



EMPLOYMENT AREA COVID-19: Royal Decree-Law 9/2020

Barcelona, 31 March 2020

SUMMARY

Last Friday the Government approved new measures in the employment area, contained in Royal Decree-Law 9/2020, including <u>complementary measures in the employment area to mitigate the effects of COVID-19</u>.

EMPLOYMENT MEASURES

1. Prohibition on processing applications for temporary lay-off proceedings (ERTE) in essential sectors

This prohibition affects health centres, services and establishments, such as hospitals or outpatient clinics, and social centres for the elderly, dependent persons or persons with disabilities, such as residences and day centres, whether publicly or privately owned, or whatever their management scheme, determined by the Ministry of Health or the Ministry of Social Rights and Agenda 2030 to be essential services.

2. Extraordinary measures for the protection of employment

Force majeure and the economic, technical, organisational and production grounds underpinning the measures to suspend contracts and reduce working hours provided for in Articles 22 and 23 of Royal Decree Law 8/2020 of 17 March cannot be understood as justifying the termination of employment contracts or dismissal.

3. Procedure for recognition of contributory unemployment benefit

Article 3 of the RDL analysed explains the **procedure to be followed for the recognition of contributory unemployment benefit** derived from the measures defined in Article 25 of Royal Decree Law 8/2020 on extraordinary urgent measures to deal with the economic and social impact of COVID-19.





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4. Extraordinary measures for the adoption of employment-related resolutions in cooperative societies

When due to lack of adequate or sufficient resources, the general assembly of such organisations cannot be convened on a virtual basis, the governing body can assume responsibility for approving the total or partial suspension of the work of its members and may issue the relevant certificates.

5. Temporary contracts

The **calculation of the duration of** temporary contracts (including training, relief and interim contracts) which, in view of this circumstance, cannot achieve the purpose for which they were concluded, is to be interrupted.

6. Time limit on tacit approval due to the absence of an official response for applications for temporary lay-off proceedings due to force majeure

The maximum duration will be the same as that applicable to explicit resolutions, which is **limited to the duration of the state of emergency** in accordance with the provisions of Royal Decree 463/2020 of 14 March, as well as any extensions thereof.

7. Control and penalty mechanisms

Any applications submitted by companies that contain **false or incorrect data** will result in the corresponding penalties, particularly those that **request measures** in relation to employment that are **not necessary or have insufficient connection with the cause that gave rise to them**, provided that they result in the payment of undue benefits.

8. Determination of the effective date for the unemployment benefits derived from the procedures based on the grounds referred to in Articles 22 and 23 of Royal Decree Law 8/2020 of 17 March, on urgent extraordinary measures to deal with the economic and social impact of COVID-19.

The effective date in cases involving force majeure will be the date of the relevant event.

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The effective date in cases based on economic, technical, organisational and production grounds must coincide with or be later than the date on which the company notifies the employment authorities of the decision taken.

 Definition of the scope of application of the extraordinary measures in relation to unemployment contributions and protection provided for in Articles 24 and 25 of Royal Decree-Law 8/2020.

They will be applicable to workers affected by the procedures for the suspension of contracts and reduction of working hours reported, authorised or initiated prior to the entry into force of the aforementioned Royal Decree Law and provided that they derive directly from COVID-19

10. Amendment to Article 16 on contracting in Royal Decree Law 7/2020 included within the measures for the efficient management of Public Administrations

From its initial wording, the **emergency processing** for the contracting of any type of goods or services required by central government is **extended to the entire public sector**; the **funds** necessary to meet the expenses generated by the adoption of measures for the protection of people's health against COVID-19 **can be released without prior justification**; and invoices issued by **non-national suppliers based abroad** that correspond to contracting procedures are **excluded from electronic invoicing**.

The full text of Royal Decree-Law 9/2020 may be consulted at the following link:

https://www.boe.es/buscar/pdf/2020/BOE-A-2020-4152-consolidado.pdf

We will continue to inform you of any new socio-economic measures that may arise as a result of the COVID-19 pandemic.







LABOUR

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The professionals that regularly work with your company are at your disposal for any clarification or additional information you may require in relation to the content of this Alert. Please contact us by telephone at **934 677 414**.

Yours sincerely,

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