

## All countries

### General environment

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#### Asia

##### China

Chinese law is relatively employee friendly. There is no termination at will by an employer. Disputes that are not resolved amicably with employees frequently end up in labour arbitration/litigation.

Well-drafted bilingual labour contracts and employee handbooks are important in practice.

Trade unions are less influential in practice, compared with some Western countries.

##### Hong Kong

The Hong Kong Government regulates employees' rights and benefits, occupational safety and health through various labour legislation.

As of now, 31 relevant International Labour Conventions apply to Hong Kong. Such conventions are promulgated by the International Labour Organisation that is a specialised agency of the United Nations. The conventions deal with a multitude of labour issues including conditions of work, employment policy, employees' compensation, labour relations and occupational health and safety.

##### Singapore

The employment environment in Singapore is generally not as strict as mainland Europe, and the standards are closer to that of the US/UK. Parties are free to contract as they wish.

## United Arab Emirates

The employment relationship is governed by the new UAE Federal Labour Law (Federal Decree Law No. 33 of 2021) together with UAE Cabinet Resolution No.1 of 2022 (the "UAE Labour Law") as in either case amended from time to time which came in force on 2 February 2020 and sets out a minimum standard of employment conditions that are obligatory for all employers in the UAE. As a Federal statute, the provisions of the UAE Labour Law apply to all private sector employers based in the UAE, including those that are established in free zones (save for the two exceptions covered below). Although the free zone may implement internal employment regulations applicable to companies established within it, these will merely supplement the minimum provisions as laid out in the UAE Labour Law.

There are only two current exceptions to the overarching application of the UAE Labour Law. The first is in the Dubai International Financial Centre ("DIFC") which is a separate jurisdiction with its own employment legislation, namely the DIFC Employment Law 2019 (as amended) (the "Employment Law"). The application of the Employment Law is to all employees and employers who are based and ordinarily work in the DIFC. The second exception is the Abu Dhabi Global Market ("ADGM") which also has its own employment legislation, namely the Abu Dhabi Global Market Employment Regulations 2019.

All expatriate employees must obtain a residency visa and work permit. As part of that process, they will be required to enter into a standard form contract either with the Ministry of Human Resources and Emiratisation ("MOHRE") or the relevant free zone in which the entity is established. That being said, there are certain free zones (e.g. the Dubai Development Authority Free Zone) that allow companies to submit their own internal employment contract as opposed to the free zone standard form contract.

UAE entities registered with MOHRE (which shall primarily be onshore entities) that employ over 50 employees are subject to Emiratisation requirements. These UAE entities must ensure that 2% of the workforce is comprised of UAE Nationals. However, no such quotas exist in free zones at present. In employing workers via free zone entities/keeping headcount of onshore entities to less than 50 employees, commercial companies can avoid the application of Emiratisation quotas.

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## Europe

### Austria

Relatively strict and employee-friendly in many aspects due to a rich trade union history in Austria.

A large number of Collective Bargaining Agreements covering almost every industry sector.

No concept employment at will. Only the first month of an employment relationship can be agreed as a probationary period, during which the employment can be terminated by either party with immediate effect without giving reasons.

Czech Republic	<p>Employees enjoy a wide statutory protection as the weaker side. There is no concept of "employment at will", only the first three months of an employment law relationship can be agreed as a probationary period (six in case of managerial / leading employees), during which the relationship can be terminated by either party with immediate effect without giving reasons. Any other dismissal by the employer must be justified by a real and serious cause; the reasons are stipulated in the Czech Labour Code.</p> <p>Any outsourcing, service contracts or contracts on work should be subject to a detailed review to verify that they do not show signs of hidden agency employment.</p> <p>Hidden agency employment is a prohibited practice in which a legal entity without an employment agency licence assigns its employees to a third-party user to carry out dependent work, which is supervised and managed by the third-party user. This applies to EOR, too.</p> <p>A fine from CZK 50,000 (approx. EUR 2,050 up to CZK 10,000,000 (approx. EUR 410,250) may be imposed on both parties (i.e. on suppliers and users) for hidden agency employment.</p>
England & Wales	<p>Stricter and more employee friendly than the US, lighter than mainland Europe. No concept of employment at will although the first two years' employment is close to this.</p>
France	<p>The concept of "employment at will" does not exist. Any dismissal must be justified by a real and serious cause, the absence of which may render the employer liable for damages.</p>
Germany	<p>Generally perceived as stricter and more employee friendly than the US and UK but not as strict as e.g. in France. Mainly due to protection against unfair dismissal if the company has more than 10 employees on the ground in Germany. No concept of employment at will and no pay in lieu. If threshold of 10 employees is not exceeded, managing of workforce quite flexible. Employment relationships are co-determined by works councils where such is established (only at employees' initiative).</p>

Hungary	<p>The Labour Code contains minimum provisions for employment contracts and applicable rules for an employment relationship just as for the termination of an employment relationship. The Labour Code contains sections that are binding while other parts allow derogations to a certain extent.</p> <p>Generally, there is strong protection of the employees by giving effect to the principle of equal treatment. Certain employee groups (such as women from the time of their pregnancy, until the child reaches three years of age or minor employees) enjoy special protection and benefits.</p> <p>There are two levels of the statutory minimum wage:</p> <p>The 1st level applies to all employment relationships under Hungarian law: The minimum wage in this level amounts to gross HUF 266,800 (approx. EUR 700) monthly (or HUF 1,668 [approx. EUR 4.40] per hour).</p> <p>The 2nd level applies to all employees with secondary education level: The minimum wage in this level amounts to gross HUF 326,000 (approx. EUR 860) monthly (or HUF 2,038 [approx. EUR 5.4] per hour).</p>
Ireland	<p>Employment law in Ireland is governed by statute, common law and a range of fundamental rights protected by the Irish Constitution. EU Directives and decisions of the Court of Justice of the European Union also apply.</p>
Italy	<p>Any dismissal must be justified and grounded on certain reasons.</p>
Netherlands	<p>More employee friendly than the US and the UK. Dutch law is characterized by its preventive dismissal assessment, which includes that an employer cannot terminate unilaterally without the permission of the court or the labour office.</p>
Poland	<p>The Labour Market in Poland is considered as employee-friendly but lighter than in countries of Western Europe. No concept of employment at will.</p> <p>In the case of an indefinite contract with the strongest employment guarantee, it is required to indicate the reason for termination in writing. The weaker protection of the labour code is characterised by a definite or trial period contract, which can be terminated without reason.</p>
Portugal	<p>Stricter and more employee friendly than US and most European Countries. After the trial period an employment contract may only be terminated by the employer if specific legal grounds are verified as well as the corresponding applicable formal procedure.</p>

Slovakia

Strict and employee-friendly. No concept of employment at will, except for the probationary period in which the employer may terminate the employment with immediate effect and without giving any reasons (except in cases of a pregnant woman, a mother up to the end of the ninth month after giving birth, a breastfeeding woman and a man on paternity leave, when termination during the probationary period is possible only in exceptional cases not related to pregnancy, motherhood or taking care of a born child, and requires proper written justification). As a general rule, the probationary period may not exceed three months. A six-month probationary period can be agreed with employees in managerial positions. At the same time, in the case of an employee with a fixed-term employment, the probationary period shall not be longer than half of the agreed duration of the employment.

Spain

In general terms, Spanish employment law is aligned with other EU member states' employment law, since national labour legislation in EU member states is strongly conditioned by EU regulations and directives.

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## **South America**

Brazil

Legislation built for the benefit of employees, with rigid rules and high cost for employers.