# Labor Regulations and Standards - Spain

# **Working Hours, Leave Policies, and Contract Termination**

#### Introduction

This document provides a comprehensive overview of the key labor regulations in Spain, focusing on working hours, leave entitlements, and procedures for contract termination. The primary legal framework governing these aspects is the **Workers' Statute (Estatuto de los Trabajadores)**, updated as of 2024, along with various collective bargaining agreements that may supplement or improve upon these national standards. All employment matters are overseen by the **Ministry of Labor and Social Economy** and its provincial delegations. Understanding these regulations is critical for ensuring full compliance and fostering a fair and lawful working environment.

# **Working Hours**

The regulation of working time in Spain is designed to protect employee well-being while allowing for operational flexibility. The standards are defined by law but are frequently adapted through collective agreements specific to industries or companies.

### Maximum Weekly Hours

The standard workweek in Spain is capped at a maximum of **40 hours**, calculated as an average over the calendar year. Collective bargaining agreements can establish different distributions of these hours throughout the year, provided the annual average is respected. A daily limit is also in place, with a mandatory minimum rest period of **12 hours** between the end of one workday and the beginning of the next. For workdays exceeding six continuous hours, a rest break of at least **15 minutes** is mandatory, which is considered working time if stipulated in the collective agreement.

#### ### Overtime

Overtime work is voluntary unless its execution is required to prevent or repair extraordinary and urgent damages or is stipulated in a collective agreement. The annual limit for overtime hours is **80 hours per employee**. Compensation for overtime must be agreed upon and can take one of two forms:

- Financial Compensation: The pay rate for an overtime hour cannot be lower than the rate for an ordinary hour.
- Compensatory Time Off: Overtime hours can be compensated with an equivalent amount of paid time off, which must be taken within the four months following their performance.

#### ### Night Work and Weekends

- Night Work: Any work performed between 10:00 PM and 6:00 AM is classified as night work. Employees who regularly perform at least three hours of their daily shift during this period are considered night workers. Night work is compensated with a specific premium, known as the *plus de nocturnidad*, which is typically a percentage increase (e.g., 25%) over the base salary for the hours worked, unless the salary was established on the basis that the work is inherently nocturnal.
- Weekend Work: The standard weekly rest period is an uninterrupted day and a half, which typically includes all of Sunday and either Saturday afternoon or Monday morning. If an employee is required to work during their scheduled rest period, they must be compensated with an equivalent period of rest to be taken at a later date or with additional financial remuneration as defined by the applicable collective agreement.

#### **Probation Period**

A probation period allows both the employer and the employee to assess the suitability of the employment relationship. Its terms must be established in writing within the employment contract.

#### ### Maximum Legal Duration

The maximum duration of a probationary period is determined by the employee's qualifications:

- For qualified technicians with a university degree: Up to 6 months.
- For all other employees: Up to 2 months.
- In contracts with a duration of less than six months: The probation period cannot exceed 1 month.

#### ### Conditions and Rights During the Period

During the probation period, the employee has the same rights and obligations as any other member of the workforce, including entitlement to salary, social security coverage, and all other benefits. The time spent in the probation period counts towards the employee's total seniority within the company.

### ### Termination During Probation Period

Either the employer or the employee may terminate the employment contract at any point during the probation period without needing to provide a reason or a notice period. This type of termination does not entitle the employee to any severance pay.

# **Annual Leave**

Paid annual leave is a fundamental right for all employees in Spain, and it cannot be replaced by financial compensation except upon contract termination.

#### **### Minimum Mandatory Days**

Every employee is entitled to a minimum of **30 calendar days** of paid annual leave per year. This is equivalent to 2.5 calendar days for each month worked. Collective agreements may increase this minimum but can never reduce it.

#### ### Accumulation and Usage

The leave period must be agreed upon by both the employer and the employee. If no agreement is reached, the dates will be determined by labor courts. Employees must be informed of their scheduled leave dates at least two months in advance. Annual leave must generally be taken within the calendar year in which it is accrued.

# **National Public Holidays**

Spain observes a series of national, regional, and local public holidays. These are paid days off for all employees.

# ### List of Official Holidays (2025)

There are 10 non-substitutable national holidays, with additional regional and local holidays bringing the total to approximately 14 per year. Key national holidays for 2025 include:

- January 1: New Year's Day
- January 6: Epiphany

April 18: Good Friday

May 1: Labor Day

August 15: Assumption of Mary

• October 12: Hispanic Day (National Day of Spain)

November 1: All Saints' Day

December 6: Constitution Day

• **December 8:** Immaculate Conception

December 25: Christmas Day

#### ### Compensation for Working on Holidays

If an employee is required to work on a public holiday, they are entitled to be compensated with either a full day of paid time off to be taken on another date or financial compensation equivalent to **175%** of their normal hourly wage for the hours worked, as per common practice and collective agreements.

# **Special Leave**

In addition to annual leave, employees are entitled to paid time off for specific personal circumstances.

- Sick Leave (Incapacidad Temporal): Managed through the Social Security system. From the 4th to the 20th day of illness, the employee receives 60% of their regulatory base salary. From the 21st day onwards, this increases to 75%. The employer covers the payment between the 4th and 15th day, after which the Social Security system takes over.
- Maternity/Paternity Leave: Both parents are entitled to 16
  weeks of leave, fully paid by the Social Security system. The first 6 weeks
  must be taken immediately after the child's birth.
- Bereavement Leave: 2 days off for the death of a close relative (spouse, parent, child, sibling), extendable to 4 days if travel is required.
- Marriage Leave: 15 calendar days of paid leave for an employee's marriage.
- Moving Leave: 1 day of paid leave for moving to a new primary residence.

#### **Contract Termination**

The termination of an employment contract must adhere to strict legal procedures and be based on legally recognized causes.

#### ### Justified Causes

Termination can be initiated by the employer for two main types of reasons:

- **Disciplinary Dismissal:** Based on a serious and culpable breach of contract by the employee (e.g., repeated and unjustified absenteeism, insubordination, continued poor performance, harassment). This does not require a notice period or severance pay.
- Objective Dismissal: Based on economic, technical, organizational, or production-related grounds that affect the company's viability.

#### ### Notice Periods

For an **objective dismissal**, the employer must provide the employee with a written notice period of at least **15 calendar days**. During this period, the employee is entitled to 6 hours of paid leave per week to search for new employment. No notice period is required for disciplinary dismissals.

#### ### Severance Pay (Indemnización)

- Objective Dismissal: The employee is entitled to severance pay equivalent to 20 days' salary per year of service, with a maximum cap of 12 months' salary.
- Unfair Dismissal (Despido Improcedente): If a dismissal is challenged and found by a court to be without just cause or procedurally flawed, the severance pay is 33 days' salary per year of service, capped at 24 months' salary.

#### **###** Benefits Settlement (Finiquito)

Upon termination for any reason, the employee must receive a final settlement document, known as the *finiquito*. This document details and liquidates all outstanding payments owed to the employee, which typically includes:

- Salary for the days worked in the final month.
- Pro-rata payment for accrued but unused annual leave.
- Pro-rata payment for any applicable bonuses (e.g., Christmas bonus).

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