

Growing companies often seek global expansion in Dominica to test new and unsaturated markets. As an Employer of Record in Dominica, Globalization Partners can help you seamlessly break into the country — we simplify opening and operating around the world. Our in-country experts help you establish your presence, and our platform takes care of managing your global workforce.

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## **Hiring, Negotiating and Doing Business**

Dominica is an island nation that attracts tourists, retirees, and various business people. If you want to expand into a new country, it could be the perfect destination for your company. However, there are some tips and tricks to learn for success.

While introductions do not have to follow a specific order, you should use each person's title and respect any business cards your candidates give you. Once your meeting or interview starts, be sure not to interrupt. Keep in mind that during the recruiting process, you want to negotiate and reach an agreement that benefits your company and the candidate you wish to hire.

Elections can also cause drastic changes in the government. You should always be aware of legislation that may affect your operations.

## **Employment Contracts**

You must prepare an employment contract and have it signed within two weeks of the date a new hire starts their job.

A valid employment contract contains various details, including an employee's personal data, new role, and expectations, including responsibilities, working hours, and compensation. You must document any leave granted to employees, as well as procedures for ending the employment contract.

Instead of establishing a universal minimum wage, Dominica's labor laws lay out various minimum wages in a "schedule." These amounts differ based on industry, role, and whether you include meals or housing. Most minimum wages range from 2.70 to 8.11 East Caribbean Dollars (XCD) per hour.

## **Working Hours**

The standard workweek should not exceed 40 hours, and employees must not work more than eight hours per day. Within these constraints, schedules have to include at least one full day of rest. If possible, that day should be Sunday. Both you and your employees in some industries may be limited to fewer working hours or days based on occupation.

If you request that an employee works overtime, they must consent to any extra hours. Overtime compensation must equal at least 150 percent of an employee's standard wages.

## **Vacation Leave**

During their first five years, employees must receive two weeks of paid vacation leave, which

renews annually. After five years, employees are eligible for three weeks of annual leave. Part-time employees should receive a proportional amount of leave based on their yearly hours.

If an employee takes leave and a holiday occurs during that period, they receive an extra day off.

### **Sick Leave**

Social security will pay 60 percent of an insured worker's salary if they cannot work because of a medically certified illness. Employees may only benefit from this fund for six months. Also, sickness benefits apply to employees who have worked at least eight of the last 13 weeks before their illness. They must have reported to work on the last working day before their illness, too.

### **Maternity Leave**

Pregnant women with one year of continuous employment are eligible for maternity leave. This period should begin no less than three weeks before the employee's due date and end within nine weeks of the birth. The end date of an employee's maternity leave may move up to account for confinements that last longer than expected, but they must receive at least six weeks of leave after the birth.

Pay during maternity leave should equal at least half of an employee's standard wages. It is illegal to reduce a reinstated employee's salary or reassign them to a lower position after they return from maternity leave.

### **Termination and Severance**

You must include expected notice periods and other procedures for terminating an employment contract in the draft before signing it. If you forego the agreed-upon notice period, you must pay the terminated party the amount they would have earned during that

period.

You may terminate a contract for employee misconduct, unsatisfactory performance, breach of contract, redundancy, and as a result of extended layoffs.

Employees terminated at your will are eligible for the wages they would have earned during their annual vacation leave.

## **Tax**

While employees must pay personal income taxes, you are not responsible for withholding any payroll taxes. Still, you need to keep track of other withholdings from employee salaries and your own contributions.

## **Health Insurance and Additional Benefits**

You are responsible for registering employees with Dominica social security for both short- and long-term benefits.

You should also deduct four percent of each employee's wages and pay them to the social security office. These contributions are due no later than the 14th day of each month or the first working day after that date. Late payments and a failure to contribute can lead to fines, including a 10 percent penalty. Other contributions depend on whether an employee has redundancy.

The social security office provides insured employees with benefits that include employment injury and reimbursements for medical expenses. Employees must meet specific conditions to be eligible for these payments. They may receive short-term benefits in the event of:

- Sickness.
- Maternity.
- Employment injury.

- Disablement.
- Medical expenses.
- Death.

Long-term benefits include:

- Age pensions and grants.
- Invalidity benefits and grants.
- Survivors' benefits and grants.
- Funeral grants.

Except for funeral grants, social security can dispense long-term benefits in payments or as a lump sum.

## **Bonuses**

You may elect to offer bonuses to employees, but you are not required to do so. Often, employers provide a cost-of-living and production bonus.

## **Holidays**

Employees in many industries observe several nonworking holidays:

- New Year's Day
- Carnival
- Good Friday through Easter Monday
- Labor Day/May Day
- Whit Monday
- Emancipation day
- Independence Day
- Community Service Day
- Christmas Day
- Boxing Day

You are only responsible for paying holiday pay if an employee reports to their job on the last

working day before the holiday and the first working day after.

## **Work With an Employer of Record**

Relocating and working in Dominica are fairly simple processes, but setting up your company in a new country can be complex. The process can take up to seven months. When you work with Globalization Partners, there's no need to establish a subsidiary. We have entities in 187 countries worldwide and can help you start hiring in days instead of months.

Our global PEO services also include:

- Maintaining total compliance at no risk to you.
- Managing payroll for your global workforce on a single platform.
- Generating employment contracts.
- Ensuring all employees have the right documentation.

## **Choose Globalization Partners When Expanding Business to Dominica**

Globalization Partners can help you navigate complex employment regulations so your company can focus on growth. [Contact our team today](#) to learn more about what an Employer of Record can do for you.