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Newsflash Luxembourg

Employment law: What's new as of 1 January 2019?

As of 1 January, 2019 key employment law changes will enter into force:

Increase of the minimum wage in Luxembourg

The Bill n°7381 amending article L.222-9 of the Labour Code was voted by the Chamber of Deputies on 18 December, 2018.

The minimum social wage will increase by 1.1% as of 1 January, 2019. As a result:

- the minimum social wage for unqualified persons will increase from EUR 2,048.54 to EUR 2,071.10,
- the minimum social wage for qualified persons will increase from EUR 2,458.25 to EUR 2,485.32.

Sickness: Increase of the 52 week threshold

Under the current legislation, an employment contract automatically ends after a sick leave of 52 weeks over a period of 104 weeks.

As from 1 January, 2019 and in application of the Law of 10 August, 2018, the period of 52 weeks before an automatic employment contract termination will be extended to 78 weeks.

Reform concerning sickness leave payment

Under the current legislation, an employer is obliged to pay an employee's full salary from the employee's sickness notice date when until the end of the month during which the 77th day of sickness leave occurs (whether consecutive or not), over a reference period of 12 consecutive months.

The Law of 10 August, 2018 will also increase the 12 month reference period to 18 months from 1 January, 2019.

Therapeutic leave

The Law of 10 August, 2018 introduces, as from 1 January, 2019, the gradual return at work for therapeutic reasons on the basis of a medical certificate and with the common agreement of the employer and the *Caisse Nationale de Santé*. The employee who has been unable to work for at least 1 month out of the 3 months preceding his request, may request a gradual return to his professional activity, given that such return is fostering his state of health. This gradual return to work will occur under certain conditions that take into consideration working hours and tasks. The employee will not suffer from any loss of remuneration during such period, all financial compensation being covered and paid out by the social security.

For more information, please contact our Employment Law team.



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