

Netherlands

Fixed Term Contracts

Fixed-term contracts are permitted in the Netherlands, but cannot be renewed more than three times and cannot exceed three years cumulatively. If a Worker has been engaged on a fixed-term contract for six months or more, they are entitled to one month's advance notice before the end of the fixed term as to whether the contract will be renewed as well as the conditions upon which the contract may be renewed. If such notice is not provided, the Worker is owed an additional month's salary.

Probationary Periods

Probationary periods are permitted if the contract will be longer than six months. In such cases, permanent contracts may include a probationary period of up to two months (one month for fixed-term contracts)

Holidays

Workers recognize 10 paid public holidays in the Netherlands.

Vacation

Workers are entitled to paid vacation equal to four times the number of working hours per week (e.g. 20 days in the case of a full-time job) in addition to a "holiday allowance" equal to 8% of the Worker's gross salary. Any accrued but unused leave above the annual entitlement must be paid out upon termination.

Sick Leave

Workers are not required to work if ill or injured. Employers must continue to pay injured or ill workers 70% of regular wages (subject to applicable caps) for a period of two years. Many employers pay 100% of the Worker's wages for the first 52 weeks of illness and 70% for the subsequent 52 weeks. Employers are also required to follow a reintegration process with the Worker. If the Worker is still injured or ill at the end of the 104-week period, the employment agreement may end.

Working Hours

Generally, working hours are 8 hours per day, and 40 hours per week. However, the maximum working hours per week are set to 60 hours but a worker cannot work 60 hours every week. If a worker for more than 5.5 hours, they are entitled to a break of at least 30 minutes.

Overtime

There is no statutory mandated overtime.

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Termination

Except in rare circumstances, one month's notice and reasonable grounds are required to terminate a Worker within their first five years of service. The termination process in the Netherlands is very specific. It requires court proceedings or obtaining a dismissal permit. Alternatively, the employer and the Worker can mutually agree to terminate an employment agreement. Workers may be entitled to a transitional allowance or reasonable compensation.