

## **BENEFITS OF THE EMPLOYMENT PROTECTION LAW AND THE LAW THAT MAKES THE REQUIREMENTS FOR ACCESS TO UNEMPLOYMENT INSURANCE MORE FLEXIBLE ARE EXTENDED**

On December 4th, 2020, Supreme Decree No.2,097 of the Ministry of Finance (hereinafter, the “Decree”) was published in the Official Gazette, which extends the enforcement of the benefits established in titles I and II of law No.21,227 (“Employment Protection Act”) and in law No.21,263 (that temporarily amends the requirements to access and increases the amounts of the benefits of the unemployment insurance) and grants new provisions with charge to the unemployment mutual aid fund.

The Decree sets forth the following main measures:

- It extends **until March 6th, 2021**, the enforcement of the benefits established in **title I of the Employment Protection Act**, which authorizes access to the benefits of the unemployment insurance to employees whose employment contracts have been suspended by order of authority or due to a temporary suspension agreement executed with the employer.
- Additionally, the Decree **grants up to a twelfth withdrawal paid with charge to the unemployment mutual aid fund** of law No.19,728, for those beneficiaries whose employment contracts are suspended by order of authority and who have depleted their right to withdrawals with charge to such fund. For these purposes, it sets a 45% as the average remuneration percentage over which the amount of such withdrawals shall be calculated, fixing a value of CLP419,757 (USD560 approx.) as the highest amount of this provision and an amount of CLP225,000 (USD300 approx.) as the lowest amount.
- It extends **up to December 31st, 2021**, the enforcement of the benefits of **title II of the Employment Protection Act**, which authorizes the execution of agreements to reduce the working schedule up to a 50% of the same, granting to the employee an additional supplement to his/her salary of up to a 25%, paid with charge to the unemployment insurance.

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• It extends **sup to March 6th, 2021** the enforcement of the benefits and entitlements of **law No.21,263**, which temporarily amends the requirements to access the unemployment insurance and increases, during its validity, the amounts of the benefits of the unemployment insurance.

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