

TRADE: Self – Employed financially dependent

On July 2007 the Self-employment Labour Rules were approved by the Government and published in the *Boletín Oficial del Estado*. With this, a new legal concept called “TRADES” has emerged. This means that self-employed workers are financially dependent. This concept embraces all self-employed workers who earn 75% of their income from one specific client or business, as well meeting the following requirements:

- Not to have employees nor subcontract part or the full activity with a third party.
- Do not execute the activity with personnel employed by the client.
- Have appropriate infrastructure and own resources.
- Receive economical benefits depending on the results of the activity and accordingly with the agreed pact with the client.

To be able to carry out the activity, a contract between both parties will have to be established and registered with the corresponding authorities. Trade will be obliged to notify the mentioned condition to the client and it will be stated in the contract.

Self-employed workers will be entitled to 18 working days holidays per year, as well as the right to establish weekly days off, public bank holidays and a maximum of 40 working hours a week.

As far as contribution to the Social Security is concerned, the Law will establish different types of contributions. In any case self-employed workers have the right to receive coverage in the event of general diseases and labour accidents.

The contract will be cancelled for any of the following reasons:

- ❖ Mutual agreement
- ❖ Causes duly stated in the contract
- ❖ Retirement, disability or death of the TRADE.
- ❖ Breach of contract or justified cause by any of the parties. In this last case the Law may assign the right to obtain compensation for damages. It will be the Social Court which will assume the responsibility of dealing with this matter.

Should you wish to receive more information regarding Labour matters, please contact our Payroll Services Manager, Luisa Romero Montes via telephone on (+34) 902 995 993 or via email lrn@asec.es