

Sourcing the right benefits and offering an acceptable level of compensation can present a challenge in your home country — it becomes even more difficult during expansion to a new country. When growing your company to Costa Rica, you must learn the country's compensation laws, discuss guaranteed and supplemental benefits, and decide whether to outsource or do the work yourself.

Globalization Partners can step in and help you discover the right Costa Rica benefit management plan for your company. Our experts understand Costa Rica's compensation laws and can ensure you will stay compliant. We take on the risk, so your only responsibility is growing your company.

Costa Rican Compensation Laws

Costa Rica's minimum wage depends on an employee's job and skill. For example, a house cleaner makes about 182,928 colónes per month, but those with a licentiate degree earn at least 644,225 colónes a month. The typical workweek in Costa Rica is 48 hours a week. Any overtime should be paid at 150% of an employee's regular wage.

According to Costa Rica's compensation laws, employees must receive two bonuses each year — a Christmas bonus and Aguinaldo. The Christmas bonus equals one month's wages and must be paid between December 1 and 20. The Aguinaldo also equals a month's wages and gets paid in two installments, one in June and one in December.

Guaranteed Benefits in Costa Rica

Your Costa Rica benefit management plan must include statutory benefits required by law. The country has nine public holidays employees get off, and salaried employees also get paid for Virgin of Los Angeles Day and Cultural Day regardless of whether they work. Costa Rica's Labor Code states that employees receive one day of vacation for every month they work and two full weeks of vacation after 50 weeks of work.

Pregnant employees must receive one month of paid maternity leave before the birth of a

child and three months after birth. As an employer, you need to pay 50% of the employee's salary for those four months of leave while the Social Security Administration will pay the remaining half.

Your Costa Rican Benefit Management Plan

Another important aspect of your benefits management plan is providing supplemental benefits that will encourage employees to stay in their roles and attract top talent to your open positions. We recommend budgeting 26% on top of an employee's gross salary for additional benefits the employee may need.

You can choose what kind of supplemental benefits you'd like to offer employees. One popular option is private healthcare, which costs about \$60-130 a month per person depending on an employee's gender, age, and other factors.

Restrictions for Benefits and Compensation

Before you can disperse benefits and compensation in Costa Rica, companies must establish a subsidiary in the country. A subsidiary will help you legally work in Costa Rica, allow you to hire employees, and more. Your other option is Costa Rica compensation and benefit outsourcing through Globalization Partners. We handle your payroll, benefits, compensation, and more, and you won't have to go through the lengthy subsidiary setup process.

Work With Globalization Partners Today

Globalization Partners is here to make your expansion smoother. Contact us today to learn more about our Costa Rica benefit and compensation outsourcing services.