

Global Snapshot

Hot Employment Law Topics for 2023

Labour & Employment

January 2023



We asked the partners across our global Labour & Employment practice to identify three or four key employment law topics for 2023 in their particular jurisdiction. Here is what they shared with us to help you in your decision-making for 2023 and beyond.

As can be seen in the [“at a glance” table below](#), restructuring and redundancies is a common theme, certainly in European jurisdictions, where the cost-of-living crisis is being most keenly felt. A number of global companies have already publicly announced they will be making significant cuts to their workforces during 2023, and we have certainly seen an increase in queries concerning employers’ obligations when making redundancies/restructuring their workforces.



















EU member states have generally been slow to introduce domestic legislation to reflect the requirements of recent directives, in particular the Whistleblowing, Transparency and Work-life Balance Directives, but it seems we should see further progress this year. Employers operating in the affected jurisdictions should monitor developments to ensure they are compliant.

Another topical global issue is gender equality and preventing sexual harassment in the workplace. Important legislative developments will be taking place in a number of jurisdictions this year, including Australia, China and potentially the UK too.

And finally, though not strictly a legal issue, it seems that worker dissatisfaction remains a common theme – perhaps not surprising in light of the current cost-of-living crisis, the aftereffects of the COVID-19 pandemic, general global uncertainty, etc. A number of jurisdictions have cited this as a topical issue for 2023. “The Great Resignation” and “Quiet Quitting” were something we heard a great deal about in 2022, but it remains to be seen whether the realities of finding another job in a near global downturn will, in the end, lead those employees to conclude that they are better off with the positions they have and not complaining.

The headlines are highlighted below and more detail about each can be found in the fuller commentaries specific to each jurisdiction – simply click on the relevant flag.

At a Glance – Hot Employment Law Topics for 2023

 Australia <ul style="list-style-type: none"> • New proactive duty on employers to take “reasonable and proportionate measures” to eliminate sex discrimination and harassment • Changes to flexible working requests • New collective bargaining rules • Changes to Fair Work Act to promote gender equality 	 Belgium <ul style="list-style-type: none"> • Ongoing changes to working arrangements, e.g. hybrid working/ more flexible working requests • Implementation of Whistleblowing Directive • Changes to reward systems/potential downsizing in relation to cost-of-living crisis 	 Brazil <ul style="list-style-type: none"> • New gig economy regulation • Changes to collective bargaining rules • Proposals for annual increase of the national minimum wage 	 China <ul style="list-style-type: none"> • New duty on employers to take measures to prevent and curb sexual harassment • Important recent cases dealing with dismissals 	 Czech Republic <ul style="list-style-type: none"> • Increase in redundancies/restructuring exercises • Important changes to the Czech Labour Code • Implementation of Whistleblowing Directive
 France <ul style="list-style-type: none"> • Proposals to raise retirement age from 62 to 64 • New law containing changes to unemployment rules • Changes to social security thresholds 	 Germany <ul style="list-style-type: none"> • New obligations on employers re: working time • Facilitating and promoting the immigration of skilled workers • Introduction of the German Whistleblower Act (“Hinweisgeberschutzgesetz”) 	 Hong Kong <ul style="list-style-type: none"> • Changes to offsetting rules • Change to minimum wage • Increase in statutory holiday entitlement 	 Italy <ul style="list-style-type: none"> • Changes to employment contracts – greater transparency and simplification • Increase in “smart working” • Increase in redundancies/restructuring exercises 	 Mexico <ul style="list-style-type: none"> • Changes to collective bargaining agreements • Increased union activity • New health and safety measures for teleworking • Increase in holiday entitlement • Challenges under Rapid Response Mechanism
 Poland <ul style="list-style-type: none"> • New remote working legislation • New rules on alcohol and drug testing • Implementation of Transparency and Work-life Balance Directives • Changes to immigration laws 	 Saudi Arabia <ul style="list-style-type: none"> • New short-term work visa for certain foreign nationals • New Data Protection Law should be implemented • Changes to Saudisation programme 	 Singapore <ul style="list-style-type: none"> • Business immigration changes • Increased penalties for data protection breaches 	 Slovak Republic <ul style="list-style-type: none"> • Greater use of Employee Stock Option Plans • Worker dissatisfaction • Increase in redundancies/restructuring exercises 	 Spain <ul style="list-style-type: none"> • Increase in redundancies/restructuring exercises • Challenges arising from new working arrangements, e.g. hybrid working • Worker dissatisfaction • New visa for “digital nomads” • Implementation of Whistleblowing, Transparency and Work-life Balance Directives
	 United Arab Emirates <ul style="list-style-type: none"> • New Labour Law and increased regulation in relation to work-related injuries • New visa types • Changes to Emiratisation rules • New UAE data protection law 	 United Kingdom <ul style="list-style-type: none"> • Increase in redundancies/restructuring exercises • Challenges arising from new working arrangements, e.g. hybrid working • Worker dissatisfaction • Potential legislative changes 	 USA <ul style="list-style-type: none"> • New federal law on nondisclosure agreements • Increase in redundancies/restructuring exercises • Increase in trade union activity 	

Jurisdiction	Hot topics for 2023
Australia	<ul style="list-style-type: none"> • Prevention of sex discrimination and harassment – New legislation will create a positive and proactive duty on all employers to take “reasonable and proportionate measures” to eliminate sex discrimination and harassment. There will be a prohibition on conduct that subjects another to a workplace environment that is hostile on the grounds of sex. Changes include the imposition of vicarious liability and pecuniary penalties for employers and principals. There will be new enforcement powers for the Australian Human Rights Commission and Fair Work Commission in relation to sexual harassment. Further details can be found in our previous alert. • Flexible working requests – Effective 7 June 2023, employers and employees will be required to try to reach agreement by making “genuine efforts” to accommodate flexible working requests. If agreement cannot be reached, the Fair Work Commission can be asked to conciliate and, where that fails, it can make a binding decision on the request. • Industrial agreements (enterprise bargaining) – Legislative changes will: <ul style="list-style-type: none"> – Simplify the ability for unions to initiate bargaining – Amend multi-business enterprise bargaining, including making it easier to bargain where there is a “common interest” (commences June 2023) – Increase the likelihood of industrial action resulting from the new bargaining rules – Create a more interventionist role for the Fair Work Commission • Gender equality – The objective of the Fair Work Act has been amended to achieve gender equality in the workplace by ensuring equal remuneration for work of equal value regardless of gender. A test case in the aged care sector has already seen a 15% pay increase awarded to certain employees in the sector.
Belgium	<ul style="list-style-type: none"> • Work-life balance – In 2022, Belgium introduced an obligation to have a “right to disconnect” policy in place, as well as the possibility for employees to request a four-day work week or flexible working schedule adjusted to accommodate childcare needs. Combined with working from home, which is definitely “here to stay” in Belgium, it is expected that Belgian employers will have to be creative and flexible in these areas in 2023 to attract and retain talent. • Whistleblowing – Belgium was late to implement the Whistleblowing Directive but, in December 2022, the implementing legislation was finally published, requiring employers with 250 employees or more to have a whistleblowing channel in place by 15 February 2023. Companies with 50 to 249 employees will have until the end of the year to do this. • Cost of living – It is not news that the cost of living has increased drastically over the last few months, but, since most sectors in Belgium have an automatic indexation mechanism for wages, the cost has mostly been absorbed by employers. We therefore expect that, in 2023, employers will be looking for ways to reward their staff in a more cost-effective way, while at the same time other employers will be forced to downsize. In relation to the need for more efficient and flexible reward systems, it should also be remembered that the Belgian legislator is closing down existing escape routes such as warrant schemes and compensation for the transfer of intellectual property rights in the IT sector.
Brazil	<ul style="list-style-type: none"> • Gig economy regulation – The new Brazilian government is promising to create new regulation to protect workers from the gig economy. The idea is to grant social security benefits and insurance covering work-related accidents for these workers. A committee shall be appointed to review the legislation and propose changes. • Collective bargaining agreements – The new Brazilian government will propose changes in the collective negotiation rules and review the labour union contributions, to empower and fund the workers union. • Permanent rule for an annual increase of the national minimum wage – The new Brazilian government has already created a discussion group to propose a new regulation for a permanent rule providing an annual increase of the federal minimum wage above the inflation rate.

Jurisdiction	Hot topics for 2023
China	<ul style="list-style-type: none"> • Prevention of sex discrimination and harassment – The amended Law of the People’s Republic of China on the Protection of Women’s Rights and Interests came into effect on 1 January 2023. Among other requirements, the amended law requires employers to take specific measures to prevent and curb sexual harassment against women and prohibits gender discrimination during the recruitment process. Employers are expressly prohibited from inquiring into or investigating the marital status and child-bearing situation of female applicants. Employers should ensure their processes and documentation do not contravene the amended law. Training of staff, managers and recruiters will be appropriate. • Important new case law – In July 2022, the Supreme People’s Court issued seven important decisions concerning employment law. We highlight below two that employers should be particularly aware of in 2023 when dealing with dismissals. <ul style="list-style-type: none"> – One of the cases highlighted the importance of stating all potential grounds for dismissing an employee in the dismissal notice, as the courts will not be able to go beyond the content and extent of the dismissal notice when determining the legality of a dismissal. Employers should ensure that when dismissing employees in the People’s Republic of China, the dismissal notice sets out the basis for termination in a manner that allows the employer to rely on all applicable facts/circumstances. – Another important case provided guidance on bonus claims by departing employees. The court held that even where it is stated that a condition of payment of a bonus is that the employee remains employed on the date of payment, the employer must nonetheless consider the circumstances of the employee’s departure in determining whether the bonus should be withheld. If the termination was not due to the employee’s negligence or voluntary resignation and the employee has completed the year’s work assignments, then the bonus is payable unless the employer can show that the employee’s conduct or performance did not satisfy the criteria for payment of the bonus. Employers should keep this in mind when handling the payment of bonuses to departing employees to avoid prolonged disputes over what is payable.
Czech Republic	<ul style="list-style-type: none"> • Restructuring and redundancies – The current economic situation in the Czech Republic has led to a slowdown in certain sectors, together with a corresponding increase in redundancies (including large-scale dismissals). We expect this trend to continue in 2023. • Important changes to the Czech Labour Code – There is currently a bill proposing significant changes to the Czech Labour Code. In particular, major changes are expected in the areas of flexible working, remote working, the obligation to provide information to employees, on-demand contracts and digital delivery of documents. We will keep you posted on these developments. • Whistleblowing – The Czech Republic did not meet the deadline for implementing the EU Whistleblowing Directive. However, a transposition law has now been proposed and is expected to come into force on 1 July 2023. One of the major new obligations for employers with 50 or more employees, and employers in certain sectors, will be to set up and operate internal reporting and disclosure channels. Employers will have to adapt their current reporting policies and also comply with strict deadlines for dealing with reported complaints in accordance with the requirements of the Directive.
France	<ul style="list-style-type: none"> • Proposals to raise retirement age from 62 to 64 starting in September 2023 – The main topic in France at the moment is the government’s proposals to raise the retirement age from 62 to 64. The reforms will be debated by the end of January in Parliament. The government’s goal is to implement the reforms starting in September 2023. • New law containing changes to unemployment rules – A new law “on emergency measures relating to the functioning of the labour market to allow full employment” will come into effect in February 2023. This new law will mainly (i) provide for an amendment to the unemployment fund rules (<i>Pôle-Emploi</i>); (ii) cancel eligibility for the unemployment fund for employees who abandon their position (i.e. employees will be treated as having resigned in such circumstances) or refuse a permanent contract after initially being hired on a temporary contract; (iii) provide that employees granted a delegation of authority from their employer can participate in the professional elections of the French Works Council (as voters). • Changes to social security thresholds – The social security threshold will be increased from €82,272 in 2022 to €87,984 in 2023.

Jurisdiction	Hot topics for 2023
Germany	<ul style="list-style-type: none"> • New obligations on employers to record working time – A recent decision of the German Federal Labour Court represents a significant change in German case law. According to this case, every German employer is obliged to keep comprehensive records of employees' working hours, including breaks and overtime. The system for recording working time must be objective, reliable and accessible. Regarding the actual design of the system for the recording of working time in accordance with these requirements, employers have a wide margin of discretion. For example, time recording does not necessarily have to be done electronically – the manual recording of working time, as well as the delegation of recording to employees, is still permitted. We expect the German government to respond to this decision in the next few months with new legislation. However, there is no concrete information available as yet. • Facilitating and promoting the immigration of skilled workers – On 30 November 2022, the German government adopted key points on the immigration of skilled workers from non-EU countries. The government plans to send a strong signal for the future of the German economy and the German labour market with the “most modern immigration law Germany has ever had”. Amendments to the law are necessary for the implementation of these key points, which are planned for the beginning of 2023. However, concrete draft laws do not yet exist. • Introduction of the German Whistleblower Act – The new German Whistleblower Protection Act (“Hinweisgeberschutzgesetz”) aims to ensure comprehensive protection for whistleblowers. Companies and organisations with 50 or more employees must install and operate secure internal whistleblower systems. Smaller companies with 50 to 249 employees will be given until 17 December 2023 to do so. Whistleblowers must be given the opportunity to provide information orally, in writing or in person. Besides the internal reporting office, an external reporting office will be established at the Federal Office of Justice as a second, equivalent option for submitting reports. Furthermore, the federal states will also be able to set up their own reporting offices. Whistleblowers will then be free to decide whether they want to submit a report to their company's internal reporting office or use the external reporting office. Anonymous reports must also be followed up.
Hong Kong	<ul style="list-style-type: none"> • Changes to offsetting rules – The Employment and Retirement Schemes Legislation (Offsetting Arrangement) Amendment Bill 2022 was passed on 9 June 2022. Upon the bill's coming into effect (tentatively in 2025), employers will no longer be able to use the accrued benefits of employers' mandatory contributions under the Mandatory Provident Fund system to offset any severance and long service pay that is payable to employees. Although some time off, employers should prepare for the proposed changes, as they will impact their financial obligations in a dismissal situation. • Change to minimum wage – The statutory minimum wage will increase in May 2023, from the current HK\$37.50 to HK\$40 per hour. • Increase in statutory holiday entitlement – Statutory paid holidays will gradually increase to 17 days by 2030. Currently, employees in Hong Kong are entitled to 13 statutory holidays per year.

Jurisdiction	Hot topics for 2023
Italy	<ul style="list-style-type: none"> • Changes to employment contracts: greater transparency and simplification – The promotion of transparency and simplification in employment relationships is one of the key objectives of the Italian government concerning employment law for 2023. Steps have already been taken towards greater transparency in employment contracts through the publication of the “Transparency Decree” implementing the EU Transparency Directive. Legislative developments in 2023 will seek to achieve the digitisation of many professional procedures, with a view to simplifying and reducing bureaucracy in connection with the creation, management and termination of employment contracts. We will keep you posted concerning these proposed changes and related obligations. • The future of the workplace: “Smart working” – As a result of the upheaval caused by the COVID-19 pandemic, the traditional workplace has been comprehensively shaken up according to the principles of flexibility, virtualisation and productivity. The current energy crisis has also severely affected Italy and made energy supplies more expensive. For these reasons, predictions are that during 2023 many employers in Italy will implement new plans for hybrid working in compliance with domestic “smart working” regulations. Potential benefits include an increase in productivity and efficiency, a positive impact on the environment in terms of saved emissions, and a reduction in energy costs. • Restructuring and redundancies – Economic forecasts in Italy are far from rosy due to widespread post-COVID-19 uncertainty and the energy crisis which erupted after the start of the conflict in Ukraine. At the moment, energy transition is perhaps one of the most serious challenges for the Italian industrial system. In fact, many energy-intensive industries, and generally the manufacturing sector, expect to experience high costs of energy supply and undergo a period of cashflow fluctuations. Companies may implement corporate reorganisations of their internal structures in an attempt to become more competitive. For these reasons, collective dismissals are expected, especially in the most economically depressed regions of Italy.
Mexico	<ul style="list-style-type: none"> • Legitimisation of collective bargaining agreements – As a consequence of the reform to the Federal Labor Law, unions will have to legitimise their collective bargaining agreements before May 1, 2023, otherwise the agreements will be terminated automatically. The legitimisation process is a way to evidence that the employees know, agree, and ratify the terms and conditions of the collective bargaining agreement. Prior to the reform, many employers and unions executed collective bargaining agreements without even informing employees of their existence. • Union activity – Due to the reform in 2019 and the deadline to legitimise collective bargaining agreements, we will see an increase in union activism. • Health and safety measures for teleworking – The Mexican authorities are currently discussing the passing of an official standard that will regulate all the health and safety measures that an employer must observe when engaging teleworkers. From the draft official standard, employers must identify all those conditions that may cause employees to suffer physical, ergonomic, or psychosocial risks. • Increase in holiday entitlement – As of January 1, 2023, employees are entitled to additional vacation days per work anniversary. • USMCA labor compliance – The USMCA includes robust provisions governing Mexican compliance with labor matters. Additionally, the USMCA includes a Rapid Response Mechanism, which is a short-term procedure under which workers, activists, unions or even competitors of companies may denounce a “denial of rights”, which includes breaching the right to freedom of association or not respecting true collective bargaining. To date there have been five cases using the Rapid Response Mechanism; all of them in the automotive sector. Many of the affected companies reached agreement with the US Trade Representative to remedy and guarantee the employees’ freedom of association. We anticipate further future challenges.

Jurisdiction	Hot topics for 2023
Poland	<ul style="list-style-type: none"> • The future of the workplace: remote work – New provisions on remote working will be introduced into the Polish Labour Code. They will replace the current teleworking rules and special COVID-19 remote work arrangements that the majority of employers were using in Poland during the pandemic. The new draft legislation has been criticised for being very detailed and formalistic. It is expected to come into force during Quarter 1 2023. • Alcohol and drug testing – For most employers, this is a welcome legislative development. Currently, Polish law does not provide clarity on alcohol testing (especially preventative testing) and there are no rules on drug testing that could be applied to employees. New regulations will require some paperwork from employers (e.g. amending the relevant internal work policy, preparing special announcements and notifications for employees). The new legislation will come into force within two weeks of the announcement, which is still expected in January 2023. • Transparent and predictable working conditions and work life-balance – This is an extensive set of new rules designed to implement two EU directives that were due to be implemented by August 2022. As was the case in a number of other EU member states, these deadlines were not met. Once the new regulations enter into force, they will affect several areas of employment (dismissals, professional training, employer’s information obligations, the ability to undertake additional work for another entity, parents’ rights and entitlements). The new legislation will also result in additional paperwork for employers. It is expected to come into force during Quarter 1 or 2 2023. • Assistance to Ukrainians and changes to Polish immigration laws – The military conflict in Ukraine has brought forward new legislation aimed at legalising Ukrainians to stay and work in Poland. With the sudden influx of almost 3 million people, the Polish immigration system needs to be updated. Poland is expected to make changes to the special laws aimed at providing assistance to Ukrainian citizens, but also to adopt laws regulating a new system of work permits in Poland applicable to all non-nationals. <p>To support employers and help them navigate through these challenges, we launched a series of employment podcasts and Q&A sessions in which we discussed the new regulations on remote work and alcohol and drug testing, as well as the new draft legislation on predictable and transparent conditions of work and work-life balance.</p>
Saudi Arabia	<ul style="list-style-type: none"> • Temporary work visa/increased flexibility for the engagement of foreign nationals – There is a new short-term work visa for certain foreign nationals, available via an online platform called Qiwa. This new visa enables qualified employees to work in Saudi Arabia for a visa-sponsoring entity for up to 90 days per visa issuance in one year. During the course of the one-year period (i.e. from the date of first entry into KSA), it will be possible to reapply for new temporary work visas at the end of each 90-day period. To apply, employers will need to be classified as at least “medium-green” in the Saudisation scheme, comply with obligations in the Wage Protection System, and ensure that foreign workers have valid work authorisation. The quota will be limited to 50 visas per employer and visas will not be transferrable to other entities. <p>It is expected that many employers will take advantage of the new temporary work visa, as businesses in the KSA have been seeking a legally compliant solution for short-term work assignments. More foreign national-friendly programmes are expected in Saudi Arabia in the future, as additional foreign labour will be needed to fill positions in the NEOM – a cross-border city in northwest Saudi Arabia that is planned to be built by 2025.</p> <ul style="list-style-type: none"> • New KSA Data Protection Law – The KSA has issued new legislation to regulate the collection and processing of personal data in the country. While the law was originally due to come into force on 23 March 2022, the enforcement date has been postponed until 17 March 2023. In addition, further executive regulations will also be published to clarify various aspects of the KSA Data Protection Law. • Saudisation – As part of ongoing reforms, a three-year plan has been introduced to increase the Saudisation rates gradually on an annual basis. As part of this, the Ministry of Human Resources and Social Development (MHRSD) has consolidated the categories in which all economic activities (based on the business sector in which the employer operates) will be combined to create one larger economic activity. <p>The new changes form part of the existing Saudisation programme in the KSA, which imposes a minimum quota system for the hiring of Saudi nationals for all companies in the private sector.</p>

Jurisdiction	Hot topics for 2023
Singapore	<ul style="list-style-type: none"> • Business immigration changes – Two key developments to mention: <ul style="list-style-type: none"> – First, Singapore started accepting applications for the Overseas Networks and Expertise Pass on 1 January 2023. The Pass is for top talent in business, arts and culture, sports, academia and research. Most candidates will need to earn a monthly salary of at least S\$30,000 in the previous year or will need to expect to earn such an amount with their future employer in Singapore. Pass applicants are not subject to the Complementarity Assessment Framework (see below) and their roles do not need to be advertised under the Fair Consideration Framework. – Second, the points-based Complementarity Assessment Framework will apply to new Employment Pass applications from 1 September 2023. The Framework will apply to Employment Pass renewal applications from 1 September 2024. Employment Pass candidates are required to earn 40 points to pass the framework, in addition to meeting the qualifying salary requirements, to succeed in their applications. • Data protection – The maximum financial penalty for breaches of the Singapore Personal Data Protection Act was increased to S\$1 million or 10% of the organisation's annual turnover in Singapore, whichever is higher, in October 2022. It is imperative that organisations review their data protection policies and practices to ensure compliance with the Act in light of the increased penalties for non-compliance.
Slovak Republic	<ul style="list-style-type: none"> • Employee Stock Option Plans – A relatively recent development in Slovakia is for employers to offer employees some level of equity participation in their company. Although there is still no legislation regulating this field, we expect more companies, mainly startups, to use this mechanism to hire talented professionals. Slovakia is notorious for the brain drain of students and young professionals. ESOPs can be a powerful tool for attracting this group and compensating them for lower basic wages. In the domestic setting, it provides employers with a competitive advantage compared to established corporations. Vesting periods encourage employees to stay with the company for longer, and employees are more motivated and productive since they hold an ownership interest, and their remuneration is directly correlated with how well the company is doing. • Worker dissatisfaction – Recent polls suggest there are high numbers of dissatisfied employees. Motivation is low and engagement is lacking, which inevitably results in reduced productivity. The recent phenomenon of “quiet-quitting” (doing the bare minimum and putting in no more effort than is necessary) only confirms this. This negative trend raises many concerns for employers, which will have to be addressed, e.g. by providing employees with sufficient incentives to keep them motivated. • Restructuring and redundancies – The grim economic outlook suggests that 2023 might bring about layoffs and hiring freezes, which will result in higher unemployment. Even though Slovakia recently adopted certain support schemes to maintain employment levels and enhance the creation of new jobs, it remains to be seen if they will be effective in practice. For instance, there is a short-time working support scheme (also known as “kurzarbeit”) compensating employers who are facing a temporary decrease in their business activity due to external factors that could not be mitigated or prevented, and which have a negative impact on the amount of work assignable to their employees.
Spain	<ul style="list-style-type: none"> • Restructuring and redundancies – The challenging economic climate in Spain means that we are likely to see more restructuring exercises and redundancies during 2023. • The future of the workplace – Widespread hybrid working may have been in place in Spain for a couple of years, but the new working landscape seems far from settled. We anticipate that employers will continue to have new challenges to address during 2023 linked to working arrangements, especially considering the difficult economic climate. • Worker dissatisfaction – Although not strictly a legal issue, Spanish employers have been witnessing an increase in complaints/concerns being raised by employees in the workplace, and this seems likely to continue during 2023. • Immigration – We expect more activity regarding immigration, particularly considering the new visa for “digital nomads” designed to attract qualified personnel, to promote talent and international investment, and to boost digital entrepreneurship. The Official State Gazette has published (22 December 2022) the Law for the Promotion of the Startup Ecosystem, known as the “Startup Law”, regulating – for the first time – a new visa for “digital nomads”. • Implementation of European Directives – New legislation is also expected to implement various EU Directives that have yet to be implemented in Spain, namely the Whistleblowing, Work-life Balance and Transparency Directives.
















Jurisdiction	Hot topics for 2023
United Arab Emirates	<ul style="list-style-type: none"> • New Labour Law and increased regulation in relation to work-related injuries – In 2022, a new Labour Law came into force in the UAE, which introduced a number of changes, including a prohibition on sexual harassment and/or any verbal, physical or psychological form of bullying against an employee by the employer or the employee’s colleagues. Note that, as of 3 January 2023, employers with 50 or more workers must implement a system that monitors work injuries and occupational diseases and must establish preventative tools and periodic health examinations for their employees. In addition to this, the new Labour Law clearly sets out that employees shall be compensated for work-related injuries or permanent disabilities, and that their families would be entitled to receive compensation if the work-related injury results in the death of the employee. • New visa types – At the start of the COVID-19 pandemic, a number of employers in the UAE had employees who went “home” or simply relocated to a different country to continue working remotely during lockdown. Some of these individuals asked for these arrangements to continue on a more permanent basis beyond COVID-19-related lockdown measures and travel restrictions. In light of the ease with which many employees in the UAE were able to work during lockdown measures without being in their usual workplace, we have seen an increasing number of requests from those wanting to live and work in one country for the benefit of a company in a different jurisdiction. Regardless of the COVID-19 pandemic, many employers in the UAE have agreed to, or are considering, overseas remote working arrangements, primarily as a means of hiring or retaining the talent they need to run their business. This has been recognised by the immigration authorities in the UAE through the availability of a number of new visas for workers, including the green visa, the freelancer visa, the temporary work visa and the job exploration entry visa. • New Emiratisation rules – The UAE introduced a new federal rule that imposed significant fines on onshore companies within the private sector who fail to employ a sufficient number of UAE nationals. The aim of this reform is to increase the number of Emiratis working in the private sector. The UAE government has previously introduced an “Emiratisation” policy for the private sector (onshore UAE only), which put in place certain obligations for employers to recruit UAE nationals up to certain quotas for most business sectors and certain job categories. In addition, as part of the Emiratisation policy, the UAE government provided incentives for those employers onshore who observe the applicable Emiratisation requirements by allowing them more streamlined immigration processing, lower government fees (including an exemption from depositing bank guarantees) as well as other incentives. From 1 January 2023, employers have been required to employ one skilled UAE national if their workforce consists of 49-50 expatriate employees and two skilled UAE nationals if the entity employs 51-100 expatriates. In addition, Ministerial Resolution No. 279 of 2022 requires onshore companies to increase the number of employed Emirati nationals by 2% per year with the aim of reaching 10% by 2026. The main underlying risk for employers is that if they have not achieved the Emiratisation thresholds, they will receive an electronic communication from the Ministry of Human Resources and Emiratisation and would be required to pay a monthly fine of AED6,000 for every UAE national it has failed to employ prior to the deadline. For as long it remains in default of the law, the employer would not be able to issue or renew work permits until the minimum threshold is achieved. • New UAE Data Protection Law – The UAE has issued new legislation to regulate the collection and processing of personal data in the country. While the law was enacted on 2 January 2022, it has yet to be formally implemented. Further executive regulations that will clarify various aspects (including the scope and level of sanctions) are due to be published in Quarter 1 2023, following which, controllers and processors will have six months in which to adjust their status and comply with the UAE Data Protection Law.

Jurisdiction	Hot topics for 2023
UK	<ul style="list-style-type: none"> • Restructuring and redundancies – Unfortunately, the challenging economic climate in the UK means that we are likely to see more restructuring exercises, redundancies and/or changes to terms and conditions during 2023. To support employers, we will be running a webinar in which we will explore key questions that employers should be asking themselves in the current economic climate. We will then analyse the options available and the main employment law issues to be borne in mind. • The future of the workplace – Widespread hybrid working may have been with us for a couple of years, but the new working landscape seems far from settled. More recently we have started to see more queries about issues such as how to create a shared culture and how to avoid burnout and tackle loneliness amongst remote/hybrid workers. We anticipate that employers will continue to have new challenges to address during 2023 linked to working arrangements, especially considering the difficult economic climate. • Worker dissatisfaction – We are witnessing an increase in complaints/concerns being raised by employees in the workplace, and this seems likely to continue during 2023. Employers need to ensure they have the right policies and procedures in place to address such concerns and that managers have the skills and confidence to be able to handle difficult conversations. Keep an eye out for future events on this topic, including how to handle the increasingly prevalent “serial complainers” in your business. • Legislative changes are also likely to be on the agenda – further details are set out in our recent insight.
USA	<ul style="list-style-type: none"> • New federal law on non-disclosure agreements – In December 2022, President Biden signed into law the Speak Out Act, which prohibits pre-dispute non-disclosure and non-disparagement agreements that seek to prevent disclosure of sexual harassment or sexual assault allegations. Employers should update their template non-disclosure agreements and employment agreements to comply with the Speak Out Act. • Restructuring and redundancies – Unfortunately, the global economic downturn means that we are likely to see more restructuring exercises and redundancies during 2023. Employers need to be aware of compliance with the Worker Adjustment and Retraining Notification Act, which requires advance notice of termination in the case of plant closures and mass layoffs, as well as compliance with similar state laws. • Union activity – In recent years, employee union organising has increased in non-traditional industries, including software and retail. Employees have reported that they feel disengaged and that they do not have as much of a say over working conditions as they want. Companies should ensure that management is aware of permitted responses to any organising activity in compliance with the National Labor Relations Act.

Please note that this guide is intended as a high-level overview only and should not be regarded as legal advice.

Contacts

Please speak to your usual contact in the Labour & Employment team or one of the following partners:

Asia	Australia	Belgium	Czech Republic
 <p>Julia Yeo Partner, Singapore T +65 6922 8671 E julia.yeo@squirepb.com</p>	 <p>Nicola Martin Partner, Sydney T +61 2 8248 7836 E nicola.martin@squirepb.com</p>  <p>Kim Hodge Partner, Perth T +61 8 9429 7406 E kim.hodge@squirepb.com</p>	 <p>Marga Caproni Partner, Brussels T +322 627 7620 E marga.caproni@squirepb.com</p>	 <p>Jaroslav Tajbr Of Counsel, Prague T +420 221 662 241 E jaroslav.tajbr@squirepb.com</p>
France	Germany	Italy	Latin America
 <p>Pauline Pierce Partner, Paris T +33 1 5383 7391 E pauline.pierce@squirepb.com</p>	 <p>Tanja Weber Partner, Berlin T +49 30 72616 8106 E tanja.weber@squirepb.com</p>	 <p>Fabrizio Vismara Partner, Milan T +39 02 1241 27700 E fabrizio.vismara@squirepb.com</p>	 <p>Jose Martin Of Counsel T + 305 577 2816 E jose.martin@squirepb.com</p>
Middle East	Poland	Slovak Republic	Spain
 <p>Sarah Lawrence Partner, Dubai T +971 4 447 8700 E sarah.lawrence@squirepb.com</p>	 <p>Malgorzata Grzelak Partner, Warsaw T +48 22 395 5528 E malgorzata.grzelak@squirepb.com</p>	 <p>Tatiana Prokopová Partner, Bratislava T +421 2 5930 3433 E tatiana.prokopova@squirepb.com</p>	 <p>Ignacio Regojo Partner, Madrid T +34 91 426 4804 E ignacio.regojo@squirepb.com</p>
UK	US		
 <p>Alison Treliving Partner and Global Co-Head, Labour & Employment Practice, Manchester T +44 161 830 5327 E alison.treliving@squirepb.com</p>	 <p>Jill Kirila Partner and Global Co-head, Labour and Employment Practice, Columbus T +1 614 365 2772 E jill.kirila@squirepb.com</p>		

