

## **Employment protection in Chile – 2008**

Item 1 Notification procedures in the case of individual dismissal of a workers with a regular contract	The employee must be notified in person or in writing with an explanation of the reasons for dismissal. Notice of the dismissal should also be sent to the Labour Inspectorate.
Item 2 Delay involved before notice can start	Notice can either be handed directly to the employee or sent by registered mail.
Item 3 Length of notice period at different tenure durations	Employee must be given 30 days notice, or payment in lieu of notice of one month's salary.
Item 4 Severance pay at different tenure durations	Employees with at least one year of continuous service shall receive severance pay of 30 days pay per year of service up to a maximum of 330 days of pay.
Item 5 Definition of unfair dismissal	The employer may terminate the employee's contract on grounds of serious misconduct or breach of contractual obligations by the employee or citing the company's needs, such as streamlining, modernisation, improving productivity, changes in market conditions or the economy.
Item 6 Length of trial period	No trial period in legislation.
Item 7 Compensation following unfair dismissal	In the event of unfair dismissal, the court can award payment of compensation in addition to severance pay varying from 30% to 100% of the applicable severance payment, depending on the breach of legislation made.
Item 8 Reinstatement option for the employee following unfair dismissal	There is no right or practice of reinstatement following unfair dismissal.
Item 9 Maximum time period after dismissal notification up to which an unfair dismissal claim can be made	An employee who thinks they have been unfairly dismissed may resort to the court within 60 days of the separation.
Item 10 Valid cases for use of fixed term contracts	No restrictions.
Item 11 Maximum number of successive FTCs (initial contract plus renewals and/or prolongations)	A second renewal of a fixed term contract will be taken to be a contract of indefinite length.
Item 12 Maximum cumulated duration of successive FTCs	The duration of a fixed term contract may not exceed one year (two years for managers or persons with a tertiary degree). A worker who has been employed intermittently under more than two contracts for 12 out of a continuous period of 15 months is presumed to be hired under a contract of indefinite length.
Item 13 Types of work for which temporary work agency (TWA) employment is legal	TWA workers can be employed in the following circumstances: (i) to replace workers on leave; (ii) for extraordinary events e.g. exhibitions, conferences; (iii) for new projects or expansion into new markets; (iv) when starting a new business; (v) to cover occasional increases in workload; (vi) for urgent work e.g. conducting repairs.
Item 14 Are there restrictions on the number of renewals and/or prolongations of TWA contracts?	No restrictions within maximum cumulated duration.
Item 15 Maximum cumulated duration of TWA contracts	TWA contracts for extraordinary events or to cover occasional increases in workload have a maximum duration of 90 days. TWA contracts for new businesses or projects have a maximum duration of 180 days. TWA contracts to replace a worker on leave last as long as the worker remains on leave.
Item 16 Does the set-up of a TWA require authorisation or reporting obligations?	No authorisation or reporting obligations.
Item 17 Do regulations ensure equal treatment of regular workers and agency workers at the user firm?	No requirement for equal treatment.
Item 18 Definition of collective dismissal	No requirements in legislation.
Item 19 Additional notification requirements (compared to Item 1) in cases of collective dismissal	No requirements in legislation.
Item 20 Additional delays involved (compared to Item 2)	No requirements in legislation.
Item 21 Other special costs to employers in case of collective dismissals	No requirements in legislation.

*This summary was produced by the OECD based on responses to a questionnaire distributed to OECD accession countries. It describes the situation current as at 1 January 2008 and is the basis for calculating the OECD employment protection indicators. To find out more about the methodology used to calculate the OECD employment protection indicators, see [www.oecd.org/employment/protection](http://www.oecd.org/employment/protection).*