

New law concerning the trainees

Whereas a bill regulating internships for pupils and students had been initially introduced in March 2018, legislation on the matter was finally enacted at the beginning of this month. As internships are becoming increasingly more numerous in the Grand Duchy, a need to legislate had already been felt more than 2 years ago, in fact. It must be said that the legislation on the matter had not changed since 1982. Trainees were in an almost total legal void therefore, whereas in practice, it is becoming difficult to complete a school programme without doing an internship in a company.

After many discussions, it is now a done deal! Aimed at facilitating access to internships in companies for students as well as their entry into the labour market, this new legislation has been in force since 9 June.

I. The different types of internship

In concrete terms, the bill draws a distinction between two types of internships

A. Compulsory and contractual internships provided by an educational institution

Internships within the meaning of this section are to be considered as **an integral part of the training** in accordance with the programme of the Luxembourgish or foreign educational institution, exclusive of compulsory internships carried out under vocational training schemes, educational or career guidance or specific training geared to accessing a profession governed by legal and regulatory provisions.

This type of internship requires the signature of a **tripartite agreement** by and between the educational institution, the trainee or his or her legal representative if he or she is a minor, and the internship supervisor.

B. Practical internships geared to acquiring professional experience

These internships may be concluded by and between a pupil or a student and an internship supervisor. A **bipartite internship agreement** has to be signed by and between the two parties.

A person is considered to be a pupil or a student if he or she:

- Is enrolled in a Luxembourgish or foreign educational institution and attends a course of study on a regular basis;
- Holds a Luxembourgish or equivalent secondary school leaver's certificate;
- Has completed a first cycle of higher or university education successfully.

In the last two cases, the entire duration of the internship must be within **twelve months** as of the end of the last school year for which a diploma was awarded.

The idea of this non-compulsory internship is to enable students who have completed their studies in particular to find their way in the labour market and to obtain initial work experience.

The duration of the practical internships may not exceed **six months over a period of twenty-four months** with the same internship supervisor.

Safeguards have been put in place in order to limit the practice of resorting to trainees and thus prevent internships from becoming undeclared work. The number of practical internships in progress in the same company is now limited to **10% of the company's workforce**, for instance. In companies with fewer than 10 employees, one internship maximum is authorized.

These restrictions do not apply during the period from **1 July to 30 September inclusive**.

II. Remuneration of trainees

The remuneration **varies depending on the duration of the internship**, irrespective of the type thereof.

It is also worth noting that in the event of an internship agreement concluded on a part-time basis, the maximum duration of the internship is calculated in hours and the compensation indicated below will have to be prorated.

For compulsory and contracted internships:

Duration	Minimum remuneration
Less than 4 weeks	No compulsory remuneration
As of 4 and more weeks	30% of the social minimum wage for unskilled workers (€642.60)

Conversely, the legislation provides for a **possibility to derogate from the requirement to pay compensation** if the educational institution explicitly stipulates that compensation is prohibited in the internship agreement it draws up and makes compliance with this prohibition a condition for the accreditation of the internship.

To that end, the pupil or the student concerned must submit the **internship agreement by way of attestation** to the minister responsible for labour before the start of the internship. This will exempt the internship supervisor from the requirement to pay compensation.

For practical internships:

Duration	Minimum remuneration
Less than 4 weeks	No compulsory remuneration
Between 4 and 12 weeks included	40% of the social minimum wage for unskilled workers (€856.80)
Between more than 12 weeks and 26 weeks included	75% of the social minimum wage for unskilled workers (€1,606.49)

ATTENTION: For trainees who have completed a first cycle of higher or university education successfully, the reference salary is the **social minimum wage for skilled workers**.

III. Common provisions

A. Mandatory information in the contract

The tripartite or bipartite internship agreement must henceforth **comprise the following information without fail**:

- the activities entrusted to the trainee;
- the start and end dates of the internship and the maximum duration of the trainee's presence required;
- the procedures for authorizing absence, in particular in order to see a potential employer;
- the compensation for the trainee, where applicable;
- the appointment of a tutor;
- any benefits to which the trainee is entitled;
- the social protection scheme for the trainee, in particular as regards accident insurance;
- the procedures for terminating the internship agreement, unilaterally or by mutual consent, before the end of the internship.

B. Role of the internship

Internships must be geared to **information, guidance and vocational training** and must not assign the student tasks that require a performance comparable to that of an employee. Moreover, they must not replace permanent jobs nor an employee who is temporarily absent, and must not be used to deal with temporary work overloads either.

C. Assigning a tutor and establishing a register of internships

Each trainee is to be assigned a **tutor** who will be responsible for integrating him or her optimally in the company, ensuring regular monitoring, answering his or her questions, providing advice and guidance and issuing a **critical, detailed assessment** at the end of the internship, for internships lasting **at least four weeks**.

The internship supervisor must keep a **register of internships** which may be perused at any time by the staff delegation and must be made available to the Inspectorate of Labour and Mines upon request.

D. Rights of trainees

The legislation ushers in a real advancement in the rights of trainees as it enshrines legal provisions on **working time, weekly rest, public holidays, annual leave, sexual harassment, health and safety at work and the employment of young workers**.

Conclusion

The Act of 4 June 2020 now regulates the internship of pupils and students with precision: agreement, remuneration, register, purpose of the internship and rights of the trainee. In the absence of any transitional provision, this new legislation has been applicable with immediate effect. This means that it is applicable not only to internships concluded after it entered into force, but internships currently in progress. It is therefore imperative to check the situation of trainees present in the company to date. If necessary, internship agreements will have to be adapted, at least in terms of remuneration, which is now in principle compulsory for all internships of more than 4 weeks.

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