

Netherlands: Minimum wage to become hourly from 2024.

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The Dutch Senate has passed a law that will introduce an hourly statutory minimum wage from 1 January 2024. The bill was passed by the upper house on 14 February, having been approved by the Dutch House of Representatives on 7 June. At present in the Netherlands, the minimum wage is set at a monthly rate and was increased by 10% on 1 January 2023, bringing it to €1,934 for a fulltime working week. A fulltime working week can be different per sector, depending on CBA. This means that an employee who works in a sector where 40 hours a week is considered fulltime receives a lower hourly wage than an employee who works in a sector where 36 hours a week is the standard.

The new approach seeks to eliminate this gap and ensure a “more transparent” minimum wage that hundreds of thousands of people will benefit from. In sectors where the full-time working week is 40 hours, wages will increase by an average of 10%. While the bill’s approval was welcomed by the Netherlands Trade Union Confederation (FNV), employers are concerned about the “negative effect” that this change may have on companies that have already suffered from the coronavirus and a weaker economy. The Confederation of Netherlands Industry and Employers (VNO-NCW) says the introduction of the hourly statutory minimum wage “leads to too rapid an increase in costs for some companies in one year”.

Edited by industriAll Europe.