



Building effective employee benefits for your international workforce

Michelle Maaijen, 3 October 2024

Topics

1. **Understanding Dutch Labour Laws:** an overview of Dutch labour regulations and how they impact policy development
2. **Designing competitive benefits packages:** strategies to create attractive benefits that cater to diverse cultural and regional expectations
3. **Implementation and compliance:** best practices for implementing policies and ensuring compliance with local and international regulations

Employee Benefits - Introduction

Why are they important?

- Attracting and retaining talent in your organisation;
- Happy employees;
- Attractive employer;
- Reduced costs.



Understanding Dutch Labour Laws

International workforce?

- Employment agreement based on Dutch law (article 7:610 DCC) → **Dutch labour law fully applicable.**
- Employees working in the Netherlands **temporarily**:
 - Dutch labour law **fully** applicable if agreed upon in the contract; or
 - **Minimum benefits** under Dutch labour laws applicable, based on Posted Workers Directive and/or EU Rome I Regulation.

Understanding Dutch Labour Laws

Mandatory statutory **benefits in the Netherlands:**

- Minimum wages;
- Minimum vacation days;
- State pension;
- Holiday allowance 8%;
- Payment of salary during sickness;
- Various leave regulations (pregnancy/paternity leave, parental leave, short-term and long-term care leave, emergency leave, etc.);
- Mandatory training and education;
- Flexibele Working Act.

Understanding Dutch Labour Laws

- Collective Labour Agreements (CLA)
 - Benefits applicable to all employees the CLA applies to;
 - CLA can be applicable because:
 - i. the company has agreed to this in the employment contract;
 - ii. the company falls under the scope of a CLA that is declared generally binding;
 - iii. the company is a member of the employer's organisation that establishes the CLA;
 - iv. the company has its own 'company CLA'
 - Freedom to deviate from the benefits in the CLA depends on the nature of the CLA.

Designing competitive benefits packages

- Goal = attractive & financially sustainable benefits package
- Challenges:
 - International workforce → global framework vs. local employment laws and collective labour agreements
 - Local employment laws and collective labour agreements vs. cultural norms and expectations
 - Ensuring fairness across the entire workforce

Designing competitive benefits packages

- Employee benefits package could for example include:
 - Additional insurances;
 - Additional pension scheme;
 - Bonus or profit sharing schemes;
 - Flexible work arrangements / remote work / workations;
 - Tailor-made learning & development opportunities;
 - Employee wellness programs / mental health support;
 - DI&E policy;
 - Flexible use of national holidays;
 - Housing / tax assistance.
- Advice: consult your workforce / Works Council

Implementation and compliance

- Establish clear written policies and guidelines
- Declare policies and guidelines applicable to the employment contract by including a clause in the employment contract (in Dutch: 'incorporatiebeding')
- Include a 'unilateral changes' clause (article 7:613 DCC) in the employment contract and/or policy and guidelines;
- Involve the Works Council (if required)
- Engage a local legal adviser to check the content of the policies and guidelines for compliance with local legislation.



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