

LEX MUNDI
PUBLICATION



LABOR AND EMPLOYMENT DESK BOOK

URUGUAY Guyer & Regules

CONTACT INFORMATION

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- 1. Do you have a plant closing law in your jurisdiction and if so, what does it require? (For U.S. jurisdictions, please answer: Is there a Baby WARN Act in your state and if so, what does it require?)**

No.

- 2. Are there special rules on releases/waivers in your jurisdiction?**

No.

- 3. What are the equal employment opportunity/ non-discrimination categories in your jurisdiction (For U.S. jurisdictions, please answer: Are there protected categories beyond Title VII in your state?)**

There are no special rules.

- 4. What are the minimum wage and overtime rules (and exemptions) in your jurisdiction?**

National Minimum Salary (NMS) for a monthly paid employee is of US\$ 200, approximately. All working time exceeding the limit of daily working time is regarded as overtime and it must be paid with 100% increase. Exceptions to the above are, among others, the managerial staff, the professionals and sales employees who arrange sales outside the company premises.

5. Is there employment-at-will, or some other rule, in your jurisdiction? What are the exceptions?

No.

6. What are the legal obligations upon terminating an employee in your jurisdiction?

Upon termination the employee is entitled to receive severance compensation. The amount will depend on his salary and his labor seniority. Additionally, he must be paid accrued vacation and the annual bonus supplementary wage. The maximum severance compensation in case of dismissal is equivalent to 6 monthly salaries.

7. Are there any family and/or medical leave laws in your jurisdiction, and if so, what do they require? (For U.S. jurisdictions, please answer: Are there family and/or medical leave laws in your state beyond FMLA and if so, what do they require?)

Yes. The medical leave law requires that if an employee is dismissed during an illness leave or within the 30-day period after he returns to work, he has to be paid a severance compensation equivalent to the double of the ordinary legal severance compensation.

During illness leave salary is paid by the social security, because the labor contract is suspended.

Social security covers medical care of the employee and his/her children under 18 years.

8. Please list any miscellaneous, interesting or oddball laws in your jurisdiction, and state under what circumstances they pertain.

N/A

9. Does your jurisdiction have a law requiring employers to give employees access to, or a copy of, their personnel records?

No.

A recent data protection law aprobed by the Congress establishes that employee can not include in it records sensitive information of the employee (i.e.: information nos relevant for the job).

10. Does your jurisdiction outlaw or restrict drug tests, alcohol tests, genetic tests or any other kind of testing?

Yes. In principle, tests which invade the intimate right of the employee are not accepted.

11. Does your jurisdiction have any special rules on the payment of sales commissions?

No. There are only special rules for commercial travelers, that is to say those sales employees who arrange sales outside the company premises.
Commissions are considered part of the salary of the employee, and they are governed by the same rules.

12. What are the basic rules on enforcing non-competes and related agreements in your jurisdiction?

There are no laws regarding this issue. Generally, books of authority have a restricted opinion regarding non-competes agreements. These agreements are meant to last no longer than two years and the employee must receive a payment as a compensation for such restriction.