

Latin America is a continent with a population of over 626 million potential customers and employees, as of 2016. The continent stretches from Mexico to the tip of South America. Companies can expand into this region of the world without having to set up a subsidiary or local company presence. As your Latin American PEO we become your employer of record in that country and provide the infrastructure to manage international staff via our solution.

Request a Proposal

Expanding Into Latin America

There are many reasons to expand into Latin America. The region has become more stable in the 2010s and continues to offer labor at highly competitive rates. Direct access to natural resources also interests many companies looking to expand.

If you are expanding into Latin America, however, you do face some challenges. Opening an office or branch in this region may create security concerns and risks in some areas. Certain organizations spend considerable amounts on security for workers and premises. In addition, compliance with Latin America employment laws can turn into a challenge, as can language issues.

There is a simpler way.

By leveraging our infrastructure and software solution, you can start hiring in a new country and enter an untapped market in a matter of days. Globalization Partners manages the administrative burden and through a service agreement they work for you just like your US-based employees.

With our platform, you can start hiring in a new country and enter an untapped market in a matter of days. Globalization Partners manages the administrative burden and through a service agreement they work and report to you just like your current employees

Latin America Employment Law and Compliance

If you want to expand into Latin America, you need to stay compliant with local employment laws, which do vary. In Argentina, for example, labor laws strongly favor employees, and powerful labor unions offer additional protections for workers. It is illegal to pay contracts gross in USD, but many employees do want to be paid in USD due to currency fluctuations. It is important to follow the rules to ensure your company is not accused of breaking the law.

Hiring and Work Permits in Latin America

Hiring processes and permit requirements in Latin America are varied and often rely on local custom. In Chile, for example, many Chilean candidates want to see a local connection to a prospective employer. Candidates are likely to consider the net salary in an employment offer, so it is important to clarify whether an offer is in gross or net.

Compensation and Payroll in Latin America

In 2019, Uruguay had among the highest monthly minimum wage in the region, at USD 462.35. Mexico's was \$156.90 that same year, while Paraguay has a monthly minimum wage of \$330 but less than a third of the population is making this amount or more.

Latin America and GDPR

Since May 2018, the EU General Data Protection Regulation GDPR has impacted how Europe handles data. Under this regulation, companies face strict penalties if they do not monitor how data gets used or fail to take precautions to keep customer data safe.

Latin America GDPR compliance is still crucial for companies working in this region. Any company with an online presence or any company which caters to European customers needs to stay compliant.

Data Privacy in Latin America

After the GDPR passed, Brazil passed equally strong data privacy laws. The new laws introduced a national data protection body, requiring some companies to have a data protection officer and created fines for non-compliance. Around the same time, Mexico, Chile, and Argentina boosted their own privacy laws.

How Global PEOs Help Businesses Expand into Latin America

In the past, if companies outside Latin America wanted to expand into the region, they needed to learn the complex laws and open offices in the area. This is often impractical, especially when hiring just one or two employees. With a PEO such as Globalization Partners, you can focus on your company while we handle payroll, compliance, and other issues related to hiring beyond borders.

Talk to a Latin American PEO Expert

If you'd like to expand into Latin America easily and quickly, speak with a global expansion expert today. Globalization Partners will ensure you are compliant, disperse payroll accurately, and adhere to local tax law.