September 2026

Department of Employment Law

Labour law updates from Royal Decree 723/2026 of 9 September, transposing Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union

On 15 September, Royal Decree 723/2026 of 9 September (**"RD** 723/2026") was published in the Official State Gazette (BOE), partially transposing Directive (EU) 2019/1152. The regulation, which **will come into force on 5 October 2026**, expands the information that workers must receive regarding their working conditions and enhances their predictability. The State Public Employment Service ("SEPE") will publish an official template in the coming days to facilitate compliance, although its publication does not delay the application of these obligations.

Key points of Royal Decree 723/2026

- **Entry into force:** 5 October 2026.
- **What has changed:** the information that must be provided in writing to each employee has been significantly expanded (including, amongst other things, variable pay, working hours, probationary periods, algorithmic systems, equality, collective agreements and social security).
- **New hires:** the information must be provided before the employee starts work.
- **Existing contracts:** the information is provided only if the employee requests it (within 30 working days); however, any changes made after 5 October must always be communicated.

I. Scope of application

Royal Decree 723/2026 applies to all employers and employees covered by Article 1 of the Workers' Statute, subject to the following specific provisions:

- The information obligations described in this document apply only to employment relationships lasting **longer than four weeks**.
- The regulation also applies to **special employment relationships** in accordance with the terms set out in their specific regulations and, in any event, where these refer to the Workers' Statute, as well as to **public sector employees**, subject to the specific provisions of their own legislation.

II. Expansion of information on the essential elements of the contract

The employer must provide the following information in writing. Items marked as **NEW** were not required, or not to this level of detail, under the previous regime.

1. Basic details of the employment relationship

- Identity of the parties.
- Start date and, in the case of fixed-term contracts, end date or expected duration.
- NEW For fixed-term contracts: precise identification of the reason justifying the fixed-term contract, the specific circumstances justifying it and its connection with the expected duration of the contract.
  Example: it is not enough to state 'production circumstances'; it would be necessary to specify, for example, 'an increase in orders resulting from the Christmas campaign, between 1 November and 15 January'.
- The company's registered office and usual place of work.
- NEW In the case of remote working, the centre to which the employee is assigned. If the employee works at several centres, at mobile or itinerant centres, or is free to choose where to work, this must be stated.
- NEW Professional category or group, with a brief description of the post that provides a sufficiently precise understanding of the specific nature of the work.
- NEW In the case of workers supplied by temporary employment agencies: the identity of the user company and the reason for each supply contract.

2. Salary

- Basic salary and each of the salary supplements, listed separately, as well as their frequency and method of payment.
- NEW How variable components are calculated and the criteria determining their payment.

3. Working hours

- Duration and distribution of the normal daily, weekly and annual working hours, NEW indicating whether all or part of the working day is carried out at night or in shifts.
- NEW Circumstances and procedure for amending the duration and distribution of working hours and, where applicable, changes to shifts.
- NEW Agreements on overtime and overtime pay.
- Duration of annual leave and the procedure for determining when it is taken.
- NEW In the event of an irregular working schedule: the system for determining it, the reference hours and days on which the company may require the provision of services, and the minimum notice periods prior to the start of the task and its cancellation.
  Example: "The company may require the provision of services from Monday to Saturday, between 8.00 am and 8.00 pm, with a minimum of five days' notice".
- NEW In fixed-term intermittent contracts: the periods of activity and inactivity, or an estimate thereof, without prejudice to their finalisation at the time of being called upon to work.

4. Probationary period

- NEW Specific duration, whether it complies with the statutory limit of six months or is a longer period set by a collective agreement in justified cases.

- **NEW** The respective obligations of the employer and the employee to carry out the tasks that constitute the purpose of the probationary period.

5. Training

- **NEW** The right to training provided by the employer.

6. Algorithmic or automated decision-making systems

- **NEW** Whether such systems exist within the company.
- **NEW** Where they are used to make decisions regarding working conditions (working hours, task allocation, pay, career progression, place of work or termination of contract), as well as their guidelines, criteria and operating rules.
  Examples: an application that automatically allocates shifts or delivery routes; software that scores productivity to calculate incentives; or a tool that selects candidates for internal promotions.

This provision is based on Regulation (EU) 2024/1689 on Artificial Intelligence and must be applied in a manner consistent with data protection legislation.

7. Equality and diversity

- **NEW** Existence and identification of the equality plan applicable to the company.
- **NEW** Where applicable, the company's policy on work-life balance, where it improves upon or goes beyond the legal minimum requirements.
- **NEW** Protocol on sexual harassment and gender-based harassment.
- **NEW** Where applicable, the planned set of measures and resources to achieve real and effective equality for LGBTI people.

8. Termination of the contract

- **NEW** Termination procedure, including the formal requirements and notice periods to be observed by both the employer and the employee. If it is not possible to specify these at the time of submission, it must be indicated how they will be determined.

9. Applicable collective agreement

- **NEW** Details enabling the identification of each applicable collective agreement, including its code and the date of publication in the relevant official gazette.
- **NEW** Period of validity and, where applicable, whether it remains in force beyond its expiry date.
  Clarification: an agreement is in a state of 'ultra-activity' when its agreed term has expired and it has been terminated, but it continues to apply whilst a new one is being negotiated.

10. Social Security

- **NEW** An administering or collaborating body chosen by the company to provide cover for each type of risk or benefit.
- **NEW** Where applicable, the company's direct involvement in the administration of Social Security.
- **NEW** Voluntary enhancements to the Social Security protection scheme, i.e. benefits paid by the company in addition to those provided by the state.

- NEW Pension schemes and funds set up for employees and the contributions made to them.

11. Possible changes to conditions

- NEW Circumstances in which duties, job category or professional group, salary or working hours may be amended, and the procedure to be followed in such cases.

Is it possible to refer to the collective agreement or the law?

The regulation allows part of the obligation to be fulfilled by referring to the applicable law or collective agreement:

- **Yes**, with regard to: basic pay and allowances, normal working hours and changes thereto, overtime, annual leave, probationary period, training, termination of the contract and social security.
- **No**, with regard to all other information, which must be set out in detail.
- The reference must be **precise** and clearly identify the applicable regulation: it is not sufficient to state 'as per the collective agreement'; it would be necessary to indicate, for example, 'salary scales set out in Article 25 of the Collective Agreement for [sector], code [XX], published in the Official State Gazette (BOE) on [date]'.

III. Additional information in the case of work abroad

If the employee is to work abroad on a regular basis for **more than four consecutive weeks**, the following information must also be provided:

- The country or countries of destination, the duration of the posting and the currency in which the salary is paid.
- Remuneration, daily allowances, reimbursement of expenses and other benefits associated with the posting.
- Repatriation, if planned, and the conditions thereof.
- For postings within the EU or the EEA: pay in accordance with the law of the country of destination, reimbursement of travel, accommodation and subsistence expenses, and a link to that country's official posting portal.

IV. Information on changes to the terms and conditions

Any changes to the above details must be notified in writing.

- **Exception:** if the information was provided by reference to legislation or a collective agreement and it is that legislation or agreement that has changed (for example, new pay scales in the collective agreement).
- These obligations are in addition to the procedures set out in the Workers' Statute (ET) for amending working conditions and to the information required under the Regulation on the Protection of Workers' Rights (RLPT).

V. Means and deadlines for providing information

- **Format:** on paper or in an accessible electronic format that can be saved and printed, whilst retaining proof of delivery or receipt.
- **Persons with disabilities or intellectual intellectual :** the information must also be understandable.

Type of information	Timeframe
General information (Section II)	Before the start of the employment relationship.
Work abroad (Section III)	Before departure abroad.
Changes (section IV)	As soon as possible and, at the latest, on the day the change takes effect.

VI. Contracts in force on 5 October 2026

Royal Decree 723/2026 also applies to existing contracts, but **does not require the employer to inform the entire workforce automatically**:

Situation	Do I need to report this?	Deadline
New hires (from 5 October 2026)	Yes, always	Before the start of the employment relationship
Existing contracts: general information	Only if the employee requests it	30 working days from the date of the request
Existing contracts: amendments from 5 October 2026	Yes, always	As soon as possible and, at the latest, on the day they take effect

At the employee's request, the employer must also provide, where applicable, information on work abroad and any changes that took place before 5 October. It is not necessary to provide information that the employer already holds.

VII. Consequences of non-compliance

Failure to provide information in accordance with the required terms and deadlines constitutes a **minor offence**, punishable by a fine of **between 70 and 750 euros**.