

This brochure explains the definition of an employer according to the law, and which employees need to be registered with the SVB for Sickness and Accident Insurance. It also explains which payments are considered as 'wages'.

## 1. Who is an employer?

Anyone who employs one or more persons is an employer. There are two possibilities:

- A. You are established in Curacao and your employees work for you in Curacao;
- B. You are established in Curacao and your employees work for you outside Curacao.

An employer can be a natural person (individual), or a legal person, e.g. a corporation (N.V.).

## 2. Who is an employee in Curacao?

Anyone who works for an employer is an employee. Exceptions are:

- Employees who personally take on work, but who are considered employers by the SVB ;
- Parents and living-in children of the employer, unless it is a normal employment;
- Household personnel;
  
- Workers at home;
- Captains and seafarers on Dutch Antillean ships;
- Civil servants.
- The husband/wife of a sole proprietorship

There are special rules for certain groups of employees

- A. Casual labourers. These are employees who, as a rule, work for an employer for no more than twelve consecutive days (not including sundays and holidays). They are not covered by the Sickness Insurance of the SVB, but they are covered by the Accident Insurance.
  
- B. Employees who on November 1st enjoy wages below or equal to the wage limit of the following year are insured that whole year against sickness and accidents, irrespective of the fact that, because of a wage increase, they have surpassed the wage limit.  
The family members of these employees are also insured against medical expenses as of March 1, 1996.  
If the wages are above the wage limit, the employees are only insured against accidents.
  
- C. If the person who takes on work - but is not considered by the SVB as an employer - is helped by others, the latter are considered by the SVB to be employees of the principal.

D. Workers at home are not considered employees, unless they work with dangerous substances as defined by law. In that case they will be insured against accidents through the principal.

### 3. What is meant by the term 'wages' when referring to the Sickness and Accident Insurance?

All payments which an employee receives as compensation for his/her work are wages. Payments from third parties are also included if these payments influence the conditions of the labour agreement between employer and employee.

*The SVB considers as wages:*

- Basic salary
- Vacation allowance
- Christmas bonus
- Child benefit
- Duty premium
- Cash-desk allowance
- Standby allowance
- Dark hours allowance
- Permanent allowance
- Years-of-service bonus
- Wages in kind (see guidelines)
- Provisions and commission
- Tips, trunk payments
- Dividends, profit-sharing, bonuses
- Payment for contracted work

*The SVB does **not** consider as wages:*

- Overtime
- Paid vacation days
- Deputizing allowance
- Extra allowance of the employer on the employee's wages, by virtue of AOV/AWW
- Sickness/Accident Insurance premiums by the employers
- Payments for temporary work that does not belong to the normal routine
- Incidental payments for extraordinary achievements
- Compulsory contribution by the employer to savings funds
- payment for children's training or study
- Gratuities in the case of birthdays and jubilees
- Remission of loans by the employer
- Financial benefits from loans with a low interest given by employer
- Redemption money
- Lumpsum
- "Cessantia" payments
- Indemnifications
- Compensation that have been granted:
- Cash-desk allowance

a) to replace lost income or income that will be lost

b)for suspending or not executing work

- Compulsory contribution by the employer for pensions and to pension funds
- Costs incurred by the employer for the employee in connection with medical treatment and nursing, and also the employee's claims to free medical treatment and nursing and to compensation in medical costs
- Cost compensations
- Payments and provisions to compensate damage sustained by the employee in connection with his employment or loss of personal goods
- Payments to cover burdening costs on the employee for his training and study for a profession, and also provisions in connection with such training or study

If the allowances for expenses, like car cost allowances and representation costs, are higher than the actual costs, then the additional amount exceeding these costs is considered wages.

*Determining wages:*

If the wages are (partially) paid in the form, of for instance, lodging, compensation in kind,commissions, royalties, tips and the like, then the employer and employee will jointly determine the average value in order to fix the wage level.

*Guidelines for wages in kind*

- *Breakfast per day* :Naf. 2.50
- *Lunch per day* :Naf. 2.50
- *Dinner per day* :Naf. 5.00
- *Free lodging per month* :Naf. 300.00
- *Private use of employer's car* :10% of the replacement value
- *Compensation for maid,electricity and water* :the whole compensation
- *Free housing* :the rent in relation to the economic value

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