

| Overview  | Legal Change   | Action required   |
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| <b>Emergency Employment Related Measures Introduced on 17.03.20</b>                               | Measures to make temporary work force adjustments more flexible in order to reduce layoffs.  | Effective now.  |
| <b>Temporary Layoffs due to Force Majeure</b><br><br>(Regulaciones temporales de empleo or ERTes) | <p>These are layoffs directly caused by loss of business due to C-19.</p> <p>These procedures will apply:</p> <ul style="list-style-type: none"> <li>- Employer makes an application to make layoffs to the Labor Authority together with a report of C-19 related loss of activity and supporting evidence.</li> <li>- Employer must notify its application to employees and forward the report and evidence to the workers' representatives, if any.</li> <li>- Where there are no workers' representatives, a representative committee must be established under set rules.</li> <li>- Labor Authority must hand down its decision within 5 days, limited to the question of whether force majeure has occurred.</li> </ul> | <p>Notify the employees of the new rules.</p> <p>Put in hand procedures for dealing with applications to the Labor Authority and, where necessary, the establishment of a representative committee.</p> <p>Where an application to the Labor Authority is considered, gather evidence of the direct C-19 effect on business activity.</p>   |
| <b>Social Security Contribution Exemptions</b>  | Where it is established that the ERTE is on C-19 grounds employers with less than 50 registered employees will be 100% exempt from employer contributions. Where there are more than 50 employees, it will be 75% exempt.  | Ensure this exemptions are processed.   |
| <b>Contributory Unemployment Benefit</b>  | Where it is established the ERTE is on C-19 grounds workers will get the contributory unemployment benefit even if they have not met the minimum contribution requirements.  | Notify affected employees.  |
| <b>Teleworking</b>  | Employers are encouraged to put in place measures where possible to avoid redundancies, including teleworking. These measures must take priority over temporary layoffs. The obligation to carry out teleworking risk assessments is, for the period of the crisis, met by the worker carrying out a voluntary risk self-assessment.   | <p>In the face of a reduction of business activity, make sure you have considered all reasonable and proportionate steps you could take to avoid layoffs.</p> <p>Tell teleworkers to carry out self-assessments of risk and report.</p>   |
| <b>Changes to or Reductions of Working Hours for Workers Caring for Family Members</b>            | <p>Workers will be entitled to reduce or adapt their working hours in circumstances where they are needed to assist a close relative as a consequence of C-19 or where school or other institution closures mean a worker has to take on family care duties not previously required.</p> <p>Application is made by the employee together with evidence. It must be justified, reasonable and proportionate in light of the specific need of the carer and the needs of the company. The parties are required to do everything possible to reach an agreement.</p>  | <p>Worker reduction of hours:</p> <ul style="list-style-type: none"> <li>- Must be notified 24 hours in advance;</li> <li>- May cover 100% of working hours if justified, reasonable and proportionate for the family care need;</li> <li>- will not remove the guarantees, benefits or special provisions currently established;</li> <li>- retains the obligation to maintain employment for 6 months following return to normal working .</li> </ul> |

**This is a high level general update only. Legal advice should be obtained on specific circumstances.**