

New forms for compensatory allowance in case of occupational reclassification

This allowance is due when internal or external reclassification entails a drop in the previous remuneration received by the employee. It is paid by the ADEM (agency for the development of employment) from the Employment Fund.

Since the occupational reclassification reform in January 2016, the calculation of the compensatory allowance has been simplified. The compensatory allowance represents the difference between the average monthly income for the last 12 months and the new monthly income.

At the end of 2017, the ADEM moreover reformed the forms to be used for this procedure.

- As regards reclassifications for which the procedure was initiated before 1 January 2016, the monthly declaration must be completed for the internal and the external reclassification. This declaration was however simplified in the sense that it is henceforth the same document, irrespective of the type of reclassification. A copy of the payslip must be appended to this document.
- As regards reclassifications for which the procedure was initiated after 1 January 2016, a real simplification was introduced, as only the initial application or the compensatory allowance will suffice henceforth. More specifically, the monthly declaration is no longer relevant because the salary will be declared automatically by the social security office.
- Furthermore, the beneficiaries of the compensatory allowance can henceforth send their monthly declaration and their application for the allowance accompanied by the necessary documents directly by e-mail to the following address: paiement-ic@adem.etat.lu

Securex can assist you with the occupational reclassification procedures.

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