

UNEL Summary and Guidance Document Law 7265

This document is just a guidance text, summarising our major points and clarifying our rationale to our amendments, which are very new proposals and have been recently published. This document is in English to be inclusive, in case some people do not understand Luxembourgish or French.

Now a bit more information about the internship law, in March 2018 there was a law proposed by the former minister of labour. Unfortunately, a lot of stakeholders were not consulted, such as UNEL, but also labour unions. There was quite a bit of backlash considering the law proposal which explains why, even after a year, it still has not been passed yet. In addition, there were elections and a new minister of labour was appointed. We, as UNEL, appreciate the initiative to create a legal framework for internships, because, as of right now, there is a legal loophole. However, we are also disagreeing with the law proposal in its initial form as it enables exploitation, increases the risk of precarity among young people, does not ensure quality internships and lacks specification for both students and pupils. Hence, we are presenting our new proposals to amend this law and are meeting with different stakeholders and have already met with the new minister of labour on the 25th of February.

Our goals with our proposals are:

- To prevent that students are descending into precarity and to guarantee the quality of internships
- To prevent that students and school students can be exploited
- To enable access to quality internships
- To enable students and pupils to devise career and study options

Our rationale for remuneration of internships is:

- An intern provides an added value to the employer and, as such, needs to be paid, this is also recognised by the original law proposal as non-mandatory internships should be paid.
- Hence, we do not see reasons why to differentiate between mandatory internships, which would be unpaid and non-mandatory internships which should be paid, this is a potential source of discrimination.
- It is of utmost importance that the intern is not used as a cheap work force, the intern does not get the full minimum wage but also has less responsibilities and tasks than a full-time worker
- Interns who:
 - Have an untypical academic path
 - Are foreigners
 - Who need to do internships during their holidays

Either are no longer provided with a study grant/allowance, are not eligible for a Luxembourgish study allowance or cannot work during the holidays, as they need to do an internship. This can lead to an increased precarity risk, especially because of the necessity to pay rent in Luxembourg, which can also be the case for Luxembourgish students who cannot rely on their family support.

- By paying internships, the employer has a greater interest to ensure a proper quality of the internship as he/she makes an investment
- Several studies have shown that payment of internships has very positive outcomes (some can be found in our position paper/avis from May 2018)

Remuneration proposals:

	Mandatory Internships	Non-mandatory Internships
Original Law proposal		
<i>1-3 Months</i>	No payment	⅓ unqualified minimum wage*
<i>3 + Months</i>	No payment	½ unqualified minimum wage

	Mandatory Internships		Non-mandatory Internships	
UNEL proposal	<i>Bachelor</i>	<i>Master</i>	<i>Bachelor</i>	<i>Master</i>
<i>1-3 Months</i>	½ unqualified minimum wage	½ qualified minimum wage*	½ unqualified minimum wage	½ qualified minimum wage
<i>3 + Months</i>	⅔ unqualified minimum wage	⅔ qualified minimum wage	⅔ unqualified minimum wage	⅔ qualified minimum wage

* the amount of the: - unqualified minimum wage is (01.19): 2.071,10€
 - qualified minimum wage is (01.19): 2.485,32€

Our arguments to ensure equal Access to internships are:

Making a distinction in payment between mandatory and non-mandatory internships also impacts the access and leads to:

- Decreased access to internships for students who want to do non-mandatory internships, as for employers, it would be more cost effective to take students with a mandatory internship
- It would create a situation, which already is present right now in Germany, whereas renowned internship spots are just eligible for students in a particular study course and are not paid (e.g. Bundestag/German Federal Government Internships)
- Students attending study programs which do not include mandatory internships will be disadvantaged, as it will be harder for them to find internships

How does UNEL want to guarantee access to internships?

- A financial aid for small to middle sized companies (including organisations), whereas half of the salary would be reimbursed by the state
- A campaign by different stakeholders to raise awareness about access to internships, including that there needs to be enough spots for students who need to do mandatory internships
- The state covers the third, which is normally covered by the employer for the pension and health care fund
- Ability to have part-time internships (min 16-39h per week) with adapted remuneration, which makes it also more likely that small to middle sized companies can take interns
- Internships in the social spectrum should be guaranteed via a minimum number of offered Internship places mentioned in the convention between NGOs and the state

How does UNEL want to guarantee the quality of internships?

- The introduction of tutors, a description of their tasks (supervision of interns, evaluations, improvement suggestions etc.), which was not mentioned in the former law proposal and in addition, a possibility for training of tutors through ADEM
- As previously mentioned, by paying the interns the likelihood of having quality internships is increasing
- An internship agreement which clarifies the intern's rights and guarantees protection from exploitation
- Feedback opportunities throughout the internship and at the end (the first feedback round, for internships between 1-3 months, is after 1/3 of the elapsed internship period. For internship lasting longer, it is after 1 month)

Are we thinking ahead?

We are demanding, that internships are paid into the pension fund, as young people are starting to work later in life, whereas, the employer's taxation part is covered by the state.

Other important factors:

- We are also demanding that, if, after the completion of an internship, the employer is hiring the intern, the probationary period should be reduced by half of the term of the internship. For example, if you are hired after a 2 month-long internship, your 6-month probationary period will be shortened by 1 month (leaving you with a probationary period of 5 months)

- We are amending the minister's amendment, in order to enable the possibility to do an internship between Bachelor and Master of max 6 months, to devise career and study options and that the calculation for a remuneration is based on a qualified minimum wage as one is qualified with a Bachelor or its equivalent
- We want to provide the possibility to do more internships during studies: every second year the possibility to have internship at the same employer, every year the opportunity to do internships of a maximal duration of 6 months, these can be conducted at the same employer but not necessarily
- *Convention de stage* can be prolonged once and then the employer needs to wait another 3 months in order to prevent exploitation of the intern
- It is mentioned in the *convention de stage* if it is possible to do overtime and how it is regulated and if the *convention de stage* can be renewed

Specifically for pupils:

Pupil specific, we are demanding a new chapter, as in the former law proposal the pupils' internships were not clearly regulated and there are clear differences between pupils' and students' internships. It is crucial to note that everything which applies to the *Formation Professionnelle* is NOT regulated in this law but in a whole other part!!!

Pupils and students Holidays jobs

A student job is already a work and as such, should be paid in the pension fund whereas the employer's taxation part is covered by the state

Pupils' Internships

- Internships for pupils are possible either mandatory from school or on a non-mandatory base, but normally they are of introductory nature. The duration of these internships is of maximum 6 months in one year, except if school issues a longer period. We demand, due to the nature of the internship, that the remuneration is on a voluntary base but as an intern, one has additional charges, as such any charges concerning food should be covered (access to the canteen or food allocations), transportation charges are not applicable in Luxembourg for pupils
- After obtaining the graduation diploma, pupils should be able to pursue an internship of 6 months during a year, in order to do study career and orientation internships, also sometimes necessary for university applications (e.g physiotherapy or social studies). However, only in case they have not, in the meantime, acquired a status as worker or student
- Pupils should also have access to tutors which are supervising them to increase the quality of internships