



ARGENTINA



# Hire international talent in **Argentina**



EMERALDTECHNOLOGY



# Employment details in Argentina

To start growing your team in Argentina, you must establish a local entity, including an account with a local bank, a local office and an address registered as a subsidiary. This allows you to manage payroll, tax, benefits and compliance for your employees, but can take several months.

Emerald Technology can hire and payroll your workers, quickly and compliantly with their ready to go entity. So, no more worrying about compliantly managing your international payroll. We handle everything in over 150 countries.

Make growing your team simple with Emerald as a global partner.



## Currency

Argentine Peso (ARS)



## Employer Costs

Estimated 28% of employee's salary



## Onboarding

One week with Emerald Technology



## Payroll Cycle

Either Weekly or Monthly



# Employer Costs

Cost	Rate
Pension	12.35%
Social Security	1.58%
Family Allowance	5.40%
National Employment Fund	1.07%
Medical Insurance	6.0%
Accident Insurance	1.53%
Life Insurance	ARS 78.36
Work From Home Allowance	ARS 18,450

## Benefits

### Mandatory

Employers are required to offer the following benefits to all full-time employees:

- Pension
- Unemployment
- Family Allowance
- Life Insurance
- Work Accident Insurance
- Public Health Insurance
- Paid Annual Leave

### Additional

Some employers like to offer additional benefits to improve employee retention and satisfaction.

- Flexible Working Hours
- Retirement Insurance
- Extended Vacation Annual Leave



# Employment

## Contract

Written contracts of employment are not required for permanent, full-time employees. However, they are recommended. Employees on fixed term contracts, part time, or casual employment will require a written contract. It is advised to include the following:

- Job Title
- Start Date
- Length of Employment
- Job Description
- Termination Conditions
- Payment Terms

**Emerald Technology can create a compliant contract in Argentina within 24 hours.**



## Probation Period

Generally, probation periods in Argentina are 3 months. However, collective agreements may extend the probationary period to 6 months. This is very common within smaller businesses of 40 employees or less. A probation period may even be extended up to 12 months for skilled employees.

## Restrictive Covenants

During employment, employees are obliged to respect their employer's intellectual property, confidentiality and non-compete provisions. There are no specific laws around restrictive covenants after the termination of employment. However, the constitution provides freedom of work, which means that the employee may challenge any non-compete or non-solicitation provisions after termination of employment. The employee is obliged by labour laws not to compete during any current employment relationship. Restrictive Covenants, such as non-compete or non-solicitation of customers, after termination of employment will need to comply with specific requirements.

Ready to expand your workforce to Argentina?

Book a free consultation with our experts today, [click here](#).



# Insurance

## Healthcare

Healthcare is available for all employees in Argentina, providing free medical treatment and hospital care. Contributions to this are made by both the employer and the employee, based on the employee's salary. It is common for employers to also offer a healthcare plan that exceeds the social security coverage offered. Employers must provide insurance in relation to an employee's disability, illness, or death at work, as well as life insurance.

## Social Security

All employers and most employees are required to contribute to the social security (Administración Nacional de la Seguridad Social) and pension funds. Argentina has social security agreements with several countries, including Brazil, Chile, Greece, Italy, Paraguay, Portugal, Spain and Uruguay. Employees coming from these countries are exempt from social security payments to the Argentine retirement and pensions fund if in their home country they will be covered by proportional systems.

# Leave Policy

## Maternity Leave

Expectant mothers are entitled to 90 days maternity leave (Licencia por maternidad). This is usually taken 45 days before the birth and 45 days after. However, many employees choose to take 30 days before the birth and extend their leave following the birth. The leave before the birth cannot be reduced to less than 30 days. Additional unpaid leave (período de excedencia) between 3 - 6 months can be requested. Maternity pay is not paid by the employer but by social security. This is the equivalent to normal remuneration. Fathers are entitled to 2 days paternity leave (Licencia por paternidad) which must be taken immediately after the birth.

## Paternity Leave

Employees are entitled to two days paternity leave that must be used after the birth.

## Sickness Leave

Employees with less than five year's continuous service are entitled to up to three months' paid sick leave. This can be extended to up to six months with over five years' continuous service. If the employee has a family, these periods are doubled. Sick pay is covered by the employer.

The employee will be required to undergo examination by a doctor to verify the illness. Once the period of sickness has expired, if the employee is still unable to return to work, then they are entitled to a further 12 months' unpaid leave.

The employer must keep the employee's position open during this period. If the employee is then found to have a permanent disability that prevents them from being able to perform the same work, the employer will either need to make reasonable adjustments or work in line with the disability. If the employer can prove they are unable to provide this, then the employer can terminate employment by paying 50% severance compensation in line with dismissal without justified cause. The employer would need to pay 100% in the case of a total permanent disability.

# Onboarding

## Details

As the legal employer, Emerald Technology requires the following employee documents to ensure complete compliance:

- Passport / ID
- Bank Account Details and Confirmation

**Emerald Technology can onboard employees in Argentina within a week.**



# Resignation and Dismissal

## Details

Within the probation period, either party may terminate employment by providing 15 day's notice in writing. Once the probation period has ended, the notice period increases to one month when length of service is between three months and five years, and two months' notice when length of service exceeds five years.

## Compensation

In addition to notice, employees will also be entitled to compensation payments based on salary once they have completed one year's service, if employment is terminated without a justified cause (30 day's salary for each year, up to a maximum of 330 days). The employee will also be entitled to payment of notice days if prior notification was not given, as well as payment of any annual leave days not taken.

If employment was based on a specific contract or task and this ends prematurely, the employee will be entitled to 2.5 days of salary for each month worked.

If an employee is made redundant there will still be a compensation payment. However, this will be at a reduced rate, typically 50% of the monthly salary. An employee will not be entitled to compensation payments based around dismissal regarding the conduct of the employee.

An employee may terminate the employment relationship by constructive dismissal if the employer fails to discharge his or her obligations under the contract. In this case the worker is entitled to payment in lieu of notice, and to an indemnity equal to that which is payable by the employer in the case of dismissal without cause.

## Severance

Employers can also claim severance for unfair dismissal, plus an additional amount that increases the severance by 50%. However, in some cases where dismissals have been found to be discriminatory, the courts have ordered the reinstatement of the employee. There is currently no separate claim for wrongful dismissal.

# Statutory Time Off

## Annual Leave

Annual leave entitlement in Argentina largely depends on length of service with an employer. Generally, the following applies:

- Less than 5 years' employment: 14 calendar days
- 5-10 year's employment: 21 calendar days
- 10-20 years' employment: 28 calendar days
- 20+ years' employment: 35 calendar days

## Public Holidays

There are 15 paid public holidays in Argentina and the government adds 'bridge holidays' which can increase this number. Employees are also entitled to 10 day's leave for marriage.

- New Year's Day
- Carnival
- Malvinas War Day
- Good Friday
- Labour Day
- Revolution Day
- General Martin Manuel de Guemes Memorial Day
- General Belgrano Memorial Day
- Independence Day
- Day of the Immaculate Conception
- Christmas Day
- San Martin Memorial Day
- Columbus Day
- National Sovereignty Day

# Work, Pay and Taxes

## Minimum Wage

The national minimum wage in Argentina is currently 38,940 Argentinian pesos ARS. This is set to increase again in June 2022.

## Working Time and Overtime

The standard working week in Argentina is 8 hours per day, 5 Working hours in Argentina should not exceed 48 hours per week or eight hours per day. A workday maybe extended due to exceptional circumstances but should not exceed an additional three hours per day (eight hours per week), 30 hours per month, or 200 hours per year. The overtime rate is an additional 50% of salary (100%) for work on Saturdays after 1pm, Sunday and public holidays).

Employees should have a minimum of one rest day for every six days worked. Employees are entitles to a rest period of at least 12 hours between two working days.



## Salary Payments

Working hours in Argentina should not exceed 48 hours per week or eight hours per day. A workday maybe extended due to exceptional circumstances but should not exceed an additional three hours per day (eight hours per week), 30 hours per month, or 200 hours per year. The overtime rate is an additional 50% of salary (100%) for work on Saturdays after 1pm, Sunday and public holidays).

Employees should have a minimum of one rest day for every six days worked. Employees are entitles to a rest period of at least 12 hours between two working days.

## Bonus

Employers in Argentina are required to pay one additional monthly salary, divided into two payments, one in June and one in December.

## Income Tax

The Argentinian tax year runs from January to December. It is the employer's responsibility to ensure taxes are paid from salaries before payments are made to employees. The general personal income tax rates are listed below as guidance.

Salary	Tax Percentage
Up to 64,532.64	5%
64,532.64 - 129,064.29	9%
129,064.29 - 193,597.93	12%
193,597.93 - 258,130.58	15%
258,130.58 - 387,195.86	19%
387,195.86 - 515,261.14	23%
515,261.14 - 774,391.71	27%
774,391.71 - 1,032,522.30	31%
1,032,522.30+	35%

# Discover how Emerald Technology can **grow** your international workforce **risk-free**.

Emerald is a global expansion partner, supporting B2B tech companies hire, onboard and payroll remotely across 150 countries. Handling local payroll, taxes, benefits and compliance in every region you want to expand your workforce.

**Book a free consultation with our experts today, [click here](#).**

