

Students: check-list and last tips!

The summer holidays are approaching, students have almost finished their exams, so the time has come for them to earn some money with a student job.

This type of contract is also an interesting formula for the employer. Students are a flexible and inexpensive labour force in fact and are therefore an interesting solution during holiday periods.

There are certain formalities involved in employing a student worker, however. The points to bear in mind are set out below!

I. Whom can I hire under a student contract?

Pupils or students considered eligible for a student contract are those who:

- are between **15 and 27 years of age** (expiry date of eligibility: 27th birthday);
- **are enrolled in a Luxembourgish or foreign educational institution**, and
- **who attend a full-time programme** regularly.

Those whose school enrolment ended **less than 4 months** ago are also considered to be students.

Finally, it is important to note that the student contract can be **concluded only during the school holidays** (in Luxembourg or in bordering countries). A student enrolled in a foreign school can therefore be employed in Luxembourg as such during his or her school holidays, even if the dates of these holidays differ from those in the Grand Duchy.

II. How to conclude a student contract

The contract by and between the employer and the student must be concluded **in writing, at the latest when the student starts work.**

In the absence of a written contract, the employment shall be deemed to be under an open-ended contract of employment; proof to the contrary is not possible. It is therefore not possible to hire a student verbally.

The student contract must be drawn up in **3 original counterparts**:

- one for the student
- one for the employer
- one for the *Inspection du travail et des mines* (ITM) [**Inspectorate of Labour and Mines**]: the contract and a copy of the identity card must be sent to the ITM within **7 days** of the start of the contract by ordinary mail or via MyGuichet.lu.

This contract must mention without fail:

- the surname, name, date of birth and address of the pupil or student;
- the name and address of the employer;
- the start and end dates of the contract;
- the nature and location of the work to be performed;
- the daily and weekly working hours;
- the agreed remuneration;
- the time of payment of the remuneration;
- the place where the pupil or student is accommodated, where the employer has undertaken to provide accommodation.

III. For how long can I hire a student?

The period of employment may not exceed **2 months or 346 hours per calendar year**, regardless of whether it involves one or more contracts with one or more employers.

It is therefore possible to conclude one or more part-time student contracts for a period of employment of more than 2 months during one or more school holidays, provided that they do not exceed 2 times 173 hours (= 346 hours) per calendar year.

Example: A company may employ a part-time student for 20 hours per week (= 86.5 hours per month) for a period of 4 months per calendar year (4 x 86.5 = 346 hours).

IV. What remuneration should I grant the student?

The student's remuneration may not be less than 80% of the minimum social wage (MSW), graduated according to age:

Index 834.76	Monthly rate	Hourly rate
Student aged 18 and over (80% of 100% of the MSW)	€1,761.54	€10.1823
Student aged 17 to 18 (80% of 80% of MSW)	€1,409.24	€8.1459
Student aged 15 to 17 (75% of 80% of the MSW)	€1,321.16	€7.6368

The employer is required to make a declaration of entry to the Joint Social Security Centre (*Centre commun de la sécurité sociale*). Conversely, **only the employer's contribution for insurance against accidents at work will be due.**

The student's remuneration is therefore not subject to health insurance, pension insurance or dependency insurance. For the employer, the total cost of a student's salary will consequently be limited to the gross salary plus the accident insurance contribution.

Furthermore, the student is **exempt from tax** as long as the hourly wage does not exceed **€14/hour**. The gross salary paid to the student will therefore be identical to the net salary. The employer will have to apply to the Luxembourg Inland Revenue (*Administration des contributions directes*) for this however. This application must be lodged once a year for all students, so it is not nominative. It is therefore advisable for the employer to file this application when hiring the first student of the calendar year.

To go a step further...

What about holidays, illness and public holidays?

Students are not entitled to **paid holidays**.

They may, however, be entitled to **extraordinary leave** provided for by law, albeit unpaid.

The same applies in the event of **illness**, as the student is not subject to health insurance. The student is not required to submit a medical certificate. Even if the student submits such a document, the employer is not required to continue paying the remuneration of a student who is absent because of illness.

Statutory **public holidays** are in principle not paid.



How can the student contract be terminated before it expires?

- **By mutual agreement**

Like all contracts, a student contract can be terminated by mutual agreement before the end of the term.

- **Dismissal**

Like a fixed-term contract, a student contract provides for an expiry date from the moment it is concluded. The employer cannot therefore dismiss the student with notice.

The employer may however **dismiss** the student **with immediate effect in the event of serious misconduct** on the latter's part. In this case the rules of procedure for the dismissal of an employee with immediate effect must be respected.

- **Resignation**

Students may not resign with notice. They may however resign with immediate effect in the event of serious misconduct on the part of the employer. Again, the same rules of procedure shall apply as for resignation of an employee with immediate effect.

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