

When your company prepares to expand to Madagascar, you need to consider what level of compensation you'll provide and what benefits you'll disperse to employees. However, it's not as simple as sourcing the benefits and choosing a level of compensation that sounds good. Your company has to meet Madagascar's compensation laws and provide at least statutory benefits to stay compliant.

Globalization Partners offers Madagascar compensation and benefits outsourcing to make your expansion a little easier. We'll act as the Employer of Record to hire employees who work for you and add them to our already compliant Madagascar benefits management plan. Our team will make sure you don't have to worry about compensation, benefits, or compliance.

## Madagascar Compensation Laws

Madagascar's compensation laws dictate a minimum wage of 133,013.40 Malagasy ariary a month for non-agricultural workers and 134,920 Malagasy ariary a month for agricultural employees. The minimum wage changed in 2015, so you should watch for any changes to the law. Although collective bargaining agreements (CBAs) aren't extremely common in Madagascar, you should check for one that applies to your industry, as it could have different Madagascar compensation laws.

## Guaranteed Benefits Required by Law

Once you're ready to provide benefits, you need to add employees to a Madagascar benefits management plan. You should start by providing statutory benefits such as 12 days off for the country's public holidays. Employees are also entitled to 2.5 days of paid leave each month they work for your company.

In addition, maternity leave is a guaranteed benefit that you'll need to provide. Female employees typically get 14 weeks of paid maternity leave, with eight weeks taken after birth. This leave is paid at 50% for employees covered by the labor code and 100% for public servants. Men should receive up to 10 days of paid leave for family events.

## Best Way to Disperse Your Madagascar Benefit Management Plan

Your employees need more than just statutory benefits to stay in their positions long-term. Dispersing supplemental benefits as part of your Madagascar benefit management plan will show employees that they matter to the company and encourage higher retention rates. One

common benefit is an annual 13th-month bonus or a performance-based bonus. Other employers choose to provide the following benefits:

- Additional health insurance
- Car allowance
- Dependent education
- Fitness allowance
- Meal allowance

## Restrictions for Benefits and Compensation

Many companies hope to expand to Madagascar and start working immediately. However, you have to establish a subsidiary before you can hire employees, add them to your payroll, and source benefits. Incorporation can take months and cause you to lose the employees you were looking to hire.

Globalization Partners eliminates this restriction for companies looking to expand quickly. Madagascar benefits and compensation outsourcing can help you stay compliant and competitive. When you work with us, we'll manage the risk so that you can manage your company.

## Work With Globalization Partners

Our team is ready to help you make the most out of your expansion in the least amount of time. Contact us today to learn more about Madagascar compensation and benefits outsourcing.