

Labour/employment law data for Netherlands

1.	Is it a legal requirement that employees must receive an employment contract ?	No, but a statement of terms should be provided. However, it is advisable to have a signed employment contract, before the employment commences.
2.	What factors constitute a fair dismissal i.e. legally justifiable reasons to terminate employment without the need to pay compensation?	A contract can be terminated immediately for gross misconduct (e.g. theft, deceit, failure to carry out reasonable requests), without compensation if approved by the UWV WERKbedrijf - government agency. However, even with UWV WERKbedrijf approval an employee can apply to the court for compensation. There are four reasons to terminate an employment contract: by mutual consent; gross misconduct; decision of the UWV WERKbedrijf; by the court. If terminated by the court there is a fixed formula for compensation. The starting point is the payment of the gross monthly salary according to the years of service although the formula can be weighted according to the conduct of the employer or employee.
3.	What is good practice with regard to dismissal procedures to minimise the risk of claims for unfair dismissal?	
4.	If an employee is dismissed unfairly what is the financial range of compensation that can be made to employees?	
5.	Do employees have the right to be members of a trade union?	
6.	Is there any legal requirement for an employer to contribute to a pension for employees?	No, legally - but practically, yes (and frequently within collective labour agreements).
7.	What are standard maternity rights?	A pregnant woman does not need to work from 6 weeks before the expected birth until 10 weeks after the birth. The employee receives 70% of her salary, paid by social security funds.
8.	What are parental leave rights (including paternity leave)?	A maximum of 6 months for parents employed for more than 1 year for children up to the age of 8 - there are no holiday allowances.
9.	When are employees eligible for redundancy payments?	All employees are eligible for unemployment benefit at 70% of the last earned salary - in case of mass redundancy usually a 'social plan' provides for redundancy payment, as agreed with the unions.
10.	What are the statutory redundancy payment limits?	There are no statutory limits.
11.	Can existing employees be dismissed if you buy a business with employees?	No, not within EU legislation, except if a share only transaction is foreseen. However, a redundancy situation exists if the termination is for business, economic or organisational reasons.
12.	Any other general legislation?	The range of EU equal treatment rules concerning discrimination, harassment, working time regulations and data protection, etc. See above - any claim for damages, if successful, would be based on the degree of the breach of contract or statement of terms.