

# Women's Return to Work after Family-Related Breaks in Employment

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## The situation of female employment in Luxembourg

In Luxembourg, the female employment has witnessed a slow but constant evolution, whereas the evolution of male employment has not changed very much.

From 1907 to 1970, women represented only a third of the active population in Luxembourg. The employment rate for resident women began to increase in the seventies. From 1988 to 2007, the female employment rate slightly rose from 41.7% to 56.1%<sup>1</sup>. In 2006, the employment rate for foreign women living in the country was higher than that of the Luxembourgish female working force. This increase of the female employment rate over the last years has concerned all the nationalities of the Luxembourgish labour market, but especially that of the Luxembourgish and Italian women.

The increment of the female employment rate has been supported by the intermediate age-groups (25-50 years) and the boom of part-time work. Depending on the definition of part-time, about 30 to 36% of the women are concerned by this form of work, against only 3 to 7% of the men. In return, the employment rate for young people (under 25 years) has decreased (which proves that young women study over a longer period) and the employment rate for older women (over 50 years) has also augmented.

## Wage inequality

Wage equity between men and women has not been achieved in Luxembourg yet. In 2006<sup>2</sup>, the average gross salary for women represents 87% of the gross salary for men. This means that there is a gap of 13% between the two gross salaries. The gap is lower for cross-border workers (9%) than for resident workers (16%). In order to sensitize the different actors and to re-launch positive actions in the field of equal opportunities, the minister of Equal opportunities has organized a press conference with the participation of the European Commissioner for Employment, Social affairs and Equal opportunities, M. Vladimir Spidla<sup>3</sup>. They discussed and presented different methods and instruments allowing the implementation of wage equity within companies. A software program has been developed and adjusted to the level of an enterprise. A representative of the company presented the software that should detect if an enterprise applies equal wages. The software can be downloaded via the internet.

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<sup>1</sup> LFS Data

<sup>2</sup> IGSS Data

<sup>3</sup> [http://www.mega.public.lu/actualites/actu\\_min/2008/06/conf\\_salaire/index.html](http://www.mega.public.lu/actualites/actu_min/2008/06/conf_salaire/index.html).

## Public policies in the framework of female employment

A number of public measures currently aim at the promotion of female employment.

### Parental Leave

The February 12<sup>th</sup> 1999 law establishing the National Action Plan for Employment in Luxembourg stipulated the underlying conditions, among others, of a parental leave that allows both parents to take a paid<sup>4</sup> break in their employment for a period of 6 months (full-time) or 12 months (part-time) with the guarantee to get back to the same job after their return to work. The 2006 law introduced some minor modifications, notably the one that underlines that a non-paid parental leave for 3 to 6 months is available. In addition, the 1999 law introduced a family-related leave of 2 days per year for each parent: this measure allows parents to take care of their ill children. It is then a fact that 8 out of 10 parental leaves are taken by women.<sup>5</sup>

### Continuous Vocational Training

The law of June 22<sup>nd</sup> 1999 gave a legal base to a better vocational training. This law was completed by the laws of June 10<sup>th</sup> 2002 and July 31<sup>st</sup> 2006 (Labour Code). A continuous vocational training is seen as a second chance to compensate possible lacks from the initial training.

### Positive actions in private organizations

A certain number of measures were introduced by the law of June 22<sup>nd</sup> 1999 in order to promote gender equality in organizations of the private sector like for instance those allocations for employers organizing positive actions. Since 2005, the Ministry of Equal Opportunities has subsidized the project "Cross-Mentoring for women and men in management positions" in the framework of positive actions in private sector organizations. The first experience has been a great success and a second Cross-mentoring project took place in 2007.

### Adapted job-hunting training measures for women

In the framework of the fight against unemployment, many measures have been carried out by the Public Employment Agency<sup>6</sup>, by Centres for Continuous Vocational Training<sup>7</sup> or by non-profit organizations acting in the interest of women. In spite of the fact that women represent 48% of the indemnified unemployed, they represent only 40% of the persons participating in an employment measure offered by the national Public Employment Agency. The new measures introduced by the Law of December 22<sup>nd</sup> 2006<sup>8</sup> may give women a better access to integration meas-

<sup>4</sup> In 2008 : 1710,10€ full-time and 855,44€ part-time (netto) ([www.cnpf.lu](http://www.cnpf.lu))

<sup>5</sup> 01/01/2007

<sup>6</sup> Administration de l'Emploi (ADEM), [www.adem.public.lu](http://www.adem.public.lu)

<sup>7</sup> Centres de Formation Professionnelle Continue (CNFPC), [www.cnfpc.lu](http://www.cnfpc.lu)

<sup>8</sup> Loi du 22 décembre 2006 promouvant le maintien dans l'emploi et définissant des mesures spéciales en matière de sécurité sociale et de politique de l'environnement et portant modification du Code du Travail (et d'autres modifications)

ures. The Public Employment Agency has its own department for female employment, the purpose of which it is to encourage women to seek jobs, to sensitize its employees to gender equality, to organize specific trainings for women and to collaborate with the Ministry of Equal Opportunities, with the Service of vocational training of the Ministry of Education and Vocational Training and with feminine non-profit associations that are active in the employment sector. Moreover, the Center for Continuous Vocational Training organizes several trainings that are specifically devoted to women's return to work after family-related breaks in employment.

### Relay houses, parental assistance and service checks for children

Concerning the relay houses, a further need of 35.000 places has been identified and should be attained by 2015<sup>9</sup>. At the moment, 11751<sup>10</sup> places exist against 8000 in 2006 that were mentioned in Luxembourg's National Action Plan for Social Inclusion. In addition, the Government has regulated parental assistance activities. Currently, 280 (18 in 2003) official day parents are welcoming 1233 children and the number will increase to 1500 by the end of the year<sup>11</sup>. The Chamber of representatives (national parliament) has voted on October 23<sup>rd</sup> 2007 the bill number 5517<sup>12</sup> that creates a legal framework for parental assistance, thus setting up a complementary child care structure to the "relay houses"<sup>13</sup> for children.

As announced by the Prime Minister in his national Speech to the Nation in May 2008, a system of service checks for child care services will be available from March 1<sup>st</sup> 2009. The Minister of Family and Integration announced on October 2<sup>nd</sup> 2008 that these checks will be offered to households with children aged less than 12 years and living in Luxembourg. With these checks, families could "buy" hours in private or communal child nurseries, relay houses, residential schools and during school holiday activities. The value of these service checks is contingent on the household income and the number of children. In general, every child could pass 3 hours free of charge in a child care structure, 20 further hours will only cost 3 Euros per hour and hours up to 50 hours 7,50 Euros per hour. The implementation of the service checks will be devolved to the municipalities and the costs will be around 20 to 25 million Euros based on data from 2006.

## Flexicurity Approach

The implementation of flexicurity in the national economic context is at its beginning<sup>14</sup>. The Government, in cooperation with the social partners, has begun to initiate major social and labour market reforms in the context of the Lisbon strategy, in line with the national flexicurity concept. The strength of the Luxembourgish strategy is notably the implication of the social partners in the context of the tripartite negotiations as well as the policy of maintaining employment, high unem-

<sup>9</sup> National Strategy Report on Social Protection and Social Inclusion, 2008.

<sup>10</sup> Ministère de la Famille et de l'Intégration, Rapport d'activité 2007, <http://www.mfi.public.lu>.

<sup>11</sup> <http://www.mfi.public.lu/actualites/2008/07/20080207/index.html>.

<sup>12</sup> <http://www.chd.lu>.

<sup>13</sup> Relay houses for children are structures where parents can leave their children before and after school classes when parents have to go to their work.

<sup>14</sup> At a conference in October 2008, the Minister of Labour and Employment has defined what flexicurity could be in Luxembourg ([http://www.mte.public.lu/actualites/articles/2008/10/20081007\\_hrconference\\_2008/index.html](http://www.mte.public.lu/actualites/articles/2008/10/20081007_hrconference_2008/index.html)).

ployment compensations and the guaranteed minimum income policy. Exemplary for the social dialogue is the introduction of the single status in the private sector. The Minister of Labour and Employment stressed that priority should be given to the policy of maintaining employment and that the existing legislation offers already a certain degree of flexibility. Here reference can be made to the efforts done in the field of lifelong learning as well as in the field of the reforms of the primary and the professional education systems<sup>15</sup>. In addition, time saving accounts, as announced by the Minister of Labour and Employment, can be considered as an additional measure of a flexible work organization, in order to allow adjustments of family, vocational training and working times. As described above, the inter-professional agreement between the UEL<sup>16</sup> and the trade unions OGB-L<sup>17</sup> and LCGB<sup>18</sup> on tele-work signed on March 10<sup>th</sup> 2006 increases the possibilities of flexible work organization modalities. Parental assistance and relay house structures are another complementary actions allowing flexible work organization by a lifecycle approach or by allowing a conciliation of family and professional life.

## Transferability of the project presented by the host country

Luxembourg and Germany present similarities in regard of the female employment situation, from many points of view like female employment rate, differences in biographies of women and men, life cycle, etc.

As regards to the transferability of the German project, or elements of it, a brief assessment of the existing situation in Luxembourg reveals that in the domain of female employment, Luxembourg counts already a certain number of projects designed to promote the return of women to the labour market after family-related breaks. There are public and non-profit projects and they are working either on a national or local level.

The so-called "gender equality services" are already dealing, among others, at a local or regional level with women wishing to return to the labour market after a break. In fact, these services have the mission to advise the local political actors about gender equality matters (gender mainstreaming)<sup>19</sup>.

For the citizens, beyond sensitisation and information in gender equality and feminine promotion matters, the gender equality services offer advice and help in various areas, basically in the domains of women's return to the labour market and conciliation of professional and family life. The networking of the local gender equality services is essential to increase the communication between local, national and international actors.<sup>20</sup>

Some elements of the German program "Perspektive Wiedereinstieg" could potentially be transferred to these local gender equality services. The advantages for these services could be

<sup>15</sup> The reform of the education systems, even if it isn't yet implemented, is based on competences and on a modular system as well as on a reinforced supervision of pupils, which will produce long term effects on the labour market.

<sup>16</sup> Union des Entreprises Luxembourgeoises

<sup>17</sup> Onofhängege Gewerkschaftsbond-Lëtzebuerg

<sup>18</sup> Lëtzebuenger Chrëschlechten Gewerkschaftsbond

<sup>19</sup> Currently, in Luxembourg we count 9 gender equality services.

<sup>20</sup> A network has been created to promote the activities of the local gender equality services (Réseau des chargées de mission communales à l'égalité entre les femmes et les hommes)

- to work on the same concept of the women's return to work
- to improve the networking
- to learn from good practices
- to keep the local character of the services
- to give the same advice to the citizens
- to have a greater impact, because of the dissemination of information
- to influence more strongly the local and national policies

To conclude, we insist on the holistic approach that should be adopted when working on the topic of women's return to the labour market after a family-related break in employment. Beside child-care systems and life-long learning opportunities, emphasis should be put in parallel on male and female roles in professional and family or private life. Overall, research on gender roles and stereotypes, both quantitative and qualitative studies, should be included in reflections and actions about gender equality and labour market. As stereotypes are operating from childhood on, actions must be introduced systematically in school and even before.