

## **Employment Law Alert**

Approval of the Strategic Plan of the ITSS 2018 - 2010 and Royal Decree 192/2018, of 6 April, approving the statutes of the Autonomous Body of the ITSS State Agency

April 2018

At the last meeting of the Council of Ministers, held on Friday, 6 April 2018, on a proposal by the Minister of Employment and Social Security, the Strategic Plan 2018-2020 of the Labour and Social Security Inspectorate was approved, which, among other measures, includes the approval of the statutes of the State Agency for Labour and Social Security Inspection, responsible for implementing the plan, through Royal Decree 192/2018, which entails the implementation of a new organizational structure.

The following is a brief commentary on the main new features of the Strategic Plan and the new organisational model of the Labour Inspectorate.

## I.- Labour Inspectorate Strategic Plan 2018/2020

It is part of the integral agenda for quality in work, forging 12 objectives and 100 action lines, all structured around 4 fundamental axes: (i) organization; (ii) quality of service; (iii) effectiveness of action and assistance; and (iv) mediation. Among the action lines of the Strategic Plan, it is worth highlighting:

- a.- Reinforcement of the control of unjustified temporary contracts, as well as part-time contracts and training contracts.
- b.- Ensure compliance with gender equality and non-discrimination standards, for which specific campaigns will be launched focusing on compliance with equality plans in companies, monitoring of the wage gap and collective bargaining in order to avoid discriminatory clauses.
- c.- Greater control of hours worked and working time.
- d.- Reinforcement action in relation to subcontractors and multiservice companies.
- e.- Start up of new inspection units specialising in the prevention of occupational risks.
- f.- Specific actions in relation to false self-employed persons, interns, non-work placements and training for employment.
- g.- Investment in human capital and strengthening of the institutional framework, with the intention to provide sufficient, highly qualified and specialized human resources in specific areas.



h.- Coordination of the fight against fraud (upwelling of irregular jobs, detection of fictitious companies, improper access to benefits) between the Labour Inspectorate and other bodies of the General State Administration and the Autonomous Communities.

## II - State Agency for Labour Inspection and Social Security

Royal Decree 192/2018, approved at the joint proposal of the Ministry of Finance and Civil Service and the Ministry of Employment and Social Security, sets in motion the new organizational structure, the State Agency for Labour and Social Security Inspection. This is a regulation implementing the Law on the Organization of the Labour and Social Security Inspectorate.

In the end, it means the transformation of the current Directorate General of Labour Inspection and Social Security of the Ministry of Employment into a newly created autonomous body, whose organisational structure and statutes are approved by the Royal Decree. It allows the configuration of the Labour Inspectorate as a common service to the General State Administration and the Autonomous Communities, which provides services to each of the administrations according to the socio-laboral matters within its competence.

This transformation entails the specific modification of Royal Decree 424/2016 of 11 November, which establishes the basic organisational structure of the ministerial departments, and specifically, as far as the Ministry of Employment and Social Security is concerned, Royal Decree 703/2017 of 7 July, which is also modified.

This State Agency will integrate all employees currently serving in the Directorate General of Labour and Social Security Inspection, including Inspectors, Deputy Inspectors and support staff.

The Royal Decree approves the central and peripheral organisational structure, defining the management and institutional participation bodies, and the following bodies may be highlighted within the central structure:

<u>a.- The Governing Council</u>, as the highest collegiate body of management, and of a parity nature, made up of representatives of the General State Administration and the Autonomous Communities.

<u>b.- Director of the Organism</u>, who is entrusted with the functions of representation and management of the Organism, as well as the functions of the Central Authority of the Labour Inspection and Social Security.

<u>c.- The General Council</u>, which replaces the Tripartite Consultative Commission, is made up of representatives of the General State Administration, the Autonomous Communities and the business and trade union organisations.

In addition to this novel central structure, the creation of the <u>National Anti-Fraud Office</u>, as a specialized body of the Labour and Social Security Inspectorate, to combat conduct related to undeclared work, irregular employment and social security fraud should be highlighted. It is intended that this Office will allow for more intense institutional collaboration with the Autonomous Communities and with other bodies involved (State Tax Administration Agency, State Attorney General's Office, Courts and Tribunals).

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