

SUBJECT	LEGAL CHANGE	ACTION REQUIRED
<b>Remuneration</b>		
<b>Certain Works Councils “get a say” in executive pay</b>	<p>Works Councils of companies with more than 100 employees will get a right to influence executive director remuneration. The Works Council will be entitled to meet with the executive board each year to discuss both executive pay levels generally and when compared to other employees of the company.</p> <p>Effective date: Unknown.</p>	If relevant to your business, be aware of the Works Council’s additional rights.
<b>Remuneration</b>		
<b>Changes to minimum wage and time off in lieu of overtime arrangements</b>	<p>(1) From 2019, the minimum wage applies to employees aged 22 and over and the minimum youth wage applies to employees between 15 and 21 years of age.</p> <p>(2) Employees paid at the minimum wage level who work overtime can only be compensated by time off in lieu if the applicable collective agreement specifically permits this.</p> <p>Effective date: January 1, 2019.</p>	<p>(1) Become familiar with the changes.</p> <p>(2) Update payments and overtime compensation arrangements if relevant for your business.</p>
<b>Remuneration</b>		
<b>Changes to the “30% ruling” tax exemption</b>	<p>The “30% ruling” is a tax advantage for highly skilled migrants moving to the Netherlands to work, under which employers can pay the employee 30% of their salary tax free. This exemption can now only be used for a maximum of 5 years (cut back from 8).</p>	If you employ people eligible for this tax exemption, check how long they have received the 30% benefit for, and inform them of the 5 year cap.
<b>Family leave</b>		
<b>Extension of “Birth Leave” available</b>	<p>(1) Partners of birth mothers who are eligible to take “Statutory Birth Leave” are now entitled to take 5 days’ paid leave (up from 2 days).</p> <p>(2) This will eventually increase by an additional 5 weeks in July 2020, although payment will be at 70% of the employee’s salary (capped at the maximum daily wage for social security purposes).</p> <p>Effective date: The 5 day entitlement came into force on January 1, 2019.</p>	Update internal policies and practices to ensure they are compliant and notify staff of increased entitlement.

This is a high level general update only. Legal advice should be obtained on specific circumstances.