3-1-1942

Labor and Social Security Legislation in Latin America

Charles Henry Lee

Follow this and additional works at: http://scholarship.law.nd.edu/ndlr

Part of the Law Commons

Recommended Citation
Available at: http://scholarship.law.nd.edu/ndlr/vol17/iss3/1

This Article is brought to you for free and open access by NDLScholarship. It has been accepted for inclusion in Notre Dame Law Review by an authorized administrator of NDLScholarship. For more information, please contact lawdr@nd.edu.
LABOR AND SOCIAL SECURITY LEGISLATION IN LATIN AMERICA

It is desired to point out at the outset that this article does not purport to be an extensive survey of the labor and social security laws of all the Latin American Republics. It is, rather, an attempt to sketch very briefly the salient features and characteristics of labor and social security legislation in certain of these countries so that others may be induced to study this most interesting subject in its many phases more at length. The Latin American Republics have been real leaders in this field, and it would be well worth while for our own people to learn more of their experience in protecting workers and their rights.

These Republics have long shown extraordinary interest in labor legislation. Perhaps even more significant are the numerous efforts to codify the legislation that has resulted from the extensive movement prevalent for many years in those Republics to regulate and improve working conditions.

It is believed that the movement for codification in the American Republics began in Argentina in 1904 when a complete code was submitted to the Congress of that country for
approval by Dr. Joaquin Victor Gonzalez. Although this code was never adopted, nevertheless, it is said to have covered the field so admirably that it has served as a model for later attempts to codify national legislation on this subject. Over twenty codes have been submitted, but not enacted, by the legislative bodies of the Latin American Republics.

Today the following countries either have labor codes in force or have so enacted their legislation on the subject that in effect they have a labor code: Guatemala, 1926; Chile and Mexico, 1931; Haiti, 1934; Venezuela, 1936; Ecuador, 1938; Bolivia, 1939. Cuba is a good example of a country that has in effect a labor code without actually having one. The Constitution of 1940 contains a section on labor that insofar as coverage and scope is concerned is to all intents and purposes a labor code. The fact that four of the eight countries mentioned enacted their codes within the last five years would appear to indicate that the movement for codification is in the ascendancy.

The Cuban Constitution that was enacted in 1940 not only guarantees the rights of labor in general terms but also sets forth specific and detailed provisions on this subject at great length. Articles 60 through 86 are devoted to labor and cover such matters as minimum wages, attachment of wages, social security, accident insurance, working hours, paid vacations, and many others. Previous Constitutions did not discuss such matters, the majority of which are contained in existing Cuban statutory law. The Constitution of 1940 not only introduces changes in such legislation but gives it a privileged status.

The Cuban Constitution of 1940 is not the first Latin American Constitution containing detailed labor legislation. The Constitution of Mexico (1917), Brazil (1937), and Venezuela (1936) likewise contain extensive and detailed labor provisions. Panama's new Constitution, that of 1941, goes further than its predecessor, the Constitution of 1904,
LABOR AND SOCIAL SECURITY

in that it not only guarantees freedom of labor, like the latter, but also covers such matters as strikes and social security.¹

The remaining Latin American Constitutions merely guarantee labor's rights in general terms, e.g., Argentina's² declares that the right to work is guaranteed and that anyone may be admitted to employment without any other requirement than fitness; Colombia's³ provides that labor is a social obligation and enjoys the special protection of the State.

MINIMUM WAGES

Much minimum wage legislation has been adopted in the Latin American Republics. Generally, it applies to all workers, but Panama and Colombia are an exception to this rule, and in those countries the legislation only covers specific industries.

Thus, in Panama it is provided that in the cities of Panama, Colon, and Bocas del Toro the daily wage cannot be less than one Balboa.⁴

Likewise, Colombia has no general legislation on this subject, but minimum compensation is fixed by law for primary school teachers;⁵ workers in the Banana Zone;⁶ and road maintenance workers.⁷

The Constitution of Mexico, Brazil, and Cuba contain specific provisions on this subject. The Brazilian Charter⁸ leaves it up to the law to ascertain the requirements for the determination of minimum wages. So does the Cuban Constitution.⁹ On the other hand, the Mexican Constitution itself specifies the requirements.¹⁰

¹ Panamá. Constitución, Arts. 54 y 55.
² Argentina. Constitución, Arts. 14 y 16.
³ Colombia. Constitución, Art. 40.
⁴ Panamá. Art. 11, Ley 17 de 1916, y Art. 4, Ley 43 de 1916.
⁵ Colombia. Ley 2 de 1937.
⁶ Colombia. Ley 125 de 1937.
⁷ Colombia. Resolución No. 53 de 1937 del Ministro de Obras Públicas.
⁸ Brazil. Constitución, Art. 137, inciso h.
⁹ Cuba. Constitución, Art. 61.
¹⁰ México. Constitución, Art. 123, incisos VI y XXVII.
In other countries such legislation is not found in their Constitutions but in statutory law. It may be of interest to outline briefly the highlights of the minimum wage legislation of certain of these countries.

In Chile the Labor Code provides for minimum compensation for all workers. Minimums are fixed by industries and, once established, no one can be paid less. Where such minimums have not yet been fixed, the minimum is understood to be not less than two-thirds nor more than three-fourths of the normal or regular wage paid to workers having the same capacity or ability for the same class of work and working in the same city or region where such services are performed. In each industry the minimum is fixed by a mixed commission of workers and employers, presided over by a Provincial Inspector and the Governor of the Department. Minimum wage provisions also apply to white collar workers.

In Ecuador minimum salaries and wages are fixed by minimum salary commissions. The commissions operate in the capitals of Provinces and in such Departments and places as the Ministry of Labor deems desirable. Representatives of employees and employers are included in the commissions. Minimum wages and salaries are ascertained in accordance with the requirements set forth in the Labor Code.

**ATTACHMENT OF SALARIES**

Legislation governing the attachment of salaries is extremely varied. In only one country, however, Mexico, are wages and salaries free from attachment without any limitations whatsoever. Minimum salaries are protected by the Constitution, and salaries generally by the Labor Code.

---

11 Chile. Código de Trabajo, Artos. 43, 44, y 45.
12 Chile. Código de Trabajo, Art. 153.
13 Ecuador. Código de Trabajo, Artos. 57 y 58.
14 México. Constitución, Art. 128, inciso VIII.
15 México. Código de Trabajo, Art. 95.
In the other countries studied salaries and wages may be attached under certain conditions and within certain limitations.

In Colombia, for instance, the wages of certain types of workers, such as peons and domestic servants, are free from attachment.\(^{16}\)

In other countries salaries and wages up to a certain minimum are entirely free from attachment, and then beyond such minimum a certain percentage may be taken. Argentina is in this class. Salaries or wages which do not exceed 100 pesos monthly cannot be attached. However, when they are in excess of this figure, they may be attached in a scaled percentage which varies with the salary earned.\(^{17}\) Ecuador is in this same category.\(^{18}\)

In others, salaries and wages may be attached for specific purposes only. Thus, in Chile salaries may be attached up to one-third to compel wage earners to pay for the support of legal dependents.\(^{19}\) Another exception is made in the case of debts for food, and debts owing to employers for thefts committed against them by their employees in the discharge of their duties.\(^{20}\)

In another class is a country like Costa Rica where all salaries may be attached, but the amount attachable varies in accordance with the earnings of the employees. Thus, 75% of the salary of all employees is free from attachment where the amount earned exceeds 200 colones monthly, and only 12½% can be touched when the employees make less than such sum.\(^{21}\)

**Wage Equality**

Generally speaking, the legislation of the Latin American Republics either provides that for like work the same com-
compensation must be given or prohibits wage discriminations on such grounds as differences in sex, nationality, and others.

The only Constitution which legislates on the foregoing is that of Mexico which provides that for like work the same compensation must be paid, differences in sex or nationality notwithstanding. Brazil and Chile likewise provide, but not in their Constitutions, that for like work the same compensation must be given. Argentina, Ecuador, Colombia, Costa Rica, Guatemala, Panama, and Venezuela do not require that for like work the same compensation must be paid. The legislation of these countries merely provides that wages may be fixed freely between employer and employee, providing they are not lower than the minimum wages fixed by law.

WAGE DEDUCTIONS

The legislation of the Latin American Republics on the subject of deductions that may be properly made by employers from the wages of their employees is far from uniform. Different countries authorize different types of deductions, and only one, Colombia, prohibits deductions of any kind whatsoever.

Cuba and Mexico are the only countries whose Constitutions cover this subject of deductions. In the Constitution of the former such deductions as may be provided by law shall be authorized; in that of the latter, deductions in ex-

\[\text{\begin{tabular}{ll}
22 & México. Constitución, Art. 123, inciso VII. \\
23 & Brasil. Decreto 21417-A de mayo 17, 1932, Art. 1. \\
24 & Chile. Código de Trabajo, Art. 35. \\
25 & Argentina. Ley 10505 de 1918 y Decreto 49706 de 1939. \\
26 & Colombia. Ley 10 de 1934, Art. 17; Ley 149 de 1936, Art. 4; Ley 652 de 1935, Art. 30; Ley 10 de 1934, Art. 13. \\
27 & Costa Rica. Ley 41 de diciembre 19 de 1934. \\
28 & Ecuador. Código de Trabajo, Art. 44. \\
29 & Guatemala. Decreto Legislativo 1434 de 1926, Art. 8. \\
30 & Panamá. Código de Comercio, Arts. 195 al 214; Código Civil, Arts. 1106 y 1335. \\
31 & Venezuela. Código de Trabajo, Art. 54. \\
32 & Colombia. Departamento del Trabajó. Resoluciones de 20 de diciembre de 1935 y 27 de mayo de 1938. \\
33 & Cuba. Constitución de 1940, Art. 63. \\
\end{tabular}}\]
cess of the minimum wage are provided for in the instrument itself.\textsuperscript{27}

Brazil and Panama are the only countries whose laws permit the employer to deduct the entire amount of the employee's wage, providing there is an express agreement to this effect.\textsuperscript{28} In Venezuela the wage deduction may be made even though there may be no agreement, providing the debt has already matured.\textsuperscript{29}

The laws of Argentina, Chile, Costa Rica, Ecuador, and Guatemala authorize wage deductions by employers in varying percentages and for different purposes.\textsuperscript{30}

Certain countries, such as Brazil, Chile, Ecuador, and Mexico, provide for the check-off by law, that is to say, the employer can deduct dues, initiation fees, and other contributions owing by employees to labor Unions out of their wages.\textsuperscript{31}

\textbf{WAGE AND SALARY PREFERENCES IN THE PAYMENT OF DEBTS}

In Latin America wages or salaries enjoy preferences in the payment of debts or obligations by the debtor. Only two of them, however, Cuba and Mexico, include provisions of this nature in their Constitutions. The Constitution of Mexico is very clear and extends a preference to both employees and wage earners by referring to salaries or wages.\textsuperscript{32} The

\begin{itemize}
\item \textsuperscript{27} México. Constitución, Art. 123, inciso XXIV.
\item \textsuperscript{28} Brazil. Código Civil, Art. 1234.
\item Panamá. Código Administrativo, Art. 1061 y 1062.
\item \textsuperscript{29} Venezuela. Código de Trabajo, Art. 59; Código Civil, Artos. 1353 y 1678.
\item \textsuperscript{30} Argentina. Leyes 11278 de 1925 y 11933 de 1934; Decreto 11672 de 1939.
\item Chile. Código de Trabajo, Artos. 39 y 42; Ley 6067 de 1937.
\item Costa Rica. Código Civil, Artos. 806, 808, y 984; Ley 156 de 1935.
\item Ecuador. Código del Trabajo, Artos. 39, inciso 20, y 51.
\item \textsuperscript{31} Brazil. Decreto Ley 1402 de 1939.
\item Chile. Código de Trabajo, Art. 39 y 42 y Ley 6067 de 1937.
\item Ecuador. Código del Trabajo, Artos. 39, inciso 20, y 51.
\item México. Código del Trabajo, Artos. 90 y 91.
\item \textsuperscript{32} México. Constitución, Art. 123, inciso XXIII.
\end{itemize}
Constitution of Cuba, on the other hand, only speaks of wages, wherefore it would appear that the preference it authorizes only applies to workers and not to employees.\textsuperscript{33}

Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Panama, and Venezuela all establish some degree of preference in favor of salaries or wages in bankruptcy or other creditor proceedings against the debtor. Such provisions are found in their codes and statutes.\textsuperscript{34}

**PAYMENT OF WAGES**

*a. Manner*

The Latin American Republics provide in their legislation the manner in which the wages of workers must be paid. Two of them do so in their Constitutions, Cuba and Mexico.\textsuperscript{35}

The laws of Mexico, Venezuela, Ecuador, Chile, Argentina, Guatemala, and Colombia require that wages must be paid in legal tender only.\textsuperscript{36}
Mexico, Venezuela, and the Cuban Constitution of 1940 prohibit, in addition, the payment of salaries or wages in merchandise.  

Brazil, Panama, and Costa Rica do not provide by law that wages or salaries must be paid in legal tender. However, regulations are laid down in each case, setting forth, with respect to the part that is not paid in legal tender, the percentages beyond which this may not be done, the manner in which substitutes for money may be turned into cash, and the manner in which such substitutes are evaluated.

b. Terms

The laws of the Latin American Republics provide generally that wage earners, as well as salaried employees, must be paid at fixed intervals which are specified according to the nature of the work. The only general exception would appear to be the case of Colombia, which merely provides that salaries and wages must be paid at regular equal intervals.

Cuba is the only country which makes provision for wages in its Constitution. However, it merely covers the case of workers, that is to say, wage earners whose remuneration is fixed at a daily rate. They must be paid at least once a week.

In the other Latin American Republics the maximum interval varies from a week to a month, depending on the nature of the work and whether it is a laborer or salaried employee. Ecuador provides, generally, that the maximum term for all employees cannot exceed a week. Chile, on the other hand, requires that payment must be made at least monthly in the

---

87 México. Código de Trabajo, Art. 89.
Venezuela. Código de Trabajo, Art. 34.
Cuba. Constitución de 1940, Art. 64.
88 Brasil. Ley 185 de 1936.
Panamá. Código Administrativo, Artos. 1038 y 1044.
Costa Rica. Ley 61 de agosto 13 de 1912, Art. 2.
89 Colombia. Ley 83 de 1931, Art. 24.
90 Cuba. Constitución de 1940, Art. 64, inciso final.
91 Ecuador. Código de Trabajo, Art. 46.
case of salaried employees, and weekly, bi-weekly or monthly in the case of wage earners.\(^{42}\)

**WORKING HOURS**

In general, the maximum working day in Latin American countries is fixed by law at eight hours, with a 48-hour week.

Three Constitutions deal with this subject — those of Brazil, Mexico, and Cuba. They all set the maximum working day at eight hours, but only that of Cuba fixes the maximum work week (44 hours). Certain exceptions are made, but in the case of Cuba this only appears to apply to one industry, the sugar industry.\(^{43}\)

The Ecuadorean Labor Code alone, like the Cuban Constitution of 1940, does not make any exception in its application of the maximum working day, which it sets at eight hours daily and 44 hours weekly, with payment for 48.\(^{44}\)

Argentina, Brazil, Chile, Ecuador, Mexico, Panama, and Venezuela have set an eight-hour day and forty-eight-hour week.\(^{45}\)

Although the foregoing is generally true, there are certain exceptions. Thus, Argentina excepts agricultural workers, cattle raisers, and domestics from the application of the eight-hour day. Brazil, too, excepts agricultural workers and domestics, as well as executives. It also authorizes an increase in these hours under certain conditions prescribed by law. In Chile the maximum work week may be increased to fifty-six hours. Ecuador, too, permits an increase in the work

---

42 Chile. Código de Trabajo, Art. 36.
43 Brazil. Constitución, Art. 137, incisos (i) y (j).
Cuba. Constitución, Art. 66.
44 Ecuador. Código de Trabajo, Arts. 63 y 65.
45 Argentina. Ley 11544 de 1929, Arts. 1 y 2.
Brazil. Decreto Ley 2308 de 1940.
Chile. Código de Trabajo, Arts. 125 y 126.
Ecuador. Código de Trabajo, Arts. 63 y 65.
México. Código de Trabajo, Art. 69.
Venezuela. Ley del Trabajo, Art. 43.
day or additional hours under special conditions. Mexico provides that when under extraordinary circumstances it becomes necessary to increase the daily work hours, these may be increased up to three hours, but 100% more must be paid than for regular hours. Panama authorizes increases if the work makes this necessary, but such increase must be arranged by express agreement and overtime paid. Venezuela provides for a 44-hour week for office and salaried employees. It also excepts from the application of the eight-hour day certain specified employees. Costa Rica also provides for an eight-hour day but fixes ten hours as the maximum day for office and salaried workers. Colombia and Guatemala have only regulated the working hours of industrial workers and office employees. For such workers and employees an eight-hour day and 48-hour week have been fixed.

MINORS

In the majority of the Latin American Republics the number of hours that minors may work is regulated. Colombia, Guatemala, and Panama apparently have no regulations on this subject.

The Constitution of Cuba provides that the working hours of minors under 18 and over 14 may be reduced to six hours daily. In Argentina, Ecuador, Mexico, and Venezuela, on the other hand, the maximum working hours for such is fixed by law at not more than six, with the exception of Ecuador which fixes them at seven hours daily.

Brazil makes no provision in its laws for reducing the working hours of minors, although it does prohibit night

---

46 Ecuador. Código de Trabajo, Art. 72.
47 Costa Rica. Ley 120 de diciembre 9 de 1920.
48 Colombia. Ley 129 de 1931 y Resolución 1 de 1934 de la Oficina del Trabajo; Ley 10 de 1934, Art. 15.
50 Cuba. Constitución, Art. 66.
50 Argentina. Ley 11317 de 1924, Art. 5.
Ecuador. Código de Trabajo, Art. 85.
México. Constitución, Art. 123, inciso III.
work and precludes them from engaging in certain types of work.\textsuperscript{51} Chile does not permit night work, but, likewise, has no provision for reducing the working hours of minors.\textsuperscript{52}

Costa Rica punishes by fine anyone utilizing the services of minors under fifteen for more than five hours daily at any type of work, and prohibits those over fifteen and under eighteen from working more than seven hours daily and 42 hours weekly. Night work for those under eighteen is not permitted, except in the case of domestics.\textsuperscript{58}

**CHILD LABOR**

The Latin American Republics regulate child labor, but there is much diversity in the laws of the several countries in regard to the age limit and exceptions that are provided.

Three of the countries regulate this subject in their Constitutions: Cuba, which prohibits the labor of those under fourteen; Brazil, which sets this same limit; and Mexico, which prohibits the labor of those under twelve.\textsuperscript{54}

Venezuela, Chile, Ecuador, and Panama prohibit the labor of those under fourteen by law, but only Venezuela does so without making any exceptions.\textsuperscript{55}

Argentina and Costa Rica fix the limit by law at twelve years of age, without any exceptions, and Guatemala fixes it at fifteen years of age for all industrial or office work.\textsuperscript{56}

\begin{itemize}
\item \textsuperscript{51} Brazil. Decreto 22042 de 1932, Art. 8.
\item \textsuperscript{52} Chile. Código de Trabajo, Art. 48; Decreto 284 de 1925.
\item \textsuperscript{53} Costa Rica. Ley 27 de octubre 25 de 1932, Artos. 40 al 43.
\item \textsuperscript{54} Cuba. Constitución, Art. 66, inciso final.
\item México. Constitución, Art. 123, inciso 3.
\item Brazil. Constitución, Art. 137, inciso K.
\item \textsuperscript{55} Venezuela. Código de Trabajo, Art. 70.
\item Chile. Código de Trabajo, Artos. 46 al 52.
\item Ecuador. Código de Trabajo, Artos. 83 y 85.
\item Panamá. Código Administrativo, Artos. 1035 y 1095.
\item \textsuperscript{56} Argentina. Ley 11317 de 1924, Artos. 1 al 12.
\item Costa Rica. Ley 27 de octubre 25 de 1932, Artos. 40 y 42.
\item Guatemala. Decreto Legislativo 1434 de 1926, Art. 23.
\end{itemize}
LABOR AND SOCIAL SECURITY

PAID VACATIONS

Generally speaking, all of the other Latin American Republics provide by law that employees must be given paid vacations by varying lengths. However, in two of the countries studied, notably, Costa Rica and Guatemala, annual vacations are not provided for by law. Costa Rica does, nevertheless, have a holiday law.57

Cuba provides annual paid vacations for workers in her Constitution and fixes the length at one month.58 Panama likewise grants its workers one month’s paid leave a year by law.59

Chile, Colombia, and Ecuador grant fifteen days paid vacation after one year of service.60

In Mexico, Venezuela, Brazil, and Argentina the situation varies. Thus, in Mexico the law provides four days vacation after the worker has been employed for one year and thereafter he is entitled to six days. In Venezuela, after one year’s work, workers become entitled to seven days annual vacation and salaried employees to fifteen days. In Brazil it is provided that workers shall be given fifteen days, and salaried employees half a month yearly if they are engaged in certain activities. Finally, Argentina provides for ten to thirty days annual paid vacation, depending on the employee’s or worker’s length of service.61

WORKING WOMEN

Generally speaking the legislation of the Latin American Republics regulates the labor of working women. All the

57 Costa Rica. Ley 146 de 1934.
58 Cuba. Constitución, Art. 67.
59 Panamá. Ley 8 de 1931.
60 Chile. Ley 178 de 1931, Art. 158.
   Ecuador. Código de Trabajo, Art. 220.
61 México. Código de Trabajo, Artos. 78 y 82.
Venezuela. Ley de Trabajo, Art. 42.
Brazil. Decreto 23103 de agosto 19 de 1933.
Argentina. Ley de Despido 11729 de septiembre 18 de 1934 reformando Art. 156 del Código de Comercio.
countries whose legislation was examined provide leave for women both before and after childbirth. The Republics which afford leave for women before and after childbirth only protect women working in industrial or commercial establishments. However, Ecuador, Mexico, Panama, and Venezuela make childbirth leave applicable to all women who work.\textsuperscript{62} Brazil, Mexico, and Cuba are the only countries whose Constitutions contain provisions on this subject.\textsuperscript{63} The provisions of the Cuban Constitution on the subject of maternity protection are perhaps the broadest of any such legislation in Latin America.

The regulations imposed by the legislation of the different Republics vary considerably. Thus, the rest periods allowed before and after childbirth in Argentina, Chile, and Venezuela are six weeks before and after; in Brazil, Colombia, Costa Rica, and Guatemala they are three weeks before and after; in Mexico they are five weeks altogether, one week before and four after;\textsuperscript{64} and in Panama they are eight weeks before and eight weeks after.\textsuperscript{65}

There are other interesting differences. In Argentina, Colombia and Mexico the subsidy that the mother receives during the maternity rest period amounts to the entire salary.\textsuperscript{66}

\begin{itemize}
\item \textsuperscript{62} Ecuador. Código de Trabajo, Artos. 90 al 93.
Panamá. Ley 23 de octubre 29 de 1930.
Venezuela. Código de Trabajo, Artos. 75 al 78.
\item \textsuperscript{63} Brazil. Constitución, Art. 137, inciso L.
México. Constitución, Art. 123, inciso V.
Cuba. Constitución, Art. 68.
Argentine. Ley 11317 de septiembre 30 de 1924, Artos. 13 al 15.
Chile. Código de Trabajo, Artos. 309, 310 y 313.
Venezuela. Código de Trabajo, Artos. 75 al 78.
Brazil. Constitución, Art. 137, inciso L.
Colombia. Ley 53 de abril 22 de 1938.
Costa Rica. Ley 27 de octubre 25 de 1932, Artos. 5 al 8.
México. Ley del Trabajo, Art. 79.
\item \textsuperscript{64} Panamá. Ley 23 de octubre 29 de 1930.
Argentina. Ley No. 11933, de septiembre 29 de 1934, y su Reglamento.
\item \textsuperscript{65} Argente. Ley 53 de abril 22 de 1938.
\item \textsuperscript{66} Colombia. Constitución, Art. 123, inciso V — Código de Trabajo, Art. 79 y 110.
\end{itemize}
On the other hand, in Brazil, Chile, Costa Rica, Panama, and Guatemala it is only half the regular salary. In Ecuador the law provides that a woman shall receive 75% of her salary during the maternity rest period. Finally, Venezuela provides that it shall be the amount necessary to support the mother and child.

UNIONS

The Latin American Republics whose legislation has been examined provide either in their Constitutions or in some statutory form that workers may organize themselves in unions. Moreover, they have laws governing this subject and regulating it in detail. The only exceptions are Panama, Costa Rica, and Guatemala. The Constitution of Panama guarantees all citizens the right to organize in associations for legitimate purposes, but there is no legislation dealing specifically with unions. In Costa Rica there is no union legislation either. However, Executive Orders Nos. 4 and 6 of June 30 and September 19, 1938, respectively, approved the by-laws of two unions as workers' unions. Guatemalan law does not contain any provisions on this subject at all.

In all those countries whose laws provide for labor unions, none requires a final judicial decree to dissolve them with the exception of Cuba which so provides in its Constitution.

STRIKES AND LOCKOUTS

Brazil, Mexico, and Cuba are the only countries whose Constitutions contain specific provisions regulating strikes and lockouts.

67 Brazil. Constitución, Art. 137, inciso 1.
Chile. Código de Trabajo, Art. 162, Decreto 969 de 1933, Artos. 49 al 52.
Costa Rica. Ley 27 de octubre 25 de 1932, Artos. 5 al 8.
Panamá. Ley 23 de octubre 29 de 1930.
Ecuador. Código de Trabajo, Artos. 90 al 93.
Venezuela. Código de Trabajo, Artos. 75 al 78.
Panamá. Art. 20.
Cuba. Constitución 1940, Art. 69.
72 Brazil. Constitución, Art. 139.
México. Constitución, Art. 123, incisos XVII, XVIII y XIX.
Cuba. Constitución, Artos. 70 y 71.
With the exception of Costa Rica, which has not legislated on the subject of strikes and lockouts, Brazil is the only country which expressly prohibits them. Other Latin American Republics have regulated the strike and the lockout by law. Generally, they require that the conciliation machinery that is provided by law be exhausted before a strike or lockout may commence. On the other hand, the arbitration machinery that is likewise provided need not generally be exhausted before beginning a strike. Whereas the decisions of the conciliation boards are not necessarily binding, those of the arbitration boards generally are and, consequently, compel compliance.

COLLECTIVE BARGAINING AGREEMENTS

The validity of collective bargaining agreements is recognized by the Constitutions of Brazil, Cuba and Mexico, Argentine, Chile, Colombia, Ecuador, and Venezuela not only recognize collective bargaining agreements but regulate them by law. The legislation of Costa Rica, Guatemala,

---

74 Brazil. Constitución, Art. 139.
Chile. Constitución, Art. 44, Ley 78 de noviembre 19 de 1919, Ley 21 de octubre 19 de 1920, Artos. 14 al 12, y Ley 21 de 1920, Artos. 15 y 18.
Colombia. Constitución, Art. 44, Ley 78 de noviembre 19 de 1919, Ley 21 de octubre 19 de 1920, Artos. 1 al 12, y Ley 21 de 1920, Artos. 15 y 18.
Ecuador. Código de Trabajo, Artos. 375 y siguientes y Artos. 407 y siguientes.
Guatemala. Decreto Ley 1434 de 1926, Artos. 44 al 77.
76 Brazil. Constitución, Art. 137, incisos 1 y 2.
Cuba. Constitución, Art. 72.
Chile. Código de Trabajo, Artos. 17 al 22.
Colombia. Ley 83 de 1931, Art. 8.
Venezuela. Código de Trabajo, Artos. 32 al 37.
and Panama does not appear to deal with collective bargaining agreements at all.

Generally speaking no limitations are placed by law on the duration of labor contracts. Only the laws of Brazil, Chile, Guatemala, and Mexico set limits on the duration of such contracts.

**Nationalization of Labor**

The protection of domestic labor has been the constant concern of many of the Latin American Republics who have enacted legislation requiring that not less than a determined percentage of the employees or workers in a given enterprise must be citizens of the country. This percentage varies from country to country. Thus, Mexico requires that 90% of the workers must be Mexicans; Chile fixes the limit at 85%; Brazil sets it at 66-2/3%; Venezuela requires that 85% be nationals; Colombia distinguishes between workers and salaried employees, the limitation on the former is 90% and on the latter 80%; Guatemala’s legislation calls for 75%; and that of Panama fixes the same percentage. One country goes further than any of the foregoing, that is Cuba. In its Constitution it merely prefers Cubans in general terms but a subsequent decree law not only limits the number of

---

78 Argentina. Código Civil, Artos. 511, 1657 al 1681 y Código de Comercio, Artos. 154, 157 y 158.

Colombia. Ley 10 de 1934, Art. 13.


Panamá. Código Civil, Art. 1335.


79 Brazil. Código Civil, Art. 1220.

Chile. Código de Trabajo, Artos. 7 y 10.

Guatemala. Decreto Legislativo, Artos. 2 al 5.


80 México. Código de Trabajo, Art. 9.

Chile. Código de Trabajo, Artos. 115 y 140.


Colombia. Ley 149 de 1936.


Panamá. Ley 9 de 1935.
foreigners who may be employed but in setting the percentage at 50%, it says that nationals mean natural born Cubans, not merely nationals, which would include naturalized citizens, as do the laws of the countries already analyzed.\textsuperscript{81}

The laws of Argentina, Costa Rica, and Ecuador do not contain any provisions restricting the number of foreigners who may be employed in a given enterprise. Nevertheless, certain contracts that have been entered into between the Government of Costa Rica and foreign enterprises for the purpose of developing industries in that country contain restrictive provisions of this nature. For instance, The Empresa Nacional de Transportes Aéreos and the Transportes Aéreos Aerovías Nacionales contracts with the Government of Costa Rica require that 60% of the salaries shall be paid to Costa Ricans.\textsuperscript{82} A similar tendency is evident in Ecuador where the contract entered into by the Municipality of Guayaquil with Empresa Eléctrica del Ecuador, Inc. on June 3, 1935, required in Clause 7 that not less than 50% of the employees and workers should be Ecuadorians.

An interesting sidelight to the Cuban requirement that 50% of those employed in an enterprise in that country must be natural born Cubans is the definition that Colombian law gives in restricting the number of foreigners who may be employed in an organization in that country. National, for the purposes of that law, is not only every natural born or naturalized Colombian, but every foreigner who has resided in that country for ten years or more or is married to a Colombian.\textsuperscript{83}

\textbf{IMMIGRATION}

Only Argentina, Brazil, and Venezuela deal with this subject in their Constitutions. The Constitutions of Argentina

\begin{itemize}
\item \textsuperscript{81} Cuba. \hspace{1cm} Constitución, Art. 73, Decreto 2583 de noviembre 8 de 1933, Resolución No. 65 de abril 30 de 1936, Ley 2977 de diciembre 6 de 1933.
\item \textsuperscript{82} Costa Rica. \hspace{1cm} Ley 251 de 1938, Cláusula 22, y Ley 3 de 1939.
\item \textsuperscript{83} Colombia. \hspace{1cm} Ley 149 de 1936.
\end{itemize}
and Venezuela provide for the promotion of immigration whereas that of Brazil restricts all immigration and establishes a quota system.\textsuperscript{84} The Constitution of Cuba does not deal with this subject directly, but it provides that this subject shall be regulated by law. However, it does prohibit the importation of unskilled labor.\textsuperscript{85}

The majority of the Latin American Republics in their legislation establish no general restrictions on immigration. Some of them even promote immigration, particularly that of farm laborers to whom advantages are offered, although certain races are excluded.\textsuperscript{86}

**DISMISSAL**

The laws of the Latin American Republics provide prescribed lengths of time for the notices that must be given to dismiss employees from employment for an undetermined period or the compensation in the way of indemnity which they must be paid.\textsuperscript{87} Only Brazil, Cuba, and Mexico legislate

\textsuperscript{84} Argentina. Constitución, Art. 67, inciso 16.
Brazil. Constitución, Art. 151.
Venezuela. Constitución, Art. 32, inciso 8 y Art. 100, inciso 22.
\textsuperscript{85} Cuba. Constitución, Art. 76.
\textsuperscript{86} Chile. Ley 3446 de diciembre 2 de 1918, Decreto 1697 de julio 16 de 1936, Art. 8 — Decretos 397 y 398 de febrero 17 de 1937, Ley 114 de diciembre 30 de 1922, y Ley 2 de enero 11 de 1936.
Colombia. Ley 149 de octubre 31 de 1936, Art. 6.
Costa Rica. Ley de noviembre 24 de 1905; Decreto No. 6 de mayo 22, 1897; Decreto 29 de junio 12 de 1933; Decreto No. 1 de junio 10 de 1904; Ley 39 de marzo 5 de 1931.
Ecuador. Ley de Extranjería de febrero 16 de 1938, Artos. 1 y 2.
Guatemala. Ley de Extranjería, Decreto Ejecutivo No. 1781 de enero 25 de 1936, Artos. 8 y 10.
Panamá. Ley 54 de diciembre 24 de 1938, Art. 15.
\textsuperscript{87} Argentina. Código de Comercio, Art. 157 — Ley 11729 de 1934, Ley 11110 de febrero 11 de 1921.
Brazil. Código Civil, Artos. 1220, 1221, 1225, 1228 y 1229.
Chile. Código de Trabajo, Artos. 7, 10, 163, 166, 169 al 175, Decreto 463 de abril 28 de 1933.
on the subject of dismissals in their Constitutions.\textsuperscript{88} Likewise, these are the only three countries which require special formalities and documentary proceedings for dismissal, since in the others mere notice or notice through some administrative authority is sufficient.\textsuperscript{89}

**Employers' Liability**

Under the laws of many of the Latin American Republics the employer's liability continues even though he may operate through an agent or other intermediary. In the case of Cuba and Mexico this is so provided in their Constitutions.\textsuperscript{90} Chile, Venezuela, and Mexico prescribed this in their Labor Codes.\textsuperscript{91} Apparently, Brazil, Costa Rica, Colombia, Ecuador, and Panama have no legislation on this subject, but Guatemala has a law which makes this rule in the case of the owner or lessee of a farm, and Argentina has a law which enables employees to demand payment of moneys owed for work done from the employer where he has operated through a contractor or intermediary.\textsuperscript{92}

Generally, the legislation which deals with compensation payable for accidents sustained in the course of work makes the employer liable even where the work has been performed

---

**Footnotes**

\textsuperscript{88} Decreto Legislativo No. 243 de 1894, Art. 1.
\textsuperscript{89} Ley 11278 de 1935.
\textsuperscript{90} Constitución, Art. 123, inciso F.
\textsuperscript{91} Decreto 20465 de octubre 1 de 1931, Arts. 53, 54 y 58.
\textsuperscript{92} Decreto Legislativo de 1926, Art. 5.
by intermediaries or contractors. Panama appears to make the contractor or intermediary in charge of the work liable instead of the employer under these circumstances. Guatemala and Brazil, apparently, do not deal with this subject in their legislation.

**APPRENTICESHIP**

The Constitution of Cuba provides for compulsory apprenticeship in skilled labor operations, and similar provisions are found in the labor Codes of Ecuador and Mexico. The Constitutions of two other countries also deal with this subject, Brazil and Venezuela, however, they merely state that the Government has a duty to promote and protect skilled labor. Apparently the legislation of Argentina, Chile, Colombia, Costa Rica, Guatemala, and Panama does not deal with this subject.

**WORKERS' HOUSES**

The Constitutions of Cuba and Mexico require employers, under certain circumstances, where no adequate housing facilities are available, to furnish their workers with comfortable and sanitary housing facilities. In Venezuela the Labor Code provides that enterprises employing 100 workers or more, which are located more than two kilometers from the nearest village, must provide adequate housing facili-
ties. In Panama when 10 or more workers are employed away from any settlement, the law requires that housing be provided. In Costa Rica the law requires that employers of banana pickers must furnish them with adequate housing facilities. Although Ecuadorian law does not compel the employer to furnish housing, it does require him to pay the cost of transportation to and from work when such work obliges the laborer to transport himself to a place other than where he resides.

In Argentina, Chile, and Colombia the problem of adequate housing for workers is being faced by the Governments of those countries directly. Either through social security boards, like in Chile, or through the municipalities, as is the case in Colombia, or by direct governmental action, as in Argentina, the construction of good, comfortable and sanitary houses designed to meet the needs of workers is being promoted.

TRANSFER OF FACTORIES

An interesting development in the field of labor legislation in Latin America is the provision that is found in the Cuban Constitution of 1940 regulating by law the manner in which factories and workshops may be moved to prevent working conditions from becoming unsatisfactory. To our knowledge no similar provision is to be found in the laws of any other Latin American country.

CONCILIATION COMMISSIONS

Argentina, Brazil, Chile, Colombia, Ecuador, Guatemala, Mexico, Panama, and Venezuela provide conciliation tribu-

100 Panamá. Código Administrativo, Art. 1040.
103 Argentina. Ley 9677 de octubre 5, 1915; Ley 11393, septiembre 28, 1927; Decreto septiembre 14, 1932.
104 Chile. Decreto-Ley 857 de noviembre 11, 1925; Decreto 1615 de mayo 29, 1934.
105 Colombia. Ley 46 de noviembre 19, 1918.
106 Cuba. Constitución, Art. 83.
nals, boards or commissions designed to settle by peaceful means difficulties arising between capital and labor. Costa Rica has no legislation on this subject. On the other hand, the Cuban Constitution of 1940 goes further than the legislation of any of the other countries in this respect, providing for commissions with representatives of both employers and employees, presided over by judicial officers, whose decisions are unappealable.

With the exception of Brazil, where controversies are submitted to Labor Judges, Panama, which does not require acceptances of conciliation to settle a difficulty, and Costa Rica which has no conciliation legislation, all the other Republics require that any labor difficulty be submitted for adjustment to conciliation boards, commissions or tribunals, on which employers and employees are represented, and whose decisions are not binding. Mexico alone imposes a penalty for failure to comply with a conciliation decision. Cuba is the only country where conciliation tribunals or commissions are presided over by the judicial authorities and decisions are unappealable.

**SUPERVISION OF EMPLOYERS**

Cuba has the only Latin American Constitution which provides that the Government shall undertake to supervise and inspect commercial and industrial establishments to

---

105 Argentina. Ley 8999 de 1912; Decreto de enero 2 de 1913, reglamentando la Ley 8999.

106 Brazil. Constitución, Art. 139; Decreto-Ley 1237 de 1939.

107 Chile. Código de Trabajo, Artos. 510 al 513.

108 Colombia. Ley 21 de 1920.


110 Guatemala. Decreto Legislativo 1434 de 1926, Art. 44.

111 México. Constitución, Art. 123, incisos XX y XXI; Código de Trabajo, Artos. 336 y 344.


113 Venezuela. Código de Trabajo, Artos. 161 y 163.

114 Cuba. Constitución, Art. 84.
insure compliance with social legislation.\textsuperscript{110} Argentina, Chile, Ecuador, Guatemala, Mexico, and Venezuela provide by law for inspection to insure that labor laws are properly complied with.\textsuperscript{111} Brazil provides that the Inspector General of Labor and the Inspector of the Professional Identification Service shall impose fines on those who disobey the labor laws.\textsuperscript{112} Costa Rica has legislation which provides for health inspection to insure proper compliance with the health laws.\textsuperscript{113} Panama’s legislation provides for inspection of books of business establishments to insure compliance with the law requiring that a certain percentage of the employees of such establishments must be Panamanians.\textsuperscript{114} Colombia does not go as far as any of these countries. Its Constitution merely provides that the Government may intervene by means of legislation in the development of industries and private or public enterprises for the purpose of rationalizing the production, distribution, and consumption of wealth or insure labor the just protection to which it is entitled.\textsuperscript{115}

**SOCIAL WELFARE INSURANCE**

The Constitutions of Brazil, Cuba, and Mexico order the establishment of old-age, disability, and unemployment insurance. But the Constitution of Cuba goes further than the others in that it provides directly that the employer shall contribute a given percentage or quota to the Insurance

\textsuperscript{110} Cuba. Constitución, Art. 85.
\textsuperscript{111} Argentina. Ley 8999 de 1912, Decreto de enero 2 de 1913, Art. 9.
\textsuperscript{Chile.} Código de Trabajo, Artos. 252, 567 al 572.
\textsuperscript{Ecuador.} Código de Trabajo, Art. 39, inciso 16.
\textsuperscript{Guatemala.} Decreto Legislativo 1434 de abril 30 de 1926, Art. 40.
\textsuperscript{México.} Código de Trabajo, Artos. 402 al 405; Decreto de octubre 25 de 1934, Art. 1.
\textsuperscript{Venezuela.} Ley de Trabajo, Art. 145.
\textsuperscript{112} Brazil. Decreto-Ley 1943 de noviembre 4 de 1939.
\textsuperscript{113} Costa Rica. Ley 52 de marzo 12 de 1923, Art. 73; Ley 19 de noviembre 11 de 1936.
\textsuperscript{114} Panamá. Ley 9 de 1935.
\textsuperscript{115} Colombia. Constitución, Art. 28.
Fund, whereas in the case of Brazil and Mexico this requirement is set forth in the law of each country.\footnote{116}

Chile has had old-age and disability insurance since 1924 and unemployment and retirement insurance since 1937.\footnote{117} Argentina has had a maternity insurance law since 1934 and in that same year established an insurance system whereby employers could contribute to a fund which would take care of employees' annual vacations and sick leaves prescribed by law.\footnote{118}

Venezuela in 1940 established a Social Security Law providing for indemnities to cover sickness and maternity as well as labor accidents and occupational diseases.\footnote{119} Necessary funds for the first two types of indemnities will be obtained by equal contributions from employers and employees, the amount of such contributions to be fixed by the Federal Government. As regards the last two types of indemnities, contributions will be made entirely by the employer, and the amount thereof will be determined by the Federal Government on the basis of actuarial tables. It is proposed to put this law into effect by means of decrees that will gradually make it applicable to determine areas and industries.

Although it is true that in Colombia, Ecuador, and Panama neither the Constitution nor any law makes such insurance as that found in Argentina and Chile compulsory, nor is the employer required to pay any part of the premium, nevertheless, the laws of these countries have provided means whereby employers may assist workers in case of old age,

\footnote{116} Brazil. Constitución, Art. 137, incisos m y f; Ley 2122 de abril 8 de 1940; Decreto 5493 de abril 9 de 1940.
\footnote{117} Cuba. Constitución, Art. 65.
\footnote{117} México. Constitución, Art. 123, inciso XXIX.
\footnote{117} Chile. Ley 5054 de septiembre 8 de 1924, reglamentada por Decreto No. 205 de abril 8 de 1925; Ley No. 6020 de febrero 5 de 1937, reglamentada por Decreto No. 300 de marzo 22 de 1937, Decreto 455 de 1935, Decreto 738 de 1937 — Decreto 269 de 1926.
\footnote{118} Argentina. Ley 11933 de 1934; Ley 11729 de 1934.
\footnote{119} Venezuela. Ley del Seguro Obligatorio de julio 24, 1940.
disability, and dismissal from work when they have been employed for a certain length of time. This is accomplished by means of regular contributions which must be deposited in specified institutions or by having the employer give the worker or salaried employee upon dismissal a certain sum of money. Only Costa Rica and Guatemala appear to have no special legislation on this subject.

ACCIDENT INSURANCE

Although all the countries whose legislation has been examined require that in determined or specified industries the right of injured workers to compensation shall be recognized, not all of them require insurance against occupational accidents. Argentina, Chile, Mexico, Guatemala, and Ecuador do not require such insurance.

Costa Rica, Venezuela, and Cuba require insurance against accidents, and the insurance must be covered by the employer exclusively.

In Brazil the employer is required to cover the insurance or deposit such sums as the law prescribes.

Colombia likewise requires the employer to cover this insurance, but certain employers, that is to say, those who

120 Colombia. Constitución, Art. 39; Ley 44 de noviembre 26 de 1939; Ley 10 de noviembre 20 de 1934, Art. 14.
Venezuela. Constitución, Art. 32, inciso 8; Ley del Trabajo, Art. 63. Ley 8 de 1931.
Costa Rica. Ley No. 53 de 1925, Art. 52 — Ley 34 de 1931.
Cuba. Constitución, Art. 65, inciso 3.
Brazil. Ley 34637 de 1934, Arts. 35, 36 and 37 y Decreto 85 de 1935, Art. 1.
meet certain requirements, are permitted to act as underwriters under certain circumstances.\textsuperscript{124}

In Panama, although accident insurance is declared compulsory, nevertheless, there is a law which permits employers operating enterprises of a permanent nature to exempt themselves from this insurance by assuming its compensation obligations.\textsuperscript{125}

\textit{Charles Henry Lee.}

New York, New York.

\textsuperscript{124} Colombia. Ley 37 de 1921, Art. 1, y Ley 44 de 1929, Art. 2.

\textsuperscript{125} Panamá. Ley 17 de 1916; Ley 43 de 1916.