

## Extension of the term of the special subsidy for private workers due to COVID19

### Labor and Social Security Ministry Resolution N° 440/020 - May 14th, 2020.

The Resolution N° 440/020 (May 14th, 2020) of the Labor and Social Security Ministry, decided to extend the term of the special subsidy (created by the Resolution No 143/020 (March 18<sup>th</sup>, 2020) and then extended by the Resolution No. 163/020 (March 20<sup>th</sup>, 2020) and the Resolution of April 3<sup>rd</sup>, 2020) until June 30<sup>th</sup> 2020.

The Resolution N° 440/020 extends the term in which the private sector workers with monthly fixed or variable remuneration may receive the special subsidy created due to the appearance of the COVID-19. The term is extended until June 30<sup>th</sup>, 2020.

The Resolution N° 143/020 which created the special subsidy originally included the regime would last 30 days to be counted from March 18<sup>th</sup>, 2020 with a possibility to extend it for 30 additional days. The Resolution dated April 3<sup>rd</sup> extended the term until May 31<sup>st</sup>, 2020. The new Resolution dated May 14<sup>th</sup>, 2020, extends the term until June 30<sup>th</sup>, 2020.

The characteristics of the unemployment special subsidy created on March 2020 include:

**i.- Subsidy term:** June 30<sup>th</sup>, 2020 (Resolution No. 440 of May 14<sup>th</sup>, 2020).

**ii.- Activities contemplated:** All (Resolution No 163 of March 20<sup>th</sup>, 2020).

**iii.- Who may receive the subsidy:** private sector workers with monthly fixed or variable remuneration. The special regime does not include daily workers. (Resolution N°143 of March 18<sup>th</sup>, 2020).

**iv.- The special regime is optional:** It is not compulsory for the employer to resort to the special regime. Workers may receive the unemployment special subsidy (Resolution N°163 of March 20<sup>th</sup>, 2020).

**v.- Exhaust insurance:** private sector workers with monthly fixed or variable remuneration who have previously exhausted the unemployment insurance and who do not have 6 months of work in the prior 12 months, may equally receive such benefit. (Resolution N°143 of March 18<sup>th</sup>, 2020)

**vi.- Reduction of work time:** Maximum of 19 work days, minimum of 6 work days or a 50% of their regular activity (Resolution N°143 of March 18<sup>th</sup>, 2020, in the reduction given by the Resolution of April 3<sup>rd</sup>, 2020)

**vii.- Benefit Amount:** 25% of the the average monthly nominal remuneration perceived in the last 6 months (Resolution N°143 of March 18<sup>th</sup>, 2020)

**viii.- Minimum amount to be charged by the worker:** 75% of the regular monthly nominal remuneration averagint the last six months. (Resolution N° 143 of March 18<sup>th</sup> 2020, in the redaction given by the Resolution of April 3<sup>rd</sup>, 2020).

**ix.- Granting the special subsidy is not conditioned to the existence of the unused annual paid vacation** (Resolution N° 143 of March 18<sup>th</sup> 2020)

**x.- Requests of the benefit:** Must be requested at the BPS (Social Security Office) (Resolution N° 143 of March 18<sup>th</sup> 2020). The request will be realized completing a form in the BPS web page.