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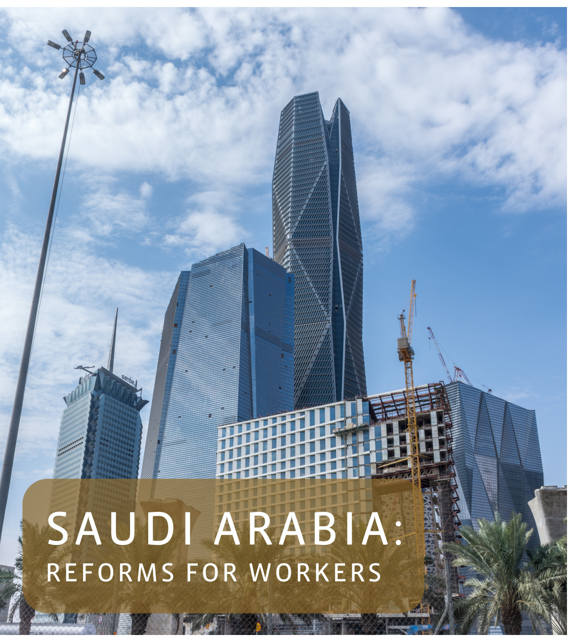

SAUDI ARABIA:
REFORMS FOR WORKERS

The Ministry of Human Resources and Social Development (MHRSD) in Saudi Arabia has announced a new labour law which will improve mobility for workers (excluding domestic workers) as follows:

- Allow change of employer if the employer agrees, does not renew the employment contract, has not paid three or more consecutive months' wages, is absent or has not requested renewal of the work permit. Currently, the employer's consent is required.
- Foreign employees no longer need to obtain the employer's consent to travel abroad or leave Saudi Arabia permanently. The employer is currently the actual applicant for an exit, return or final exit visa.
- All employment contracts must continue to be digitised via the MHRSD's Qiwa online platform for the entire private sector.

The law is expected to enter into force in March 2021 and is expected to not only improve the mobility of workers, but also the competitiveness of the local Saudi labour market and reduce the administrative burden of international business travel.

EUROPEAN UNION:
PROPOSAL FOR MINIMUM WAGE DIRECTIVE

The EU Commission is working on standardized guidelines for fair minimum wages in all member states of the European Union. With this goal on their agenda, the delegates submitted a proposal for a directive on appropriate minimum wages on October 28, 2020. At present, 21 EU-countries have statutory minimum wages and in six countries, the minimum wage is granted by collective bargaining agreements.

The proposal for a directive provides for measures in three areas:

- Improving the adequacy of statutory minimum wages and the traceability of those on the basis of clear and stable criteria in countries where minimum wages already exist
- Promotion of collective bargaining in all member states
- Better enforcement of minimum wages including monitoring in all member states

Member states will not be obliged to set statutory minimum wages, but the conditions for adequate minimum wages will be provided and supported. The amount or range of minimum wages will also not be specified, as a uniform minimum wage for all member states is not the aim of the EU Commission.

INDIA:
INCOME TAX EXEMPTIONS EXTENDED TO PRIVATE SECTOR EMPLOYEES

In a press release from 29 October 2020, the Indian government extended the income tax exemption for cash payments at the so-called LTC rate ("Leave Travel Concession") to employees in the private sector.

However, not all employees in the private sector can benefit from the income tax exemption. This concerns, for example, employees who are already taxed under the new personal tax regime, as it is not permissible for the employer to fall back on the older tax regime if this would now be more favorable compared to the new regime due to subsequent changes.

Nevertheless, all employees should keep their expense receipts carefully in order to apply for any income tax refunds in their tax returns.

SWITZERLAND:
OBTAINING WORK PERMITS FOR UK CITIZENS AS FROM 2021

On December 31, 2020, Great Britain (UK) will leave the European Union (EU) and as from January 1, 2021 UK citizens will, therefore, no longer be considered EU citizens.

The agreement on the withdrawal of the UK from the EU (BREXIT agreement 2020) also has consequences for Switzerland, as Switzerland's relations with the UK are largely regulated by the bilateral agreements between Switzerland and the EU.

The Agreement on the Free Movement of Persons between Switzerland and the EU (AFMP 1999) will only be applicable to the UK until December 31, 2020. UK citizens in Switzerland as well as Swiss citizens in the UK can, therefore, only acquire AFMP rights in the other country until December 31, 2020.

As from January 1, 2021 the provisions of the Foreigners and Integration Act (FNIA 2005) will apply to UK citizens who want to immigrate to Switzerland or work in Switzerland. UK citizens will, therefore, be subject to permit quotas, and employers in Switzerland must obtain a work permit for UK citizens in advance.

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