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Luxembourg: Public authorities information and consultation on dismissals



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Native name: Code du travail
English name: Labour Code

Article

L. 166-2, L. 511-27

Description

An employer who intends to dismiss at least seven employees over a period of 30 days or at least 15 employees over a period of 90 days for reasons not related to employees' conduct must follow the procedure set up for informing public authorities about collective redundancies.

In the first instance, the employer must inform the public employment services (ADEM) and employees' representatives or the employees themselves if the company regularly employs fewer than 15 employees. Before proceeding with any dismissals, the employer must begin negotiations with the employees' representatives in order to establish a redundancy plan. In order to do this, he/she must notify employees' representatives of his/her intention to implement a collective redundancy and provide them with the following information in writing preferably before the start of negotiations, or at the latest at the start of negotiations:

- detailed reasons for the collective redundancy;
- number and categories of employees to be made redundant;
- number and categories of employees that are usually employed;
- period during which the redundancies will take place;
- criteria to be used to identify the employees for redundancy;
- method used for calculating any financial compensation that goes beyond the amounts established by law or collective agreement, or failing this, the reasons for refusing such compensation.

The employer must send a copy of the document addressed to the employees' representatives to the public employment service (ADEM), at the latest when negotiations begin. ADEM, on its part, will forward a copy to the labour inspectorate (Inspection du travail et des mines, ITM). The employer must also provide employees' representatives or, should there be no employees' representative, the employees themselves, with a copy of the notification sent to ADEM. Employees' representatives may also report their observations to ADEM, which will forward a copy to the labour inspectorate.

In addition, if the company regularly employs 15 employees or more, the employer must notify each individual dismissal for economic reasons to the Tripartite Economic Committee (Comité de Conjoncture). The notification must be sent, at the latest, when employees receive notification of their period of notice. The Committee can then invite the social partners to negotiate on a job retention plan, which must at least explore the scope for avoiding redundancies, mitigating their consequences, taking steps to assist redeployment, and the provision of financial compensation.

Comments

The Tripartite Economic Committee consists of four representatives of the government, four from the employers and four from the trade unions. It is under the authority and coordination of the Ministry for Economy and the Ministry of Labour, Employment and the Social and Solidarity Economy. In 2019, the National Conciliation Office (Office National de Conciliation) has been deliberated in 9 cases, with companies and staff representatives that could not reach a consensus as regards social plans or collective bargaining agreements (Ministry of Work and Employment, Annual Report 2019).

Cost covered by Not applicable Involved actors other than national government Employer organisation Public employment service Trade union Works council Other Involvement others Tripartite Economic Committee; experts; labour inspectorate Thresholds Company size by number of employees: 7 Number of affected employees: 7

Sources Labour Code Guichet.lu (governmental website) - Collective redundancies (English) Guichet.lu (governmental website) - Licenciement collectif (French) EMCC legal framework of restructuring Ministry of Work and Employment, Annual report, 2019.

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