# THE EMPLOYMENT LAW REVIEW

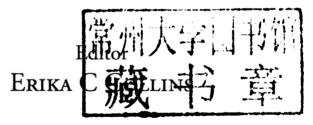
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### EDITOR'S PREFACE

It has once again been my great pleasure to edit this most recent edition of *The Employment Law Review*. In reviewing chapters for inclusion in this edition, I was struck repeatedly by both the breadth and variety of laws and approaches to employment regulation across jurisdictions as well as the similarities, especially with regard to certain trends, some of which are discussed below. As with the earlier editions, this book is not meant to provide a comprehensive treatise on the law of any particular country but instead is intended to assist practitioners and human resources professionals in identifying key issues so that they may, in turn, help their clients avoid potentially troublesome (and often costly) missteps.

One of the common themes during 2012 was an increase in the promulgation of laws and regulations designed to increase flexibility and lower the costs of labour for employers while maintaining sufficient protections for employees. A prime example of this trend is the passage throughout 2012 of legislation in EU Member States implementing the EU Directive on Temporary Agency Work, which came into effect in December 2011. The Directive and related implementing legislation ensure certain minimum compensation and benefits for temporary agency workers while also increasing flexibility for employers. Both Vietnam and Mexico also adopted legislation in 2012 that sanctions, but also places limitations on, labour outsourcing arrangements. In Brazil, President Dilma Rousseff's Greater Brazil Plan also has been aimed at increasing employment and avoiding the slowdown and economic crisis faced by other jurisdictions. Among the employment-related measures implemented pursuant to the Greater Brazil Plan are relief from payroll contributions for the information technology sector and other incentives to foster employment. Finally, in the UK, a novel idea is under consideration that would allow an employer to issue an ownership interest in the company to the employee in exchange for the employee's agreement not to be protected by the unfair dismissal laws.

While these efforts are, of course, aimed at benefiting workers by addressing unemployment, a number of them also are by-products of another trend: the implementation of austerity measures in response to debt crises in Europe and elsewhere. Fewer unemployed citizens means lower entitlement spending for governments. Other

employment-related austerity measures also have been implemented or proposed that are less beneficial to employees and jobseekers. In the Netherlands, for example, the period of time during which an individual can collect unemployment benefits was reduced from three years to two. Portugal continues to consider a reduction of remuneration and benefits for civil servants and employees public enterprises.

This fourth edition once again includes several general-interest chapters – one addressing employment issues in cross-border mergers and acquisitions, one addressing social media in the workplace, and another addressing global diversity initiatives. This edition also boasts the addition of five new countries, bringing the number of covered jurisdictions to 52.

I wish once again to thank our publisher, particularly Lydia Gerges, Adam Myers and Gideon Roberton; all of our contributors; and my associate, Michelle Gyves, for their tireless efforts to bring this edition to fruition.

Erika C Collins Paul Hastings LLP New York February 2013

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Erika C Collins Paul Hastings LLP New York February 2013

### Chapter 1

# GLOBAL DIVERSITY AND INTERNATIONAL EMPLOYMENT

Erika C Collins1

Over the past 30 years, many countries have passed some form of regulation to promote diversity in the workplace. Although diversity management is a common imperative for multinational corporations, the evolution of legal and regulatory developments reveals a landscape filled with varied and multidimensional approaches. In the past several years, different regions of the world have experienced unique successes and challenges in achieving workplace diversity. While the United States has embraced diversity initiatives as a whole, the European Union has pioneered efforts to achieve gender parity in corporate management, and countries in Asia have set progressive quotas to increase the representation of disabled employees. This chapter addresses some of these recent initiatives to promote corporate diversity in the multinational workplace as well as the particular challenges that corporations with a global presence may encounter in the administration of both internal and legally mandated diversity initiatives. These challenges include barriers to the collection and retention of employee diversity statistics imposed by international privacy regulation, the difficulties in adapting an integrated diversity initiative to regional demands, and the ever-present gaps between legislation and enforcement.

In a world populated by an increasing number of multinational corporations, diversity management has not only become an issue of strategic importance, but also a driver of economic and competitive success. Not only does an increasingly diverse workforce mean better access to resources and customers, greater legitimacy in heterogeneous societies, and opportunities for learning and innovation, but corporations also perceive added value in distinguishing themselves from their homogenous competitors. In addition to being driven by business incentives, diversity initiatives sometimes are

Erika C Collins is a partner at Paul Hastings LLP. Special thanks to Michelle Gyves and Sara Tomezsko for their contributions to this chapter. Michelle is an associate and Sara was a 2012 summer associate in Paul Hastings' New York office.