

Global View® Quarterly

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News

A Message from Jill Neilson, Managing Director, Global Consulting and Strategy: 2015 Global Network Conference Most Successful to Date

I consider our Global Network to be one of our greatest assets – our members provide “boots on the ground” information, advice and service in nearly 90 countries. They go through a rigorous due diligence process to become a member of our network, so each one makes quite an investment in terms of time and effort.



That is why I was particularly honored that we had representatives from 25 countries at our annual Global Network Conference held in Brussels on April 9 and 10 – our largest conference to date. The annual conference gives us a chance to have face-to-face contact with the members of our network, and also lets us share information about market trends and the changing workforce as well as legislative changes that impact our clients. The Global Network Conference is quite participatory. Fraser Smart, our group president, kicked off the conference and we had a mix of Buck Consultants, Xerox and Global Network Member speakers throughout the day.

Of course, the ultimate goal of the conference is improved service for our clients.



This is achieved through providing consistent information; as well as, creating and strengthening our relationships among Network Members and our Global Consulting and Strategy (GCS) team. Members meet each other, learn from each other as well as members of the GCS team (and have fun together!). This builds lasting relationships and improves communication.

As we continue to expand our network into new countries, the cohesion we create and grow during our annual conferences becomes more critical in supporting our global clients. We are already planning our 2016 conference and look forward to continuing to learn from each other and strengthen not only our relationships, but also our services.

Global Consulting and Strategy Team Continues to Grow

We continue to focus on building our global proposition, and I am happy to announce the most recent additions to the GCS Team and our Global Network.

GCS Team

Joe LaSorte has more than 30 years of experience in global human resources consulting, including global total rewards and benefits strategy, global benefits governance and financing (including multinational pooling, captive reinsurance, and self-insurance), global brokerage relationships, global benefit inventories

and assessments, global retirement management and actuarial consulting, global compensation management, national culture and its impact on managing global HR, benefits, and compensation, and expatriate HR, benefits, and compensation issues. Joe is based out of our Berwyn (Philadelphia), PA office and will focus on key new business pursuits.

Nikki Musso joins us from her recent post at McAfee as their global benefits manager. Nikki has a 20+ year career in benefits and has worked for consulting firms in the past. She brings a broad understanding of global benefits and administration. She will focus her attention on our Global Network with her primary responsibility being global network operations; and, will also co-author the quarterly global newsletter, Global View. She is based out of our San Francisco, CA office.

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Global Network

[Nordisk Aktuarservice](#), based in Copenhagen, provides professional actuarial services for corporations and organizations throughout Scandinavia. Services include evaluating mergers and acquisitions, implementing Solvency II models, and establishing captives. Nordisk Aktuarservice also provides professional advice and offers tailored solutions relating to non-life insurance and reinsurance. It is a member of EURACS, Europe's umbrella for professional actuaries.

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[Brokers, Inc.](#) (formerly Gotuaco, Del Rosario and Associates, Inc.) - Gotuaco, Del Rosario Insurance Brokers, founded in 1965, is located in Makati City, Manila. GRA is a leading professional insurance broker and consulting firm with clients in all major commercial, industrial and service sectors. The firm is the largest independent all-Filipino insurance broker in the Philippine market and is celebrating 50 years of service this year.

[NMG Consultants and Actuaries](#)

[\(Pty\) Ltd](#) - NMG Benefits partners with employers, medical schemes, pension funds, employees and retirees in providing advice on the management of employee medical, life and disability insurance, and retirement solutions. Its approach is to help clients take a holistic view of benefits programmes, encouraging greater productivity and loyalty. NMG has operations throughout South Africa and in Namibia.

Blog post: 11 Ways to Keep Remote Workers Engaged

It is not so easy to tell when an employee who works remotely is becoming disaffected and no longer engaged. You cannot see them. You do not have the same kind of “walking around” interactions. Can you really tell from a phone call or email if their level of engagement is still “up”? [This HR Insight shows you how.](#)

Our New and Improved Website

[Our website](#) has been updated - it now includes information about our GCS services as well as a case study outlining how we increased worldwide readership of online total reward statements for Unilever.



Regulatory Updates

In our Country Regulatory Updates, we highlight the current quarter's regulatory updates. For more detailed information, contact your [GCS Region Manager](#).

Argentina

Social Security - Benefits

Resolution 449 of 20 August 2014 amended benefit levels by 17.21% in accordance with the mobility index. With effect from 1 September 2014 the guaranteed minimum monthly pension was increased to ARS 3,231.63 under Article 5 and the maximum monthly pension was increased to ARS 23,675.54 under Article 6. The basic universal pension (prestacion basica universal - PBU) was fixed at ARS 1,526.75 under Article 8. The minimum and maximum tax bases were set at ARS 1,124.06 and ARS 36,531.48 respectively under Article 7.

Belarus

Social Security - Old Age Pension

From January 2015 the minimum number of years of contribution required to claim an old age and retirement pension increased from 10 to 15 years. Also, every complete year of work over 35 years (30 years for women) will translate into an increase in pension of 1% of their average monthly salary, but not more than 0.7% of the average salary in Belarus.

For those who cannot achieve a long service record for objective reasons (such as mothers who have many children, caring for children with disabilities, or those disabled from childhood), the minimum employment period remains unchanged at five years.

From 1 January 2016 the monthly pension will increase by 0.1% of the average monthly salary per year of employment over 40 years (35 years for women), up to a maximum of 0.5% of the average monthly salary.

Belgium

Social Security - Loss of Income Allowances

From 1 January 2015, the *Royal Decree of 30 December 2014* amended rules relating to employees who wish to temporarily work on a part-time basis or take a break from their career. Prior to this the social security unemployment system would temporarily pay certain allowances to make up in part for loss of income in three situations: pre-retirement, familial need and “without cause”. The royal decree removed the availability of such benefit in the event of the employee being temporarily unemployed “without cause” and gradually increased the age at which pre-retirement employees become eligible for the benefit from 55 years in 2015 to 60 years in 2019, with at least 25 years in a professional career (although if certain conditions are met this could remain 55 years).

Bulgaria

Projected Legislation - Pensions

In December 2014 the Bulgarian government approved a law which might force employees to decide whether to continue to contribute to private pension funds or to transfer their mandatory pillar II contributions to the National Social Security Institute (NSSI) or pillar I. In late January 2015, however, the government decided that if employees choose to stop contributing to private pension funds, their contributions would be transferred into the “Silver Fund” (established in 2006 to cover future deficits in the state pension system) instead of the NSSI. Employees with more than five years to retirement would be given the option of changing their preference once a year. The proposals were still under discussion in early March 2015.

Canada

Pension Benefits Standards Act Revised

The Canadian federal government finalized amendments to the Pension Benefits Standards Act Regulations addressing:

- Retiree and inactive plan member statements
- Changes to active plan member annual statements
- New plan investment requirements
- Variable benefits from defined contribution accounts
- New investment disclosure rules
- New prescribed forms

Changes were enacted on April 1, 2015, with exception of investment rule changes that take effect on July 1, 2016. We outline suggested action items for plan sponsors to meet these changes in our April, 2015 [Advisory](#) publication.

Chile

Social Security - Contributions

On 8 January 2015, the Pensions Supervisor (Superintendencia de Pensiones - SP) announced that the ceiling for mandatory contributions for 2015 is amended to UF 73.2/CLP 1.71mn from UF 72.3/CLP 1.69mn for pensions and healthcare coverage, and UF 109.8 /CLP 2.56mn from UF 108.5/CLP 2.53mn for unemployment insurance. According to the legislation in force, both values are to be adjusted when the National Institute of Statistics (Instituto Nacional de Estadísticas - INE) advises that the real wages index has registered positive variations. From November 2013 to November 2014 this index rose by 1.2%.

Estonia

Social Security - Contributions

In January 2015, the rate paid by employees for unemployment insurance was reduced from 2.0% to 1.6% and by employers from 1.0% to 0.8%.

Finland

Social Security - Contributions

The split of total contributions payable for the different types of benefit funds (retirement, death and disability refers to benefits from the TyEL scheme) in 2015 are in the table above.

Split of Total Contributions Payable for Different Types of Benefit Funds

Type of benefit fund	Employee (%)	Employer (%)	Total (%)	Self-employed (%)
Retirement, death and disability	5.70 or 7.20 (if aged 53 or over)	19.00 or 17.50	24.7	23.70 or 25.20
Medical	2.10	2.08	4.18	n/a
Workers' compensation	0.10 to 9.00	nil	0.10 to 9.00	n/a
Unemployment	0.65	0.80 to 3.15	1.45 to 3.8	n/a
Total	8.55 to 18.95	20.38 to 24.23	30.43 to 41.68	23.70 or 25.20

Hong Kong

Projected Legislation - Voluntary Health Insurance

In December 2014 the Food and Health Bureau published a further consultation document on the proposed health protection scheme, now called the Voluntary Health Insurance Scheme (VHIS). Private medical insurers, working through the Hong Kong Federation of Insurers, have signaled their continuing disquiet about the scheme, which they intend to justify in detail in an industry position paper scheduled for mid-March 2015.

Hungary

Legislation - Pensions

The 2015 budget, passed by parliament on 15 December 2014, included the provision that the assets of private mandatory pension funds will be transferred to the state pension funds (pillar I) if more than 30% of their members failed to pay membership fees over six months.

Japan

Legislation - Social Security - Long Term Care

The *Medical Care and Long-Term Care Comprehensive Guarantee Promotion Law* was passed relating to the medical care supply system and long-term care (LTC) insurance. The aim of the law, enacted in mid-2014, is to strengthen the liaison between the medical care and long term care (LTC) systems for implementation by fiscal year 2017.

With regards to LTC, the targets of the reform were to build a comprehensive community care system integrating medical care, LTC preventative measures and support functions for the elderly.

The co-payment from service users would be increased from the then current 10% to 20% for those in receipt of higher incomes. These measures were for implementation by fiscal year 2015.

Luxembourg

Projected Legislation - Social Security - Benefits

In October 2014, the budget for 2015 proposed the abolition in 2015 of the maternity allowance (paid for eight weeks before and after childbirth), to be replaced by 20 hours free child care per week.

Switzerland

Projected Legislation - Pensions

The proposed reforms to the state pension system, "Altersvorsorge 2020", are currently before the parliament.

Regulation - Social Security

Regulations concerning the reintegration of disabled people into the workforce came into force on 1 January 2015.

Social Security - Benefits

Effective 1 January 2015 the minimum old pension increased from CHF 1,170 to CHF 1,175 and the maximum increased from CHF 2,340 to CHF 2,350.

Social Security - Contributions

From 1 January 2015 the range of employer contributions for family benefits (FZ) has changed from 0.15% to 3.9% for employers and from 0.4% to 3.7% for self-employed. The employees' contribution in the Canton of Valais remains unchanged. There is no change to contribution rates for other benefits

Contact Us

If you have any questions or would like more information, contact our Global Consulting and Strategy team at hrconsulting@xerox.com.

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