

URUGUAY

Regulations in force on 31 December 2013	
1: Notification procedures in the case of individual dismissal of a worker with a regular contract	No legal requirement. However, although not mandatory, consultation with worker´s representative is recommended and a common practice in Uruguay. Calculation (for EPL indicators): 1.5
2: Delay involved before notice can start	No delays involved. Oral notification. Calculation (for EPL indicators): 1 day for verbal notice.
3: Length of notice period at different tenure durations (a)	No legal requirements.
4: Severance pay at different tenure durations (a)	Dismissal on personal grounds and redundancy Employers can always dismiss employee´s without specifying a reason provided severance indemnity is paid. This payment amounts to one monthly remuneration per each year or fraction of year of work, with a ceiling of 6 monthly instalments. No severance payment in case of dismissal due to the employee´s gross misconduct (Law N° 10.489, Law N° 12.597). If the case is challenged at Court, the employer has the burden to proof gross misconduct. Failure to prove, determines the payment of ordinary severance indemnity. Calculation (for EPL indicators): 9 months: 1; 4 years: 4 months; 20 years: 6 months
5: Definition of unfair dismissal (b)	Fair dismissal: on a general basis, dismissal is allowed without justifying any cause, provided that severance indemnity is paid. Inclusively there is no obligation of a notice prior to dismissal. Unfair dismissal: In Uruguay there is no legal definition of unfair dismissal. Doctrine and jurisprudence (although not a source of law in Uruguay) have created the figure of "abusive dismissal" for those cases of notorious abuse by the employer when dismissing (for example dismissal offending worker´s dignity - shouting or insults-, dismissal as a consequence of testifying against the employer at a labour court). In these cases, apart from the regular severance indemnity, if the employee proves the case at Court, the employer is obliged to pay pain and damages (which amount from 1 to 3 times the ordinary severance pay, plus regular severance indemnity). This additional compensation is considered in Item 7. Special dismissals for certain categories of workers which can be considered as unfair dismissal: Certain categories of workers have a special protection against dismissal (maternity, sickness, professional disease or labour accident, sexual harassment). This protection entails for the employer the payment of a special severance indemnity which is higher than the regular severance pay. However dismissal is always allowed provided this special indemnity is paid. <ul style="list-style-type: none"> • Sickness: Double severance indemnity for an employer who dismisses an employee during sick leave or after 30 days of his return to work. • Professional illness or labour accident: Triple severance indemnity for an employer who dismisses an employee during a professional illness leave or labour accident or after 180 days of his return to work. • Pregnancy or maternity leave: severance indemnity plus 6 months´ salary for an employer who dismissed an employee due to pregnancy or after a period of 6 months of her reincorporation to work. • Sexual harassment: an employee, who suffered from sexual harassment, can terminate the employment agreement and claim the general severance indemnity plus 6 monthly salaries.
6: Length of trial period (c)	No statutory regulation in Uruguay. Common practice is to stipulate a 3 months trial period as a clause of the employment agreement. The jurisprudence has accepted the validity of this clause.
7: Compensation following unfair dismissal (d)	Compensation following unfair (abusive) dismissal: If the Tribunal finds that the grounds for a claim for abusive dismissal are proved, the Tribunal can order the payment of damages which amount from 1 to 3 times the ordinary severance indemnity. Calculation (for EPL indicators): worker of 20 years tenure, generally Tribunals order the payment of 2 times the severance indemnity: 12 months (in addition to the ordinary severance indemnity). In effect, this employee will receive in Uruguay 18 months indemnity (6 corresponding to ordinary severance payment, 12 corresponding to unfair dismissal).
8: Reinstatement option for the employee following unfair dismissal (b)	Reinstatement option only applies to dismissals related to trade union membership or participation in union activities (Law 17.940). It is not possible to avoid enforcement of reinstatement orders by paying compensation. According to court case, reinstatement has been ordered in very few cases. Calculation for EPL indicators: 0.5
9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)	1 year (Law 18.091).
10: Valid cases for use of standard fixed term contracts	There is no legal regulation. However our doctrine and jurisprudence understand that FTC is only permitted for objective or material reasons, when the task to be performed is of limited duration.
11: Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)	There is no legal regulation. However our jurisprudence understands that successive FTC is construed as a unique contract of indefinite duration.

12: Maximum cumulated duration of successive standard FTCs	There is no legal regulation. However, common practice is that the maximum duration of 1 FTC is of 6 months, thus if only 1 renewal is allowed by jurisprudence, the maximum cumulated duration would be of 12 months.
13: Types of work for which temporary work agency (TWA) employment is legal	TWA are only allowed to perform services on a temporal and exceptional basis.
14: Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)	The law is silent. However labour doctrine and jurisprudence understand that as TWA are only allowed to perform temporary or occasional services, renewals should be the exception.
15: Maximum cumulated duration of TWA assignments (f)	No statutory regulation. No limit but services should be on a temporal basis (cf. Item 13)
16: Does the set-up of a TWA require authorisation or reporting obligations?	Yes. Both authorization and reporting obligations are required.
17: Do regulations ensure equal treatment of regular workers and agency workers at the user firm?	The principal of equal treatment regarding labour benefits (remunerations and other payments in cash or kind) applies (article 5 Law N° 18.099).
18: Definition of collective dismissal (b)	The law does not provide any definition of collective dismissal. However, it is advisable to take additional notification steps and severance pay and social plans are common practice. Calculation for EPL indicators: average of 0 and 4 = 2
19: Additional notification requirements in cases of collective dismissal (g)	No statutory regulation. However a communication to the trade union and the Labour Ministry (DINATRA) is advisable and a common practice. Calculation (for EPL indicators): 0.5 (as it is advisable to make a communication to the Labour Ministry-not mandatory. Communication to the trade union was already considered in Item 1).
20: Additional delays involved in cases of collective dismissal (h)	There is no statutory procedure for collective dismissal. However, as it is advisable and common practice to communicate the decision to the trade union and the Labour Ministry (DINATRA), certain days of delay should be considered. Calculation (for EPL indicators): 15 days minus 1 day for verbal notice (item 2): 14
21: Other special costs to employers in case of collective dismissals (i)	No legal provision regarding costs or social compensations. However, additional severance indemnities are generally offered to employees or outplacement or retraining courses. Calculation for (EPL indicators): 1 as these practices are used on a general basis to avoid trade union measures (such as strikes, occupation of the workplace).

Legend: d: days; w: weeks; m: months; y: years. For example "1m < 3y" means "1 month of notice (or severance) pay is required when length of service is below 3 years".

Notes:

- Three tenure durations (9 months, 4 years, 20 years). Case of a regular employee with tenure beyond any trial period, dismissed on personal grounds or economic redundancy, but without fault (where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment). Averages are taken where different situations apply – e.g. blue collar and white collar; dismissals for personal reasons and for redundancy.
- Based also on case law, if court practice tends to be more (or less) restrictive than what specified in legislation.
- Initial period within which regular contracts are not fully covered by employment protection provisions and unfair dismissal claims cannot usually be made.
- Typical compensation at 20 years of tenure, including back pay and other compensation (e.g. for future lost earnings in lieu of reinstatement or psychological injury), but excluding ordinary severance pay and pay in lieu of notice. Where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment and that a court case takes 6 months on average. Description based also on case law.
- Maximum time period after dismissal up to which an unfair dismissal claim can be made.
- Description based on both regulations on number and duration of the contract(s) between the temporary work agency and the employee and regulations on the number and duration of the assignment(s) with the same user firm.
- Notification requirements to works councils (or employee representatives), and to government authorities such as public employment offices. Only requirements on top of those requirements applying to individual redundancy dismissal count for the OECD EPL indicators (cf. Item 1).
- Additional delays and notice periods in the case of collective dismissal (only delays on top of those required for individual dismissals – as reported in Items 2 and 3 – count for the OECD EPL indicators).
- This refers to whether there are additional severance pay requirements and whether social compensation plans (detailing measures of reemployment, retraining, outplacement, etc.) are obligatory or common practice.