

## Labor update COVID-19

Newsletter # 67 / March 2020

The President of the Republic decreed the “**General Observance Measures for the Well-being of the Inhabitants of the Republic of Guatemala**” on March 16, 2020, which are in force and which, among other measures, suspended the work and activities in the different State institutions and in the private sector, for the period ranging from March 16 to March 31, with the exception of the activities included in the provisions and whose operation is considered necessary. These provisions may be extended, if needed.

The President of the Republic **decreed supplementary provisions** on March 21, 2020, and he encouraged the parties of employment relationships to:

- i. Negotiate the suspension of employment contracts in the form, manner and time that each individual or collective situation may merit.
- ii. Negotiate employment arrangements that would guarantee the health of the persons, without affecting the minimum guarantees for workers (minimum wage, among other guarantees), based on the conciliation, realism and conventionality principles.

The supplementary provisions invite the parties to try to reach agreements beneficial to both parties, within the limits of the minimum rights provided in the labor legislation and in the free exercise of their wills, considering the extraordinary and unprecedented circumstances that the country is going through.

Furthermore, due to the potential financial effects of the pandemic, the presidents of the Guatemalan Social Security Institute (IGSS, due to its acronym in the Spanish language), the Technical Training and Productivity Institute (INTECAP, due to its acronym in the Spanish language) and the Recreation of Workers Institute (IRTRA, due to its acronym in the Spanish language), alongside the President and Vice-president of the Republic of Guatemala, informed at a press conference on March 23, 2020, that they shall suspend the payment of the employer dues of the private sector which correspond to each one of such institutions during the months of March, April and May. Therefore, they may be paid in the second semester of this year.

For more information, please contact:

**Luis Mazariegos**

[luis.mazariegos@carrillolaw.com](mailto:luis.mazariegos@carrillolaw.com)

**Mynor García**

[mynor.garcia@carrillolaw.com](mailto:mynor.garcia@carrillolaw.com)

**Gabriel Bran**

[gabriel.bran@carrillolaw.com](mailto:gabriel.bran@carrillolaw.com)