

Two essential aspects of international employee management are compensation and benefits. When managing these employment areas, you need to consider employee expectations and the country's labor laws.

At Globalization Partners, we're a global PEO - also known as an Employer of Record - with established entities around the world. We ensure compensation and benefits provisions in Laos are fair and legal, so you can focus on building your company.

Laos Compensation Laws

The country's minimum wage is subject to change at any time. The state may also create minimum wages according to employment sectors. While you must meet the country's minimum, you can create a higher wage as part of your company's internal regulations.

The current minimum wage is 1,100,000 Lao Kip (LAK) a month. Employees should receive paychecks at the beginning or end of the month, and you must make a record of every payment. To ensure employees receive their paychecks, they need to sign a receipt confirming they earned their wages.

Labor laws also allow you to pay wages in the form of materials instead of currency. In these instances, you and an employee representative have to agree on the exchange. The materials also need to be at an appropriate rate compared to standard cash earnings.

Guaranteed Benefits

While wages are a valuable aspect of compensating employees, benefits also play an essential role. The country's employment laws outline a series of benefits that you must provide, including:

- Annual and sick leave.
- Public holidays.
- Maternity leave.

- Rest days.

All employees must receive 15 days of paid leave each year, or 18 days if they work in a high-risk field. Workers earn 30 days of paid sick leave with a medical certificate and six public holidays off. All employees are also entitled to one rest day a week, and female workers have a right to 105 days of paid maternity leave.

As an employer, it's your responsibility to ensure you meet these employment terms and include them in employee contracts.

Laos Benefits Management

While you must provide the minimum benefits recorded in the country's labor laws, you can offer additional provisions. Providing extra benefits can make your workplace more competitive among other companies and incentivize workers to care about their jobs and put forth their best effort. You can show your employees you care by providing perks such as:

- Work-from-home opportunities.
- Skill development programs.
- Private health insurance.
- Meal vouchers.
- Holiday bonuses.

When managing your employee benefits, you have to consider workers' needs and your company's financial abilities. If you provide more than you're able, you may hinder your company's development and success.

At Globalization Partners, we create benefits packages that scale with your company. Every tier includes the minimum requirements, such as annual leave, sick days, and public holidays off. You can add more benefits as your company grows and stick to lower tiers when you start. When you outsource your benefits to us, your company stays compliant, and you offload all liability risk to us.

Restrictions

All compensation and benefits restrictions are outlined in the country's most recent labor laws, released in 2013. You may also need to follow limitations based on the agreements you make with the appropriate trade unions. Your internal regulations should always include legal minimums, but you may set your own requirements over these regulations.

Work With Globalization Partners for Compensation Outsourcing

Your international team forms the foundation for your global success, and you need to compensate them accordingly. Globalization Partners offers compensation and benefits outsourcing in Laos to ensure your employees receive what they deserve. [Reach out today to learn more](#) about our services.