Luxembourg¹

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For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>crosscountry tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

1.Current leave and other employment-related policies to support parents

a. Maternity leave (congé de maternité) (responsibility of the Ministry of Social Security and the Ministry of Labour)

Length of leave

• 20 weeks: eight weeks before the birth and 12 weeks after. It is obligatory to take this leave.

Payment and funding

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• 100 per cent of earnings up to a ceiling of €11,009.65 per month, equal to five times the minimum social wage of an unqualified worker in Luxembourg.

• The Maternity leave scheme is fully integrated into the National Health Fund and is funded in the same way as all sickness benefits, with funding shared between employers (30 per cent), employees (30 per cent), and the state (40 per cent). More specifically, Maternity leave payments are funded from contributions intended to cover benefits for sick leave. The state contributed 40 per cent of the cost of these benefits; the non-state contributions (amounting to 60 per cent of the cost) were 0.5 per cent of

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earnings, equally divided between employers and employees (i.e. 0.25 per cent of earnings each), although the proportion going towards maternity pay cannot be differentiated.

• Pension contributions are made during Maternity leave.

Flexibility in use

None.

Eligibility

- In order to be granted maternity benefits during Maternity leave, the employee or self-employed worker must have been affiliated with the mandatory sickness and maternity insurance fund for at least six months during the 12 months prior to the Maternity leave.
- No difference is made between workers on long-term or short-term contracts.
- Unemployed people are not eligible.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to a person other than the parents

If the birth takes place before the expected delivery date, the part
of the pre-natal period not taken is added to the post-natal period.
If the birth takes place after the expected delivery date, the postnatal period is still 12 weeks.

b. Paternity leave

• Employees are entitled to Paternity leave expressed in the law by 'leave due to extraordinary circumstances' (congé extraordinaire), which gives them the right to take ten working days off in the case of the birth or adoption of a child. The first two days of leave are paid by the employer and cover 100 per cent of earnings; from the third day onwards, the leave is reimbursed to the employer by the state with a limit equal to five time the social minimum wage of an unqualified worker (€11,009.65 per month).

c. Parental leave (congé parental) (responsibility of the Ministry of Family Affairs and Integration)

Length of leave

 Parental leave is an individual entitlement and each parent can take between four and 20 months, depending on their employment hours and the leave option they choose; see 'Flexibility in use' below for more detail.

Payment and funding

- The benefit paid during Parental leave (replacement wage) is calculated on the basis of income and hours worked on average during the 12-month period preceding the start of the leave and the leave option chosen, e.g. full-time workers taking the full-time leave option (six months or four months) receive between €2,201.93 per month (the minimum social wage) and €3,669.88 (the minimum social wage increased by two-thirds).
- More detailed information on the level of compensation for the range of different leave options is available at: https://cae.public.lu/fr/conge-parental.html.
- Funded from general taxation.
- As with other income, replacement income is subject to the applicable social and wage taxation, and so pension contributions will accrue during the leave period.

Flexibility in use

• Parents may choose between different length and payment options, depending on their employment situation:

Parents working 40 hours per week:

- o Full-time leave of four or six months
- o Part-time leave of eight or 12 months
- o Fractioned leave: four months within a maximum period of 20 months
- o Fractioned leave: one day per week for up to 20 months

Parents working 20 hours or more per week:

- o Full-time leave of four or six months
- o Part-time leave of eight or 12 months

Parents working ten hours per week or on apprenticeship contracts:

- o Full-time leave of four or six months
- Both parents can take leave at the same time.

Eligibility (e.g. related to employment or family circumstances)

 Parents must be affiliated to the Luxembourg social security system at the time of the arrival of a biological or adopted child, and must have been employed without interruption for at least 12 continuous months immediately preceding the beginning of the Parental leave. The same conditions apply for self-employed workers, who also belong to the Luxembourg social security system.

- Parents must be working for a minimum of ten hours per week.
- In the case of a change of employer during the 12-month period preceding or during Parental leave, the leave may be granted subject to the agreement of the new employer.
- For parents on permanent contracts with a probationary period, the right to Parental leave cannot take effect and the leave may be requested only after the end of the probationary period.
- Parents whose spouse does not work can take leave, but it must start within three weeks of the birth/adoption of the child.
- Same-sex parents are eligible.
- Workers on short-term contracts are eligible, provided that the end of the short-term contract is subsequent to the end of the Parental leave.
- Unemployed parents are not eligible.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the parents

• None.

d. Childcare leave or career breaks

No statutory entitlement.

e. Other employment-related measures

Adoption leave and pay

- Adoption leave (congé d'accueil) is for 12 weeks, paid at 100 per cent of earnings up to a limit (€11,009.65 per month) equal to five times the minimum social wage of an unqualified worker in Luxembourg, and is available to all working persons who have belonged to a social security scheme at least for the six months preceding the commencement of the leave. This leave applies for adopting a child who has not yet turned twelve years old. In the case of adoption by both spouses, only one has the right to take this leave.
- Eligibility and funding for adoption leave is the same as for Maternity leave.
- Except if the adoptive parent receives the adoption leave described above, the adoptive parent's benefits (or adoptive parents' benefits) form a ten-day leave if they are adopting a child under 16 years of age. Payment rules are the same as for Paternity leave.

Time off for the care of dependants

- In the case of the sickness of a child, employees with dependent children younger than 18 years of age may take working days of leave per child (*congé pour raisons familiales*). The duration of this leave depends on the age of the child:
 - o 12 days per child if the child is under four years old;
 - 18 days per child if the child is aged from four years old to fewer than thirteen years old;
 - 5 days per child if the child is aged from 13 years old to fewer than 18 years old and the child is in hospital.
- The age limit of 18 years does not apply to disabled children.
- Leave may be extended under certain circumstances: for example, in the case of a disabled child, the duration is doubled per age range; and for a very serious and exceptional illness defined by law (such as cancer in its terminal state), up to 52 weeks in a reference period of 104 weeks. The leave is paid and funded by the National Health Fund (La Caisse nationale de santé).
- Employees on short-term contracts are eligible for this leave.
- Self-employed and unemployed people are not eligible for this leave.
- A dependent child means a child born in or out of wedlock and adopted children.
- Same sex parents are eligible for this leave.

Flexible working

None.

Specific provision for (breast)feeding

 Upon return to work after Maternity leave, breastfeeding mothers are entitled to breastfeeding breaks: either two breaks of 45 minutes or one break of 90 minutes. These breaks do not lead to any loss of pay.

2. Relationship between leave policy and early childhood education and care policy

The total duration of well-paid leave is up to 14.8 months, provided that both parents in the same family use their right to full-time Parental leave. The period could be longer if they opt for a part-time Parental leave arrangement. An entitlement to Early Childhood Education and Care (ECEC) begins at three years of age, while enrolment is compulsory at four years of age. However, with residents speaking a range of languages apart from the three official ones (Luxembourgish, French,

and German), Luxembourg has introduced a multilingualism education programme in ECEC services, which gives the right to all children aged from one to four years to attend 20 hours per week, free of charge (children already attending childminders and a full-time early education school (éducation précoce) are excluded); if children attend a part-time early education school, they have ten hours free of charge. So there is no gap between the end of well-paid leave and the start of this part-time entitlement, though its main aim is to facilitate children's integration into Luxembourg's diverse society; there is gap of 21 months before the later ECEC entitlement at three years.

Levels of attendance at formal services for children under three years of age are above the average both for the countries included in this review and OECD countries; but near the average for children over the age of three years. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on <u>cross-country comparisons</u> page.

ECEC provision has developed significantly in the last 15 years, including registered childminders and an important increase in places in centre-based services (both subsidised and private). Public funding for parents using these ECEC services depends on family income, the number of siblings, and the number of hours children attend.

3.Changes in policy since April 2020 (including proposals currently under discussion)

None changes reported.

Policy responses to the Covid-19 pandemic to end April 2021

Childcare and schools

- Schools were fully closed from 16 March to 24 May 2020 for children in elementary education (less than 12 years). Since 25 May 2020, schools for children in elementary education reopened with special measures (see below), and these rules applied until the 15 July 2020 (when the summer school holidays start); during the school year 2020-2021, the elementary schools were fully closed from 4 January to 8 January 2021 and from 8 February to 12 February 2021.
- For children in secondary education (12 years and more), schools were fully closed from 16 March 2020 and further. From 4 May 2020, students in the senior classes have resumed courses, followed by all other classes in secondary education and vocational training on 11 May 2020, as well as the Advanced Technician's Certificate (*Brevet de technicien supérieur* - BTS). Trainees were

- able to return to their apprenticeship positions in companies in sectors that have been deconfined.
- In terms of the approach, the government has opted for a return to the classroom on a rotating basis. Specifically, each class was divided into two groups, both in elementary and secondary education and in vocational training. Each group had a week of classes and learning at school or high school, followed by a week of revision at home or in a childcare facility. On 29 June 2020, the rotating basis was abolished. Since then, the two rotating groups joined one class again, and daily school attendance for all students was established until 15 July 2020 (i.e., the start of summer school holidays); during the school year 2020-2021, the secondary schools were fully closed from 4 January to 8 January 2021 and from 8 February to 12 February 2021.
- ECEC providers were fully closed from 16 March to 24 May 2020. Since 25 May, ECEC services reopened with special measures in place (maximum of five children per group, physical distancing, etc.). These rules were applied until 15 July 2020 (when the summer school holidays started). During the closure, a special childcare service was provided for children (from 3 months to 12 years) of healthcare workers. During the school year 2020-2021, the ECEC provides were fully closed from 4 January to 8 January 2021 and from 8 February to 12 February 2021.

Parental leave

• For parents on Parental leave during the Covid-19 pandemic crisis (from 18 March until 24 June 2020), it was exceptionally possible to interrupt Parental leave. This interruption must be due to external causes (for example, health workers).

Other measures for parents and other carers

- Special leave for family reasons (congé pour raisons familiales extraordinaire) has been put in place between 14 March and 24 May 2020 (during the school and ECEC services closure). Under different conditions, special leave for family reasons also covers the period from 25 May 2020 to 17 July 2021 (i.e. reopening of the elementary schools and ECEC facilities and it has been prolonged a couple of times, the latest legal prolongation of the special leave covers the period between 21 January 2021 and 17 July 2021).
- The special leave for family reasons that covered the period from 14 March to 24 May 2020 was for a parent (employee or selfemployed) of a child younger than 13 years. If anyone else was able to look after the child, whether a relative or another member of the household because, for example, they had the benefit of short-time work during the period for which leave for family

- reasons was requested, the parent could not benefit from leave for family reasons. The other persons could be the other parent, the parent's spouse, and another member of the household. Moreover, both parents (or spouse) cannot take leave for family reasons at the same time.
- The special leave for family reasons that covered the period from 25 May to 15 July 2020 was for a parent (employee or self-employed) of a child fitting these categories: a child born on or after 1 September 2015 and dependent on the applicant; a child under the age of 13 years enrolled in school and whose school is closed or whose classes remain suspended for reasons directly related to the health crisis, or who cannot be cared for by any school or childcare facility due to the implementation of a plan for alternating the care for pupils or the application of imposed barrier measures, assuming that a certificate confirming such a situation can be provided; a vulnerable child. Other conditions remain the same as for the special leave for family reasons that covered the period from 14 March to 24 May 2020.
- The latest prolonged period of the special leave that covers the period from 21 January 2021 to 17 July 2021 is meant for a parent (employee or self-employed) of a child fitting one of the following criteria: a child under the age of 13 years in a quaranteen or isolation decided or recommended by the health authority; a child between 13 and 18 years of age hospitalized in the context of quaranteen or isolation decided or recommended by the health authority; a formally vulnerable child; a child born before 1 September 2017 and who are under the age of 13 years or those who are still enrolled in elementary school and who can not attend school or childcare services or who benefit from a remote (distance) schooling due to the fact that her/his school school is partially or entirely closed by the Ministry of Education; a child born after 1 September 2016 who can not attend school or childcare facilities due to the closure realized by the Ministry of Education, a child under age of 13 years enrolled in elementary school or childcare service which had to be closed by the Ministry of Education due to sanitary crises related due to the COVID-19 pandemic. Other conditions remain the same as for the special leave for family reasons that covered the period from 14 March to 24 May 2020.
- During the special leave for family reasons, the parent receives his regular salary up to five times the social minimum wage of an unqualified worker: €11,009.65. The employer is reimbursed by the National Health Fund.
- The Ministry of Family Affairs, Integration and the Greater Region has introduced (18 March 2020) leave for family support (Congé pour soutien familial) to enable employees and selfemployed to look after a disabled adult or an older person,

following the closure of a daycare or a training or employment service.

- Given that some structures have not been able to resume all their activities immediately after the end of the state of the crisis (24 June 2020) and that they were not able to work at full capacity, the government has decided that leave for family support shall be maintained beyond the declaration of the end of the state of the crisis. It was, therefore, possible to request the leave for family support from 25 June until 25 November 2020. On 25 November 2020, the possibility to benefit from the leave for family support was legally prolonged and, under existing law, eligible individuals may benefit from this policy until 24 May 2021.
- It should be noted that the leave for family support ends if the approved care service notifies the Minister that it has resumed all or part of its activities and that there is a place available in the approved service for the person concerned.
- Public sector employees are entitled to the same leave for family support as private sector employees and self-employed.
- Entitlement conditions: i) the approved service that would typically take care for the disabled adult or older person must have ceased all or part of its activities in the context of the state of the crisis; ii) the private sector employee, the public sector employee or the self-employed worker must care for the disabled adult or older person in the home where they both live; iii) neither the worker nor a member of the household has the benefit of short-time work during the period of leave for family support, and another care option is not available (condition iii no longer applies from 25 June 2020).
- If necessary, where several people live in the same home as the disabled adult or older person, they may alternate taking leave for family support. In this case, each person that takes the leave must submit a form. The leave may be divided among the household members, but they may not take the leave at the same time.
- During the leave, the person receives his regular salary up to five times the social minimum wage of an unqualified worker: €11,009.65. The employer is reimbursed by the State.

4. Uptake of leave

a. Maternity leave

As Maternity leave is obligatory, all employed women should take up the whole period of leave.

b. Paternity leave

The 2018 activity report of the Ministry of Labour provides some numbers on the beneficiaries of the Paternity leave for whom the employer has asked the reimbursement from the State starting from the third day of the Paternity leave onwards (2018 data): 3,255 applications were filed of which 50 incomplete applications and 223 ineligible applications (applications must be sent within five months after the birth or the adoption). The 2019 annual activity report of the Ministry of Labour ³ reported that in the year 2019, 5,333 paternity leave applications were submitted and 4,351 applications were approved and funded.

c. Parental leave

The first available source of uptake rates is the evaluation of Parental leave in Luxembourg completed by KPMG in November 2002. ⁴ In December 2013, a report for the Luxembourg Ministry of Family and Integration was completed by the Luxembourg Institute for Socio-Economic Research (LISER)⁵. In February 2020, a report financed by the Luxembourg Ministry of Family, Integration and the Great Region was realized by the Luxembourg Institute for Socio-Economic Research (LISER).⁶

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³ Rapport d'activité 2019 du ministère du Travail, de l'Emploi et de l'Économie sociale et solidaire. Available at : https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-travail-emploi/2019-rapport-activite/2019-rapport-activite-mteess.pdf

⁴ KPMG Assurance Advisory Luxembourg (2002) Etude d'évaluation de l'impact du congé parental au Grand-Duché de Luxembourg [Evaluation study of the impact of Parental leave in the Grand Duchy of Luxembourg]. Available at: http://www.gouvernement.lu/salle_presse/actualite/2002/12/23biltgen/dossie r.pdf

⁵ Valentova, M., Bia, M. (2013) Le congé parental chez les parents d'enfant unique. Analyse du recours au congé parental par les mères et les pères d'enfant unique, et de son impact sur l'engagement des mères sur le marché du travail. Rapport rédige pour le compte du ministère de la Famille at de l'Intégration [Parental leave use by parents of one child]. Luxembourg: Liser.

⁶ Valentova, M., Amjahad, A., Genevois, A-S., Leduc, K. and Maas, R. (2020) Évaluation intermédiaire des résultats de la réforme du congé parental de 2016: Projet financé par le Ministère de la Famille, de l'Intégration et à la Grande Région [Intermediate evaluation of the parental leave reform of 2016. Project financed by the Ministry of Family, Integration and the Great Region]. Eschsur-Alzette: LISER. Available at: https://mfamigr.gouvernement.lu/damassets/publications/rapport-etude-analyse/conge-parental/Rapport-LISER-Evaluation-intermediaire-des-resultats-de-la-reforme-du-conge-parental-de-2016.pdf

The annual activity report of the Ministry of Family and Integration (2020 is the latest) 7 provides information on the number of leave beneficiaries and shows several trends in the 1999-2020 period. The data in the report reveal that since 2016 the Parental leave has become more and more attractive for fathers. In December 2016, 3,557 women took leave, compared to 1,163 men. In December 2018, the number of female and male beneficiaries equalized. In December 2020, the number of male beneficiaries even exceeded the number of female taking the leave (numbers are not expressed in full-time equivalent). Namely, 5,802 of men used the leave that year, compared to 5,084 of women (the leave usage was by 14 per cent higher among men than among women). For the type of Parental leave used by beneficiaries in 2020, about 67 per cent of all female took the full-time version of leave, approximately 22 per cent opted for the part-time version, and only 11 per cent of female took the fractioned form of leave. Among male beneficiaries, the pattern looks very different; approximately 29 per cent took the full-time version of parental leave, 22 per cent used the part-time leave, and about 49 per cent opted for the fractioned type of leave.

d. Other employment-related measures

No information is available.

⁷ Rapport d'activité 2020 du ministère de la Famille, de l'Intégration et à la Grande Région, Available at: <u>Rapport d'activité 2020 du ministère de la Famille, de l'Intégration et à la Grande Région - Ministerium für Famille, Integration und die Großregion // Die Luxemburger Regierung (gouvernement.lu)</u>