

PARENTAL LEAVE IN LUXEMBOURG

Merve Uzunalioglu

Supervisors: Prof Margaret O'Brien, Dr Marie Valentova, Dr Katherine Twamley


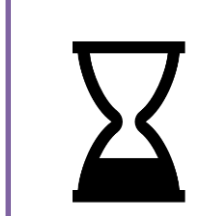

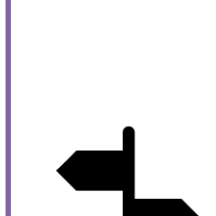

Department of Social Sciences, UCL & Living Conditions, LISER

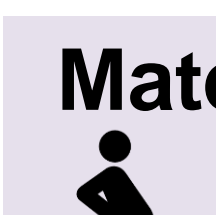



A short history of Parental Leave Policies in Luxembourg

Luxembourg introduced Parental Leave in 1999, following the European Council Directive 96/94/EC of 3 June 1996 on the framework agreement on parental leave.

The main features of the initial policy are as follows:

-  **Type of leave** Individual entitlement
-  **Length of leave** 12 months part-time OR 6 months full-time per parent
-  **Payment and funding** A flat-rate payment €1,778 per month. Funded from general taxation
-  **Flexibility in use** Both parents cannot take it at the same time unless they are using the leave on a part-time basis.
-  **Eligibility** All employees eligible if a) they are working for the same employer at least for 12 months prior to the leave b) they work at least 20 hr/week
Self-employed are eligible
Every parent has the right to parental leave even if the other parent is not working, unless the non-working parent is receiving the child-raising allowance (allocation d'éducation).

-  **Maternity leave** 20 weeks. 100 % of earnings up to a ceiling of € 9,995.95
-  **Paternity leave** No statutory entitlement. Instead, there is "leave due to extraordinary circumstances" which is 10 days of leave at the time of childbirth or adoption. First two days is 100% compensated by employer, from the 3rd day on the leave is reimbursed to the employer by the State with a ceiling of € 9,992.95

PARENTAL LEAVE REFORM 2016

The Parental Leave Reform came into effect on 1 December 2016. Parental leave remains an individual entitlement but 2 types are introduced. It continues to be funded from general taxation.

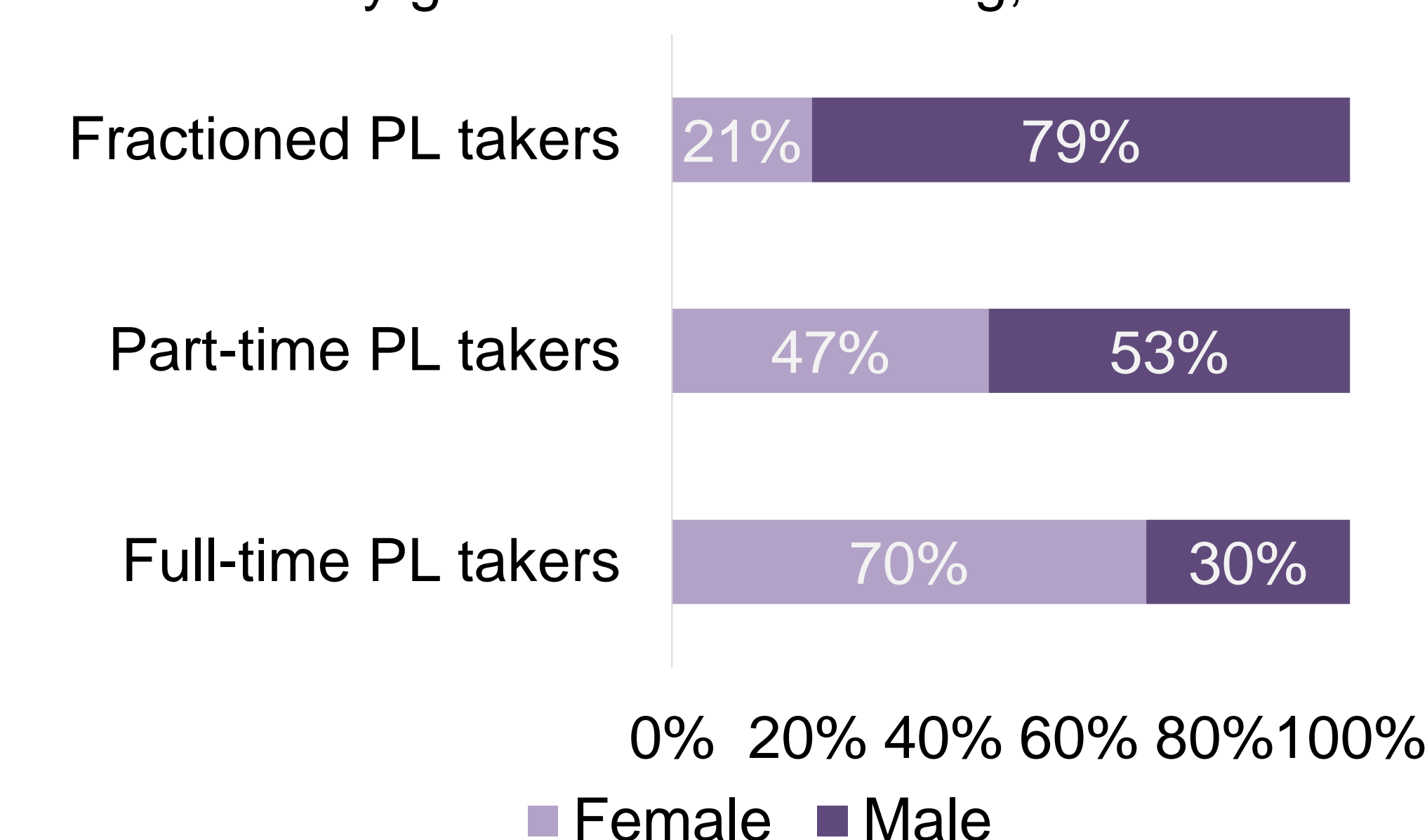
In addition, the Reform expanded the eligibility criteria, increased the financial replacement rate, and introduced more flexibility in use.



Usage 

In 2018, a total of 9596 parents benefited from parental leave. Of these leave takers, 51% were women, and 49% were men. While gender difference among the leave takers seems negligible, a difference appears in preferred mode of the take-up.

Parental leave take-up by mode of use by gender in Luxembourg, 2018



1st parental leave

If both of the parents are eligible for parental leave, one of them must take the leave immediately after the end of maternity leave. Otherwise, the right to parental leave and allowance is lost for one parent. If there is only one parent eligible to parental leave, i.e. single-parent households or single-earner households, the eligible parent can take the leave anytime before the child turns 6.

2nd parental leave

Can be taken before the child turns 6.




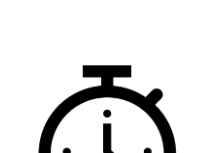



Length of leave

Each parent can take between four and 20 months depending on their employment hours and the leave option they choose

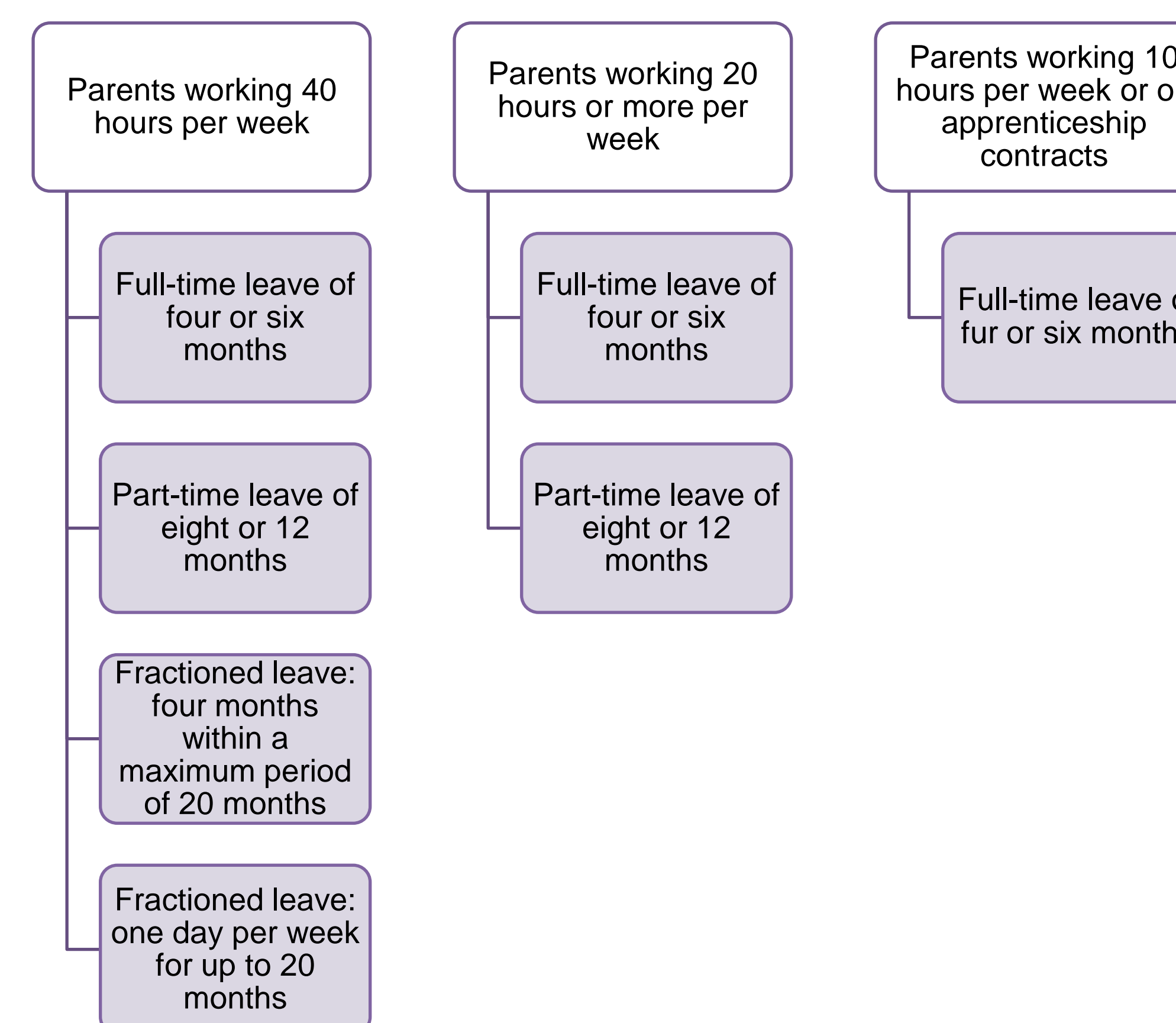
Parents can take leave at the same time.

Payment

Calculated as a function of the income and hours worked on average during the 12 months preceding the start of the leave and the leave option chosen. There is a fixed ceiling of € 3451,83.

-  **Eligibility** ✓
-  **Affiliation to the Luxembourg social security system at the time of the birth or adoption and being employed without interruption for at least 12 months prior to Parental Leave**
-  **Working for minimum 10 hours of week**
-  **In case of job chance during the 12-month preceding the Leave, the new employer's approval is required**
-  **For parents on permanent contracts with a probationary period, the leave may be requested only when the probationary period finished**
-  **Same-sex parents are eligible.**
-  **Workers on short-term contract are eligible**

Flexibility in use 



Ongoing research

Evaluation of Parental Leave in Luxembourg: Focus on couples' strategies and the role of workplace characteristics (2017-2020). Marie Valentova, LISER, Luxembourg. FNR Core Project.

Evaluation of the Parental leave reform in 2016. Focus on intermediate outcomes (2018-2020). Marie Valentova, LISER, Luxembourg. Funded by the Luxembourg Ministry of Family and Integration.

Fathers and Parental Leave in Luxembourg: The interplay between workplace characteristics and fathers' behaviour. Focus on research sector. (PhD project) Merve Uzunalioglu (UCL and LISER), under the supervision of Prof Margaret O'Brien (UCL), Dr Marie Valentova (LISER), Dr Katherine Twamley (UCL). Supported by the Luxembourg National Research Fund (FNR) (1240500).