

When you find business success at home, you may consider expanding your company to another country. This venture can give you a more significant presence and offer larger-scale success. Confronting this task on your own can be just as challenging as it is rewarding, though.

At Globalization Partners, we make international expansion possible. Our team of HR and legal experts paired with our connection to over 180 countries allow us to take your business anywhere you see fit.

Table of Contents

- [Hiring in Papua New Guinea](#)
- [Employment Contracts in Papua New Guinea](#)
- [Working Hours in Papua New Guinea](#)
- [Holidays in Papua New Guinea](#)
- [Vacation Days in Papua New Guinea](#)
- [Papua New Guinea Sick Leave](#)
- [Maternity/Paternity Leave in Papua New Guinea](#)
- [Health Insurance in Papua New Guinea](#)
- [Papua New Guinea Supplementary Benefits](#)
- [Termination/Severance in Papua New Guinea](#)
- [Paying Taxes in Papua New Guinea](#)
- [Why Globalization Partners](#)

Our Employer of Record model starts with hiring your employees through our subsidiary. We help you create compliant employment contracts, set up payroll and tax processes, and offer benefits packages for you to supply your workers.

With your employees hired under our entity, you offload all associated legal risks to us. Our lawyers know what to do to keep everything compliant, but we're ready to confront legal issues if they arise.

When we handle all the complicated details, you have more time to focus on your business

goals and encourage company-wide success. Take a look at our knowledge of Papua New Guinea and how we'll support your global expansion.

Hiring in Papua New Guinea

Papua New Guinea is a small nation in Oceania that has pushed development in the past few years. With an eagerness to develop infrastructure and introduce international investment opportunities, the country offers promise for international business owners.

Agriculture and fishing make up most of the economy, and there's growth in mineral mining and energy. The professional environment operates under the Employment Act of 1978. Very few changes have been made to these laws since they were put in place. With consistent laws and ease of investment, finding a start in the country is possible for new employers from around the world.

Employment Contracts in Papua New Guinea

According to Papua New Guinea labor laws, employment contracts can be written or verbal. While you can verbally form an employment agreement, you must keep a written record of the terms mentioned in the contract. If the employment contract is written, you must make two copies - one for your records and one for the employee.

Employment contracts can last for a specified or unspecified amount of time, and they need to include all critical employment information. This information includes the following details:

- The names of both parties
- Location of work
- Length of employment
- Wages and payment method
- Nature of the work performed

Working Hours in Papua New Guinea

The standard workweek is 44 hours, with eight hours each day during the week and four hours on Saturday. Overtime is classified as anything over eight hours in a day or 44 hours in a week. Standard overtime pay is time and half, while Sundays require double standard wages.

An employee may not work more than 12 hours a day, including overtime. Non-shift workers are allowed one 24-hour rest period each week. This rest period is typically Sunday, but you may outline a different day in your contract.

Employers can require overtime during the week if it's necessary to keep the business running. If an employer needs an employee to work on a Sunday or public holiday, both parties must agree to the terms.

Holidays in Papua New Guinea

There are 9 public holidays in Papua New Guinea:

- New Year's Day
- Good Friday
- Easter Monday
- Queen's Birthday
- National Remembrance Day
- National Repentance Day
- Independence Day
- Christmas Day
- Boxing Day

All employees are entitled to leave on a public holiday with their standard pay. If they have to work on a public holiday, they must earn double their standard rate.

Vacation Days in Papua New Guinea

All employees receive 14 days of paid vacation leave for every year of continued service.

Employees can accrue these vacation days for up to four years if they reach an agreement with their employer.

Employees should receive their payment for vacation time in a single sum before taking their leave.

Papua New Guinea Sick Leave

If an employee has worked for six months or longer, they're entitled to paid sick leave. Workers receive six days a year when they present a medical certificate. They can also accrue up to 18 days of unused sick leave.

Maternity/Paternity Leave in Papua New Guinea

Female employees have to serve for a certain amount of time to be eligible for maternity leave. Eligibility includes serving 108 days within 12 months or serving 90 days within six months.

Women will earn maternity leave before delivery based on hospitalization required by a medical professional. After delivery, women receive six weeks of unpaid leave. If a woman experiences a sickness related to the delivery, she earns an additional four weeks.

Health Insurance in Papua New Guinea

The country has an extensive public healthcare system based on the National Health Plan introduced in 2011. Employers are not required to provide health insurance schemes for employees, but there is private insurance available. An employer may choose to offer it as part of a personal benefits package.

Papua New Guinea Supplementary Benefits

Employment laws don't include any required bonuses, but they do outline parameters for

additional benefits.

An employer doesn't have to provide food rations, but if they choose to do so, the food has to be edible and of good standards, as described in the ration scale. If the employer decides to provide work clothing for their employees, the employer can't take back the items.

Termination/Severance in Papua New Guinea

Employees or employers may terminate a contract at any time with proper notice. Notice requirements rely on the time an employee has worked with an employer. Notice periods are as follows:

- One day of notice for less than four weeks of service
- One week of notice for service between four weeks and one year
- Two weeks of notice for service between one and five years
- Four weeks of notice for five years of service or more

If a worker or employee chooses to terminate a contract without notice, they must pay the other party what the employer would have earned during that notice period. Notice isn't required for breaches in contract or other circumstances, including:

- Willfully disobeying the law.
- Committing fraud.
- Regularly neglecting duties.
- Being imprisoned for more than a week.
- Taking unauthorized leave often.

Employees may be eligible for severance based on their status of annual leave at the time of termination.

Paying Taxes in Papua New Guinea

Employers are responsible for deducting income tax from employees' paychecks. Tax percentages increase according to annual earnings. Some employees may also owe

compulsory contributions to the National Superannuation Fund.

Why Globalization Partners

When you expand abroad, you need the expertise to keep your processes in order. With Globalization Partners, international expansion is within reach. [Get in touch with us](#) today to learn more.