

Your employees care about compensation and benefits, so you need to prepare a Pakistan benefit management plan that fits your company and employees' needs. However, you also have to ensure you meet Pakistan compensation laws, provide statutory benefits, and keep your business running. Globalization Partners offers Pakistan compensation and benefit outsourcing services that will help you stay compliant and give you peace of mind about providing the right compensation and benefits to employees.

Pakistan Compensation Laws

Minimum wage in Pakistan varies by region.

As of 2019, Pakistan raised its monthly minimum wage for unskilled workers to PKR 17,500, which is about \$115. In the province of Punjab, the minimum monthly wage was increased to PKR 20,000 for 2021. These numbers could continue to rise in the years to come, so it's important to keep an eye on any Pakistan compensation law changes. The country does not have a minimum wage for skilled labor. Instead, it's between you and the employee to decide during a contract negotiation.

Industrial and commercial businesses with 20 or more employees must pay profit bonuses to employees who have worked at least 90 continuous days. The company also has to declare profit in that year to be required to give out bonuses.

Guaranteed Benefits in Pakistan

Every company must provide guaranteed benefits that include time off for holidays and paid vacation days. Pakistan has 11 national and religious holidays for which employees get the day off. Employees who have worked continuously for at least a year get 14 consecutive days of annual leave during the next year. Those vacation days carry over into the next year if they're not all used.

Another guaranteed benefit is 10 days of casual leave with full pay and another 16 days of sick or medical leave where employees get 50% of their regular pay. Employers can grant casual leave for situations such as a sudden, fast illness, while taking sick leave requires a medical certificate.

How Do You Disperse a Pakistan Benefit Management Plan?

Dispersing benefits to your employees also means giving out supplemental benefits. Although Pakistan compensation laws don't require these benefits, they can encourage higher retention rates and give your employees a happier work experience. For example, much of Pakistan's population is Muslim and may want to take pilgrimage. Depending on some collective bargaining agreements, Muslim employees may get special leave up to 60 days for these trips.

Other companies opt to offer additional medical insurance, life insurance, and tuition reimbursement. Healthcare is commonly known as a corrupt institution in Pakistan. Without a national health insurance system, the majority of the population pays healthcare expenses out of pocket, and private-sector insurance companies control the market.

Restrictions for Compensation and Benefits

The biggest restriction for Pakistan compensation and benefits is that you must establish a subsidiary before you can hire employees and run a Pakistan benefit management plan. However, Globalization Partners can change this process through our Pakistan compensation and benefit outsourcing. With us, you won't have to set up a subsidiary before starting work. We'll use our established subsidiary to help you start working faster and keep you compliant.

Globalization Partners Can Help

If you need help dispersing benefits and require a Pakistan compensation outsourcing plan, Globalization Partners can help. Contact us today to learn more.