



2-MINUTE PRIMER: NETHERLANDS

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FIXED-TERM CONTRACT

Fixed-term contracts may be extended up to three times without exceeding a total maximum period of 24 months. The use of a fixed-term contract may require justification.

PROBATION PERIODS

The maximum probation period for open-ended contracts is two months. Fixed-term contracts which last 6 months or less cannot include probationary periods; otherwise, a maximum probationary period of one month is allowed.

STATUTORY PAID HOLIDAY

Statutory paid holiday entitlement is:

- 24 days per year working 6 days per week
- 20 days per year working 5 days per week

Holiday Pay Bonus - This bonus is an additional payment to salary. Holiday pay bonus is 8% of the employee's gross annual salary and it is paid out in May or June each year. It is possible for an employer to agree on an additional monthly payment of holiday allowances. Collective agreements often provide more favourable terms.

PARENTAL LEAVE

MATERNITY LEAVE

Minimum maternity leave in Netherlands is 16 weeks.

Births	Pre-Natal Leave	Post-Natal Leave
Single	4-6 weeks*	10 weeks

Employees are entitled to four to six weeks leave to be taken before the birth and 10 weeks after the birth, paid by the employer. Employers can apply for a maternity allowance to the Employee Insurance Agency (UvV). Maternity allowance is 100% of daily wage.

PATERNITY LEAVE

Employees are entitled to a minimum leave of two days at full pay paid by the employer and an additional three days of unpaid leave.

Births	Paternity Leave
Single	5 business days

During maternity and paternity, the employer pays the full salary and a maximum daily wage of €207 (2018) is reimbursed by the Employee insurance agency (UvV).

PARENTAL LEAVE

Parental leave is available to employees in Netherlands. Employees who have worked for the employer for more than one year are entitled to take unpaid parental leave until each child's 8th birthday. The amount of leave available is calculated as 26 times the weekly working time.

TERMINATION RULES

Employers need approval from the authorities to terminate employees. The UvV (administrative body) or the sub-district court will assess the requirements for the dismissal to authorize or reject the termination. A negotiated agreement with the employee is possible provided the parties negotiate the terms and conditions in a settlement agreement. The employee has a two-week period to reconsider their consent or approval to the settlement agreement. An employment agreement can also be terminated with immediate effect during a trial period. The reason must not be discriminatory.

TERMINATION COSTS

Termination costs are a minimum of one month and a maximum of 6 months' salary depending on seniority. All employees who have worked for at least 24 months will be entitled to a transitional remuneration upon termination. The maximum transitional remuneration amount will be EUR 79,000, or where an employee earns over EUR 79,000 per annum, a maximum of one year's salary. Untaken vacation must be compensated by payment in lieu.



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SWISS OFFICE

Matt Walters

matt.walters@capital-ges.com

+41 32 732 97 00

US OFFICE

Michael Johnson

mjohnson@capital-ges.com

+1 919 696 8579

BRAZIL OFFICE

Ana Vizzotto

enquiries.lam@capital-ges.com

+55 31 3194 8150

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