



Labor and employment law updates from around the globe

Across Europe, countries are taking varying steps to "unlock" their economies and implement protocols for businesses to reopen.

Littler's European COVID-19 Guidance Interactive Map can help multinational employers understand the current state of play in each country and comply with the local requirements as employees return to the workplace.



# **Quarter 2, 2020**

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Geida Sanlate, Littler Editor

# Australia

### Increase to Minimum Wage and High-Income Threshold

#### **New Order or Decree**

Author: Naomi Seddon, Shareholder – Littler United States

The Fair Work Commission announced a 1.75% increase to minimum wages. This will apply to all award wages. Increases to awards will start on three different dates for different groups of awards as follows: Group 1 Awards (from July 1, 2020), cover frontline health care and social assistance workers; teachers and child care; and other essential services. Group 2 Awards (from November 1, 2020), cover the construction, manufacturing and a range of other industries. Group 3 Awards (from February 1, 2020), cover accommodation and food services, arts and recreation services, aviation, retail, and tourism. For anyone not covered by an award or an agreement, the new National Minimum Wage will be \$753.80 per week or \$19.84 per hour. This applies from the first full pay period starting on or after July 1, 2020. The new minimum wage also applies to any work an employee performs while they are in the JobKeeper scheme, if they get their pay rate from an award or the National Minimum Wage.

In addition, the high-income threshold for purposes of unfair dismissals has increased to \$153,600 per year. The high-income threshold for unfair dismissals refers to the highest possible income an employee can have, unless they are covered by an award or enterprise agreement, before they are excluded from making an unfair dismissal claim against their employer.

Companies should undertake a review of their employee salary rates and employment contracts to ensure compliance with the modern award amendments as significant penalties can apply for noncompliance.

### **Brazil**

# Brazilian Data Privacy Law (LGPD) May Become Effective in Just a Few Days

#### **New Legislation Enacted**

Author: Renata Neeser, Shareholder – Littler United States

The Brazilian government and congress are not making life easier for companies. The LGPD, the Brazilian data privacy law enacted on August 14, 2018, was supposed to become effective on August 14, 2020. However, the National Data Protection Agency (ANPD) has failed to issue regulations or guidelines, leaving companies wondering how to implement data privacy protocols. Although the government issued a provisional measure (MP # 959) postponing the effective date of the law, Congress only extended the effective date of the administrative sanctions. As such, if Congress conclusively rejects MP # 959, which seems to be the case, the LGPD could become effective this August. Employers should intensify their efforts to become LGPD compliant to avoid unpleasant surprises. Although penalties under the LGPD likely will not be in effect for another year, other laws and government agencies may still impose other penalties for violation of privacy.

# Provisional Measure # 905 is Revoked Negatively Impacting Employers

### **New Legislation Enacted**

Author: Renata Neeser, Shareholder – Littler United States

On April 20, 2020, Provisional Measure # 955 revoked Provisional Measure # 905, the latter of which created flexibility to enter into less expensive types of employment relationships and encouraged the hiring of young people. Provision Measure # 905 also eased the rules on work on Sundays and profit sharing, and clarified what constituted "discretionary" bonus for tax purposes and whether meal benefits should be treated as wages. In revoking this measure, Brazil's president stated that a new measure would substitute it. However, as of June 30, 2020, no new measure has replaced it. Still, all acts carried out based on Provisional Measure # 905, from its inception until April 20, 2020, will remain valid for that specific period. However, due to the revocation, any laws affected by Provision Measure # 905 have returned to their former state.

# **Furloughs and Reduction of Salary During COVID-19**

#### **New Legislation Enacted**

Author: Renata Neeser, Shareholder – Littler United States

On April 1, 2020, the government enacted Provisional Measure # 936, allowing companies to reduce employees' salary and hours by 25%, 50% or 70% (depending on the collective bargaining agreement), for up to 90 days, as well as (alternatively) suspend employees' employment agreements (furlough), for up to 60 days, during the COVID-19 pandemic. The measure also instituted a government emergency benefit to be paid to workers during the furlough and/or reduction of salary, similar to the unemployment benefit. The Provisional Measure has been converted into a law (Law 14.020 of July 6, 2020) with one significant change. The new law provides that, in the event the union representing the employees (keeping in mind that all employees in Brazil are represented by unions) enters into an industry-wide collective bargaining agreement establishing specific terms for furloughs and reduction of salary after the employer enters into individual agreements with its employees, the terms of such collective bargaining agreement shall supersede the individual terms if they are more favorable to the employees. Therefore, employers with employees on furlough or reduced salary, or planning to implement such measures, need to keep an eye on the union activities and plan and prepare for such potential changes in their individual agreements.

# **Brazilian Supreme Court Expands Its Interpretation of Privacy Rights**

# Precedential Decision by Judiciary or Regulatory Agency

Author: Renata Neeser, Shareholder – Littler United States

On May 7, 2020, the Brazilian Supreme Court ruled in favor of the permanent injunction of Provisional Measure (MP) # 954, which allowed the Brazilian Institute of Geography and Statistics (IBGE), a governmental agency, to access personal data of 200 million individuals through the telecommunication companies so it could conduct the decennial census. The Supreme Court reasoned that MP # 954 did not provide sufficient mechanisms to protect the individuals' personal data and the collection was excessive in relation to the legal justification. However, the significance of this ruling was that for the first time the Supreme Court has recognized the fundamental right to personal data, as an autonomous fundamental right under the Constitution besides the right to intimacy and privacy, therefore expanding the individual rights to their personal data even without the Data Protection Law (LGPD) and the National Data Protection Agency (ANPD).

# **COVID-19 Cases – Brazil and São Paulo Updates**

#### **New Regulation or Official Guidance**

Author: Renata Neeser, Shareholder – Littler United States

The number of COVID-19 cases in Brazil continues its upward trajectory. As of July 9, Brazil is the second country in the world with the highest number of cases, totaling 1,755,779, and deaths, totaling 69,184. São Paulo, the largest financial hub of the country has 349,715 cases and 17,118 deaths. São Paulo State has put together a comprehensive return to work plan with specific protocols for various business sectors, including protocols for testing and monitoring the health of employees, and five phases. Many regions of the state have been rolled back to Phase 1, as the numbers continue to grow, although the city of São Paulo seems to be on the right track and continues to be on Phase 3. The federal government has also put together an Ordinance (Joint Ordinance # 20/2020) with vague guidelines and indicating that it is up to the states and municipalities to determine their own rules, including the use of masks, which is mandatory in São Paulo and carries a penalty of about \$1,000 per infraction.

### Canada

# Ontario Court of Appeal: Decision on Evaluating Enforceability of Termination Provisions

#### Precedential Decision by Judiciary or Regulatory Agency

Authors: Rhonda B. Levy, Knowledge Management Counsel and Monty Verlint, Partner - Littler Canada

On June 17, 2020, the Ontario Court of Appeal rendered a decision pertaining to the enforceability of termination provisions in employment contracts, providing that the proper method for determining whether a termination clause in an employment agreement is enforceable is to analyze the agreement as a whole rather than on a piecemeal basis. If any termination provision in the agreement is contrary to the requirements of the Employment Standards Act, 2000, all termination provisions in the contract will be considered unenforceable, regardless of the existence of a severability clause, which cannot be utilized to sever the offending portion of the termination provisions.

# Provinces Announce Plans to Gradually Ease COVID-19 Restrictions and Reopen

#### **New Regulation or Official Guidance**

Authors: Rhonda B. Levy, Knowledge Management Counsel and Monty Verlint, Partner - Littler Canada

In Canada, the easing of restrictions due to the COVID-19 pandemic is determined by each individual province or territory. In April and May 2020, a number of provincial governments (British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Newfoundland and Labrador, New Brunswick, Prince Edward Island) announced how they plan to gradually ease restrictions with a view to eventually fully reopening their provinces.

# New Work Place Harassment and Violence Prevention Regime for Federally Regulated Employers

#### **New Regulation or Official Guidance**

Authors: Rhonda B. Levy, Knowledge Management Counsel and Monty Verlint, Partner – Littler Canada

On June 24, 2020, the federal government published Work Place Harassment and Violence Regulations (Regulations), which set out the requirements that federally-regulated employers will be required to meet in order to satisfy their obligations under the Canada Labour Code (CLC) to investigate, record, report, prevent and provide training with respect to work place harassment and violence, including sexual harassment and sexual violence. The Regulations support Bill C-65, An Act to amend the Canada Labor Code (harassment and violence), the Parliamentary Employment and Staff Relations Act and the Budget Implementation Act, 2017, No. 1 (Bill 65), which received Royal Assent on October 25, 2018. On June 22, 2020, the federal government announced that both Bill C-65 and the Regulation will come into force on January 1, 2021.

# Ontario: New Regulation under Employment Standards Act Favorable to Employers

#### **New Regulation or Official Guidance**

Authors: Rhonda B. Levy, Knowledge Management Counsel and Monty Verlint, Partner - Littler Canada

On May 29, 2020, the government of Ontario filed Ontario Regulation 228/20 (Regulation) under the Employment Standards Act, 2000 (ESA). The Regulation amends layoff and constructive dismissal rules under the ESA, and in most cases, eliminates temporary layoffs and the risk of a constructive dismissal claim under the statute for a defined "COVID-19 period," during which many employers in Ontario have had to close or reduce operations. This Regulation does not apply to employees in unionized workplaces who will continue to be subject to the ESA's temporary layoff rules. A number of Canadian jurisdictions have amended their employment standards legislation to extend the period of temporary layoffs as a result of the COVID-19 pandemic.

# If Approved, Proposed Bill Would Amend CEWS and CERB

#### **Proposed Bill or Initiative**

Authors: Rhonda B. Levy, Knowledge Management Counsel and Monty Verlint, Partner - Littler Canada

On June 10, 2020, the federal government introduced Bill C-17, An Act respecting additional COVID-19 measures, for first reading. If passed in its current form, Bill C-17 would, among other things, make changes to the Canada Emergency Wage Subsidy (CEWS), a 75% wage subsidy program to encourage employers to retain their employees during the COVID-19 crisis, and to the Canada Emergency Response Benefit (CERB), a taxable benefit of \$2,000 every four weeks for up to four months for eligible workers who have lost their income due to the COVID-19 crisis. Changes to the CEWS would include extending its duration by an additional 12 weeks to August 29, 2020, extending eligibility for the CEWS to several groups, and other amendments to ensure that the CEWS continues to meet its objectives. Changes to CERB would include allowing payments to be made in two week increments, establishing circumstances in which employees will not be eligible for CERB, and subjecting applicants to penalties in specific circumstances.

# China

# New Civil Code of the People's Republic of China, Effective January 1, 2021

#### **New Legislation Enacted**

Author: Nancy Zhang, Special Counsel – Littler United States

China passed the country's first Civil Code on May 28, 2020, which will become effective on January 1, 2021. The Civil Code encompasses seven sections and 1260 articles, including the general rules, property rights, contracts, personal rights, marriage and family, inheritance, torts, and supplementary provisions. The Civil Code will further refine the primary legal system and rules of conduct in the civil and commercial fields. Chapter Six, Section Four of the Civil Code covers Privacy Rights and Personal Information Protection, which defines privacy rights, protection of personal information, legal responsibilities, and information processing. Employers should adapt their policies and practices to comply with the privacy law.

# The Supreme People's Court's Guiding Opinions on Civil Trials Related to COVID-19

### Precedential Decision by Judiciary or Regulatory Agency

Author: Nancy Zhang, Special Counsel – Littler United States

The Supreme People's Court has issued guiding opinions on several issues concerning the proper handling of civil trials involving claims related to COVID-19. The opinions set forth various measures designed to safeguard the legitimate rights and interests of the people, keep the social and economic good order and guarantee the social fairness and justice. It also sets forth standards for the court to apply the Labor Law and the Employment Contract Law accurately. For example, where employers terminate employees who had a confirmed or suspected case of COVID-19 infection, or employees from high-risk areas, courts should not uphold the termination.

### **Special Support Plan for Enterprises**

#### **New Regulation or Official Guidance**

Author: Nancy Zhang, Special Counsel – Littler United States

The Ministry of Human Resources and Social Security and Ministry of Finance issued the "Notice on Implementation of Special Support Plan for Enterprises' Stabilization and Expansion," which requires an increase in the refund of unemployment insurance contribution. Governments will accelerate the implementation of the unemployment insurance refund to help enterprises avoid layoffs or reduce them. Among other measures for small and medium-sized enterprises, the maximum return rate before December 31, 2020, can be raised to 100% of the unemployment insurance premiums paid by the enterprise and its employees in the previous year. For enterprises having temporary production and operation difficulties, if they refrain from laying off employees, the refund criteria cannot be more than six months of the local monthly unemployment insurance payment of the number of insured employees, or no more than three months of social insurance premiums paid by the enterprises and their employees.

# **Extension of Policy Allowing the Reduction and Exemption of Corporate Social Insurance Fees**

### **New Regulation or Official Guidance**

Author: Nancy Zhang, Special Counsel – Littler United States

The Ministry of Human Resources and Social Security, the Ministry of Finance, and the State Administration of Taxation issued the "Notice on Extending the Implementation Period of the Periodic Reduction and Exemption of Corporate Social Insurance Fee Policies." The Notice clarifies the policy for small and medium-sized enterprises in all provinces to be exempted from social insurance contributions. Enterprises that have serious difficulties in production and operation due to the pandemic may continue to postpone the payment of social insurance premiums until the end of December 2020, and the late fees will be exempted.

### Colombia

# **COVID-19 Relief to Protect Employment**

#### **New Order or Decree**

Author: Manuela Gnecco, Associate – Littler Colombia

In response to the COVID-19 pandemic, Colombia has established a number of measures to protect employment in Colombia, including payroll support and reduction to social security contributions. Under Decree No. 558 of 2020, for the months of April and May, the social security contributions for retirement (typically at 16%, 12% from the employer and 4% from the employee) are reduced to 3% (i.e., 2.25% and 0.75%, respectively). Additionally, through "PAEF", a formal employment aid program created under Decree No. 639 of 2020, employers can receive aid up to 40% of the minimum monthly statutory salary multiplied by the number of employees. Further, Decree No. 770 of 2020 created "PAP", a bonus payment support program, to provide eligible businesses with financial support so they can pay bonuses to their employees.

### Costa Rica

# **New "Usury Law" Protects Employee Wages**

#### **New Legislation Enacted**

Author: Marco Esteban Arias, Partner - BDS, Member of Littler Global

On June 20, 2020, an amendment to the Law for the Promotion of Fair Competition and Consumer Protection was published. This new law (No. 9859) has been called Costa Rica's "Usury Law," because it sets caps to the interest rates that banks and other financial entities may charge their clients for loans, credit cards, etc. However, a new article 44 Ter was introduced, which creates additional protections to employees' salaries. Pursuant to this article, employees can request financial entities to deduct directly from their wages the monthly installments for any debts they may have, but it always requires an agreement between the employer, the employee and the bank/lender. Additionally, no entity may grant loans whose payment compromises the absolute minimum wage of any employee.

### El Salvador

# El Salvador Passes Its First Working from Home Legislation

#### **New Legislation Enacted**

Author: Jaime Solís, Partner - BDS, Member of Littler Global

On June 16, 2020, El Salvador finally published its new Law to Regulate Remote Working, Law No. 600, which establishes new and important obligations for both parties. Concerning telework, the law allows employers to designate the positions that qualify to work from home (WFH). Any telework or WFH arrangement must be stated in the employment agreement or in an addendum executed thereafter. Both parties must agree to end remote working. Additionally, the employer is required to reimburse the employee for a portion of the costs for power and Internet service.

### **Finland**

# **COVID-19: Faster and More Flexible Temporary Layoffs and Trial Period Terminations**

### **New Legislation Enacted**

Author: Samuel Kääriäinen, Partner – Dottir Attorneys, Ltd.

The temporary changes to the Employment Contracts Act, originally in force until June 30, 2020, have been extended until December 31, 2020. The temporary changes have shortened the notice period for temporary layoffs from 14 days to five days. In addition, the temporary changes include the possibility to temporarily lay off employees with fixed-term employment contracts on the same grounds as employees with employment contracts, as well as the possibility to execute immediate trial period terminations for production, financial and/or re-organization (i.e., redundancy) related grounds. These temporary changes aim to help companies survive the COVID-19 effects to the business and will also include extending the redundancy related re-employment obligation to nine months after the employment has ended

# **COVID-19: Cooperation Consultations Period Shortened**

#### **New Legislation Enacted**

Author: Samuel Kääriäinen, Partner – Dottir Attorneys, Ltd.

The temporary amendments to the Act on Cooperation within Undertakings, originally in force until June 30, 2020, have been extended until December 31, 2020. The amendments shortened the minimum cooperation consultation period for layoffs from 14 days or six weeks to five days. The parties to the consultation are free to agree on an even shorter consultation period. The cooperation consultation obligation concerns companies regularly employing at least 20 employees. This is to help the companies survive the COVID-19 effects to the business. It should be noted, however, that some collective agreements require longer consultations and such collective agreement provisions must be complied with even after the temporary legislation changes.

# **Supreme Court Ruling on Industrial Action**

# Precedential Decision by Judiciary or Regulatory Agency

Author: Samuel Kääriäinen, Partner – Dottir Attorneys, Ltd.

On June 24, 2020, the Supreme Court ruled on a case relating to a so-called support strike by a fellow trade union. The ruling further highlights the strong constitutional protection to take industrial action in Finland. Based on Finnish law, a trade union may take industrial action (e.g., strike) only when a collective bargaining agreement (CBA) is not valid. However, industrial action is also allowed during the validity of the CBA when the sole purpose is to support a fellow trade union and not to seek benefits relating to the supporting union's own members. Another precondition is that the supported trade union is allowed to take industrial action, i.e., that it is not bound by a valid CBA. The targeted corporation claimed that the strike was unlawful because it failed to target any other companies in the same industry. The Supreme Court ruled in favor of the trade union, stating that, in this case, the corporation failed to identify the discriminatory and inappropriate features of the support strike.

# **Supreme Court on Reinstatement Right and Transfer of Business**

### Precedential Decision by Judiciary or Regulatory Agency

Author: Samuel Kääriäinen, Partner – Dottir Attorneys, Ltd.

On May 15, 2020, the Supreme Court of Finland ruled on a case relating to transfer of business and the right of a municipal office holder. Unlike Finnish employees, Finnish public office holders are entitled to reinstatement if the termination of their service agreement is deemed unlawful. In this case a municipal office holder was made redundant, after which the department he was working for was transferred to a private company, resulting in a transfer of business and the automatic transfer of all personnel who had a valid employment. The redundancy was later deemed unlawful, however, the office holder could not be reinstated due to the transfer of the department. The Supreme Court ruled in favor of the private company, stating that the municipal office holder had not been transferred to the company in the transfer of business. Although the company could have re-evaluated the earlier redundancy, it did not do so and was entitled to trust that the redundancy decision was appropriate.

# **COVID-19: Temporary Extension of the Annual Summer Holiday Season**

#### **Proposed Bill or Initiative**

Author: Samuel Kääriäinen, Partner – Dottir Attorneys, Ltd.

The Finnish parliament is processing a proposal that would extend the period during which the majority of the annual holidays is to be taken. Based on the Finnish Annual Holidays Act, the summer holiday season is the period between May 2 and September 30, unless otherwise stated in a national collective bargaining agreement. The employer is entitled to allocate the majority of an employee's annual holidays in this period, but does not have the same authority to allocate holidays outside of this period. According to the proposal, the period would be extended until the end of the year for 2020. This would give more flexibility for companies that would need to balance their employees' holidays during a longer period of time.

### **France**

# Working Time and Paid Leave: Exemptions to Address COVID-19 Crisis

### **New Legislation Enacted**

Author: Guillaume Desmoulin, Partner – Littler France

The French government is now allowing employers to require employees to take their paid leave in advance. This provision, designed to address the COVID-19 pandemic, will remain in force until December 31, 2020. For employers to unilaterally impose, modify or split paid leave dates is subject to the signature of a company-level or branch agreement. The agreement must specify the conditions in which employers may implement this option, as well as the limits and required notice. Businesses facing economic hardship may also unilaterally require employees take rest days, without a collective agreement, as long as the employer meets various conditions. The government also will relax the rules on maximum working hours, as well as Sunday rest, via a decree. To date, only businesses working on epidemiological surveillance are exempted from the Sunday rest requirement.

# Passing of a Child: New Leave and Support Measures

#### **New Legislation Enacted**

Author: Guillaume Desmoulin, Partner - Littler France

Law no. 2020-692 increased the bereavement leave for the death of a child from five to seven days when the child was younger than 25 years of age at the time of death. The Law, which was enacted to improve worker rights and support families after the death of a child, also created a new type of "grief leave" that can be combined with the seven-day leave, giving employees the possibility to be absent from work for a total of 15 days. Employees must notify their employer and can use this leave any time within one year of the child's passing. The cost of the leave, which is borne between the employer and Social Security Services, does not affect the employee's remuneration, is considered working time, and cannot be deducted from the employee's annual leave. Just like employees can donate their days off to a colleague whose child is gravely ill, employees can do so in cases of the child's death and if the child was less than 25 years old. The Law also created a protection against termination of an employment contract during the 13 weeks subsequent to the child's death.

# Debtor of Wage Claims When Employment Contract is Recognized After a Business Transfer

### Precedential Decision by Judiciary or Regulatory Agency

Author: Guillaume Desmoulin, Partner - Littler France

On May 27, 2020, the French Supreme Court overturned an appellate court in an important decision on whether a former or new employer was responsible for the employee's wage claim, when the employment contract was recognized after a business transfer. The Court of Appeal had found both employers liable and apportioned the responsibility based on the time the employee had worked for each employer (i.e., specifically, 18 months with the first employer, and 12 months with the second) and split the termination-related fees equally between each. In overruling this decision, the French Supreme Court held that unless there had been fraudulent collusion between both employers, only the new employer was liable to pay the debt resulting from the continuation of the employment contract.

# "Bore Out," Resulting from the Removal of Tasks, Can Constitute Moral Harassment

# Precedential Decision by Judiciary or Regulatory Agency

Author: Guillaume Desmoulin, Partner - Littler France

On June 2, 2020, Paris' Court of Appeal ruled that "bore out" - contrary to "burn out" and resulting from boredom due to a lack or absence of work - can constitute moral harassment. In a period of two years, the employee's tasks were limited to validating 231 bills, as well as being the main contact person between the company and a service provider. The Court found that the lack of work or absence of interesting tasks contributed to the employee's eventual depressive state and the employer had failed to ensure that the employee received periodic occupational medicine attention. Accordingly, the Court concluded, the employer had failed to demonstrate that the company's actions did not result in moral harassment.

# Guatemala

# **Amended Regulations Aim to Prevent COVID-19 Infections**

#### **New Legislation Enacted**

Author: Marco Antonio Cruz, Associate – BDS, Member of Littler Global

On June 14, 2020, the Executive Power issued a new guidance to complement the Health and Safety Bylaws, designed to prevent and control the spread of COVID-19. Under the guidance, all employers must implement protocols for social distancing, maintenance of hygiene, employee transportation and sick leaves. Failure to comply is deemed a violation of the employment laws. The new guidelines went into effect on June 18, 2020.

# Hungary

# **End of Loosening of Labor Code Rules**

#### **New Legislation Enacted**

Author: Zoltán Csernus, Attorney-at-Law – VJT & Partners Law Firm

The loosening of Labor Code rules, which took effect in March 2020 due to COVID-19 pandemic, is cancelled for the period after June 30, 2020. The working time frames (periods where the daily working time can be more or less than eight hours, but in average remains eight hours per day and thus no overtime payment is required) which were introduced during the COVID lockdown are not affected. Such working time frames will expire as previously set forth by the employers or by mutual agreements.

### India

# COVID-19: Supreme Court's Order on Wage Reductions During Nationwide Lockdown

#### Precedential Decision by Judiciary or Regulatory Agency

Authors: Ajay Singh Solanki, Leader and Archita Mohapatra, Associate – Nishith Desai Associates

On June 12, 2020, while hearing various writ petitions on the issue relating to the payment of wages during nation-wide lockdown amid COVID-19 pandemic, the Supreme Court of India (SC) has issued interim directions stating that employers willing to enter into negotiations with their employees regarding payment of wages during the period of lockdown, may do so and arrive at a settlement with the employees. By way of background, on March 29, 2020, an order was issued by Ministry of Home Affairs (MHA) under the Disaster Management Act, 2005 for the effective implementation of the lockdown measures. The order stated that during the lockdown period, employers shall continue to make payment of wages to their workers without any deduction. This order has been challenged in several writ petitions before the Supreme Court.

### Extension of National Lockdown and Other Measures to Address Spread of COVID-19

### **New Regulation or Official Guidance**

Authors: Ajay Singh Solanki, Leader and Archita Mohapatra, Associate – Nishith Desai Associates

On June 29, 2020, the Ministry of Home Affairs (MHA) issued an order to facilitate the re-opening of more activities and businesses in India in a calibrated manner, in areas outside the containment zones and to extend the lockdown in containment zones up to July 31, 2020. The order includes revised guidelines for effective implementation of the lockdown as well as national directives for public spaces and workplaces. Additionally, some state governments are relaxing some of the labor laws pertaining to work hours and opening and closing hours in factories and manufacturing establishments for a limited period, to provide a spurt in production after lag due to lockdown due to COVID-19.

# Temporary Reduction of Minimum Rate of Contribution Under the Social Security Law

#### **New Regulation or Official Guidance**

Authors: Ajay Singh Solanki, Leader and Archita Mohapatra, Associate - Nishith Desai Associates

On May 18, 2020, the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (EPF Act), India's prominent social security law, was amended to reduce the minimum rate of contribution from 12% to 10% of monthly wages of employees in eligible establishments for the wage months of May, June and July 2020.

# Mandatory Submission of Mobile Number and Bank Account Information for ESI Registration

#### **New Regulation or Official Guidance**

Authors: Ajay Singh Solanki, Leader and Archita Mohapatra, Associate - Nishith Desai Associates

On June 29, 2020, the Employees' State Insurance Commission (ESIC) issued a circular, mandating the submission of mobile number and bank account details with effect from July 1, 2020, for registration of employees under Employees' State Insurance Act 1948, the federal law providing for certain benefits to employees in case of sickness, maternity and employment injury. It is important to note that bank account information has been categorized as sensitive personal data or information under the Indian data privacy laws.

# Recent Development on Proposed Industrial Relations Code

#### **Proposed Bill or Initiative**

Authors: Ajay Singh Solanki, Leader and Archita Mohapatra, Associate - Nishith Desai Associates

On April 23, 2020, the Standing Committee of the Lok Sabha (Lower House of the Parliament) submitted its report on the proposed Industrial Relations Code, 2019 (IR Code) suggesting certain changes to the draft of IR Code, such as inclusion of gig-workers within the ambit of the IR Code, expansion of definition of "wages," specifying conditions and tenure for fixed-term employment, reduction of limitation period for raising disputes from three years to one year. The IR Code will replace three federal laws, Trade Unions Act, 1926; the Industrial Disputes Act, 1947; and the Industrial Employment (Standing Orders) Act, 1946.

### **Ireland**

# High Court Upholds the Constitutionality of the Workplace Relations Commission

### Precedential Decision by Judiciary or Regulatory Agency

Author: Loughlin Deegan, Partner - ByrneWallace

The Irish High Court has rejected a challenge to the validity of the Workplace Relations Act 2014 and in particular, the constitutionality of the Workplace Relations Commission. In an article entitled "High Court upholds the constitutionality of the Workplace Relations Commission," ByrneWallace analyzes the decision of the court.

#### **New Labor Court Rules Published**

#### **Important Action by Regulatory Agency**

Author: Lorraine Smyth, Partner - ByrneWallace

On March 30, 2020, the Labor Court Rules 2020 came into effect, revoking and replacing the Labor Court Rules 2019. In light of the current COVID-19 situation it is particularly timely that the 2020 Rules note the Court is continuing to engage in a digitisation programme which, when completed, will allow the Court to receive submissions electronically. The Rules also provide that, in addition to decisions, "...notification of hearings will be published on the Court's website". It is not yet clear what level of detail will be published. ByrneWallace discusses a summary of the main changes in its article entitled "New Labor Court Rules Published."

#### **COVID-19 - Potential Measures to Reduce Workforce Costs**

#### **Trend**

Authors: Emmet Whelan, Partner and Elaine Kelly, Partner – ByrneWallace

The COVID-19 pandemic is giving rise to enormous HR challenges for most employers. Many employers are taking steps to reduce operating costs to ensure future viability. In an article entitled "COVID-19 - Potential Measures to Reduce Workforce Costs," and published in their website, ByrneWallace outlines a number of potential measures to reduce workforce costs, and the legal issues arising thereunder. The article explains the potential benefits and risks of implementing lay-offs vis-à-vis short-time work arrangements, the use of annual leave, unpaid leave, pay cuts, redundancy and the government's temporary wage subsidy scheme.

# **COVID-19 - Remote Working Policies and Key Challenges Ahead**

#### **Trend**

Author: Emmet Whelan, Partner - ByrneWallace

A discussion of the challenges faced by employers in light of the COVID-19 crisis in the area of remote working and related issues. The "Government's Roadmap for Reopening Society and Business" encourages employers to maintain remote working arrangements for employees who can work from home for all five phases. This aligns with the "Return to Work Safely Protocol," which specifies that "office work should continue to be carried out at home, where practicable and nonessential work." For many organizations, this will mean requiring employees to work remotely on a longer term basis. Employers should plan for the long term and ensure their remote working policy, and related documentation, is fit for purpose. In the article entitled "COVID-19 - Remote Working Policies and Key Challenges Ahead," ByrneWallace offers top tips for employers when implementing, or updating, their remote working policies, noting key challenges in the months ahead.

# **Italy**

#### **COVID-19: Short-Time Work**

#### **New Order or Decree**

Authors: Carlo Majer, Partner and Nicola Comelli, Associate – Littler Italy

To address the COVID-19 pandemic, Italy created several short-time work programs, allowing employers to reduce employee working hours down to zero per week while allowing employees to receive up to 80% of the lost salary (with a cap of approx. EUR 1,100 monthly) from the Italian Social Security Authority (INPS). Throughout May and June 2020, the Government introduced a further round of legislation, which extended the duration of the COVID-19 short-time work programs to 18 weeks (previously set at nine weeks), to be used within August 2020 (four weeks may be postponed to September/October 2020). The government is currently discussing possible extensions/amendments to short-time work programs.

# **COVID-19: Moratorium for Collective and Individual Dismissals**

#### **New Order or Decree**

Authors: Carlo Majer, Partner and Nicola Comelli, Associate – Littler Italy

To protect jobs during the COVID-19 emergency, in March 2020, Italy declared a dismissal moratorium, which has been extended to August 17, 2020. During the moratorium, employers cannot implement individual or collective dismissals based on economic reasons and collective dismissals that started before March 17, 2020 are also suspended. Executives are excluded from the ban and employers may still dismiss employees for justified subjective reason or just cause, as well as for not passing the probationary period. The government is discussing possible additional extensions of the dismissal moratorium and, if approved, a new decree may be issued before the end of July 2020.

# **Flexibility of Fixed-Term Contracts**

#### **New Order or Decree**

Authors: Carlo Majer, Partner and Nicola Comelli, Associate – Littler Italy

To help businesses recover from the COVID-19 crisis, the government has amended the rules for fixed-term contracts. Specifically, employers may extend or renew fixed-term contracts until August 30, 2020, without the need to indicate the "reason" or "cause." This amendment – providing an exception to the normal obligation that requires a reason or cause for extensions or renewals that exceed 12 months – applies only to employment contracts that are effective as of February 23, 2020. The Italian government is considering new measures to allow for greater flexibility for fixed-term contracts, precisely to help restart business activities. If approved, such measures are expected to be implemented before the end of July 2020.

# **COVID-19: Work from Home Arrangements**

#### **New Order or Decree**

Authors: Carlo Majer, Partner and Nicola Comelli, Associate – Littler Italy

The Italian government has created several measures to contain the spread of COVID-19 virus and guarantee a healthy and safe workplace for employers and employees. To that end, the government and the main Union Association co-signed a shared protocol of recommendations to maximize the use of work from home (WFH) arrangements whenever possible. Through presidential decrees, WFH may be available to employees until July 31, 2020, even in the absence of individual agreements with the employer. Additionally, employees with children under 14 years old are entitled to WFH arrangements if the tasks can be carried out from home.

# **COVID-19: Privacy Regulations**

#### **New Order or Decree**

Authors: Carlo Majer, Partner and Nicola Comelli, Associate – Littler Italy

For the processing of personal data related to COVID-19, employers must comply with the requirements under the GDPR, as well as the Italian government's privacy regulations issued specifically to address the pandemic. Employees undergoing temperature screening before entering their workplace must be informed of: (i) the purpose of the screening, (ii) the legal basis of the anti-contamination security protocol, and (iii) the duration of any data storage. Moreover, employers must comply with general privacy principles, ensuring security and appropriate confidentiality when (a) collecting COVID-19 related information from employees; (b) managing a symptomatic employee; (c) sharing employee-related information with other employees; and (d) sharing temperature-related data with health and public authorities.

# Japan

# **Revisions to Data Privacy Act**

#### **New Legislation Enacted**

Author: Aki Tanaka, Of Counsel – Littler United States

On June 12, 2020, Japan amended the Data Privacy Act. The amendments, which will become effective within two years from that date, expand the rights of data subjects by relaxing the requirements to make objections to data processing and to request data deletion. Additionally, data controllers are required to report any data breach to the government and the data subject. The maximum amount of fines to corporations is increased up to JPY100,000,000. Moreover, data controllers handling personal data of Japanese individuals are subject to extraterritorial application of the act and data subjects must be notified when their data is transferred outside of Japan.

### **Revisions to Whistleblowers Protection Act**

### **New Legislation Enacted**

Author: Aki Tanaka, Of Counsel – Littler United States

The amended Whistleblowers Protection Act requires employers of more than 300 employees implement a whistleblowing system and designate an employee to handle whistleblower claims. The amendments will become effective two years from June 12, 2020, when the law was amended. The new protections loosen the requirements to present claims, enlarging the scope of protected employees (i.e., former employees within one year from separation and registered corporate directors) and protected claims, and shielding whistleblowers from liability to the damages that the company incurs.

# **New Government Support to Combat COVID-19**

### **New Regulation or Official Guidance**

Author: Aki Tanaka, Of Counsel – Littler United States

As of June 12, 2020, a new government-sponsored unemployment insurance program pays 80% of the salary of employees placed in unpaid leave.

#### The Anti-Power Harassment Law Now In Effect

### **Upcoming Deadline for Legal Compliance**

Author: Aki Tanaka, Of Counsel – Littler United States

The new "Anti-Power Harassment Law" (anti-bullying law), which was enacted on May 29, 2019, became effective for large employers on June 1, 2020 and will apply to small-size employers as of April 1, 2022. As we reported in Quarter 2 of 2019, this law requires the employer to take appropriate actions to prevent employees from engaging in "power harassment," which are any activities that take advantage of their powers at work, exceed the employee's necessary and reasonable scope of duties, and may be harmful to the work environment. The determination of the size of the business is based on a number of factors; however, generally, employers with 50 or fewer employees will be considered as small employers.

# Malaysia

# **Employees Provident Fund (Amendment) Rules 2020**

#### **New Legislation Enacted**

Author: Tan Su Ning, Senior Associate – Skrine

The Employees Provident Fund (Amendment) Rules 2020 is made to allow its members to make withdrawal from Account 2 for the purpose of sustainable living on the condition that the notice is given between April 1, 2020 to March 31, 2021, the withdraw is not exceeding RM500 per month, and the number of withdrawals does not exceed 12 times from the date of notice.

# Order 2020 for Fees for Employment, Visit and Work Passes

### **New Order or Decree**

Author: Tan Su Ning, Senior Associate - Skrine

A 25% remission is granted on the application fees (excluding processing fees) for the applications for temporary work passes under the two categories set out in paragraph 2 of the Order. The Order: (1) applies in respect of such passes that expire between April 1, 2020 and December 31, 2020; (2) does not apply to applications for new employment passes during that period; and (3) does not apply to applications for temporary employment passes for domestic maids.

# **Standard Operating Procedures**

#### Precedential Decision by Judiciary or Regulatory Agency

Author: Tan Su Ning, Senior Associate - Skrine

All businesses open for operations must comply with the Standard Operating Procedures issued by the National Security Council (NSC), and also the sector-specific SOPs where applicable. Employers are required to ensure the Standard Operating Procedures are complied with.

### **Additional Subsidy Under PENJANA**

#### Important Action by Regulatory Agency

Author: Tan Su Ning, Senior Associate – Skrine

The Wage Subsidy Program (WSP) will be extended by another three months and an additional RM5 billion has been allocated to the program. Under the scheme, eligible employers may receive a subsidy of RM600 per month per employee. Employers who are unable to operate during the Conditional Movement Control Order period are allowed to apply for the program. Under the Hiring Incentive Scheme, companies that employ Malaysians aged below 40 will receive an incentive of RM800 per month per staff for six months, while those that employ staff aged above 40 or employees with special needs will receive RM1,000 per month for six months. To encourage the hiring of youth, an incentive of RM600 per month will be given to employers who provide job opportunities and apprenticeships to fresh graduates.

# **Recovery Movement Control Order**

#### Important Action by Regulatory Agency

Author: Tan Su Ning, Senior Associate - Skrine

On June 7, 2020, the Prime Minister of Malaysia announced that the Conditional Movement Control Order, which expires on June 9, 2020, will be replaced by the Recovery Movement Control Order (RMCO) from June 10, 2020 to August 31, 2020 (RMCO Period). In conjunction with the implementation of the RMCO, the Prevention and Control of Infectious Diseases (Measures within Infected Local Areas) (No. 7) Regulations 2020 (RMCO Regulations) were also published on June 9, 2020 and will have effect during the RMCO Period.

### **New Zealand**

# **Compliance Requirements under New Privacy Act**

#### **New Legislation Enacted**

Author: Naomi Seddon, Shareholder – Littler United States

On June 30, 2020, the New Zealand Parliament approved the Privacy Bill that amends the Privacy Act 1993. The amendments take effect on December 1, 2020 and introduce significant changes. Concerning mandatory data breach reporting, any organization that suffers a data breach that has caused or is likely to cause serious harm to affected individuals will be required to notify the Privacy Commissioner and the relevant individuals. Additionally, the changes introduce restrictions on overseas disclosure of personal information. Unless the relevant individual has authorized disclosure outside New Zealand, the disclosing party will need to ensure that the information will be protected by safeguards comparable to New Zealand's privacy laws before transferring it offshore. Further, the new laws will apply to any actions taken by an overseas organization in the course of carrying on business in New Zealand, regardless of where the information was collected or held and where the person to whom the information relates is located. Companies will need to update their privacy policies and employment practices ahead of the December 1 start date.

# Paid Parental Leave Extended to 26 Weeks from 1 July

#### **New Regulation or Official Guidance**

Author: Naomi Seddon, Shareholder – Littler United States

Effective July 1, 2020, the paid parental leave scheme in New Zealand has been extended from 22 weeks to 26 weeks for parents with children due on or after July 1. Weekly parental leave payments increased from \$564.38 per week to \$585.80 per week before tax. The parental leave (previously known as "maternity leave") is available for working parents or other primary caregivers who stop working to care for their newborn baby or a child under the age of six who is now in their care.

# **Norway**

# New Special Agreements on Coverage of Travel and Subsistence Expenses

Precedential Decision by Judiciary or Regulatory Agency

Author: Ole Kristian Olsby, Partner – Littler Norway

The Supreme Court recently ruled in a case regarding the employees' right under a business transfer from a public entity (Norwegian Defense Estate Agency) to a private entity (ISS Facility Services AS). The employees were entitled to maintain their notice period according to the Civil Servants Act, as the notice period was regarded as an integrated part of the employees' employment contracts. Further, the Supreme Court ruled that the new employer (ISS) was entitled to amend the employees' pension scheme, even though this meant that the employees would no longer be entitled to early retirement.

# Calculation of Salary to Employees During Suspension

Precedential Decision by Judiciary or Regulatory Agency

Author: Ole Kristian Olsby, Partner – Littler Norway

A recent ruling from the Supreme Court stated that the basis for calculating the salary of a part-time employed nurse during the suspension period did not comprise the compensation that she had received for extra shifts before the time of the suspension.

# **Regulations During the COVID-19 Pandemic**

**New Regulation or Official Guidance** 

Author: Ole Kristian Olsby, Partner – Littler Norway

A number of new rules and regulations have been adopted due to the outbreak of the COVID-19 virus, including regulations governing the right to sick pay, care benefits, unemployment benefits, and rules governing subsidies to companies encountering financial hardship due to the pandemic. Several rules and regulations are temporary, and amendments are made frequently.

# **New Regulations Related to Divers on Ships**

**New Regulation or Official Guidance** 

Author: Ole Kristian Olsby, Partner – Littler Norway

On April 27, 2020, new regulations regarding work environment for divers on ships were adopted. The rules became effective June 1, 2020.

### Peru

# **Suspension of Work to Mitigate Economic Effects**

#### **New Order or Decree**

Author: César Gonzáles Hunt, Partner - Philippi Prietocarrizosa Ferrero DU & Uría

On April 14, 2020, the government published Emergency Decree 038-2020, establishing the perfect suspension of work as an extraordinary measure for employees. As an exceptional measure, the perfect suspension of work is allowed only when remote work and remunerated leave subject to later compensation are not possible due to the nature of the job, or when the economic situation of the employer is such that it is the only option to maintain the employment relationship. Also, employers are required to apply alternative mechanisms before implementing the perfect suspension. This measure will be subject to later inspection by the Labor Administrative Authority and, if it has not been correctly applied, could be left without effect. This Decree has been later further regulated through the Supreme Decree 011-2020-TR.

# **Extension of the Sanitary Emergency**

#### **New Order or Decree**

Author: César Gonzáles Hunt, Partner – Philippi Prietocarrizosa Ferrero DU & Uría

On June 4, 2020, through the Supreme Decree 020-2020-SA, the government established the extension of the Sanitary Emergency for 90 additional days, scheduled to end on September 7, 2020. This decree, therefore, extends a number of labor measures, such as the ability to perform remote work, the obligation to maintain employees that belong to the risk group (because of their age or medical factors) performing remote work, the power to modify work schedules, among others.

# Protocol for the Inspection of the Perfect Suspension of Work

#### **New Regulation or Official Guidance**

Author: César Gonzáles Hunt, Partner - Philippi Prietocarrizosa Ferrero DU & Uría

On June 25, 2020, the Labor Inspection Authority, Sunafil, approved the latest version of its protocol for the inspection of the perfect suspension of work. The protocol now reflects the modifications made by the Supreme Decree and the Emergency Decree and recognizes the exceptions that can be made in various scenarios. For example, employers with 100 or fewer employees can apply the perfect suspension without adopting alternative measures. The same applies for employers with a total of zero income in the month prior to the suspension.

# **Guidelines for Employers' COVID-19 Prevention Plans**

#### **New Regulation or Official Guidance**

Author: César Gonzáles Hunt, Partner - Philippi Prietocarrizosa Ferrero DU & Uría

On June 30, 2020, the Health Ministry published Ministerial Resolution 448-2020-MINSA, updating the guidelines that employers must follow to prepare a COVID-19 Prevention Plan to restart their activities, when allowed by law. This plan, which needs to be submitted to the Ministry of Health, will be automatically approved, but will be inspected thereafter to verify compliance. The guidelines address the cleaning and disinfection of workplaces, the evaluation of the employees' health upon return or reincorporation to work, personal protection measures and continuous surveillance of the employees' health in light of COVID-19. Finally, the plan must be updated whenever the employer is allowed to perform additional activities to the ones previously approved or as needed.

# Affidavits for High-Risk Individuals Who Wish to Return to the Workplace

### **New Regulation or Official Guidance**

Author: César Gonzáles Hunt, Partner - Philippi Prietocarrizosa Ferrero DU & Uría

On May 27, 2020, the Ministry of Labor published the Ministerial Resolution 099-2020-TR that approves the Affidavit model and procedure for employees that are part of the risk group and, although having the obligation to perform remote work, wish to perform in person work. Through this Resolution, employees that are considered of special risk due to medical factors or because of their age, will be able to perform in person work when they voluntarily decide to, by signing an affidavit certifying that they assume the responsibility for putting themselves at risk. For this affidavit to be valid, the employer must follow various steps, including the evaluation of the employee by the occupational doctor, to determine they are, in fact, able to go back to work.

# **Philippines**

# COVID-19: Interim Guidelines on Workplace Prevention and Control of COVID-19

#### **New Regulation or Official Guidance**

Authors: Emerico O. De Guzman, Managing Partner and Rhett D. Gaerlan, Associate – Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW)

On April 30, 2020, the Department of Labor and Employment (DOLE) and Department of Trade and Industry (DTI) jointly issued new guidelines on the minimum safety and health standards to be implemented in all workplaces. The guidelines provide that prior to entry in the workplace, all employers and workers shall: (a) wear face masks (which must be provided by employers) at all times; (b) accomplish a daily health symptoms questionnaire that must be submitted prior to entry; and (c) have their temperature checked and recorded in the health symptoms questionnaire. Employers are likewise encouraged to allow high-risk workers (such as those above 60 years of age, or of any age with pre-existing illnesses) to render work pursuant to a work-from-home arrangement. Additionally, should employers decide to test workers, a company policy on COVID-19 testing must be formulated and agreed upon by employers and workers.

# **COVID-19: Suspension of the Probationary Period During Community Quarantine**

#### **New Regulation or Official Guidance**

Authors: Emerico O. De Guzman, Managing Partner and Rhett D. Gaerlan, Associate – Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW)

On May 9, 2020, the Department of Labor and Employment (DOLE) suspended the probationary period of employment during the period of community quarantine. Specifically, the period during which the enhanced or general community quarantine is enforced, where the establishment has temporarily ceased or closed operations and/or the worker was temporarily not required to report for work on account thereof, shall not be included in determining the six-month probationary period.

# **COVID-19: Guidelines on Employment Preservation Upon Resumption of Operations**

#### **New Regulation or Official Guidance**

Authors: Emerico O. De Guzman, Managing Partner and Rhett D. Gaerlan, Associate – Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW)

On May 16, 2020, the Department of Labor and Employment (DOLE) issued Labor Advisory No. 17, series of 2020, encouraging employers to adopt work-from-home, telecommuting arrangements, or any or a combination of the following flexible work arrangements: (a) Transfer of employees to another branch or outlet of the same employer; (b) Assignment of employees to other function or position in the same or other branch or outlet of the same employer; (c) Reduction of normal workdays per day or week; (d) Job rotation alternately providing workers with work within the workweek or within the month; (e) Partial closure of establishment where some units or departments of the establishment are continued while other units or departments are closed; and (f) Other feasible work arrangements considering specific peculiarities of different business requirements. Such flexible work arrangements are temporary in nature and shall be adopted for as long as the public health crisis exists. Moreover, employers and employees may agree voluntarily and in writing to temporarily adjust wage and wage-related benefits, for a period not exceeding six months or as may be agreed upon in the Collective Bargaining Agreement, if any.

# COVID-19: Burden on Covering Cost of COVID-19 Prevention and Control Measures

#### **New Regulation or Official Guidance**

Authors: Emerico O. De Guzman, Managing Partner and Rhett D. Gaerlan, Associate – Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW)

On May 16, 2020, the Department of Labor and Employment (DOLE) issued Labor Advisory No. 18, series of 2020, requiring employers to shoulder the cost of COVID-19 prevention and control measures, such as but not limited to the following: testing, disinfection facilities, hand sanitizers, personal protective equipment (including face masks), signage, proper orientation and training of workers including IEC materials on COVID-19 prevention and control. With respect to contracts for construction projects and for security, janitorial and other services, the cost of COVID-19 prevention and control measures shall be borne by the principals or clients of the construction/service contractor. On this note, no cost related or incidental to COVID-19 prevention and control measures shall be charged directly or indirectly to the workers.

# **COVID-19: Guidelines on Payment of Holiday Pay**

#### **New Regulation or Official Guidance**

Authors: Emerico O. De Guzman, Managing Partner and Rhett D. Gaerlan, Associate – Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW)

The Department of Labor and Employment (DOLE) issued multiple Labor Advisories on the payment of holiday pay covering the following holidays: Araw ng Kagitingan (9 April); Maundy Thursday (9 April); Good Friday (10 April); Black Saturday (11 April); Labor Day (1 May); Eid'l Fitr (25 May); and Independence Day (12 June). While the provisions of the Labor Code on the payment of holiday pay continue to apply, the DOLE has permitted employers to defer payment of holiday pay until business operations have normalized. This is in view of the existence of a national emergency brought about by COVID-19. Moreover, establishments that have totally closed or ceased operations during the period of enhanced community quarantine are exempted from the payment of holiday pay.

# **Portugal**

### **COVID-19: Return-to-Work Protocols**

#### **New Legislation Enacted**

Authors: Ricardo Grilo, Senior Associate and Gonçalo Machado dos Santos, Associate – Garrigues Portugal SLP Sucursal

On May 3, 2020, Portugal began the gradual lifting of the confinement measures. In seeking to continue decreasing the transmission of the virus, the government instituted various measures, including the adoption of mandatory teleworking arrangements, body temperature screening to access the workplace, contingency plans aimed at preventing COVID-19 transmission, requirements for signage, health equipment, cleaning, social distancing, amongst other measures.

# **New Deconfinement Phase Introduces Changes on Work Organization**

#### **New Legislation Enacted**

Authors: Ricardo Grilo, Senior Associate and Gonçalo Machado dos Santos, Associate – Garrigues Portugal SLP Sucursal

On May 29, 2020, the official gazette published the Ministers Council Order no. 40-A/2020, extending the State of Calamity under the COVID-19 pandemic and establishing rules for the new deconfinement phase. Among other measures, the order introduced amendments on telework and work organization, to become effective on June 1, 2020.

# **COVID-19: New Exceptional Measures on Employment and Social Security**

#### **New Legislation Enacted**

Authors: Ricardo Grilo, Senior Associate and Gonçalo Machado dos Santos, Associate – Garrigues Portugal SLP Sucursal

On June 6, 2020, the official gazette published the Ministers Council Resolution no. 41/2020, approving the Social and Economic Stabilization Plan (SESP) that introduces a package of exceptional measures on economic and social matters, including the "simplified furlough," which was extended to the companies that are obliged to remain closed under the government's determination. The remaining companies may extend the simplified furlough until the end of July 2020. Additionally, the "progressive resumption support measure" was introduced as an extraordinary measure, to be in force until the end of 2020, to promote the companies' activities resumption, by a State support, for companies that have implemented a simplified furlough. Moreover, the "employee's stabilization aid" was introduced as a financial aid, to be paid in July to the employees that have had a decrease on their income due to the pandemic.

# New Measures on Simplified Layoffs and the Extraordinary Training Plan

#### **New Legislation Enacted**

Authors: Ricardo Grilo, Senior Associate and Gonçalo Machado dos Santos, Associate – Garrigues Portugal SLP Sucursal

Two of the most important measures approved during the state of emergency were the simplified layoffs and the extraordinary training plan. On June 19, 2020, Decree-Law nº 27-B/2020 amended these measures as they pertain to the extraordinary incentive for the return to standard business activity and the cumulative (or noncumulative) and sequential support measures.

### **Puerto Rico**

# The Working Women's Bill of Rights

#### **New Legislation Enacted**

Authors: Elizabeth Pérez-Lleras, Capital Member and Alberto Tabales-Maldonado, Associate – Littler Puerto Rico

On January 3, 2020, Puerto Rico enacted the Working Women's Bill of Rights (Law No. 9-2020). While it was enacted for informational purposes and does not create any new substantive rights, the law centralizes a nonexhaustive list of previously established rights for working women in the public and private sectors and requires all governmental agencies, public corporations, municipalities and private employers to publish notices of the law in places accessible to all employees and visitors.

# Supreme Court: Plaintiffs Bear Burden of Proof for Constructive Discharge Claims

### **Precedential Decision by Judiciary or Regulatory Agency**

Authors: Erika Berríos Berríos, Capital Member and María Elisa Echenique Arana, Associate – Littler Puerto Rico

Constructive discharge is a form of wrongful termination under Act 80, known as the Puerto Rico Unjust Dismissal statute. Unlike traditional wrongful termination cases, plaintiffs alleging constructive discharge bear the burden of proof to establish that the employer forced them to resign. The Puerto Rico Supreme Court recently clarified that because this heightened burden starts at the pleadings stage, plaintiffs must assert sufficient facts in their complaint to establish the elements of the claim and provide employers sufficient notice of the cause of action, so they can prepare an adequate defense.

### Puerto Rico Governor Signs New Civil Code

#### **New Regulation or Official Guidance**

Authors: Shiara L. Diloné Fernández, Capital Member and Ana B. Rosado Frontanés, Member – Littler Puerto Rico

On June 1, 2020, Puerto Rico enacted a new Civil Code. Legislative guidance is expected in the coming days or weeks. Among its most notable changes, the new Civil Code substantially reduces the statute of limitations of personal claims for which no special term was established (which includes claims for breach contract) from 15 years to four years. It also incorporates the concept of punitive damages and created a new section titled: "Revision of Contracts," which establishes, among others, the concept of "disproportionate economic advantage injury." Pursuant to the new Code, a person could demand the annulment or revision of an onerous contract when one of the parties, taking advantage of the need, inexperience, cultural condition, economic dependency or advanced age of the other, gets a disproportionate and unjustified economic advantage.

# COVID-19 Designated as a Work-Related Condition for Workers' Compensation

#### **New Regulation or Official Guidance**

Authors: Anabel Rodríguez Alonso, Capital Member and Sashmarie Rivera López, Associate – Littler Puerto Rico

On June 1, 2020, Puerto Rico amended the Workers' Accident Compensation Act to cover certain employees who get infected with COVID-19 while performing their duties. Due to the pandemic, coverage has been extended to state, municipal, private or public sector employees who get infected with COVID-19 during the performance of their duties as doctors, nurses, paramedics or any other health professional in medical offices, hospitals, diagnostic and treatment centers or any other medical facility. This protection is also extended to laboratory employees, caregivers at senior centers, police, firefighters, state and municipal rescue and emergency personnel, and other personnel that have been particularly exposed to COVID-19 as a result of the risks associated with their duties. Even if an employee does not

work in one of the above job categories, they may be eligible if able to establish that the virus infection occurred while performing the tasks inherent to employment.

# Force Majeure Defense Amidst Breach of Contract Claims in the COVID-19 Age

#### **Trend**

Authors: Lourdes Hernández Venegas, Capital Member and Andrés Gorbea Del Valle, Associate – Littler Puerto Rico As the COVID-19 outbreak continues to wreak havoc on industries and businesses around the world, disputes regarding breaches of contractual obligations are likely to increase. Therefore, companies should remain cognizant that a "force majeure" defense may be available to defend against such claims. Under Puerto Rico law, a party may be relieved from contractual obligations if unforeseeable circumstances beyond the party's control prevent or delay the party from fulfilling its contractual obligations, even when the events were foreseeable but inevitable. Importantly, however, the party invoking this defense must show that there were no alternative means to comply with the contractual obligations and increased costs, alone, is not enough to establish the defense.

### Russia

# **Proposed National Plan of Action**

### **Proposed Bill or Initiative**

Author: Uliana Kozeychuk, Associate – Littler United States

The Russian government proposed various measures to rebuild the economy and reduce the unemployment rate. These measures include: (1) allow workers to work remotely full or part-time without having to create new employment agreements; (2) allow electronic HR documentation; (3) allow new companies to hire workers for up to one year; (4) extend employment agreements beyond their term; (5) reduce categories of workers to undergo medical exams; and (6) allow distance learning and testing.

#### Saudi Arabia

# **Part-Time and Flexible Work Arrangements**

#### **New Legislation Enacted**

Authors: Sara Khoja, Partner and Sarit Thomas, Attorney-at-Law – Clyde & Co.

In May 2020, Ministerial Resolution 142906 of 13/8/1441H amended the Labor Law regulations, which now allows for part-time flexible work arrangements on various grounds, including: (i) part-time employees can work for more than one employer on an hourly basis (with some conditions); (ii) only Saudi nationals may work in this way on an hourly basis; (iii) the Ministry will specify which sectors can take hourly employees in this manner; (iv) Labor Law provisions on leave (including annual leave, sick leave, public holidays) will not apply to hourly paid employees; (v) no end of service gratuity payable; (vi) no probation will apply; (vii) GOSI contributions will apply according to GOSI rules; (viii) the employee will count towards a third of a point in Nitiqat provided the employee works 168 hours – Nitiqat rules apply; (ix) pay should be paid each month or as agreed between the parties; (x) employees shall not work more than 95 hours per month with one employer; (xi) the employee has the right to refuse to work without a penalty. The regulations establish specific requirements for the contracts. Flexible work service providers must be certified based on the standards published by the Ministry. Any disputes pertaining to part-time or flexible work arrangements will be heard by the Labor Courts.

# Ministerial Resolution Amends Labor Law Regulation, Due to COVID-19

#### **New Regulation or Official Guidance**

Authors: Sara Khoja, Partner and Sarit Thomas, Attorney-at-Law - Clyde & Co.

To address the impact of the COVID-19 pandemic, on April 6, 2020, Ministerial Resolution 142906 of 13/8/1441H amended the Labor Law regulations by adding a new clause 41, allowing employers to implement various measures due to *force majeure*, including reducing employees' salary and/or working hours, and placing employees on annual leave or unpaid leave. Terminations will not be justified, however, if the employer received government assistance (i.e., furlough programs). The Ministry of Human Resources and Social Development (MHRSD) has since issued guidance on the limits for implementing such measures. As an example, a salary reduction cannot exceed 40% of the employee's full salary. The MHRSD may impose a regulatory fine of SAR 10,000 per case, for noncompliance.

#### **Return to Work Guidelines**

#### **New Regulation or Official Guidance**

Authors: Sara Khoja, Partner and Sarit Thomas, Attorney-at-Law – Clyde & Co.

The Ministry of Human Resources and Social Development issued guidelines at the end of May 2020 for those wishing to return to work. Under the guidelines, prior to returning to work, employers are required to evaluate the health risks using the MHRSD "Mawid" application and implement various protocols for face coverings, temperature screening, daily sanitizing of the workplace, entry and exit into the premises, transport, areas for isolation, amongst other protocols. Employees in high-risk categories are to work from home, flexible working hours must be applied, and digital meetings are encouraged. If a person tests positive for the virus, the health ministry must be informed. Employers are also required to train their employees on return to work expectations.

# Singapore

# Advisory on Benefit Payable to Retrenched Employees Due to COVID-19

#### **New Regulation or Official Guidance**

Author: Benjamin Gaw, Director - Drew & Napier LLC

On May 20, 2020, the tripartite partners issued the "Advisory on retrenchment benefit payable to retrenched employees as a result of business difficulties due to COVID-19" to guide employers and employees on retrenchment benefits payable if retrenchment is inevitable. Broadly, the advisory provides that retrenchment should always be the last resort to manage manpower costs, and provides guidance on retrenchment benefits that employers should provide, depending on their financial position. Employers should support their retrenched employees by providing a lump sum retrenchment benefit between one and three months of salary, taking into consideration the JSS payouts that employers have received and their financial position. Further, employers are urged to be more generous towards lower wage employees, and to support their retrenched employees in seeking new employment.

# Advisory on Salary and Leave Arrangements During and After Circuit Breaker

#### **New Regulation or Official Guidance**

Author: Benjamin Gaw, Director - Drew & Napier LLC

The Multi-Ministry Taskforce (Taskforce) announced an elevated set of safe distancing measures to preempt the increase of COVID-19 transmission. The measures - known as the "circuit breaker" and designed to heighten safe distancing measures, suspend activities at most workplaces, and reduce the movements and interactions of people - was put into place from April 7, 2020 to May 4, 2020 and then extended until June 1, 2020. Additionally, the tripartite

partners, comprising of the Ministry of Manpower (MOM), the National Trades Union Congress and Singapore National Employers Federation have issued an advisory for employers and employees on salary and leave arrangements, which was last updated on 9 June 2020. The advisory provides a summary of the existing wage support schemes available, and recommended salary and leave arrangements. Local and foreign employees who continue to work fully must be paid their prevailing salaries, including the employers' contributions to the Central Provident Fund (CPF). Employers who cannot resume operations in the first phase of re-opening should pay local employees a baseline monthly salary, including the employers' contributions to CPF as recommended in the advisory.

# Task Force Introduces Safe Working, Safe Living, and Safe Rest Days Measures

### **New Regulation or Official Guidance**

Author: Benjamin Gaw, Director - Drew & Napier LLC

The Inter-agency Task Force (ITF) is preparing for the recovery of dormitories, and ensuring a safe and gradual resumption of business activities. Employers that are allowed to resume their operations must implement the Requirements for Safe Management Measures at the workplace issued by the tripartite partners on May 9, 2020. The requirements are meant for general workplace settings, and relate to workers, workplaces and persons who may become unwell at an employer's workplace. To prepare for the return of migrant workers who have since recovered from COVID-19 and will be returning to their dormitories, specific Blocks for Recovered Workers (BRWs) will be progressively cleaned out and disinfected. The MOM has also introduced new Work Pass Conditions under the Employment of Foreign Manpower Act on non-domestic Work Permit and S Pass Holders, and their employers. In respect of cleared blocks/dormitories which have been checked and approved by the MOM, workers will be allowed to return to work in three phases, under which certain requirements and restrictions would apply, including new practices and dormitory arrangements in relation to rest days will apply.

# MOM Issues New License Conditions for Employment Agencies to Strengthen Fair Hiring

#### **New Regulation or Official Guidance**

Author: Benjamin Gaw, Director - Drew & Napier LLC

To strengthen fair hiring practices, MOM will impose new license conditions on all employment agencies (EA) when they undertake recruitment work. In addition to helping their clients fulfil job advertising requirements, EAs must also (a) brief their clients on the fair recruitment requirements in the Tripartite Guidelines on Fair Employment Practices; (b) make reasonable efforts to attract Singaporeans for vacancies that they are trying to fill; and (c) consider all candidates based on merit. EAs must not in any way abet discriminatory hiring by their clients, for example, by withholding applications because of age, race, nationality, gender and disability. EAs must also turn down requests or instructions from clients to carry out discriminatory hiring.

# **New Initiatives Providing Support for Local Jobseekers**

#### **Proposed Bill or Initiative**

Author: Benjamin Gaw, Director - Drew & Napier LLC

The Singapore government announced new initiatives will be introduced under the SGUnited Jobs and Skills Package, which was launched on May 26, 2020 as part of the Fortitude Budget presented in Parliament on the same date, and which is intended to support close to 100,000 jobseekers and aims to expand job and traineeship opportunities in both the public and private sectors for jobseekers, and provide enhanced training support.

# Spain

# New Social Measures to Activate Employment After COVID-19 Crisis

#### **New Order or Decree**

Author: Sonia Cortés García, Partner – Abdón Pedrajas

On June 26, 2020, President Sanchez signed a new Royal Decree-Law 24/2020, as a social measure to enable a gradual recovery in business and economic activity, by activating employment, self-employment, and the industrial sector. The decree in relevant part: (i) extends furlough until September 30; (ii) freezes overtime and new hires if employees are still affected by a furlough; (iii) extends the extraordinary unemployment benefit scheme until September 30 (with some exceptions); (iv) exempts companies that implemented a force majeure furlough (or are going to request a furlough) from Social Security contributions for July, August and September; (v) restricts employers from paying out dividends within the current fiscal year, unless the social security contributions are paid first; (vi) forbids terminations within 6 months; (vii) holds in abeyance temporary contracts affected by a furlough until September 30; and (viii) forbids terminations based on business grounds or force majeure due to COVID-19 until September 30 (with some exceptions).

# **Health and Safety Obligations Post COVID-19 Crisis**

#### **New Order or Decree**

Author: Sonia Cortés García, Partner – Abdón Pedrajas

On June 9, 2020, President Sanchez signed a Royal Decree-Law 21/2020 titled: "Urgent prevention, containment and coordination measures to deal with the health crisis caused by COVID-19," which carries economic penalties for non-compliance. Amongst the health and safety obligations, this decree includes: (i) measures to avoid risks of COVID-19 spread; (ii) steps to address health emergencies; (iii) preventive measures for the workplace; (iv) health and safety measures in retail business, hotels, restaurants, etc.; (v) health and safety measures for transportation services; (vi) measures concerning medicines, medical devices, and products necessary for health protection; (vii) measures for early COVID-19 detection, control of sources of infection, and epidemiological surveillance; and (viii) measures to ensure the capacities of the public welfare system. Violation of the RDL will deemed to economic fines.

# Proposed Law on Teleworking and Work from Home

#### **Proposed Bill or Initiative**

Author: Sonia Cortés García, Partner – Abdón Pedrajas

A proposed law, which was opened to public comment during the month of June, proposes changes to enable telework and work from home (WFH) as measures to protect employment and help prevent the spread of COVID-19. If approved, these measures would be voluntary, requiring the parties to agree. In part, the law aims to guarantee equality and non-discrimination; as well as provide priority criteria for employees enjoying a paid leave (e.g., maternity, paternity, etc.), victims of gender violence or terrorism, and students. Teleworking and WFH would be prohibited for minors or employees with training contracts. The arrangements must meet various requirements, including "right to reversion" rules; measures to guarantee training and promotion and protection of employee rights, expense reimbursement, recordkeeping of working hours, health and safety measures, prevention of harassment and cyberbullying, notice of monitoring systems, amongst other obligations and preventative measures. Given the pandemic, the implementation of teleworking arrangements has become a major focus.

# Guidance on Temperature Testing and Consideration of Data on COVID-19 Antibodies

#### Important Action by Regulatory Agency

Author: Sonia Cortés García, Partner - Abdón Pedrajas

The Spanish Data Protection Agency has published two reports on whether it is lawful for companies to test the temperature of employees to detect COVID-19 symptoms, or require job applicants to disclose whether they have COVID-19 antibodies or allow them to disclose it on their CV. The Agency's position is that, to comply with their health and safety obligations, businesses can conduct temperature testing, as long as they comply with the principles of Art. 5 of the GDPR on the processing of personal data. However, information on COVID-19 antibodies is sensitive data related to a person's health and considering it during the hiring process violates the data protection regulations for various reasons. First, given the power imbalance between the parties, the job applicant cannot give free consent. Second, the data is not necessary for the formation of the contract. Additionally, as the company would not yet be an employer, the data would not contribute to the protection of workers. If candidates include such information on their CV, companies are not allowed to take it into account, especially because such considerations cannot be made concerning other infectious diseases.

# Increase of Investigations Focused on Fraudulent Use of Furlough Due to COVID-19

#### **Trend**

Author: Sonia Cortés García, Partner – Abdón Pedrajas

The Ministry of Employment and Social Economy announced a campaign to detect fraud of the use of furlough during the COVID-19 crisis, with a focus on the protection and responsible use of public resources. This campaign, led by the Labor Inspectorate and Social Security, will increase in-person inspections to identify non-compliance or irregular practices, with special attention to any resumption of activities without prior communication to the Public Service State Employment Service (SEPE). SEPE is involved in facilitating the return to work for employees receiving unemployment benefits.

### Sweden

### Fourth Level of State Aid Introduced

#### **New Legislation Enacted**

Author: Anna Jerndorf, Partner – Advokatfirman Törngren Magnell KB

Since March 2020, employers may temporarily apply special provisions on short-term work during 2020 and receive state aid due to the Covid-19 outbreak. Under a three-fixed program, employers may reduce working hours at different levels, resulting in employer's costs being reduced by 19, 36 or 53 percent. For the period between May and July 2020, state aid will also be provided at a fourth level, where the working hours can be reduced further, resulting in a 72 percent cost reduction for the employer.

# **New Restructuring Support Adopted by Parliament**

### **New Legislation Enacted**

Author: Anna Jerndorf, Partner – Advokatfirman Törngren Magnell KB

A new support to companies, known as the "restructuring aid" (Sw. Omställningsstöd), has been implemented for companies with a significant loss of turnover due to the COVID-19 outbreak. The support is called "restructuring aid" (Sw. Omställningsstöd), the size of which depends on how large the loss of turnover the company has had and can vary between 22.5 and 75 percent of the company's fixed costs, such as rent, leasing fees, electricity, etc. (salary costs excluded) for March and April 2020. The maximum amount is set to SEK 150 million per company/group. The new law and ordinance entered into force on June 22, 2020. Applications must be made before August 31, 2020.

# **Temporary Sickness Benefit for Employees in Certain Risk Groups**

### **New Legislation Enacted**

Author: Anna Jerndorf, Partner – Advokatfirman Törngren Magnell KB

On June 23, 2020, the Swedish Parliament passed a bill entitling persons in certain risk groups to receive sickness benefit (paid by the State) for staying at home for preventive purposes if they are unable to work from home or temporarily receive other work tasks where the risk for COVID-19 infection is limited. Certain relatives living in the same household in a risk group may also receive this benefit, as well as parents to children that have recently been seriously ill. The temporary sickness benefit applies from July 1 to September 30, 2020.

# Inquiry on Modernization of the Swedish Labor Law Presented

### **Proposed Bill or Initiative**

Author: Anna Jerndorf, Partner – Advokatfirman Törngren Magnell KB

A special investigator presented its inquiry on a modernization of the Swedish labor law on June 1, 2020. One of the most noticeable proposals in the inquiry is to increase the exemptions from the rules on the order of selection for redundancy. As proposed, all employers – regardless of size – would be able to exempt five employees from the order of selection. The inquiry also proposes to require employers to offer their employees reasonable skills development as part of their employment. Further, there are also proposals that will result in lower and more predictable costs for terminations (with notice), especially for small companies. The new rules are proposed to enter into force on January 1, 2022.

# **Switzerland**

### **Change of Pension Scheme**

#### Precedential Decision by Judiciary or Regulatory Agency

Author: Ueli Sommer, Partner, Head of Employment – Walder Wyss, Ltd.

The Swiss Federal Court ruled that if a company changes the pension scheme provider without the consultation process required by law, i.e. without having the consent of at least 50% of the workforce, the termination of the contract with the former provider and the new contract with the new provider is null and void. Further, there is a risk that the management who pursued this change becomes (personally) liable for damages of the employees resulting from this. Hence, it is of utmost importance that the process is strictly followed.

### **United States**

# A Temperature Check on States' Reporting Time Pay Requirements in COVID-19 Era

#### **New Legislation Enacted**

Authors: Bruce Sarchet, Shareholder and Nate Jenkins, Associate - Littler United States

As many states ease their shelter-in-place orders across the country, businesses are slowly reopening to the public. Although businesses are anxious to open their doors, as employers, they are grappling with how to comply with local requirements and precautions for reopening. Many employers are required to, or may want to, take employees' temperatures before the start of a shift or have employees complete a health screening process before reporting to work. For a survey on state laws requiring employers to pay reporting time pay to employees who arrive to work but must leave after exhibiting a fever, or other symptoms, during a COVID-19 health screening, read the article by this same title on Littler.com.

# Supreme Court Rules That Gay, Lesbian, and Transgender Individuals Are Protected

# Precedential Decision by Judiciary or Regulatory Agency

Author: Jim Paretti, Shareholder – Littler United States

On June 15, 2020, the Supreme Court held Title VII of the Civil Rights Act of 1964 prohibits discrimination based on sexual orientation and gender identity. The High Court reasoned, "it is impossible to discriminate against a person for being homosexual or transgender without discriminating against that individual based on sex." The Court explained that "[a]n employer who fires an individual for being homosexual or transgender fires that person for traits or actions it would not have questioned in members of a different sex." Accordingly, the Court concluded, "[s]ex plays a necessary and undisguisable role in the decision, exactly what Title VII forbids." The impact of this decision will be largely felt across the 27 states that do not currently have any state law protections for private individuals on the basis of their sexual orientation and gender identity in the workplace. Employers should review and revise their employee handbooks and practices to comply with this decision.

# EEOC Provides Return-to-Work and COVID-19 Antibody Testing Guidance under Federal Civil Rights Laws

#### **New Regulation or Official Guidance**

Author: Jim Paretti, Shareholder – Littler United States

As the nation continues the gradual reopening of workplaces and the economy, the U.S. Equal Employment Opportunity Commission (EEOC) has updated its guidance to provide information to employers regarding their responsibilities under federal civil rights laws. The EEOC has been updating this guidance on a rolling basis since March. Concerning medical screening, the EEOC clarified that while tests for the presence of the coronavirus are permissible under the disability law, tests for the presence of coronavirus antibodies are not permissible to determine whether employees are allowed to return to work. The EEOC also reminded employers that under the law, an employer may not exclude older or pregnant workers from the workplace because of their age or pregnancy, even if these individuals may be at higher risk of serious illness from COVID-19. Still, employers may accommodate requests from these individuals, so long as it does so in a consistent and nondiscriminatory manner. For a summary of additional key takeaways from the guidance, refer to the Littler article published under this same title on Littler.com.

# **Emergency Paid Sick Leave: U.S. Department of Labor Enforcement Efforts on the Rise**

### **Important Action by Regulatory Agency**

Authors: Bruce Sarchet, Shareholder and Christopher Benton, Associate – Littler United States

Back in February of this year, when employees were still reporting to work and the COVID-19 pandemic was just starting to gain national attention, there was great concern that infected employees with insufficient sick leave would report to work because they needed income. The federal government's first response was to provide for "emergency paid sick leave" under the Families First Coronavirus Response Act (FFCRA). Tax credits were provided so that, in essence, the government would be subsidizing these new paid leaves. As a reminder, the emergency leave provisions of the FFCRA are scheduled to expire at the end of 2020. Until that time, employers should carefully weigh their options when faced with an employee request to take such leave. While actual enforcement was delayed at first, lately the U.S. Department of Labor has become quite active in prosecuting claims against businesses for alleged FFCRA violations.

# **COVID-19 Lawsuits and Claims Increasing in Courts Nationwide**

#### **Trend**

Authors: Jim Paretti and Michael J. Lotito, Shareholders – Littler United States

As the United States continues to struggle with the devastating impact of the COVID-19 pandemic on health, safety, and the economy, it is likely that many employers will have yet another issue to face as they attempt to maintain and reopen their businesses: lawsuits.

To date, over 2,000 lawsuits relating to COVID-19 have been filed in federal and state courts. These range from claims from customers and clients relating to COVID-19 exposure, to more focused claims from employees under various federal, state and local laws relating to workplace health and safety, non discrimination, and employment termination. As of mid-June, more than 230 lawsuits directly related to labor and employment violations have been filed (including 30 class action suits). Perhaps unsurprisingly, California leads the nation with 32 employment lawsuits already filed, with Florida, New York, and New Jersey close behind.

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