



labour

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ORDER ESS/2518/2013, OF DECEMBER 26, 2013, ON THE TRAINING ELEMENTS OF VOCATIONAL TRAINING AND APPRENTICESHIP CONTRACTS

This Newsletter briefly describes the most important elements introduced by Order ESS/2518/2013, of December 26, 2013, **on the training elements of vocational training and apprenticeship contracts**, in implementation of Royal Decree 1529/2012, of November 8, 2012, implementing vocational training and apprenticeship contracts.

1. SUBJECT MATTER

The law controls the training elements of vocational training and apprenticeship contracts, whose purpose is to give vocational preparation to workers under an arrangement alternating paid employment at a company with training received under the vocational training or education system.

2. AUTHORIZATION TO START THE TRAINING ACTIVITY

Before perfecting a contract or its respective renewals, the training activity must be authorized by the competent Public Employment Service in the autonomous community in which the company's workplace is located or by the State Public Employment Service, where the company has several workplaces in more than one autonomous community, and draws a distinction between the formalities required in both cases to file the relevant application.

3. PERFECTION OF THE CONTRACT

Both the vocational training and apprenticeship contract and the schedule relating to the training activity agreement to be executed by the company with the training center and the worker (or only with the worker where the training is provided directly by the company) must be perfected on the official forms featured in electronic format on the website of the State Public Employment Service (www.sepe.es).

The requirements concerning the contract, its perfection, working hours, salary, trial period, term, renewals and termination of the contract, will be as stipulated in the above Royal Decree 1529/2012.

4. TRAINING ACTIVITY

Vocational training and apprenticeship contracts must be concluded on a full-time basis, although a portion of that time must be spent on paid employment and another portion on receiving training related to the job filled by the worker, which must be that necessary to obtain a junior college graduate or college graduate qualification or a vocational competence certificate or, where appropriate, an academic certificate or partial training credit.

As for the length of training, the time spent on training activities may not be below 25% in the first year and 15% in the second or third year of the maximum number of working hours provided for in the collective labor agreement or, failing that, the statutory maximum number of working hours.

Under an agreement between the parties, the training activities can be concentrated over a certain period of time, which must be expressly mentioned in the training activity agreement.

Furthermore, the training activity may include supplementary training associated with the company's or the worker's needs, which will not be deemed to constitute actual work and must be authorized by the competent Public Employment Service together with the authorization to start the activity. Such supplementary training will not qualify for the public funding in the form of the reductions in employer social security contributions detailed below.

5. TRAINING ACTIVITY DELIVERY CENTERS

The law details the centers that will deliver the training activity attached to vocational training and apprenticeship contracts, including the companies that have the mandatory authorization from the competent education authority and/or have been approved by the labor authority.

Similarly, notwithstanding any updated information provided by the State Public Employment Service regarding the centers featuring on the State Register of Training Centers and Institutions as approved centers to deliver the training activity relating to the professional competence certificates, such information can be accessed on that entity's website (www.sepe.es) on a search engine listing the professional training qualifications and the centers available to deliver such training.

6. TRAINING COSTS AND REDUCTIONS IN EMPLOYER SOCIAL SECURITY CONTRIBUTIONS TO FINANCE SUCH COSTS

The law sets out economic modules for the calculation of the training costs eligible for funding under vocational training and apprenticeship contracts, which amount to €8/hour per participant in on-site training and €5/hour per participant in distance or online training.

The maximum amount of the reductions that companies can take towards funding those costs will be calculated by multiplying the relevant economic module by a number of hours equal to 25% of the working hours in the first year of the contract and 15% of the working hours in the second and third years.

Nonetheless, in order to qualify for the above reductions to social security contributions, the following requirements, at least, must be met: (i) execution of an agreement for the training activity and notification to the worker's legal representative, (ii) application for and grant of authorization to start the training activity, (iii) assignment of the worker to a job relating to the training activity and compatible with the time spent on that activity, (iv) allocation of a tutor, and (v) keeping of records supporting the cost and payment of the training delivered.

These reductions must be applied in the monthly social security contribution forms, in respect of the training actually delivered, without overstepping the proportion relative to a maximum number of hours eligible for funding, equal to 25% of the working hours recognized in each month in the first year of the contract, and 15% of the working hours in the second and third year. Where the training activity is concentrated over a certain period of time, in the term of the contract, the reductions will be applied on a monthly basis and in the proportion detailed above until the company reaches the maximum amount of funding to which it is entitled.

If a company takes reductions incorrectly or fraudulently the contribution deficiency will be claimed by the authorities in a notice of assessment including the late-payment interest calculated from the date on which the reductions were incorrectly made.

7. TEMPORARY EMPLOYMENT AGENCIES

The provisions of the law will apply equally to temporary employment agencies entering into vocational training and apprenticeship contracts with workers hired to be supplied to the user enterprises.

The temporary employment agency will be responsible for meeting the obligations relating to the training elements under such contracts, while the user enterprise will be tasked with designating the person in charge of overseeing the conduct of the labor activity, who will liaise with the temporary employment agency, which must meet the other obligations as regards tutorship under the contract and the training activity agreement.

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