

## LEGAL NEWS

# Labour reform on permanent disability

May 2025

The **Official State Gazette (BOE) of April 30, 2025** has published **Law 2/2025, of April 29**, which amends both the **Revised Text of the Workers' Statute** and the **General Social Security Law**, introducing significant changes regarding **permanent disability**. This reform promotes labour inclusion and non-discrimination by modifying the current legal framework for managing disability-related situations in the workplace.

The law will enter into force on **May 1, 2025**.

## Key Updates:

### 1. Elimination of automatic termination of employment in cases of permanent disability

From now on, **employment contracts will no longer be automatically terminated** when a worker is declared in a situation of **total, absolute, or severe permanent disability** (formerly "great invalidity").

Termination will only be permitted if:

- **Reasonable adjustments** cannot be made due to disproportionate burden on the company.
- **No suitable vacant position** is available for reassignment.
- The **employee rejects a compatible position** offered by the company.

### 2. Obligation to implement reasonable adjustments

Companies are required to **adapt the employee's role** to their new circumstances, provided such adjustments **do not impose an excessive burden**. When assessing this, the following will be considered:

- The **size** of the company
- The **resources** available
- Any applicable **public support or subsidies**





### 3. Timelines and procedure

- The **employee has 10 calendar days** from the notification of permanent disability to express their wish to maintain the employment relationship.
- The **company has 3 months** to implement the adjustments or reassign the worker to a suitable position. If neither is possible, the contract may be lawfully terminated.

### 4. Changes to the General Social Security Law

**Article 174** of the General Social Security Law is amended to align the **economic effects of temporary and permanent disability** with the new rules introduced in the Workers' Statute.

### 5. Priority in legal proceedings

Legal proceedings relating to the termination of contracts due to permanent disability will be **classified as urgent and given priority handling**.

### 6. Inclusive language update

The term **"great invalidity"** is officially replaced with **"severe disability"**, promoting a more inclusive and respectful terminology.



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