

2019
2020

LABOR & EMPLOYMENT HIGHLIGHTS

In the economies that make up
the Pacific Alliance



INTRODUCTION

This publication summarizes the three main labor and employment highlights in 2019 in Chile, Colombia, Mexico, and Peru, respectively. It also details the three main labor and employment trends in the region for 2020

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- Psychosocial risks
- Entry of foreigners

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CHILE

- Contract for teleoperators
- Youth Employment Statute
- Reduction of weekly working hours



Chile

CONTRACT FOR TELE-OPERATORS

1 A special contract was created for teleoperators, in which the agreed fixed and variable salaries, together with their respective parameters, should be included. It is established that teleoperators shall have the right to rest for 10 seconds between each connection and to an additional 30-minute rest, on top of their lunch break, to be granted throughout the day in minimum time slots of 10 minutes, and not in a single block.

YOUTH EMPLOYMENT STATUTE

2 This statute establishes an alternative working day for employees between 18 and 24 years of age who are studying regularly or are in the process of obtaining a degree. It allows for long interruptions in order to make the working day compatible with the academic day. In addition, it incorporates the possibility of agreeing to a permit to interrupt the workday because of academic exams.

REDUCTION OF WEEKLY WORKING HOURS

3 This bill, which is currently under discussion in the Senate, proposes to reduce the maximum weekly working time from 45 to 40 hours. If approved, as a general rule, it would become effective 12 months after the law enters into force. However, in the case of companies with annual revenues from sales and services of less than 75,000 *Unidades de Fomento* (UF), it will be applied gradually over a period of five years, starting at 44 hours per week and decreasing one hour per year until 40 hours per week are reached.

Colombia

NATIONAL DEVELOPMENT PLAN (NDP)

1 The NDP 2018-2022 "Pact for Colombia, Pact for Equality" aims to lay the foundations for achieving equal opportunities for all Colombians. It includes important changes in the areas of labor and social security, such as: (i) protection against the loss of the purchasing power of the currency in order to guarantee workers' resources in severance funds; (ii) the creation of a social protection floor for people with an income of less than one (1) Legal Minimum Monthly Salary (LMMS); and (iii) employment promotion policies for young people.

PSYCHOSOCIAL RISKS

2 The tools for the assessment of psychosocial risks, as well as the general technical guide for the promotion, prevention and intervention of psychosocial factors and their effects on the working population, were approved as part of a campaign for the promotion of mental health and the prevention of mental disorders in the workplace.

ENTRY OF FOREIGNERS

3 Migración Colombia created a new classification of entry and stay permits, and clarified concepts about migration, passengers, crew and the advantages of visa-free entry for nationals of Mercosur, CAN and Pacific Alliance countries, as long as they have permanent residence in such countries.





Mexico

EMPLOYMENT COURTS

1 The administration of justice in labor matters will pass from the Conciliation and Arbitration Boards, both at the local and federal levels, to the Judiciary. The Local Employment Courts will become operational no later than three years after the entry into force of the corresponding decree, while the Federal Employment Courts will become operational no later than four years.

FEDERAL LABOR CONCILIATION AND REGISTRY CENTER

2 Provision has been made for the creation of a Federal Labor Conciliation and Registry Center, which will be responsible for the registration of unions, collective bargaining agreements, and internal labor regulations. It will also have a conciliatory function as a prerequisite for filing a complaint. The registry function shall commence no later than two years after the entry into force of the corresponding decree, while the conciliatory function shall commence no later than four years.

CERTIFICATE OF REPRESENTATIVENESS

3 In order to request the execution of a new collective bargaining agreement, it will be essential for the union to obtain proof of representativeness from the Federal Labor Conciliation and Registry Center, accrediting that it has the backing of at least 30% of the employees. This provision will enter into force the year following the entry into force of the corresponding decree.



Peru

NATIONAL PRODUCTIVITY AND COMPETI- TIVENESS PLAN (NPCP)

One of the nine objectives of the NPCP is to "create the conditions for a dynamic and competitive labor market for the generation of decent employment". To achieve this objective, policy measures are proposed, such as updating the regulations of the Productivity and Labor Competitiveness Law, the main norm regulating the private labor system, the promotion of teleworking, and the modernization of the Labor Inspection System.

SEXUAL HARASSMENT

The new regulations of the Act on the Prevention and Punishment of Sexual Harassment, which establish new obligations in this area, were approved. These include the obligation to have an Intervention Committee on Sexual Harassment and internal policies to prevent and punish sexual harassment.

EQUAL PAY

Regulators began monitoring compliance with the obligations set forth in the law prohibiting wage discrimination between men and women. These include the obligation to have a wage policy and a table of categories and functions.

2020: LABOR & EMPLOYMENT TRENDS

1 SOCIAL CRISIS AND LABOR REFORMS

The social crisis in the region will make it difficult to pass the necessary labor reforms to counteract the effects of the economic slowdown. The context will not be conducive to making labor regulations more flexible, even though it is necessary to do so.

2 BALANCE BETWEEN WORK AND FAMILY LIFE

New legislative initiatives to balance work and family life will emerge, such as the promotion of teleworking, the extension of paid family leave, the recognition of employees' right to disconnect, among others."

3 REGULATION OF THE PROVISION OF SERVICES THROUGH DIGITAL PLATFORMS

The debate about the regulation of the provision of services through digital platforms and the recognition of a series of minimum rights in favor of riders and other subjects of the gig or sharing economy will intensify.

THE TEAM THAT WORKS

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The team that works

Affinitas is an alliance based in Latin America, composed of independent law firms considered market leaders in each of the countries where they operate.

Since its creation in 2004, Affinitas is regarded as the most relevant network in the region because of the importance of its member firms, which all belong to the main economies that make up the Pacific Alliance.

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