

Chile

Worker Classifications

There are no official subcategories of Workers in Chile.

Fixed Term Contracts

Fixed-term contracts can be made for a maximum duration of one year. In the case of managers or individuals that have obtained a professional or technical degree granted by a state-recognized institution, the maximum duration is two years. The continued performance of services after the fixed-term date will automatically turn the contract into an indefinite contract. A second extension of a fixed-term employment contract produces the same effect.

Probationary Periods

Probationary periods are permitted. There are no restrictions on duration, but are generally one to three months.

Holidays

The specific number of paid public holidays in Chile vary from one year to another. We will provide list of public holidays upon request. With limited exceptions, Workers are prohibited from working on public holidays and Sundays.

Vacation

After 12 months of service, Workers are entitled to 15 business days of annual paid vacation. Exceptionally, in case of Workers rendering services in the Region of Magallanes and Chilean Antarctic, Region of Aisen del General Carlos Ibáñez del Campo and in the Palena Province are entitled to 20 business days of annual vacation. Any unused annual leave can be rolled over for up to two years. Workers cannot be paid in lieu of taking annual leave, except upon termination or resignation. Workers with 10 or more years of service are entitled to additional leave. Accrued but unused leave must be paid at termination.

Sick Leave

Workers are entitled to sick leave upon medical certification. The first 3 consecutive days of sick leave are unpaid. After three consecutive days, generally, the Worker's health insurance medical system pays the Worker's wage during their absence. Sick leave can be up to 52 weeks.

Working Hours

Some Workers (e.g., managers, those that work without supervision, etc.) are excluded from limits on work schedule. If not excluded, ordinary hours cannot exceed more than 10 hours per day or 45 hours per week. A maximum duration of daily work cannot exceed 12 hours, including overtime hours. Please note there will be a reduction of the weekly working hours which will be made gradually as of April 26th, 2024. The change will be phased in progressively over 5 years after the publication of Law No. 21.561. In the first year of the law, the ordinary working time will be reduced to 44 hours; in the third year to 42 hours; and, at the fifth year, to 40 hours.

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Overtime

Workers Overtime may only be agreed to in the case of temporary needs or situations affecting the business and when applicable is paid at a rate of 150% of the Worker's ordinary hourly salary. Overtime is limited to 2 hours per day and Workers cannot exceed a total of three continuous months of overtime work.

Mandatory Bonuses

There are no mandatory bonuses in Chile.

Termination

Some Workers (i.e., managers and those holding a position within the confidence of the employer) may be terminated at will. For other positions, a termination by the company's decision should be structured under the legal ground of business necessities. In all cases, Workers must be provided with 30 days' written advance notice of termination or payment in lieu. Notice is only not required if the termination is due to gross misbehavior, dishonesty, or another material breach of the employment contract. Severance is required for terminations without cause and the Worker is entitled to one month severance for every year worked, capped at 11 months.

Resignation

Workers are not required to provide notice in order to end an employment contract.