

International Comparative Legal Guides



Employment & Labour Law 2021

A practical cross-border insight into employment and labour law

11th Edition

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Expert Analysis Chapters

- 1** **Global Development of ILO International Labour Standards**
Maria Paz Anzorreguy & Rita Yip, International Organisation of Employers
- 8** **International Labour Rights and Modern Slavery**
Anne O'Donoghue, Rongjun (May) Liao & Palwasha Nawabi, Immigration Solutions Lawyers
- 17** **The Impact of COVID-19 on Employment in Japan**
Yoshikazu Abe & Yuko Kanamaru, Mori Hamada & Matsumoto

Q&A Chapters

- 22** **Austria**
GERLACH | Littler: Markus Loescher & Armin Popp
- 29** **Bahrain**
Hassan Radhi & Associates: Ahmed Abbas & Al Sayed Jaffer Mohamed
- 37** **Bermuda**
MJM Limited: Fozeia Rana-Fahy
- 45** **Brazil**
A. Lopes Muniz Advogados Associados: Zilma Aparecida S. Ribeiro & Fábí de Almeida Bertanha
- 53** **Canada**
Fasken: Mathias Link & Justin P'ng
- 61** **Chile**
Porzio Ríos García: Ignacio García Pujol, Fernando Villalobos Valenzuela & Laura Kottmann Recabarren
- 68** **China**
Lehman, Lee & Xu: Jacob Blacklock & Steve Shi
- 78** **Croatia**
Buterin & Posavec Law Firm, Ltd: Snježana Posavec Mitrov
- 87** **Denmark**
Lund Elmer Sandager Law Firm: Michael Møller Nielsen, Julie Flindt Rasmussen & Marta Valgreen Knudsen
- 96** **Finland**
Waselius & Wist: Jouni Kautto
- 103** **France**
Latournerie Wolfrom Avocats: Sarah-Jane Mirou
- 114** **Germany**
michels.pmks Rechtsanwälte Partnerschaft mbB: Dr. Gunther Mävers & Dr. Jannis Kamann
- 126** **Hungary**
Rátkai Law Firm: Dr. Ildikó Rátkai
- 134** **India**
Khaitan & Co: Anshul Prakash & Kruthi N. Murthy
- 142** **Indonesia**
ABNR Counsellors at Law: Indra Setiawan & Ridzky Firmansyah Amin
- 150** **Ireland**
McCann FitzGerald: Mary Brassil & Stephen Holst
- 159** **Italy**
Carnelutti Law Firm: Giuseppe Bulgarini d'Elci & Marco Sartori
- 169** **Japan**
Mori Hamada & Matsumoto: Shiho Ono & Yuko Kanamaru
- 180** **Korea**
Bae, Kim & Lee LLC: Hye Chong Elizabeth Yu, Beatrice H. Na & Jaemin Kim
- 188** **Luxembourg**
Etude Jackye Elombo: Jackye Elombo
- 197** **Netherlands**
ACG International: Edith N. Nordmann
- 207** **Nigeria**
Udo Udoma & Belo-Osagie: Jumoke Lambo & Victoria Agomuo
- 216** **Philippines**
SyCip Salazar Hernandez & Gatmaitan: Leslie C. Dy & Dante T. Pamintuan
- 223** **Romania**
ONV LAW: Lorena Ciobanu & Ana Petrescu
- 234** **Saudi Arabia**
Alburhan Law Firm: Hussain Alzahrani, Ahmed Assiri, Mohammed Ashbah & Muhanned Alqaidy
- 243** **Singapore**
Drew & Napier LLC: Benjamin Gaw & Lim Chong Kin
- 253** **Slovenia**
Brulc, Gaberščik & Partners, Law Firm, Ltd.: Luka Gaberščik & Marjetka Kenda
- 262** **Spain**
Monereo Meyer Abogados: Monika Bertram & Patricia Rivera Almagro
- 270** **Sweden**
EmpLaw Advokater AB: Annika Elmér & Linnéa Lindahl
- 277** **Switzerland**
Homburger: Balz Gross & Nicole Hilpert

285**Taiwan**

Winkler Partners: Christine Chen

291**United Kingdom**

Hogan Lovells: Stefan Martin & Jo Broadbent

299**USA**

Becker & Poliakoff: Ned Bassen & Catelyn Stark

306**Zambia**Eric Silwamba Jalasi and Linyama Legal
Practitioners: Lubinda Linyama, Mailesi Undi &
Cynthia Kafwelu-Mzumara**317****Zimbabwe**Wintertons Legal Practitioners: Matsika Ruvimbo T.L
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1 Terms and Conditions of Employment

1.1 What are the main sources of employment law?

From a statutory perspective, the main sources of employment law are the Employment Act 2000 (“the Employment Act”), the Workers’ Compensation Act 1965 (“Workers Comp Act”), the Human Rights Act 1981 (“HRA”) and the Occupational Safety & Health Act 1982 (and accompanying regulations) which collectively deal with employment standards, rights, compensation and workplace discrimination. In addition, there is a body of trade union legislation governing the rights of unionised employees.

The contract of employment between the parties is also a source of law between them, which if governed by Bermuda law, will be subject to common law and jurisprudence from the Bermuda Courts.

When considering source of law, it is worth noting the jurisprudence which will be applicable to the employment relationship in Bermuda.

To the extent that provisions of Bermudian legislation are similar to that of the UK, the Bermuda Courts will be bound to follow and apply any relevant decision of the Privy Council. Further, the decisions of the Superior Courts of England and Wales are highly persuasive. Depending on the facts and the circumstances, the Bermuda employment tribunal and Courts will often find assistance in the judgments of the superior Courts/tribunals of other common law and offshore jurisdictions (including various Canadian provinces and Caricom countries).

The Minister of Labour has proposed major changes to (i) the Employment Act, and (ii) some changes to trade union legislation (e.g. to consolidate the existing nine labour tribunals into one disputes resolution panel). The changes to the Employment Act broadly cover areas of bullying, sexual harassment, amendments to probationary periods and a widening of employee rights with respect to dismissals. These changes are expected to come into force on 1 June 2021. The below questions address the law as at the current date.

1.2 What types of worker are protected by employment law? How are different types of worker distinguished?

The Employment Act defines an employee as being “a person who is employed wholly or mainly in Bermuda for remuneration under a contract of employment” or any other person who “performs services wholly or mainly in Bermuda for another person for remuneration on such terms and conditions that his relationship with that person more closely resembles that of an employee than an independent contractor”. Independent

contractors, do not therefore, acquire any rights or protections pursuant to the Employment Act, but expatriate workers do.

Individuals under the age of 16, casual workers, part-time employees (i.e. those who work less than 15 hours a week), temporary employees (i.e. those who work for no more than three months in any year by an employer), students and voluntary workers are excluded from the definition of employee.

“Worker”, for the purposes of the Workers Comp Act, has the same meaning as employee under the Employment Act.

1.3 Do contracts of employment have to be in writing? If not, do employees have to be provided with specific information in writing?

From a statutory perspective, the Employment Act states that a written “Statement of Employment” shall be given to the employee not later than one week after an employee begins employment with an employer. The Statement of Employment should contain various particulars of the employment relationship, including but not limited to the job title, brief description of the work to be conducted, salary details, hours of work/holiday, notice and probationary period.

From a contractual perspective, it is open to the employer to enter into a more detailed contract with the employee. Even a verbal agreement can constitute an employment contract, assuming it can be proven.

1.4 Are any terms implied into contracts of employment?

Yes. All employment relationships implicitly include, for example, the employer’s obligation to provide work, to pay for the work and to provide a safe environment for its employees. With respect to the employee, every contract of employment implies that the employee will carry out the work and observe the duty of good faith and fidelity towards the employer.

1.5 Are any minimum employment terms and conditions set down by law that employers have to observe?

Yes. Minimum terms and conditions of employment are set out in the Employment Act and include, for example, vacation pay, overtime pay, hours of work, holidays, leave of absence and termination of employment. If the contract contains more favourable terms than the Employment Act, then the contract prevails. Parties cannot contract out of the Employment Act’s minimum requirements. There is no statutory minimum wage in Bermuda.

1.6 To what extent are terms and conditions of employment agreed through collective bargaining? Does bargaining usually take place at company or industry level?

Terms and conditions of employment including but not limited to pay (standard rates and overtime rates) are agreed through collective bargaining with respect to unionised employees.

2 Employee Representation and Industrial Relations

2.1 What are the rules relating to trade union recognition?

The rules relating to Trade Union Recognition are set out in the Trade Union Act 1965 as amended from time to time thereafter. A union has the right to be recognised as the bargaining agent for a group of workers in circumstances where an employer voluntarily recognises such right or, alternatively, where a union successfully makes application for and wins a certification ballot. Where a union can establish to the satisfaction of the Ministry responsible for labour that it has as members in good standing 35 per cent or more of the workers in a proposed bargaining unit, it can make application to one of the Ministry's Labour Relations Officers to be certified as the bargaining agent for that proposed bargaining unit. Upon such application, there is a process for either agreeing upon or adjudicating what the appropriate bargaining unit should be and, once that is determined, a secret ballot is held amongst those workers who are within the appropriate unit. If more than 50 per cent of the workers in the proposed unit vote in favour of the union, the union must be certified as the exclusive bargaining agent for the proposed unit. The consequence of certification is that the employer must then deal with the union and engage in the process of collective bargaining. The Trade Union Act also provides for the cancellation of a union's certification and, in summary, this process also involves the conduct of a ballot and the necessity of a greater than 50 per cent vote in favour.

2.2 What rights do trade unions have?

Trade unions have the fundamental right to collectively bargain with employers in circumstances where the union has obtained recognition either voluntarily or through the statutory process. More generally, a union has the right to be registered as such, it has the right to take in members and charge union dues, it has the right to own property, sue and be sued and generally conduct business in the ordinary course. In the context of collective bargaining, a union has the important right to initiate grievance procedures and represent workers in relation to such grievances.

2.3 Are there any rules governing a trade union's right to take industrial action?

The Labour Relations Act 1975 sets out the limited rights a union has in terms of industrial action. It provides expressly for peaceful picketing and sets out a series of picketing rules. The right to strike is not enshrined in the legislation and, as a result, the common law principles are applicable. In relation to essential services and essential industries, lockouts, strikes and irregular industrial action short of a strike is unlawful unless there exists a labour dispute and 21 days' notice of intended action has been given. In such circumstances, the Ministry of Labour can intervene and avert industrial action by referring the dispute to arbitration. Similar powers exist in relation to labour disputes generally under the Labour Disputes Act 1992.

2.4 Are employers required to set up works councils? If so, what are the main rights and responsibilities of such bodies? How are works council representatives chosen/appointed?

No, although some collective bargaining agreements do provide for a joint consultation process in relation to certain terms and conditions of employment.

2.5 In what circumstances will a works council have co-determination rights, so that an employer is unable to proceed until it has obtained works council agreement to proposals?

This is not applicable in Bermuda.

2.6 How do the rights of trade unions and works councils interact?

This is not applicable in Bermuda.

2.7 Are employees entitled to representation at board level?

No, employees are not entitled to representation at board level.

3 Discrimination

3.1 Are employees protected against discrimination? If so, on what grounds is discrimination prohibited?

The HRA prohibits discrimination and harassment in the employment sector on the basis of any protected characteristic (including race, place of origin, colour, ethnic or national origin, sex or sexual orientation, pregnancy, marital status, disability, family status, religion or beliefs or political opinions or of his criminal record (except where there are valid reasons relevant to the nature of the particular offence for which he/she is convicted that would justify the difference in treatment)). Age is not a protected characteristic under the HRA.

3.2 What types of discrimination are unlawful and in what circumstances?

Employers are prohibited from: discriminating in respect of refusing to refer or to recruit; dismissing, demoting or refusing to employ or continue to employ; paying one employee at a rate of pay less than another employee hired on effectively substantially the same terms; refusing to train, promote or transfer an employee; subjecting an employee to probation or apprenticeship; establishing or maintaining any employment classification or category that by its description or operation excludes any person or class of persons from employment or continued employment; maintaining separate lines of progression for advancement in employment or separate seniority lists; and providing in respect of any employee any special term or condition of employment.

3.3 Are there any special rules relating to sexual harassment (such as mandatory training requirements)?

The Human Rights Act sets out that an employee has a right to freedom in the workplace from sexual harassment. Most businesses have developed their own internal policies to prevent and

protect employees from sexual harassment. Proposed changes to the Employment Act (expected to come into force in June 2021) intend to introduce new protections for employees with respect to sexual harassment and bullying.

3.4 Are there any defences to a discrimination claim?

Certain express statutory exceptions are made in the HRA. Discrimination with respect to the protected characteristic will generally not exist where there is a *bona fide* and material occupational qualification and a *bona fide* and reasonable employment consideration for the position.

The HRA states that nothing in the legislation confers the right to employment for which the employee is not qualified or is not able to perform, or of which he/she is unable to fulfil a *bona fide* occupational requirement, or any right to be trained, promoted, considered or otherwise treated in or in relation to employment, if his/her qualifications or abilities do not warrant such training, promotion, consideration or treatment.

With respect to disabled employees, employers are required to take steps to eliminate the effects of the disability in relation to the employment. However, the HRA qualifies this by stating that such steps need only be taken if they do not cause unreasonable hardship to the employer.

The HRA also makes exceptions with respect to employment involving physical stamina and strength and in hiring by religious, charitable and social non-profit organisations.

It also makes an exception with respect to the hiring of Bermudians and for taking into account an individuals' nationality *bona fide* for reasons of national security.

3.5 How do employees enforce their discrimination rights? Can employers settle claims before or after they are initiated?

An aggrieved employee may file a complaint with the Human Rights Commission ("the Commission") orally, electronically or in writing within six months after the alleged contravention. The Executive Officer of the Commission may, however, entertain a complaint up to two years after the alleged contravention if he is satisfied there are good reasons for the delay and that no one will be prejudiced by the delay.

The Commission will determine whether there are sufficient grounds to undertake an investigation and may conduct inquiries for this purpose. The Executive Officer has a duty to seek to settle the causes of the complaint (through mediation or conciliation by mutual consent of the parties) or to endeavour to cause the breach to cease. After giving the complainant an opportunity to be heard, if the Executive Officer is of the opinion that there is no merit to the complaint, he may dismiss the complaint at any stage of the proceedings.

If it is unlikely in the circumstances that the complaint will be settled or that the Executive Officer has attempted unsuccessfully for nine months to settle the complaint, and the complaint is not so serious as to warrant prosecution, the complaint must be referred to a tribunal.

3.6 What remedies are available to employees in successful discrimination claims?

The Human Rights Tribunal may order any party who has contravened the HRA to carry out any act or thing that, in the opinion of the tribunal, constitutes full compliance with such provision and to rectify any injury caused to the complainant by the contravention and to make financial restitution which

includes injury to feelings (provided that financial restitution shall not be ordered for any loss which might have been avoided if the complainant had taken reasonable steps to avoid it). There is no cap on the financial restitution available. The tribunal may also refer the complaint to the Director of Public Prosecution if it is of the view that an offence has been committed. An employee with a successful discrimination claim can only recover up to \$1,000 of his/her costs of the proceedings.

In practice, the tribunal has the power to order a person to cease any discriminatory practice and to restore rights, opportunities or privileges to the victim and/or to compensate the victim where appropriate.

3.7 Do "atypical" workers (such as those working part-time, on a fixed-term contract or as a temporary agency worker) have any additional protection?

No. Such "atypical" workers do not have additional protection, but they do benefit from the same protections which prohibit discrimination in employment for employees.

3.8 Are there any specific rules or requirements in relation to whistleblowing/employees who raise concerns about corporate malpractice?

The only requirements in relation to whistleblowing are set out in the Employment Act 2000. This prohibits termination of employment or imposition of disciplinary action on the ground that the employee made a protected disclosure as a whistleblower. There are no rules specific to whistleblowers who raise concerns about corporate malpractice but a more general whistleblower policy. Businesses have put into place internal policies which set out governance on this.

4 Maternity and Family Leave Rights

4.1 How long does maternity leave last?

The Employment (Maternity Leave Extension and Paternity Leave) Amendment Act took effect on 1 January 2020. This piece of legislation provides an extension to maternity leave.

A pregnant employee has 13 weeks of paid maternity leave after one year of continuous employment as of her expected due date.

A pregnant employee who has been employed for less than one continuous year will be entitled to 13 weeks' unpaid leave.

In practice, some employers elect to provide more than the statutory minimum.

4.2 What rights, including rights to pay and benefits, does a woman have during maternity leave?

Entitlement to pay is referred to above.

Statutory and contractual benefits would continue during the paid maternity leave period.

4.3 What rights does a woman have upon her return to work from maternity leave?

If a woman intends to return to work from maternity leave without loss of seniority, she must notify her employer at least two weeks in advance of the date on which she intends to resume work. If the position no longer exists, the employer must provide the returning employee with at least the same level of wages and benefits as she was receiving before her maternity leave. If a woman

returning from maternity leave fails to notify her employer at least two weeks in advance of the date she intends to resume work, the employee shall be deemed to have terminated her employment.

4.4 Do fathers have the right to take paternity leave?

An employee who is becoming a father and has worked for one continuous year by the expected date of birth is entitled to five days' paternity leave.

Employees who have not worked for a full year will be entitled to five days' unpaid leave.

4.5 Are there any other parental leave rights that employers have to observe?

Pursuant to the HRA, a woman is entitled not to be discriminated against because she is pregnant or may become pregnant.

4.6 Are employees entitled to work flexibly if they have responsibility for caring for dependants?

There is no statutory provision which entitles employees to work flexibly if they have responsibility for caring for dependants. Employers can choose to provide flexible working hours if they wish to do so contractually or informally.

5 Business Sales

5.1 On a business sale (either a share sale or asset transfer) do employees automatically transfer to the buyer?

Bermuda does not have the equivalent of UK's TUPE legislation.

Upon the sale of shares by a vendor, the identity of the employer does not change but merely that of the shareholders. The employment contracts and collective agreements that are in force between the employer and its employees remain in full force and effect, and the employer retains all of its obligations and liabilities towards its employees.

The sale of assets operates to terminate the employment contract between the vendor and employees. It is then the purchaser's choice as to whether they should offer new contracts to those employees.

5.2 What employee rights transfer on a business sale? How does a business sale affect collective agreements?

As mentioned above, upon a sale of shares, all the obligations and rights of an employee are transferred to the purchaser. The purchaser must observe the terms of any collective agreement.

Upon a sale of assets, none of the obligations and liabilities are transferred to the purchaser unless contractually agreed upon in the sale and purchase agreement. Where the workforce is unionised, the purchaser will enter into discussions with the union with respect to a new collective agreement.

Pursuant to Section 5(6) of the Employment Act, where a business is sold, transferred or otherwise disposed of, the period of employment with the former employer shall be deemed to constitute a single period of employment with the successor employer, if the employment was not terminated and severance was not paid pursuant to the Employment Act.

5.3 Are there any information and consultation rights on a business sale? How long does the process typically take and what are the sanctions for failing to inform and consult?

There are no mandatory consultation rights specific to a business sale.

If there are to be any redundancies, the Employment Act states that the employee's trade union or other representative should be informed as soon as practicable about the reasons and impact of the proposed redundancies. No specific timeline for such communication is identified. The length of the process depends upon the union concerned and the likely negative impact on unionised positions. There are no formal sanctions for failing to inform.

If the sale of a business results in a large number of redundancies, the employer typically will provide advance notice to the Government ministry responsible for Work Force Development.

5.4 Can employees be dismissed in connection with a business sale?

A purchaser can decide to terminate the employment of employees upon a share sale or decide not to offer new employment to employees upon an asset sale. Severance provisions under the Employment Act or any applicable contract/collective agreement must be considered.

5.5 Are employers free to change terms and conditions of employment in connection with a business sale?

The purchaser may impose changed terms and conditions of employment with sufficient consideration. However, pursuant to the Employment Act, if the employment offered by the purchaser to the employee is refused on the basis that the new terms are less favourable than the terms upon which he/she was employed immediately prior to the termination, severance allowance will be payable.

6 Termination of Employment

6.1 Do employees have to be given notice of termination of their employment? How is the notice period determined?

An employer may terminate the contract of employment for any reason and without notice during any probationary period an employee is required to undertake. This position will change following introduction of legislative changes in June 2021.

Otherwise, an employee's contract of employment cannot generally be terminated by an employer unless there is a valid reason for termination connected with the ability, performance or conduct of the employee or the operational requirements of the employer's business. If such circumstances exist, then pursuant to the Employment Act, an employee is entitled to receive: a week's notice where the employee is paid each week; two weeks' notice where the employee is paid every two weeks; and one month in any other case.

The provisions of notice do not apply where an employee has reached retirement age or where the notice periods are regulated by the contract itself or by a collective agreement or otherwise by an agreement between an employer and the employee. Additionally, they do not apply where the giving of longer notice periods is customary, given the nature of the functions of the work performed by the employee.

In practice it is not unusual to see three months' notice provisions for professional/skilled employees.

It is also possible for employers to terminate a contract of employment without notice in the following three ways: where an employer is guilty of serious misconduct which is directly related to the employment relationship or which has a detrimental effect on the employers business, such that it would be unreasonable to expect the employer to continue the employment relationship; where the employee is guilty of misconduct, falling short of serious misconduct, and if within six months of the date of a written warning, the employee is again guilty of such misconduct; and where the employee is not performing his/her duties in a satisfactory manner and the employee does not, during the period of six months beginning with the date of a written warning, demonstrate that he/she is able to perform their duties in a satisfactory manner and is in fact doing so.

6.2 Can employers require employees to serve a period of "garden leave" during their notice period when the employee remains employed but does not have to attend for work?

Garden leave may only be imposed upon an employee if this is contractually provided for in the contract of employment.

6.3 What protection do employees have against dismissal? In what circumstances is an employee treated as being dismissed? Is consent from a third party required before an employer can dismiss?

Where there is no valid reason for the termination or appropriate warnings have not been given, the employee can claim unfair dismissal and can seek to be reinstated/re-engaged and/or a compensation order. The circumstances where employees are treated as being dismissed are described above. Consent from third parties is not required before dismissal pursuant to the Employment Act.

6.4 Are there any categories of employees who enjoy special protection against dismissal?

Employees are protected against dismissals which are discriminatory pursuant to the HRA (for example, dismissals based on pregnancy or race).

Unionised employees may also have additional protections incorporated into their collective bargaining agreements.

6.5 When will an employer be entitled to dismiss for: 1) reasons related to the individual employee; or 2) business related reasons? Are employees entitled to compensation on dismissal and if so, how is compensation calculated?

As described in question 6.1, employers are entitled to dismiss for reasons related to the individual or for business-related reasons, as long as the necessary notice and warnings are provided.

Subject to some exceptions, automatic compensation (in addition to receipt of notice) is only available to an employee in the form of a severance allowance where the dismissal is due to: redundancy (where the employer's business has been sold or there has been a reorganisation of the business or reduction of workforce due to economic conditions); winding up or insolvency of an employer; death of the employer; or death of an employee from an occupational disease or accident resulting from that employment.

Severance allowance is calculated based on years of service: two weeks' wages, for each completed year of continuous employment up to the first 10 years; and three weeks for each completed year of continuous employment thereafter, up to a maximum of 26 weeks' wages.

6.6 Are there any specific procedures that an employer has to follow in relation to individual dismissals?

The notice and warning provisions in the Employment Act must be adhered to. In addition, any enhanced procedures as set out in any disciplinary and grievance policy must be followed. Failure to follow such processes may result in a finding of unfair dismissal or wrongful dismissal.

6.7 What claims can an employee bring if he or she is dismissed? What are the remedies for a successful claim?

Employees can bring claims of unfair dismissal and wrongful dismissal (although unfair dismissal can only be pursued through the Employment Tribunal ("the Tribunal") – not the Courts).

The remedies for unfair dismissal include: reinstatement; an order for re-engagement in a comparable position; and/or a compensation order.

A compensation order shall be of such an amount the Tribunal considers just and equitable in all the circumstances (including how the parties contributed to the dismissal). The amount of compensation shall not be less than two weeks' wages for each completed year of continuous employment, for employees with no more than two complete years of continuous employment; four weeks' wages for each completed year of continuous employment in other cases. The compensation order has a cap at 26 weeks' wages.

Damages for wrongful dismissal will include, for example, contractual entitlement to notice and all other compensation and benefits due during a notice period.

6.8 Can employers settle claims before or after they are initiated?

Yes. This is typically done by way of a separation/settlement agreement which will normally include adequate waivers, non-disparagement and protection of confidential information.

6.9 Does an employer have any additional obligations if it is dismissing a number of employees at the same time?

Where numerous dismissals are taking place, for example, due to redundancy, it is typical for employers to provide advance notice to the Government ministry responsible for Workforce Development.

If the dismissals relate to unionised positions, the employer should ensure that any additional obligations under the collective bargaining agreement are also followed.

6.10 How do employees enforce their rights in relation to mass dismissals and what are the consequences if an employer fails to comply with its obligations?

The process and consequences are the same in relation to both individual and mass dismissals. The affected employees are able to file complaints and claim remedies pursuant to the Employment Act. Unionised employees may have additional rights pursuant to labour law.

7 Protecting Business Interests Following Termination

7.1 What types of restrictive covenants are recognised?

Restrictive covenants are generally considered to be void unless they are reasonable and necessary for the legitimate protection of the employer's business. The typical type of restrictive covenants recognised in Bermuda, subject to being reasonable, include provisions protecting the confidentiality of information pertaining to the employer's business, non-solicitation/non-dealing clauses prohibiting the solicitation/dealing of the employer's customers, suppliers and staff as well as non-competition clauses.

7.2 When are restrictive covenants enforceable and for what period?

Restrictive covenants must be reasonable in their duration, in their geographical scope and in the scope of activities that are prohibited. Courts will not "read down" or modify a covenant that they find to be unreasonable. The clause will simply be declared to be entirely unenforceable.

A case from the 1980s confirmed that restrictive covenants are generally unenforceable in Bermuda. The Courts may view a matter differently in the modern context. In practice, non-competition clauses of six months are generally considered to be enforceable for professional and senior executives.

7.3 Do employees have to be provided with financial compensation in return for covenants?

Yes, consideration is required in order to enter into a restrictive covenant with the employee. When restrictive covenants are given at the time of an employee's hiring, the employment of the employee constitutes sufficient consideration for the restrictive covenant. Additional consideration is required if the restrictive covenant is entered into during employment.

7.4 How are restrictive covenants enforced?

An employer can enforce a restrictive covenant by seeking an injunction (including a springboard injunction) to prevent the employee from violating the covenant or by commencing a legal action against the employee (and sometimes from his/her new employer) claiming damages suffered by the former employer as a result of the breach, by the employee, of the restrictive covenant.

8 Data Protection and Employee Privacy

8.1 How do employee data protection rights affect the employment relationship? Can an employer transfer employee data freely to other countries?

Bermuda's data protection rights are enshrined in the Personal Information Protection Act 2016 ("PIPA"). The substantive provisions of PIPA have not been brought into force as yet.

Once in force, employers need to have in place policies and procedures to ensure the proper protection of personal information under the employer's control which belongs to employees. Personal information must be processed fairly and lawfully. It must be used for a legitimate purpose that has been notified to

the employee in advance. The data held must not be excessive in relation to the purpose for which it is collected and should be safely destroyed once the purpose has been fulfilled.

Subject to these requirements, an employer can transfer data to other countries. However, the employer remains responsible for the protection of personal information where it is transferred to an overseas third party. Where the Privacy Commission (appointed under PIPA) does not designate a particular jurisdiction as providing a comparable level of protection, with few exceptions, the employer must employ contractual mechanisms, corporate codes of conduct or other means to ensure the overseas third party provides a comparable level of protection.

8.2 Do employees have a right to obtain copies of any personal information that is held by their employer?

Yes. Once PIPA comes into full effect, with certain exceptions, employers must allow employees access to their personal information, the purpose for which it is being held and the circumstances in which the personal information is being disclosed.

8.3 Are employers entitled to carry out pre-employment checks on prospective employees (such as criminal record checks)?

There is no statutory provision which prevents pre-employment checks on prospective employees. The employer should not, however, discriminate against a candidate on the basis of one of the prohibited grounds of discrimination as set out in the HRA.

8.4 Are employers entitled to monitor an employee's emails, telephone calls or use of an employer's computer system?

There is no prohibition against monitoring employee's emails, telephone calls or use of the employer's computer system. However, any collection, use and storage of personal information must comply with the requirements of PIPA.

8.5 Can an employer control an employee's use of social media in or outside the workplace?

Restrictions may be placed on usage of social media both during and outside of work to the extent that it is required to protect its business. Employers may, for example, state in a social media policy that employees are not to disclose confidential information regarding the employer's business or otherwise make statements regarding the employer's business which could cause disrepute or statements regarding other employees or clients which could be viewed as disparaging.

9 Court Practice and Procedure

9.1 Which courts or tribunals have jurisdiction to hear employment-related complaints and what is their composition?

The Tribunal as established by Section 35 of the Employment Act 2 has jurisdiction to hear filed complaints. The typical Tribunal is made up of three members, including the Chairman who must either be an attorney of at least five years, standing or considerable experience in labour relations, one member representing the interests of the employee, and the other member representing the interests of the employer.

9.2 What procedure applies to employment-related complaints? Is conciliation mandatory before a complaint can proceed? Does an employee have to pay a fee to submit a claim?

Where an inspector has reasonable grounds to believe that an employer has failed to comply, he shall, as soon as practicable, inquire into the matter. Conciliation is therefore mandatory. The inspector has the ability to request information from the parties. After conducting an initial inquiry into the complaint, the inspector shall then endeavour to conciliate and effect a settlement. Where the inspector has reasonable grounds to believe that an employer has failed to comply with any provision of the legislation or is unable to affect a settlement, the complaint is then referred to a tribunal.

9.3 How long do employment-related complaints typically take to be decided?

Complaints will typically be heard within one to two years following the filing of the complaint.

9.4 Is it possible to appeal against a first instance decision and if so, how long do such appeals usually take?

A party aggrieved by a determination or order of the Tribunal may appeal to the Supreme Court on a point of law. It should be lodged within 21 days after receipt of notification of the determination or order. An appeal could take approximately three to 12 months to be determined depending upon the stance taken by the parties and the Court schedule.

10 Response to COVID-19

10.1 Are there any temporary special measures in place to support employees and businesses during the COVID-19 emergency?

Bermuda passed the Public Health (COVID-19 Emergency Powers) (No.3) Regulations 2020 requiring businesses on the island to ensure physical distancing between staff, clients and customers. The Ministry of Health issued guidance on PPE as well as sanitation practices to ensure a healthy and safe work environment.

The Occupational Safety and Health (COVID-19) Temporary Regulations 2020 were introduced and require an employer's health and safety committee to identify and control health and safety hazards within the workplace and establish safety and health programmes for the education of employees. The Department of Health also introduced a training course for employees on infection prevention and control.

In addition to this in 2020, the Government introduced a rescue package via the Public Treasury (Administration and Payments) (Temporary Unemployment Benefit) Regulations. Employees who were in full-time employment were able to apply for emergency unemployment benefits under certain circumstances (e.g. where the employee was laid off, his income was reduced, his employment was terminated or where hours were substantially reduced). The benefit lasted for a period of 16 weeks from the date the benefit application was approved. The rescue package effectively provided a payment of 60% of the employees' gross earnings

up to a maximum of \$500 per week. A supplemental unemployment benefit was introduced after the initial 16-week period of the rescue package, to allocate funds to financially support individuals who remained in need. It applied only to Bermudians and spouses of Bermudians. This supplemental benefit runs through until 31 March 2021 and is subject to conditions.

10.2 What steps can employers take in response to reduced demand for services/ reduced workload as a result of the pandemic?

An employee may be made redundant pursuant to the provisions of the Employment Act. The grounds justifying such redundancy would include either discontinuance of all or part of the business, reduction necessitated by economic conditions or the impossibility or impracticability of carrying on the business at the usual rate or all due to an act of God or other circumstances beyond the control of the employer.

An employer can also lay off an employee due to COVID-19 pursuant to the Employment Act. The lay-off effectively amounts to a suspension of the obligation to provide work and to pay salary and benefits. An employee may be laid off for a period not exceeding four months, following which the lay-off will be deemed to be a termination for redundancy and severance will be payable.

10.3 What are employees' rights to sick pay?

Bermuda employment law requires employers to provide employees who have worked at least one year of continuous employment with eight days of sick leave per year. If the employee is sick for two or more consecutive days, the employer is entitled to request a certificate from a general practitioner certifying that the employee is unable to work.

Fear of contracting COVID-19 is not a reason for not working. Sick leave can only be used if the employee is genuinely sick. It cannot be used to avoid becoming sick.

10.4 Do employees have a right to work from home if this is possible or can they be required to return physically to the workplace?

During the shelter in place employers were required to make reasonable arrangements to ensure that workers could work remotely.

Occupational Safety legislation states that an employer must provide a safe place of employment and working environment for its employees. Further, an employee has the right to refuse to work in an environment that he deems to be unsafe.

If reasonable steps have been taken to provide a safe working environment, the employer can request its employees to return to work.

10.5 How has employment-related litigation been affected by the pandemic?

No. There has been no rise in employment-related litigation in the Supreme Court due to the pandemic. Most issues relate to redundancies and lay-offs. These are being addressed by the Department of Workforce and Development.



Fozeia Rana-Fahy is a Director and Head of the Dispute Resolution Team at leading Bermuda-based law firm MJM Limited. Fozeia has extensive experience acting for local and international clients in a wide range of complex disputes including employment and immigration litigation as well as general commercial and high-value trusts litigation. Fozeia routinely advises and gives presentations on topical employment and regulatory issues for the private client, banking, and insurance/reinsurance sectors in Bermuda and overseas, and is also an accredited mediator.

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