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In emergency times, emergency measures are introduced. This is true of the current COVID-19 pandemic and there have been some consequential amendments to employment laws around the world. However, such measures are changing quickly and we anticipate will only be temporary, so we have not dealt with them all in this guide.

## Employment Law Worldview Blog

A blog aiming to interest and educate, stimulate discussion, provoke and sometimes just to amuse, with global insight into practical and legal issues relevant to employers everywhere. The *Employment Law Worldview Blog* can be accessed via our [website](#).

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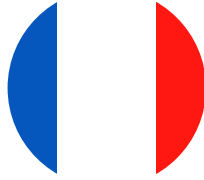
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**Belgium**



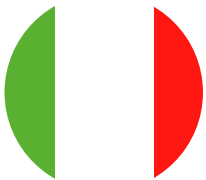
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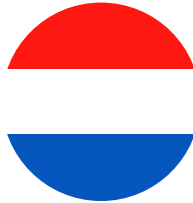
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**The Netherlands**



## Belgium



**Qualifying Period of Service/  
Compensation Limits**



**Notice Periods**



**Family Friendly Laws**



**Working Time**



**Statutory Sick Pay/  
National Minimum Wage**



**Written Statements**



**Miscellaneous Rights**



**Works Council/  
Health and Safety Committee**



**Social Security Contributions/Income Tax**

## Belgium

### Qualifying Period of Service

Unfair dismissal (known as "manifestly unfair dismissal")	Six months
Notice pay	None
Sex/race/disability/sexual orientation/age discrimination	None
Breach of contract	None
Unlawful deductions	None

### Compensation Limits

Unfair dismissal (manifestly unfair dismissal)	Depending on the degree of unfairness, three to 17 weeks' salary in addition to any statutory payment to be made in lieu of notice.
Pay in lieu of notice	<b>Indefinite period contracts:</b> compensation is the remuneration that would have been paid during the relevant notice period (see below).
	<b>Fixed-term contracts:</b> compensation is the remuneration for the remaining period of the contract (capped at double the compensation that would have been due under an indefinite period contract). During the first half of the contract (with a maximum of six months), the contract may be terminated with compensation as if it were an indefinite period contract.

Sex/race/disability/sexual orientation/age discrimination	No limit
Breach of contract	<p>In principle, a breach of contract gives a right to the remuneration that would have been paid during the relevant notice period.</p> <p>However, certain categories of staff, such as pregnant employees, or those who have filed a request for a special leave (e.g. a career break) or filed a complaint for harassment, etc., benefit from special protection against dismissal.</p> <p>If dismissed, protected employees are entitled to specific compensation of between three and six months' salary.</p> <p>This compensation is not payable if the employer can prove that the dismissal is unrelated to the event or circumstances that led to the employee being protected in the first place.</p> <p>...continued</p>

	<p>Elected and non-elected employee representatives on Works Councils and health and safety committees and union delegates also benefit from specific protection against dismissal. They can only be dismissed for economic, technical or organisational reasons or for serious cause and following a specific procedure <b>prior</b> to termination. In the event of a breach by the employer, a protected employee may be entitled to reinstatement or compensation of up to eight years' remuneration.</p> <p>Trade union delegates, who are not also employee representatives (whether elected or non-elected), may be entitled to compensation of one year's remuneration or more if agreed at sector level, on top of their severance.</p>
Unlawful deductions	No limit

## Notice Periods

Indefinite period contracts	<p>The methodology for determining notice periods changed on 1 January 2014. As a result, employment contracts starting prior to that date require two steps to calculate the applicable period.</p>
	<p><b>1) Service up to 31 December 2013:</b></p> <p>For termination by the employer, a notice period of: (i) three months for each period of five years' continuous service (whether a complete five years or not) for employees with remuneration below €32,254 per annum as on 31 December 2013; or (ii) one month for each year of service (whether a complete year or not), with a minimum of three months, for employees with remuneration above €32,254 per annum as at the date of termination, <b>except</b> when a longer notice period has been contractually agreed in the employment contract.</p>

**2) Service from 1 January 2014:**

The following table sets out the notice periods to be taken into account as of 1 January 2014:

Continuous Service from 1 January 2014	Notice by the Employer (weeks)	Notice by the Employee (weeks)
Up to 3 months	1	1
From 3 up to 4 months	3	2
From 4 up to 5 months	4	2
From 5 up to 6 months	5	2
From 6 up to 9 months	6	3
From 9 up to 12 months	7	3
From 12 up to 15 months	8	4
From 15 up to 18 months	9	4
From 18 up to 21 months	10	5
From 21 up to 24 months	11	5
From 2 up to 3 years	12	6
From 3 up to 4 years	13	6
From 4 up to 5 years	15	7
From 5 up to 6 years	18	9

Continuous Service from 1 January 2014	Notice by the Employer (weeks)	Notice by the Employee (weeks)
From 6 up to 7 years	21	10
From 7 up to 8 years	24	12
From 8 up to 9 years	27	13
From 9 up to 10 years	30	13
From 10 up to 11 years	33	13
From 11 up to 12 years	36	13
From 12 up to 13 years	39	13
From 13 up to 14 years	42	13
From 14 up to 15 years	45	13
From 15 years up to 16 years	48	13
From 16 up to 17 years	51	13
From 17 up to 18 years	54	13
From 18 up to 19 years	57	13
From 19 up to 20 years	60	13
From 20 up to 21 years	62	13
From 21 years onwards	Plus 1 week per year of continuous service	13
Ahead of retirement	Max. 26 weeks	

**N.B.** Sales representatives are entitled to additional termination compensation in respect of lost commission earnings.



### Example

For a white-collar worker with an annual remuneration of €35,000, who started work on 1 September 2010 and whose employment contract was terminated by a notice period starting on 1 March 2020, the notice period would be calculated as follows:

**Step 1:** 1 September 2010 to 31 December 2013, i.e. continuous service of over three years = four months' notice needs to be taken into account.

**Step 2:** 1 January 2014 to 1 March 2020, i.e. from five up to six years' continuous service = 21 weeks' notice should be taken into account.

A total notice period of four months plus 21 weeks will therefore need to be given by the employer.

#### Fixed-term contracts

By virtue of the law, either party may terminate a fixed-term contract during the first half of the agreed term (capped at six months) and applying the notice periods described above.

## Family Friendly Laws

### Maternity

#### Time off for antenatal care

Paid time off at normal rate of pay for antenatal care and medical examinations.

#### Maternity leave

Pregnant workers are entitled to 15 weeks' maternity leave comprising:

- the prenatal rest period, which may commence at the earliest six weeks and at the latest one week before the expected date of birth; and

- the postnatal rest period, which will be a minimum of nine weeks, or more if the prenatal rest period lasted less than six weeks.

An employee on maternity leave cannot be dismissed except in very limited circumstances. In the event of a breach by the employer, the employee may be entitled to additional compensation of up to six months' remuneration.

#### Maternity pay

A Social Security allowance equal to (i) 82% of the normal gross salary during the first 30 days and (ii) 75% of the capped gross salary (with a current cap of €146.98 per day) from the 31st day onwards.

### Adoption

#### Adoption leave

For both parents: six weeks (doubled to 12 weeks if the child is disabled), increased by two weeks if more than one child is adopted. By 2027, the number of weeks' leave will gradually increase to 11. The right to adoption leave ends when the child reaches 18.

An employee on adoption leave cannot be dismissed except in very limited circumstances. In the event of a breach by the employer, the employee may be entitled to additional compensation of up to three months' remuneration.

Adoption pay	For both parents: normal gross salary during the first three days of adoption leave. After the first three days, employees are entitled to a Social Security allowance of 82% of the capped gross salary (with a current cap of €146.98 per day).
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### Paternity

Paternity leave	15 days to be taken within four months of the birth.  An employee on paternity leave cannot be dismissed except in very limited circumstances. In the event of a breach by the employer, the employee may be entitled to additional compensation of up to three months' remuneration.
Paternity pay	Normal gross salary during the first three days of paternity leave. During the next twelve days, the father is entitled to a Social Security allowance of 82% of the capped gross salary (with a current cap of €146.98 per day).

### Parental

Parental leave	<p>An employee who has a child under 12 years old on the day the leave starts, and who has been employed by his/her current employer for at least 12 of the 15 months preceding the start of the leave, may at his/her choice: (i) fully suspend his/her employment for a period of four months; (ii) reduce his/her working hours by 50% for a period of eight months; (iii) reduce his/her working hours by 20% for a period of 20 months; or (iv) with the approval of the employer, reduce working hours by 10% for a period of 40 months. The employer may postpone granting parental leave for a maximum of six months for economical, technical or organisational reasons.</p> <p>An employee on parental leave cannot be dismissed except in very limited circumstances. In the event of a breach by the employer, the employee may be entitled to additional compensation of up to six months' remuneration.</p>
Pay	During parental leave, employees are not entitled to be paid but will receive a State "Career Interruption Allowance" from the National Employment Office. Where the working week is reduced under (ii) or (iii) above, the employer can reduce salary on a pro rata basis. The Career Interruption Allowance will also be prorated under (ii) and (iii).

## Working Time

Paid annual leave	<p>Workers are entitled to remuneration for 10 statutory or public holidays. If a public holiday falls on a weekend, the employer must grant a replacement day.</p> <p>Generally, the total minimum annual holiday entitlement is 20 days (excluding public holidays). The annual leave to which the employee is entitled is determined by the number of days or months during which services were performed (or deemed performed) in the previous year.</p>
Rest breaks	If working time in a day exceeds six hours, the worker must be granted a break of not less than a quarter of an hour, starting no later than the moment when the length of work reaches six hours.
Daily rest	Per 24-hour period, i.e. between two daily work sessions, each worker is entitled to a rest period of at least 11 consecutive hours.
Weekly working time limits	In principle, the maximum average working time is 38 hours per week and eight hours per day.
Night working time limits	Working at night is only allowed in a few strictly regulated cases.

Overtime	Employees who work overtime are entitled to overtime rest and overtime pay. Overtime is generally paid at the normal hourly rate plus at least 50%. On Sundays and statutory holidays, overtime pay may be double the normal hourly rate. It is possible to work up to 11 hours a day for shift work or even 12 hours for continuous work.
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## Statutory Sick Pay

### Blue-collar Workers

Period	Amount	Paid By
1-7th day	100% of normal salary	Employer
8-14th day	85.88% of normal salary	Employer
15-30th day	85.88% of normal salary	Employer + Social Security
31st day – 1 year	60% of capped salary and subject to a statutory cap of €144.10 per day	Social Security
More than 1 year	65%, 55% or 40%, depending on the employee's family circumstances and subject to a statutory cap of €144.10 per day	Social Security

## White-collar Workers

Period	Amount	Paid By
1-30th day	100% of normal salary	Employer
31st day – 1 year	60% of capped salary and subject to a statutory cap of €146,98 per day	Social Security
More than 1 year	65%, 55% or 40% – depending on the employee's family circumstances and subject to a statutory cap of €146,98 per day	Social Security

Blue-collar workers with less than one month's service are not entitled to sick pay.

## National Minimum Wage

Rate of pay	<p>In principle, the minimum wage scales are laid down for each industry sector by the relevant joint committee.</p> <p>If the undertaking belongs to a sector for which the joint committee has not laid down a minimum wage scale, the applicable level is the average minimum monthly income that has been determined at national level. The current applicable average minimum monthly income is approximately €1,600 gross (the exact amount will vary according to age and length of service).</p>
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## Written Statements

Terms and conditions	<p>In principle, the contract of employment may be written or oral. Nevertheless, some employment contracts and/or clauses must be in writing.</p> <p>When in written form, the employment contract must, depending on the location of the employer's operational headquarters, be worded in French or Dutch.</p>
Itemised pay statements	Yes
Written reasons for dismissal	<p>A dismissed employee can ask his/her employer for the reasons for his/her dismissal. The request must be made in writing within two months of the end of the employment relationship and sent by registered post. The employer must respond (also in writing and by registered post) within two months from receipt of the employee's request. If the employer fails to respond, a penalty amounting to two weeks' remuneration must be paid to the employee.</p>

If the dismissal is found to be manifestly unfair, the employer will need to pay compensation to the employee. A “manifestly unfair” dismissal is the dismissal of an employee employed for an indefinite duration for reasons that do not relate to the suitability or the conduct of the employee or to the operational requirements of the undertaking and which is a dismissal that no normal and reasonable employer would have made.

The court will only carry out a “light touch” review of the employer’s reasoning for the dismissal as the employer’s discretion to decide how to run its business must be respected and the employer’s policy options (i.e. the choices between different ways forward in the light of the relevant circumstances) cannot easily be questioned.

The compensation payable by the employer in the event of a manifestly unfair dismissal is a sum between three and 17 weeks’ salary. The amount of the compensation depends on the degree of the unfairness of the dismissal.

## Miscellaneous Rights

Time off for public duties	Political leave is paid.
Time off for union duties	Time spent by employee representatives at meetings is considered as working time and is, therefore, paid.
Time off for safety representatives	Time spent by safety representatives at meetings is considered as working time and is, therefore, paid.
Time off during notice period to search and apply for a new employment	<p>When the employee is entitled to outplacement (see below), one day per week during the entire notice period.</p> <p>When the employee is not entitled to outplacement, one day (or two half days) per week during the final 26 weeks of the notice period. Prior to that, the employee is entitled to one half day per week from the start of the notice period.</p>
Outplacement	<p>Outplacement services must be offered to employees at the cost of the employer within 15 days of the termination of the employment contract when the notice period is at least 30 weeks or if the employee is aged 45 or over.</p> <p>An amount equivalent to four weeks’ salary in relation to the cost of the outplacement service may be deducted from the severance payment, if the notice period is at least 30 weeks.</p>

## Works Council

A Works Council is required in companies employing at least 100 staff. It is composed of equal numbers of elected employee representatives and management delegates.

The number of employee representatives in the Works Council per number of employees eligible to vote is as follows:

Number of Eligible Employees	Number of Employee Representatives
101-500	6
501-1,000	8
1,001-2,000	10

Thereafter, two extra Works Council members for each additional 1,000 employees. The maximum number of employee-side Works Council members is 25.

## Health and Safety Committee

A health and safety committee is required in all companies with an average of 50 or more employees. The committee is composed of elected employee representatives (with a minimum of two) and management delegates, as well as the company's head of health and safety.

## Social Security Contributions

While the total cost of Social Security contributions will vary with the size of the company and with whether the workforce is made up of white- and/or blue-collar employees, on average the contributions payable by the employee amount to 13.07%, while those for the employer are around 30% of salary.

## Income Tax

PAYE does not operate in Belgium. Whilst employers are obliged to withhold taxes and Social Security contributions, employees are still obliged to declare their income (including salary) annually to the Belgian tax authorities, which then calculate the amount payable to the Public Treasury.



## France



**Qualifying Period of Service/  
Compensation Limits/Time Limits**



**Family Friendly Laws**



**Working Time**



**Statutory Sick Pay**



**National Minimum Wage**



**Written Statements**



**Miscellaneous Rights**



**Social and Economic Committee**



**Social Security Contributions**



**Income Tax**

## France

### Qualifying Period of Service

Unfair dismissal	None
Redundancy pay	Eight months (a collective bargaining agreement may provide for more favourable treatment).
Sex/race/disability/ sexual orientation/ age discrimination	None
Breach of contract	None
Unlawful deductions	None

### Compensation Limits

Unfair dismissal	<p>There is a mandatory compensation scale that varies according to the size of the company and the length of service of the employee:</p> <ul style="list-style-type: none"> <li>• The compensation is between half a month and 20 months' salary for companies with fewer than 11 employees</li> <li>• The compensation is between one and 20 months' salary for companies with 11 or more employees</li> </ul>
Redundancy	Statutory payment of one quarter of the monthly salary per year of service for the first 10 years and one third of monthly salary beyond the 10th year of service. Collective bargaining agreements may provide for more.

Sex/race/disability/ sexual orientation/ age discrimination	Dismissal null and void. Possible order for daily fine or continuation of employment contract and/or damages.
Breach of contract	No limit (N.B. usually leads to a "constructive dismissal").
Unlawful deductions	No limit

### Time Limits

Unfair dismissal	12 months from notification of dismissal.
Redundancy	12 months
Sex/race/disability/ sexual orientation/ age discrimination	Five years from date on which the employee had the information needed to pursue a discrimination claim.
Breach of contract	Two years from the date on which the employee was aware, or should have been aware, of the breach.
Unlawful deductions	As with all claims related to elements of salary, three years from effective date of termination if the contract has ended. If the contract is ongoing, three years from the date on which the employee was aware, or should have been aware, of the unlawful deductions.



## Family Friendly Laws

### Maternity

Time off for antenatal care	Time off at normal rate of pay for antenatal care and medical examinations.
Maternity leave	<p>All pregnant employees are entitled to at least 16 weeks' maternity leave. A collective bargaining agreement may provide for a longer period.</p> <p>Additional leave, depending on the number of previous children, simultaneous births and/or medical complications (up to 46 weeks in the case of triplets).</p> <p>It is strictly prohibited to allow any pregnant employee to work for a total period of eight weeks before and after the birth, including a period of at least six weeks after the birth.</p> <p>Employees are protected against dismissal during the leave and the 10 weeks following their return to work after maternity leave (unless their employment is terminated for gross or wilful misconduct).</p>

### Maternity pay

Subject to proof of 10 months' registration with Social Security and minimum service requirements. The minimum daily allowance, paid by the French Social Security, is €9.66 and the maximum is €89.03 in each case after deduction of CRDS ("Social Debt Repayment Contribution") and CSG ("Universal Social Security Contribution").

Collective bargaining agreements generally provide for the benefits to be "topped up" by the employer to normal salary during the whole period of maternity leave.

### Adoption

### Adoption leave

The adoptive mother and/or father can take the leave individually or between them.

For adoptions from 1 July 2021 onwards: 16 weeks for each of the first two adopted children, 18 weeks when the adoption raises the number of children in a family to three or more, and 22 weeks for each multiple adoption.

Where the leave is divided between parents, the maximum entitlements are increased by 25 days (32 days for multiple adoptions).

These two periods can be taken simultaneously by the adopters. The starting point of the adoption leave is the arrival of the child, it can also be during the 7 consecutive days prior to this arrival.

Adoption pay	Rights and entitlements to statutory adoption benefits are the same as those for statutory maternity benefits (see above).
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### Paternity

Paternity leave	<p>For births from 1 July 2021 onwards: 25 days (32 days for multiple births) to be taken in at least two periods. A first period of 4 days (up to 30 days when the child's health requires immediate hospitalization) after the birth leave (see below) and the remaining 21 days must be taken within 6 months as from the birth.</p> <p>Paternity leave will be open to fathers, spouses, cohabitants and civil partners.</p> <p>Employees are also entitled to three days of "birth leave." As from 1 July 2021, this leave is mandatory and can be taken from the birth or the following working day.</p> <p>Employees are protected against dismissal during the 10 weeks following their child's birth (unless their employment is terminated for gross or wilful misconduct).</p>
Paternity pay	A daily benefit is paid to employees on paternity leave on the same conditions and rate as maternity pay (see above).

### Parental

Parental leave	After one year's qualifying service, each parent may take up to one year's leave (which may be extended up to three years, except in cases of multiple simultaneous births, when it can be longer).
Pay	The contract of employment is suspended during parental leave. The employee will not be entitled to pay (unless otherwise provided for in a collective bargaining agreement), but his/her acquired rights are maintained.

### Working Time

Paid annual leave	Five weeks per year plus 10 public holidays (on average).
Rest breaks	At least 20 minutes per day where the working day is at least six hours.
Daily rest	11 hours between daily shifts.
Weekly rest	24 hours per week (plus daily rest of 11 hours equates to one block of 35 hours minimum per week).
Weekly working time limits	The legal working time limit in France is 35 hours per week. The maximum working time limit is 48 hours per week and, in any event, an average of 44 hours per week over a 12-week reference period.
Night working time limits	Eight hours. Any possible exception is limited to 12 hours.
Right to disconnect	Measures must be negotiated with trade unions, or otherwise with an in-house charter.

## Statutory Sick Pay

Rate of pay	<p>For the first 30-90 days of absence (depending on seniority), the employee is entitled to 90% of gross pay and two thirds of gross pay for a further 30-90 days.</p> <p>A collective bargaining agreement may provide for a more favourable sick pay scheme.</p>
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## National Minimum Wage

Rate of pay	The gross minimum is €10.25 per hour.
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## Written Statements

Terms and conditions	<p>Pursuant to the French Labour Code, a written statement is compulsory in certain cases (fixed-term contracts, part-time contracts, temporary workers) and optional in others (long-term contracts).</p> <p>However, most applicable collective bargaining agreements make it mandatory to have a written contract and it is always highly recommended that the employer provides a written statement.</p>
Itemised pay statements	Yes
Written reasons for dismissal	Must be sent to all dismissed employees by registered delivery.

## Miscellaneous Rights

Minimum notice	Duration of the notice period depends on the status of the employee and his/her length of service. The notice period is usually specified in the applicable collective bargaining agreement and ranges between one and three months, though there are some exceptions. Notice is not required in cases of serious or gross misconduct.
Time off for public duties	Unpaid time off for jury service or for acting as a member of a municipal, general or regional council.
Time off for union duties	Paid time off but for a maximum of 12 or 24 hours per month for each union delegate (depending on the employer's headcount). Employee representatives also benefit from paid time off to perform their duties (between 10 and 34 hours per month depending on the employer's headcount).
Time off for safety representatives	Paid time off for training.
Time off in redundancy notice period	No general rules, although a collective bargaining agreement may include specific provisions.

## Social and Economic Committee

Number of Social and Economic Committee members	The number of Social and Economic Committee members and the aggregate rights to time off depend on the number of employees.
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## Social Security Contributions

### 1. URSSAF (Organisation for the Payment of Social Security and Benefit Contributions)

Regime	Overall Rate (%)	Employer (%)	Employee (%)	Basis
Sickness Insurance (Sickness, Maternity, Disability, Death)  (Salary > 2.5 times SMIC <sup>1</sup> )	13	13		Whole salary
Sickness Insurance (Sickness, Maternity, Disability, Death)  (Salary < 2.5 times SMIC)	7	7		
Autonomous Solidarity Contribution	0.3	0.3		
Family Allowance  (Salary > 3.5 times SMIC)	5.25	5.25		
Family Allowance  (Salary < 3.5 times SMIC)	3.45	3.45		
Old Age Insurance	2.3	1.90	0.40	
Workplace Accidents	Rate can vary depending on the company	Rate can vary depending on the company		
Union Contribution	0.016	0.016		

1 SMIC = French Minimum Wage (€1,554.58 gross per month as of 1 January 2021)

Regime	Overall Rate (%)	Employer (%)	Employee (%)	Basis
Housing Contribution (Employers With at Least 50 Employees)	0.5	0.5		Whole salary excluding benefits in kind
CSG (Universal Social Security Contribution)	9.2		9.2	Total benefit after 1.75% deduction for professional expenses
CRDS (Social Debt Repayment Contribution)	0.5		0.5	
Old Age Insurance	15.45	8.55	6.90	Salary limited to one times P <sup>2</sup>
Housing Allowance (Employers With Less than 50 Employees)	0.1	0.1		
Unemployment	4.05	4.05		Salary limited to four times P
AGS (National Insolvency Insurance Fund)	0.15	0.15		
APEC (for "Cadre" Employees)	0.06	0.036	0.024	Salary limited to four times P

2 P = "Plafond Mensuel de Sécurité Sociale" or Monthly Social Security Ceiling (€3,428 as from January 2021)

## 2. Additional Retirement Systems

As of 1 January 2019, the AGIRC/ARRCO systems have merged into one.

	Overall Rate (%)	Employer (%)	Employee (%)	Basis
T1	7.87	4.72	3.15	Salary limited to one times P
T2	21.59	12.95	8.64	Salary between one and eight times P
General Balance Contribution (CEG) – T1	2.15	1.29	0.86	Salary limited to one times P
General Balance Contribution (CEG) – T2	2.70	1.62	1.08	Salary between one and eight times P
Exceptional and temporary contribution (CET) – T1 and T2 (Salary > 1 times P)	0.35	0.21	0.14	Salary exceeding one P and up to eight times P

### 3. Taxes

	Overall Rate (%)	Employer (%)	Employee (%)	Basis
Construction (Employers With at Least 50 Employees)	0.45	0.45		Whole salary excluding benefits in kind
Apprenticeship/Part- time Working	0.68	0.68		
Training Companies With 11 or More Employees	1	1		Whole salary
Companies With Between 11 and 19 Employees	1	1		
Training Companies With Less than 11 Employees	0.55	0.55		

### Income Tax

PAYE came into force in France on 1 January 2019.

For this purpose, the French Tax Administration provides employers with each employee's income tax rate (based on the employee's tax declarations). Employees can either choose a personalised rate (based on their income declaration for the previous year) or, for confidentiality reasons, a neutral tax rate.



## Germany



**Qualifying Period of Service/  
Compensation Limits**



**Family Friendly Laws**



**Working Time**



**Statutory Sick Pay**



**National Minimum Wage**



**Written Statements**



**Miscellaneous Rights**



**Works Council**



**Social Security Contributions**



**Income Tax**



## Germany

### Qualifying Period of Service

Dismissal protection	Six months
Redundancy pay	None
Sex/race/disability/sexual orientation/age/religion or belief discrimination	None

### Compensation Limits

Unfair dismissal	No limit
Redundancy	No limit (save for specific exceptional circumstances).
Sex/race/disability/sexual orientation/age/religion or belief discrimination	No limit (save for specific exceptional circumstances, e.g. failure to hire).

### Family Friendly Laws

#### Maternity

Time off for antenatal care	Pregnant employees are entitled to take paid time off for antenatal care.
Maternity leave	<p>Pregnant women are not obliged to work at all in the six weeks prior to the expected date of birth unless they expressly declare a willingness to do so.</p> <p>Women are prohibited from working for a period of eight weeks following the birth (12 weeks in the case of twins, a premature birth or if the child is disabled).</p>

Maternity pay	<p>During maternity leave, the woman is entitled to maternity pay equivalent to her monthly remuneration (calculated by reference to her remuneration for the three months prior to maternity leave).</p> <p>€13 per day of the maternity pay entitlement is contributed by the employee's health insurance. If a woman's net daily remuneration is greater than €13, the employer will pay the maternity pay and seek to recover €13 from the insurers.</p>
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#### Adoption

Adoption leave	Parents who adopt a child are entitled to a maximum of three years' parental leave until the child reaches eight years of age.
Adoption pay	Parents are entitled to the same pay as parental leave (see below).

#### Paternity

Paternity leave	Fathers are generally entitled to one day off, being the day of the birth of the child.
Paternity pay	Fathers are entitled to be paid full pay for paternity leave.

#### Parental

Parental leave	Both the father and the mother of the child are entitled to parental leave for a maximum period of three years until the child reaches eight years of age.
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Pay	<p>The employee may be entitled to parental pay from the State (dependent upon income).</p> <p>Parental pay is paid for 12 months. There is an additional bonus of two months' pay if the other parent takes parental leave for at least two months.</p> <p>Over the 12- or 14-month period, the employee is entitled to be paid monthly or can choose to receive the same total amount over a 24-month period.</p> <p>Parental pay is 67% of an employee's average income during the 12 months before the date of the birth.</p> <p>In addition, there is a minimum monthly payment of €300 payable to a parent without income or with minimum income. The income threshold is €1,800 per month and, therefore, the threshold of parental pay amounts to €1,206.</p>
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### Family Nursing Care

Nursing Care Leave	<p>Employees are entitled to a maximum of six months' unpaid leave for the essential nursing care of close relatives.</p> <p>It is also possible to agree a reduction of the weekly working hours for a period of up to 24 months for this purpose, subject to a reduced minimum of 15 hours per week.</p>
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Pay	<p>Nursing care leave is unpaid, although statutory subsidies are available. Where weekly working hours are reduced, employees are entitled to an interest-free loan from the State.</p>
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### Working Time

Paid annual leave	At least four weeks per calendar year.
Rest breaks	30 minutes per day where the working day is six working hours or longer and 45 minutes or more per day where the working day is nine hours or longer.
Daily rest	11 hours between daily shifts.
Weekly rest	None
Weekly working time limits	Adults can work a maximum of ten hours per day excluding breaks (60 hours per week). However, the average daily hours within six calendar months or 24 weeks must not exceed eight.
Night working time limits	Employees work a maximum of eight hours per night (10 hours in exceptional circumstances if the average hours within one calendar month or four weeks do not exceed eight).

### Statutory Sick Pay

Rate of pay	100% salary for a period of six weeks (four weeks' qualifying service).
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## National Minimum Wage

Rate of pay	€9.60 gross per worked hour (this will increase to €9.82 from 1 January 2022).
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## Written Statements

Terms and conditions	To be provided within one month of the start of employment.
Itemised pay statements	To be provided within one month of the start of employment.
Written reasons for dismissal	Generally none. However, notice of termination must be in written form.

## Miscellaneous Rights

Minimum Notice	<p>The employee's basic entitlement is to four weeks' notice to end either on the 15th or the end of the calendar month. Additional entitlement is based on length of service as follows:</p> <table> <tr> <td>2 years' service</td><td>1 month</td></tr> <tr> <td>5 years' service</td><td>2 months</td></tr> <tr> <td>8 years' service</td><td>3 months</td></tr> <tr> <td>10 years' service</td><td>4 months</td></tr> <tr> <td>12 years' service</td><td>5 months</td></tr> <tr> <td>15 years' service</td><td>6 months</td></tr> <tr> <td>20 years' service</td><td>7 months</td></tr> </table> <p>In each case, notice must run to the end of the calendar month and must be given in writing.</p> <p>The notice required from the employee (which must also be in writing) may not exceed the notice required from the employer.</p>	2 years' service	1 month	5 years' service	2 months	8 years' service	3 months	10 years' service	4 months	12 years' service	5 months	15 years' service	6 months	20 years' service	7 months
2 years' service	1 month														
5 years' service	2 months														
8 years' service	3 months														
10 years' service	4 months														
12 years' service	5 months														
15 years' service	6 months														
20 years' service	7 months														

Time off for public duties	Generally none, other than in exceptional cases.
Time off for union duties	None
Time off for safety representatives	Generally, yes
Time off in redundancy notice period	Yes, but only what is deemed reasonable.

## Works Council

Election of a Works Council is not mandatory for employees, but the initiative for the creation of a Works Council must come from the employees or the unions. Generally, an election is held every four years by secret ballot. The next regular works council elections will take place between 1 March and 31 May 2022.

For the establishment of a Works Council there must be at least five permanent employees eligible to vote, of whom at least three are eligible for election.

All employees (except minors and except executive staff) are entitled to vote. Agency workers are entitled to vote in case of a lease term of more than 3 months. All employees who are entitled to vote and who have at least worked 6 months for the establishment can be elected.

### Number of Works Council members

The number of Works Council members per number of employees (including agency workers with a hire term of at least three months) eligible to vote is as follows:

Number of Eligible Employees	Number of Works Council Members
5-20	1
21-50	3
51-100	5
101-200	7
201-400	9
401-700	11
701-1,000	13
1,001-1,500	15
1,501-2,000	17
2,001-2,500	19
2,501-3,000	21
3,001-3,500	23
3,501-4,000	25
4,001-4,500	27
4,501-5,000	29
5,001-6,000	31
6,001-7,000	33
7,001-9,000	35
9,000+	The number increases by two members for each additional 3,000 employees or fraction thereof

Eligibility to vote is only relevant for organisations with up to 100 employees so that, for example, an organisation with 70 employees, of whom only 30 are eligible to vote, will require three Works Council members. An organisation with 51 employees who are all eligible to vote will be entitled to five Works Council members. For organisations with more than 100 employees, it is irrelevant whether the employees are eligible to vote.

### Right to Time Off

All members of the Works Council are entitled to time off to perform necessary Works Council duties. Employers with the following number of staff must release the following number of Works Council members completely from their work duties so that they can carry out their duties as Works Council members:

Number of Eligible Employees	Number of Works Council Members
200-500	1
501-900	2
901-1,500	3
1,501-2,000	4
2,001-3,000	5
3,001-4,000	6
4,001-5,000	7
5,001-6,000	8
6,001-7,000	9
7,001-8,000	10
8,001-9,000	11
9,001-10,000	12
10,000+	One additional member for every additional 2,000 employees or fraction thereof



## Social Security Contributions

Gross Monthly	Salary Contribution Rate
<b>Statutory Pension Scheme</b>	
Up to €450	18.6% (15% for the employer, 3.6% for the employee)
Over €450	18.6% (9.3% employer, 9.3% employee)
Contribution assessment ceiling €7,100 (West) and €6,700 (East).	
<b>Statutory Sickness Insurance</b>	
Up to €450	13% (employer)
Over €450	14.6% (7.3% employer, 7.3% employee)
Contribution assessment ceiling €4,837.50. Where the monthly salary exceeds €5,362.50, the employee can opt out of statutory sickness insurance.	
<b>Statutory Care Insurance</b>	
Up to €450	Not applicable
Over €450	3.05% (1.525% employer, 1.525% employee); all German states except Saxony (1.025% employer, 2.025% employee). Employees aged over 23 without children pay 0.25% on top.
Contribution assessment ceiling €4,837.50. Where the monthly salary exceeds €5,362.50, the employee can opt out of statutory care insurance.	

## Statutory Unemployment Insurance

Up to €450	Not applicable
Over €450	2.4% (1.2% employer, 1.2% employee)
Contribution assessment ceiling €7,100 (West) and €6,700 (East).	

## Statutory Accident Insurance

The contribution rate depends on the industry sector and the insurance risk classification of the employer.

## Income Tax – 2021 Bands

### Single Individuals

Annual Earnings	Marginal Tax Rate
Up to €9,408	0%
€9,409–€57,051	14%–42%
€57,052–€270,500	42%
€270,501 or above	45%

### Married Couples (Joint Return)

Annual Earnings	Marginal Tax Rate
Up to €18,816	0%
€18,817–€114,102	14%–42%
€114,103–€541,000	42%
€541,001 or above	45%

N.B. Income tax in Germany is calculated on the basis of other income received and deductions as well as annual earnings.





## Spain



**Qualifying Period of Service/  
Compensation Limits/Time Limits**



**Family Friendly Laws**



**Working Time**



**Statutory Sick Pay**



**National Minimum Wage**



**Written Statements**



**Miscellaneous Rights**



**Works Council**



**Social Security Contributions/  
Income Tax Bands**

## Spain

### Qualifying Period of Service

Unfair dismissal	None
Redundancy pay	None
Sex/race/ disability/sexual orientation/age discrimination/ religion or belief discrimination	None
Breach of contract	None
Unlawful deductions	None

### Compensation Limits

Unfair dismissal	45 days' pay per complete year of service accrued up to and including 11 February 2012 (capped at 42 months' salary) and 33 days' pay per complete year of service accrued from 12 February 2012 (capped at 24 months' salary). For employees who have been employed for less than one year, a prorated entitlement applies.
Redundancy	Minimum of 20 days' pay per complete year of service up to a maximum of 12 months' salary. For employees who have been employed for less than one year, a prorated entitlement applies.

Sex/race/ disability/sexual orientation/age discrimination/ religion or belief discrimination	No limit
Breach of contract	No limit
Unlawful deductions	No limit

### Time Limits

Unfair dismissal	20 working days from the effective date of termination.
Redundancy	20 working days from the effective date of termination and 12 months to claim any payment due.
Sex/race/ disability/sexual orientation/age discrimination/ religion or belief discrimination	12 months
Breach of contract	12 months
Unlawful deductions	12 months



## Family Friendly Laws

### Maternity

Time off for antenatal care	Paid time off to attend any antenatal medical appointment and birth preparation classes.
Maternity leave	All employees are entitled to 16 weeks' maternity leave. In the case of multiple births, this may be extended by two weeks for each child, one week for each parent. At least six of these weeks must be taken by the mother immediately after the birth.
Maternity pay	Maternity pay is paid at 100% of "quotation basis" to Social Security earnings. The quotation basis is the tax band that, according to Social Security regulations, corresponds to the salary level of the employee.
	There is no minimum service requirement. Under the age of 26, employees must have contributed to the Social Security system for at least 90 days in the last seven years.  Alternatively, this requirement is considered fulfilled when the employee has contributed to the Social Security system for a minimum of 180 days during her working life.

Employees over the age of 26 must have been registered with and contributed to the Social Security system for at least 180 days in the last seven years. Alternatively, this requirement is considered fulfilled when the employee has contributed to the Social Security system for a minimum of 360 days during her working life. No contribution period is required at all if the employee is under 21 years old.

### Adoption

Adoption leave	Adoptive parents are entitled to 16 weeks' adoption leave. In multiple adoptions, this may be extended by two weeks for each child after the second child. The leave can be taken by either parent.
Adoption pay	The employee must have contributed to the Social Security system. Adoption pay is paid at 100% of quotation basis (see "Maternity pay" above).



## Paternity

Paternity leave	All employees are entitled to 16 weeks' paternity leave, which may be increased in the event of multiple births, adoptions or foster care by two weeks for each child, one week for each parent. The first six of these weeks must be taken immediately after the birth.
Paternity pay	<p>Paternity pay is paid at 100% of quotation basis (see "Maternity pay" above).</p> <p>However, the employee must have contributed to the Social Security system for a minimum of 180 days in the last seven years or for a total of 360 days during his working life. There is no minimum service requirement with the employer.</p>

## Parental

Parental leave	Three years per child to be taken at the time of birth (or adoption or fostering).
Pay	None

## Working Time

Paid annual leave	30 calendar days per year (plus 14 bank holidays).
Rest breaks	15 minutes if working day is longer than six hours (30 minutes for employees under 18, when their working day is longer than four and a half hours).
Daily rest	12 hours between daily shifts.
Weekly rest	One and a half continuous days off each week (two days per week for employees under 18).
Weekly working time limits	Annual average maximum of 40 hours per week. Daily hours not to exceed nine unless otherwise agreed.
Night working time limits	Maximum of eight hours per 24 hours on average in any 15-day period.

## Statutory Sick Pay

Rate of pay	Between 60% and 75% of the quotation basis dependent upon length of absence.
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## National Minimum Wage

Rate of pay	<p>€31.66 per day</p> <p>€950 per month</p> <p>€13,300 per year (14 instalments)</p>
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## Written Statements

Terms and conditions	<p>If the employment relationship is longer than four weeks, the principal terms and conditions of employment must be provided in writing within two months of the start of employment.</p> <p>If the employment relationship lasts for less than two months, this information must be provided to the employee before his/her contract ends.</p>
Itemised pay statements	No qualifying service
Written reasons for dismissal	No qualifying service

## Miscellaneous Rights

Minimum notice	No statutory provisions (other than for temporary contracts whose duration is over one year and dismissals due to objective causes, e.g. redundancy, in which case 15 days).
Time off for public duties	Permitted except when specific regulations state to the contrary. If carrying out the public duty prevents the employee from working for more than 20% of his/her working hours over a three-month period, the employer is entitled to consider the time off as unpaid leave of absence.

Time off for union duties	Paid time off for union duties as follows:	
	Up to 100 employees	15 hours per month
	101-250 employees	20 hours per month
	251-500 employees	30 hours per month
	501-750 employees	35 hours per month
	More than 750 employees	40 hours per month
Time off for safety representatives	Paid time off for training meetings, inspections, etc.	
Time off in redundancy notice period	Individual redundancies only. 15-day period within which the employee may take up to six hours per week (paid) in order to seek alternative employment.	

## Works Council

A Works Council may be established where there are over 50 employees or more. If there are fewer than 50 employees, there may be individual workers representatives.

Number of Eligible Employees	Number of Works Council Members
Up to 30 employees	1
Up to 49 employees	3
50-100	5
101- 250	9
251-500	13
501-750	17
751-1,000	21
More than 1,000	Two additional members per 1,000 additional employees, with a total maximum of 75 members

Right to time off	See "Time off for union duties" above
Election of the works council	Every four years

## Social Security Contributions

In Spain, contributions are made according to monthly salary. There is a minimum and a maximum contribution depending on the category of the employee. The general contribution limits have been extended for 2020 until a new budget is passed and remain as follows:

Minimum: €1,108.33

Maximum: €4,070.10

Different percentages are applicable for different types of contribution (see below) and both the employer and the employee must contribute (albeit at different rates). Although there are specific regulations applicable to certain contracts and situations, which may vary these rates, the National Social Security contributions are essentially as follows:

	% Employer	% Employee	% Total
<b>Common Contingencies (sickness, maternity, pension, etc.)</b>	23.6	4.7	28.3
<b>Unemployment</b>	5.5	1.55	7.05
<b>Public Salaries Guarantee Fund</b>	0.20	None	0.20
<b>Professional Training</b>	0.6	0.1	0.7
<b>Total</b>	29.9	6.35	36.25

## Income Tax Bands 2021

Substantial tax reforms were approved in Spain for 2021 for both Corporate and Personal Income taxes (CIT and PIT). In relation to PIT, the progressive tax scale has been reduced. Collection of PIT is split 50/50 between the federal government and the relevant administrative region, which has limited powers to modify the tax rates and make certain deductions.

The main sources of income (i.e. employment income or income from economic activities) are levied at the general rate, ranging from 19%-47% for 2021.

However, they may also vary from one region to another (for example, for 2021 the maximum rate in Madrid is 45.5% and in Cataluña 50%).

In addition, for savings income (i.e. dividends or interest) tax rates vary between 19% and 26%.

Taxable Income Bands (EUR)				
Lower	Upper	Excess of Taxable Income Over Lower Band Amount (%)	Rate on Excess of Taxable Income Over Lower Band Amount (%)	Tax on Lower Band Amount
0.00	12,450	12,450	19%	0.00
12,450	20,200	7,750	24%	2,365.50
20,200	35,200	15,000	30%	4,225.50
35,200	60,000	24,800	37%	8,725.50
60,000 and over	300,000	240,000	45%	17,901.50
300,000 and over			47%	125,901.50

#### Example 1\*

Taxable income = €32,360

Taxable income amount falls within the €20,200-€35,200 taxable income band.

Taxation = €4,225.50 + (€32,360-€20,200) x 30% =  
**€7,873.50**

#### Example 2\*


Taxable income = €50,000

Taxable income amount falls within the €35,200-€60,000 taxable income band.

Taxation = €8,725.50 + (€50,000-€35,200) x 37% =  
**€14,201.50**

\* Please note that certain deductions apply to the taxable base income of employees, depending on their personal situation (e.g. marital status, dependent children, etc.) which will reduce the effective tax rate.



-  **Qualifying Period of Service/  
Compensation Limits**
-  **Time Limits**
-  **Family Friendly Laws**
-  **Working Time**
-  **Statutory Sick Pay**
-  **National Minimum Wage**
-  **Written Statements**
-  **Miscellaneous Rights**
-  **Works Council**
-  **Social Security Contributions/  
Income Tax**

## Italy

### Qualifying Period of Service

Unfair dismissal	After probationary period (if any).
Redundancy pay (roughly corresponding in Italy to indemnity in lieu of notice)	After probationary period (if any).
Sex/race/disability/sexual orientation/religion or belief/age discrimination	None
Breach of contract	None
Unlawful deductions	None

### Compensation Limits

<p>Unfair individual dismissal</p> <p>Note: During the COVID-19 pandemic, there is a ban on redundancies for employers who have benefited from wage integration treatments, as follows: until 31 October 2021 for employers who have used/are entitled to use social buffers such as FIS- Fondo Integrazione Salariale, or CIGD- Cassa Integrazione Guadagni in Deroga; and until 31 December 2021 for employers who have used/are entitled to use the so called CIGO financial assistance - Cassa Integrazione Guadagni Ordinaria.</p>	<p><b>Dismissals on discriminatory grounds or without written notice (irrespective of the number of employees employed by the company and date of hiring)</b></p> <ul style="list-style-type: none"> <li>Reinstatement plus full compensation (and relevant Social Security contributions) from date of dismissal to date of reinstatement, subject to a minimum of at least five months' salary.</li> <li>The employee also has the right to choose a 15 months' pay indemnity in lieu of reinstatement.</li> </ul>
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### Where the employer has more than 15 employees

#### *Employees hired prior to 7 March 2015*

**Dismissals without just cause or "justified subjective reasons" ("justified subjective reasons" occur when there is a serious breach by the employee of his/her contractual obligations, but the breach falls short of a "just cause") set out in the dismissal notice**

- When the dismissal is without grounds or the offence warrants only a lesser disciplinary sanction under a specific provision of the applicable collective bargaining agreement, reinstatement plus compensation capped at 12 months' salary.
- In all other cases of unlawful dismissal, compensation of between 12 and 24 months' salary.

#### **Dismissals alleged to be for a "justified objective reason" (i.e. concerning the production or organisation of the working activity of the company)**

Where the justified objective reason is "manifestly non-existent", reinstatement plus compensation capped at 12 months' salary. In all other cases of unlawful dismissal, compensation of between 12 and 24 months' gross salary.

**Dismissals where the correct legal procedure was not followed or where reasons were not provided in the written notice of dismissal**

Compensation of between six and 12 months' gross salary.

**Where 15 or fewer employees are employed**

Compensation of between two and a half and six months' salary.

***Employees hired after 7 March 2015)***

**Dismissals without just cause or "justified subjective reasons" set out in the dismissal notice**

- When the "material fact" upon which the dismissal was based did not occur, reinstatement plus compensation capped at 12 months' salary (the employee also has the right to choose a 15 months' salary indemnity in lieu of reinstatement).
- In all other cases, compensation of between six and 36 months' salary.

**Dismissals alleged to be on "justified objective reason" grounds**

For unlawful dismissals for "justified objective reason", compensation of between six and 36 months' salary.

**Dismissals where there was a valid reason but the termination is unfair because the correct legal procedure was not followed or where reasons were not provided in the written notice of dismissal**

Compensation of between two and 12 months' salary.

**Where 15 or fewer employees are employed**

Compensation of between one and six months' salary (no reinstatement).

**Dismissal of executives hired with the grade of "dirigente" (irrespective of the number of employees employed by the company and date of hiring)**

In any case of unlawful dismissal, the executive will be entitled to claim compensation provided for by the relevant collective bargaining agreement, taking into account the executive's age and length of service.

Collective dismissals

***Employees hired prior to 7 March 2015***

Compensation of between 12 and 24 months when the legal procedure of information and consultation with the unions was not correctly followed.

Where the employer has not applied the selection criteria for the employees to be dismissed provided by Law no. 223/91, i.e. length of service, family responsibilities and technical, production and organisational needs (or any alternative criteria agreed with the unions during the consultation procedure), employees are entitled to reinstatement plus compensation capped at 12 months' salary (the employees will also have the right to choose a 15 months' salary indemnity in lieu of reinstatement).

***Employees hired after 7 March 2015***

Compensation of between six and 36 months' salary.

Sex/race/disability/  
sexual orientation/  
religion or belief/  
age discrimination

No limit

Breach of contract

No limit

Unlawful  
deductions

No limit

Time Limits

Unfair dismissal

60 days from the date of written notice.

Claims for invalidity of fixed-term contracts must be brought within 180 days from the end of employment. In both cases, pleadings must then be filed with the employment tribunal within 180 days.

Redundancy

As for unfair dismissal.

Sex/race/disability/  
sexual orientation/  
religion or belief/  
age discrimination

60 days from the date of written notice where dismissal is based on discrimination. Pleadings must then be filed with the employment tribunal within 180 days.

Breach of contract

Depends on type of breach.

Unlawful  
deductions

Depends on element of salary unlawfully deducted.



## Family Friendly Laws

### Maternity

Time off for antenatal care	Paid time off to attend medical appointments.
Maternity leave	Pregnant employees are entitled to a period of compulsory maternity leave, commencing no earlier than two months prior to the expected date of delivery and ending three months after it. The pregnant employee can continue to work until the due delivery date provided she has confirmation from a National Health Service doctor that she is in good health. Compulsory maternity leave will then be extended to five months after the delivery. The mother can transfer one day of maternity leave to the father.
Maternity pay	During compulsory maternity leave, women receive an indemnity amounting to 80% of salary (the national collective bargaining agreement normally provides for the additional 20%). No minimum service requirements with the employer apply.

### Adoption

Adoption leave	Adoptive mothers are entitled to five months' adoption leave, beginning on the date the child is placed with the family. The same right is granted to the adoptive father where the adoptive mother has waived her right to leave, has died or when the adoptive father has sole custody of the child.
Adoption pay	Adoptive parents are entitled to the same benefits as those granted to natural parents during parental leave. During compulsory adoption leave, the mother receives an allowance ranging from 80% to 100% of salary.

### Paternity

Paternity leave	<p>Fathers are entitled to paternity leave in cases where the:</p> <ul style="list-style-type: none"> <li>• Mother has died</li> <li>• Mother has abandoned the child</li> <li>• Father has custody of the child</li> </ul> <p>Fathers are then entitled to three months' leave from the child's birth.</p> <p>From 2021, fathers are entitled to 10 days of compulsory paternity leave to be taken during the first five months following the child's birth.</p> <p>In addition, the mother can transfer one day of her maternity leave entitlement to the father.</p>
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Paternity pay	During paternity leave, men receive an allowance amounting to 80% of salary (the national collective bargaining agreement normally provides for the additional 20%).
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## Parental

Parental leave	Both parents are entitled to take up to six months' parental leave (in addition to compulsory maternity or paternity leave), taken before the child reaches 12 years of age. The combined total amount of leave taken by both parents must not exceed 10 months (11 months if the father does not work for a continuous period of more than three months).
Pay	Parental leave is paid at 30% of salary (subject to maximum income limits once the child is aged six or over). Parental leave is not paid in respect of children aged eight-12 (inclusive).

## Working Time

Paid annual leave	A minimum of four weeks' paid leave per year. A national collective bargaining agreement may provide for a greater amount.
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Rest breaks	Where working time is more than six hours per day, the length of any break is provided for by the applicable collective bargaining agreement. If the agreement is silent on this point, the employee is entitled to a minimum of 10 minutes rest per working day. The timing of the rest must, however, be consistent with the employer's technical needs or production process.
Daily rest	11 hours per 24-hour period.
Weekly rest	A minimum of one rest day per week (usually Sunday), subject to the relevant national collective bargaining agreement.
Weekly working time limits	Capped at 40 hours per week, although a national collective bargaining agreement can increase the cap to an average of 48 hours over a four-month reference period. Executives with the grade of "dirigente" or middle managers with the grade of "quadro" are exempt from working time limits.
Night working time limits	Night workers' working time must not exceed an average of eight hours in a 24-hour period, but national or company-level collective bargaining agreements may provide for a longer reference period.

## Statutory Sick Pay

Rate of pay	<p>Employees are entitled to sick pay and/or a percentage of salary, based on the sector (e.g. commercial or industrial) to which the employer belongs.</p> <p>Statutory sick pay is paid directly by the employer and recorded in accounts as an adjustment to sums that must be paid to the INPS as contributions. National collective bargaining agreements usually greatly enhance statutory entitlements.</p>
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## National Minimum Wage

Rate of pay	<p>No national minimum wage, but salaries must be proportionate to the quantity and quality of work rendered and allow the employee and his family to enjoy “a free and dignified life”. Wage rates are usually provided by collective bargaining agreements on a sector-by-sector basis. Case law suggests that “a free and dignified life” is achieved when the salary complies with at least the basic salaries set out in the national collective bargaining agreement of the relevant sector.</p>
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## Written Statements

Terms and conditions	<p>A written statement is compulsory in certain cases (fixed-term contracts, part-time contracts, temporary workers) and optional in others (long-term contracts). Generally, it is preferable for an employer to provide a written statement. Nevertheless, the employer must inform the employee about assigned classification, job role, place of work, working time, salary.</p>
Itemised pay statements	Yes
Written reasons for dismissal	The employer has a legal obligation to provide written reasons for the dismissal with the notice of dismissal.

## Miscellaneous Rights

Minimum notice	<p>There are no statutory provisions governing minimum notice periods. Length of notice is established by the applicable national collective bargaining agreement or the individual employment contract.</p>
Time off for public duties	Time off may be paid or unpaid.

Time off for union duties	There are statutory provisions protecting union leaders only:	
	Up to 200 employees	One union leader in each bargaining unit: one hour paid time off per employee (up to 200 hours per year)
	201 to 3,000 employees	One union leader per 300 employees: eight hours' paid time off per month
	More than 3,000 employees.	One union leader per 500 employees: eight hours' paid time off per month
Time off for safety representatives	Paid time off for training.	
Time off in redundancy notice period	No general rules, although specific provisions in a national collective bargaining agreement may apply.	

## Works Council

Number of Eligible Employees	Number of Works Council Members
Up to 200 employees	Three
From 201-3,000 employees	Three for each 300 employees (or a fraction thereof)
More than 3,000 employees	Three for each 500 employees (or a fraction thereof) <b>in addition to</b> those appointed under the 201-3,000 employee category
Right to time off	See "Time off for union duties"
Election of the Works Council	Representatives of the Works Council remain in office for three years. Two thirds of Works Council members are elected by employees (trade unions are entitled to have their own lists of candidates) and the remaining third are designated by the trade unions that are parties to applicable national collective bargaining agreements.

## Social Security Contributions

Mandatory Social Security contributions are calculated as a percentage of gross salary and are paid to the relevant Social Security authority (the “general” authority for employees is the INPS) on a monthly basis.

The contributions made vary significantly and are based on the business sector (e.g. manufacturing, commerce, etc.), the number of employees (i.e. up to 15, 16-50, 51-200, more than 200) and the nature of the employee’s role (i.e. executive, white-collar or blue-collar). These factors impact both the types of contributions that apply in the specific circumstances (e.g. for retirement, sickness, maternity, injuries at work, etc.) and the applicable rates.

Most Social Security contributions are calculated on the overall gross salary. However, a specific regime applies to retirement/disability contributions. These are paid on a minimum annual amount of €48.98 gross (2021 rate), while the annual salary subject to these contributions is capped at €103,055 gross (2021 rate), for employees who started to contribute after 1 January 1996.

## Income Tax

Annual Earnings	Rate
Up to €15,000	23%
€15,001 up to €28,000	€3,450 + 27% of annual earnings over €15,000
€28,001 up to €55,000	€6,960 + 38% of annual earnings over €28,000
€55,001 up to €75,000	€17,220 + 41% of annual earnings over €55,000
Over €75,000	€25,420 + 43% of annual earnings over €75,000



## The Netherlands



**Qualifying Period of Service/  
Compensation Limits**



**Time Limits**



**Family Friendly Laws**



**Working Time**



**Statutory Sick Pay**



**National Minimum Wage**



**Written Statements**



**Miscellaneous Rights**



**Works Council**



**Social Security Contributions/  
Income Tax**

## The Netherlands

### Qualifying Period of Service

Statutory Transition Payment (see "Compensation Limits" below for further details)	None
"Reasonable compensation" (see "Compensation Limits" below for further details)	None
Sex/race/disability/sexual orientation/age discrimination	None
Breach of contract	None
Unlawful deductions	None

### Compensation Limits

Statutory Transition Payment	All employees will receive a Statutory Transition Payment if their employment contract is terminated, rescinded or not extended at the employer's initiative on the basis of one of the statutory reasonable grounds for termination. An exception applies for serious culpable acts or omissions by the employee.
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The amount of the Statutory Transition Payment depends on the number of years of service. For every year of service it is equal to one third of the monthly salary (pro rated if the employment lasts for less than a year). The compensation will be capped at the higher of €84,000 (from 1 January 2021) or one year's gross salary.

**Additional Compensation**  
If the employment agreement is rescinded by the court on the basis of the "cumulation ground" (a combination of two or more reasonable grounds for termination), the court may award the employee additional compensation, which is extra compensation (on top of the Statutory Transition Payment and any reasonable compensation) up to a maximum of 50% of the Statutory Transition Payment.

**Reasonable compensation**  
For "reasonable compensation" to be awarded, serious culpable acts or omissions on the employer's part must be established. No formula or cap applies.

Sex/race/disability/sexual orientation/age discrimination  
No limit

Breach of contract  
No limit

Unlawful deductions  
No limit

## Time Limits

Dismissal (including redundancy)	<p>The dismissal route depends on the reason for the termination.</p> <p>If the proposed dismissal is for commercial reasons (i.e. redundancy) or long-term illness, the employer must apply to the Employment Insurance Agency (UWV). If the dismissal is due to other reasons, such as poor performance, it must apply to the court.</p> <p><b>UWV:</b> If the employer terminates the employment contract with the permission of the UWV, the employee may, within the next two months, ask the court to declare the termination null and void, to have the employment agreement restored or to award additional "reasonable compensation".</p> <p>If the UWV refuses, the employer can still ask the court to rescind the employment agreement.</p>	<p>Parties can appeal to the Court of Appeal and the Supreme Court. The time limit for such an appeal is three months.</p> <p><b>Court:</b> If the court rescinds the employment agreement on appeal, it can award the employee additional "reasonable compensation". Parties can lodge such an appeal at the Court of Appeal and the Supreme Court. The time limit for such appeals is three months.</p>
Sex/race/disability/sexual orientation/age discrimination	<p>Employees can request the court, within two months of the termination, to declare a discriminatory termination null and void, or to award additional "reasonable compensation".</p> <p>Claims for damages relating to discrimination (but not to termination of the employment) should be brought within five years of the dismissal or last discriminatory act.</p>	
Breach of contract	<p>Five years for most claims, e.g. non-payment of holiday allowance, holidays and salary. Claims for damages for dismissal without the prescribed notice period must be brought to the court within two months of the termination.</p>	
Unlawful deductions	<p>Five years</p>	



## Family Friendly Laws

### Maternity

Time off for antenatal care	Yes
Pregnancy leave	<p>Employees are entitled to pregnancy leave from six weeks before the expected date of delivery as indicated in the written statement of a doctor or obstetrician submitted to the employer. Pregnancy leave must commence no later than four weeks before the expected date of delivery.</p> <p>An employee who is pregnant with two children or more is entitled to pregnancy leave as from 10 weeks to the date of giving birth. The pregnancy leave must commence no later than eight weeks before the date of giving birth.</p>
Maternity leave	<p>Employees are also entitled to maternity leave (commencing on the day after delivery) of 10 consecutive weeks. In cases of pregnancy with one child, the 10-week period can be extended if the period of pregnancy leave pre-birth was less than six weeks. In cases of pregnancy with two children or more, the 10-week period can be extended if the period of pregnancy leave pre-birth was less than 10 weeks.</p> <p>Any days when the employee received sickness benefit during the period when she was entitled to pregnancy leave but no such leave was taken, are counted as pregnancy leave days.</p>

Pregnancy and maternity pay	<p>Pregnancy and maternity leave are unpaid by the employer. Employees are entitled, however, to an allowance from the UWV of up to 100% of the maximum daily wage (€223.40 gross as of 1 January 2021).</p>
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### Adoption

Adoption leave	<p>Six consecutive weeks, unless a different split of the six weeks has been agreed, to be taken within a timeframe of 26 weeks. The entitlement to the leave commences four weeks before the actual day of adoption.</p>
Adoption pay	<p>Adoption leave is unpaid. Employees are entitled, however, to an allowance from the UWV equal to the employee's daily wage, with a maximum of €223.40 gross per day (as of 1 January 2021).</p>

### Paternity

Paternity leave	<p>A husband, registered partner or unmarried partner living with the woman who gave birth is entitled to five days' paternity leave (if he works full-time) to be taken within four weeks after the birth or within four weeks after the baby is back from the hospital, if later.</p>
Paternity pay	<p>Normal salary.</p>

Additional Paternity leave	<p>A husband, registered partner or unmarried partner living with the woman who gave birth is entitled to additional paternity leave of up to five weeks to be taken within six months after the birth.</p> <p>The regular paternity leave must be taken first. Additional paternity leave is unpaid. Employees are entitled, however, to an allowance from the UWV equal to 70% of the employee's daily wage, with a maximum of 70% of €223.40 gross per day (as of 1 January 2021).</p>
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## Parental

Parental leave	To be entitled to parental leave the employee's child must be aged under eight years. Parental leave is up to 26 weeks for full-time employees.
Pay	Parental leave is unpaid

## Working Time

Paid annual leave	Four weeks per annum (excluding public holidays) for full-time employees. Additional holiday is often awarded over and above the statutory minimum in a collective labour agreement or an individual employment agreement.
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Rest breaks	<p>Employees working more than five and a half hours per shift are entitled to a 30-minute break (which can also be taken as two 15-minute breaks).</p> <p>Employees working more than 10 hours per shift are entitled to a 45-minute break (which can also be taken as a combination of 15-minute, or 15- and 30-minute breaks).</p> <p>Exceptions apply for employees aged under 18.</p>
Daily rest	<p>11 hours' uninterrupted rest time in a 24-hour period. If the nature of the work requires it, the daily rest period can be reduced to eight hours for one rest period per week.</p> <p>Exceptions apply for employees aged under 18.</p>
Weekly rest	<p>36 hours' uninterrupted rest per week or 72 hours' uninterrupted rest per two weeks, which can be taken as uninterrupted rest periods of at least 32 hours.</p> <p>Exceptions apply for employees aged under 18.</p>
Weekly working time limits	<p>A maximum of:</p> <ul style="list-style-type: none"> <li>• 12 hours per shift</li> <li>• 60 hours per week</li> <li>• Average of 48 hours in each period of 16 consecutive weeks</li> </ul>

Night working time limits	<p>There are many restrictions on night working, the most important one being that night shifts can, in principle, be no longer than 10 hours. Employers can deviate from this limit five times in two weeks or 22 times in 52 weeks, provided that no single night shift exceeds 12 hours and the employee has at least 12 hours' rest after the night shift.</p> <p>If the employee works 16 night shifts in 16 consecutive weeks, he/she cannot work more than 40 hours per week. After three consecutive night shifts, the employee is entitled to 46 hours' rest.</p>
Overtime	There are no specific statutory regulations relating to overtime.

### Statutory Sick Pay

Rate of pay	<p>A minimum of 70% of salary (capped at the maximum daily wage as defined in the Social Security regulations). During the first 52 weeks of illness, sick pay must not be less than the applicable minimum wage. In the second year of illness, this requirement does not apply.</p>
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### National Minimum Wage

Rate of pay	<p>The minimum wage is amended twice a year and depends on the employee's age. Effective 1 January 2021, the minimum wage for a full-time employee aged 21 or over is €1,684.80 gross per month.</p>
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### Written Statements

Notification requirements regarding temporary contracts	<p>The employer must notify the employee in writing whether a fixed-term employment contract will be continued and under what conditions, no later than one month before the end of the contract.</p> <p>A failure to notify the employee will not hinder the termination of the employment contract, but will result in an obligation on the part of the employer to pay the employee one month's gross salary (or a pro-rata amount if the employer notifies the employee less than one month before the expiry date).</p>
Terms and conditions	<p>In principle, the contract of employment may be written or oral. However, some employment contracts and/or clauses must be in writing, such as any probationary period, non-competition clauses or punitive clauses.</p>
Itemised pay statements	Yes
Written reasons for dismissal	<p>The dismissal route depends on the reason for the termination (see "Time Limits – Dismissal (including redundancy)" above). At both the UUV and the court, the employer has to demonstrate that there are valid grounds for justifying the dismissal and, therefore, written reasons for dismissal must be provided at both the UUV and the court.</p>

## Miscellaneous Rights

Minimum notice	<p>The statutory notice period for the employee to give is one month. For employers, the statutory notice period is related to the duration of the employment agreement. For service lasting less than five years, the notice period is one month; between five and 10 years, two months; between 10 and 15 years, three months; and 15 years or more, four months.</p> <p>In principle, the notice period should be respected. If the notice period is not observed, the employee can claim payment of salary in lieu of notice.</p>
Time off for public duties	Employees who have certain official or political duties are entitled to unpaid leave to attend relevant meetings, etc.
Time off for union duties	Works Council members are entitled to be paid for attendance at Works Council meetings and to paid leave for related consultation and training.
Time off for safety representatives	Time spent by safety representatives at meetings is considered as working time and is, therefore, paid.
Time off in redundancy notice period	No statutory right but may be covered by a social plan or employer-specific arrangements.

## Works Council

### Number of Works Council members

The Works Council Act provides that all companies employing 50 or more staff are required to establish Works Councils. Companies with less than 50 employees may do so voluntarily.

The number of members of Works Council members per number of employees eligible to vote is as follows:

Number of Eligible Employees	Number of Works Council Members
Less than 50	3
50-99	5
100-199	7
200-399	9
400-599	11
600-999	13
1,000-2,000	15

Thereafter, two additional Works Council members for each additional 1,000 employees. The maximum number of Works Council members is 25.

The Works Council may, in its rules of procedure (and with the permission of the company), decide upon a different number of members and may also decide to elect a deputy for one or more members of the Works Council.

### Right to time off

Works Council members may interrupt their work for internal consultation, training and education, etc. (on full pay), for a number of hours to be determined in consultation with the employer. The Works Council can appoint committees and call in experts, use certain facilities on the company's premises and must hold its meetings in principle during working hours. All reasonable costs relating to the above will be for the account of the employer.

### Social Security Contributions

Mandatory Social Security contributions are calculated as a percentage of gross salary and are paid to the relevant Social Security authority on a monthly basis.

Employee national insurance contributions are withheld from salary (capped at 27.65% of €35,129 for 2021, i.e. €9,713.17). In addition, the employer pays an obligatory contribution to employee insurance schemes, such as unemployment benefits and short-term and long-term sickness benefits.

### Income Tax – 2021 Bands

Annual Earnings (Gross)	Rate
€0–€68,507	37.1 %
€68,508 or above	49.5 %

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The information in this guide is correct the time of publication. Note that currency equivalentents are likely to fluctuate. Readers are advised to check the information at the time of use.

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