



LABOUR NEWS

Labour Newsletter

September 2025





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1. Strategic plan of the labour and social security inspectorate published

The Strategic Plan of the Labour and Social Security Inspectorate (hereinafter, "ITSS") 2025–2027, approved by the Council of Ministers on 26 August, was published in the Official State Gazette on 12 September 2025.

This Plan outlines the roadmap to be followed by the ITSS in the coming years and includes a series of objectives grouped into two main pillars:

- The first pillar focuses on inspection activities and defines ten priority lines of action. These include individual and collective labour relations, occupational health and safety, equality and non-discrimination, promotion and protection of employment, social security, and the fight against undeclared work.
- The second pillar identifies structural, organisational and operational measures to be adopted to ensure the delivery of an effective public service.

An increase in the number of labour inspectors and deputy inspectors is planned (an additional 55+ appointments), alongside the reinforcement of technical and administrative staff. Continuous training will also be promoted to foster greater specialisation.

The new strategy includes significant investment in technological advances and foresees the creation of a digital forensics lab, specialised in obtaining digital evidence through forensic techniques to analyse IT systems. New algorithmic rules will also be developed to strengthen fraud control via the Fraud Detection Tool, and data-driven awareness actions will be intensified.

The areas that will be most closely investigated by the ITSS are listed in Annex I.

In light of possible inspections, it is highly advisable that companies regularly verify that their labour compliance is up to date.



2. Parliamentary rejection of the draft bill to reduce the working week to 37,5 hours

The draft bill promoted by the Ministry of Labour and Social Economy to reduce the maximum weekly working time from 40 to 37.5 hours was rejected by the Spanish Parliament, following the approval of full amendments submitted by the Partido Popular, Vox, and Junts per Catalunya.

These political parties reportedly argued that a legally imposed reduction could negatively impact the economy, employment, and company organisation. They defended that any change in working time should be addressed through collective bargaining and social dialogue.

As a result, the legislative process has been suspended, and the text must be reformulated or renegotiated in order to be resubmitted.

The same draft also regulated other aspects, such as the mandatory use of a digital working time record, accessible and objective for both employees and authorities; the explicit recognition of the right to digital disconnection; the conversion of certain part-time contracts into full-time contracts; and a

tightening of the penalty regime for infringements related to working time and the working time record.

Although Parliament has blocked the legislative proposal to reduce working hours, the Ministry of Labour has announced that it will proceed with tightening the obligations of companies regarding the working time record.

The Ministry plans to require the working time record to be in digital format, without needing approval from Parliament or the Senate.

This new system will allow the ITSS to access records remotely. Traceability will be required, and the employee must be the one to register their start, end, and break times.

This change will force many companies to review their current time control systems, especially those still using manual or unreliable methods. Anticipating these developments will be key to avoiding sanctions and to complying with future oversight requirements from the ITSS.



3. Procedure for recognising new cases of early retirement

A new system has been implemented to determine in which cases it is appropriate to advance the retirement age through the application of reduction coefficients. This applies to professional activities involving especially harsh, toxic, dangerous or unhealthy conditions.

Royal Decree 402/2025 of 27 May entered into force on 17 June 2025. Its purpose is to regulate the procedure to determine the cases where early retirement may be permitted under the Social Security framework for occupations or professional activities involving exceptionally burdensome, toxic, dangerous or unhealthy conditions, and which present high morbidity or mortality rates.

The key elements of the new procedure are as follows:

Step 1: Who may submit a request

- **Employees:** the most representative employers' and trade union organisations (jointly).
- **Self-employed:** professional associations of self-employed workers, together with the above.
- **Public sector:** the most representative trade unions and public administrations.
- **Ex officio:** the Ministry of Inclusion, Social Security and Migration, upon individual justified request by any of the above.

Step 2: Submission of the request

The application must be addressed to the Directorate General for the Organisation of Social Security (DOGSS) and must include detailed information clearly identifying the occupation or professional activity to be assessed.

Step 3: Report by the Evaluation Committee

This Committee is yet to be established. It will be composed of representatives from several ministries and the most representative employers' and trade union organisations at national level.

It will issue a report on:

- The existence of objective conditions justifying the application of reduction coefficients.
- Recommendations to modify job positions, working conditions or preventive measures to reduce hardship, danger, unhealthiness or toxicity.

Step 4: DOGSS Resolution

If the report is favourable, the DOGSS may resolve that the application of reduction coefficients is appropriate.

If the application is approved, the Ministry of Inclusion, Social Security and Migration will propose to the Council of Ministers the adoption of a Royal Decree to reduce the retirement age for those occupations or activities.

Any reduction coefficients established will be subject to review every 10 years. In no case will they allow retirement before the age of 52.

The application of these coefficients will entail an additional Social Security contribution, payable by both the company and the employee, calculated on the contribution base for common contingencies.

This procedure will only apply to new groups, sectors or occupations, and will not affect those that already benefit from recognised early retirement measures, such as flight crews, mining personnel, or workers in the maritime sector.

The practical implementation of this regulation depends on the creation of the Evaluation Committee and the subsequent approval of specific Royal Decrees for each activity or profession.

However, it is still too early to assess whether this measure will achieve the desired level of protection, as it could have unintended effects such as increased labour costs or difficulties in filling vacancies due to the lack of generational replacement.

Annex I. Areas of focus for the ITSS - 2025 to 2027

1. Employment relationship: contracts, working time and pay

1.1. Employment stability

- Fraud control in temporary contracts and fixed-discontinuous contracts.
- Monitoring misuse of probationary periods to terminate permanent contracts.
- Reviewing both formal and substantive compliance with employment contracts.
- Controlling unlawful labour supply arrangements in subcontracting chains (Article 42 of the Workers' Statute).

1.2. Working time and rest

- Monitoring of digital and interoperable working time records.
- Control of overtime and complementary hours, and of irregular distributions of working time without agreement.
- Specific actions in remote work and the right to digital disconnection.
- Analysis of the impact on mental health caused by breaches of working time rules.

1.3. Wages

- Verification of compliance with the Minimum Interprofessional Wage (SMI).
- Control over the payment of wages set in collective bargaining agreements.
- Inspections in companies receiving the Employment Support Allowance.
- Cross-checking data to detect non-payment, delays and fraud in wage-related contributions.

2. Collective dismissals and penalty rules

- Enhanced role of the ITSS in collective dismissal procedures, with a greater focus on verifying the grounds for dismissal.

3. Occupational health and safety

3.1. High-accident sectors

- Targeted campaigns in construction, agriculture, fishing and delivery sectors.
- Investigation of cardiovascular events and non-traumatic occupational illnesses.
- Monitoring compliance with medical protocols and health surveillance.

3.2. Occupational cancer

- Reinforced controls on exposure to carcinogens (e.g. silica, asbestos).
- Annual inspection plan in high-risk sectors.

3.3. Technical assistance and information

- Special focus on SMEs, healthcare, and domestic work.
- Promoting a preventive culture and improved quality in risk assessments.



4. Equality, inclusion and non-discrimination

- Monitoring compliance with equality plans, LGTBI measures and anti-harassment actions.
- Controlling biases in AI algorithms used in employment processes.
- Campaigns for vulnerable groups: LGTBI, people with disabilities, ethnic and racial minorities, youth and older workers.

5. Employee representation

- Protection of collective rights and legal representatives.
- Campaigns addressing violations of trade union rights.

6. Employment, incentives and training

- Monitoring the use of hiring incentives and legal compliance requirements.
- Inspection of subsidised training programmes and public grants.
- Actions against fraud in unemployment benefits: fictitious registrations, false terminations, etc.

7. Labour fraud and irregular employment

- Intensified inspections regarding digital platforms and false self-employment.
- Detecting fraud in part-time contracts and misuse of cooperatives.
- Targeted campaigns in vulnerable sectors: domestic work, youth employment, international telework.

8. Forced labour and extreme exploitation

- Coordination with the Public Prosecutor's Office and law enforcement to identify potential victims.
- Implementation of the Second National Plan against Forced Labour.

9. Social Security

- Control of fraud in contributions and benefits.
- Review of correct registration and affiliation of employees.
- Monitoring of Collaborating Mutual Insurance Companies and contribution benefits (ERTE, reductions).

10. International cooperation and cross-border controls

- Reinforcement of the fight against cross-border fraud.
- Active participation in European and Latin American inspection networks.

Recommendations for companies

Given the new inspection framework, it is essential that companies:

- Review their hiring models, wage policies and working time systems.
- Strengthen compliance with equality plans, preventive measures and formal obligations.
- Evaluate the use of technology and AI in labour management with legal and transparent criteria.

Having an up-to-date compliance system and conducting internal labour audits will be key to anticipating potential ITSS actions.



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