

Legal Update

Labour recent developments

June 2018

Changes in outsourcing and employment mediation legislation

Decree 683 of 2018 issued by the Ministry of Labor revoked Decree 583 of 2016 which ruled articles 63 of Law 1429 of 2010 and 74 of Law 1753 of 2015 regarding outsourcing and employment mediation and established guidelines for the inspection, surveillance and control on labor intermediation for all types of employment relationships, other than direct recruitment.

The overriding of Decree 583 of 2016 arose as a consequence of the Council of State ruling of July 6, 2017, according that declares the invalidity of the notion of “illegal outsourcing”.

Article 63 of Law 1429 of 2010 remains in force and establishes that: “personnel required in any organization and/or company private and/or public for the development of permanent missional activities cannot be affiliated through a Work Cooperative (*Cooperativas de trabajo Asociado*) that carry out labor intermediation or under any other type of labor relationship that affects the constitutional and legal or social benefits granted under labor legislation.”

Currently, under Colombian law, it is prohibited to hire personnel for the development of permanent missional activities (related to the organization’s or company’s productive activity) under any type of labor relationship that affect the constitutional and legal or social benefits granted to employees. Nonetheless, with Decree 583 of 2016 now repealed, the illustrative and interpretative elements established by the Ministry of Labor for the investigation of alleged cases of illegal outsourcing are also voided, which limits the inquiry and subsequent sanction imposition faculties of the Ministry in such cases.

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