

As you create a strategy to expand your company and hire new staff members, compensation and benefits will inevitably become a central focus. Growing your company overseas requires meeting specific labor laws and offering compliant and competitive benefits packages that will draw top talent to your company.

Globalization Partners offers a streamlined way to build out your company internationally. Our team of legal and HR experts can cultivate sliding benefits packages that help your company stand out. When you choose our Micronesia compensation outsourcing services, we'll ensure every step of your expansion process is legally compliant.

Micronesia Compensation Laws

The Federated States of Micronesia institutes a minimum wage per hour for national government workers. These minimum wages differ per state, ranging in amount from \$2 in Pohnpei, \$1.42 in Kosrae, \$1.60 in Yap, and \$1.25 in Chuuk.

This minimum wage applies specifically to government workers and is typically lower for workers in the private sector. As you bring nongovernmental workers onto your team, you will need to establish acceptable wages in your employment contract. Keep in mind that while the minimum wage may be significantly lower, the average hourly wage is \$8.

Guaranteed Benefits in Micronesia

Workers are entitled to several benefits according to federal labor laws. For example, employees are entitled to overtime pay for any hours worked over 40 hours per week. Female employees are eligible for up to six weeks of paid maternity leave per year. Additionally, employees must receive paid vacation leave for every public holiday.

Workers are also entitled to social security benefits. The country's social security system relies on quarterly contributions from both an employee's income as well as your revenue. You are responsible for overseeing both your contributions and those of each employee. Nationals who are 65 and older who have contributed at least \$2,500 in taxes are eligible for

old-age pension.

Micronesia Benefits Management

In addition to providing guaranteed benefits, you can offer a series of additional employee perks. While these aren't mandatory, they can help create a supportive, positive workplace where your team members feel appreciated. In addition to boosting team morale, these benefits can encourage your employees to increase their productivity. If you have the means, try to offer one or more attractive perks, such as:

- Financial bonuses for meeting company or personal performance goals
- Extended vacation leave
- Stipends for housing, travel, or food expenses

When you work with Globalization Partners, you can make the most of our comprehensive benefits management services. We will support every area of your compensation and benefits distribution processes, including meeting any in-country employment regulations. As a global PEO, also known as an Employer of Record, we'll take on the responsibility of liability, giving you peace of mind to focus on your expansion. Through our scalable benefits packages, you can create custom offerings that align with your budget and values.

Restrictions for Benefits and Compensation

Currently, benefits and compensation laws continue to fluctuate as new labor law amendments come into effect. It is vital to stay up to date with any changes to ensure your employment contracts remain legally compliant. Working with Globalization Partners eliminates this hassle, as we keep up with changing benefits and compensation restrictions.

Choose Globalization Partners Today

Fair compensation and generous benefits are crucial to keeping your employees productive and happy. Managing and administering sliding benefits packages requires time and investment, particularly when dealing with employees overseas. Globalization Partners is

here to ensure your company stays compliant and your staff stays satisfied.

Are you interested in learning more about our benefits outsourcing options? [Reach out to our team](#) today.