applicants

New Regulation or Official Guidance

Authors: George Michael Thompson and Zoe M. Argento – Littler

On December 15, 2025, the Department of State (DOS) announced it will expand its social media vetting requirement to additional nonimmigrant visa classifications, including H-1B, H-4 dependents, F, M, and J. As a result of this expansion, all applicants for such visas will be instructed to adjust the privacy settings on “all of their social media profiles to public.” Those profiles will then be subject to review as part of their visa application process for entry into the United States.

Additionally, U.S. Customs and Border Protection (CBP) has announced it is discussing making such an online presence review part of the application process for the Electronic System for Travel Authorization (ESTA) currently used by Visa Waiver Program (VWP) travelers from 42 countries. Specifically, CBP is proposing that applicants be required to provide their social media history for the past five years. However, this remains a proposed change subject to public comment by February 9, 2026.

[Read the full article on Littler.com](#)

IRS Provides Guidance for Taxpayers to Claim Deductions for Qualified Tips and Qualified Overtime Compensation

New Regulation or Official Guidance

Authors: Robert W. Pritchard and David B. Jordan – Littler

Employees have been wondering how they will determine the amount of their qualified tips and qualified overtime eligible for deduction under the One Big Beautiful Bill Act. After all, the IRS is not changing Form W-2 for tax year 2025, and employers will not face penalties for failing to comply with the Act’s reporting requirements for tax year 2025. Against this backdrop, how is an employee supposed to know the amount of their deduction? On November 21, 2025, the Internal Revenue Service (IRS) published guidance intended to answer that question.

The IRS guidance reminds taxpayers that the “no tax on tips” deduction applies only to tips received by employees in an occupation that customarily and regularly received tips on or before December 31, 2024, as provided by the treasury secretary. For tax year 2025, employers may choose to provide information on an employee’s occupation using box 14 of Form W-2, in which case employees may rely on that information. Otherwise, the employee will be responsible for determining whether their occupation qualifies for the deduction. The IRS guidance refers taxpayers to its proposed regulation identifying 68 such occupations.

[Read the full article on Littler.com](#)

Venezuela

President Declares Nationwide State of Economic Emergency

New Order or Decree

Author: Daniela Arevalo – Estrategia Legal

By Decree No. 5.190, published in Official Gazette No. 6.944 on December 8, 2025, the President declared a State of Economic Emergency across the national territory. The Decree remains in force for 60 days from its publication date and may be extended once for an additional 60 days.

The Decree authorizes the President to adopt measures in economic, fiscal, and financial matters, among others, to support the orderly development of the national economy and protect both the population and the country’s productive sectors.



Employers should therefore prepare for potential fluctuations in payroll-related obligations, changes to the cost of maintaining employees, shifts in wage stability due to monetary measures, or broader operational and financial uncertainty caused by this emergency.

Decree Declaring a State of External Commotion

New Order or Decree

Author: Gabriela Arevalo – Estrategia Legal

Nicolás Maduro issued Decree No. 5,200, published in Official Gazette No. 6,954 on January 3, 2026, declaring a State of External Commotion. The Decree is in force for 90 days from publication and may be extended once for an additional 90 days.

The Decree:

- Orders the mobilization of the Bolivarian National Armed Forces across the national territory
- Authorizes the use of national defense capabilities to respond to foreign aggression
- Mandates the militarization of public service infrastructure, the oil industry, and other essential state-run sectors

The measure became public on January 5, 2026, following the detention of Maduro and Cilia Flores by U.S. authorities on criminal charges, resulting in Vice President Delcy Rodríguez assuming executive authority.

It is expected that employers may experience various operational impacts, including disruptions to business operations and supply chains, as well as sudden regulatory or compliance changes.

Supreme Court: Claim for Seniority Does Not Imply a Waiver of Reinstatement

Precedential Decision by Judiciary or Regulatory Agency

Author: Daniela Arevalo – Estrategia Legal

In [Decision No. 1886](#) dated November 26, 2025, the Constitutional Chamber of the Supreme Court of Justice held that when a worker files a claim for seniority and labor benefits before the Labor Inspectorate, this does *not* constitute a waiver of the right to reinstatement. The Court explained that the procedure under Article 513 of the Organic Labor Law is an administrative process in which the Labor Inspectorate seeks to mediate and reconcile the parties' positions, rather than terminate the employment relationship.

However, if a worker submits a claim for seniority and labor benefits in court, such filing is deemed a waiver of reinstatement, and the employment relationship is considered terminated. The Court further clarified that when a dispute before the Labor Inspectorate involves "a judgment on labor claims under a conflict of law," jurisdiction lies with the labor courts, and the Labor Inspectorate does not have authority over these types of claims.

Supreme Court Recognizes Teleworking as a Valid Form of Employment

Precedential Decision by Judiciary or Regulatory Agency

Author: Gabriela Arevalo – Estrategia Legal

In Decision No. 473 dated October 28, 2025, the Social Chamber of the Supreme Court confirmed the validity of teleworking as a form of work organization. The Court defined teleworking as work performed remotely while maintaining the essential element of subordination to the employer's organizational authority.

Given the absence of specific teleworking regulations, the Court held that teleworking should be governed by analogy to the rules applicable to home-based employees under Articles 209 to 217 of the Labor Law.



Initiative to Establish a National Constituent Assembly of the Working Class

Trend/Informational

Author: Daniela Arevalo – Estrategia Legal

In October 2025, the Ministry of Labor initiated the process to appoint union representatives for a workers' constituent assembly. Through a Steering Committee, the Ministry promoted the creation of the National Constituent Assembly of the Working Class (the Congress), inviting workers from all productive sectors—including industry, services, technology, agriculture, digital platforms, commerce, public administration, the communal economy, women, youth, people with disabilities, informal workers, retirees, and entrepreneurs—to participate.

Employers were asked to allow workers to select representatives for the assembly. The Congress's objectives included renewing the labor movement, strengthening production and import substitution, integrating Workers' Productive Councils and union organizations with communal militias, and establishing international engagement, including convening an International Workers' Congress. To implement the Congress, the plan envisioned registering workers across companies; electing delegates in open assemblies through direct voting; organizing participants into regional assemblies; and ultimately convening the Congress.

The Congress convened on December 16, 2025, at a national forum, where proposals were presented for increased production, labor participation, and workplace restructuring.

Zambia

No Claim for Wrongful Dismissal on Expiration of Fixed-Term Contracts

Precedential Decision by Judiciary or Regulatory Agency

Authors: Hope Ndaa-Luchembe and Peter Chomba – Mulenga Mundashi Legal Practitioners

On November 18, 2025, the Court of Appeal in *Ireen Kaluba Musonda v. Livestock Services Cooperative Society* (Appeal 165/2023) [2025] ZMCA 166 examined whether an employee could pursue claims for wrongful dismissal and redundancy after her fixed-term employment contract had expired. The employee argued that the employer's failure to renew her contract was linked to alleged misconduct by her General Manager, including inappropriate sexual remarks and the removal of previously assigned responsibilities. The Court reaffirmed that once a fixed-term contract expires, an employer has no obligation to renew it, as renewal is entirely at the employer's discretion. It therefore held that no wrongful dismissal occurred because the contract ended by expiration, not due to procedural failure, and further noted that the employee had continued working despite her complaints.

On the redundancy claim, the Court held that the employee failed to show that any statutory circumstances giving rise to redundancy were present. Redundancy occurs when a job ceases to exist due to restructuring, business closure, or an adverse alteration of employment conditions. The Court emphasized that non-renewal of a fixed-term contract, without additional qualifying factors, does not constitute wrongful dismissal or redundancy.

Prohibition Against Double Jeopardy in Disciplinary Proceedings

Precedential Decision by Judiciary or Regulatory Agency

Authors: Hope Ndaa-Luchembe and Peter Chomba – Mulenga Mundashi Legal Practitioners

On December 4, 2025, the Court of Appeal in *Kapi Quintin Masuwa v. Vision Fund Zambia Limited* (Appeal No. 167/2023) [2025] ZMCA 155 considered whether an employer may bring a second disciplinary charge based on allegations for which an employee has already been cleared. The employee was initially charged with sexual harassment based on exchanged messages and was exonerated, but the employer later charged him with gross misconduct arising from the same messages.

The Court held that issuing a second charge based on facts previously adjudicated violated principles of natural justice, including double jeopardy, and constituted an abuse of process. Although the two charges carried different labels and appeared under different sections of the disciplinary code, they were rooted in the same factual allegations. Accordingly, the Court found it improper and erroneous for the employer to pursue a second disciplinary offense after the employee had already been found not guilty on the same facts.



Termination on Grounds of Absenteeism Without Following Disciplinary Procedures Wrongful

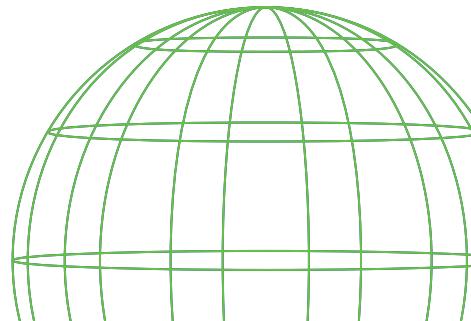
Precedential Decision by Judiciary or Regulatory Agency

Authors: Hope Ndao-Luchembe and Peter Chomba – Mulenga Mundashi Legal Practitioners

On December 5, 2025, the Court of Appeal in *Nimble Resources Limited v. Alex Katamfya* (Appeal No. 105/2023) [2025] ZMCA 167 examined whether an employee's dismissal for absenteeism due to illness amounted to wrongful dismissal. The employee had fallen ill while on duty and was absent from work for approximately 75 days. The employer terminated his employment for failing to provide medical documentation supporting his absence.

The Court reiterated that wrongful dismissal occurs when an employer breaches contractual terms, including by failing to follow established disciplinary procedures. It emphasized that proper procedure is essential to ensure fairness and protect employees from unjust loss of employment. In this case, the employer dismissed the employee without formally charging him or giving him an opportunity to respond to the allegations, thereby denying him a chance to exculpate himself. The Court therefore held that the dismissal was wrongful.

The decision underscores that even when absenteeism without documentation may constitute a dismissible offense, employers must still comply with required disciplinary processes and cannot bypass procedural safeguards.



At Littler, we understand that workplace issues can't wait. With access to more than 1,800 employment attorneys in more than 95 offices around the world, our clients don't have to. We aim to go beyond best practices, creating solutions that help clients navigate a complex business world. What's distinct about our approach? With deep experience and resources that are local, everywhere, we are fully focused on your business. With a diverse team of the brightest minds, we foster a culture that celebrates original thinking. And with powerful proprietary technology, we disrupt the status quo – delivering groundbreaking innovation that prepares employers not just for what's happening today, but for what's likely to happen tomorrow. Since 1942, our firm has harnessed these strengths to offer fresh perspectives on each matter we advise, litigate, mediate, and negotiate. Because at Littler, we're fueled by ingenuity and inspired by you.

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