

One of the keys to retaining great employees is offering competitive benefits and compensation. Your Latvia benefits management plan must include the country's statutory minimums, but you can add supplemental benefits to stand out from other employers. You also need to meet Latvia's compensation laws to stay compliant.

Unfortunately, handling compensation and benefits on top of managing the incorporation process, hiring employees, and more can cause you to lose valuable time running your company. Globalization Partners' Latvia compensation and benefits outsourcing services are designed to help you start working faster without any worries about compliance.

## **Latvia Compensation Laws**

Latvia's minimum wage changed in 2018 and now applies to two different categories of workers. Full-time employees must make at least 430 EUR a month, while teenagers and employees subject to specific risks should make at least 2.03 EUR an hour. Latvia compensation laws define "special risk" as environmental risks that can impact the safety and health of an employee.

## **Guaranteed Benefits for All Employees**

All employees need to receive statutory benefits as a part of your Latvia benefits management plan so that you can stay compliant. For example, employees should get time off for the country's 12 public holidays as well as at least four weeks of paid annual leave. Most employees are generally eligible for 10 days of sick leave paid by the employer. The second and third days are paid at 75% of the employee's regular wages, and the fourth through 10th days are paid at 80%. From the 11th day through 26 weeks, the state's Social Insurance Agency pays 80% of the employee's regular wages.

Another important guaranteed benefit is maternity leave. Female employees should get at least 112 days of maternity leave — 56 before the birth and 56 after. Social insurance will cover the employee's full wages during the leave as long as she is insured. Fathers should

get 10 days of paternity leave that they can take within two months of the child's birth.

### **Best Ways to Disperse Benefits**

When you start dispersing your Latvia benefits management plan, you can also disperse other benefits that will encourage greater retention rates. Some of the common employee benefits in Latvia include private health insurance and the use of a company car. If you're not sure what benefits employees would appreciate most, try seeing what other companies are offering and asking your employees what benefits would mean the most to them.

### **Restrictions for Latvia Compensation and Benefits**

You cannot provide benefits and compensation until you register an entity in the country unless you work with a global PEO. Globalization Partners provides Latvia compensation and benefits outsourcing services and will act as the Employer of Record on your behalf. We can shoulder all compliance for you and add your employees to our existing benefits plan and payroll.

### **Partner With Globalization Partners**

Globalization Partners will help make your expansion a breeze. Contact us today to learn more about Latvia compensation and benefits outsourcing and our entire suite of global expansion services.