/Carey

June 2017

REGULATIONS REGARDING LABOR INCLUSION OF THE DISABLED

On June 15, 2017, Law No. 21,015 was published in the Official Gazette, introducing new regulations on labor inclusion of the disabled, especially in new articles 157 bis and 157 ter of the Labor Code and in Law No 20,422.

I. Relevant Matters

The following are the main amendments:

• In companies with 100 or more employees, at least 1% of its total workforce must be comprised of disabled employees who are entitled to a disability pension under any applicable social security system. This specific obligation is also applicable to government agencies, State-owned companies and other public institutions listed in the law.
• Companies that for justified reasons, are unable to comply with such hiring obligation, may alternatively adopt any of the following measures:

• Execute contracts for the provision of services with companies that employ disabled individuals; or
• Make monetary donations to projects or to association programs, or to corporations or foundations referred to in article 2 of Law No. 19,885.

• The remuneration agreed in the employment contracts executed between a company and a mentally disabled individual, may not be lower than the legal minimum income.
• In hiring processes within government agencies, State-owned companies and the public institutions listed in the law, under equal merits, disabled employees shall be preferred.

II. Effective Term

The law will enter into force on the first day of the subsequent month after the publication of further mandatory regulations to be issued by the Labor and Social Security Ministry. Such regulations must be

This news alert is provided by Carey y Cía. Ltda. for educational and informational purposes only and is not intended and should not be construed as legal advice.

Carey y Cía. Ltda.
Isidora Goyenechea 2800, 43rd Floor.
Las Condes, Santiago, Chile.
www.carey.cl

issued by the authority no later than December 15, 2017.

III. Transitory Provisions

1. Companies with 100 and up to 199 employees will be subject to the obligation of hiring disabled employees, only after the first year as of the date when this law enters into force.
2. During the first two years following the entering into force of the law, companies will be able to comply with it either by hiring disabled individuals or by adopting one of the alternative mechanisms in letter b) above, not being required to demonstrate justified reasons to do so.

Authors: Óscar Aitken; Francisco Arce