Series
COVID-19

LABOR AND EMPLOYMENT

MP 927/20: CHANGES IN FEDERAL, STATE, AND MUNICIPAL HOLIDAYS

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Executive Order No. 927/20 (MP 927/20) provided in its article 13 that, during the state of public emergency in Brazil due to the covid-19 pandemic, employers may accelerate federal, state, district, and municipal non-religious holidays, upon written or electronic notice to employees, at least 48 hours in advance. The holidays advanced must be expressly stated in the notice.

In order to accelerate religious holidays, the employee's agreement is required, as its formalization by a written individual agreement.

The discussion regarding possibility of accelerating holidays and the impact this may have on the economy is not new. According to data released in 2014 by the U.S. human resources consultancy Mercer (and used until today for statistical purposes), Brazil is the seventh country in the world with the most holidays, along with South Africa, Peru, and Greece, totaling 12 national holidays. First are Colombia and India, with 18 national holidays each, and second are Thailand, Lebanon, and South Korea, with 16 national holidays each.

Also according to Mercer, a country's productivity is directly linked to the number of holidays it has: the higher the number of holidays, the lower the productivity. Given the possible impacts that holidays may have on the economy, Brazil has already put the issue on the agenda on several occasions.

In 1985, the government of President José Sarney published Law No. 7,320, mandating the acceleration, to Mondays, of holidays that fall on other days of the week. The exception were those on Saturdays and Sundays and on January 1 (Universal Brotherhood), September 7 (Independence), December 25 (Christmas), Good Friday, and Corpus Christi. The law was repealed in 1990, under the Collor government, by Law No. 8,087.

Almost 35 years later, in 2019, the Education, Culture and Sports Commission approved a bill proposed by the Senate, PLS 389/16, mandating the commemoration, via acceleration, on Mondays, of holidays that appear on the other days of the week, with the exception of those that occur on Saturdays and Sundays and on January 1 (Universal Brotherhood), Carnaval, Good Friday, May 1 (Labor Day), Corpus Christi, September 7 (Independence Day), October 12 (Our Lady of Aparecida, Patroness of Brazil), and December 25 (Christmas), that is, basically in the same terms provided for by Law No. 7,320/85. The explanatory memorandum on PLS 389/16 has been forwarded to the Chamber of Deputies, where it awaits consideration.

The justification for acceleration of holidays in the three measures is the same: to minimize the impact on the functioning of companies, to the employment of workers, and to the collection of taxes, bearing in mind that holidays lead to a reduction in work days for the production and marketing and sale of goods and services, especially in a pandemic situation, when a great part of the activities were interrupted and/or readapted to minimize the risk of contagion and spread of covid-19.

This is an advantageous measure for companies, especially those waiting for a significant increase in the volume of work after the period of public emergency, as in the case of replenishment of inventories, provided that the acceleration of holidays is strictly observed by both employees and employers, avoiding the lack of double work.