

When your company flourishes, you may consider developing it on an international scale in Barbados. This business venture can lead to significant success with the right support, and Globalization Partners offers the services you need.

Our Employer of Record model allows your company to use our subsidiary in the country. With connections in over 185 countries, we have a vast network of legal and HR experts to support your expansion. We'll help you navigate employment laws, onboard employees and handle any disputes that arise.

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When we hire your employees through our entity, we take on all legal responsibilities. You can gain peace of mind by releasing liability concerns, and we make sure your global expansion in Barbados runs smoothly from payroll to international employee work permits.

Doing Business

Barbados is a beautiful Caribbean island nation that offers economic promise for many international companies. With agriculture and tourism driving the country and a high quality of life, both locals and international workers can find success and prosperity in the area.

When it comes to doing business, the country offers benefits such as low taxes and minimal employment regulations. The nation dedicates itself to supporting fairness in the workplace with the Employment Rights Tribunal. This form of employee representation allows workers to file a case against employers if they fail to meet employment laws.

Abiding by your contract and the national employment laws can create a robust work environment with proud employees that support your success.

Employment Contracts

Barbados's labor laws define an employment contract as a written or oral agreement between you and an employee. If you choose to write a formal document, it should include:

- The name of both parties involved.
- The rate of pay.
- The title of the position.
- The working hours and schedule.
- Termination terms.
- Vacation leave
- The starting date.
- The end date, if applicable.

It's best to be as thorough as possible in your contract, as employees may contest unclear terms through the Employment Rights Tribunal.

Working Hours

The standard workweek in the country is 40 hours at eight hours each day. Every employee is entitled to two rest days a week, typically on Saturday and Sunday. However, these rest days can occur during any two days as they're at your discretion.

Overtime is optional and defined as any length of time over the working hours determined in the contract. You cannot require overtime work at any point. If workers request or take

overtime, they should receive 150 percent of their regular rate during those excess hours.

Vacation Leave

All employees earn vacation leave after one year of employment, and the time off they receive depends on the number of years they've served. When an employee has worked for less than five years, they earn three weeks of vacation. For five years or more, they receive four weeks.

These vacation periods expire six months after they're awarded, and employees must take them in one period. If both you and the employee agree, workers can take their vacation in two periods instead of all at once. You should provide standard pay during this time off and award the amount before the worker uses the time.

Sick Leave

Barbados has very few regulations regarding sick leave, so you can set any rules or limitations in the employment contract. Labor laws dictate that a doctor must certify sick leave after two days of absence.

You may choose to pay an employee when they use a sick day, but it's not a requirement. The National Insurance Scheme (NIS) will cover pay after three days of absence as long as the employee has contributed to the fund.

Holidays

There are 12 bank holidays in the country, and all employees are entitled to paid time off during these events. Holidays include:

- New Year's Day.
- Whit Monday.
- National Heroes Day.
- Labor Day.

- Errol Barrow Day.
- Emancipation Day.
- Independence Day.
- Grand Kadooment Day.
- Good Friday.
- Easter Monday.
- Christmas Day.
- Boxing Day.

The general law claims that no person must work on a bank holiday, but there are exceptions to this rule. The Public Holidays Act lists several industries that are not required to give time off during these days, including food service and hospitality. However, if an employee must work on a bank holiday, they should receive double their standard pay rate.

Maternity Leave

After a year of service, an employee is entitled to maternity leave. The total time off should be 12 weeks, with up to six weeks taken before delivery. If a doctor notes any medical concerns after delivery, a woman may receive up to an additional six weeks for recovery. This extended time is under the discretion of her doctor.

An employee may not receive maternity leave more than three times under one employer.

Tax

Income tax in the country operates on a two-tier system based on gross income. The NIS also requires contributions from you and your employees. Keep in mind that you are responsible for these deductions from worker's paychecks.

Termination and Severance

Termination notice depends on an employee's pay schedule and how long they've worked for your company. Hourly, daily, and weekly employees must receive one week of notice for less

than two years of service. Notice doubles to two weeks at two to five years of service. The pattern continues as:

- Four weeks for five to 10 years
- Six weeks for 10 to 15 years
- 10 weeks for more than 15 years

Biweekly employees need two weeks of notice for less than five years of service, and notice periods increase as listed above. Employees paid on a monthly schedule require notice as follows:

- One month for less than 10 years of service
- One and a half months for 10 to 15 years of service
- Two and a half months for over 15 years

Poor conduct, failing to perform tasks, and redundancy are all valid reasons for dismissal. Severance packages are not required, but the NIS will provide a package for redundancy and layoff scenarios.

Health Insurance

Barbados has a robust health care infrastructure, privately and publically. All employees are required to contribute to the NIS, which gives them free access to public health care.

You are not required to provide private health insurance schemes, but it is an option. Private health insurance may help individuals see a doctor faster than private institutions and provide higher quality care. With a well-established health care system, public care is an excellent service for most circumstances.

Bonuses and Additional Benefits

There are no bonuses or additional benefits outlined in the country's labor laws. You may choose to provide your own set of perks to support your employees, though.

Expand Your Business to Barbados With Help From Globalization Partners

Get the expertise you need for your international expansion with Globalization Partners. [Talk to our team](#) today to learn more about our Barbados Employer of Record services.