



**Global Employment  
Compass  
PARAGUAY**

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This document provides brief answers and recommendations to readers for information purposes. The information contained in this document is general and may differ according to the circumstances. Thus, this document does not constitute legal advice. We decline in advance any responsibility should you decide to act upon any information contained in this document.





# 1. Summary of applicable rights for different categories of workers

	Employees (part-time or full-time)	Independent contractors/ service providers	Volunteers
<b>Employment laws and regulations</b>	Yes	No	No
<b>Employees' compensation/ remuneration requirements</b>	Yes	No	No
<b>Minimum wage requirements</b>	Yes	No	No
<b>Mandatory provident fund/retirement benefit fund contributions</b>	Yes	No	No
<b>Immigration requirements including the right to work in your country</b>	Yes	Yes	Yes
<b>Personal Data (Privacy) laws and regulations</b>	Yes	Yes	No
<b>Anti-discrimination laws and regulations</b>	Yes	No	No



## 2. Legal requirements/rights/ practices for different categories of workers

### a. Employees

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*A person who performs a human activity, consciously and voluntarily, provided in a subordinated and remunerated manner, for the production of goods or services.*

Information link: Labor Code – Artículo 8: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### 1 Contracts of Employment

**What types of employment contracts are available? E.g. fixed term, part time, zero hour contracts, other? Are there any specific employment contracts available for non-profit organizations?**

Types of contracts under Paraguayan law:

- Indefinite-term contract.
- Fixed-term contract.
- Part-time contracts.

Additionally, there are contracts for minors, interns, and domestic workers.

The aforementioned types of contracts may involve payment on a monthly, hourly, piecework, or commission basis. There are no specific contracts designed for non-profit organizations.

Information link:





Labor Code <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

Internship law <https://www.bacn.gov.py/leyes-paraguayas/5153/pasantia-educativa-laboral-tecnica-superior>

Domestic Work Law - Article 7 <https://www.bacn.gov.py/leyes-paraguayas/4392/ley-n-5407-del-trabajo-domestico>

### **What are the key terms of employment contracts?**

The labor contract must include the personal data of both parties, as well as the data related to the labor relationship mentioned in Article 46 of the Paraguayan Labor Code.

- a) Date and location of agreement;
- b) Personal details including names, ages, genders, marital statuses, occupations, nationalities, and addresses of the parties involved;
- c) Description of the work or services to be provided along with the location(s) where they will be performed;
- d) Agreed upon payment details including amount, method, and schedule of remuneration;
- e) Schedule and breakdown of the working hours;
- f) Employer-provided benefits such as lodging, meals, and uniforms, if applicable, including their estimated value;
- g) Any additional terms or agreements reached between the parties;
- h) Signatures of the parties involved or digital signatures if signing physically is not possible, with appropriate witness or authority as necessary, such as a Justice of the Peace, notary public, or union representative.

Likewise, the signature of the contracting parties or digital impression must be included when they do not know or are unable to sign, in which case this fact will be recorded, signing another person at their request. In the latter case, this shall be done before the Justice of the Peace of the Jurisdiction, notary public or the general secretary of the respective union, if any.

*Information link:* Labor Code – Art. 46 <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Is it acceptable to have a probation period for employees? If yes, for how long?**

It is possible to establish, in the initial stage of the employment contract, a trial period whose purpose, for the employer, is to assess the employee's aptitude and, for the employee, is to verify the suitability of the contracted work conditions.

This period shall have the following maximum duration:

- a)** Thirty days for domestic service personnel and unskilled workers.





- b) Sixty days for skilled workers or apprentices; and,
- c) In the case of highly specialized technical workers, the parties may agree on a period different from the above, according to the nature of the contracted work.

*Information link:* Labor Code – Arts. 58, 59 y 60 <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Are fixed term employment contracts permissible? Are there any limitations on fixed term contracts? Are there any requirements to have a fixed term contract?**

Yes, a fixed-term contract is possible. A fixed-term contract may not exceed, to the detriment of the employee, one year for workers or five years for employees, and shall terminate upon expiration of the agreed term.

However, any fixed-term contract may be expressly or tacitly extended. In the latter case, it will be so if the employee continues to render his services after the expiration of the term, without opposition from the employer.

The contract for specific work or services will last until the total execution of one or until the total provision of the others.

Contracts relating to work which by their nature are permanent or continuous in the company, shall be considered as entered into for an indefinite term, even if the term of duration is expressed therein, if at the expiration of such contracts the cause that gave rise to them or the subject matter of the work for the rendering of services or the execution of the same or analogous works subsists. The time of service will be counted from the date of commencement of the employment relationship, even if it does not coincide with the date of the written contract.

Consequently, fixed-term contracts or contracts for specific work are of an exceptional nature and may only be entered into in cases where the accidental or temporary nature of the service to be rendered or the work to be performed so requires.

*Information link:* Labor Code – Arts. 49 y 50: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Do employment contracts have to be in writing? Are there any signatory requirements for employment contracts? For example, could they be signed in-person or electronically, etc.)?**

The employment contract, in terms of its form, can either be verbal or written. However, individual contracts that stipulate a remuneration higher than the legally required minimum wage for the specific nature of the work must be in written form.

Written employment contracts, as well as any modifications or extensions, should be prepared in multiple copies, with each party retaining one. The documentation is exempt from all taxes, and either party may request its approval and registration with the Labor Directorate.

The employment contract should include the personal information of both parties, as well as the details outlined in Article 46 of the Paraguayan Labor Code (see above). In the absence of a written labor contract, the worker's claimed existence of the employment relationship will be presumed,





unless evidence to the contrary is presented, especially if there is a clear subordination in the rendering of services.

An apprenticeship contract must be documented in writing, or else the services are considered to be governed by the rules of a regular employment contract. In the case of domestic work, the labor contract should be formally written through a private instrument, which must incorporate the information specified in Article 7 of the Domestic Work Law. The existence of the employment contract should be supported by the relevant document. In its absence, it can be demonstrated through legally sanctioned general means of proof or local customs where the work is carried out. The employer is responsible for providing the domestic worker with a signed copy of the contract, free of charge.

Concerning contracts involving minors, individuals between the ages of twelve and eighteen can enter into an employment contract with proper authorization. This authorization may be subject to conditions, limitations, or revocation by the minor's legal representative. When minors under eighteen are employed, it is essential to adhere to the provisions of the Code of Minors.

*Information link:* Labor Code – Arts. 36, 43, 45, 46, 48 y 107: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

Domestic Work Law – Arts. 7 <https://www.bacn.gov.py/leyes-paraguayas/4392/ley-n-5407-del-trabajo-domestico>

### **Do employees have to be issued with a written employment contract before they start work?**

The employment contract may be verbal or written. Individual contracts that stipulate a remuneration higher than the legal minimum wage corresponding to the nature of the work must be in writing.

If written contracts are signed, the employer must deliver a copy of the same to the employee.

The lack of a written contract does not annul or invalidate the existence of the labor relationship.

*Information link:* Labor Code – Art. 43 <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Can you provide a simple template of the contracts mentioned above?**

In the following link, you can see a proforma model of a part-time employment contract drafted and published by the Ministry of Labor, Employment and Social Security (MTESS).

<https://www.mtess.gov.py/viceministerio-de-trabajo/direccion-de-trabajo/modalidades-contractuales/empleo-tiempo-parcial-part-time/tiempo-parcial/proforma-de-contrato-tiempo-parcial>

### **Is there an obligation for an employer to run a criminal record check to the extent that any individual they hire will be working with children or vulnerable people?**

There is no obligation to review the police or criminal backgrounds of the workers who will be hired.





*Information link:* Law N° 6534 "PROTECTION OF PERSONAL CREDIT DATA"

<https://www.bacn.gov.py/leyes-paraguayas/9417/ley-n-6534-de-proteccion-de-datos-personales-crediticios>

### **Can employers request references from former employers for new hires?**

There is no prohibition in the Paraguayan regulations on requesting references to previous employers of the employee who will be hired.

### **Is an employer required to set up any form of employee representative body? If so, what is the trigger for this?**

The employer is not obliged to create organizations representing the workers, but the workers may create unions.

The Law recognizes the right of workers and employers, without distinction of sex or nationality and without the need for prior authorization, to freely form organizations whose purpose is the study, defense, promotion and protection of professional interests, as well as the social, economic, cultural and moral improvement of the associates.

The right of association in Labor Unions is extended to Public Sector employees and workers.

A Union is the association of persons working in a company, institution or industry, exercising the same trade or profession or similar or related professions exclusively to comply with the purposes stipulated in the current regulation.

Employers' unions may not be constituted with less than three members. Workers' unions may not be formed with less than twenty founders in the case of company unions, with less than thirty in the case of trade unions, and with less than three hundred in the case of industry unions. Unions of public sector workers may be formed with a minimum of 20% (twenty percent) up to five hundred of their employees, of this amount up to one thousand a minimum of 10% (ten percent) and of more than one thousand, a minimum of not less than 5% (five percent) of their employees.

*Information link:* Labor Code – Arts. 283, 288, y 292: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Is it common to have collective agreements in your jurisdiction that apply to all employers in a particular region or sector?**

A company employing twenty or more workers is required to enter into a collective agreement on working conditions.

Collective contract is any written agreement regarding working conditions entered into between an employer, a group of employers, on the one hand, and on the other hand, one or more representative organizations of workers or, in the absence of such organizations, representatives of the workers concerned, duly elected, and authorized by the latter, for the purpose of establishing working conditions.

The same shall be drawn up, under penalty of nullity, in three copies: one for each party and the third shall be submitted for approval and registration with the administrative labor agency. This contract shall not produce legal effects until it is approved and registered by the administrative labor agency, at the request of either of the parties.







*Information link:* Labor Code – Arts. 326, 328, 330 y 334: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

## 2 Conditions of employment

### **What is the minimum age requirement for employment?**

Minors under eighteen years of age may enter into an employment contract, with authorization in accordance with the provisions of the Paraguayan Labor Code, the Childhood and Adolescence Code and the international documents signed by Paraguay.

The authorization may be conditioned, limited or revoked by the legal representative of the minor. In cases where minors under eighteen years of age are hired to work, the provisions of the Code of Minors must be observed.

Minors under fifteen years of age may not work in any industrial, public or private enterprise or in its dependencies, with the exception of those in which only members of the employer's family are employed, provided that by the nature of the work or the conditions under which it is carried out, it is not dangerous to the life, health or morality of the minors.

Work in professional schools, whether public or established by private companies, is also exempted, provided that it is performed for professional training purposes, and is approved and supervised by the competent authority.

*Information link:* Labor Code – Arts. 36 y 119: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

Adolescent Worker Registry <https://www.mtess.gov.py/registro-del-adolescente-trabajador>

### **What type of work may a child undertake? For example, are there any specific restrictions?**

They will be null and void and will not bind the contracting parties, even if they are expressed in the contract and are related to dangerous or unhealthy work for women and minors under eighteen years of age; work for children under twelve years of age; overtime work for minors under eighteen years of age, among others.

Likewise, it is stated for the record that minors under fifteen years of age may not work in any industrial, public or private company or in its dependencies, with well-defined exceptions, on the other hand, minors between fourteen and eighteen years of age may be employed in non-industrial companies under the conditions mentioned in the Paraguayan Labor Code.

Domestic work, performed in the employer's home, is excluded from this provision. In the same sense, minors between fifteen and eighteen years of age shall not be employed during the night in an interval of twelve consecutive hours from twenty-two to six o'clock.

*Information link:* Labor Code – Arts. 45, 119, 120, 121, 122 y 125: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

Regulation of articles of the Labor Code regarding child labor: [https://www.mtess.gov.py/application/files/5915/5912/1233/RESOLUCION\\_1159.pdf](https://www.mtess.gov.py/application/files/5915/5912/1233/RESOLUCION_1159.pdf)





C182 - Worst Forms of Child Labor Convention, 1999 (No. 182):

[https://www.ilo.org/dyn/normlex/es/f?p=NORMLEXPUB:12100:0::NO::P12100\\_INSTRUMENT\\_ID:312327](https://www.ilo.org/dyn/normlex/es/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312327)

## Wages

### What is the minimum wage requirement for employees? Are there any exceptions in minimum wages for young persons or people with disabilities?

The salary shall be freely stipulated but may not be lower than that established as minimum in accordance with the provisions of the Law.

The readjustment of the minimum wage shall be made by the Executive Power upon proposal of the National Council of Minimum Wages (CONASAM), based on the inter-annual variation of the Consumer Price Index (CPI) and its impact on the national economy, as of the month of January of each year.

Consumer Price Index (CPI) and its impact on the national economy, as of June of each year. This year, the minimum legal salary for private sector workers has been adjusted by five-point one percent (5.1 %), effective as of July 1, 2023, to the following amount.

**Current legal minimum wage:** Gs. 2.680.373

**Minimum wage:** Gs. 103.091

There is no differentiated minimum wage for people with disabilities, but there is for minors and for workers in specific sectors.

In accordance with the salary increase provided for in 2023, the Ministry of Labor, Employment and Social Security established salaries and daily wages according to the following scheme:

ACTIVITIES	AMOUNT	RESOLUTIONS
<b>Rural Workers in Livestock Farms</b>	<p><b>Monthly Salary:</b> Gs.1.876.261</p> <p><b>Daily Wage:</b> Gs. 72.164</p>	<p><a href="https://www.mtess.gov.py/application/files/9716/8866/0428/Resolucion_MTESS_N_853_-_Reajuste_de_los_sueldos_y_jornales_minimos_de_trabajadores_de_establecimientos_ganaderos.pdf">https://www.mtess.gov.py/application/files/9716/8866/0428/Resolucion_MTESS N 853 - Reajuste de los sueldos y jornales minimos de trabajadores de establecimientos ganaderos.pdf</a></p>
<b>Farm Workers</b>	<p><b>Monthly salary:</b> Gs. 2.774.186</p> <p><b>Daily wage:</b> Gs. 106.699</p>	<p><a href="https://www.mtess.gov.py/application/files/1216/8866/1172/Resolucion_MTESS_N_854.pdf">https://www.mtess.gov.py/application/files/1216/8866/1172/Resolucion_MTESS N 854.pdf</a></p>
<b>Workers under the Apprenticeship regime</b>	<p><b>Monthly salary:</b> Gs. 1.608.224</p> <p><b>Daily wage:</b> Gs. 61.855</p>	<p><a href="https://www.mtess.gov.py/application/files/6316/8866/8072/RESOLUCION_MTESS_N_861_-_Reajuste_bajo_el_regimen_de_aprendizaje_Dual.pdf">https://www.mtess.gov.py/application/files/6316/8866/8072/RESOLUCION_MTESS N 861 - Reajuste bajo el regimen de aprendizaje Dual.pdf</a></p>





<p><b>Part-Time Employment</b></p>	<p><b>Minimum wage per daytime hour:</b> Gs. 12.886</p> <p><b>Minimum wage per night hour:</b> Gs. 19.146</p>	<p><a href="https://www.mtess.gov.py/application/files/7216/8866/8162/RESOLUCION_MTESS_N_862_-Reajuste_a_Tiempo_parcial_en_el_Sector_privado.pdf">https://www.mtess.gov.py/application/files/7216/8866/8162/RESOLUCION_MTESS_N_862 - Reajuste a Tiempo parcial en el Sector privado.pdf</a></p>
<p><b>Workers of Yerba Mate Companies</b></p>	<p><b>Monthly salary:</b> Gs. 2.707.186</p> <p><b>Daily wage:</b> Gs. 104.123</p>	<p><a href="https://www.mtess.gov.py/application/files/9516/8866/0764/Resolucion_MTESS_N_852.pdf">https://www.mtess.gov.py/application/files/9516/8866/0764/Resolucion_MTESS_N_852.pdf</a></p>
<p><b>Workers of Public Transport Companies</b></p>	<ul style="list-style-type: none"> <li>• <i>Driver Collector</i></li> </ul> <p><b>Monthly salary:</b> Gs. 3.519.343</p> <p><b>Daily wage:</b> Gs. 135.359</p> <ul style="list-style-type: none"> <li>• <i>Bus Driver</i></li> </ul> <p><b>Monthly salary:</b> Gs. 2.707.186</p> <p><b>Daily wage:</b> Gs. 104.123</p> <ul style="list-style-type: none"> <li>• <i>Collector and/or Guardian</i></li> </ul> <p><b>Monthly salary:</b> Gs. 2.680.373</p> <p><b>Daily wage:</b> Gs. 103.091</p>	<p><a href="https://www.mtess.gov.py/application/files/8816/8866/7533/Resolucion_MTESS_N_858_-Reajuste_de_los_sueldos_y_jornales_minimos_de_trabajadores_de_empresas_de_transporte_publico.pdf">https://www.mtess.gov.py/application/files/8816/8866/7533/Resolucion_MTESS_N_858 - Reajuste de los sueldos y jornales minimos de tranajadores de empresas de transporte publico.pdf</a></p>
<p><b>Workers by Specific Activities</b></p>	<p>Workers salaries and wages are determined according to the work activities they carry out.</p>	<p><a href="https://mtess.gov.py/application/files/1116/8866/7725/Resolucion_MTESS_N_859_-_Actividad_Especificas.pdf">https://mtess.gov.py/application/files/1116/8866/7725/Resolucion_MTESS_N_859 - Actividad Especifica.pdf</a></p>
<p><b>Professional and Skilled Ranked Workers</b></p>	<p>Employees salaries and wages are set according to the position they hold.</p>	<p><a href="https://www.mtess.gov.py/application/files/6116/8866/7887/Resolucion_MTESS_N_860_-_Reajuste_de_los_sueldos_empleados_y_obreros_profesionales_escalafonados.pdf">https://www.mtess.gov.py/application/files/6116/8866/7887/Resolucion_MTESS_N_860 - Reajuste de los sueldos empleados y obreros profesionales escalafonados.pdf</a></p>





<p><b>Bakery and Pasta Factory Employees</b></p> <p><b>Press Workers</b></p>	<p>Salaries and daily wages are defined based on the position crews and kilos prepared by the workers.</p> <p>Salaries and wages are arranged according to the work performed.</p>	<p><a href="https://www.mtess.gov.py/application/files/8116/8866/7533/Resolucion_MT_ESS_N_857_-Reajuste_de_los_sueldos_y_jornales_minimos_de_tranajadores_de_panaderia_y_fideeria.pdf">https://www.mtess.gov.py/application/files/8116/8866/7533/Resolucion_MT_ESS N 857 - _Reajuste de los sueldos y jornales minimos de tranajadores de panaderia y fideeria.pdf</a></p> <p>—</p> <p><a href="https://www.mtess.gov.py/application/files/4716/8866/7316/Resolucion_MT_ESS_N_856_.pdf">https://www.mtess.gov.py/application/files/4716/8866/7316/Resolucion_MT_ESS N 856 .pdf</a></p>
<p><b>Domestic Service Workers</b></p>	<p><b>Monthly salary:</b> Gs. 2.680.373</p> <p><b>Daily wage:</b> Gs. 103.091</p>	<p><a href="https://www.mtess.gov.py/application/files/8616/8866/1681/Resolucion_N_855.pdf">https://www.mtess.gov.py/application/files/8616/8866/1681/Resolucion N_855.pdf</a></p>
<p><b>Cabotage Captains and Pilots of the South Zone of the Paraguay River and Port of the Capital</b></p>	<p>Salaries and wages are defined according to the tasks and size of the vessels.</p>	<p><a href="https://www.mtess.gov.py/application/files/8716/8866/8427/Resolucion_MT_ESS_N_863.pdf">https://www.mtess.gov.py/application/files/8716/8866/8427/Resolucion MT_ESS N 863.pdf</a></p>

Information link: Executive Decree N°. 9584 dated June 29, 2023

<https://www.presidencia.gov.py/url-sistema-visor-decretos/index.php/ver-decreto/32550>

**Are there any conditions which warrant a pay raise or extra pay? If yes, what are they?**

The mandatory increase of the minimum wage is only given by decree according to the information provided in the previous question.

Overtime work will be paid at least 50% (fifty percent) over the salary agreed for the ordinary working day.

Night work will be paid at 30% (thirty percent) over the ordinary salary fixed for day work.

Night overtime shall be paid with a surcharge of 100% (one hundred percent) over the ordinary night hourly wage.

Hours worked on holidays shall be paid at a surcharge of 100% (one hundred percent) over the regular working day hourly wage.

Information link: Labor Code – Art. 234: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>





**When are wages due? For example, is there any obligation to pay wages weekly, or monthly?**

Wages may be paid by unit of time (month, fortnight, week, day or hour); by unit of work (piece, task or piecework) and by commissions on sales or collections on behalf of the employer.

Wages shall be paid at regular intervals, in accordance with the following rules:

**a)** Wages shall be paid weekly, by fortnight or by month, exceptionally, in accordance with the nature of the work when the worker does not work daily, wages may be paid at the end of each day, by week or fortnightly, in no case shall the daily remuneration of day labor work be less than the sum resulting from dividing the monthly minimum wage by twenty-six days.

**b)** In the case of work by piece, measure or unit of work, every fifteen days, for the work completed during said period.

*Information link:* Labor Code – Arts. 230 y 232: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Are employers obliged to provide employees with paid leave on public holidays?**

The employer is obliged to provide a rest to its workers on the holidays established by law.

*Information link:* Labor Code – Art. 218: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Are employers obliged to provide employees with annual leave?**

Every worker is entitled to a paid vacation period after each year of continuous service to the same employer, with a minimum duration as follows:

- For workers with up to five years of seniority, twelve consecutive days.
- For workers with more than five years and up to ten years of seniority, eighteen consecutive days.
- For workers with more than ten years of seniority, thirty consecutive days.

These vacations are paid by the employer.

In jobs where work is not performed regularly throughout the year, the condition of continuity in service is considered fulfilled when the individual has worked for a minimum of one hundred and eighty days in the year. In piecework contracts, when the worker has earned a minimum of one hundred and eighty salaries, they will receive proportional vacation pay based on the time worked.

*Information link:* Labor Code – Arts. 218 y 219: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Are employees entitled to receive their usual salary during their annual leave?**





In order to calculate the amount that the employee must receive for his vacation, the minimum legal salary in force at the time of vacation, or the salary then received by the employee, if it is higher than the minimum legal salary, will be taken into account. The salary must be paid in advance at the beginning of the vacation.

*Information link:* Labor Code – Art. 220: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Is there a requirement to pay overtime? How is overtime compensated?**

Overtime work shall be paid at least 50% (fifty percent) over the salary agreed for the ordinary working day.

Night work shall be paid at 30% (thirty percent) over the ordinary salary fixed for day work.

Night overtime shall be paid with a surcharge of 100% (one hundred percent) over the ordinary night hourly wage.

Hours worked on holidays shall be paid at a surcharge of 100% (one hundred percent) over the regular working day hourly wage.

*Information link:* Labor Code – Art. 234: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Are there any extraordinary circumstances that could be relied on to temporarily cease paying employees for the hours worked?**

There is no provision that allows the employer in special or certain circumstances not to pay workers for hours worked.

### **Are employees entitled to an end-of-year payment?**

A complementary annual remuneration or Christmas bonus is hereby established, equivalent to one twelfth of the remunerations accrued during the calendar year in favor of the employee in any concept (salary, overtime, commissions, or others), which will be paid before December 31, or at the time of termination of the labor relationship if this occurs before that time of the year.

*Information link:* Labor Code – Art. 243: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

### **Are employees entitled to payments when their employment contract is terminated, such as notice or notice pay, accrued or untaken holiday and/or statutory severance?**

- **Salary:** The employer must pay the employee the proportional salary for the days worked in the last month.
- **Notice:** The employer who has not given notice or has given it without complying with the legal requirements, is obliged to pay the employee an amount equivalent to his salary during the term of the notice. In the event that the worker omits such requirement, he





shall pay his employer an amount equivalent to half of the salary corresponding to the term of the notice.

- **Vacations:** When the employment contract terminates without having made use of the vacation already caused, this right will be compensated in money, based on the current salary, and the amount will be double when the compensation must be paid due to dismissal occurred after the period of enjoyment. If the contract terminates before the end of the year, due to a cause attributable to the employer, the employee will have the right to be paid the proportional part for vacations, in relation to the time worked.
- **Christmas bonus:** When an employee leaves the service of an employer, either of his own free will or because he has been dismissed, he will receive, in addition to the corresponding indemnities, the proportional part of the Christmas bonus accrued up to the moment of leaving the service.
- **Severance pay:** In the event of dismissal without just cause by the employer, whether prior notice has been given, the employer shall pay the employee an indemnity equivalent to fifteen daily wages for each year of service or fraction of six months.

Information link: Labor Code – Arts. 90, 91, 221 y 244: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

TERMINATION PAYMENTS							
TERMINATION OF EMPLOYMENT	LABOR CONCEPTS						
	Wage	Statutory Severance	Notice	Unused Holidays	Proportional Holidays	Gratification	End of year payment (13 <sup>th</sup> wage)
<b>Wrongful Termination</b>	X	X	X	It must be paid if the employee took his or her vacation and on the date of dismissal, he or she has not yet taken it.	X		X
<b>Justified</b>	X			It must be paid if the employee took his or			X





<b>Dismissal</b>				her vacation and on the date of dismissal, he or she has not yet taken it.			
<b>Voluntary Resignation</b>	X		The employer has the right to deduct an amount equivalent to half of the salary corresponding to the end of the notice period	The worker is entitled to receive the amount corresponding to his vacation if on the date of resignation, he has not yet taken it.			X
<b>Resignation for Just Cause</b>		X X	X		X		X
<b>Mutual Agreement</b>	X			Vacation pay is due if the employee did not take them at the time of termination of the relationship.		On some occasions, the employer voluntarily agrees on an amount with the worker.	X

**Working hours**







**What is considered a full time working week? If the employee is contractually required to work less than this amount are they considered a part time employee?**

**Full- time workers:**

The ordinary effective working day may not exceed, except in special cases provided for in this Code, eight hours per day or forty-eight hours per week, when the work is daytime, nor seven hours per day or forty-two hours in the week, when the work is night work.

Day work is work performed between six o'clock and twenty hours, and night work is work performed between twenty and six hours.

The mixed working day is the one that covers periods of time comprised between day and night work. Its maximum duration shall be seven and a half hours or forty-five hours in the week. It shall be paid according to its duration within the respective day and night period.

The maximum daytime workday, for those over fifteen years of age and under eighteen years of age, shall be six hours a day or thirty-six hours a week.

When the work must be performed in unhealthy places or by its nature endangers the health or life of the workers or in arduous conditions, in continuous or rotating shifts, its duration shall not exceed six hours a day or thirty-six hours a week, and they shall receive wages corresponding to a normal eight-hour workday.

During each workday, the working hours must be distributed in at least two sections with an intermediate rest that is rationally adapted to the nature of the work and the needs of the workers, which shall not be less than half an hour.

The time of this rest is not computed in the working day.

**Part- time workers**

The employment contract shall be understood to be concluded on a part-time basis when a subordinate provision of work activity of a duration of between 16 (sixteen) to 32 (thirty-two) hours per week has been agreed upon. The part-time employment contract must be formalized in writing. Any type of employment contract entered into between the worker and the employer that exceeds the 32 (thirty-two) weekly hours established in this Law shall be considered as a full-time employment relationship.

Within the weekly schedule limit mentioned in the preceding article, working hours may be distributed by determining a certain number of hours per day, days per week or weeks per month.

In exceptional cases, if the total maximum working hours established in the preceding article are exceeded, the employer shall pay for the overtime hours worked. The total weekly overtime may not exceed 10% (ten percent) of the total weekly hours established in the contract.

In the event that the daily working day is longer than 5 (five) hours, the working day shall be divided into two sections with an intermediate break that is rationally adapted to the nature of the work and the needs of the workers, which shall not be less than half an hour. The rest time shall not be computed in the working day.

*Information link:* Labor Code – Arts- 194, 195, 196, 197, 198 y 200

<https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>





Part-time work Law N° 6639/2019, Arts. 3 y 4: <https://www.bacn.gov.py/leyes-paraguayas/8905/ley-n-6339-que-regula-el-empleo-a-tiempo-parcial>

**Are there fixed public/statutory holidays each year? Can employees be required to work on public/statutory holidays? Are employees entitled to any other type of leave besides public/statutory holidays?**

There are days established by law as public holidays that apply throughout the Paraguayan territory, which are decreed by law.

The employer is obliged to provide a rest to its workers on the holidays established by Law, in case the worker must attend a workday on a holiday, the employer must pay a surcharge of 100% of the daily wage of the same.

Likewise, the Labor Code establishes leave days that the employer is obliged to grant to its employees for the birth of children, death of spouse and relatives up to the second of affinity and fourth of consanguinity, medical examinations of women, among others.

Information link: Law N° 8 "BY WHICH THE HOLIDAYS OF THE REPUBLIC ARE DETERMINED"  
<https://www.bacn.gov.py/leyes-paraguayas/2358/por-la-cual-se-determinan-los-feriados-de-la-republica>

<https://www.mre.gov.py/congralpar-buenos-aires/index.php/el-paraguay/feriados-oficiales-en-paraguay>

Labor Code – Art. 218: <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

**Do part time employees receive any particular protection on the basis of their part-time status?**

Part-time workers do not receive any special treatment because of their type of work; they have the same rights and obligations as full-time workers.

**Do part-time employees receive the same pro-rated terms to full time employees, e.g. in relation to pay and benefits?**

Workers are paid in proportion to the hours worked, always taking into account the legal minimum wage in force in Paraguay.

**Social security**

**What social security contributions are employers obliged to pay? Presumably, pro-rated contributions are required for part time employees?**





In accordance with the National Constitution of the Republic of Paraguay, social security is a compulsory and comprehensive system for dependent workers and their families<sup>1</sup>.

Employers are obliged to notify the Social Security Institute of the income of workers who provide a service or carry out a work by virtue of an oral or written employment contract, regardless of the type of contract and the amount of remuneration they receive<sup>2</sup>.

Workers who are under the part-time modality are subject to the compulsory social security of the Social Security Institute, therefore, taking into account the type of work and considering that they may have more than one job, they must be registered for each employment relationship they perform.

Contributions to the Social Security Institute of the General Regime are 25.5%, which are divided between the parties to the employment relationship according to the following scheme<sup>3</sup>:

- **Worker** – 9%
- **Employer** – 16.5%. It is divided as follows:
  - 14% - Health and Retirement Contribution
  - 2.5% - Employer Social Responsibility

#### **Are employers obliged to provide health insurance to their employees?**

Employers are required by law to provide health insurance to their workers. They are covered by the Social Security Institute, which means that their social insurance covers the risks of non-occupational diseases, maternity, accidents at work, occupational diseases and disability<sup>4</sup>.

#### **Are employees entitled to unemployment insurance/benefits following the end of employment?**

The current labor legislation does not make any reference to the compulsory nature of insurance in the event of the termination of the employment relationship. With regard to benefits, in the event that the employment relationship has been terminated due to unjustified dismissal, the worker and his or her family members will continue to be entitled to the benefits provided by the Social

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<sup>1</sup>National Constitution of the Republic of Paraguay. Art. 95. June 20, 1992. <https://www.bacn.gov.py/leyes-paraguayas/9580/constitucion-nacional->

<sup>2</sup> LAW Number 98 "ESTABLISHING THE UNIFIED RETIREMENT AND PENSION SYSTEM AND AMENDING THE PROVISIONS OF THE DECREE-LAW Number 1860/50, APPROVED BY THE ACT Number 375/56 AND SUPPLEMENTARY LAWS NOS. 537 OF 20 SEPTEMBER 1958, 430 OF 28 DECEMBER 1973 AND 1286 OF 4 DECEMBER 1987". Art. 2. <https://www.bacn.gov.py/leyes-paraguayas/4394/ley-n-98-establece-el-regimen-unificado-de-jubilaciones-y-pensiones-y-modifica-las-disposiciones-del-decreto-ley-n-186050-aprobado-por-la-ley-n-37556-y-las-leyes-complementarias-nos-537-del-20-de-setiembre-de-1958-430-de-fecha-28-de-diciembre-de-1973-y-1286-de-fecha-4-de-diciembre-de-1987#:~:text=DICIEMBRE%20DE%201987-,Ley%20N%C2%BA%2098%20%2F%20ESTABLECE%20EL%20REGIME N%20UNIFICADO%20DE%20JUBILACIONES%20Y,4%20DE%20DICIEMBRE%20DE%201987>

<sup>3</sup> <https://portal.ips.gov.py/sistemas/ipsportal/archivos/archivos/1516730167.pdf>

<sup>4</sup> Law Number 375 / "APPROVES THE DECREE-LAW Number 1.860 OF 1 DECEMBER 1950, AMENDING THE DECREE-LAW Number 17.071 DATED FEBRUARY 18, 1943, CREATING THE SOCIAL SECURITY INSTITUTE." Art. 1. [https://oig.cepal.org/sites/default/files/1950\\_ley1860\\_pry.pdf](https://oig.cepal.org/sites/default/files/1950_ley1860_pry.pdf)





Security Institute from their departure until the end of two months, but, in order for this benefit to be granted, the employer must be up to date with the payment of their contributions. In the event that the employee has voluntarily resigned or has been dismissed for justified cause, social security coverage automatically ends from the moment of the notification of departure<sup>5</sup>.

**Are employers obliged to provide sick leave? If yes, for how long? How many days have to be paid by employers? Is it possible to have unpaid sick leave?**

It is the obligation of employers to grant workers sick leave, therefore, in order to prove this condition, workers must necessarily present the corresponding medical certificate of rest that proves their absence for health reasons. During medical leave, the Social Security Institute is the institution responsible for paying the corresponding subsidy, which is equivalent to 50% of the average salary of the last 4 (four months) prior to the onset of the disability. In order to be paid, the worker must have worked at least 36 (thirty-six) days, and that the employer is up to date with their contributions<sup>6</sup>.

The legislation in force provides that the cash benefit shall be granted to insured persons from the day following the day of the disability and shall last for as long as the disability subsists<sup>7</sup>. Therefore, if the worker had 1 (one) day of rest, the Social Security Institute does not cover this subsidy, so it is at the discretion of the employer to pay for said medical leave.

In order for workers to be able to access the subsidy granted by the Social Security Institute (IPS), they must consult the IPS health network, and the rest must be issued by said institution, in the event that the worker obtains his medical rest through an external health network of the IPS, necessarily the rest certificate must be duly legalized by the Ministry of Public Health and Social Welfare. The rest must then be communicated to the IPS.

**Are employers obliged to provide maternity leave for employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid maternity leave?**

Employers are obliged to grant the worker the corresponding Maternity Leave in full. This permit is granted in accordance with the following deadlines<sup>8</sup>:

PERMIT PERIOD	REMARKS
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<sup>5</sup> Law Number 1085 "MODIFIES AND EXPANDS PROVISIONS OF DECREE-LAW NO. 1,860 APPROVED BY LAW Number 375 OF AUGUST 26, 1957". Art. 1. <https://www.bacn.gov.py/leyes-paraguayas/4393/ley-n-1085-modifica-y-amplia-disposiciones-del-decreto-ley-n-1860-aprobado-por-ley-n-375-del-26-de-agosto-de-1957>

<sup>6</sup> Law Number 375 / "APPROVES THE DECREE-LAW Number 1.860 OF 1 DECEMBER 1950, AMENDING THE DECREE-LAW Number 17.071 DATED FEBRUARY 18, 1943, CREATING THE SOCIAL SECURITY INSTITUTE." Art. 32. [https://oig.cepal.org/sites/default/files/1950\\_ley1860\\_pry.pdf](https://oig.cepal.org/sites/default/files/1950_ley1860_pry.pdf)

<sup>7</sup> IBIDEM. Art. 30

<sup>8</sup> LAW N° 5508 "PROMOTION, MATERNITY PROTECTION AND SUPPORT FOR BREASTFEEDING". Art. 11. <https://www.bacn.gov.py/leyes-paraguayas/4428/promocion-proteccion-de-la-maternidad-y-apoyo-a-la-lactancia-materna>





<p><b>18 (eighteen) uninterrupted weeks</b></p>	<p>The prescribed time limit is considered to be the rule in the legislation.</p> <p>The worker, in the best interests of the child, may take leave 2 (two) weeks before the birth.</p>
<p><b>24 (twenty-four) uninterrupted weeks</b></p>	<p>When the birth occurs before the beginning of the 35th week of gestation or if the child will need special care.</p>
<p><b>18 (eighteen) weeks plus 1 (one) month uninterrupted</b></p>	<p>Multiple pregnancies will increase by 1 month for each child from the second child onwards.</p>
<p><b>The duration of the permit will be the one with the longest extension.</b></p>	<p>If the following conditions occur simultaneously:</p> <ul style="list-style-type: none"> <li>- The mother gives birth before the beginning of the 35th week.</li> <li>- The child will need special care.</li> <li>- Multiple pregnancies</li> </ul>

The legislation grants workers Adoption Leave, in the event that she has obtained the adoption of the child by a court ruling and also recognizes such leave to the mother of the foster family, declared by a court decision, in both cases workers may access maternity leave for 18 (eighteen) weeks when the adopted child or foster child is under 6 (six) months and 12 (twelve) weeks when it is older than 6 (six) months<sup>9</sup>.

During the maternity leave, the worker must receive the Maternity Allowance, which is paid for by the Social Security Institute (IPS), which is equivalent to 100% of the worker's remuneration at the time of childbirth. In the event that the worker is not registered with the IPS or the employer is in arrears in relation to the fulfillment of its obligations as a contributor to the IPS, the IPS must assume the payment of 100% of the amount corresponding to the aforementioned subsidy<sup>10</sup>.

**Is paternity leave available to employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid paternity leave?**

Paternity Leave is contemplated in the legal system and establishes that it must be granted to the worker for a period of 2 (two) weeks after childbirth. Such leave is granted with pay at the

<sup>9</sup> IBIDEM. Art. 13 inc. a)

<sup>10</sup> IBIDEM. Art. 12.





employer's expense. Another important aspect to highlight is that, during the aforementioned leave, the father must carry out the pertinent procedures before the public institutions to obtain the minor's identity documents<sup>11</sup>.

### **Are employers liable for absence due to work-place injuries?**

Provided that employers have duly registered workers with the Social Security Institute (IPS), it is this institution that is responsible for covering accidents at work from the first day of the start of the employment relationship.

According to the IPS Charter, an accident at work is "*any organic injury that the worker suffers on the occasion of or as a result of the work he performs for his employer and during the time he performs it or should perform it. Such injury must be produced by the sudden and violent action of an external cause.*"<sup>12</sup>. Taking into account the above, an accident at work can occur in the following ways:

- In the development of work activities in a place established by the company.
- On the way in and/or out of work on public roads.

In the event of accidents at work, the IPS will grant the worker the following benefits: <sup>13</sup>

- Medical care – surgical, dental, pharmaceutical and hospitalization.
- Provision of prosthetic appliances.
- Cash subsidy, in the event that the worker will be disabled for more than 3 (three) days, in which case the subsidy will begin from the first day of disability and up to a period of 52 (fifty-two) weeks. The amount of the subsidy is 75% of the average for the last four months of salary or based on the taxable salary at the time of the accident if the worker's seniority is less than four months.
- Pension with a monthly payment due in the event of total or partial permanent disability. The pension will be paid from the moment the IPS declares permanent disability.

The employer has the obligation to notify the IPS within 8 (eight) days of the accident at work for the purposes of insurance coverage.

In the event that the worker is not registered as such with the IPS, the employer must cover all expenses incurred as a result of the work-related accident.

### **Are employees entitled to retirement benefits from the employer? If yes, what benefits?**

Workers who are registered with the Social Security Institute have the right to access retirement benefits.

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<sup>11</sup> IBIDEM. Art. 13 inc. b)

<sup>12</sup> Law Number 375 / "APPROVES THE DECREE-LAW Number 1.860 OF 1 DECEMBER 1950, AMENDING THE DECREE-LAW Number 17.071 DATED FEBRUARY 18, 1943, CREATING THE SOCIAL SECURITY INSTITUTE."Art.40 inc. b) [https://oig.cepal.org/sites/default/files/1950\\_ley1860\\_pry.pdf](https://oig.cepal.org/sites/default/files/1950_ley1860_pry.pdf)

<sup>13</sup> IBID. Art. 41





RETIREMENT CLASSES	CONDITIONS			REGULATORY BASIS	SUBSTITUTE RATE
	AGE	CONTRIBUTIONS	TERMINATION OF THE EMPLOYMENT RELATIONSHIP		
<b>Ordinary Retirement</b> <sup>14</sup>	60	25 years	Yes	Average of the 36 months of salary prior to the last contribution.	100%
<b>Ordinary Early Retirement</b>	55	30 years	Yes	Average of the 36 months of salary prior to the last contribution.	80%. This percentage will increase by 4% for each year of age over age 55 until age 59.
<b>Proportional Retirement</b> <sup>15</sup>	65	15 years	Yes	Average of the 36	60%. The percentage

<sup>14</sup> Law Number 98 "ESTABLISHING THE UNIFIED RETIREMENT AND PENSION SYSTEM AND AMENDING THE PROVISIONS OF THE DECREE-LAW Number 1860/50, APPROVED BY THE ACT Number 375/56 AND SUPPLEMENTARY LAWS NOS. 537 OF 20 SEPTEMBER 1958, 430 OF 28 DECEMBER 1973 AND 1286 OF 4 DECEMBER 1987". Art. 60. <https://www.bacn.gov.py/leyes-paraguayas/4394/ley-n-98-establece-el-regimen-unificado-de-jubilaciones-y-pensiones-y-modifica-las-disposiciones-del-decreto-ley-n-186050-aprobado-por-la-ley-n-37556-y-las-leyes-complementarias-nos-537-del-20-de-setiembre-de-1958-430-de-fecha-28-de-diciembre-de-1973-y-1286-de-fecha-4-de-diciembre-de-1987#:~:text=DICIEMBRE%20DE%201987-,Ley%20N%C2%BA%2098%20%2F%20ESTABLECE%20EL%20REGIMEN%20UNIFICADO%20DE%20JUBILACIONES%20Y,4%20DE%20DICIEMBRE%20DE%201987>

<sup>15</sup> Law Number 4290/11. Art. 4. <https://www.bacn.gov.py/leyes-paraguayas/3670/ley-n-4290-establece-el-derecho-a-solicitar-reconocimiento-de-servicios-anteriores-en-el-instituto-de-prevision-social-y-modifica-parcialmente-el-articulo-59-del-decreto-ley-n-186050-aprobado-por-ley-n-375-del-27-de>



				months of salary prior to the last contribution.	increases by 4% for each year of contributions that exceeds the minimum 15 years of required contributions.
<b>Disability Retirement due to Common Illness<sup>16</sup></b>	Less than 55 and up to 65	-150 weeks of contributions and under 55 years of age at the time of disability.  -150 to 250 weeks of installments and under 60 years of age.  -250 to 400 weeks	Opinion of the Medical Board of the Social Security Institute	Average of the 36 months of salary prior to the disability.	50%  The percentage will increase by 1.5% of the quoted amount, for each year that exceeds the minimum 3 years required.

[agosto-de-1956-modificado-por-el-articulo-2-de-la-ley-n-98-del-31-de-diciembre-de-1992-y-aclara-el-alcance-de-la-ley-n-3404-del-7-de-diciembre-del-2007-de-continuidad-en-el-beneficio](#)  
<sup>16</sup> Law Number 98 "ESTABLISHING THE UNIFIED RETIREMENT AND PENSION SYSTEM AND AMENDING THE PROVISIONS OF THE DECREE-LAW Number 1860/50, APPROVED BY THE ACT Number 375/56 AND SUPPLEMENTARY LAWS NOS. 537 OF 20 SEPTEMBER 1958, 430 OF 28 DECEMBER 1973 AND 1286 OF 4 DECEMBER 1987". Art. 61. <https://www.bacn.gov.py/leyes-paraguayas/4394/ley-n-98-establece-el-regimen-unificado-de-jubilaciones-y-pensiones-y-modifica-las-disposiciones-del-decreto-ley-n-186050-aprobado-por-la-ley-n-37556-y-las-leyes-complementarias-nos-537-del-20-de-setiembre-de-1958-430-de-fecha-28-de-diciembre-de-1973-y-1286-de-fecha-4-de-diciembre-de-1987#:~:text=DICIEMBRE%20DE%201987-,Ley%20N%C2%BA%2098%20%2F%20ESTABLECE%20EL%20REGIMEN%20UNIFICADO%20DE%20JUBILACIONES%20Y,4%20DE%20DICIEMBRE%20DE%201987>







		of dues and under 65 years of age.		
<b>Retirement due to Disability due to Work<sup>17</sup></b>	<ul style="list-style-type: none"> <li>- The worker must be registered with the IPS.</li> <li>- Medical Board Opinion</li> </ul>		Average of the 36 months of salary prior to the accident.	<p>30% start.</p> <p>The percentage will increase according to the IPS assessment table.</p>

If the worker leaves with	The percentage (%) of your retirement income will be equal to
<b>55 years of age and 30 years or more contributions</b>	80 %
<b>56 years of age and 30 years or more of contributions</b>	84 %
<b>57 years of age and 30 years or more of contributions</b>	88 %
<b>58 years of age and 30 years or more of contributions</b>	92 %
<b>59 years of age and 30 years or more of contributions</b>	96 %
<b>60 years of age and 25 years or more of contributions</b>	100 %

Retirements and pensions - IPS Insured Person's Handbook:  
<https://portal.ips.gov.py/sistemas/ipsportal/archivos/archivos/1516980829.pdf>

<sup>17</sup> IBIDEM. Art. 61





### **Are employers obliged to introduce reporting channels and legal safeguards for whistleblowers?**

Employers have the power to establish such administrative rules as they deem relevant to the proper functioning of the enterprise. With this in mind, employers can establish mechanisms for making complaints.

According to labor legislation, the Internal Work Regulations<sup>18</sup> must contain provisions on the Prevention of Workplace Violence, Mobbing and/or Harassment in the workplace, and must also describe the procedures for complaints and sanctions<sup>19</sup>.

## **3 Safe and supportive work environment**

### **Broadly what measures have to be in place to ensure employers uphold health and safety? (such as fire or earthquake drills)**

Employers' obligations in terms of health and safety are clearly defined in the legislation in force.

As a first step, employers have the obligation to develop occupational risk prevention policies in terms of safety, hygiene and health, the objective of which is to avoid damage or alterations to the physical, functional or psychological integrity of workers. In order to achieve compliance with the policies, employers shall adopt all necessary and precise measures for the correct implementation. All expenses incurred for the development of the same will be borne by the employers.<sup>20</sup> Employers, in the fulfillment of their duties, must provide workers with training courses on fire prevention and first aid, and establishments must have the appropriate and necessary tools to put into practice the skills acquired in the courses.

### **Is there a requirement for an employer to issue any form of non-discrimination policies? (such as gender equality policies, equal employment opportunities, diversity, and inclusion policies, etc.)**

The labor legislation does not expressly provide that workers must implement non-discrimination policies, however, the laws in force establish that discrimination against workers on the basis of race, sex, color, physical disability, religion, political opinion or social status may not be established.

Employers generally implement equal opportunity and non-discrimination policies through Codes of Ethics.

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<sup>18</sup> MTESS Resolution N° 1342/2020

[https://www.mtess.gov.py/application/files/3416/0381/1609/mtess\\_resolucion\\_1342-2020.pdf](https://www.mtess.gov.py/application/files/3416/0381/1609/mtess_resolucion_1342-2020.pdf)

<sup>19</sup> MTESS Resolution N° 388/2019.

[https://www.mtess.gov.py/application/files/7415/5972/9127/res\\_mtess\\_388-19.pdf](https://www.mtess.gov.py/application/files/7415/5972/9127/res_mtess_388-19.pdf)

<sup>20</sup> Law 213/1993. Articles 273 and 274. <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>





### **Is there a requirement to provide employees with training designed to combat discrimination and harassment?**

It is the duty of employers to show due consideration to workers, respecting their dignity and to refrain from mistreating them in words or, in fact, they also have the right to enjoy a dignified existence and fair conditions in the development of their activities<sup>21</sup>.

According to labor legislation, any company that has more than 10 (ten) workers must have Internal Labor Regulations, in which it must explicitly state the internal procedures to prevent all forms of workplace violence, in addition to establishing measures to prevent and control situations that generate violent conflicts in the workplace. It must also train workers to prevent violence in all its forms<sup>22</sup>.

### **Is there a requirement to have a data protection policy?**

There is no explicit obligation on the preparation and implementation of Data Protection Policies, however, in the event that companies request information about their personal data from workers, the employer has the obligation to inform them clearly and expressly of the purpose that will be given to the requested data. In order to obtain the express consent of the employee on the use of their data<sup>23</sup>.

In accordance with the principle of responsibility, companies implement policies in accordance with the laws in force on the matter, with the aim of safeguarding and protecting the personal data of employees, as well as the security of the company's commercial and financial data.

### **Is it mandatory for employers to have a Child Protection Policy (CPP)? Are employees obliged to provide training on CPP to its employees?**

The principle of the best interests of the child <sup>24</sup> is widely enshrined in our national legislation, and therefore all measures adopted must be based on that principle in order to ensure the full development and full exercise of the rights and guarantees of the child. Based on this, companies must take the necessary protection measures for child labor and respect for the rights and guarantees that they also enjoy as workers.

The legislation in force does not expressly establish the obligation of employers to train workers on the forms of protection against child labour, however, if the company has underage workers, the employer, within its regulatory power, must establish precise rules on their rights and ensure the conditions of minors in accordance with the laws governing the matter.

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<sup>21</sup> IBIDEM Arts. 62 y 67. . <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

<sup>22</sup> MTESS Resolution N° 388/2019.

[https://www.mtess.gov.py/application/files/7415/5972/9127/res\\_mtess\\_388-19.pdf](https://www.mtess.gov.py/application/files/7415/5972/9127/res_mtess_388-19.pdf)

<sup>23</sup> Law N° 6534 "PROTECTION OF PERSONAL CREDIT DATA" Art. 6. <https://www.bacn.gov.py/leyes-paraguayas/9417/ley-n-6534-de-proteccion-de-datos-personales-crediticios>

<sup>24</sup> Law N° 1680. Art. 3 <https://www.bacn.gov.py/leyes-paraguayas/5261/codigo-de-la-ninez-y-la-adolescencia>





At this point, we note that Paraguay has ratified several International Labour Organization Conventions on the protection of the labor rights of minors<sup>25</sup>.

## 4 Tax

**Which taxes are mandatory for employers to pay and deduct on behalf of their employees? Are all employee taxes deducted from the salary that the employer pays or is there a requirement for employees to pay certain taxes directly?**

At present, there is no obligation for employers to withhold amounts of money from workers to pay taxes related to the labor relationship. On the other hand, it should be noted that each worker must comply with the requirements stipulated in the Law regarding the payment of the IRP - Personal Income Tax.

## 5 Remote work

**Are employers required to have a registered legal entity in the jurisdiction in order to employ employees in the jurisdiction? Are employers required to provide any form of physical working space for employees working in your country? Please provide general instructions for employers on what to check if the employer has remote employees, including concerning employee tax liabilities.**

Are subjects of the law of teleworking workers in the public and private sector; especially those belonging to groups in vulnerable situations.

Teleworking is a voluntary, flexible and reversible modality for both the teleworker and the employer that may be agreed from the beginning of the employment relationship or subsequently; shall be governed by the agreement between the parties and the other provisions in force governing the matter.

It is a special modality of work in relation of dependence, which consists of performing an activity, elaborate a product or provide a service at a distance, without requiring the physical presence of the worker, through the use of Information and Communication Technologies (ICT), carried out in the worker's home or in an establishment other than the employer's workplace, under a system of control and supervision of their work through the use of technological means.

The telework can according to the mode of performance of activities or work performed remotely may be in whole or in part, as well as permanently or temporarily, and taking into account the connection with the employer may be Online (online), Offline (offline) or mixed.

No special records are needed by the worker to be able to sign contracts as teleworker.

It should be noted that the teleworker has the same rights and obligations as the on-site workers.

*Information link:* Law N° 6738 <https://www.bacn.gov.py/leyes-paraguayas/9582/ley-n-6738-establece-la-modalidad-del-teletrabajo-en-relacion-de-dependencia>

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<sup>25</sup><https://www.mtess.gov.py/institucion/convenios/lista-de-convenios-ratificados-por-paraguay-ante-la-oit>





## 6 What to do when things go wrong

### Dispute resolution

#### **Do employees (including volunteers) need to go through any form of dispute resolution before bringing a claim to a court or tribunal?**

Workers may appeal to the Ministry of Labour, Employment and Social Security and file a complaint against the employer, succinctly explaining the facts in question, with the aim of requesting alternative dispute resolution, through the Department of Mediation in Individual Disputes<sup>26</sup>. In the event of a complaint by the worker, the Ministry of Labour notifies the employer of the date of the Mediation Hearing for the purpose of appearing. In this hearing, the Mediator impartially manages to establish a communication and negotiation table between the parties for the resolution of the problem raised. The agreement reached by the parties in this administrative instance is not binding.

Therefore, the worker, in accordance with his or her free will, may decide to appeal to the Ministry of Labour or directly to the Court and initiate the corresponding legal proceedings.

### Resignation

#### **What grounds do employees have for resignation?**

Article 84 of the Labour Code <sup>27</sup> exhaustively describes the justified grounds for termination of the contract at the employer's unilateral will. The Law also mentions that the worker will be entitled to the payment of the corresponding compensation and payment for the omission of notice, and other labor concepts, in the event that the resignation is made in a justified manner.

If the worker submits his Voluntary Resignation unjustifiably causing damage to the employer, he will have a pecuniary liability to the employer which will not exceed half of the compensation mentioned in the previous paragraph. Likewise, the worker must give the corresponding notice to the employer in accordance with the deadlines set forth in Article 87<sup>28</sup>. In the event of failure to give notice, the employer shall have the right to deduct the amount equivalent to half of the worker's salary at the end of the notice<sup>29</sup>.

### Termination

#### **What grounds do employers have for the termination of employment contracts?**

Article 81 of the labor legislation<sup>30</sup> sets out the justified causes for termination of the employment contract at the employer's unilateral will, under these conditions there is no obligation on the employer to give notice or compensate the worker. In the event that the cause alleged by the

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<sup>26</sup> <https://denuncias.mtess.gov.py/>

<sup>27</sup> Law N° 213/1993, Art. 84. <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

<sup>28</sup> IBIDEM. Art. 87

<sup>29</sup> IBIDEM. Art. 90

<sup>30</sup> IBIDEM. Art. 81





employer is not judicially proven, the worker will be entitled to compensation and other labor benefits provided for by law.

### **How do employers have to document the termination of an employment contract?**

Employers document the termination of the employment relationship as follows:

- Notice of unjustified or justified dismissal. In this note, the notice corresponding to seniority can also be recorded.
- Settlement of salaries according to the reason for the employee's departure. Such a document must be signed by the worker and serves as a sufficient pay stub.
- Labor Certificate.

### **What is the responsibility of employers for damages incurred by an employee's actions within his/her work?**

The Employer is not liable in the event that the employee has incurred in any improper action or omission in the performance of his/her duties. If the worker has damaged, lost or broken the work tools provided by the company, the employer has the power to deduct up to 30% from the worker's salary to cover the expenses incurred by the employer due to the worker's conduct.<sup>31</sup> If the employer loses, misplaces, or destroys the worker's tools, it has the obligation to compensate the worker.

In the event that the worker is civilly or criminally liable for his or her conduct, he or she must respond personally to such circumstances since they are personal responsibilities.

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<sup>31</sup> IBIDEM. Art. 242





## b. Independent contractors/consultants\*

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*The Civil Code does not describe a concept of Service Providers, however, it can be understood according to the following description "We define the Service Contract as one by which one party, the service provider, acting independently, undertakes in favor of the other party to provide a service through the payment of a remuneration"<sup>32</sup>.*

*\* The term consultant will be used to also refer to independent contractors, or any other term that would mean a person that provides goods or services under a written contract or a verbal agreement but does not work to meet the definition of employee.*

### 1 Contracts

#### **What types of independent contractor/consultant agreements are available? Are there any specific agreements available to NGOs?**

In accordance with our legislation and considering that these people carry out their professional activities independently, the contract that is framed for this type of activity is the Provision of Services.<sup>33</sup>

There is no express provision for a specific contract for persons providing services to NGOs.

#### **What are the main elements of consultant agreements?**

The main clauses that contracts must contain are the following:

- Details of the contracting parties.
- Scope of services to be provided.

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<sup>32</sup> LORENZETTI, Ricardo Luis, Treatise on Contracts, t. II, p. 600 y 601, Rubinzal – Culzoni Editores, Santa Fe, 2000.

<sup>33</sup> Paraguayan Civil Code. Art. 845.

<https://www.csj.gov.py/cache/lederes/EDICI%C3%93N%20OFICIAL%20C%C3%B3digo%20Civil%20Paraguay.pdf>





- Contractual relationship between the parties.
- Remuneration.
- Obligation of the parties.
- Duration of the contract.
- Conflict Resolution.
- Confidentiality.
- Intellectual Property.

**Is it possible to have probation periods for independent contractors/consultants? If yes, for how long?**

The Service Provider or Consultant is not a worker in a dependent relationship, therefore, no probationary period is established for the exercise of these services since this is an element of the employment relationship.

**Is it possible to have a fixed term consultation/independent contractor agreement? Are there any restrictions around fixed term consultant/independent contractor agreements?**

The Civil Code regulates fixed-term contracts and mentions that they will expire within the period described in the contract or in the event of the fulfillment of the purpose for which the service was contracted<sup>34</sup>.

In the case of contracts for an indefinite period, it cannot be agreed for a term longer than five (5) years, but the renewal of the contract is allowed by mutual agreement, in addition, either party may terminate the contract with a prior notice to the other party of at least thirty (30) days.

**Do independent contractor/consultant agreements have to be in writing? Are there any signatory requirements? For example, could they be signed in-person or electronically, etc.)?**

In principle, the contract for the provision of services is non-formal, however, if the fees of the professionals are set for an amount greater than ten minimum wages, the contract must be made in writing<sup>35</sup>. The law does not expressly mention the way in which this type of contract must be signed.

**Do all types of independent contractors/consultants have to be under contract in order to be able to work?**

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<sup>34</sup> IBIDEM. Art. 850

<sup>35</sup> IBIDEM. Art. 706







The legislation in force makes no distinction in this regard. However, in these contracts, onerous consideration is presumed, since this is an essential element of the service contract, so that, regardless of the existence of a written or oral contract, payment must be made for the service provided.

**Can you provide a simple template of the agreements mentioned above? Is there an obligation to run a criminal record check to the extent that any independent contractor will be working with children or vulnerable people?**

There are currently no specific regulations that provide for the review of the judicial and police records of service providers or consultants, regardless of the activity they are going to carry out.

As for attaching a proforma of a Contract for the Provision of Services, we consider it pertinent to mention that this type of contract is non-solemn and is therefore subject to the will of the parties.

## 2 Conditions of work for consultants

**Are there any minimum age requirements for an individual to work under a consultant/independent contractor agreement?**

As a general rule, natural persons have de facto capacity at the age of 18 and so can emancipated persons, so they can enter into a service contract both as a contractor or as a contractor. In the case of adolescents (14 to 17 years old) they need authorization from their parents or guardians to sign a contract.

**Does a consultant/independent contractor need to obtain a license or any other permission in order to work?**

Service Providers who provide any type of service in Paraguayan territory must be registered in the Registry of Service Providers, for which purpose they must complete the forms provided by law, likewise, they are obliged to update the corresponding data<sup>36</sup>.

*The next questions refer to conditions that reflect an employment relationship which is governed by the Labour Code and other laws in force on the subject. Therefore, considering that service providers and consultants are governed by the Civil Code, none of the questions set out above applies to this legal relationship, however, if the contract for the provision of services was entered into with the intention of breaching the labor provisions and the services are developed in accordance with elements of an employment relationship, They will have all the rights of workers.*

### Payment

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<sup>36</sup> Decree N°. 6866 dated 05 July 2001 "CREATING THE REGISTRY OF SERVICE PROVIDERS UNDER THE MINISTRY OF INDUSTRY AND TRADE".  
<https://www.mic.gov.py/mic/w/comercio/pdf/repse/Decreto%206866.pdf>





**Are there any minimum pay requirements for consultants/independent contractors?**

N/A

**Are there any exceptions in minimum wages for young persons or people with disabilities?**

N/A

**Is there any requirement to provide statutory/paid leave to consultants for statutory holidays?**

N/A

**Is there any requirement to pay annual leave to consultant/independent contractors? If so, how is this compensated, if at all?**

N/A

**Is there an obligation to provide consultant/independent contractors with overtime? How is this compensated if required?**

N/A

**Are consultants entitled to an end-of-year payment?**

N/A

**Are consultants entitled to a final payment when the contract is terminated?**

N/A

### **Working hours**

**Are consultants entitled to any type of leave, whether paid or unpaid?**

N/A

### **Social security**

**Does the end user engager need to make any social security contributions on behalf of a consultant/independent contractor? Are independent contractors entitled to health insurance from the end user engager?**





N/A

**Are independent contractors/consultants entitled to unemployment insurance/benefits after termination of their independent contractor/consultancy agreement from the end user engager?**

N/A

**Are independent contractors/consultants entitled to sick leave from the end user engager? If yes, for how long? How many days have to be paid?**

N/A

**Are independent contractors/consultants entitled to maternity leave from the end user engager? If yes, for how long? How many days/months have to be paid?**

N/A

**Are independent contractors/consultants entitled to paternity leave from the end user engager? If yes, for how long? How many days/months should be paid?**

N/A

**Are employers obliged to cover work-place injuries for independent contractors/consultants?**

N/A

**Are independent contractors/consultants entitled to retirement benefits from the end user? If yes, what benefits?**

N/A

### **3 Safe and supportive work environment**

**Are there any differences in terms of the regime that applies to employees?**

N/A





## 4 Remote work

### **Are end user engagers required to have a registered legal entity in the jurisdiction in order to hire independent contractors/consultants there?**

There is no regulation that provides for the obligation to have an entity registered in the country to provide the services in the event that they are remote.

## 5 What to do when things go wrong

### **Resignation**

#### **Do consultants/independent contractors need a reason to terminate the contract or can they terminate it for any reason in accordance with the terms of the contract?**

The Service Providers and/or Consultants may terminate the contract at least 30 (thirty) days in advance, for this, they do not need a specific reason that alludes to the fault of any of the parties on the impossibility of executing the contract, in addition, the contract can be terminated according to the agreement between the parties.

### **Termination of agreement**

#### **What grounds do end user engagers have for the termination of consultant agreements?**

The Civil Code describes the grounds for termination of the service contract, but this description is not exhaustive, therefore, there may be other causes that make it impossible to develop the contract <sup>37</sup>.

#### **What is the responsibility of the end user engagers for damages incurred by a consultant's actions within his/her work?**

The legal system does not expressly mention the liability of the contracting party in these contracts for the action or omission of the contractor, however, considering that the relationship between the parties is governed by the Civil Code, we can mention that the liability of the Provider for its conduct is personal, therefore, in case of damages, the responsibility falls on the same. Generally, the terms of the contract provide for the liability of the parties in the event of damage to third parties.

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<sup>37</sup> Paraguayan Civil Code. Art.851

<https://www.csj.gov.py/cache/lederes/EDICI%C3%93N%20OFICIAL%20C%C3%B3digo%20Civil%20Paraguay.pdf>





## c. Volunteers

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- ***VOLUNTEER:*** any natural or legal person, national, foreign or mixed, who performs a task without receiving a salary, freely chosen and that benefits society, within a volunteer organization.
- ***VOLUNTEER ORGANIZATION:*** all non-profit organizations, whether private companies, informal or officially recognized organizations, national, foreign, mixed or public institutions that incorporate volunteer tasks in their operation.
- ***VOLUNTEER SERVICE:*** is any activity carried out by individuals, associations or legal entities, for the common good, by their free choice and without profit intention, outside the framework of an employment relationship.

Information link: Law N° 6060 "REGULATES VOLUNTEERING". Art. 4:

<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

### 1 Contracts

#### Are organizations required to sign any form of agreement with volunteers?

The common basic agreement shall be in writing and prior to the commencement of the activities between the volunteer organization and the volunteer. Each of the parties shall be provided with a copy of the same wording and for one purpose only.

Information link: Law N° 6060 "REGULATES VOLUNTEERING". Art. 9:

<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

### 2 Conditions of employment

#### Is there a minimum age requirement for volunteers?

There is no minimum age specification in the Law, but it does mention the following: "In case of incorporation of minors as volunteers, whether nationals or foreigners, the basic common agreement may only be made with the signature and express consent of the parents, guardians, curators and/or legal representatives of the minor".





*Information link:* Law N° 6060 "REGULATES VOLUNTEERING". Art. 10 inc. f:  
<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

### **What type of volunteering work may a child undertake? Are there any restrictions around this?**

Everything related to work that a child may or may not perform is determined by the Childhood and Adolescence Code, the Labor Code (for specific types of tasks), and international documents signed by Paraguay.

*Information link:* Labor Code <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>

Childhood and Adolescence Code: <https://www.bacn.gov.py/leyes-paraguayas/5261/codigo-de-la-ninez-y-la-adolescencia>

### **Payments and reimbursement**

#### **Are organizations allowed to pay stipends to volunteers?**

A volunteer is a natural or legal person, national, foreign or mixed, who performs a task without receiving a salary, therefore, there is no obligation on the part of the organization or company to pay a minimum payment to them.

*Link information:* Law N° 6060 "REGULATES VOLUNTEERING". Art. 4 inc. 1:  
<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

#### **Are organizations allowed to reimburse volunteers? If yes, for what expenses (such as transportation, food, etc.).**

As mentioned in the Volunteer Act, it is the obligation of the volunteer organization to reimburse the expenses incurred by volunteers in the performance of their duties up to reasonable limits previously agreed upon by both parties. These reimbursements shall in no case be considered salaries.

*Information link:* Law N° 6060 "REGULATES VOLUNTEERING". Art. 8 inc. c:  
<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

### **Working hours**

#### **Are there any obligations around how many hours volunteers can work? Are volunteers entitled to any type of leave?**

The law does not specify information on the hours that a volunteer must or may provide assistance or the permissions that a volunteer may receive or request.





## Social security

**Are organizations obliged to pay any social security contributions on behalf of their volunteers? Are organizations obliged to provide health insurance to volunteers? Are organizations liable for absences of volunteers due to work-place injuries?**

Depending on the case, the volunteer organization is obliged to take out an adequate insurance policy to cover the risks of accidents or illnesses directly related to volunteering.

Likewise, it is obliged to guarantee the volunteer safe, stable and hygienic conditions in accordance with the nature of the volunteer activity.

As for the Social Security Institute, volunteer organizations are not obliged to register their volunteers because this obligation is only stipulated for employers and labor relations.

It should be noted that the Volunteer Organization is obliged to subsidiarily assume the costs of compensation for civil liability for damages or injuries that volunteers may cause, by action or omission, during their volunteer service, provided that they act with due diligence and in good faith, reserving the legal actions to repeat what was paid in such concept.

*Information link:* Law N° 6060 "REGULATES VOLUNTEERING". Art. 8:

<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>

## 3 Safe and supportive work environment

**Are there any differences in terms of the regime that applies to employees?**

Considering that volunteers are not workers according to the current law on the matter, occupational health and safety aspects do not apply to them in the same way as to workers; however, volunteers are entitled to health and safety conditions for the development of their activities as volunteers.

## 4 Tax

**Are organizations obliged to pay taxes if they pay their volunteers stipends? If yes, what types of taxes are mandatory to pay?**

There is no obligation to pay taxes specifically stipulated for volunteers since they perform the tasks without receiving any salary.

## 5 What to do when things go wrong

**What grounds do organizations have for the termination of volunteer agreements/arrangements?**

The Law that regulates volunteer work does not explicitly mention causes for the termination of volunteering; it only states that volunteers may be disassociated from the organization if deemed





necessary. Therefore, it is at the discretion of the organization to determine these causes in accordance with its objectives and mission.

**What is the responsibility of organizations for damages incurred by a volunteer's actions within his/her work?**

It should be noted that the Volunteer Organization is obliged to subsidiarily assume the costs of compensation for civil liability for damages or injuries that volunteers may cause, by action or omission, during their volunteer service, provided that they act with due diligence and in good faith, reserving the legal actions to repeat what was paid in such concept.

*Information link:* Law N° 6060 "REGULATES VOLUNTEERING". Art. 8:

<https://www.bacn.gov.py/leyes-paraguayas/8504/ley-n-6060-regula-el-voluntariado>







## d. Non-citizen employees and consultants, including refugees and others forcibly displaced

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### 1 Status and the right to work

#### **Are employers obliged to secure legal status for their employees or consultants if they are non-citizens? (such as refugee status, humanitarian visas, visas for trafficking survivors, other recognized protection statuses, etc.)**

The regulations in force on the subject do not explicitly mention the employer's obligation to provide workers with legal status in accordance with their legal status.

It should be noted at this point that current legislation on migrant workers provides that appropriate measures shall be taken to prevent and eliminate illegal and clandestine workers of this class of workers, the main objective being to eliminate the hiring of migrants in an irregular situation.<sup>38</sup>

The provisions of the Migration Act state the principle of respect for labor rights, whereby employers must ensure strict compliance with labor laws regardless of the immigrant's immigration status<sup>39</sup>.

#### **Are employers obliged to secure work permits for their employees or consultants?**

The laws in force do not specifically provide for the obligation of the employer to obtain these permits, in addition, such permission is not precisely described in the law, however, Law No. 3452 refers to work permits, but mentions that each national legislation will have its formalities and

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<sup>38</sup> Law N° 3452 "ADOPTING THE INTERNATIONAL CONVENTION ON THE PROTECTION OF THE RIGHTS OF ALL MIGRANT WORKERS AND MEMBERS OF THEIR FAMILIES". Art. 68. [https://www.mtess.gov.py/application/files/2415/6569/8972/Ley\\_N\\_3452-08\\_Convencion\\_Trab\\_Migrat.pdf](https://www.mtess.gov.py/application/files/2415/6569/8972/Ley_N_3452-08_Convencion_Trab_Migrat.pdf)

<sup>39</sup> Law N° 6984 "MIGRATION". Art. 4. <https://www.bacn.gov.py/leyes-paraguayas/10973/ley-n-6984-de-migraciones>





requirements. In this regard, Law N° 6984/23<sup>40</sup> provides that with the Precarious Residence Card, which will be valid for 90 (ninety) days, holders will have the right to work, and if the work of foreigners is seasonal or occasional, the Directorate of Migration may grant them a Spontaneous Residence Card.

At this point, we emphasize that foreigners have the obligation to comply with the laws in force in the national territory, in addition to regularizing their migratory documentation in order to regularize their legal status<sup>41</sup>.

### **Is it always necessary to obtain a work permit?**

Immigrants must comply with the laws in force and obtain the card described in point B, for the purposes of working legally and regularly in Paraguayan territory.

It is important to note that, regardless of the legal status of the foreigner at the time of entering into an employment contract, the employer has the obligation to comply with labor laws.

### **Can asylum-seekers and other persons forcibly displaced access the right to work if they do not have refugee status or other recognized protection statuses?**

In accordance with the law in force, the petitioner may submit his application to the authorities of any border post, whereby the authority receiving the request will grant him a document that allows him to remain in the territory and therefore also grants him the right to be hired or a worker in a relationship of dependency<sup>42</sup>.

## **2 Contracts**

### **Are employment contracts or consultant agreements for non-citizens different to those for citizens?**

Bearing in mind that the provisions in force governing the matter provide that foreigners shall be governed by labor laws, contracts must comply with the same formalities as those laid down for nationals, i.e., contracts shall contain the same clauses.<sup>43</sup>

## **3 Conditions of employment**

### **Does national law regulate the quotas for the number of non-citizens within one organization? Are employers obliged to report about employed non-citizens?**

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<sup>40</sup> IBIDEM. Arts. 56 y 57

<sup>41</sup> IBIDEM. Art. Arts. 16 y 17

<sup>42</sup> Law N° 1938 "GENERAL ON REFUGEES". Arts. 23 y 25. <https://www.bacn.gov.py/leyes-paraguayas/3818/general-sobre-refugiados>

<sup>43</sup> Law N° 213/1993. Art. 46 <https://www.bacn.gov.py/leyes-paraguayas/2608/ley-n-213-establece-el-codigo-del-trabajo>





The Constitution provides that the State shall promote policies of full employment and that it shall give preference to national workers <sup>44</sup>.

With regard to the number of foreigners to carry out work activities, the Aeronautical Code provides that persons who perform aeronautical functions on board aircraft with Paraguayan registration or leased by national operators, in addition to those who perform their functions on the surface, must be of Paraguayan nationality, however, for technical reasons the Administrative Authority may authorize a percentage of foreign workers for a period not exceeding 1 (one) year from the date of the respective authorization. The replacement of foreign workers by Paraguayans will be carried out gradually in accordance with the law<sup>45</sup>.

The Migration Act makes it mandatory for employers to inform the competent administrative authority when hiring an immigrant <sup>46</sup>.

### **Are there any other differences in conditions of employment for non-citizens and citizens?**

As we have already mentioned in previous points, there are no differences between citizens and foreigners, since the principles of equality and non-discrimination prevail in national legislation<sup>47</sup>.

### **Are there any specific employment terms that apply to citizens but not apply to non-citizens?**

The legal system makes no distinction between the terms and conditions of the employment contract and the legal benefits derived from it, in addition to the obligations of the contracting parties under the principle of equal treatment.

## **4 Safe and supportive work environment**

### **Are there any differences in a safe and supportive work environment approach for non-citizens? If yes, please elaborate here.**

The law makes no mention of specific differences on this particular point, since, under the laws in force, foreigners will enjoy the labor rights of nationals on equal terms. Paraguay, moreover, as a signatory to the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, has the obligation to develop, implement and promote dignified and lawful conditions for foreign workers.

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<sup>44</sup> National Constitution of the Republic of Paraguay. Art. 87. <https://www.bacn.gov.py/leyes-paraguayas/9580/constitucion-nacional->

<sup>45</sup> Law N° 5221/14. Art. 1. <http://odd.senado.gov.py/archivos/file/MHCD%20Nro%20690.pdf>

<sup>46</sup> Law N° 6984 "MIGRATION". Art. 7. <https://www.bacn.gov.py/leyes-paraguayas/10973/ley-n-6984-de-migraciones>

<sup>47</sup> IBIDEM. Art. 4





### **Does the employer have additional obligations for non-citizens?**

The current regulations do not specifically describe additional obligations of the employer in relation to foreign workers.

## **5 What to do when things go wrong**

### **Is the process of termination of an employment contract for non-citizens different than for citizens? If yes, please explain here.**

There is no difference in the manner in which the employment relationship with foreign workers is terminated, since, according to the reason for their departure (dismissals; resignations; mutual agreement), they will be entitled to the same employment wages as provided for in the Labour Code.

### **Is the process of resignation for non-citizens different than for citizens? If yes, please explain here.**

Foreign workers who decide to quit their jobs must follow the procedure set forth in Paraguayan labor legislation, in addition, they will be entitled to the labor concepts and benefits provided for this purpose.

### **Are non-citizens entitled to the equal protection of employment laws in the event of employment-related disputes?**

Immigrant workers, regardless of their legal migratory status, have the same rights as national workers to appeal to the competent authorities to request the defense of their violated labor rights.





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