

Costa Rica: Private Sector Minimum Salary Increase as of January 2021

November 10, 2020

The National Salary Council approved the minimum salary increase for private-sector employees, effective January 1, 2021, and will be valid for one year. The general increase percentage this time is 0.30% and 2.33% for domestic service employees.

Likewise, this change means that, like every year, the salary that cannot be garnished increases.

The Minimum Salary Decree for the Private Sector applies to employees, regardless of how long they have been working for the company.

The employees who benefit from this salary increase are:

- Private sector employees who currently receive the minimum legal salary for their category.
- Employees who have an agreement with their employers to receive the minimum salary increase, even though their current salary is above the minimum legal amount.

Likewise, the National Salary Council approved an increase in the salary for all types of working categories there are, plus the additional increase for domestic service employees.

The National Salary Council may review (no later than April 2021) and analyze the labor, economic and social conditions of the country to increase or not the agreed percentage.

The Employment, Labor, & Immigration Law Practice of Dentons Muñoz– Costa Rica offers legal advice relating to:

- Legislation review: to determine which of the applicable minimum salaries correspond to which category of employees.
- Legal opinions: in reference to all minimum wage matters.
- Legal advice: to prevent future legal issues.

Your Key Contacts



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