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General Summary of Labor Rights in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela

Baker & McKenzie

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General Summary of Labor Rights in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela

Keywords

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Comments

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General Summary of Labor Rights in Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela

2010

	Minimum Salary	Salary Reduction
Argentina	AR\$ 1,500 (AR\$ 7.50 per hour) or the amount foreseen for the employee's category in the collective bargaining agreement, whichever is higher.	No
Brazil	R\$ 510 or the amount foreseen for the employee's category in the collective bargaining agreement, whichever is higher.	Possible only by mutual consent and the participation of the Union.
Chile	Ch\$ 165,000 (USD 319)	Not unilaterally, but possible by mutual consent duly granted.
Colombia	Col. Pesos \$515.000	Not unilaterally, but possible by mutual consent duly granted.
Mexico	Mx. Pesos \$57.46; \$55.84, and \$54.47 per day, depending on the region.	Not unilaterally, but possible by mutual consent duly granted; only when the salary is more than the minimum wage.
Venezuela	As of May 1, 2010: Bs. 1,223.89 per month or Bs. 40.79 per day for workers in general, and Bs. 910.04 per month or Bs. 30.33 per day for adolescents apprentices.	Yes, but restricted to certain cases and subject to risks. Applicable minimum salary must be respected.

	Comparable Pay Principle	Split of Salary
Argentina	Yes	No
Brazil	Yes	Yes (with payment of taxes)
Chile	No	No
Colombia	Yes	No
Mexico	Yes	Yes (with payment of taxes)
Venezuela	Yes	Yes, subject to compliance with certain restrictions regarding payments in foreign currency as a result of the current exchange control provisions, which we recommend to verify.

	Profit Sharing
Argentina	Mandatory due to constitutional clause, though not regulated by the labor law.
Brazil	Mandatory in case the Union invites the company to negotiate a profit sharing agreement. Freedom to structure it and values allocated. It has benefits because labor and social security contributions are not assessed.
Chile	Mandatory 30% of company net income 25% of annual net profits with 4.75 UTM cap (approximately USD 1,500)
Colombia	Not mandatory
Mexico	Mandatory. 10% of employer's taxable income
Venezuela	Mandatory, with a few exceptions. The exceptional cases are required to pay a year-end bonus equivalent to 15 days' salary per fiscal year of service. In cases where profit sharing is mandatory (most cases), the same is equivalent to 15% of their net profits (as defined by law), ranging from a minimum of 15 days to a maximum of 2 or 4 months of salary per fiscal year of service, depending on the capital stock of the company and its number of workers. Where profit sharing is not mandatory (e.g., for non-profit employers) or where there are no profits, companies are required to pay, at least, a bonus equivalent to 15 days' salary per fiscal year of service.

	Stock Options
Argentina	Not mandatory Risk of remunerative and/or compensatory nature
Brazil	Not mandatory Risk of compensatory nature
Chile	Not mandatory Risk of compensatory nature
Colombia	Not mandatory Risk of compensatory nature. Parties can agree to have the benefits as a non-salary factor.
Mexico	Not mandatory Risk of compensatory nature
Venezuela	Not mandatory According to a recent Venezuelan Supreme Court ruling, benefits derived from the exercise of stock options do not have salary or remunerative nature.

	Integration of Benefits as part of the Salary	13th Salary	14th Salary
Argentina	Unless specifically regulated by the labor law as a non-remunerative fringe benefit, its economic value is part of the remuneration and cannot be withdrawn.	Yes	No
Brazil	Economic value is part of the remuneration and cannot be withdrawn.	Yes	No
Chile	Economic value is part of the remuneration and cannot be withdrawn.	Not required	No
Colombia	Economic value is part of the remuneration and cannot be withdrawn.	Yes, for ordinary salary.	Yes, for ordinary salary.
Mexico	Economic value is part of the remuneration and cannot be withdrawn.	Christmas bonus of at least 15 days of salary.	No
Venezuela	The economic value of certain benefits is likely to be deemed part of the employee's remuneration or salary, while others are not likely to be deemed salary. It is therefore advisable to review this on a case-by-case basis.	Not required	Not required

	Seniority Payment Fund	Employment Contract
Argentina	No	Not required for indefinite term contracts, mandatory for special hiring alternatives (fixed term, seasonal, internship, etc.)
Brazil	" <i>Fundo de Garantia por Tempo de Serviço</i> " FGTS, which is 8% of the remuneration paid in a special account (fund), which will be released to the employee upon termination without cause.	Not required for indefinite term contracts, mandatory for special hiring alternatives (fixed term, internship, trial, etc.)
Chile	No	Lack of written contract shifts the burden of proof of employment terms and conditions against employer.
Colombia	No	Not required. Certain provisions must be agreed upon in writing.
Mexico	No	Required, if no collective bargaining agreement exists.
Venezuela	Yes (called " <i>prestación de antigüedad</i> "). The employee decides whether to have the main component thereof (equivalent to five days'	In general it is not required to be in writing, though it could be argued that it should be required when the

	Seniority Payment Fund	Employment Contract
	salary per month of service after the third month of service) credited on the employer's books (whereupon it will earn interest) or deposited into a trust (whereupon it will earn the returns on the investments). The annual component of the benefit is equivalent to two additional and cumulative days' salary per year of service after the first year, up until a maximum of 30 additional days per year. The seniority payment must be paid upon termination of the employment relationship, though by exception up to 75% thereof could be advanced to the employee for the attention of certain housing, medical and educational needs. Loans guaranteed on this benefit may also be given to attend the same type of needs.	employment contract is for a stated term or for a specific work.

	Internal Labor Regulations	Trial Period when the Employment Relationship begins	Employment Contract for a Stated Term
Argentina	Yes	90 days	Minimum: 1 month Maximum 5 years Requires existence of a just cause
Brazil	Yes	90 days	2 years
Chile	Yes (Order and Safety Regulations for companies with 10 or more employees). Safety Regulations mandatory.	No	1 year, except for managers, which is for 2 years.
Colombia	Yes (for companies with more than 5 employees)	Maximum 60 days.	Any term. Initial term cannot exceed 3 years, but can be extended indefinitely.
Mexico	Not mandatory but highly recommendable	Not possible	
Venezuela	Not mandatory, but recognized as a source of labor provisions.	Maximum of 90 days. It must be agreed upon in writing, as part of the individual employment agreement.	Maximum duration of 3 years for employees and skilled laborers and 1 year for laborers.

Types of Contracts	
Argentina	<p>Indefinite-Term Contracts</p> <ul style="list-style-type: none"> • General rule • No need to be written. However, the written formality would be convenient. • Subject to a trial period of three (3) months. <p>Fixed-Term Contracts</p> <ul style="list-style-type: none"> • The end of the term is certain. • Requires existence of a just cause. • Minimum: 1 month • Maximum: 5 years • No trial period is applicable and must be executed in writing. <p>Contingent Work</p> <ul style="list-style-type: none"> • For a contingent work and the end of the term is uncertain. • Requires existence of a just cause. • When hired due to a production peak or market requirements, the maximum hiring period is six (6) months per year and twelve (12) months per every three (3) years. • Not subject to a trial period and it must be executed in writing.

	Work Day and Work Week	Overtime Surcharge
Argentina	8 hours and 48 hours.	50% weekly days and 100% on weekends (Saturdays after 1.00 PM) and holidays.
Brazil	44 hours 8 per day	50% weekly days and 100% on weekends, but collective bargaining agreements may foresee a higher additional.
Chile	45 hours; maximum 10 hours per day	50%, maximum 2 hours per day.
Colombia	48 hours and 8 hours	25% daytime overtime, 75% nighttime overtime, 75% on Sundays and holidays and, 35% as night work.
Mexico	48 (daily), 45 (mixed), or 42 (nightly)	100% for first 9 hours and 200% for exceeding hours + 25% on Sundays
Venezuela	44 (day work), 42 (mixed –day and night- work), or 35 (night work) There are some exceptions.	50% surcharge. Overtime should not exceed 10 hours per week and 100 hours per year, per worker.

	Paid Weekly Rest Days and Holidays	Annual Paid Vacations
Argentina	Yes	14, 21, 28, and 35 calendar days after 1, 5, 10, and 20 years of accrued seniority.
Brazil	Yes	30 days
		10 days can be sold
Chile	Yes	15 working days + extra day for each 3 years after 10th year
Colombia	Yes	15 working days
Mexico	Yes	6 days plus additional 2 days per each year until 4 years; thereafter: 2 days after each 5 years
		Cannot be sold without previous authorization provided by Ministry of Social Protection.
Venezuela	Yes	15 working days for the first year of service + 1 additional working day per each additional year of service after the first year, up to 15 additional working days per year.
		Additional days may be negotiated if beneficial to the employee and upon his/her request.

	Annual Vacation Bonus	Maternity Leave
Argentina	Yes. Annual paid leave: salary during the vacation days is increased by 20% of its regular value.	90 days of paid leave
Brazil	Yes. Annual paid leave: salary during the vacation days is increased by a third of its regular value.	120 days plus 1 month of tenure job after return to work. Employers may extend the maternity leave for another 60 days, by entering a special program created by Law No. 11,770. In this case, the Company may deduct from its income tax the additional expenses arising from this extension.
Chile	No	6 weeks before childbirth and 12 weeks after childbirth.
Colombia	No	84 days
Mexico	Yes. Minimum mandatory is 25% of vacation days.	6 weeks before childbirth and 6 weeks after childbirth.
Venezuela	Yes. 7 days of salary for the first year of service + 1 additional day per each additional year of service after the first year, up to a total of 21 days of salary per year.	6 weeks before childbirth and 12 weeks after childbirth.

Statute of Limitations	
Argentina	2 years
Brazil	2 years with 5-year retroaction
Chile	2 years for statutory rights (i.e., salaries); 6 months for non-statutory rights (i.e., contractual benefits); 60 working days for unfair termination, all counted from the end of the services.
Colombia	3 years is the general rule; special rules apply for certain rights.
Mexico	2 months to challenge termination; 1 year for payment of benefits; 1 month to terminate employment relationships with cause, to withhold loans, and to apply disciplinary measures; and 2 years to accomplish labor resolutions.
Venezuela	1 year after termination of the employment relationship for most actions; 5 years for actions relating to occupational accidents or illnesses.

Special bars against dismissal	
Argentina	Employers cannot discharge workers council representatives. Pregnant women, new mothers and newlyweds receive special severance in case of termination without just cause.
Brazil	Union officials, pregnant women and new mothers, diseased employees, CIPA members
Chile	Union officials, employees involved in the collective bargaining, president of the hygiene and safety committee, pregnant women, new mothers, in case of death of certain employees' relatives, employees with sick leave.
Colombia	Union officials, disabled or seriously ill employees, pregnant women, employees who have presented a labor harassment complaint, and employees with more than 10 years of services as of January 1, 1991
Mexico	Pregnant women and disabled workers while in license
Venezuela	Among others, women during pregnancy, parents during one year after childbirth, certain union officials and employees with suspended employment relationship (e.g., ill workers during period of disability). There is a general bar against dismissal covering most employees is effective through December 31, 2010 (though extendible). In the private sector, the following cases are not covered by this general bar against dismissal: (i) employees qualifying as upper management employees (" <i>empleados de dirección</i> ") and/or as employees of trust (" <i>trabajadores de confianza</i> "); (ii) employees with less than three (3) months of service; (iii) employees earning a monthly base salary exceeding the equivalent to three (3) minimum wages by the date of the Decree providing for this protection; and (iv) seasonal, eventual and occasional employees.

	Termination
Argentina	No prior authorization is required to dismiss without just cause. Execution of termination agreement and approval (“ <i>homologacion</i> ”) by a labor judicial or administrative authority is advisable.
Brazil	Homologation by the Union or Labor Department
Chile	Ratification before Labor Department or Notary Public. In general terms, no prior authorization is requested.
Colombia	Ratification before Labor Judge or the Ministry of Social Protection is advisable. In general terms, no prior authorization is required.
Mexico	Agreements must be approved by the Labor Board.
Venezuela	Generally, no prior authorization is required, except for employees protected by a bar against dismissal, who may only be dismissed for cause previously evidenced before and authorized by the Labor Inspector's Office after a contentious procedure in which the employee has the right of defense. Special restrictions for collective terminations are also in effect. Dismissals for cause, even of employees not protected by a bar against dismissal, are subject to special procedures and rules.

	Severance
Argentina	<ul style="list-style-type: none"> • Seniority: 1 month of salary per year of work or fraction exceeding 3 months, with limitations • Lack of prior notice: ½, 1 or 2 months of salary, if seniority is less than 3 months, more than 3 months and less than 5 years, or more than 5 years. • Accrued salary, proportional vacations, and proportional 13th salary.
Brazil	FGTS + 50% over FGTS balance, in addition to accrued rights, proportional vacation, and 13th salary.
Chile	1 month to 11 months with 90 <i>Unidades de Fomento</i> (currently approximately US\$3,600) cap per each year of service or fraction above 6 months. The limit referred to the years of services is not applicable to employees hired before August 14, 1981.
Colombia	For indefinite term duration contracts executed as from January 1993, 30 or 20 days of salary for the first year of services and 20 or 15 additional days for each year subsequent to the first; depending on monthly salary.
Mexico	3 months of daily integrated salary; 20 days of daily integrated salary per year of services 12 days per year of work limited up to 2 minimum wages.
Venezuela	Seniority payment (“ <i>prestación de antigüedad</i> ”) of 5 days’ salary per month of service after the third month, and 2 additional and cumulative days’ salary per each additional year of service after the first year (up to a maximum of 30 additional and cumulative days’ salary per year), as explained before. In the event of unjustified dismissal or justified resignation, employees enjoying labor stability are entitled to, in addition to their seniority payment balance and other labor benefits: (i) an indemnity for dismissal (30 days' salary per year of service or fraction thereof in excess of 6 months, up to 150 days –if the employee has more than three but no more

	Severance
	than six months of service, this indemnity is of 10 days' salary-); and (ii) an indemnity in lieu of the termination notice (ranging from 15 to 90 days' salary depending on seniority, but the salary for calculation of this latter indemnity cannot exceed the equivalent to 10 minimum wages).

	Prior Notice of Dismissal	Restrictions on hiring foreign employees
Argentina	15 days: during the trial period. 30 days: up to 5 worked years. 60 days: above 5 worked years	No limitations
Brazil	30 days, but collective bargaining agreements may foresee a higher prior notice period.	No more than 1/3 can be foreigners, except technical or specialized workers
Chile	30 days or payment in lieu (90 UF cap applicable)	No more than 15% can be foreigners, except for technical or specialized workers. US nationals not counted as foreigners until 19th month of residence.
Colombia	No	For companies with more than 10 employees, no more than 10% or 20% depending on hierarchical positions of the employees. Minimum of 10 employees does not apply in case of foreigners that are engineers.
Mexico	Notice upon termination with cause	No more than 10% can be foreigners, except for management employees (i.e., officers, directors, and managers)
Venezuela	One (1) week to three (3) months depending on seniority; only applicable to employees who do not enjoy labor stability or who are terminated for economic or technological reasons.	At least 90% must be Venezuelan nationals for companies having 10 or more employees. In the same companies, at least 80% of the remunerations paid to the employees must be paid to Venezuelan employees. Exceptions may be granted in certain cases (e.g., activities requiring special technical knowledge and no Venezuelan personnel is available).

	Unions	Unions: Limits
Argentina	Membership in labor unions is voluntary.	Organization of unions requires compliance with several formalities; there may be different types of unions representing the same activity.
Brazil	Every employee is mandatorily enrolled with a union.	Employees can organize unions, but no more than one in the same profession in the same territorial base (i.e., the municipality).
Chile	Membership in labor unions is	Unions can be freely organized. More than

	Unions	Unions: Limits
	voluntary.	one union is permitted in the same workplace. Unions represent only those employees who are members.
Colombia	Membership in labor unions is voluntary.	Unions can be freely organized.
Mexico	Membership in labor unions is voluntary.	Unions can be freely organized.
Venezuela	Membership in labor unions is voluntary.	In general, unions can be freely organized following certain rules and requirements provided for in the legislation.

	Strike
Argentina	<ul style="list-style-type: none"> • Only recognized trade unions can call for strikes. • Employees are not obliged to adhere to a strike, but if they do, they are not entitled to their wages. Employers cannot suspend employees on grounds of the strike but can ordinarily dismiss without just cause. • <u>Legal Strike</u>: Indispensable that a settlement period of not more than 15 days be observed, during which period a settlement must be tried before the Labor Ministry. The settlement period may be extended for five additional days, after which, if no agreement is reached, the parties are left free to engage into action. • <u>Illegal Strike</u>: if the trade union fails to comply with the settlement procedures, or if the strike does not respond to a labor cause, or if there is strike-related violence either on or off the employer's property. Illegal strikes entitle employers to request employees to withdraw, and eventually to dismiss them with just cause due to such offence. In addition, the union that called the illegal strike could be suspended or lose their official recognition.
Colombia	The right to strike is acknowledged as fundamental. Employers are not permitted to use strike-breakers. Only in cases expressly excluded by law will a strike be deemed illegal. The Ministry of Social Protection and the President can intervene in disputes through compulsory arbitration when the strike is declared illegal or exceeds 60 calendar days.
Mexico	<p>Temporary suspension of work carried out by a coalition of workers.</p> <p>Objectives of a strike</p> <ul style="list-style-type: none"> (i) obtaining equilibrium between the production factors and harmonizing the rights of labor with those of capitalists; (ii) obtaining from the employer the execution of a Collective Bargaining Agreement ("CBA") and demanding its revision upon expiration thereof; (iii) obtaining from the employer a signed mandatory CBA; (iv) demanding compliance with the CBA or mandatory CBA in the enterprise in

	Strike
	<p>which employee rights have been violated; (v) demanding compliance with the legal provisions on profit sharing; and (vi) supporting a strike if the objective thereof is one or more of the above-mentioned.</p> <p>Employers may challenge the legality and validity of the strike through a legal process.</p>

	Data Privacy	Vested Rights
Argentina	Extensive restrictions on the use and processing of personal data.	Yes
Brazil	No statutory regulations for data privacy, but Constitution provides for privacy right.	Yes
Chile	Extensive restrictions on the use and processing of personal data.	Yes
Colombia	No statutory regulations for data privacy, but Constitution provides for privacy right.	Yes
Mexico	No statutory regulations for data privacy, but Constitution provides for privacy right.	Yes
Venezuela	Constitution provides for certain general rules relating to privacy and access to personal data. Specific legislation guarantees privacy of personal correspondence, communications, and results of medical exams. Important sanctions could apply in the event of non compliance.	Yes

	Provision of Food
Argentina	Not mandatory. If paid, the economic value may be considered part of the remuneration.
Brazil	Not mandatory; if provided to the employees, it does not integrate the remuneration and a portion of this payment may be offset against the due income tax, only in case the company adheres to the Workers' Food Program (PAT),
Chile	Not mandatory. If paid, the economic value integrates the remuneration.
Colombia	Not mandatory. If paid, the economic value integrates the remuneration; unless otherwise expressly agreed upon.
Mexico	Not mandatory. If paid, the economic value integrates the remuneration.
Venezuela	Provision of food (or meal tickets) is mandatory in certain cases as per the Workers' Food Law. If conferred in compliance with the requirements of the Workers' Food Law, the benefit is not part of the employee's salary or remuneration.

	Company Car
Argentina	Not mandatory. If provided to the employee as a working tool, the economic value does not integrate the remuneration. If the car is not a working tool, the economic value integrates the remuneration.
Brazil	Not mandatory. If provided to the employee as a working tool, the economic value does not integrate the remuneration. If the car is not a working tool, the economic value integrates the remuneration.
Chile	Not mandatory. If provided to the employee as a working tool, the economic value does not integrate the remuneration. If the car is not a working tool, the economic value integrates the remuneration.
Colombia	Not mandatory. If provided to the employee as a working tool, the economic value does not integrate the remuneration. If the car is not a working tool, the economic value integrates the remuneration, unless otherwise expressly agreed upon.
Mexico	Not mandatory. If provided to the employee as a working tool, the economic value does not integrate the remuneration for purposes of severance calculation. If the car is not a working tool, the economic value integrates the remuneration.
Venezuela	Not mandatory. If provided to the employee only as a work tool, it does not integrate the remuneration or salary. If the car is not a working tool or is also used by the employee for personal purposes, the economic value of such personal use integrates the employee's remuneration or salary.

	Housing Benefit
Argentina	Not mandatory. If provided to the employee, the economic value integrates the remuneration (unless access to housing in the area is very difficult).
Brazil	Not mandatory. If provided to the employee, the economic value integrates the remuneration.
Chile	Not mandatory. If provided to the employee, the economic value integrates the remuneration.
Colombia	Not mandatory. If provided to the employee, the economic value integrates the remuneration, unless expressly agreed otherwise.
Mexico	Not mandatory. If provided to the employee, the economic value integrates the remuneration. There is a mandatory benefit due to be paid to a Housing Fund Institute.
Venezuela	Not mandatory. It may or may not integrate the remuneration or salary, depending on how it is granted and the circumstances in which it is granted.

	Health Plan
Argentina	Not mandatory. Granted by Social Security System; if provided to the employee in excess thereof, the economic value does not integrate the remuneration (provided that it complies with the labor law).
Brazil	Not mandatory. If provided to the employee, the economic value does not integrate the remuneration by force of law, which expressly excludes such benefit from the remuneration.
Chile	Not mandatory. If provided to the employee, the economic value integrates the remuneration.
Colombia	Not mandatory. If provided to the employee, the economic value integrates the remuneration, unless otherwise expressly agreed upon.
Mexico	Not mandatory. If provided to the employee, the economic value integrates the remuneration. There is a mandatory plan due to be paid to a Social Security Institute.
Venezuela	Not mandatory. If provided to the employee, the economic value should not integrate the remuneration or salary.

	Life Insurance
Argentina	Not mandatory. Mandatory minimum life insurance coverage is statutory. If employer provides additional coverage, the economic value could be deemed as part of the remuneration.
Brazil	Not mandatory. If provided, the economic value does not integrate the remuneration by force of law, which expressly excludes such benefit from the remuneration.
Chile	Not mandatory. If provided, the economic value integrates the remuneration.
Colombia	Not mandatory after the first year of services. If provided to the employee, the economic value integrates the remuneration, unless otherwise expressly agreed upon.
Mexico	Not mandatory. If provided, the economic value integrates the remuneration.
Venezuela	Not mandatory. If provided to the employee, the economic value should not integrate the remuneration or salary.

	Performance Bonus/Commission
Argentina	Not mandatory. If granted at the employers' sole discretion (i.e. without objective basis) it will generate an acquired right in favor of the employee. Thus, the bonus would be part of the remuneration and the average value would integrate the base to calculate severances.
Brazil	Not mandatory. If paid more than once, the average value of the bonus payments integrates the remuneration.
Chile	Not mandatory. If paid more than once, the average value of the bonus commission integrates the remuneration.

Performance Bonus/Commission	
Colombia	Not mandatory. If paid more than once and to compensate the sales efforts of employees, the average value of the bonus commission can be deemed as integrated to the remuneration.
Mexico	Not mandatory. It is a common practice to establish this item as salary or as part of it. It integrates the remuneration for purposes of severance calculation.
Venezuela	Not mandatory. If provided to the employee, it integrates the employee's salary or remuneration because it is paid to remunerate the services rendered. A few labor court decisions have excluded certain bonuses under certain and very specific or unique conditions.

Labor Accidents / Professional Illness	
Argentina	<ul style="list-style-type: none"> • Law No. 24,557 provides the coverage to accident or illness related to the job (accidents on the way to or back from the workplace are also covered). • Employers must hire workers' compensation insurance with companies particularly created for this purpose, called ART. • ART must provide benefits in cash and in kind: <ul style="list-style-type: none"> ✓ Benefit in cash: temporary disability, partial permanent disability (up to 66% disability), total disability (66% or more disability) and death. The law provides for specific formulas for computing each case (a fixed compensation) ✓ Benefit in kind: medical and pharmaceutical assistance, prosthesis, rehabilitation, employment training for relocation, and burial services. • Many injured employees are currently disputing payments for damages under Civil Law rules, against their employers, in excess of the workers' compensation insurance.
Colombia	Employees who suffer a labor accident or occupational disease and are granted medical leaves are entitled to a monetary aid equal to 100% of their basic salary contribution, from the time of the accident or disease until the rehabilitation, or declaration of permanent partial disability, incapacity or death. The social security system (occupational risks administrator) recognizes this monetary aid for 180 days, which may be extended for additional periods and up to 180 additional continuous days.
Mexico	Mexican Social Security Institute ("IMSS") will pay for the employees' salaries while sick disability. Term of disability will be determined by the IMSS

Social Security Contributions / Income Tax																						
Argentina	<ul style="list-style-type: none"> • Employers' contributions calculated over employee's total salary: depend upon their activity and turnover amount: <ul style="list-style-type: none"> ✓ 27% if the employer is engaged in the provision of services or in commercial activities and the invoiced amount exceeds AR\$48,000,000; and ✓ 23% for the rest of the employers • Employees' contributions: 17%. These contributions have a cap. No social security contributions would be due on employee's monthly salary exceeding AR\$ 10,119.08. • Net salary after deducting employees' social security contributions would be subject to income tax withholdings up to 35%. 																					
Colombia	<p>Income tax rates range according to the employee's income level between 0% and 33%.</p> <p>Social security rates over the employee's monthly salary are the following: (i) professional risks, between 0.348% and 8.7%; (ii) health, 12.5%; (iii) pensions, 16%. Employees earning more than 4 minimum legal monthly salaries contribute to the solidarity pension fund on a percentage between 1% and 2%.</p>																					
Mexico	<p>Income tax. Rate will vary depending on the income. Maximum rate amount is 30%</p> <p>Social security</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #0056b3; color: white;">Benefits</th> <th style="background-color: #0056b3; color: white;">Employer's contribution</th> <th style="background-color: #0056b3; color: white;">Employee's contribution</th> </tr> </thead> <tbody> <tr> <td>Fees for Benefits in Kind to Pensioners</td> <td>1.05% of the BQW</td> <td>0.375% of the BQW</td> </tr> <tr> <td>Occupational Hazard</td> <td>Minimum: 0.50% of BQW Maximum: 15.000% of the BQW</td> <td>0</td> </tr> <tr> <td>Illness and Maternity</td> <td>a) Benefits in kind: 20.4% of GMW for Mexico City For salaries greater than 3 GMW for Mexico City: 1.1% of the difference between the BQW from the 3 GMW for Mexico City b) Monetary benefits: 0.70% of the BQW</td> <td>a) 0% – for salaries lower than 3 GMW for Mexico City For salaries greater than 3 GMW for Mexico City: 0.4% of the difference between the BQW from the 3 GMW for Mexico City b) Monetary benefits: 0.25% of the BQW</td> </tr> <tr> <td>Disability and Life</td> <td>1.75% of the BQW</td> <td>0.625% of the BQW</td> </tr> <tr> <td>Day Care Centers and Social Benefits</td> <td>1% of the BQW</td> <td>0</td> </tr> <tr> <td>Retirement, Dismissal in Advanced Age and Old Age</td> <td>Retirement: 2% of the BQW Advanced Age and Old Age: 3.150% of the BQW</td> <td>0 1.125% of the BQW</td> </tr> </tbody> </table> <p><small>GMW for Mexico City: General minimum wage for Mexico City. BQW: Base Quotation Wage</small></p>	Benefits	Employer's contribution	Employee's contribution	Fees for Benefits in Kind to Pensioners	1.05% of the BQW	0.375% of the BQW	Occupational Hazard	Minimum: 0.50% of BQW Maximum: 15.000% of the BQW	0	Illness and Maternity	a) Benefits in kind: 20.4% of GMW for Mexico City For salaries greater than 3 GMW for Mexico City: 1.1% of the difference between the BQW from the 3 GMW for Mexico City b) Monetary benefits: 0.70% of the BQW	a) 0% – for salaries lower than 3 GMW for Mexico City For salaries greater than 3 GMW for Mexico City: 0.4% of the difference between the BQW from the 3 GMW for Mexico City b) Monetary benefits: 0.25% of the BQW	Disability and Life	1.75% of the BQW	0.625% of the BQW	Day Care Centers and Social Benefits	1% of the BQW	0	Retirement, Dismissal in Advanced Age and Old Age	Retirement: 2% of the BQW Advanced Age and Old Age: 3.150% of the BQW	0 1.125% of the BQW
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Labor agreements	
Colombia	<p>Depending on their form, labor agreements can be: (i) oral, or (ii) written.</p> <p>Depending on their term, labor contracts can be: (i) for the duration of a specific job, (ii) fixed, or (iii) indefinite. Certain provisions are valid only if set forth in writing, such as: trial period, the so-called integral salary, and the fixed-term duration of the contract.</p>
Mexico	<p>a) for an indefinite term b) for a defined term c) for a specific job.</p> <p>General rule: an employee will be hired for an indefinite term and the exception shall be the hiring of temporary employees.</p> <p>It is only valid to hire temporary workers of the services to be rendered have a temporary nature.</p>

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