

2-MINUTE PRIMER: CHILE

FIXED-TERM CONTRACT EXTENSIONS

A fixed-term contract must not exceed 12 months and may be renewed only once. The total term must not exceed 2 years. After 2 years or a second renewal, whichever comes first, or if the employment is renewed twice for a total duration of 12 months in any 15-month period, the employment relationship is deemed indefinite.

Fixed-term contracts may be terminated earlier than the agreed expiry date, but the employer still has the obligation to pay the salary to the worker until the end date stipulated by contract.

TERMINATION RULES

Notice for ending an employment agreement is 30 days for both parties. A written copy of the notification should be forwarded to the Labour Inspectorate. Payment in lieu of notice is permitted.

TERMINATION COSTS

Termination as a result of the needs of the company (i.e. any termination other than for cause) incurs a penalty of 1 month's salary per year worked or part year if more than 6 months.

STATUTORY PAID HOLIDAY

15 business continuous days, for each worked year, after 1 year of employment. In case of late joiners, this entitlement is prorated, 1.25 days per month of work. Public holidays are not included. The worker with 10 years of work for one or more employers, continuous or not, is entitled to 1 additional day of holiday for every 3 new years worked for the current employer.

PARENTAL LEAVE

MATERNITY LEAVE

Minimum maternity leave in Chile is 18 weeks.

Births	Pre-Natal Leave	Post-Natal Leave
Single	6 weeks	12 weeks

In the case of multiple births, mothers receive an additional 7 days of leave for each child counted from the second birth. Workers also have the right to leave work for an hour if they are breastfeeding their child of up to 2 years.

During maternity leave, employees receive a capped allowance paid by the state.

PATERNITY LEAVE

Births	Paternity Leave
Single	5 business days

In addition, fathers are also allowed to take up parental leave. The mother can grant the father part of the paid parental leave (up to six weeks of full-time leave or 12 weeks of part-time leave). In this case, the allowance will be paid according to the salary of the father.

PROBATION PERIODS

Probation periods do not exist under Chilean law.

NOVEMBER 2018

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