



# SOCIONEWS

## NEW LAW FOR TRANSPARENT AND PREDICTABLE WORKING CONDITIONS



LAW

A law dated 24 July 2024<sup>1</sup> amends the Labour Code to transpose Directive (EU) 2019/1152 on transparent and predictable working conditions.

Its aim is to ensure that employees, apprentices, pupils and students have better access to the essential information applicable to their employment relationship.

The model employment contracts, apprenticeship contracts, work contracts for pupils, students and temporary work contracts must therefore be modified by all companies<sup>2</sup>.

This law limits the length of the trial period in a fixed term contract.

This law also gives employees the possibility of acquiring a more secure and predictable form of employment, by requesting a change from a fixed-term contract to a permanent contract, or from part-time to full-time, and vice versa.

This law came into force on 4 August 2024.

1 Law dated 24 July 2024 amending 1° the Labour Code; 2° the amended Law dated 16 April 1979 laying down the general status of State civil servants; 3° the amended Law dated 24 December 1985 laying down the general status of municipal civil servants, with a view to transposing Directive (EU) 2019/1152 of the European Parliament and of the Council dated 20 June 2019 on transparent and predictable working conditions in the European Union. Mémorial A n°324 de 2024 <https://legilux.public.lu/eli/etat/leg/memorial/2024/a324>.

2 The CSL will update these standard models as soon as possible, on the basis of the new models soon to be published online by ITM and the relevant ministry.



# 1. MORE INFORMATION FOR EMPLOYEES

## 1.1 Employees on permanent or fixed-term contracts

It should be noted that the employer is responsible for drawing up and sending employees an employment contract.

New information and clarifications are now compulsory in employment contracts. They are highlighted in bold below.

- the identity of the parties **to the employment relationship**;
- the date on which performance of the employment contract begins;
- the location of work and, should no fixed or predominant place of work exist, the principle that the employee will be employed in various places, and more particularly abroad, or will be free to determine his place of work, as well as the registered office or, where applicable, the domicile of the employer;
- the nature of the job held and, where applicable, a description of the duties or tasks assigned to the employee at the time of engagement, without prejudice to a new assignment at a later date, subject to compliance with the provisions of article L. 121-7;
- the employee's normal daily or weekly working hours **and the terms and conditions relating to overtime work and its remuneration as well as, where applicable, all the terms and conditions relating to a change of shift**;
- normal working hours;
- **remuneration**, including the basic salary and, where applicable, any supplementary salaries, incidental salaries, bonuses or profit-sharing that may have been agreed to, **which must be indicated separately**, as well as the frequency and terms of payment of the salary to which the employee is entitled;
- the duration of the paid leave to which the employee is entitled or, if this cannot be specified at the time the contract is concluded, the procedures for granting and determining this leave;
- **the procedure to be followed by the employer and the employee in the event of termination of the employment contract, including the formal conditions and periods of notice to be observed or, if this is not possible at the time of conclusion of the contract, the methods for determining these notice periods**;
- the length **and conditions of application** of any trial period;

- any derogatory or supplementary clauses agreed upon by the parties;
- where applicable, a reference to the collective agreements governing the employee's working conditions **or, in the case of collective agreements concluded outside the company by specific joint bodies or institutions, the name of the bodies or institutions within which they were concluded**;
- **the identity of the social security body or bodies collecting the social security contributions and the social protection scheme relating thereto**, as well as, where applicable, the existence and nature of a supplementary pension scheme, the compulsory or optional nature of this scheme, the rights to benefits relating thereto and the existence of any personal contributions;
- **where applicable, the right to training granted by the employer.**

## 1.2 Clarification of working hours for part-time employees

Should there be no written description setting out the number of hours worked by a part-time employee and the breakdown thereof, the employee is presumed to be employed on a full-time basis.

## 1.3 New compulsory information in the assignment contract in a temporary employment relationship

The additions to this law are highlighted in bold below.

An assignment contract must include:

- **the identity of the user**;
- a reproduction of the clauses and information listed in article L. 131-4, paragraph 2;
- if it is concluded for a specific term, the expiry date of the term;
- if it does not include an expiry date, the minimum term for which it is concluded;
- when it is concluded to replace an absent employee, the name of the absent employee;
- the length **and conditions of application** of any trial period;
- where applicable, the renewal clause referred to in article L. 131-9, paragraph 2.

## Penalties

If there is no written agreement, or no written agreement specifying that an assignment contract is concluded for a fixed term, the employee is entitled to compensation in lieu of notice from temporary employment agencies.

It should be noted that an employee's right to claim compensation in lieu of notice from a temporary employment agency applies not only in the absence of a written agreement, but also in the event of non-compliance with the provisions that must be included in the agreement.

### 1.4 New compulsory information or details in the apprenticeship contract

The additions to this law are highlighted in bold below.

- the surname, first names, profession, identification number and business address of the training manager **or, where applicable, the domicile of the training manager**; in the case of a legal person, the name, registered office, surname, first names and position of the persons representing it under the contract and of the training manager and, where applicable, the number under which it is recorded in the trade and companies register;
- the surname, first names, identification number, date and place of birth, gender, nationality, contact details and place of residence of an apprentice, and if such apprentice is a minor, the surname, first names and place of residence of the apprentice's legal representative;
- the objectives and methods of training in the trade or profession concerned;
- the date of signature, the starting date and the duration of the contract;
- details of the rights and duties of the contracting parties, as well as any collective agreements governing working conditions in the trade or profession concerned, **or in the case of collective agreements concluded outside the company by specific joint bodies or institutions, the name of these bodies or institutions within which they were concluded**;
- the amount of the basic pay **and, where applicable, any supplements to basic pay, accessories, bonuses or profit-sharing that may have been agreed upon, which must be indicated separately, as well as the frequency and terms of payment of the pay to which an apprentice is entitled**;
- the trial period, which is three months, **and its conditions of application**;

- the duration of paid leave to which an apprentice is entitled **or, if this cannot be specified at the time the contract is concluded, the procedures for granting and determining this leave**;
- the duration and normal working hours, **as well as the arrangements for the overtime and its remuneration and, where applicable, all the arrangements for scheduling changes**;
- the place of apprenticeship: a fixed or predominant place **or, failing that, the principle that** apprentices will be employed at various places in Luxembourg or abroad **or will be free to determine their place of work**;
- in the case of a multiple system of training centres: the names, addresses and contact persons of the training centres;
- the surname, first names and contact details of the company tutor;
- **the identity of the social security body or bodies collecting social security contributions and the social protection scheme relating thereto, as well as, where applicable, the existence and nature of a supplementary pension scheme, the compulsory or optional nature of this scheme, the rights to benefits relating thereto, as well as whether any personal contributions are to be made**;
- **the procedure to be followed by apprentices or the training body in the event of termination of the apprenticeship contract, including the formal conditions and periods of notice to be observed or, if this is not possible when the contract is concluded, the methods for determining these periods.**

### 1.5 New compulsory information or details in the contract for the occupation of a pupil/student during the school holidays

The additions to this law are highlighted in bold below.

This contract must specify:

- the surname, first name, date of birth and place of residence of the pupil or student;
- the surname, **first name** and address of the employer **or, if the employer is a legal entity, the company name and registered office**;
- the start and end dates of the contract;
- the nature of **the job held and, where applicable, a description of the duties or tasks assigned to the pupil or student at the time of engagement**, as well as the place of work to be performed **or, in the absence of a fixed or predominant work location, the principle**

that pupils or students will be employed in various places and more particularly abroad or will be free to determine their place of work, as well as the registered office or, where applicable, the domicile of the employer;

- the daily and weekly working hours and the arrangements for overtime and its payment, where applicable, all the arrangements for scheduling changes;
- the agreed salary, taking into account the provisions of Article L. 151-5 and, where applicable, any additional salary, wage accessories, bonuses or profit-sharing that may have been agreed upon, which must be indicated separately;
- when and how the salary is to be paid;
- the place where the pupil or student is housed, where the employer has undertaken to provide accommodation;
- the procedure to be followed by the employer and pupils or students when employment contracts are terminated, the what formal requirements to be met;
- the identity of the social security body or bodies collecting social security contributions and the relevant social protection scheme;
- where applicable, a reference to the collective agreements governing the working conditions applicable to pupils or students or, in the case of collective agreements concluded outside the company by specific joint bodies or institutions, the name of the bodies or institutions within which they were concluded;
- where applicable, the rights to training granted by the employer.

## 1.6 Common rules

### a. Possible reference to other provisions

For certain items, the information may be derived from a reference to legal, regulatory, administrative or statutory provisions or collective agreements governing the matters referred to therein.

This was already the case for certain terms in the employment contract (holiday and termination of contract), but this law extends it more widely to include working hours, pay, trial period, social security bodies, training.

The same applies to apprenticeship contracts and student employment contracts.

### b. Transmission of contracts in electronic format

It is now possible to send contracts in electronic format, subject to certain conditions:

- employees/apprentices/pupils and students can access it;
- the contract can be saved and printed;
- the employer/training provider keeps a record of the proof of transmission or receipt, in electronic format.

### c. Possibility of providing certain missing information afterwards

Where this information has not been provided in advance (because an employer was not aware of it<sup>3</sup>), the employer must provide employees/apprentices/pupils/students with certain information individually in the form of one or more documents within a period set by law (seven calendar days or one month from the first day of work).

Within seven calendar days	Within a month
<ul style="list-style-type: none"> <li>• identity of the parties</li> <li>• start of contract</li> <li>• place of work<sup>4</sup></li> <li>• nature of job/training objective</li> <li>• duration and timetable</li> <li>• remuneration</li> <li>• trial period</li> </ul> <p>In addition for fixed-term contracts:</p> <ul style="list-style-type: none"> <li>• expiry of the term, or failing that, the minimum duration,</li> <li>• trial period</li> </ul>	<ul style="list-style-type: none"> <li>• holidays</li> <li>• terms and conditions for terminating the contract</li> <li>• applicable collective agreements</li> <li>• social security bodies</li> <li>• training</li> <li>• expiry of the term of failing that, the minimum duration</li> <li>• trial period</li> </ul>

### d. Injunction procedure

Where one or more items of information have not been provided individually to an employee/apprentice/pupil or student within the maximum time allowed and after an employer/training body has been duly given formal notice by the employee to comply, the employee/apprentice/pupil or student may, within a period of fifteen days from the date of notification of the formal notice, with no response, request, by application to the president of the Labour Court, who will rule as a matter of urgency in summary proceedings, with the parties heard or duly summoned, to enjoin the employer to provide the missing information subject to a penalty payment.

<sup>3</sup> Bill 8070, commentary on the articles, page 29: "The purpose of this paragraph must not, however, be to allow employers to withhold the missing information if they are already aware of it".

<sup>4</sup> Not for apprenticeship contracts.

The order of the president of the Labour Court is provisionally enforceable. It may be appealed by petition within forty days of notification through the court registry to the judge presiding the division of the Court of Appeal to which appeals in employment law matters are assigned. The case is decided as a matter of urgency, after the parties have been heard or duly summoned.

#### e. Secondment abroad

If an employee/apprentice is required to work for more than four consecutive weeks outside the territory of the Grand Duchy of Luxembourg, an employer is required to issue a written document containing the following minimum information to the employee:

- **the country or countries in which the work is to be carried out and the duration of the work carried out abroad;**
- the currency in which the basic salary/allowance is paid, **and the remuneration to which employees are entitled under the provisions of the host Member State;**
- where applicable, the benefits in cash and in kind related **to the temporary movement of employees/apprentices, as well as the allowances specific to the secondment and the arrangements for reimbursing travel, accommodation and food expenses;**
- if applicable, the conditions for repatriating the employees/apprentices;
- **the link to the official national website set up by the host Member State on the posting of workers.**

The written document shall be provided in paper format or, provided that the employee/apprentice has access to it, that it can be saved and printed, and that the employer keeps proof of its transmission or receipt, in electronic format.

#### f. Modification of employment contracts or apprenticeship contracts

Any modification shall be subject to a written amendment.

Where no written document exists, and following formal notice, employees/apprentices may, within a period of fifteen days from the date of notification of the formal notice which has remained unsuccessful, request, by application to the Chief Magistrate of the Labour Court, who shall rule

as a matter of urgency and in the same way as in summary proceedings, with the parties heard or duly summoned, to order employers/training bodies to provide them with the amending document subject to a penalty payment.

The order of the Chief Magistrate of the Labour Court is provisionally enforceable. It may be appealed by petition within forty days of notification through the court registry to the judge presiding the division of the Court of Appeal to which appeals in employment law matters are assigned. The case shall be decided as a matter of urgency, after the parties have been heard or duly summoned.

#### g. Contract model

The Labour Inspectorate publishes on its website information on the obligations to provide information on transparent and predictable working conditions applicable to employees/pupils and students, as well as the various models of employment contract.

In addition, the various models for apprenticeship contracts and a model agreement for multiple sites are laid down by the relevant professional chambers and published on their websites.

The competent professional chambers shall publish on their websites information on the obligations to provide information on transparent and predictable working conditions applicable to apprentices.

The use of these models is not compulsory. Employers may use their own contracts, provided they comply with the new legal requirements.

#### h. Compliance of old contracts

Existing contracts do not need to be adapted. There is also no requirement to sign an amendment.

However, if an employee whose contract dates prior to 4 August 2024 so requests, the employer must provide him or her with a document that complies with the new provisions within two months.

This option is also available to apprentices and temporary workers.

## 2. NEW RIGHTS

---

### 2.1 Reduction of the length of the trial period in a fixed-term contract

Any trial period agreed between the parties may not be less than two weeks or more than one quarter of the duration fixed in the fixed-term employment contract or of the minimum duration for which the fixed-term contract was concluded.

### 2.2 Strict supervision of the exclusivity clause

Any clause intended to prohibit an employee/apprentice from working in another employment relationship with one or more employer(s) outside the normal working hours agreed to in the employment contract is null and void.

The same applies to any clause or act whose purpose would be to subject employees/apprentices to unfavourable treatment on these grounds.

However, exceptions are made to this prohibition where the combination of jobs/employment relationships is incompatible for objective reasons, such as health and safety in the workplace, protecting business confidentiality, the integrity of the public service or preventing conflicts of interest.

These provisions also apply to apprentices.

### 2.3 Application for conversion of employment contract

Following any trial period, an employee who has worked for the same employer for at least six months may, once every twelve months:

- Apply for or return to a full-time job or, conversely, to a part-time job;
- Request the conversion of their fixed-term employment contract into an permanent contract.

Within one month of an employee's request, the employer is required either to amend the contract by mutual agreement of the parties, or to state precisely, in writing, the reasons for its refusal to accede to the employee's request.

### 2.4 Right to training

When an employer is obliged to provide training to employees in order to perform the work for which they have been hired, this training must be provided free of charge to employees during their working hours and must be considered as actual working time.

The same applies to first aid and fire-fighting training, as well as all health and safety training.

These provisions apply only to employees.

## 3. ENHANCED PROTECTION

---

### 3.1 No reprisals or unfavourable treatment

This law amends article L. 010-2, introduced in 2022, by dividing it into two paragraphs.

The first lays down the general principle of prohibiting reprisals (and "*any unfavourable treatment*") against employees who protest or lodge a complaint or appeal with a view to enforcing the rights conferred on them by the Labour Code in its entirety.

This protection is now also guaranteed to all employees acting as witnesses, including employee representatives.

Any provision contained in a contract, individual or collective agreement or internal company rules that is contrary to these prohibitions shall be considered null and void.

Paragraph 2 adds a prohibition on any dismissal/summons to pre-dismissal interviews/amendments of an essential term of employees' employment contracts which would constitute an act of reprisal resulting from a protest or in response to a complaint or the exercise of a recourse by employees to enforce their rights.

An employee who has been the victim of such a decision may request the reasons for the decision<sup>5</sup> and take legal action to obtain damages (rather than annulment).

### 3.2 Introduction of criminal penalties

Fines of between €251 and €5,000 per employee/apprentice may be imposed on employers/temporary employment agencies/training bodies that fail to comply with the new information requirements. These penalties are doubled in the event of a repeat offence within two years.

---

<sup>5</sup> Ordinary procedure for dismissal or amendment of an essential term. This article appears to extend the procedure to employees on probation.