



**Global Employment  
Compass  
Netherlands**

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# 1. Summary of applicable rights for different categories of workers

	Employees (part-time or full-time)	Independent contractors/service providers	Volunteers
<b>Employment laws and regulations</b>	Yes	No*	Potentially, no**
<b>Employees' compensation/remuneration requirements</b>	See <a href="#">below</a>	See <a href="#">below</a>	See <a href="#">below</a>
<b>Minimum wage requirements</b>	Yes	No	No
<b>Mandatory provident fund/retirement benefit fund contributions</b>	Yes	No	No
<b>Immigration requirements including the right to work in your country</b>	Yes	Yes	Yes
<b>Personal Data (Privacy) laws and regulations</b>	Yes	Yes	Yes
<b>Anti-discrimination laws and regulations</b>	Yes	Potentially, yes	No

\*assumes a genuine self-employed independent contractor/service provider arrangement and the individual not being deemed to be an employee

\*\*assumes a genuinely voluntary arrangement and the individual not being deemed to be an employee, or under a contractual obligation to carry out any work.



## 2. Legal requirements/rights/ practices for different categories of workers

### a. Employees

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#### *Definition of an employee*

Based on the Dutch Civil Code and Dutch case law, an employee is an individual who performs work on behalf of another (an individual, company or organization) under supervision for a specified period of time and receives a compensation in return. There are four elements for an employment contract: (i) the employee performs work for the employer, (ii) the work is performed personally (i.e. the employee cannot be replaced by someone else), (iii) the employee receives compensation (salary) for the performed work and (iv) the employee performs the work under the direction and supervision of the employer.

### 1 Contracts of Employment

**What types of employment contracts are available? E.g. fixed term, part time, zero hour contracts, other? Are there any specific employment contracts available for non-profit organizations?**

Fixed-term and part-time employment contracts are available. Additionally, a range of specific employment contracts exist. These include the following:

*On-call employment contracts:*

- Zero hours employment contract;
- Min-max employment contract;

*The on-call employment contract is the contract in which the working hours are not fixed as one number of hours of:*

- Up to one month; or
- Up to one year and the employee's right to remuneration is spread evenly over that time unit.





The contract in which the employee's entitlement to their wages is excluded in the event that the employee does not perform the agreed work due to a circumstance which is at the employer's risk, is also an on-call employment contract.

*The following rules apply to on-call employment contracts:*

- Employers are obliged to offer employees working under on-call employment contracts a contract with a fixed number of hours every time the (aggregate duration of) the employment agreement(s) has (have) lasted 12 months. The offer shall be based on the average worked hours in the last 12 months. The employee shall accept such an offer for a fixed number of hours within 1 month after it has been offered and shall commence working for a fixed number of hours ultimately 2 months after the on-call employment contract lasted 12 months (i.e. the first day of the 15th month of employment). Failure to offer the employee an employment contract with a fixed number of hours which hours are based on the average hours, results in the employee being entitled to the amount of salary the employee should be entitled to if the offer had been made and the employee had accepted (including the statutory increase of max. 50% for late salary payments), regardless of the hours the employee has actually worked.
- The call to work shall be sent to the employee at least 4 days prior to commencing the work. If the employee is called on within 4 days of commencing the work, the employee is not obliged to accept the call.
- If the call is amended or cancelled within 4 days of commencing the work, the employee remains entitled to the salary owed for the original call (in addition to the salary owed for the amended call).
- The call to work shall be sent in writing and shall contain the date and time of the call. If the call is not compliant with these requirements, the employee is not obliged to accept this call. If the amendment or the cancellation of the call is not compliant with these requirements, the employee remains entitled to the salary owed for the original call (in addition to the salary owed for the amended call).
- Pay slips shall state whether the employment contract is an on-call employment contract.
- An on-call employee is entitled to a minimum of three hours' pay if they are scheduled to work, regardless of the hours the employee has actually worked.
- The notice period to be applied by an on-call employee working on the basis of a 'real' zero hours employment contract is four days.

*Temporary staffing employment contracts:*

The employee is employed by a temporary staffing employment agency.

*Payroll employment contract:*

The payroll employment contract is the temporary staffing employment contract (i) which was not established by bringing together supply and the demand and (ii) based on which the employee is exclusively assigned to work at a third party. The "light" employment law regime that applies to the temporary staffing employment contract is not applicable to the payroll employment contract. Instead, the Dutch Workers by Intermediaries Allocation Act applies: payroll employees are entitled to the same primary and secondary employment conditions as regular employees at the company at which they are requested to perform their work.





In addition, payroll employees are entitled to “an adequate pension scheme”.

### **What are the key terms of employment contracts?**

The key terms of employment include, for example, the place where the work shall be performed, the position of the employee, the start date of employment, the duration of the employment contract (indefinite term or definite term), the employee’s salary and the usual working hours and/or whether the employment contract is an on-call employment contract.

The list of key terms of employment which fall within the employer’s duty to inform has been broadened to include several additional topics as a result of the Dutch Transparent and Predictable Employment Conditions Act that entered into force on 1 August 2022. New key terms of employment include for example salary components (e.g. bonus payments, 13th month payment and additional allowances), including the manner and frequency of payment, the level of protection with respect to social security and details on the termination of the employment contract. The employer is not required to provide a (separate) statement if the key terms of employment are included in an employment contract. In practice we see that employers have chosen to update their template employment contracts and / or employee handbooks in order for these documents to be compliant under the new Act.

There is no obligation under Dutch law to provide the employment contract or the statement of key terms in Dutch. However, the employer must ensure that the employee understands the contents of the agreements. In court proceedings, a Dutch translation is usually produced.

Benefits are usually awarded in line with the job scope and responsibilities.

Senior employees who are also statutory directors (appointed according to the Articles of Association of the company and registered as statutory directors of the company with the Dutch Chamber of Commerce) sometimes agree up-front severance compensation in case of termination of their employment contracts.

### **Is it acceptable to have a probation period for employees? If yes, for how long?**

An employer and an employee who enter into a fixed-term employment contract of a duration of six months or less cannot agree upon a probationary period.

The term of a probationary period depends on the term of the employment contract and shall last:

- For indefinite term employment contracts: at maximum 2 months;
- For fixed-term employment contracts for the duration of more than 6 months but less than 2 years: at maximum 1 month;
- For fixed-term employment contracts for the duration of 2 years or longer: at maximum 2 months;
- Employment contracts without a set (calendar) date for termination (e.g. for the duration of a project or to replace a sick employee): at maximum 1 month.

No notice is due in case of dismissal during the probationary period meaning that the employment contract can be terminated with immediate effect without observing a notice period. It is only possible to agree upon a probation period in writing. Moreover, the probationary period should be the same for both the employer and the employee.

No probationary period can be agreed upon if the employment contract is a successive employment contract between an employee and the same employer, unless that employment contract clearly





requires different skills and/or responsibilities of the employee compared to the previous employment contract. Furthermore, no probationary period can be agreed upon in case of a successive employment contract between the employee and another employer who must reasonably be considered to be the successor of the previous employer with respect to the work performed by the employee.

**Are fixed term employment contracts permissible? Are there any limitations on fixed term contracts? Are there any requirements to have a fixed term contract?**

Fixed-term employment contracts are permissible. Both the maximum number of consecutive fixed-term employment contracts as well as the (maximum total) duration are provided for by mandatory law.

There is no statutory maximum duration of a fixed-term employment contract. However, it is possible to agree upon a maximum duration of a fixed-term employment contract in a collective labour agreement.

The aggregate duration of consecutive fixed-term employment contracts must not exceed 3 years and/or the number of consecutive fixed-term employment contracts must not exceed 3. If the aggregate duration is longer than 3 years or the number of employment contracts is more than 3 (interruptions of 6 months or less are included), the last employment contract in the chain is deemed to be an employment contract for an indefinite term.

Some specific provisions – such as the probationary period, non-competition clause and penalty clause – must be agreed upon in writing and therefore, require a written (employment) agreement. Furthermore, a non-competition clause in a fixed-term employment contract requires a substantiation whether the business requires such restrictive covenant.

Employees who work on the basis of a fixed-term employment contract have the right not to be treated less favorably than employees who work on the basis of an indefinite term employment contract.

The unemployment benefits premium to be paid by employers is divided in the high premium rate and the low premium rate. The high premium rate applies to fixed-term employment contracts.

**Do employment contracts have to be in writing? Are there any signatory requirements for employment contracts? For example, could they be signed in-person or electronically, etc.)?**

An employment contract may be agreed orally or in writing. Some specific provisions – such as the probationary period, non-competition clause and penalty clause – must be agreed upon in writing and therefore, require a written (employment) agreement (either signed with a wet ink or an electronic signature). A written employment contract may also be required by the applicable collective labour agreement (if any).

**Do employees have to be issued with a written employment contract before they start work?**

In any case, the employer is obliged to give the employee a written or electronically signed statement containing certain designated key terms of employment within 1 month of the commencement of the employment contract.

**Can you provide a simple template of the contracts mentioned above?**

There is no universal template in the Netherlands. The contract should be prepared based on the particular circumstances of the appointment.





**Is there an obligation for an employer to run a criminal record check to the extent that any individual they hire will be working with children or vulnerable people?**

For certain positions, a certificate of conduct is required by law. This is for instance the case if an individual will be working with children or vulnerable people. Options to run a criminal record check are limited to requesting the employee to hand over a certificate of conduct ("*verklaring omtrent gedrag*" or "VOG"). The VOG will be issued – on behalf of the Dutch Ministry of Security and Justice – if investigations have shown that the employee does not have a criminal record (both minor offences and crimes) relevant for the work the individual will perform. Therefore, other possible criminal records which are not relevant or linked to the work will not be taken into account. The screening authority of the Dutch Ministry of Justice and Security is the only authorized body in the Netherlands to provide a certificate of conduct.

**Can employers request references from former employers for new hires?**

Permissible under certain circumstances. The potential new employer may only obtain information from former employers or authorities if the candidate/employee has given their consent, unless this is not required pursuant to a statutory or generally binding provision (please note that in almost all cases consent is required). The information to be obtained must be directly related to the work to be performed and may not disproportionately violate the candidate/employee's privacy. Without the prior consent of the candidate/employee reference checks (meaning having contact with former employers and requesting for information) are not permitted.

**Is an employer required to set up any form of employee representative body? If so, what is the trigger for this?**

Any enterprise with over 50 employees should install a works council pursuant to the Dutch Works Councils Act. 'Enterprise' is defined as an organization operating in the community as an independent entity in which work is performed on the basis of an employment contract. A works council may therefore be mandatory for the employer's company as a whole, or for each part of the company that can be regarded as an enterprise.

The Dutch Works Councils Act demands consent of the works council for the implementation of certain policies such as an illness policy and any policy to monitor behavior, presence or performance of employees.

The works council also needs to be consulted and is entitled to render prior advice regarding issues such as important organizational changes and change of control, as well as intended decisions with respect to the appointment or dismissal of a statutory director of the company.

**Is it common to have collective agreements in your jurisdiction that apply to all employers in a particular region or sector?**

Yes, collective agreements are common in the Netherlands. They usually deal with primary elements of remuneration but also frequently cover fringe benefits.

Employees are bound by collective labour agreements if they are a member of the trade union that is a party to the collective labour agreement. The collective labour agreement also applies to all employers if they are a member of the employers' representative body that concludes the collective labour agreement (sectoral collective labour agreement) or if they conclude it themselves (company specific collective labour agreement).

That said, the employer is not allowed to distinguish between trade union members and non-trade union members. If the employer is a party to a collective labour agreement, the employer must apply it to all employees irrespective of their (non-)membership with a trade union.







The Minister of Social Affairs and Employment may declare a collective labour agreement 'generally binding' for a period of time, which means that it will apply to all employers that fall within its scope, irrespective of whether they are a party to the collective labour agreement. The scope of a collective labour agreement is usually a particular sector of industry.

## 2 Conditions of employment

### **What is the minimum age requirement for employment?**

In principle, children and young people under 18 years are not allowed to work. There are a few exceptions to this prohibition, such as for cultural work, (social) internship and a secondary job or vacation work. A distinction is made between children up to 13 years (general prohibition) and young people up to 18 (allowed under strict rules).

### **What type of work may a child undertake? For example, are there any specific restrictions?**

In principle, children under 18 years are not allowed to work. There are a few exceptions:

- Children of 12 years and older may perform auxiliary work as part of an alternative for a punishment;
- Children of 13 years and older may perform light, non-industrial auxiliary work outside school hours;
- Children of 14 years and older may perform light auxiliary work related to education outside school hours;
- Children of 15 years and older may perform morning newspaper delivery and light, non-industrial work outside school hours.

Light, non-industrial auxiliary work is considered to be manual work that does not pose a health or safety hazard to children and young people.

Due to their limited experience and expertise, children under the age of 18 are considered a vulnerable group for whom a number of regulations within the law continue to apply. Work involving specific dangers for younger people may only be done by young people under expert supervision. The employer is also obliged to provide age-appropriate information about the risks of working within the organization. Extra attention should be taken into account to adapting working conditions in order to ensure that young people can work safely. A number of activities are prohibited for young people. Examples: working in a factory, under high air pressure such as diving, high noise levels, harmful radiation and harmful vibrations.

### **Wages**

#### **What is the minimum wage requirement for employees? Are there any exceptions in minimum wages for young persons or people with disabilities?**

Yes, the current rates (as per 1 July 2023) based on a full-time working week are:

- 15 years old: €598.50 gross per month;
- 16 years old: €688.30 gross per month;
- 17 years old: €788.05 gross per month;





- 18 years old: €997.50 gross per month;
- 19 years old: €1,197.00 gross per month;
- 20 years old: €1,596.00 gross per month;
- 21 years old and over: €1,995.00 gross per month.

The minimum wage index is linked and adjusted on a 6-month basis (1st of January and 1st of July of each year) by the Minister of Social Affairs and Employment.

**Are there any conditions which warrant a pay raise or extra pay? If yes, what are they?**

No, but this can be part of an applicable collective labour agreement.

**When are wages due? For example, is there any obligation to pay wages weekly, or monthly?**

The employer is obliged to pay the wages at the end of the period for which wages are calculated under the employment contract, provided that the period for the payment of wages shall not be less than one week and shall not exceed one month. It is possible to deviate from this in writing, but it is not possible to agree upon more than one month. Please note that is common practice to pay wages on a monthly basis.

**Are employers obliged to provide employees with paid leave on public holidays?**

Dutch law does not contain a statutory provision with respect to public holidays. As a result, employees have no statutory entitlement to a day off on a public holiday. Regulations with respect to working obligations on public holidays can, however, follow from collective labour agreements. There are approximately 7-8 public holidays per year for which it can be regarded common practice that employees have these days off, being New Year's Day, Easter Monday, Kings Day (27 April), Liberation Day (5 May, once every five years – 2020, 2025), Ascension Day, Pentecost Monday, Christmas Day and Boxing Day.

**Are employers obliged to provide employees with annual leave?**

A distinguish must be made between statutory and non-statutory holidays. Employees are entitled to four times their weekly working hours' holiday per year. In the case of full time employment (generally 40 hours per week), an employee is entitled to 20 days' paid holidays per calendar year. These are the statutory holidays. In practice this is often increased to 25 days or more. The additional 5 days are the non-statutory holidays. The entitlement is calculated pro rata if the employee works on a part-time basis.

In addition to the normal pay, the employee is entitled to at least 8% of the gross salary as holiday allowance, normally payable each year in the month of May.

**Are employees entitled to receive their usual salary during their annual leave?**

Yes.

**Is there a requirement to pay overtime? How is overtime compensated?**

No, not in general. It is however possible to agree in a collective labour agreement that employees are entitled to overtime payment. If this follows from a collective labour agreement and the employer is bound by the collective labour agreement, the employer is required to pay overtime.





**Are there any extraordinary circumstances that could be relied on to temporarily cease paying employees for the hours worked?**

The employer is only obliged to continue to pay wages if the employee is willing to work. If the employee participates in a strike, the employee is not willing to work and therefore the employee is not entitled to the payment of their wages when they did not work due to the actions.

Furthermore, the employer is entitled to withhold the payment provided written consent of the employee is obtained. If the employee gives their consent, the employee still remains entitled to the statutory minimum wage (which is €1,995.00 gross per month as of 1 July 2023).

**Are employees entitled to an end-of-year payment?**

No. It is up to the employer to decide whether employees are entitled to an end-of-year payment.

**Are employees entitled to payments when their employment contract is terminated, such as notice or notice pay, accrued or untaken holiday and/or statutory severance?**

The statutory minimum notice period for the employer depends on the duration of employment:

- less than 5 years: 1 month' notice;
- between 5 and up to 10 years: 2 months' notice;
- between 10 and up to 15 years: 3 months' notice; and
- more than 15 years: 4 months' notice.

In the event that the employee has reached the state pension age (which is currently 67 in the Netherlands), the notice period for the employer is 1 month.

If the employee gives notice, the notice period is 1 month.

Deviation from the statutory period is possible, but only in writing and up to a maximum of 6 months' notice to be observed by the employee.

The employer's notice period may be shortened only by way of collective labour agreement. If the employee's notice period is lengthened to more than 1 month, the employer's notice must be at least twice as long as the employee's notice period.

In some cases, the employer's notice period can be shortened, for example by reducing the period of the termination proceedings at the court or the UWV (Dutch labour office). However, at least 1 month of the notice period must remain.

No notice period applies in case of instant dismissal, in case of termination during the probationary period.

If the employer wishes to terminate the employee's employment contract, the employee is in principle entitled to the statutory severance payment. This is also the case if the employment contract terminates during the probationary period. In case of instant dismissal, the employee is not entitled to the statutory severance payment.

The statutory severance payment amounts to 1/3 monthly gross salary per year of service. The salary used to calculate the payment includes the following components: (i) monthly gross base salary, (ii) monthly holiday allowance, (iii) monthly fixed salary components (i.e. overtime payments or shift allowance) and (iv) monthly variably salary components over the preceding 3 years (e.g. bonus payments, profit sharing, end of year payment). The statutory severance





payment is currently capped at €89,000 gross or, in the event that the employee's salary exceeds this amount, at one annual salary.

In the event of termination of the employment contract, parties can make agreements about whether the accrued untaken holidays will be paid out to the employee.

Fixed-term employment contracts terminate by operation of law without notice being required. However, employers are obliged to inform the employee who is employed on the basis of a fixed-term employment contract whether the employment contract will be extended and if so, under which terms and conditions. The employer is obliged to inform the employee at least one month before the employment contract terminates by operation of law. If the employer does not comply with this obligation, the employer is obliged to pay the employee a compensation up to one monthly gross salary.

### Working hours

#### **What is considered a full time working week? If the employee is contractually required to work less than this amount are they considered a part time employee?**

A full time working week in general means that the employee works 40 hours per week. If the employee is contractually required to work less than 40 hours per week, they are considered to be employed on a part time basis. In some sectors a full time working week is 38 hours.

#### **Are there fixed public/statutory holidays each year? Can employees be required to work on public/statutory holidays? Are employees entitled to any other type of leave besides public/statutory holidays?**

**Maternity leave:** Mothers are entitled to 16 weeks' (pregnancy and) maternity leave. During pregnancy and maternity leave, the employee is entitled to benefits from the Employee Insurance Agency amounting to 100% of the daily wage up to a maximum of €264.57 gross per day (as of 1 July 2023), which in principle is to be paid via the employer.

This leave can be taken 6 to 4 weeks prior to the due date of the birth of the child and amounting to at least 10 weeks after the birth of the child. An extended leave entitlement may apply, i.e. in the event of the birth of more than one child or the extended hospitalization of the child.

**Paternity leave:** Partners are entitled to paternity leave for a period of 1 times the agreed weekly working hours with full pay (e.g. 5 days in case of full time employment), to be taken within 4 weeks of the birth. In addition, partners are entitled to paternity leave equal to 5 times the weekly working hours (e.g. 5 weeks in case of full time employment) to be taken within the first 6 months after the child's birth. During this period, the partner will receive a benefit from the Employee Insurance Agency via the employer. The payment amounts to 70% of their wages, capped at 70% of the "maximum daily wage" (€264.57 gross per day (as of 1 July 2023)).

**(Paid) Parental leave:** As of 1 August 2022, parents are entitled to a parental leave benefit from the Employee Insurance Agency equal to 70% of the employee's salary capped at 70% of the maximum daily wages (€264.57 gross per day (as of 1 July 2023)) for a period of up to 9 times the weekly working hours, which shall be taken before the child reaches the age of 1. An employer may only submit three requests for a paid parental leave benefit to the UWV.

All employees are entitled to unpaid parental leave for each child under the age of 8, for a period of 17 times the agreed working time per week.

The employee can decide on the specifics of the use of parental leave. For example, they can choose to take a day off every week during a few months or a few hours on a specific day. There is





no maximum to the number of requests for unpaid parental leave. The employee can therefore use their unpaid parental leave in more than one instance, up until the child turns 8 or when the maximum entitlement of 17 times the employee's working hours has passed.

The maximum number of hours' parental leave is calculated by multiplying average weekly working hours by 26.

**Adoption leave:** Employees are entitled to up to 6 weeks adoption leave, to be taken within a period of 26 weeks. The period of 26 weeks commences 4 weeks before the child joins the family and lasts no longer than 22 weeks after the child's arrival. Adoption leave can be taken consecutively or spread out over the period of 26 weeks. During adoption leave, the employee is entitled to benefits from the Employee Insurance Agency amounting to 100% of their wages up to a maximum of €264.57 gross per day (as of 1 July 2023), which in principle is to be paid via the employer.

**Do part time employees receive any particular protection on the basis of their part-time status?**

Yes. Part-time employees have the right not to be less favorably treated; part-time female employees can usually also rely on indirect discrimination on the basis of sex if less favorably treated.

**Do part-time employees receive the same pro-rated terms to full time employees, e.g. in relation to pay and benefits?**

Yes.

**Social security**

**What social security contributions are employers obliged to pay? Presumably, pro-rated contributions are required for part time employees?**

The employer withholds wage tax and national insurance contributions from the employee's salary every month. The employer also pays the premiums for the employee insurance schemes (unemployment and long-term incapacity for work benefits). Furthermore, the employer withholds wage tax for the old age pension act ("AOW").

**Are employers obliged to provide health insurance to their employees?**

No, this is not obliged but it is possible to offer this to employees.

**Are employees entitled to unemployment insurance/benefits following the end of employment?**

Yes, under certain circumstances:

- The employee is insured for unemployment benefits (this is usually the case in the event of an employment contract and if the employee has not yet reached the state pension age);
- The employee loses 5 hours or more of the agreed working hours per week and the employee is not entitled to their salary for those hours;
- The employee must be available for paid work immediately;





- The employee has worked for at least 26 weeks in the 36 weeks before the employee became unemployed; and
- The employee has not caused the termination of the employment contract themselves.

**Are employers obliged to provide sick leave? If yes, for how long? How many days have to be paid by employers? Is it possible to have unpaid sick leave?**

An employer must pay a sick employee at least 70% of their salary, capped at the “maximum day wages” (which from 1 July 2023 is €264.57 gross per day), during the employee's first two years (104 weeks) of illness.

During the first year (52 weeks) of illness, the employee must be paid at least the minimum wage (€1,995.00 gross per month as of 1 July 2023). It may be agreed that the first 2 days of sick leave are unpaid. It is not possible to deviate further from the obligation to pay wages during sickness.

It is quite common to deviate from the statutory minimum in favor of the employee and award the actual salary at least during the first year of sickness or another period such as 6 months (100% of the salary). In such case it is common practice that the employee will be entitled to 70% of their salary during the second year of illness (weeks 53 – 104).

After 104 weeks of illness, the employer can request a dismissal permit to terminate the employment contract of the ill employee. If such a dismissal permit is received, the employer can terminate the employment contract and will be required to pay the statutory severance. The employer can request compensation for the statutory severance paid in that case, which request shall be assessed by the Dutch Employee Insurance Agency (UWV).

**Are employers obliged to provide maternity leave for employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid maternity leave?**

Please see [above](#).

**Is paternity leave available to employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid paternity leave?**

Please see [above](#).

**Are employers liable for absence due to work-place injuries?**

Yes, the employer is liable for the damage suffered by the employee in the performance of their work, unless the employer proves that the employer has fulfilled all of its legal obligations or if the damage of the employee is to a significant extent the result of the intentional or deliberate recklessness on the part of the employee.

**Are employees entitled to retirement benefits from the employer? If yes, what benefits?**

There is no legal obligation to offer a pension agreement as an employer, although in practice 90% of the working population are members of a workplace pension plan. In addition, 76% of the working population are members of a mandatory sectoral pension plan, of which the majority are Defined Benefit plans (DB plans). Around 10-15% of the pension plans are Defined Contribution plans (DC plans). There are also hybrid plans, e.g. collective DC plans.

However, the Dutch pension legislation is under a major reform. The new Pension Act is applicable from 1 July 2023. The biggest amendment is that the accumulation of pension rights through a DB





plan is no longer allowed. Based on this new Pension Act, it is only allowed to execute (1) solidarity contribution plan or (2) flexible premium plan. Both are DC-plans.

Generally there is no mandatory pension for all employees, or auto-enrolment.

### **Are employers obliged to introduce reporting channels and legal safeguards for whistleblowers?**

Yes, in some cases. If the employer has more than 50 employees, the employer is obliged to introduce a whistleblowing policy. In addition to employees and temporary workers who have been employed for at least two years, volunteers and trainees also count, provided that they perform work for compensation. For some smaller employers it could also be obliged to have a whistleblowing policy in place. This is the case if the employer has a business in the following fields: (i) financial services, products and markets and prevention of money laundering and terrorist financing, (ii) civil aviation, (iii) maritime labour and port state control and (iv) offshore oil and gas activities.

## **3 Safe and supportive work environment**

### **Broadly what measures have to be in place to ensure employers uphold health and safety? (such as fire or earthquake drills)**

Based on the Dutch Working Conditions Act, employers are obliged to ensure that their employees can work safely and healthily. The Act is a framework act. This means that it does not contain rules for specific risks, but general provisions and guidelines for occupational health and safety policies in organizations. Every organization is required to determine how they should implement their working conditions policy.

The employee is also obliged to take care, to the best of their ability, of their own health and safety and these obligations also apply for the employee's colleagues (in accordance with the employee's training and the instructions given by the employer). E.g. the employer and the employee are jointly responsible for proper use and store of work materials, personal protective equipment and dangerous materials. Furthermore, the employer and the employee are jointly responsible for the participation of the employee in education and training given by or on behalf of the employer regarding safe and healthy working practices. The employee is further obliged to report health and safety hazards to the employer immediately.

### **Is there a requirement for an employer to issue any form of non-discrimination policies? (such as gender equality policies, equal employment opportunities, diversity, and inclusion policies, etc.)**

Not yet. It is however expected that this will change on 1 January 2024. If this will be the case, employers with more than 25 employees will then be required to have written policies in place that prevent discrimination within the organization to ensure that the employees have a safe working environment. The employer is obliged to (i) draft a plan of action to address discrimination, (ii) inform the employees about existing problems and measures to be taken against discrimination, (iii) appoint an internal or external confidential advisor and (iv) appoint a complaints committee.

### **Is there a requirement to provide employees with training designed to combat discrimination and harassment?**

No.

### **Is there a requirement to have a data protection policy?**





Yes.

**Is it mandatory for employers to have a Child Protection Policy (CPP)? Are employees obliged to provide training on CPP to its employees?**

No.

## 4 Tax

**Which taxes are mandatory for employers to pay and deduct on behalf of their employees?**

The employer withholds wage tax and national insurance contributions from the employee's salary every month.

**Are all employee taxes deducted from the salary that the employer pays or is there a requirement for employees to pay certain taxes directly?**

All employee taxes are deducted from the salary that the employer pays.

## 5 Remote work

**Are employers required to have a registered legal entity in the jurisdiction in order to employ employees in the jurisdiction?**

No.

**Are employers required to provide any form of physical working space for employees working in your country?**

No.

**Please provide general instructions for employers on what to check if the employer has remote employees, including concerning employee tax liabilities.**

The employer tax liabilities will be the same whether employees are working in the physical employer premises or remotely in the Netherlands. Please note that it is possible to pay employees a tax-free homeworking allowance when they perform their work from home. At this moment, the tax-free homeworking allowance amounts to €2.15 per working day.

In the event that employees are working remotely from another jurisdiction, an employer will need to assess the tax obligations that will arise in the country in which the employee is working. Whilst each jurisdiction will have different obligations in terms of the payment and deduction of taxes, the following factors are likely to be relevant: where is the employee living and working, does the employee split their time working in different jurisdictions? What nationality is the employee? Where do they have tax residence? Where is the company for which they are working based?

## 6 What to do when things go wrong

### Dispute resolution

**Do employees (including volunteers) need to go through any form of dispute resolution before bringing a claim to a court or tribunal?**







No, employees are allowed to start court proceedings without going through any form of dispute resolution.

## Resignation

### What grounds do employees have for resignation?

The employee is free to terminate their employment contract at any time. There are no legal grounds for termination of the employment contract on the initiative of the employee. Resigning from a permanent employment contract (indefinite term) is only possible if the employee observes their notice period, which is 1 month in most cases. In the event of a definite term employment contract, the employee is in principle not allowed to terminate the employment contract before the date the employment contract will terminate by operation of law unless the contract provides for a termination in the interim. It is however possible to agree upon an earlier termination date.

## Termination

### What grounds do employers have for the termination of employment contracts?

- *Indefinite term contracts:*

Unilateral termination of an indefinite term employment agreement always requires a reasonable ground. The reasonable grounds for dismissal are exhaustively described in Dutch law and include, for example, performance issues of the employee, long-term sickness or business/economic circumstances within the company. It is also possible for employers to combine different grounds for dismissal related to the employee's personality or performance. If the court terminates the employment contract based on this ground, it may grant employees an extra compensation on top of the statutory severance payment.

Please note that except in the case of instant dismissal or termination within the probationary period, either permission for termination must be obtained from the Employee Insurance Agency (UWV) or the employer must request a court to rescind the employment agreement. Dismissals for business/economic reasons and dismissals relating to an employee's long-term illness (more than 104 weeks) will only be dealt with by the UWV. All dismissals for other reasons (i.e. related to the employee's personality or performance) will have to be achieved through the court process.

- *Fixed-term contracts:*

Employment agreements for a fixed period end by operation of law upon expiry of the term, without the requirement for cause. An employer who has entered into a fixed-term employment contract of a duration of at least 6 months is obliged to inform the employee at least 1 month prior to the expiry of the fixed-term employment agreement whether the contract will be renewed and, if so, under which conditions. If the employer fails to provide such notification, the employer is obliged to pay the employee 1 month's salary. If the employer informs the employee late, the maximum amount of 1 monthly salary is prorated accordingly.

- *Probationary period:*

The requirement to have a reasonable ground for dismissal does not apply in the case of termination within the probationary period. The employer is free to terminate the employment, as long as the decision to terminate does not amount to an abuse of rights, e.g. if the decision is made on discriminatory grounds.





## How do employers have to document the termination of an employment contract?

The procedure for termination depends on the reasonable ground for termination.

Dismissals for business/economic reasons and dismissals relating to an employee's long-term illness (more than 104 weeks) will only be dealt with by the Employee Insurance Agency ("UWV"). All dismissals for other reasons (i.e. related to the employee's personality or performance) or a combination of such reasons will have to be performed by the court.

The different methods of termination and accompanying procedures are:

- *Expiry of a fixed-term:*

As long as the employee actually stops working, the employment will end by operation of law. Please note that an employer who has entered into a fixed-term employment contract of a duration of at least 6 months is obliged to inform the employee at least 1 month prior to the expiry of the fixed-term employment contract whether or not the contract will be renewed and, if so, under which conditions.

- *Permission of the UWV:*

An employer wishing to terminate an employment agreement for business/economic reasons or in the event an employee has been ill for more than 104 weeks must first obtain the permission of the UWV before serving the notice of termination, even if the possibility of giving notice is expressly stated in the employment contract. The permit will be granted if circumstances are made sufficiently clear by the employer.

Upon receipt of the permit, the notice period applicable for the employer should be observed, from which the duration of the UWV-proceedings can be deducted (as long as at least 1 month notice period remains).

If an employer intends to dismiss 20 or more employees within a period of 3 months for business economic reasons, additional requirements apply. The employer must first notify the trade unions and the UWV in time and in writing about the intention to terminate the employment agreements. The trade union(s) involved must also be invited for consultation in good time. The dismissal procedure can commence 1 month after the notification has been made. No waiting period of one month applies in cases where the trade union(s) have confirmed in writing that they have consulted with the employer and agree with the proposed dismissals. In most cases, the Works Council must be informed.

- *Rescission by the Cantonal Court Judge:*

An employer wishing to terminate employment contract for reasons related to the employee's personality or performance can ask the court to rescind the employment contract. The request for rescission will be granted in cases where the employment should reasonably end on short notice. The employment agreement ends by court ruling. The court shall – as a general rule – observe the notice period.

- *Instant dismissal:*

In case of instant dismissal notice is given instantly for urgent reasons, without the requirement to take into account the notice period. Instant dismissal is only allowed in severe cases of misconduct. Dismissal must be instant (without any lengthy disciplinary/complaint procedures) although some time for investigation into the facts is





allowed. The employee must be informed of the grounds for the dismissal at the same time as being informed of the dismissal.

— *Termination by mutual consent:*

Termination by mutual consent is the preferable and quickest way to terminate an employment contract because the employer and the employee are free to determine the termination date and other aspects of the termination. Parties usually enter into a settlement agreement. The employee is not entitled to a severance payment in the event of a termination by mutual consent. Inevitably, however, employees will not easily agree to a termination if the employer does not offer a severance payment at least equivalent to the amount of the statutory severance payment. The employee will in principle still be entitled to unemployment benefits, despite the fact that they agree to a termination. In the settlement agreement, the employer should notify the employee of their right to nullify an agreement on mutual consent (i.e. the settlement agreement entered into) and/or withdraw their consent to notification of termination by the employer within 14 days as from the date an agreement was reached and/or consent was given. If the employer fails to notify the employee of this right, the 2-week period is extended to 3 weeks by operation of law.

— *Notice with consent:*

According to Dutch law, it is also possible for an employer to terminate the employment agreement with the employee's consent. This way of ending employment, however, is in practice not used by employers and employees, as it does not give the parties substantial benefit over other methods.

— *Termination within the probationary period:*

This does not require a specific ground, but must not be discriminatory. No notice period applies.

**What is the responsibility of employers for damages incurred by an employee's actions within his/her work?**

The employer is liable for damages caused by the employee if the damages were caused by a mistake during the work performed by the employee and if the employer had control over the employee. The employee is in principle not liable for damages caused by the employee, unless there is intentional or deliberate recklessness on the part of the employee. Only in such case, the employee is obliged to share in the damages to be paid.





## b. Independent contractors/consultants\*

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#### *Definition of an independent contractor/consultant*

There is no legal definition of an independent contractor/consultant, but an individual who is not an employee will be self-employed for employment law purposes.

*\*The term consultant will be used to also refer to independent contractors, or any other term that would mean a natural person that provides goods or services under a written contract or a verbal agreement but does not work to meet the definition of employee.*

### 1 Contracts

#### **What types of independent contractor/consultant agreements are available? Are there any specific agreements available to NGOs?**

There is no legal requirement for any particular form of agreements when engaging independent contractors /consultants, and no legally required agreement format for NGOs. When engaging contractors/consultants on an ad hoc basis, a "framework" agreement with the contractor/consultant is often used, with separate letters of instruction (or similar) then provided in advance of each new instruction.

#### **What are the main elements of consultant agreements?**

Consultancy agreements will typically include provisions around the term of the engagement, duties and obligations, fees, expenses, confirmation information, data protection, intellectual property, insurance and liability, termination, status, notices, third party rights, governing law and jurisdiction.

#### **Is it possible to have probation periods for independent contractors/consultants? If yes, for how long?**

It is legally possible to have probation periods for independent contractors/ consultants. However, this is not recommended as it could be considered to be inconsistent with the nature of an independent contractor/consultant relationship, and be more akin to an employment relationship particularly since such provision would indicate a level of control/mutuality of obligation.

#### **Is it possible to have a fixed term consultation/independent contractor agreement? Are there any restrictions around fixed term consultant/independent contractor agreements?**





Yes, is it possible to have a fixed-term consultation/independent contractor agreement. Although there are no restrictions around the length of the term, most usually this would be for the term of a particular project, as the nature of a consultant/independent contractor arrangement is often that the arrangement ends when the work is completed.

**Do independent contractor/consultant agreements have to be in writing? Are there any signatory requirements? For example, could they be signed in-person or electronically, etc.)?**

There is generally no legal requirement for the consultant/independent contractor agreement to be in writing, although this is often considered best practice. The agreement can be signed in person or electronically. Where any power of attorney is included in the agreement (for example, in relation to intellectual property), it is recommended that the agreement is signed as a deed.

**Do all types of independent contractors/consultants have to be under contract in order to be able to work?**

The contract will set out the terms on which the work will be carried out, but there is no legal obligation for this to be in any particular format, and it can be a verbal or written agreement.

**Can you provide a simple template of the agreements mentioned above?**

There is no universal template in the Netherlands. The agreement should be prepared based on the particular circumstances of the appointment.

**Is there an obligation to run a criminal record check to the extent that any independent contractor will be working with children or vulnerable people?**

For certain work, a certificate of conduct is required by law. This is the case if an individual will be working with children or vulnerable people. Options to run a criminal record check are limited to requesting the individual to hand over a certificate of conduct (“*verklaring omtrent gedrag*” or “*VOG*”). The VOG will be issued – on behalf of the Dutch Ministry of Security and Justice – if investigations have shown that the individual does not have a criminal record (both minor offences and crimes) relevant for the work the individual will perform. Therefore, other possible criminal records which are not relevant or linked to the work will not be taken into account. The screening authority of the Dutch Ministry of Justice and Security is the only authorized body to provide a certificate of conduct.

## 2 Conditions of work for consultants

**Are there any minimum age requirements for an individual to work under a consultant/independent contractor agreement?**

No, although the local government body will often have rules around the work that children can carry out. Children should not be involved in activities that may be harmful to their health, well-being or education. It should be noted that insurance restrictions often place limits on the minimum age of individuals covered and/or the activities they may undertake.

**Does a consultant/independent contractor need to obtain a license or any other permission in order to work?**

No, this is not required for consultants/independent contractors from countries within the European Union, Liechtenstein, Norway, Iceland and Switzerland. Those consultants do however need a valid passport or proof of identity. Furthermore, if a consultant temporarily comes to work in the





Netherlands, they may have to register their work if they work in a designated sector. This can be done at the reporting desk for foreign employees.

If the consultant does not come from one of the abovementioned countries, the consultant can work in the Netherlands under certain conditions (e.g. the company of the consultant must be good for the Dutch economy). The Dutch Immigration and Naturalization Service in the Netherlands can inform the consultant whether this is the case. Furthermore, there are different residence permits required for consultants outside the abovementioned countries (e.g. for working as a self-employed person, starting a start-up as an entrepreneur and working as a highly educated person).

If a consultant comes to the Netherlands to work as a self-employed person, they need an authorization for temporary residence. This is a visa valid for 90 days or more. Finally, the consultant has to register for tax purposes.

## Payment

### **Are there any minimum pay requirements for consultants/independent contractors?**

No, assuming that the consultant/independent contractor is not deemed to be an employee or worker, they will not be entitled to receive the statutory minimum wage.

### **Are there any exceptions in minimum wages for young persons or people with disabilities?**

No.

### **Is there any requirement to provide statutory/paid leave to consultants for statutory holidays?**

No, assuming that the consultant/independent contractor is not deemed to be an employee, they will not be entitled to receive statutory/paid leave.

### **Is there any requirement to pay annual leave to consultant/independent contractors? If so, how is this compensated, if at all?**

No, assuming that the consultant/independent contractor is not deemed to be an employee, they will not be entitled to receive paid annual leave.

### **Is there an obligation to provide consultant/independent contractors with overtime? How is this compensated if required?**

There is no legal right to overtime, unless provided for under the terms of the contract.

### **Are consultants entitled to an end-of-year payment?**

There is no legal right to an end-of-year payment, unless provided for under the terms of the contract.

### **Are consultants entitled to a final payment when the contract is terminated?**

There is no legal right to a final payment on termination, unless provided for under the terms of the contract.

## Working hours

### **Are consultants entitled to any type of leave, whether paid or unpaid?**

There is no legal right to any type of leave, unless provided for under the terms of the contract.





## Social security

### **Does the end user engager need to make any social security contributions on behalf of a consultant/independent contractor? Are independent contractors entitled to health insurance from the end user engager?**

There is no legal right to health insurance from the end user engager, unless provided for under the terms of the contract.

### **Are independent contractors/consultants entitled to unemployment insurance/benefits after termination of their independent contractor/consultancy agreement from the end user engager?**

There is no legal right to unemployment insurance / benefits from the end user engager, unless provided for under the terms of the contract.

### **Are independent contractors/consultants entitled to sick leave from the end user engager? If yes, for how long? How many days have to be paid?**

There is no legal right to sick leave from the end user engager, unless provided for under the terms of the contract.

### **Are independent contractors/consultants entitled to maternity leave from the end user engager? If yes, for how long? How many days/months have to be paid?**

There is no legal right to maternity leave from the end user engager, unless provided for under the terms of the contract.

### **Are independent contractors/consultants entitled to paternity leave from the end user engager? If yes, for how long? How many days/months should be paid?**

There is no legal right to paternity leave from the end user engager, unless provided for under the terms of the contract.

### **Are employers obliged to cover work-place injuries for independent contractors/consultants?**

There is no legal right to sick leave/pay from the end user engager, unless provided for under the terms of the contract. However, Dutch case law shows that in some cases an independent contractor/consultant can be entitled to compensation for damages. A few criteria must be met: (i) the independent contractor/consultant is (partly) dependent for their safety on the person for whom they perform the work and (ii) the work performed by the independent contractor/consultant is actually part of the employer's business operations.

### **Are independent contractors/consultants entitled to retirement benefits from the end user? If yes, what benefits?**

There is no legal right to retirement benefits from the end user engager, unless provided for under the terms of the contract





### 3 Safe and supportive work environment

#### **Are there any differences in terms of the regime that applies to employees?**

Employers are responsible for ensuring the health and safety of their employees and those that are affected by their activities (which would include independent contractors/consultants) so far as reasonably practicable. To this extent, the obligation is the same as that which applies in relation to employees. The range of legal obligations placed on employers with respect to health and safety is extensive, with the particular obligations which apply in any given case depending on the activities carried out by the company, and the extent of the risks posed by these activities.

Employers must assess and review the work-related risks faced by its employees and by others affected by the company's activities. This risk assessment must be "sufficient and suitable".

### 4 Remote work

#### **Are end user engagers required to have a registered legal entity in the jurisdiction in order to hire independent contractors/consultants there?**

No.

### 5 What to do when things go wrong

#### **Resignation**

#### **Do consultants/independent contractors need a reason to terminate the contract or can they terminate it for any reason in accordance with the terms of the contract?**

There are no legally specified grounds for resignation, although the reasons for termination (and the impact of that reason on other terms such as notice and severance payments or benefits) will often be set out in the contract.

#### **Termination of agreement**

#### **What grounds do end user engagers have for the termination of consultant agreements?**

There are no legally specified grounds for the termination of consultant agreements. Termination grounds will depend on the terms of the contract.

#### **What is the responsibility of the end user engagers for damages incurred by a consultant's actions within his/her work?**

End user engagers can, in some circumstances, be held responsible for the acts of independent contractors/consultants in the execution of the work for which they are engaged, including the harassment of the end user's employees by an independent contractor/consultant.







## c. Volunteers

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#### *Definition of a volunteer*

There is no legal definition of a volunteer under Dutch employment law. Volunteer work is considered to be work the volunteer does unpaid and without obligations, for others or for the society. In general, the following conditions apply to volunteer work: (i) the work is in the public interest or in a particular social interest, (ii) the work is not for profit and (iii) the work does not cost the labor market jobs and does not replace a paid job.

### 1 Contracts

#### **Are organizations required to sign any form of agreement with volunteers?**

There is no legal requirement to enter into a written agreement with volunteers, although from a practical perspective confirming the arrangement in writing, often in the form of a volunteer agreement and/or policy, is advisable to clarify expectations.

### 2 Conditions of employment

#### **Is there a minimum age requirement for volunteers?**

In principle, children under 16 years are not allowed to volunteer. There are a few exceptions:

- Children of 12 years and older may perform auxiliary labor as part of an alternative punishment;
- Children of 13 years and older may perform light, non-industrial auxiliary labor outside school hours;
- Children of 14 years and older may perform light auxiliary work related to education outside school hours;
- Children of 15 years and older may perform morning newspaper delivery and light, non-industrial labor outside school hours.

Light, non-industrial auxiliary work is considered to be manual labor that does not pose a health or safety hazard to children.

Volunteering is subject to the same rules as paid work for young people under 18 years.





### **What type of volunteering work may a child undertake? Are there any restrictions around this?**

Please see [above](#).

Due to their limited experience and expertise, volunteers under the age of 18 are considered a vulnerable group for whom a number of regulations within the law continue to apply. Voluntary work involving specific dangers for younger volunteers may only be done by young people under expert supervision. The organization is also obliged to provide age-appropriate information about the risks of volunteering within the organization. Extra attention should be taken into account to adapting working conditions in order to ensure that young people can volunteer safely. A number of activities are prohibited for young people. These include work under high air pressure such as diving, high noise levels, harmful radiation and harmful vibrations.

### **Payments and reimbursement**

#### **Are organizations allowed to pay stipends to volunteers?**

Yes. There is however a maximum amount for the volunteer allowance (€5 per hour with a maximum of €190 per month and a maximum of €1,900 per year if the volunteer is 21 years or older and €2.75 per hour with a maximum of €190 per month and €1,900 per year if the volunteer is younger than 21 years). If the allowance exceeds the maximum, the tax authorities may consider the compensation as salary and in such case, it could be required to withhold payroll taxes.

#### **Are organizations allowed to reimburse volunteers? If yes, for what expenses (such as transportation, food, etc.).**

Yes. It is however recommended to ensure that the maximum amount of the reimbursements does not exceed the maximum amount as referred to [above](#).

### **Working hours**

#### **Are there any obligations around how many hours volunteers can work?**

No, working time limits do not apply to volunteers.

#### **Are volunteers entitled to any type of leave?**

No.

### **Social security**

#### **Are organizations obliged to pay any social security contributions on behalf of their volunteers?**

Payments that exceed the maximum amounts as referred to [above](#) can be treated as taxable income, so income tax and national insurance regulations will apply.

#### **Are organizations obliged to provide health insurance to volunteers?**

No.

#### **Are organizations liable for absences of volunteers due to work-place injuries?**

The volunteer has no legal right to sick leave/pay. Insurance taken out by the organization to include volunteers may help to pay compensation if a volunteer is injured or becomes ill because of the volunteering activities.





### 3 Safe and supportive work environment

#### **Are there any differences in terms of the regime that applies to employees?**

Health and safety must be considered for volunteers as well as for employees. Organizations without any paid staff are not required to do risk assessments, however volunteers must still be protected from risks. This means that reasonable steps should be taken to reduce the likelihood and potential seriousness of injury to volunteers. Organizations should provide the same level of protection to volunteers where they carry out similar activities and are exposed to the same level of risk as employees. Best practice would therefore be to carry out risk assessments to identify risks and put appropriate measures in place.

### 4 Tax

#### **Are organizations obliged to pay taxes if they pay their volunteers stipends? If yes, what types of taxes are mandatory to pay?**

Payments that exceed the maximum amounts as referred to [above](#) can be treated as taxable income, so income tax and national insurance regulations will apply.

### 5 What to do when things go wrong

#### **What grounds do organizations have for the termination of volunteer agreements/arrangements?**

There are no legally specified grounds for the termination of volunteer arrangements.

#### **What is the responsibility of organizations for damages incurred by a volunteer's actions within his/her work?**

Organizations can, in some circumstances, be held responsible for the acts of volunteers in the execution of the work for which they are engaged.





## d. Non-citizen employees and consultants, including refugees and others forcibly displaced

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### 1 Status and the right to work

#### **Are employers obliged to secure legal status for their employees or consultants if they are non-citizens? (such as refugee status, humanitarian visas, visas for trafficking survivors, other recognized protection statuses, etc.)**

No, not specific. However, such employees are required to have a proof of residence and a work permit in the Netherlands. The employer must report the new employee to the Dutch labour office. The employer indicates what type of work the employee will do, where and for how many hours per week. The labour Inspectorate uses this information to check whether the employer complies with Dutch employment law. The employee can start working two days after the registration at the Dutch labour office.

#### **Are employers obliged to secure work permits for their employees or consultants?**

Employees from outside the European Union (including Liechtenstein, Norway, Switzerland and Iceland) who want to work in the Netherlands are, in principle, only allowed to work in the Netherlands if a work permit has been granted to the employer. The Dutch labour office issues a work permit if strict conditions are met.

The employer is obliged to have a work permit if the employer (i) wants to hire an employee or consultant from outside the European Union, (ii) the employee or consultant is going to perform other work than for which a work permit was previously granted and (iii) the employee's or consultant's work permit will expire soon.

There are two types of work permit: (i) Work permit ("TWV") and (ii) combined permit for residence and work ("GVVA"). Which work permit is required depends on different circumstances such as how long the employee or consultant will be working in the Netherlands. The same conditions apply for both types of work permits. The Dutch labour office assesses whether the employer's application meets the conditions.

- The employer needs to apply for a TWV in the event of one of the following situations:
- The employee or consultant comes to work in the Netherlands for less than 3 months;
- The employee is already in the Netherlands and has a residence permit;





- The employee comes to work in the Netherlands for more than 3 months, but does not come to the Netherlands to live there.

The employer needs to apply for a GVVA if the employee comes to work in the Netherlands for more than 3 months and if one of the following situations applies to the employee:

- The employee does not have a residence permit;
- The employee comes to live in the Netherlands.

### **Is it always necessary to obtain a work permit?**

Exceptions to the above apply to certain groups of employees outside the European Union (including Liechtenstein, Norway, Switzerland and Iceland). Such employees must have a residence permit or visa if they stay in the Netherlands for less than 3 months. These include:

- Employees with a residence permit stating 'work is freely permitted'. There are, for example, foreign employees with an asylum residence permit;
- Contractors who have a residence permit for 'work as a self-employed person';
- Starting contractors who have a residence permit as a 'start-up';
- Highly educated migrants who come to the Netherlands to contribute to the knowledge economy;
- Employees who live abroad and do certain work in the Netherlands for a short period, for example for business meetings or to repair equipment supplied by their employer.

### **Can asylum-seekers and other persons forcibly displaced access the right to work if they do not have refugee status or other recognized protection statuses?**

Asylum-seekers are allowed to work in the Netherlands for 24 weeks over a period of 52 weeks. The asylum application must have been pending for at least six months. This means that an asylum-seeker cannot work in the Netherlands during the first six months. A TWV work permit is required in such cases (see above). Asylum-seekers are entitled to the same conditions as Dutch employees.

If an asylum-seeker has a job, the asylum-seeker is required to pay the Central Agency for the Reception of Asylum Seekers ("COA") a personal contribution.

## **2 Contracts**

### **Are employment contracts or consultant agreements for non-citizens different to those for citizens?**

No. It is however common practice to include in employment contracts of non-citizens a condition precedent relating to the situation that the non-citizen does not receive a residence permit or work permit.

## **3 Conditions of employment**

### **Does national law regulate the quotas for the number of non-citizens within one organization?**

No.





**Are employers obliged to report about employed non-citizens?**

No.

**Are there any other differences in conditions of employment for non-citizens and citizens?**

No. However, in the Netherlands the so-called 30% tax ruling can apply to a non-citizen. The 30% ruling is a Dutch tax exemption for employees who were hired abroad to work in the Netherlands. If the non-citizens situation meets various conditions, the employer can pay 30% of the non-citizen's salary as a tax-free allowance.

**Are there any specific employment terms that apply to citizens but not apply to non-citizens?**

Please see above under [2](#) and [3](#).

## 4 Safe and supportive work environment

**Are there any differences in a safe and supportive work environment approach for non-citizens? If yes, please elaborate here.**

No.

**Does the employer have additional obligations for non-citizens?**

No.

## 5 What to do when things go wrong?

**Is the process of termination of an employment contract for non-citizens different than for citizens? If yes, please explain here.**

No.

**Is the process of resignation for non-citizens different than for citizens? If yes, please explain here.**

No.

**Are non-citizens entitled to the equal protection of employment laws in the event of employment-related disputes?**

Yes, if Dutch law applies.





For more information please visit [pilnet.org](http://pilnet.org)