

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
Benefits		
New sick pay calculation rules ('Karensavdrag') are introduced	<p>(1) Employees will be paid from their first day of sick leave.</p> <p>(2) Previously, employers paid sick pay for the first two weeks of absence minus the first day at a rate of 80% of the employee's salary.</p> <p>(3) The new system requires employers to reduce sick pay by 20% during the first week of absence and pay the employee for the first sick day.</p> <p>Effective date: January 1, 2019.</p>	Become familiar with the new rules and update payroll and sick leave policies.
Post-termination restrictions		
New case law limits the scope of restrictions designed to prevent employee poaching	<p>A recent Swedish Labour Court decision limits employers' ability to enforce a clause restricting leavers from poaching ("soliciting") former colleagues.</p> <p>Such a clause will likely be unenforceable where it:</p> <p>(a) seeks to protect employees the leaver did not work with;</p> <p>(b) is not limited to staff with a specific profession;</p> <p>(c) prohibits employees from voluntarily seeking employment with the competitor; and</p> <p>(d) applies for a long period post-termination (24 months was too long).</p> <p>Effective date: The judgment was given in October 2018, but the impact will be felt in 2019.</p>	<p>(1) Update post-termination clauses in employment contracts in line with the new case law.</p> <p>(2) Where existing staff have a restriction likely to fall foul of the new rules, enter into a new covenant by making a promotion or other new benefit (e.g. pay increase) conditional on their agreement.</p>