

## **Update**

## **Employment Law**





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## **Employees 100% absent from the job**

Yesterday, <u>Decree-Law No. 90/2020</u>, which amended the Lay-Off Phase 2 legal regime, entered into force.

## The main changes are:

- Revision of the concept of a "business crisis situation": employers are now allowed to apply the
  measure with a turnover reduction of 25% or more (previously the reduction was of 40%). In
  this case the maximum limit for the reduction of the normal working period to be observed is
  of 33%.
- Regarding the maximum limits of reduction of the normal working period, per employee:
  - a) In the case of an employer with a turnover reduction of 25% or more, the reduction of the normal working period per employee may be a maximum of 33% in October, November and December 2020;
  - b) In the case of an employer with a turnover reduction of 40% or more: 40 % in October, November and December 2020
  - c) In the case of an employer with a turnover reduction of 60 % or more: 60 % in October, November and December 2020.
  - d) In the case of an employer with a **turnover reduction of 75% or more**, the reduction of the normal working period per employee can be up to 100% in October, November and December 2020.
- For employers with a turnover loss of 75 % or more, the financial support granted by social security for the payment of the employee compensation corresponds to 100%.
- To employers who opt to also resort to a vocational training plan the alterations are as follows:
  - a) The training plan must ensure, at least, 50 monthly hours of training;
  - b) Social Security will pay €307,17 per employee included in the training plan. The employer will receive €131,64 and the remainder is paid to the employer.



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The submission of applications is allowed until the end of the month following the one to which the request for support or extension respects. By way of example, applications for support regarding November can be filed until the end of December.