



UNION DES ENTREPRISES
LUXEMBOURGEOISES

SUSTAINABLE TALENT

LUXEMBOURG OF SUSTAINABLE TALENT



**Our proposals for the 2023
legislative elections**

The Luxembourg Employers' Association UEL (Union des Entreprises Luxembourgeoises), as the umbrella organisation of employers' associations, represents the professional chambers and employers' federations of the Grand Duchy, which provide 80% of employment and produce 85% of GDP.

UEL promotes a sustainable, prosperous economy for the country, its inhabitants and the people who work there. It takes action for an economy that attracts investors and talent.

UEL's ambition is to ensure the competitiveness and attractiveness of companies by acting on **3 key topics of social dialogue**, in a sustainable development (CSR) approach.



Luxembourg faces **a number of challenges**, some structural, which impact the competitiveness of the country and companies in all sectors:

Seven circular icons are arranged in two rows. Each icon is accompanied by a text label describing a challenge:

- Top Row:**
 - Icon: Euro coin with downward arrow. Label: Deterioration of the economic situation
 - Icon: Magnifying glass over a document and gears. Label: Changes in the labor market
 - Icon: Woman with a briefcase and a person icon. Label: Labor shortage
 - Icon: Lightbulb with leaves and circuit lines. Label: Digital, energy and environmental transitions and the need increased in innovation
- Bottom Row:**
 - Icon: Clouds and lightning over a city. Label: Infrastructure and public services under pressure
 - Icon: House with a Euro coin. Label: Lack of affordable housing
 - Icon: Hand holding an umbrella over a Euro coin. Label: Sustainability of public finances and social security

KEY FIGURES

- > **56%** of private sector employees in Luxembourg are cross-border workers
- > **55%** of companies consider the lack of skilled labor as the main challenge to their economic development in 2023
- > **40%** of participating companies that currently allow telecommuting indicated that they had already lost a potential candidate because they did not offer enough teleworking
- > **91%** of applicants have too many job opportunities to choose from

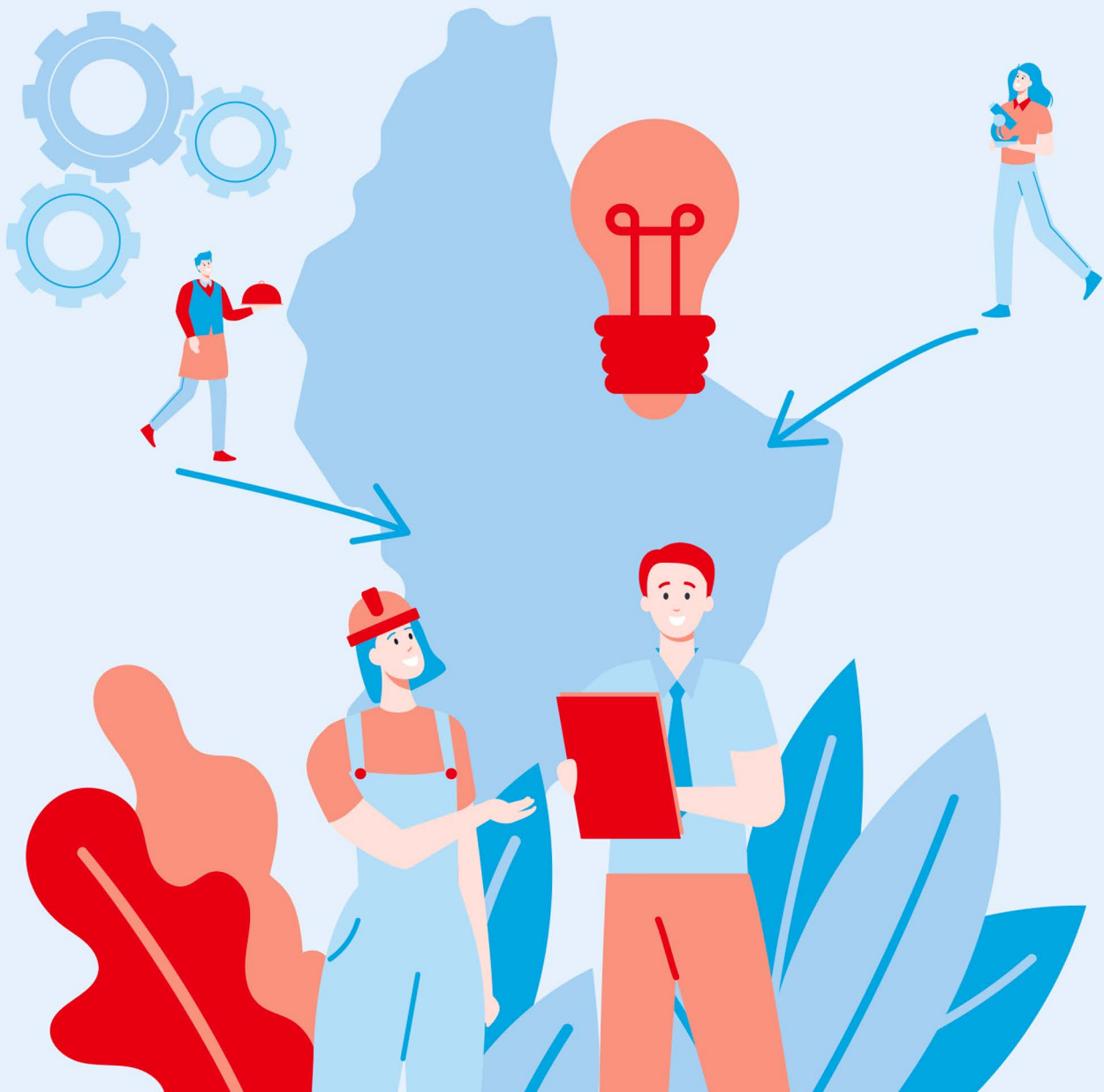


Our priority: Sustainable talents

For UEL, the priority will be Luxembourg's ability to attract, train and mobilise the talents of tomorrow. Sustainable talents, whether it be:

- > the individual talent of managers, employees and self-employed people,
- > the collective talent of companies creating tomorrow's wealth,
- > or the team talent that is so distinctive in public-private partnerships, because it is sustainable, scalable and committed to the transition towards sustainable development

➤ Objective: **to develop a more attractive environment** for sustainable talent - companies and employees - by acting **on employment, social security, tax policies** to tackle the challenges.



EMPLOYMENT AND LABOUR LAW

- > **Facilitate the collective access of companies to lifelong learning**, among other things by increasing the co-financing rate, in particular for SMEs and shortage skills and to deal with societal transformations
- > **Make the organization of work more flexible** to meet the needs of companies faced with the increase in leave and absences
- > **Prioritize decision-making** at the level of the company and the employment contract in order to put in place personalized solutions and take into account new ways of work
- > **Allow employers to respond to employees' requests for teleworking** by removing the obstacles to its implementation for at least 2 days per week (social security and taxation)
- > **Enhance the self-employed status** through better social protection and access to co-financing aid for continuing education
- > **Increase legal certainty, clarify and simplify administrative rules and procedures** for employers

SOCIAL SECURITY

- > **Ensure the sustainability of social security systems** through (i) sound and prudent management of finances by avoiding any increase in social security contributions, (ii) an analysis of the various possible systems and financing and (iii) strengthening of approaches in the fight against abuse and fraud
- > **Work for an efficient, quality and accessible health system** through (i) an adequate prevention policy, (ii) a nomenclature adapted to medical progress, (iii) the development of a national digitalization strategy, (iv) a strengthening of the positioning (e.g. gatekeeper) of primary medicine, (v) an optimization based on an anti-accumulation of services provided - «Not everything everywhere» and (vi) the use in a planned framework of new technology at the service of health
- > **Guarantee access to an old-age pension for future generations** by (i) raising the effective retirement age which is more in line with changes in life expectancy, (ii) lowering the ceiling to contribute to the objective of insurance, (iii) bringing the system of early old-age pensions for the self-employed closer to that for employees and (iv) support for the use of supplementary pension mechanisms



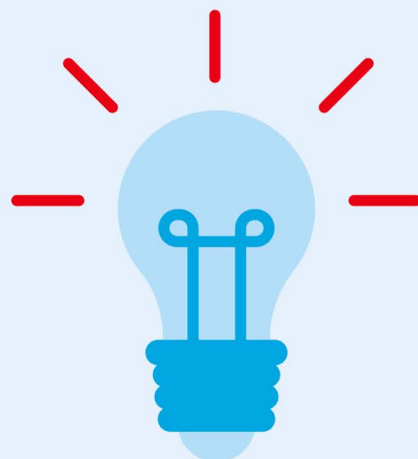
TAXATION

- **Individual talents: improve the attractiveness of Luxembourg towards talents** (i) by continuing to develop the tax regimes applicable to certain elements of the remuneration package such as the profit participation scheme and the impatriate tax regime, (ii) introducing a tax-free premium to improve the access to housing and facilitate a sustainable mobility for young workers and (iii) renegotiating tax rules on cross-border workers performing telework
- **Collective talents: introduce a corporate tax incentive** to support investments in (i) the digital transition, (ii) the green transition and R&D, and by reducing the overall corporate tax rate to the international average
- **SMEs/Start-ups: introduce a tax benefit** for individuals investing in cash in a SME/start-up and introduce an employee share purchase scheme adapted to the needs and operating mode of this kind of company
- **Legal certainty: strengthen legal certainty and administrative simplification** by (i) modernising tax legislation, (ii) accelerating the digitalisation of the tax authorities and (iii) improving the dialogue between tax authorities and taxpayers

COLLECTIVE TALENT

- **Promote the development of public-private partnerships** in order to put the expertise and innovation capacity of the private sector at the service of a prosperous and sustainable economy, encourage social dialogue and improve talent management
- **Accelerate the digitization of public administrations and businesses** to make collaboration between administrations, employers, employees and investors more efficient

**FIND ALL OF UEL'S POSITIONS
ON THESE TOPICS ON WWW.UEL.LU.**



IN LUXEMBOURG, LET'S MAKE IT HAPPEN, WITH SUSTAINABLE TALENT!



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OUR MEMBERS

