

## **Female Labour Market Inactivity in the Grand Duchy of Luxembourg**

### Abstract:

The presentation consists of two complementary parts. The first part deals with the issue of female labour inactivity in the Grand Duchy of Luxembourg. In Luxembourg the proportion of women not engaged in paid labour due to family responsibilities reaches the level of 30%, one of the highest in the EU-15 countries (Eurostat 2006). Having said this, one could ask: How is it possible that in the Grand Duchy of Luxembourg such a high proportion of the whole female population of prime age does not participate in the labour market due to family responsibilities? Who are these women? What factors influence their current labour market status? Has this situation something to do with the rather traditional/corporatist character of interplay amongst the labour market, welfare arrangements and family in the country? The main aim of this article is to address the above questions and examine in detail the role of women in family care in Luxembourg.

The first part of the presentation will be structured as follows:

I introduce some theories related to the issue of division of labour between gender and female labour market participation/ non-participation with special attention to the theory of welfare state regimes and the position of women in the labour market first. Then I describe the situation in Luxembourg with respect to the position of women in the labour market and family related welfare state provisions in the context of EU-15 countries. After this general introduction I focus on analysis of the social demographic characteristic of long-term female labour market inactivity in Luxembourg both at the descriptive level and explanatory level. In the conclusions I relate the outcomes of the conducted analyses with the information on existing welfare state arrangements concerning reconciliation of professional and family life and I assess how these policies might facilitate or hinder women's participation in the labour market. The core analysis is based mainly on the EU-SILC/PSELL data from 2002-2003.

In the second part of the presentation I develop on one of the above policies – parental leave arrangement, which has been introduced in the Grand Duchy of Luxembourg in 1999. I examine how this policy is perceived by eligible individual, what is the potential parental leave take-up rate among eligible individuals, who are those individuals who plan to take parental leave, what are their motives to do so and what are anticipated post-parental leave labor market strategies of those who plan to take it. Since the available data contains only information on women I am able to give information only on anticipated behavior of eligible women. The analyses are conducted on the EU-SILC/PSELL3 data from 2002-2003.