

When your company finds success at home, you may consider expanding globally. Taking your company to other countries can be profitable and rewarding, but it can also be a challenging process. When you're working from your headquarters, you have to find a location, establish a subsidiary, hire workers, and work with employment laws that are new to you.

At Globalization Partners, we streamline the expansion process with our Employer of Record services. This expansion model allows you to hire your employees through our subsidiary rather than setting up your own. You can get your international company up and running much sooner, and you'll have the support of our team.

With our legal and HR experts, we help you navigate Venezuela's employment laws and ensure your employees have all the required employment rights. With your workers technically hired through us, all compliance risk is on our shoulders instead of yours. From payroll to benefits, we have you covered.

We're world experts, and we have resources in over 187 countries. We're always updating our legal knowledge and our team can handle all things employment anywhere you go. We'll leverage our understanding of Venezuelan labor laws to support you during your global expansion.

## **Doing Business in Venezuela**

Venezuela offers a lot of investment opportunities, making it an ideal place to expand. With decent infrastructure, abundant natural resources, and favorable trade agreements, businesses can find plenty of ways to thrive.

The country promotes foreign investment to encourage economic growth, and they put a focus on fair and equal treatment for employers and employees. With well-defined labor laws, operating within Venezuela takes attention to detail and an eagerness to contribute to the various industries.

## Employment Contracts

Venezuela labor laws require a written contract for all employees. This agreement should include basic employee information, like their name, nationality, and identity card number. Each contract should also describe the job parameters, like the description of service, wages, and working hours.

Employers must create a written health and safety policy as well, and it needs to be included within the employment contract. The health and safety authority within the country must authorize this policy.

## Working Hours

The standard workweek is 40 hours, at 8 hours a day. Workers must have two successive days of rest per week, and Sunday is a rest day for most businesses. Night shifts should only be 7 hours, and workdays should not exceed 11 hours, day or night.

For any day over the statutory hours, employees receive 50% extra wages. They can work no more than 10 overtime hours a week and 100 in a year.

## Vacation Leave

Upon the first year of work, employees receive 15 days of paid vacation. Every subsequent year earns them an additional day until they reach a maximum of 30 days per year. Employers pay vacation days according to wages at the time of leave.

## Sick Leave

Labor laws don't indicate any limitations on sick days. Employers are responsible for paying an employee's regular salary for the first three days of sick leave. The social security fund covers any absence from work after that.

## Holidays

Employees are entitled to 14 paid holidays a year at their standard working rate. The holidays are:

- New Years Day
- Carnival, Monday and Tuesday
- Anniversary of the Beginning of the Independence movement
- Maundy Thursday
- Good Friday
- Labor Day
- Feast of St. John the Baptist
- Independence Day
- Birth of Simón Bolívar
- Day of Indigenous Resistance
- Christmas Eve
- Christmas Day
- December 30th
- New Year's Eve

The government can declare up to three extra public holidays a year. If an employee works on a holiday for four or more hours, they make 50% more wages on that day.

## Maternity Leave

Venezuela offers leave for men and women when giving birth or adopting a child under 3 years old. If a woman delivers a baby, she receives six weeks of leave before and 20 weeks after. If she doesn't take the full six weeks prior to delivery, she can add them to her post-delivery break. After adoption, women earn 26 weeks off.

Men receive 14 days of leave for adoptions or births and 14 extra days if the child or mother falls ill. If there are multiple births, twins or more, fathers receive 21 days.

While the employer is not obligated to pay women during maternity leave, many companies

make their own internal policy to do so, at least partially. Mothers and fathers both receive compensation from social security during parental leave.

## Termination and Severance

Employment law does not dictate any required notice period for termination. The country has a few rules in place to protect employees from unlawful termination. All workers are guaranteed job stability, which means a labor judge must deem a termination lawful once an employer initiates it. These legal terms usually include behaviors like:

- Misconduct
- Negligence
- Unjustified absences
- Failure to meet employment obligations
- Harassment

Employers enter a severance agreement with their workers upon hiring. Both parties submit a sum of money to a severance fund every month and receive a calculated sum upon termination.

## Tax

Employers are responsible for deducting income tax from employee paychecks. Residents have a progressive rate based on income, and nonresidents have the maximum tax for residents as a flat rate. There are also deductions for social security and unemployment.

## Health Insurance

The government requires health and safety policies as a way to prevent illness and injury within the workplace. With public health care, there are no requirements by law for employers to provide health insurance. That said, the public health care system in Venezuela lacks resources, including equipment and staff training. Employers may choose to provide private insurance options as part of their employees' benefits.

## **Bonuses and Additional Benefits**

On top of standard pay for vacation days, employees also receive vacation bonuses. The employer pays workers 15 days of wages for their first year and adds an additional day for every year of service. At maximum, employees earn 30 days of wages as a yearly bonus.

The Workers' Food Law describes a required benefit. Under this jurisdiction, employers must provide one balanced meal for their employees every day. This practice can involve an in-house cook, or it can be a sum of money for buying lunch.

## **Expand Your Business to Venezuela With Globalization Partners**

Globalization Partners will change the way you expand your company. Our resources and expertise will support your success throughout your expansion. Rather than concerning yourself with small details, you can focus on what you know best — running your company.

Don't let borders be boundaries. Our Employer of Record model will help you overcome international challenges and take your company to the next level. Want to learn more? [Reach out to our team](#) today.