

When you're interviewing a potential job candidate, they're likely to ask questions about two vital factors — compensation and benefits. Employees care about choosing a job that provides an acceptable level of compensation and benefits that truly matter to their families. Meeting Russia's compensation laws and providing a well-rounded Russian benefit management plan will also benefit your company, as employees will stay in their positions longer and you'll stay compliant.

Globalization Partners provides Employer of Record services, including Russia compensation and benefits outsourcing, to companies planning an expansion. Relying on us ensures compliance, and you won't have to incorporate in Russia before you begin working.

Russia's Compensation Laws

Russia's federal minimum wage recently increased to 11,280 Russian rubles per month in 2019, or 158 Euros. Despite the increase, the country has one of the lowest minimum wages across Europe. Local government agreements may have separate Russia compensation laws that could create different minimum wages depending on your location. Always research both the federal minimum wage rate and any variances in cities such as Moscow or St. Petersburg before drafting an employment contract.

Guaranteed Benefits That You Must Provide

Creating a strong benefit management plan in Russia has to start with identifying guaranteed benefits for all employees. Russia celebrates both the New Year and Orthodox Christmas in the first week of January, and your company will most likely shut down that week. Employees should also get time off for the country's six other public holidays and at least 28 calendar days of paid vacation each year.

Another statutory benefit is maternity leave for female employees. You should give pregnant employees 140 days of paid maternity leave — 70 before birth and 70 after. Employers should extend the leave to 194 days if there are multiple births or complications, and employees can also choose to extend their leave up to three years and still return to their

position.

Dispersing Your Russia Benefit Management Plan

Instead of you simply giving out guaranteed benefits required by law, we recommend adding supplemental benefits to your plan. While incentive bonuses are not mandatory to stay compliant, they are common, and your company should look at providing these or a 13th-month bonus.

All Russian citizens have access to the country's free medical services, but employers may also offer a private plan. If you don't have the time or staff to source a specific plan, you could also provide a stipend for employees to find their own plan.

Benefits and Compensation Restrictions

Companies are not legally allowed to hire employees, pay them, and provide benefits until they establish a subsidiary in Russia. This restriction can turn into a time-consuming process, as you may spend months trying to incorporate. Instead, Globalization Partners offers a suite of expansion services without any restrictions to benefits and compensation. When you choose Russia benefits and compensation outsourcing with us, you can onboard employees and pay them in just a few days.

How Globalization Partners Can Help

Globalization Partners can help you expand without the worry of compliance. Contact us today to learn more.