COVID-19. SPAIN

Royal Decree-Law 8/2020 of 17 March on extraordinary urgent measures to address the social and economic impact of COVID-19

- This Royal Decree-Law contemplates the second action plan from the Government to address the social and economic impact of COVID-19.

- **BUDGET:** 200.000 Million € (20% PIB).

**MAIN MEASURES**

1. Support measures for the most vulnerable families. 600 Mill. € (Mortgage moratorium; protection of essential supplies as electricity and gas; telecommunications, etc.)

2. Express processing of temporary layoffs (force majeure derived from COVID-19; shorter procedures –five days–; exemption from payment of social contributions; unemployment benefit guaranteed).

3. Worker's right to adapt and reduce of working hours for childcare or eldercare.

4. Promotion of non-presential working (teleworking) through a major provision to companies for the purchase of computers (Credit line for SMEs: 200 Mill €).

5. Extraordinary unemployment benefits for the self-employed.

6. Line of guarantees up to 100.000 Mill. € for companies (the State is the guarantor).

7. Measures to support research for a vaccine against COVID-19.

**LABOUR MEASURES**

1. **TEMPORARY LAYOFFS (ERTEs). MAJEURE FORCE**

- The causes of majeure force for the suspension of the contract or reduction of the working day are those that have their causes in activity losses as a consequence of COVID-19. Specifically:
  
  - Accreditation by the company of the impossibility of continuing to provide services - totally or partially - due to the declaration of the state of alarm.
  
  - Decisions linked to Covid-19 adopted by the competent authorities of the Public Administrations.
- Those due to urgent and extraordinary situations caused by staff contagion or the adoption of preventive isolation measures that are duly accredited.

- Suspension or cancellation of activities, temporary closure of premises of public affluence, restrictions on public transport and, in general, on the mobility of people and/or goods, lack of supplies that seriously prevent the continuation of the activity as a direct consequence of Covid-19.

During the period of suspension of contracts or reduction of working hours, the company is exempt from the payment of social contributions. Depending on the number of workers, the exemption will be as follows:

- 100% of the company’s contribution: case of companies with less than 50 workers.
- 75%: if the company has 50 workers or more.

This extraordinary measure shall be subject to a commitment by the company to maintain employment for a period of six months from the date of resumption of activity.

Two rights guarantees are established for workers affected by ERTEs:

- The right to the unemployment benefit will be recognised even if the workers do not have the minimum period of contributory employment necessary to do so.

- Likewise, the time in which the unemployment benefit is received at the contributory level for these reasons will not be counted for the purpose of consuming the maximum periods of receipt established.

2. ADAPTATION OF WORKING HOURS AND REDUCTION OF THE WORKING DAY.

- Workers who can prove that they have a duty of care towards their spouse or partner, as well as towards family members by blood up to the second degree of the worker, will have the right to have their working hours adapted and/or reduced (with proportional loss of salary) when there are exceptional circumstances related to the actions necessary to prevent the community transmission of the COVID-19.

- These circumstances will be understood to be when the presence of the worker is necessary to care for any of the persons indicated who, for reasons of age, illness or disability, need direct personal care as a direct consequence of the COVID-19.

- Likewise, exceptional circumstances will be considered to exist when there are decisions adopted by government authorities related to the COVID-19 that involve the closure of educational or care centres for people in need.

- This is an individual right of each parent or caregiver, which must be based on a co-responsible distribution of care obligations and the avoidance of perpetuation of roles. It must be justified, reasonable and proportionate in relation to the situation of the company, particularly in the case of several workers accessing it in the same company.
• The right to adapt the working day **may refer to the distribution of working time or to any other aspect of working conditions**, and may consist of a change of shift, alteration of timetable, flexible hours, split or continuous working hours, change of workplace, change of functions, change in the form of provision of work, including distance working, or any other reasonable and proportionate measure, taking into account the temporary and exceptional nature.

3. **PROMOTION OF TELEWORKING.**

• The company should **implement telework where it is technically and reasonably possible** and where the adaptation effort required is proportionate.

• This measure shall take **priority** over temporary lay-offs or reduction of activity.

• The obligation to carry out a workplace risk assessment, exceptionally, by means of a **self-assessment carried out voluntarily by the worker**, shall be deemed to have been fulfilled.

4. **EXTRAORDINARY UNEMPLOYMENT BENEFITS FOR SELF-EMPLOYED.**

• Any self-employed worker affected by the **closing of business due to the declaration of the state of emergency**, or whose **turnover this month falls by 75%** from the monthly average of the previous semester, may apply.

• There is **no minimum contribution period** to apply.

• Self-employed people who have employees under their charge **can also request an ERTE for their employees** and apply for this extraordinary benefit.