

Uruguay

Fixed Term Contracts

Fixed-term contracts are permitted in Uruguay without limit. However, they may not be renewed. If renewed, it will be deemed an undefined period contract. If a fixed-term contract is terminated early, the Worker is owed the salary that would have accrued through the original end date.

Probationary Periods

Probationary periods are permitted in Uruguay and are typically 90 days. No cause is required to terminate during a probationary period, but a specific formal notice called a telegrama colacionado is required.

Holidays

Workers in Uruguay recognize approximately five paid public holidays. If work is required on a public holiday, compensation must be paid at 200%.

Vacation

Workers are entitled to 20 days of paid vacation per year (more with longer lengths of service) and a vacation bonus (Salario Vacacional). Vacation must be used in the year it is earned. Accrued but unused leave is payable at the conclusion of the employment contract.

Sick Leave

Sick leave is payable by social security upon presentation of a medical certificate. Workers are entitled to as much time as they need to recover.

Working Hours

A standard workweek is 8 hours per day and 40 to 48 hours per week. Night work is payable at 120%.

Overtime

Overtime is payable at 200% or 250% if the overtime is worked on a weekend or holiday. There are no exceptions from overtime. Depending upon the activity, overtime is capped on a daily and weekly basis.

Mandatory Bonuses

Workers in Uruguay are entitled to a 13th-month salary payable in June and December.

Termination

Termination requires severance. Workers paid a monthly salary are entitled to one month's wages for each year of service capped at six months. Workers paid by the day or hour are entitled to severance after 100 days worked, which is generally equal to 25 days of wages for each year where at least 240 days were worked capped at 150 days of severance pay. Alternative calculations are used for Workers who do not meet that requirement.





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Resignation

Workers are not required to provide notice to resign.

