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>cross-country 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

• 100 per cent of earnings up to a ceiling of €11,284.77 per month, equal to five times the minimum social wage of an unqualified worker in Luxembourg.

Payments are taxed and subject to social contributions.

• 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 earnings, equally divided between employers and employees (i.e. 0.25 per cent of earnings)

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- 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 post-natal 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 (€11,284.77 per month).
- Payments are taxed and subject to social contributions.

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

Length of leave

• Between four and 20 months per parent, depending on their employment hours and the leave option they choose; see 'Flexibility in use' below for more detail. Parental leave is an individual non-transferable entitlement.

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 €2,256.95 per month (the minimum social wage) and €3,761.59 (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/en/conge-parental.html.
- Payments are taxed and subject to social contributions; pension contributions, therefore, accrue during the leave period.
- Funded from general taxation.

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 (€11,284.77 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.

For ECEC 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 2021 (including proposals currently under discussion)

No changes reported except for the increase in the minimum social wage, which affects the minimum and the maximum level of some benefits.

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 Labour³ reported that in the year 2019, 5,333 Paternity leave applications were submitted and 4,351 applications were approved and funded. The 2020 annual activity report of the Ministry of Labour ⁴ reported that in the year 2020, 5,899 Paternity leave applications were submitted and 6,177 applications were approved and funded (some of them were submitted the year before).

c. Parental leave

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The first available source of uptake rates is the evaluation of Parental leave in Luxembourg completed by KPMG in November 2002⁵. In December 2013, a report for the Luxembourg Ministry of Family and Integration was completed by the Luxembourg Institute for Socio-Economic Research (LISER)⁶. In February 2020, a

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

https://gouvernement.lu/dam-assets/fr/publications/rapport-activite/minist-travailemploi/2020-rapport-activite/2020-rapport-activite-mteess.pdf

⁵ 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/dossier.pdf

⁶ 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

report financed by the Luxembourg Ministry of Family, Integration and the Great Region was realized by the Luxembourg Institute for Socio-Economic Research (LISER)⁷.

The annual activity report of the Ministry of Family and Integration (2021 is the latest)⁸ provides information on the number of leave beneficiaries and shows several trends in the 2012-2021 period. The data in the report reveal that since 2016 Parental leave has become more and more attractive for fathers. In December 2016, 3,557 women took leave, compared to 1,163 men, while in December 2018, the number of female and male beneficiaries had equalized. In December 2021, the number of male beneficiaries exceeded the number of females taking the leave (numbers are not expressed in full-time equivalent) - 6,186 men used the leave that year, compared to 5,450 women. For the type of Parental leave used by beneficiaries in 2021, about 67 per cent of female beneficiaries took the full-time version of leave, approximately 22 per cent opted for the part-time version, and only 11 per cent took the fractioned form of leave. Among male beneficiaries, the pattern looks very different; 23 per cent took the full-time version of Parental leave, 29 per cent used the part-time leave, and about 48 per cent opted for the fractioned type of leave.

d. Other employment-related measures

No information is available.

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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.

⁷ 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]. Esch-sur-Alzette: LISER. Available at: https://mfamigr.gouvernement.lu/dam-assets/publications/rapport-etude-analyse/conge-parental/Rapport-LISER-Evaluation-intermediaire-des-resultats-de-la-reforme-du-conge-parental-de-2016.pdf

⁸ Rapport d'activité 2021 du ministère de la Famille, de l'Intégration et à la Grande Région, Available at: https://gouvernement.lu/dam-assets/fr/publications/rapport-activite-mfamigr/2021-rapport-activite-mfamigr.pdf