



**LEGAL FLASH | EMPLOYMENT LAW**

EMPLOYMENT LAW LEGAL FLASH | JANUARY 18, 2017

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DECREE-LAW NR. 11-A/2017, OF JANUARY 17

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## DECREE-LAW 11-A/2017, OF JANUARY 17

Following the increase of the value of the minimum monthly remuneration (€ 557 as from January 1, 2017), the Government decided to implement an exceptional measure to support employment by reducing in 1.25% the Social Security contribution rate paid by the employers regarding remuneration due to employees between February 2017 and January 2018 (including the vacation and Christmas allowances).

This measure applies to the private employers with employees covered by the general Social security regime of dependent employees, without prejudice to the exceptions provided for in the aforementioned decree-law.

The granting of this reduction is subject to the following cumulative conditions:

- A full time or part-time employment contract between the parties, executed prior to January 1, 2017;
- The employee has earned, on the months of October to December 2016, a monthly basic salary in an amount comprised between € 530 and € 557, or its proportional amount in the case of part-time contracts, and has not received any other type of remuneration, except as a result of additional work, night work, or both, up to the monthly average value with the of € 700 including the basic salary;
- The employer has the situation regularized before Social Security.

The reduction is granted *ex officio* by the Social Security's services, when the required conditions are met, after the submission, and communicated to the companies. In case of part-time employment contracts, the reduction depends on the submission of an application.

This support measure may be combined with other employment incentives applicable to the same job position.

The regulation will be effective as from February 1, 2017.



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