

LUXEMBOURG

Monetary unit

Social spending is expressed in millions of Euros (EUR).

General notes

The system of social protection in Luxembourg has been divided into five different branches, operated by approximately 20 institutions that are financially autonomous and managed by the social partners, as supervised by the General Inspectorate for Social Security

The individual country notes of the OECD Benefits and Wages (www.oecd.org/els/social/workincentives) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

Break in series:

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set for the 1990-98 period to “missing”; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

Secretariat estimates

Data for the years 1991 to 2001 for the aggregate categories are estimated. These concerns: “Old age”, “Disability pensions”, “Occupational injury and disease”, “Sickness benefits”, “Survivors”, “Family”. The estimation method is as follows: for estimating the figure in year T+1 for an aggregate category, the growth rate between T and T+1 of the corresponding ESSPROS figures has been applied to the SOCX figure of year T. Thus, e.g.: Estimate for “Survivors” for 1991 = “Survivors” in 1990 x ESSPROS “Survivors” in 1991 / ESSPROS “Survivors” in 1990.

The “corresponding” ESSPROS categories – the growth of which was taken as basis for the estimation – were: “Old age”: Old age; “Disability”: Disability; “Occupational injury and disease”: Disability and sickness (cash and services); “Sickness benefits”: Sickness (cash and services); “Survivors”: Survivors; “Family”: Family; “Housing”: Housing; “Other contingencies”: Social exclusion.

Data on Active Labour Market Programmes are not available for 1998 onwards; the extrapolations were based on growth rate of ESSPROSS spending on Labour market training.

Data on Unemployment are not available for 1998 onwards; the extrapolations were based on growth rate of ESSPROSS spending on Unemployment.

Data for public health services are not available for 2001. They are estimated using 1999/2000 growth rate.

Sources

1980-1990

EUROSTAT (1992), *Digest of Statistics on Social Protection in Europe*, Vol. 2: Invalidation/Disability, Luxembourg.

EUROSTAT (1993), *Digest of Statistics on Social Protection in Europe*, Vol. 4: Family, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 5: Sickness, Luxembourg.

EUROSTAT (1995), *Digest of Statistics on Social Protection in Europe*, Vol. 6: Maternity, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 7: Unemployment, Luxembourg.

EUROSTAT (1994), *Digest of Statistics on Social Protection in Europe*, Vol. 8: General Neediness, Luxembourg.

EUROSTAT (1994), *Social Protection Expenditure and Receipts 1980-1992*, Luxembourg.

EUROSTAT (1995), *Social Protection Expenditure and Receipts 1980-1993*, Luxembourg.

EUROSTAT (1996), *Digest of Statistics on Social Protection in Europe – Old Age and Survivors: an update*, Luxembourg.

1991-2001

Data provided by EUROSTAT (ESSPROS database).

OECD Labour Market Policy database.

OECD Health Data 2003 (www.oecd.org/health/healthdata).

MISSOC, Mutual information system on social protection in the Member states of the European Union, situation on January 1st, 1999 and evolution

(http://europa.eu.int/comm/employment_social/soc-prot/missoc99/english/f_main.htm).

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Code	Title of the programme	Description of the programme and attached notes
1.	OLD AGE	
442.10.1.1.1.2	Employees, self-employed and farmers	The data for early retirement pensions of "Employees, self-employed and farmers" are included in "Old age pension". Supplements to certain professional groups (miners, metal trade workers, drivers and technical employees of mines) are included in the "Old age allowance (contributory schemes)".
442.10.1.1.2.1	Civil servants, social security staff, railways and local government personnel	The data for early retirement pensions of "Civil servants, social security staff and local government personnel" and supplementary elements are included.
442.10.1.1.4.2	Refund of contributions	If, at age 65, the insured does not fulfill the necessary condition of 120 months of insurance to obtain an old age pension the contributions paid (except the portion paid by the State) are reimbursed.
2.	SURVIVORS	
442.10.2.1.1.1	Widower's pension	From 1987, legislation introduced equal rights for widows and widowers. The entitled persons are the following: spouse married to the deceased, divorced spouse if not remarried, children who are legitimate, adopted or natural, as well as orphans having lost both parents on condition that the insured party paid for their maintenance and education during the 10 years prior to his decease, persons treated as widows/widowers: parents and direct relatives, collaterals up to second degree and dependant adopted children. Various conditions have to be met.
3.	INCAPACITY RELATED BENEFITS	(Disability, Occupational injury and disease, Sickness)
442.10.3.1.1.1	General scheme for employees, self-employed and farmers	The minimum period of affiliation for entitlement is equal to 12 months of insurance in the three years prior to invalidity. The three-year period is extended if it overlaps with additional reduced periods of eligibility. No qualifying period is required if invalidity is caused by an injury of any kind or occupational disease which occurred during affiliation. At age 65 it is replaced by the old age pension.
442.10.3.1.1.2	Private sector employees: sickness allowance in cash: manual workers (social security)	In case of sickness, workers in the private sector continue to receive pay from the employer for the month in which the illness occurs and for the following three months. Benefits are payable for a maximum of 52 weeks. Payment ends if an invalidity pension is granted.
442.10.3.1.1.3	Victims of war	Invalidity pension is converted into old age pension when the beneficiary reaches the prescribed age. For "Victims of war", however, the pension has indefinite duration and the data should be included under "Old age pension".
442.10.3.1.2.1	Occupational accident and disease	It includes supplements to permanent incapacity pension. Accidents occurring during travel between home and work are covered.
442.10.3.1.5.1	Severely handicapped persons: permanent attendance allowance (FNS)	It includes expenditure belonging to "Old age cash benefits".
442.10.3.1.5.2	Victims of war: differential supplement	Data are included in "Old age cash benefits" and "Survivors".
4.	HEALTH	
442.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Data 2003</i> .
5.	FAMILY	
442.10.5.1.1.1	Family allowance	The figures for 1988 include data for "Education allowance" which was introduced on 1/8/1988. From 1989, separate data are shown. An additional allowance is given to children aged fewer than 18 with an insufficiency or permanent reduction of at least 50% of physical or mental ability by comparison with that of a child of the same age.
442.10.5.1.1.2	Education allowance	See 5.1.1.1.

442.10.5.1.2.5	Birth grant: pre-natal allowance	A birth grant is available to women resident in Luxembourg on condition that both mother and child have the required medical examinations.
442.10.5.1.2.6	Birth grant: maternity allowance	Only if wage is discontinued. The maternity allowance is granted for eight weeks before presumed date of confinement and eight weeks after effective date of confinement; the allowance may be paid for additional weeks for nursing mothers and in the case of premature birth or multiple births. It is equal to 100 per cent of the salary the insured would have received during maternity leave.
442.10.5.2.1.1	Family support centers	Data under "Family support centers" include data for holiday centers.
6.	ACTIVE LABOUR MARKET PROGRAMMES	
	See OECD Labour Market Policy database.	
7.	UNEMPLOYMENT	
	See OECD Labour Market Policy database.	
9.	OTHER SOCIAL POLICY AREAS	
442.10.9.1.1.2	Guaranteed minimum income	A subjective and non-discretionary right. Persons must be resident in Luxembourg and have resided in the country for at least ten years during the last twenty. They must also be aged at least 30, available for work and accept appropriate employment assigned by the labour authorities or accept attendance at courses, training periods or other measures of preparation, initiation and guidance in working life, temporary assignment to public utility employment with the State authorities, public authorities or other non-profit bodies. Exceptions: sick, disabled and elderly persons, persons who are looking after a child or an invalid.