
Labor Guide 2024

Practical analysis of the regulations approved in this year and perspectives.

Introduction

In this report, we compile and systematize the most relevant labor and social security regulations of the past year (covering the period from November 2023 to November 2024), with a focus on those applicable to the private sector.

We address these regulations in three parts.

At first, the **labor regulations** that were approved and came into effect between November 2023 and November 2024.¹

In the second part, we focus on approved **social security regulations**. We also provide a reminder of the structure of the pension system in light of the rejection of the constitutional reform.

Lastly, we report on bills under study at the Congress that could be addressed before the end of the legislative period. We also comment on the labor and social security proposals included in the program of the **incoming government**, which may lead to regulatory changes in the upcoming legislature.

This report, prepared by the labor law team of **Pérez del Castillo & Asociados**, aims to serve as a guide for human resources professionals, business and union leaders, corporate lawyers, and legal practitioners.



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¹ We didn't analyze regulations that lost effect or that didn't affect directly the private sector.

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1. LABOR REGULATIONS

This section analyzes labor regulations that came into effect after November 2023, as well as those approved between December 2023 and November 2024. We focus on the regulations with the most practical relevance for private sector companies. These are analyzed by topic.

1.1 Special Leave

1.1.1 Special Leave for Human Papillomavirus (HPV) Testing

The [Law No. 20.361 of September 20, 2024](#), introduces amendments to Law No. 17.242 of 2000, which regulates the prevention of genital and breast cancers.

While the new law keeps all provisions of the previous regulation in effect, it expands its scope. Articles 2 and 3 are modified, establishing that all female employees are entitled to one day of special paid leave per year to facilitate access to preventive exams, such as the Human Papillomavirus (HPV) test, the Pap smear, mammography, and any other exams recommended by the Public Health Secretary of State for the detection of breast and cervical cancer.

In essence, the phrase “as well as any other exam recommended by the Public Health Secretary of State” is introduced to encompass as many screens as possible for the detection of these diseases.

These amendments align with the public interest in preventing genital and breast cancers, as stated in Article 1 of the law.

The new Article 3 imposes a new responsibility on health centers issuing health certificates: they must enable the simultaneous performance of the HPV test or Pap smear, mammogram, and other exams recommended by the Public Health Secretary of State for the detection of breast and cervical cancer. Consequently, it may be understood that female employees are entitled to one day per year for these exams.

Any employee exercising this right must provide credible proof by submitting relevant documentation, such as a medical certificate verifying the completion of the test.

1.1.2 Special Leave for Bereavement of Parents of Stillborn Children and Extension of Maternity and Paternity Leave

The [Law No. 20.377 of September 24, 2024](#), applicable to both the private and public sector, establishes, on the one hand, the creation of a special bereavement leave for parents of stillborn children, and, on the other hand, the extension of maternity and paternity leave in the event of a child’s death, provided that certain requirements are met.

Article 11 provides that in the case of spontaneous fetal death, the parents of a stillborn child will be entitled to a special bereavement leave “as provided in current regulations” (which should be understood as referring to Article 7 of Law No. 18.345, which establishes bereavement leave in the event of the death of close family members, such as parents, children, spouse, adoptive children, adoptive parents, cohabitants, and siblings, with a duration of three working days).

This leave is non-waivable and irreplaceable, meaning that employees cannot waive their right to take it, nor can they agree to substitute it with any form of salary or compensation. The special leave days cannot be deducted from the employee's regular leave days.

To exercise this right, parents must submit the respective death certificate, which will serve as sufficient proof of the event, although other appropriate means of proof may also be accepted.

Furthermore, Article 12 of the Law stipulates that parents of stillborn children, where the pregnancy has exceeded twenty weeks or where the child is born weighing less than 500 grams, will be entitled to maternity and paternity leave “as provided in the current regulations” (which should be understood as referring to Law No. 19.161 of January 1, 2013).

1.1.3 Extension of Paternity Leave in charge of the Social Security Administration (BPS) (Paternity Subsidy)

The [Law No. 20.312 of August 2, 2024](#), establishes a progressive extension of paternity leave.

For dependent workers, the law provides a gradual increase in paternity leave paid by the Social Security Administration (BPS):

- **First stage:** From the law’s enforcement until December 31, 2025, employees will be entitled to 14 consecutive days of paternity leave paid by BPS, in addition to 3 days paid by the employer.
- **Second stage:** From January 1, 2026, employees will be entitled to 17 consecutive days of paternity leave, in addition to 3 days paid by the employer.

For self-employed individuals, the law establishes a gradual increase in two stages:

- **First stage:** From the Law’s enforcement they will be entitled to 15 consecutive days of paternity leave paid by BPS.
- **Second stage:** From January 1, 2026, they will be entitled to 20 consecutive days.

Public employees, on the other hand, may choose between ten working days or twenty consecutive days, depending on what is most beneficial for the specific case.

Certain special situations are contemplated (such as multiple births, birth weight of 1.5 kg or less, complications, and premature births). In these cases, from the entry into force of the law, dependent workers, self-employed workers with no more than one subordinate employee, and owners of sole proprietorships will be entitled to 30 consecutive days of compensated paternity leave.

Employees covered by the compensated inactivity period or by special paternity, adoption, or adoptive legitimacy leave may not be dismissed until at least thirty days after their return. If they are dismissed during this period, the employer must pay an amount equivalent to three months' salary, in addition to the corresponding legal severance pay.

1.2 Parental Leave

1.2.1 Guarantee of Job Stability

[Law No. 20.364 of September 20, 2024](#), amends Article 8 bis of Law No. 19.161 regarding the scope of paternal leave, extending job stability guarantee to employees who are on special leave related to adoption and adoptive legitimacy.

With this new wording, it is expressly specified that paternal leave protections will apply to employees: i) covered by the compensated inactivity period referred to in Article 8 of Law No. 19.161; ii) entitled to special paternity leave under the ninth paragraph of Article 15 of Law No. 19.121; iii) covered by adoption and adoptive legitimization leave under Article 33 of Law No. 17.292; iv) and the paternal leave protection also applies to “...any absence due to paternity, adoption, and adoptive legitimization, whether originating from law, regulation, or collective agreement.”

The expansion of paternal leave means an express prohibition on dismissing employees who are on any of these types of leave or compensated inactivity, for a period of at least thirty days after their return to work.

If the employer violates this provision and proceeds with the dismissal, they must compensate the employee with an amount equivalent to three months' salary, in addition to the corresponding legal severance pay. However, the employer may be exempt from responsibility if there is clear misconduct on the part of the employee or if it can be proven that the dismissal was not directly or indirectly related to the absence due to paternity, adoption, or adoptive legitimization.

1.2.2 Pregnancy Appointments

[Law No. 20.129 of May 9, 2023](#), establishes that every worker, in both the private and public sectors, regardless of the legal nature of their employment or functional relationship, will have the right to be absent from work for up to four hours per month to accompany their husband, partner, or cohabitant to pregnancy check-ups and related routines. [This provision came into effect on January 1, 2024, in accordance with Law No. 20.212.](#)

The requirements for exercising the above rights are: a) workers must notify their employer at least two days in advance, and no circumstance may prevent them from taking advantage of these rights; and b) they must submit a certificate signed and stamped by the treating medical professional or technician, which must expressly state: i) type of check-up or consultation; ii) week of pregnancy; and iii) date and time of the consultation.

The amount of hours mentioned in points 1 and 2 may be increased if, in the medical judgement, it is necessary or recommended for the pregnant individual to attend additional check-ups, routines, or studies. To this end, the employee must present the corresponding certificate or statement from the treating physician to the employer, without needing to specify the cause or pathology that justifies the additional assessment.

The law clarifies that the regulations provided herein shall not diminish any laws, agreements, or practices that guarantee more favorable conditions for workers.

1.3 Safety and Health

1.3.1 National Policy

[Executive Decree 246/024 of September 9, 2024](#), regulates Laws 5.032, 15.965, 16.074, and 19.849. The regulation begins with a distinctive “whereas” statement: *“The need to develop the content of Articles 4 to 7 of International Labor Convention No. 155..., ratified by Law No. 15.965..., Articles 1 to 3 of International Labor Convention No. 187 on the Promotional Framework for Occupational Safety and Health (2006), declared essential by the Resolution adopted at the 110th meeting of the International Labor Conference (2022)...”*.

Thus, the Decree not only aims to regulate Articles 4, 5, 6, and 7 of ILO Convention No. 155, ratified by Law No. 15.965, but also regulates ILO Convention No. 187 on the Promotional Framework for Occupational Safety and Health (a convention later ratified by Law No. 20.354 of September 19, 2024).

The aim of its approval is to establish a national occupational safety and health policy aimed at reducing workplace accidents and work-related diseases, as well as promoting the health and well-being of workers in their occupations through the prevention of work-related risks and the development of safe and healthy work conditions and environments for all.

This framework establishes a hierarchy in risk control, prioritizing its elimination, and, if not possible, its reduction or mitigation. Employers are required to manage risks and provide, at no cost to employees, personal protective equipment. It also promotes a national culture of prevention through information, consultation, and training.

Moreover, the Decree identifies several priority areas for action that States must identify and work on implementing regulatory updates, strengthening prevention, reduction of workplace accidents, guarantees of benefits, equity and inclusion, data registration and analysis, research and cooperation, and workplace insurance and formalization.

The document reinforces social dialogue between employers and employees, ensuring the participation of the latter in the formulation and implementation of safety and health policies.

In light of these considerations, the National Council for Occupational Safety and Health (CONASSAT), composed of representatives from MTSS, MSP, BPS, BSE, and the most representative employers' and workers' organizations, consensually and tripartitely proposed the content of the policy to the Executive Branch.

1.3.2 Endometriosis

[Law No. 20.374 of September 24, 2024](#), which regulates comprehensive protection for individuals suffering from endometriosis, establishes that companies must implement certain labor flexibility measures for those affected by this condition.

In this regard, Article 7 of the regulation states that employers may implement, upon request from the affected person and subject to the recommendations of their treating physician, measures such as telework, task reassignment, and other reasonable accommodations, considering the circumstances of the case.

1.4 Payment of tips through electronic means

[Law No. 20.243 of December 28, 2023](#), which came into effect on [January 28, 2024](#), regulates the payment of tips via electronic means, introducing labor and social security changes that companies must consider.

It provides that any worker who habitually receives tips or performs tasks where receiving a tip is customary will have the right to receive tips through the electronic payment methods defined in the Financial Inclusion Law (No. 19.210).

Companies will be required to implement available technology to allow customers to include tips in the transaction made through the payment method used.

The employer must settle the amount of tips received through electronic payment methods within the deadlines established by current regulations or by collective or individual agreements that may exist.

Furthermore, the employer cannot dispose of the amounts obtained from tips or determine how they are distributed, as this responsibility is reserved for the workers.

The law establishes that tips may only be subject to deductions or withholdings for taxes for which the employer is obliged to make withholdings. It also states that this regulation will apply regardless of whether the tips are considered taxable or computable allowances.

Financial institutions within the payment system are required to take the necessary measures to implement the new law. They are prohibited from charging any type of commission, fee, surcharge, or deductions from amounts or funds derived from the payment of tips.

1.5 Special Statutes

1.5.1 Youth Employment

Articles 357, 358, and 359 of [Law No. 20.212 of November 6, 2023](#), which [came into effect on January 2, 2024](#), amend Law No. 19.973 on youth employment.

First, the law adds Article 20 BIS, creating the “Yo Estudio y Trabajo” Program for the Private Sector, aimed at providing young people between the ages of 16 and 20, who are enrolled in formal or informal education, with their first work experience.

The new provision states that the Ministry of Labor and Social Security (MTSS) will annually invite businesses and young people to participate in the program, setting the requirements and conditions for its implementation. A non-repayable state contribution of up to \$15,000 per month will be given for each young person hired by companies under the program, working 20 hours per week.

After the contract ends, if the company retains the young person, they will benefit from the exemption from employer social security contributions related to that work contract as long as the employment relationship continues. This exemption will apply until the young person turns 25 years old.

Secondly, Articles 21 and 22 of the law are replaced to adapt them to the creation of the program mentioned above. It is specified that the state contribution cannot be combined with other employment promotion subsidies related to the incorporated worker, and the Executive Branch is authorized to suspend or annul such contributions.

1.5.2 Teleworking for Personnel in Free Trade Zone Companies

[Law No. 20.212 of November 8, 2023](#), which [came into effect on January 2, 2024](#), modified Decree-Law No. 15.921 on Free Trade Zones regarding teleworking.

Specifically, Article 214 of Law No. 20.212 amended Article 14 TER of the Free Trade Zones Law, granting the Executive Branch the authority to set conditions and limits on teleworking within Free Trade Zones.

The changes impacted Decree No. 319/022 of September 29, 2022, which regulated the original law.

In this context, Decree 69/024 of March 6, 2024, regulated teleworking in Free Trade Zones within the framework established by Law 20.212, introducing substantial modifications to the regulatory framework. Four main changes were introduced:

Firstly, although the general rule remains that 60% of the monthly work time must be done on-site, and 40% can be done remotely, Decree 69/024 allows for an exception to this distribution. Under certain conditions, it is possible to adopt a 55% on-site and 45% remote work regime. To access this exception, one of the following conditions must be met: the employee's home is at least 200 km from the workplace, the company employs at least 15 workers, or the company has made tangible fixed asset investments exceeding 10,000,000 UI over two consecutive fiscal years, considering the UI value at the end of each fiscal year.

Secondly, the minimum number of monthly on-site hours required for telework has been eliminated. The previous regulation (Decree 319/022) required a minimum of 1,000 hours, but the new Decree removes this requirement, broadening the scope of teleworking.

Thirdly, the new regulation introduces the possibility of teleworking for employees working fewer than 25 hours per week, which was previously not allowed under the original regulation for Free Trade Zone employees working less than 25 hours.

At last, the regulation explicitly prohibits splitting workdays between telework and on-site work, preventing alternation between half a day on-site and half a day remotely.

1.5.3 Technicians and Professionals in the ICT Sector

[Law No. 20.191 of August 23, 2023](#) (regulated by Decree No. 360/023 of November 14, 2023), which came into effect in September 2023, has a limited temporal scope, [applying only to employment contracts initiated until February 28, 2025](#).

It establishes that technicians and professionals from the ICT sector who relocate to Uruguay and work for companies operating in the country may choose to pay the Non-Resident Income Tax (IRNR) and opt not to participate in the local social security system. To do so, they must meet certain conditions outlined in the regulation.

1.5.4 Employment in the Construction Industry

On [July 25, 2023](#), a Salary Council ruling from Group 9, Subgroup 1, established a system for hiring workers aimed at enhancing the employment of labor in different sectors in various localities in Uruguay.

The system involves a job posting and labor offer mechanism through the Ministry of Labour's "VÍA TRABAJO" system. This initiative [started on January 1, 2024](#), in the areas of the country most affected by unemployment (Artigas, Salto, Paysandú, Río Negro, Rivera, Tacuarembó, and Cerro Largo) where the unemployment rate is greater than or equal to 5%, according to the National Institute of Statistics (INE), or where the number of contributors is fewer than 1,200 workers under Decree-Law No. 14.411.

Once the system is implemented, a percentage of the workers on public and private construction projects will be selected by lottery. The agreement stipulates that companies must hire 65% of the required Category IV workers through this method, 35% of Category V and VI workers, and, starting one year after the implementation, 25% of Category VIII workers on projects with more than 20 workers, with the remaining workers to be chosen by the companies.

The worker designation for the projects will be done by weekly lottery, with the system assigning workers to each project, prioritizing those closest to their place of residence, according to the required specialties.

The system will continue to be implemented in other localities, becoming mandatory from January 1, 2025, for works in Colonia, Durazno, Treinta y Tres, Soriano, Flores, Florida, Lavalleja, Rocha, and San José.

It is explicitly stated that the entry system does not replace or substitute the evaluation of workers conducted by companies during the probationary period.

1.6 Legal status of trade unions and employer organizations

Law No. 20.127 of May 3, 2023, titled "Legal Status of Professional Organizations," established a period of 180 days from the enactment of the law for "*professional organizations to obtain legal status.*" This period was fulfilled on November 21, 2023, marking the date the law came into force.

The law mandates the creation of the Register of Worker and Employer Organizations within the MTSS. Registration in this register is optional and will result in the recognition of legal status for the organization, provided that the organization's statutes comply with the law and have been adopted by the organization's assembly.

The registration of worker and employer organizations that already have legal status recognized by the Ministry of Education and Culture or any other competent Public Register will be verified upon submission of their statutes and specific information.

The Register will verify whether the submission meets the requirements of the law within 15 business days from the submission date. If no objections are raised, the organization's legal status will be recognized and its statutes registered.

In recognition of union autonomy and freedom, any objections to the statutes can only request additional information or documentation and highlight statutory provisions that are illegal or incompatible with the law, requesting the necessary amendments.

A central aspect of the new law relates to the effects of legal recognition.

According to Article 7, organizations of workers and employers with recognized legal status will have civil rights and obligations in terms of Article 21 of the Civil Code and will be able to appear in court and enter into any kind of contract, except for those of a personal nature or those requiring special authorizations.

It is also clarified that worker organizations that have not completed the legal status recognition procedure or have not complied with the obligations imposed by Article 5 of this law will not have the right to have union dues withheld for deposit in the organization's bank account (Article 6 of Law No. 17.940 of January 2, 2006).

Finally, it is established that the requirements set forth in the previous section will also apply to the provisions of Article 4, Paragraph 2 of Law 18.566 of September 11, 2009. This provision, under the name "Duty to Negotiate in Good Faith," states: "The parties must also exchange the necessary information to facilitate the normal development of the collective bargaining process. In the case of confidential information, the communication implicitly carries an obligation of confidentiality, and any breach of this obligation will incur liability for those who fail to comply."

2. SOCIAL SECURITY REGULATIONS

We refer to the regulations that came into effect after November 2023, as well as those enacted since then. We also address the status of the pension system following the rejection of the constitutional referendum.

2.1 Allowance for multiple pregnancy

Law No. 20,365 of October 2, 2024, amended Article 1 of Law No. 17,474, which previously established that any woman with verified evidence of a *multiple twin pregnancy* would be entitled to a prenatal allowance equivalent to three times the amount provided under the general regime, per each fetus in gestation, starting from the moment the pregnancy was determined. To receive this benefit, the beneficiary was required to submit a medical certificate verifying her condition and the number of fetuses in gestation.

The new wording introduced by Law No. 20,365 provides that:

- Any woman with verified evidence of a **multiple pregnancy** shall be entitled to a prenatal allowance;
- This allowance shall be applicable from the moment this condition is determined;
- The allowance shall be equivalent to three times the amount established under the general regime for each fetus in gestation;
- To receive the benefit, the woman must submit a gynecological medical certificate confirming her condition and specifying the number of fetuses in gestation.

The law clarifies that, for the purposes regulated under this provision, a “multiple pregnancy” is defined as *“the condition of pregnancy in which two or more fetuses are being gestated.”*

The amendments introduced in the new wording of the article represent a significant expansion of its subjective scope by replacing the term *“multiple twin pregnancy”* with the more inclusive *“multiple pregnancy.”* This change (defined as the condition of pregnancy in which two or more fetuses are being gestated) provides greater legal certainty.

2.2 Changes to FOCER

Law No. 20,373 of October 2, 2024, amended provisions of Law No. 18,236 concerning the Severance and Retirement Fund for Construction Workers (FOCER).

FOCER is a social protection system designed for workers in the construction industry, offering benefits in cases of unemployment, retirement, disability, or death. Its primary objective is to ensure that workers have financial resources in vulnerable situations. The fund is financed through employer and personal contributions, where applicable.

The funds accumulated in each worker's individual account operate as a savings system, granting the worker the right to access the entirety of the accumulated funds upon retirement or in the situations provided for by the legislation.

Under Law No. 20,373, individual accounts will be funded through employer and personal contributions, calculated on the amounts subject to special social security contributions, as follows:

1) Employer Contributions:

A 5% employer contribution applies to workers with or without fixed-term contracts, except in the following cases, where it is reduced to 0.5%:

A. Workers included or excluded from the unified construction contribution regime who are entitled to severance pay.

B. Workers without fixed-term contracts excluded from the unified construction contribution regime.

2) Personal Contributions:

A 0.5% personal contribution will be added to the employer contribution and becomes mandatory under the following circumstances:

Key Changes and Impacts

The amendments introduced by this law bring significant changes affecting both workers without fixed-term contracts and the management of funds in individual accounts, aiming to enhance the social protection of construction workers.

Increased Contributions for Workers in Active Construction Projects

If a worker performs 51% or more of their monthly work hours on-site, the employer contribution will increase to 5%, thereby applying the general regime instead of the reduced rate of 0.5%.

Prohibition on Fund Usage for Administrative Expenses

The law expressly prohibits the use of funds credited to individual accounts to cover administrative and management expenses of the Severance and Retirement Fund. This measure provides additional protection for workers by ensuring that their accumulated resources are not diminished by administrative costs.

These changes reflect a commitment to improving the financial security of construction workers and reinforcing the integrity of the FOCER system.

2.3 Pension System

On April 28, 2023, Law No. 20,130, known as the "Social Security Reform," was enacted. This legislation introduced more than 300 articles, amending parts of Law No. 16,713 of September 3, 1995.

The reform established a progressive transformation of the existing system and created a new pension system, which will come into force in 2033 and is expected to be fully implemented by 2043.

A constitutional referendum was proposed to amend Article 67 of the Constitution, which would have indirectly modified this law. However, during the national elections on October 27, 2024, the referendum failed to secure the required votes for approval. As a result, the reform remains intact. This means that the 1996 pension system will continue to apply for those retiring up to 2032, while the new regime will be implemented for individuals retiring after this date.

Below, we outline the current system, distinguishing between the rules applicable to those retiring now and the new rules that will govern retirements from 2033 onwards.

2.3.1 Bases of the current pension system

The Common Pension System retains its structure as a mixed system consisting of two subsystems:

Intergenerational Solidarity Contributions: This system provides defined benefits, where contributions from active members, along with employer contributions, allocations, taxes, and designated indirect resources, finance the pensions of retirees.

Private Savings for Pensions: Managed by Pension Fund Administrators (AFAPs), this system aims to manage workers' contributions to provide supplementary benefits in addition to those received from the Social Security Bank (BPS).

Both employer (7.5%) and employee (15%) contribution rates remain unchanged, ensuring no increase in contributions.

The system is referred to as "common" because it unifies existing social security systems.

The new system will include formal labor market entrants and the parastatal funds (bank employees, professionals, and notaries), as well as military and police pension divisions, which will be integrated into the mixed regime. A convergence mechanism between these entities is planned, addressing specific issues such as the viability of the Professional Fund.

One of the most notable changes is the progressive increase in the retirement age for individuals born from 1973 onward.

2.3.2 Retirement age

Under current regulations, eligibility for retirement age depends on the individual's year of birth and the date on which they meet the retirement eligibility requirements.

2.3.2.1 Current Regime: For Individuals Born on or Before December 31, 1972, or Those Meeting Retirement Eligibility by December 31, 2032

Standard Retirement: Minimum of 60 years of age and 30 years of service.

Advanced Age Retirement: 70 years of age and 15 years of service. Since February 1, 2009, this criterion has been gradually relaxed as follows:

- 69 years of age with 17 years of service.
- 68 years of age with 19 years of service.
- 67 years of age with 21 years of service.
- 66 years of age with 23 years of service.
- 65 years of age with 25 years of service.

2.3.2.2 New Regime: For Individuals Born From 1973 Onward or Those Meeting Retirement Eligibility Starting January 1, 2033

Standard retirement: The retirement age will increase progressively based on the year of birth, as follows:

Year of Birth	Normal Retirement Age
1973	61
1974	62
1975	63
1976	64
1977	65

Individuals included in the above scheme will qualify for normal retirement with **fewer than 30 years** of service, subject to the following minimum requirements:

Age	Minimum Computable Service
66	27
67	24
68	21
69	18
70	15

Those **born in 1977 or later** will qualify for normal retirement under the following minimum requirements:

Age	Minimum Computable Service
65	30
66	27
67	24
68	21
69	18
70	15

The retirement age will be subject to automatic review based on life expectancy trends, ensuring that the system remains aligned with demographic and actuarial developments.

2.3.2.3 Early Retirement

A system is established allowing individuals to retire before reaching the age outlined in the previous system. This applies to individuals with 30 years of computable service or those with 40 or more years of service:

Year of Birth	Normal Retirement Age
1973	60
1974	61
1975	62

For those born in 1976 or later, a minimum age of 63 years will be required.

For special jobs, such as in the construction and rural industries, early retirement eligibility is provided due to the high level of physical demands involved.

2.3.3 Pension Calculation

2.3.3.1 Current regime

The calculation of the pension depends on whether eligibility (causal) and cessation occurred before or after July 1, 2009:

For Causal and Cessation Before July 1, 2009:

- The base is 50% of the basic pensionable salary.
- The years of activity at the time of eligibility are calculated, and 0.5% is added for each full year exceeding 35, up to a maximum of 40.
- The number of full years the retirement is deferred (from eligibility to retirement) is calculated, with 3% added for each year.
- The number of full years worked beyond the age of 60 without eligibility is determined, with 2% added for each year.

For Causal or Cessation After July 1, 2009:

- The base is 45% of the basic pensionable salary.
- The years of activity at the time of eligibility are calculated, with 1% added for each full year exceeding 30 up to 35 years, and 0.5% for each year exceeding 35, up to a maximum of 40 years.
- The number of full years the retirement is deferred is calculated, with 3% added for each year.
- The number of full years worked beyond the age of 60 without eligibility is determined, with 2% added for each year up to 35 years.

2.3.3.2 New regime

The regulation establishes the following method for calculating pensions:

- **Calculation of Basic Pensionable Salary:** The best 20 years of computable income will be considered. However, special provisions exist for cases such as total disability, maternity, and others.
- **Rights Acquisition Rate or Replacement Rate:** This is determined based on the actual retirement age relative to the normal retirement age. The rate coefficient is 1.5 for each computable year. Depending on the retirement age and years of service, the rate ranges from 1.20 for age 60 to 1.96 for age 70.

2.3.3.2 Convergence System

A convergence system applies to those born from January 1, 1973, who meet normal retirement eligibility and cease between January 1, 2033, and December 31, 2042.

This means their pension will be calculated partially under the current system and partially under the new system. The final amount will reflect both calculations proportionally based on the year the eligibility is configured.

Year of Eligibility Configuration	% incidence on total profit	
	Previous Regime (%)	New System
2033	50%	50%
2034	45%	55%
2035	40%	60%
2036	35%	65%
2037	30%	70%
2038	25%	75%
2039	20%	80%
2040	15%	85%
2041	10%	90%
2042	5%	95%
2043	0%	100%

3. PERSPECTIVES

3.1 Draft bills promoted by the Executive Branch

Below, we provide information on two bills presented by the Executive Power that have received partial approval from the Parliament.

It should be noted that these bills could potentially be addressed during the recess in extraordinary sessions until mid-February, given that the legislature has concluded, and the Permanent Commission is currently in operation.

3.1.1 Harassment and Violence in the Workplace

On October 18, 2022, the Executive Power presented a bill to Parliament aimed at fulfilling the ratification of ILO Convention No. 190 through Law No. 19,849 of December 23, 2019, on the prevention of harassment and violence in the workplace.

Its purpose is to prevent and ensure the right of every person to a work environment free from violence and harassment, as well as to sanction behaviors that constitute violence or harassment in the world of work.

It defines the concepts of workplace harassment and violence in a broad sense, and also establishes the scope of application with the same extent.

It establishes preventive measures to be adopted in order to prevent violence and harassment in the workplace, including the obligation to provide training on the subject and to implement protocols at the company level.

It specifies who the agents and those responsible for harassment are (employer, employee, or supplier).

It regulates the process through which complaints of harassment or workplace violence can be channeled, either within the company or through the IGTSS.

It provides for compensation for the worker who is a victim of workplace harassment and sanctions for those who engage in such behaviors.

3.1.2 Work Developed Through Digital Platforms Organizing Goods Delivery or Paid Urban Passenger Transport

In October 2022, the Executive Power presented a bill to Parliament aimed at regulating the activity of digital platforms that facilitate goods delivery services or paid urban passenger transport.

The document consists of 23 articles, divided into 5 chapters. Chapter one establishes definitions and delineates the scope of application, and chapter five establishes final provisions.

Chapter two includes common conditions for both independent and dependent work, related to the transparency of algorithms and monitoring, access to information and the right to an explanation, digital reputation, terms and conditions, competition and jurisdiction, work tools, and training.

Chapter three focuses on conditions for dependent workers. It regulates working hours, minimum remuneration, and the regime for salary deductions and withholdings.

Chapter four sets forth conditions for independent workers, with particular emphasis on coverage for work accidents and occupational diseases, social security benefits, and the recognition of collective rights (collective bargaining and freedom of association).

3.2 Bills promoted by Legislators of the future Government Party

Below, we provide an account of labor-related bills submitted by legislators of the future governing party, which are currently being processed in Parliament and may eventually be considered in the next legislature.

1. Request for the ratification of ILO Convention No. 169 on Indigenous and Tribal Peoples.
2. Sex work, amendments to Law No. 17.515.
3. Occupational accidents due to adverse weather conditions for rural workers.
4. Special overtime regime for private workers with a rate between 200% and 300% of the regular hourly rate in certain cases.
5. Compensatory rest for work performed on a holiday.
6. Limitation of grounds for dismissal in the private sector.
7. Guarantee for post-bankruptcy labor credits.
8. Gradual limitation of the weekly working hours to 40 hours per week.
9. Palliative care for terminal patients. Access. BPS benefits. Regime.
10. Amendments to the artist statute and related professions.
11. Labor protection for digital platform workers.

3.3 Proposals included in the future Government's Program

In the document titled “Bases Programáticas 2025-2030 - Times of Hope, Times of the People,” the Frente Amplio outlines guidelines.

In section 4), under the title “Work, a Priority,” it is stated that “the State, through the MTSS as a central actor and in coordination with the Intersectoral Space for Social Policies (with the participation of social actors), will define a universal plan for employment development and job creation, and for the promotion of all rights for formal salaried workers, precarious workers, informal workers, and those in the popular economy.”

The following "priority actions" included in the document are transcribed:

1. "A priority of public policies will be to generate quality employment linked to the sustainable development strategy and reduce labor inequities, particularly those of gender, generational, ethnic-racial, and territorial inequities, which are essential in a social integration strategy. Given a scenario where technological change will continue to challenge employment and demographics, leading to a decline in the activity rate, it is necessary to promote an increase in the productivity of the active population, alongside education, continuous professional training—including various transversal skills, such as digital skills—and the incorporation of scientific-technological knowledge. In light of the intense and rapid transformations occurring in the world of production and labor, extensive and powerful qualification and labor reconversion programs will be promoted."
2. "Deepen active employment policies and design new policies that promote equitable and inclusive access to job opportunities, continuing and deepening support for small businesses that create jobs, overcoming precariousness and informality."
 - Promote youth employment policies that address inequalities in the labor market, especially those related to the first work experience and gender inequalities.
 - Advance the regulation of the digital platform economy, reviewing the Telework Law and avoiding one-person employment contracts that conceal dependent relationships.
 - Promote "green jobs," that is, the creation of jobs linked to ecosystem restoration and waste recycling.
 - Promote the regularization and formalization of outsourced work in tasks related to the functions of state agencies and services. Outsourcing processes tend to create precarious employment situations, undermine job stability, fair compensation, and open the door to fragmentation and weakening of trade unions. Following the experience of Law 18.099, which at the time represented progress, there is a need for a more stringent regulatory framework to prevent the expansion of outsourcing and initiate a gradual process of its elimination.
 - Propose employment programs that guarantee the right to work for the most vulnerable groups, reviewing social employment programs.
 - Study the feasibility of bridge work plans between harvests for workers in seasonal jobs, addressing unemployment or underemployment post-harvest, and precarious labor. Public policy will aim to create a remunerated “between

harvests” period that may include professionalization, continuous training, or educational and community tasks.

3. "Collective bargaining and labor policy, in general, associated with development policies, are essential to ensure that the benefits of increased productivity reach society as a whole and contribute to reducing inequality. The strengthening of collective bargaining, an increase in real wages, and the gradual increase of the national minimum wage and minimum wages by category will be promoted, considering the different scales of economic units, particularly small and medium-sized enterprises. Necessary measures will be taken to increase the participation of the wage bill in national income."
4. "Promote a tax and social protection system that ensures equal rights for people, regardless of their type of employment. Recognizing different work trajectories, including intermittent work and unpaid labor, the transition will be made towards a system that acknowledges these trajectories, grounded in gender co-responsibility. Given the changes in the world of work, the reduction of the workday will be implemented. The reduction in the workday will imply that the maximum daily working time will be 8 hours, and the maximum weekly working time will be 40 hours, without detriment to sectors that already have more beneficial regimes, which will remain in place. Regarding the maximum daily working time, appropriate exceptions will be determined based on the characteristics of the involved activity sector. This initiative will not result in any salary reduction, so that the benefits of technological change are distributed democratically and benefit workers, especially the most vulnerable. It will be promoted that this measure leads to the expansion of individual freedom and capabilities, allowing individuals to integrate a greater and more equitable enjoyment of leisure, culture, care, and collective projects into their lives. The implementation of this proposal will be carried out within the framework of collective bargaining."
5. "Implement policies that promote gender equity in the world of work with the aim of achieving the economic autonomy of women. The current distribution of work is undoubtedly unfavorable for women, especially in low-income households. Women represent the group with the highest educational achievements but show higher unemployment rates and lower activity rates, with disadvantages in the number of hours worked, average remuneration, and career advancement."
6. "Strengthen the Care System by promoting the certification of caregivers' competencies. Advance in regulating the labor activity of caregivers, ensuring and guaranteeing collective bargaining, where issues such as labor categories, working conditions, and remuneration will be discussed and agreed upon. Similarly, promote the appreciation of caregiving work, contributing to its development with appropriate quality standards. Simultaneously, encourage co-responsibility between the State and businesses to address the challenges of reconciling personal and work life."

Under section 6), the “Reduction of Poverty and Inequality in all Areas of Income and Wealth Distribution” is addressed. It is stated as one of the guiding principles of the Frente Amplio’s program: "Inequality is multidimensional, referring to income, wealth, other assets such as education and housing, residential areas, as well as gender, ethnic-racial origin, cultural stereotypes, life cycle stage, etc. Therefore, it is necessary to develop policies that consider both the short and medium term. The short-term agenda refers to economic recovery and neutralizing the most severe effects of the crisis and government policies on the entire population, particularly on the most vulnerable groups. The long-term vision aims to overcome structural inequalities—such as socio-territorial fragmentation, childhood poverty, gender inequalities, among others—and deepen and complete the reforms initiated by the Frente Amplio governments. These policies should

not exhaust their distributive potential immediately and must be capable of permanently reducing or maintaining low inequality in its multiple dimensions."

The following priority actions in this matter are mentioned:

1. "Develop active policies to combat poverty, combining short- and long-term strategies that can overcome structural inequalities (socio-territorial fragmentation, childhood poverty, gender inequalities, among others)."
2. "The wage policy will aim to increase the minimum wages and the participation of the wage bill in GDP. Active employment policies will include job search assistance, training, worker reconversion, support for small businesses, job creation, and subsidies. The tax structure, the level, and composition of public spending play a key role in improving income distribution. As part of implementing a comprehensive program to reduce inequality, in addition to the aforementioned wage policy, social transfer programs will be evaluated and redesigned to enhance their impact, ensuring they are better coordinated with each other and with other programs that aim at progressive income redistribution, completing and strengthening the universal social protection floor, including both contributory and non-contributory mechanisms. To provide a rapid initial response, it is crucial to combat income poverty by channeling public spending toward poor households with high-impact temporary transfers, followed by transforming spending schemes to address more structural conditions. Poverty goes beyond monetary schemes, so a range of proposals will be developed to address the structural conditions of poverty."
3. "Advance in transforming the tax system by reducing consumption taxes and strengthening income, capital, and wealth taxation with a progressive approach. To reduce inequality, ways will be studied to increase fiscal contributions from dividends and profits, large capital, and high-value wealth transfers, as well as deposits abroad. Changes in tax policy will be designed so that those with more wealth and income pay more, alleviating the tax burden on those with less. It is proposed to reduce IVA (Value Added Tax) on essential goods and services, aiming for a personalized IVA system."

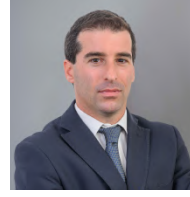
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