

# **DOCUMENT**

## **MISEP MUTUAL INFORMATION SYSTEM ON EMPLOYMENT POLICIES**

**BELGIUM**  
Basic Information Report



**COMMISSION  
OF THE EUROPEAN COMMUNITIES**

This document has been prepared for use within the Commission. It does not necessarily represent the Commission's official position.

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**Commission of the European Communities**

**M.I.S.E.P.**

**- Mutual Information System on Employment Policies -**

**BELGIUM**

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On the basis of an agreement of the directors general for employment, the Commission of the European Communities has created a Mutual Information System on Employment Policies (MISEP).

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States and a centralised secretariat under the overall responsibility of the Commission.

It was set up by the Commission in response to the desire expressed by Member States' delegations in the Council to be mutually informed on developments in national employment policy measures and structures. The objective of the system is defined as "to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making, and aiding the Commission in its co-ordinating role at Community level".

The "Basic Information Reports" describe the structure and content of employment policy in each Member State. All these reports follow the same structure and contain the same basic information which is essential to an understanding of the way employment policy is conceived and operated.

The material contained in the Basic Information Reports has been provided by the national correspondents and is correct as at 1 March 1983. It is intended as a guide and an explanation of national policy measures in force at that date and is not as a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Member States without value judgements either on the part of the Commission or the national correspondents.

While these reports will be updated periodically, further information and regular updating of measures are published in "InformISEP", and reproduced in "Social Europe".

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## **Chapter I : INSTITUTIONS**

The following ministries and public bodies are directly involved in employment policy in Belgium:

- **Le Ministère de l'Emploi et du Travail**  
(the Ministry of Employment and Labour)
- **l'Office National de l'Emploi (ONEm)**  
(the National Employment Office)
- **le Fonds National de Reclassement Social des Handicapés**  
(the National Fund for Rehabilitating the Handicapped)
- **le Ministère des Classes Moyennes**  
(the Ministry of the Middle Classes which deals essentially with small enterprises)
- **le Ministère des Affaires Sociales**  
(the Ministry of Social Affairs which deals essentially with social welfare matters).

Only the first two organisations are described in this report.

**MINISTERE DE L'EMPLOI ET DU TRAVAIL**  
(Ministry of Employment and Labour)

**1.1. Legal status and constitutional competence**

Belgium is a constitutional monarchy founded on the principle of separation of the legislative, executive and judicial powers. The legal power is assumed by the King and the Parliament. The executive power belongs to the King and his ministers.

For the exercise of his mission, each minister is assisted by a ministerial cabinet and the administration of his department.

The ministerial cabinet studies matters from a political and governmental point of view. The administration alone is competent for studying matters from the technical angle. It is also the administration that is responsible for implementing the legal dispositions, sometimes through agencies such as ONEm (Office National de l'Emploi). Created in 1959 as an Administration of the Department of Employment and Labour, the Administration of Employment is the organ which studies employment problems, and designs policies and monitors their efficiency.

**1.2. Decision-making bodies**

The competence of the various administrations of the Ministry of Employment and Labour is as follows:

- A) The General Secretariat is entrusted with the direction, coordination and control of the different services of the Ministry. It is the formal link between the administration and the ministerial cabinet. Different staff services depend directly on the General Secretary:
- The international relations service is responsible for the coordination of activity of the Department in international affairs;
  - The management and conduct unit studies various forms of management, such as the integrated principles' method of management by objectives;
  - The secretariat of the Commission for Women's Employment is the responsible body for preparing and carrying out the activities of the Commission for all matters which are within its competence, particularly those directly or indirectly related to female labour. For this matter the secretariat coordinates the actions of the various services or agencies inside and outside the Department;
  - The service Special Temporary Scheme and the Third Labour Circuit is responsible for the execution of those bills which strive to alleviate the burden of unemployment.
- B) The mission of the Service for Social Conciliation is to negotiate in order to avoid social conflicts or to resolve them.
- C) The General Commissariat for Labour Promotion is responsible of the problems and actions concerning the social, moral and intellectual advancement of the workers, including enhanced worker safety, hygiene and improvement of the workplace and the award of decorations to workers.
- D) The General Administrative Services deal with personnel problems and material organisation. This service is also responsible for general accounting and prepares the annual budget.
- E) The Service for Juridical Studies prepares the bills dealing with labour legislation which come up for discussion and is responsible for jurisprudence. The special library is also attached to this service.

- F) The Safety Administration also prepares bills, regulations and decrees in the field of safety at work. The service also enforces and controls the application of the regulations by firms.
- G) The Administration for Labour Hygiene and Medicine has the same competence as the safety administration, but for medical and health problems in firms.
- H) The Administration of Labour Regulations and Relations prepares and controls the application of legal provisions and of labour contracts and regulations (paid Bank holidays, working hours, etc.)
- I) The Employment Administration is described in more detail below because of its importance for employment policy.

The employment administration is charged with the design of employment policies and the feedback of their results, with the detection and examination of new problems arising in the field and with the integration of employment policy into the economic and social policy of the nation overall.

The employment administration is composed of three directorates for:

- (a) employment policy
- (b) the study of labour problems
- (c) unemployment

(a) The directorate for employment policy

This directorate deals mainly with the direct and indirect application of employment policy and the examination of its results. Participating in the elaboration of employment policy, the directorate has also a study and design mission for specific labour problems. For this task the directorate is subdivided into three sections:

- immigration, frontier workers and seasonal workers
- labour market
- vocational training

(b) The directorate for the study of labour problems

This directorate studies the general economic and social problems which fall directly within the competence of the Ministry of Employment and Labour and also certain specific problems in the field of employment policy. The development of labour conditions is constantly monitored on both national and sectorial levels.

It deals with statistical studies on employment and the labour market and is in charge of coordinating and developing statistical information. For this task, the directorate is subdivided into two sections:

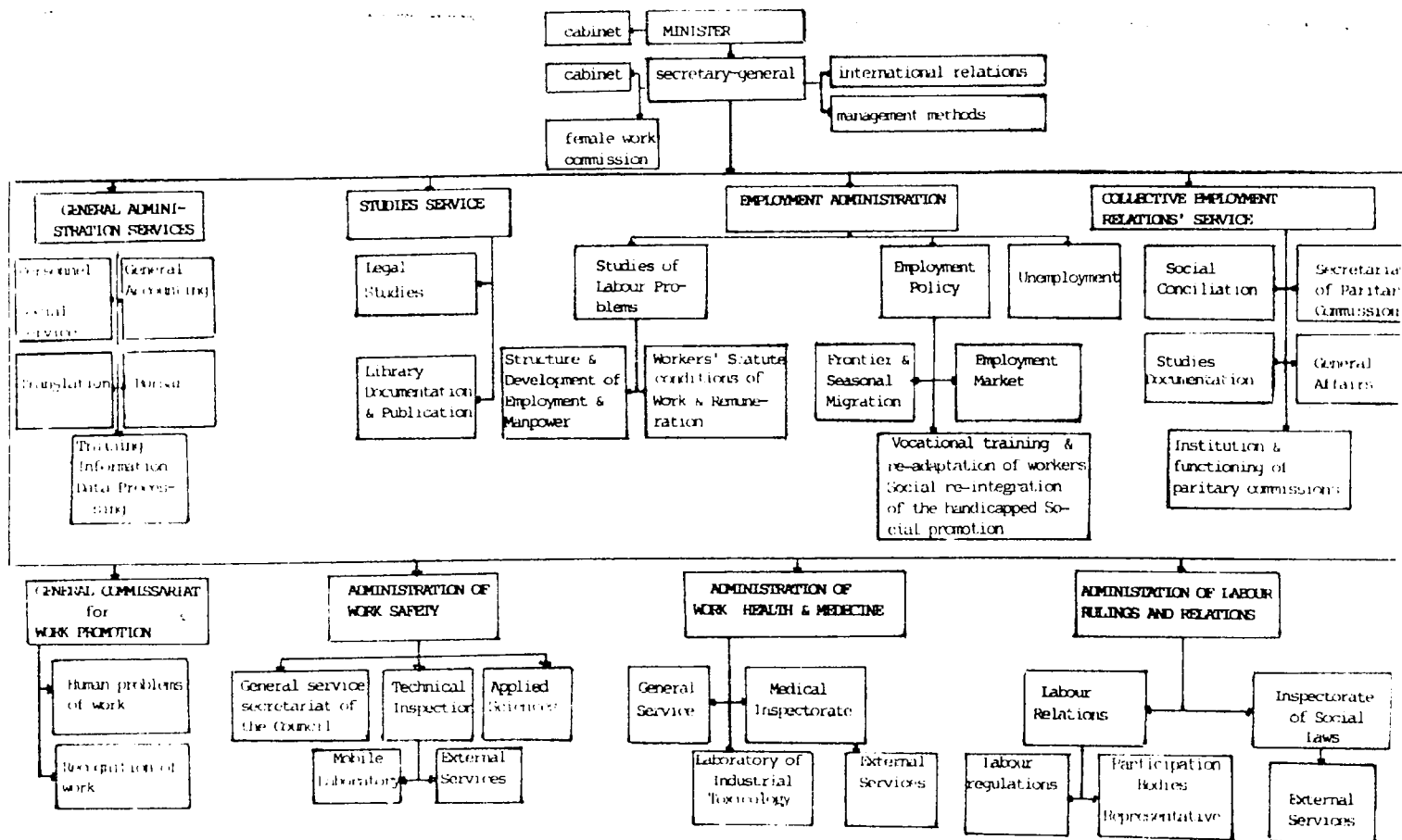
- structure and development of employment and of the labour force
- status of workers - working conditions and wages.

(c) The unemployment directorate

This directorate is responsible within the field of unemployment, for elaborating general regulations and interpreting the legal texts. ONEm is entrusted with executing the regulatory measures.

A new service, created in 1981 within the administration of employment, is in charge of controlling the numerous regional services of ONEm in order to bring about uniformity in the application of unemployment regulations.

### 1.3. Organisation chart



#### **1.4. Number of personnel**

The Ministry of Employment and Labour currently draws on 1.600 civil servants. About 850 work at the head-office in Brussels and the other 750 in the regional services (most within labour inspection services).

#### **1.5. Operational budget**

The preparation of the annual budget is the task of the executive. At the beginning of October each year the Minister introduces the annual budgetary estimates to Parliament. Only after approval by Parliament does the budget acquire the force of law, giving the Minister the right to use the approved appropriation.

The most important parts of the current budget are the transfer to ONEm (more than 50%) for unemployment insurance and placement and the expenditures to run the unemployment resorption programmes (+ 45%).

#### **1.6. Cooperation and coordinated activities**

Cooperation takes the form of activities of the representatives of the Administration in the management council and committees of the various public institutions depending on the Ministry of Employment and Labour (ONEm, Fonds National de Reclassement des Handicapés, Conseil National du Travail, l'Institut pour l'Amélioration des Conditions de Travail, Pool des Marins/de la Marine Marchande,...).

On the broader national level there exist two coordination organs: "le Comité Ministériel de Coordination Economique et Social" et "le Bureau de Programmation Economique". The Minister or members of the Administration participate in the activities of these coordination organs if the matters dealt with concern the competence of the Ministry of Employment and Labour.

#### **1.7. International contacts**

On the international level the Ministry, and particularly the Employment Administration, cooperate actively at the coordination and integration of labour problems in application of the Treaty of Rome and Benelux.

Collaboration is also given to the activities in the field of labour of the Council of Europe, the O.E.C.D. and the I.L.O.

## **L'OFFICE NATIONAL DE L'EMPLOI (ONEm)** (The National Employment Office)

### **1.1. Legal status and constitutional competence**

ONEm is entrusted with setting up and administering the free public placement services as well as ensuring the coordination of these services with those of free private placement offices.

As regards job supply, ONEm maintains regular contacts with all areas of economic activity with a view to analysing the needs for manpower, dealing with the placement of workers and stimulating the communication of job offers.

In particular, ONEm regularly publishes and disseminates to the major enterprises of the country, lists of managers, technicians and employees seeking jobs.

For workers who are difficult to place because of their age or a decline of their physical or mental capacity, public placement services make special approaches to employers and employer organisations to find them appropriate employment.

### **1.2. Decision-making bodies**

ONEm is directed by a Council composed of representatives of workers and employers under the supervision of the Minister of Employment and Labour, the chairman of the Council being appointed by royal decree.

In 1978 a separation was made between "employment" and "unemployment" activities. The latter activity currently has 30 regional unemployment offices throughout the country, each directed by the regional inspector of unemployment and competent for all problems concerning unemployment regulations.

There are similarly 30 subregional employment services, each with its own director. They are concerned with:

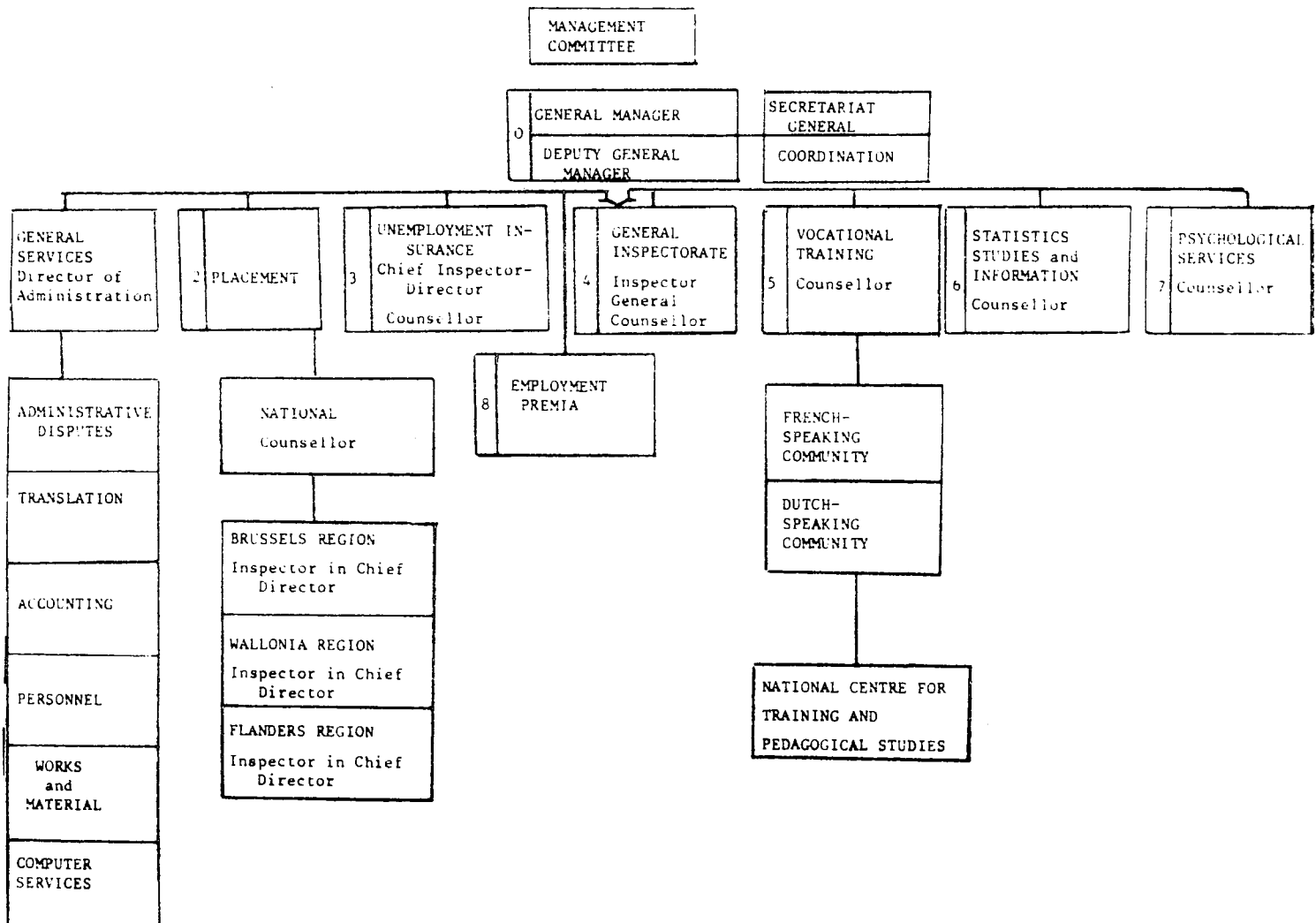
- studies of the labour market
- vocational guidance and training
- placement
- help to enterprises.

The regional sub-committees for employment, CSE, were established following a national employment conference in 1972. Whereas at the outset they were a part of the administrative structure of ONEm, they gradually assumed greater independence. They consist of representatives of the main bodies involved in employment policy including employers' and trade union organisations. They are managed by a regional employment director and have now entered the competence of the regional governments which have been instituted since 1980.

Their tasks range from advising ONEm on making grants within the framework of employment measures, such as the CST, keeping in touch with the employment market and above all being involved in training and information. As regards training, they have made ONEm training more dynamic, enhanced collaboration among all trainers and helped develop up-dating modules, whereas in information they have pushed "infor-job" approaches, the generalisation of job services, produced information brochures for jobseekers and stimulated the use of cable TV.

### 1.3. Organisation chart

#### THE NATIONAL EMPLOYMENT OFFICE



#### **1.4. Number of personnel**

ONEm has some 3000 permanent and 1000 temporary staff. Of these, some 650 and 330 respectively work at the headquarters.

#### **1.5. Operational budget**

The activities of ONEm are financed by the Ministry of Employment and Labour (X%) and the Social Security funds (Y%). (1982 : X = 78%, Y = 22%).

Total expenditure in 1982 amounted to some BF 103 billion for unemployment and some BF 63 billion for placement.

#### **1.6. Cooperation and coordinated activities**

ONEm cooperates closely with the Ministry of Employment and Labour, as well as with the Ministry of Social Security and the sub-regional employment committees.

#### **1.7. International contacts**

ONEm cooperates with the same international institutions as the Ministry of Employment and Labour on which it depends.



## Chapter II : PROCEDURES

### 1. LEGAL INSTRUMENTS

#### 1.1. Labour Contract: Law of July 3, 1978 (M.B. August 22, 1978)

##### (A) General stipulations

Area of application: the law of labour agreements is concerned with labour contracts between employers and their workers, employees, salesmen or servants. This law includes all the people working for the government under contract.

Definition: the work contract is a contract by which a worker accepts, against payment of a wage, to provide his labour according to the authority, management and surveillance of an employer.

Duration of the contract: the labour contract is concluded for (a) an indeterminate period, (b) a clearly defined duty, (c) a defined period.

Obligations: the employer and the employee are always subjected to a number of rules. As regards the employee, these concern:

- the manner, time and place of work;
- the implementation of the employer's orders and instructions;
- no acts of dishonest competition during or after the labour contract;
- ensuring the person's own safety and that of other workers.

As regards the employer, the requirements are:

- to place the materials and instruments needed at the disposal of the working people;
- to guarantee the safety and health of the working people;
- to pay the working people in the manner, time and place as agreed;
- to pay attention to properly receiving working people at the beginning of their careers.

Responsability of the employee: the employee is responsible for any deceit or serious fault caused by his own acts.

##### (B) The labour contract for wage-earners and salary-earners

The general stipulations which have been described under 1.1. (A) are valid both for wage and salary-earners. The most important differences between the labour contract for wage-earners and that for salary-earners are described hereunder.

Definition: the labour contract for wage-earners is an agreement by which an employee - the worker - commits himself to carrying out mainly manual labour.

The labour contract for salaried employees is an agreement by which an employee - a white-collar worker - commits himself to carrying out mainly brain work.

##### Period of probation:

- a. wage-earners: minimum 7 days; maximum 14 days.
- b. salaried employees: minimum 1 month; maximum between 3 and 6 months, according to the salary level.

##### Unilateral abrogation:

- a. wage-earners: not possible during the first 7 days.
- b. salaried employees: not possible during the first month. After the first

month, the agreement can be terminated only with a 7-days' term of notice.

The wage received by suspension:

Technical disturbance: only the worker's wage is guaranteed for 7 days.

Illness or accident - occupational accident or disease: both wage-earners and salaried employees receive their normal wage or salary each month, though the method of calculation is different.

Maternity leave:

- a. female wage-earners: during the first 7 days they receive their normal wage. After this period, 79,5% is paid by the health insurance.
- b. female salaried employees with a labour contract of an undetermined period or for a period of at least 3 months receive their usual salaries during the first month.

Other female salaried employees: the same regulation applies as for female wage-earners.

Termination of the labour contract

The general stipulations of civil law concerning termination of a contract can be applied when the law of labour contracts does not contain special stipulations. But in practice, special stipulations are much more important than the general ones:

- a. Interdiction, under specific circumstance, of breaking a contract: in cases of marriage, motherhood and nearing the age of retirement.
- b. Contract for a defined period, or for a clearly defined duty: when the defined period or duty is done.
- c. Notice in case of a contract for an indeterminate period.

Generally speaking, both the employer and the employee can give notice. In some cases (such as in a. above), this is not possible. Giving notice to wage-earners on an arbitrary base is forbidden by law. Such a law does not exist for salaried employees because of their longer terms of notice.

Duration of the term of notice:

- a. Wage-earners: - less than 20 years' seniority:
  - . if the employer terminates the contract: 28 days
  - . if the worker terminates the contract : 14 days- more than 20 years' seniority: these terms are multiplied by two.
- b. Salaried employees: not only seniority but also salary levels are important.
  - for salary levels of less than 250.000 BF per annum:
    - . if the employer terminates the contract:
      - less than 5 years' seniority: at least 3 months
      - more than 5 years' seniority: for each period of 5 years' seniority, the term of notice is raised by 3 months.
    - . if the employee terminates the contract: maximum 3 months.
  - for salary levels of more than 250.000 BF per annum a mutual agreement is necessary.
    - . if the employer terminates the contract, the term of notice may not be less than the one described for salaried employees earning less than 250.000 BF per annum.
    - . if the employee terminates the contract, the maximum is 4.5 or 6 months (according to the salary level).

Exceptions:

- when the salaried employee has reached or passed the normal age of retirement;
- when the employer terminates the contract and the salaried employee has already found another job.

One day a week absence for new job search is allowed for the employee during the period of notice.

Termination for an urgent reason: both the employer and the employee can use an "urgent reason" as the grounds for terminating the contract. The law defines "urgent reason" as: a serious shortcoming so that any professional cooperation between employer and employee immediately and definitively becomes impossible. In such cases the judge takes the final decision.

**(C) Labour contract for salesmen**

The law of July 3, 1978 also contains some regulations concerning salesmen/commercial travellers. These regulations have to be applied together with those concerning salaried employees: according to the law, salesmen are salaried employees.

**(D) Labour contract for servants**

Most of the regulations for servants are the same as those for wage-earners. There are, however, some exceptions inherent in the typical character of the job.

**1.2. Civil Servants**

Civil servants are usually appointed permanently. Some of them have, however, a labour contract which means that they are subordinated to the Law of July 3, 1978 (see above). Civil servants who are appointed permanently have a totally different legal system.

**(A) Legal status**

The rights and duties of civil servants are drawn up and can be changed unilaterally by the government (the employer). This unilateral right of the government is due to the special nature of the government office: all civilians have to be able to use the services provided by the government.

**(B) Permanent appointment to a post**

The job of a civil servant can be terminated only for disciplinary or exceptional reasons.

**(C) The oath**

Each civil servant has to take the oath to the king, to the constitution and to the laws of the Belgian people.

**(D) Regulations concerning discipline**

These regulations are used to avoid shortcomings of civil servants during the period of their holding the job.

**(E) Recruitment**

A civil servant should normally satisfy the entry requirements and should succeed in the entrance examinations of the "Secrétariat Permanent de Recrutement" before he/she can be appointed. There are naturally exceptions.

**1.3. Labour Code: Law of March 16, 1971 (M.B. March 30, 1971)**

**(A) General area of application**

This law concerns both employers and employees. In this case, an employee is a person who works under another person's authority, and who does not have a labour contract such as described under 1.1.

### **(B) Prohibited work**

Child labour: It is prohibited by law to allow children under 15 years of age (1984: 16 years) to do any kind of work that is not in accordance with their education. There are some exceptions concerning show business.

Interdiction of carrying out certain types of work: These regulations protect younger employees (under 18 years of age), for instance from being a coal miner.

### **(C) Working hours and rest periods**

The regulations are not applicable to some types of employees. These include:

- persons working in family business.
- medical doctors and dentists.

Sunday rest: It is prohibited to put people to work on Sundays. Some jobs are allowed on Sundays, e.g. machine maintenance, but only if they are urgent and impossible to perform during the week. The law also makes an exception for retail dealers.

Working hours: These regulations are not applicable to:

- employees holding senior positions
- servants
- salesmen

General stipulations: maximum 8 hours a day, and maximum 40 hours a week, for a maximum period of 4 weeks.

Variances without previous permission: in a number of cases other regulations can be applied, including:

- shiftwork: maximum 10 hours a day and not more than 40 hours a week;
- work that cannot be interrupted;
- paramedical services.

Variances with previous permission: in a number of cases other regulations can be applied, but permission is necessary in advance:

- Examples:
- accidents and urgent work
  - labour concerning traffic.

Working hours may never exceed 11 hours a day, except for urgent jobs or jobs due to accidents.

Reduction of working hours is allowed, but generally no decrease in wages.

Young employees: there are some special regulations to protect employees who are under 18 years of age.

- Examples:
- They are not allowed to do dangerous or unhealthy work.
  - They can work for a maximum of 10 hours a day.

### **(D) Female labour**

There are some special regulations to protect female employees during pregnancy, including:

- special leave;
- interdiction to do dangerous work;
- interdiction to dismiss a pregnant woman.

Appendix to 1.3. (see at the end of the report)

#### **1.4. Training Laws**

All Belgians have to go to school until they are 15 years old (1984: 16 years; 1985-86: half time until 18 years). Furthermore, people who already go to work can have extra training facilities at their disposal.

**(A) The Law on Social Advancement** - Law of July 1, 1963 (M.B. July 17, 1963)  
Employees who follow courses by acknowledged organisations during the evening or weekend have the right to 10 days extra vacation.

**(B) Courses given by the 'Office National de l'Emploi' (ONEm)** - A.R. of December 20, 1963 (M.B. January 18, 1964)

Every employee between 18 and 21 can follow vocational training, retraining or updating courses run by ONEm. This regulation is also operative for unemployed persons.

**(C) Indentures** - A.R. of October 4, 1976 (M.B. November 11, 1976)  
This gives younger people the possibility of learning a profession, such as carpentry or butcher. The amount of this indenture allocation, the duration and the programme of the indenture, the right and duties of both the employer and the apprentice, the legal disposition, etc, are stipulated in an indenture contract.

**(D) The System of Credit Hours** - Law of April 10, 1973 (M.B. April 21, 1973)  
The system of credit hours gives employees the possibility of taking off a number of hours during the week, without any loss of wages, as compensation for the courses they follow during the evening or weekend.  
The law defines strictly the number of credit hours which are allowed and the kind of employees who have a right to this system, etc.

#### **1.5. Regional and industrial development laws**

##### **1. Law of July 17, 1959**

###### **A. Purpose and scope**

The law of July 17, 1959 is a 'general incentive law' applicable to the country as a whole. It is designed to promote economic expansion by stimulating industrial and artisanal activities (including certain distribution activities) which contribute directly to the creation, extension, conversion and modernisation of industrial or artisanal enterprises.

###### **B. Incentives**

###### **1. Interest rebates**

Interest rebates up to 4% for 4 years may be conceded on investment loans granted by banks or credit institutions agreed by the law.

These interest rebates are conceded on loans for financing investments in fixed assets, and in certain intangible assets as well as the reconstruction of working capital cut by previous investments.

These interest rebates are computed on loans equal to a maximum of 2/3 of the investments eligible for governmental aid. Depending upon the economic circumstances, the duration of the interest rebate may reach 6 years (cyclical aid).

###### **2. Capital grants**

Insofar as investments eligible for the application of said law are financed up to 50% by the company's own funds, the interest subsidy may be totally or partially replaced by a non-refundable capital grant.

### 3. State guarantee

The Belgian government may guarantee the total or partial reimbursement of the principal interests and other charges of investment loans for the financing of the investments mentioned above.

When the loan has not been granted by a public credit institution, the state guarantee may not exceed 50% of the difference between the amount of the loan outstanding and the proceeds of the collateral security put up by the investor.

### 4. Exemption from real estate tax

Exemption from real property tax levied on fixed assets which are part of an investment programme may be granted for a period of a maximum of 5 years, beginning January 1 following the date of utilizing the real estate.

### 5. Aid for technological research

Interest-free advances may be granted up to a maximum of 80% of the expenses incurred by research or development of prototypes. These advances are reimbursed as soon as the development of the prototype leads to a profitable industrial or commercial activity.

## **2. Law of December 30, 1970**

This is a 'regional incentive law'. It aims at promoting operations which contribute directly to the creation of new activities and new employment, either in setting up new establishments or in expanding existing enterprises, in specified 'development areas' or in an industrial site adjoining these development areas or partly situated in a development area.

### B. Incentives in the development areas

#### 1. Interest rebates

Interest rebates, which may amount to a maximum of 5% for 5 years, may be granted for:

- a) investment loans granted by agreed banks or credit institutions in order to finance investments in fixed assets, and under certain conditions in intangible assets, for the creation, extension, conversion or modernisation of industrial or artisanal enterprises, or of certain commercial or service enterprises, provided that the activities of said enterprises comply with the general economic interest of the country.

These interest rebates are granted with respect to investment loans amounting to a maximum of 75% of the investment in fixed assets. In exceptional cases and depending upon the economic interest of the project, a period of grace of 3 years for the reimbursement of the loan may be taken into consideration for computing the interest rebate.

- b) Ordinary and/or convertible debentures issued by the investor and acquired or subscribed by a public or private credit institution, or by the National Investment Corporation (Société Nationale d'Investissement - Nationale Investeringsmaatschappij).

The interest subsidy may be increased by 1% if the investment requires advanced technology and is subject to a 'progress contract' (see point 5. Contractual Aid) and by 2% owing to the economic circumstances (cyclical aid).

For investments exceeding BF 100 million, and for which the enterprise had applied for governmental aid in the form of an interest rebate on an amount exceeding 50% of the investment in fixed assets (for investments

of more than BF 750 million, on an amount exceeding two thirds of the subsidised investment), the Government may require the investor to the remittance of convertible debentures having the value of the remainder benefiting from the interest subsidy. The investor may refuse the interest rebate on that part of the loan for which a counterpart in convertible debentures is required.

## 2. State guarantee

The Belgian government may guarantee the total or partial reimbursement of the principal, interests and other charges of investment loans and ordinary or convertible debentures which were issued in order to finance the aforementioned investments. If the loan is not granted by a public credit institution, or if the ordinary or convertible debentures are not subscribed or acquired by a public credit institution, the state guarantee may not exceed 75% of the difference between the amount of the loan outstanding and the proceeds of the collateral security put up by the investor.

## 3. Capital grants

To the extent that the portion of the investor's project which is eligible for governmental incentives is financed up to at least 50% by the investor's own funds, the interest rebate may be partially or totally replaced by a non-refundable capital grant to an amount equivalent to the interest rebate otherwise obtainable for the project.

## 4. Tax advantages

### a) Exemption from income tax on capital grants.

The capital grants provided in this law are exempt from income tax. This exemption is extended only to the person or company to whom the grant is made. In calculating depreciation, the amount of such grants is deducted from the cost or value of the investments financed or acquired by such grants.

### b) Exemption from capital registration tax.

Contributions in cash or in kind to the capital of companies which make investments pursuant to the law of December 30, 1970 may be exempt from payment of the normally applicable 1% capital registration tax.

### c) Exemption from real estate tax.

Enterprises making investments in fixed assets pursuant to this law may be exempt from the payment of the real property tax on such assets for a period of five years maximum beginning on January 1st following the date of utilizing the real estate.

### d) Accelerated depreciation

Enterprises which may benefit from the investment incentives provided for by this law may, during three successive tax years, be authorised to take twice the normal annual straight-line depreciation for machinery, equipment and industrial buildings which have been acquired as a result of the subsidised investments.

## Note:

The advantages mentioned under points c) and d) are not granted automatically with an interest subsidy or a capital grant. The grant and the extent of these fiscal aids within the limits determined depend, as the case may be, upon the economic and social interest of the project, the importance of the investment and the percentage of own funds invested.

e) Local taxes

Provinces and communes levy taxes on the labour force and the electrical power capacity. Exemption from these taxes is generally granted for five years. However, the persons concerned should make an application to the local authorities before starting their activities.

5. Aid for technological research

Interest free advances may be granted up to a maximum of 80% of the expenses incurred by research or development of prototypes. These advances are reimbursable as soon as the development of the prototype leads to a profitable industrial or commercial activity.

6. Contractual aids

a. Progress contracts.

A progress contract is an agreement concluded between the government and an enterprise which desires, pursuant to the economic plan and scientific programming, to carry out a programme of technological innovation and industrial and/or commercial development spread out over several years.

Pursuant to these contracts, aid for the realisation of specific objectives may be granted under the responsibility of the contracting enterprise which negotiates the terms with the government. (This aid is available only for large scale projects.)

b. Management contracts.

Companies desiring to choose the methods of organisation, management or promotion most appropriate to their particular cases, may agree with the competent authority on the choice of a management consultancy firm best suited to their requirements. In such cases, the government may grant an interest free aid reimbursable in not more than three years, amounting to a maximum of 75% of the fee charged by the management consultancy organisation.

1.6. Works councils, co-determination<sup>1</sup>

**Main legal basis**

Industrial relations at the 'enterprise' level are based on the following legally created organs: the works council, the union delegation, and the health and safety committee.

**Composition of the works council**

Established by the law of September 20, 1948, the works council has been modified by several national agreements or royal decrees. The most important modification was the 1973 law concerning the right of information. The law applies to any private sector enterprise and it was extended in January 1975 to cover non-profit-making bodies and similar organisations. A works council must be established from the moment a firm has 150 employees. It is a joint body, chaired by the head of the enterprise or his representative. Employee representatives vary according to the total number of employees. There is a minimum of four representatives for enterprises with 50 up to 100 employees and a maximum of 22 representatives for enterprises with over 8,000 employees. The representatives are elected in a secret ballot of all employees, apart from management staff. Elections are held every four years, and receive extensive news coverage. There is usually a very high turnout. Trade unions submit list of candidates, in proportion to their numbers. To be eligible to stand, a representative must not be part of the management, be over 21 years of age, employed for at least six months in the firm and three years in the

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1. This section is taken from: European Industrial Relations, Oxford, Clarendon Press, 1981, pp. 173-177.



industry, and below retirement age. Young workers' representatives must be over 16 and under 25.

#### **Protection of the members**

Representatives and candidates cannot be dismissed other than on grounds of serious misconduct, or of redundancy on economic or technical grounds which must have been previously recognised by the relevant 'commission paritaire' (industry level joint negotiating body). Where a dismissal does occur in violation of these provisions, the dismissed employee shall be re-instated without prejudice, or shall receive compensation equal to between two and four years current remuneration according to length of service.

#### **Powers and role of the works council**

The works council has three main tasks: consultation, codetermination, and the communication of information. It has the right to be consulted on all areas affecting work organisation and conditions, vocational training and productivity, projected redundancies, and it can examine redundancy provisions and the criteria of selection for redundancy. Codetermination on hours of work, job evaluation, holidays, welfare, and work rules are normally agreed on unanimously by the Council. If there is no agreement, the issue is normally referred to a government conciliation officer and then to the appropriate 'commission paritaire'. The Royal Decree of November 27, 1973 brought new and radical rules on the regular disclosure to Councils of information concerning the economic and financial position of the undertaking, e.g. balance sheet, general budget, research, cost calculation, market position, productivity, governmental aid, etc.

The main issues discussed in works councils are:

- (1) economic and financial problems;
- (2) functioning of the works council itself;
- (3) organisation of labour;
- (4) application of industrial and social laws;
- (5) working conditions;
- (6) dismissal of workers;
- (7) holidays.

#### **The Union Delegation ('délégation syndicale')**

The union delegation represents the members of all three main unions at plant level. White-collar and blue-collar delegations are separated. It was originally established immediately after the last war, with general guidelines established in 1947, amended in 1971 by General Agreement and applied through its adoption by the 'commissions paritaires'.

The union delegation is often compared with the British shop steward committee, though the delegation has less independence and less scope for bargaining. It deals personally with the head of the enterprise and is the main channel for employment problems and grievances. Individual grievances have initially to follow the established procedure. In practice, however, participation on the shop-floor passes through the union delegation. At the end the union delegates fulfil a central role in the democratisation process of Belgian enterprises. In collective bargaining, the union delegation is not allowed to negotiate over general issues such as wages but may, however, negotiate plant-level agreement on such issues as productivity bonuses. The union delegation must also look after the rigorous implementation of the collective bargaining agreements. If there is no works council, the union delegation assumes certain of its rights and functions, particularly those concerning information and consultation on the general prospects of the enterprises and on personnel issues.

### **The Health and Safety Committee**

This is mandatory under the Act of 1952 in any firm with more than 50 people. The provisions are similar to those of the works council, and worker members have the same protection on dismissal as works councillors. The committee has a wide range of responsibilities relating directly to the implementation of security regulations within the enterprise. This body only has consultative powers and tries to alert the work-force to safety issues via accident and safety statistics and specific safety campaigns.

In practice, membership of all three bodies is, if not the same, significantly overlapping.

### **Main Bargaining Structure**

Interrelation of firm bargaining and extra-firm bargaining

In Belgium the main bargaining structure is determined by the actions taken by three different groups: government, trade union representatives, and employers' association representatives.

The bargaining process is conducted at three different levels: enterprise level, branch or sector level, and national level. At the enterprise level the bargaining process has resulted in the setting-up of participatory organs. In fact, these organs have little executive power. They can only give advice (except for some specific, less important problems) and exert control on the application of the agreements subscribed at the 'branch' level. Even in cases of serious conflict at the enterprise level, they have to make an appeal to higher institutions. In fact, all important decisions are taken at the national or branch level. This is one of the reasons for the uni-directional character of the main bargaining structure: all bargaining at the enterprise level is determined in advance by the decision taken at the higher level.

This does not mean, however, that workers on the enterprise level have no influence on decisions taken at the higher level. Through a system of representative participation, they can exert a certain influence. The very development of Belgian social relations can be used to illustrate this fact: e.g. the works council has the legal right to claim specific financial and social information.

## **2. NEGOTIATION PATTERNS<sup>1</sup>**

### **2.1. Legal basis and the structure of the industrial relations system**

The constitution defines such basic rights as: equality, personal freedom, and the right to free association.

Legally speaking, the national industrial relations system is based on collective bargaining agreements (CAO). CAOs are prepared, discussed and agreed upon in institutions which are established by Belgian law. Although most of the CAOs pertain to the industrial level, those at company level are becoming more important. Generally, a CAO can be defined as 'an agreement between unions, employers and employees to decide upon working conditions and to determine rights and duties of the signatory parties'. So a CAO has the two fundamental options of regulating working conditions and determining the rights and duties of the parties involved. However, this distinction is not very clear in Belgium. Discussions generally lead to the elaboration of specific works laws and agreements.

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1. This section draws heavily on European Industrial Relations, Oxford, Clarendon Press, 1981, pp. 168-172.

Various institutions have been established to regulate industrial relations. The two sides of industry can be involved at national level in four main ways: First, administratively such as in the management of the social security system. This implies that they take part in the establishment of administrative rules and their practical application. Second, they have been concerned with social programming. This provides the opportunity for the F.E.B. (employers' association) and the unions to negotiate inter-industry collective agreements (e.g. concerning working-hours, work conditions in general, salary level, etc.), since 1960. Third, the two sides take part in an advisory role on government bodies like the C.C.E. (Conseil Central de l'Economie) and the National Committee for Economic Expansion (tripartite consultation on social issues). Fourth, both sides are equally represented under an independent chairman in the C.N.T. (Conseil National du Travail) which has wide powers over industrial relations and social issues and which is usually consulted by the government on legislative proposals at social level. It is also concerned with national level collective agreements made binding by royal decree.

## 2.2. Unions

In Belgium almost all trade unions are 'associations de facto'. Although two laws are available to the unions to obtain legal status (March 3, 1898 on professional unions, and of June 27, 1921 on non-profit-making associations) they do not take advantage of them in order to avoid certain obligations which, in their opinion, might endanger their rights. However, they are recognised by the government which has associated them with the management of numerous para-statal bodies as well as with the elaboration of parliamentary bills.

Belgian trade unionism is characterised by its pluralistic structure. The trade unions organise the workers along industry (e.g. metal industry) or profession (salaried employees, public employees) lines. There is strong centralisation: most representative trade union movements have developed to consist only of national unions federated in a national trade union organisation.

The Confederation of Christian Trade Unions (CSC) is of a Catholic tendency. It is the outcome of the merger in 1912 of two confederations: the Federation of Christian Professional Unions of Belgium (Verbond der Christene Beroepsverenigingen van België) for the Flemish part of the country (1908) and the Confederation of Christian and Free Trade Unions of the Walloon Provinces (1909). Its constitutional aim is 'to concentrate to the maximum the Christian trade union forces so as to realise the organisation of professional and economic activity and a society based on Christian principles'. ('Christian principles', means the doctrine of the Catholic Church).

The Belgian General Federation of Labour (FGTB) union professes a socialist ideology. The FGTB succeeded the CGTB which in turn emerged on January 1, 1938 from the Trade Union Committee created by the Belgian Workers' Party in 1898.

The General Centre of Liberal Trade Union of Belgium (CGSLB) was founded in 1930. It is based on the liberal doctrine, aiming to create understanding between the givers and takers of labour, based on mutual respect of reciprocal rights and duties in accordance with essential liberal principles of freedom, solidarity, progress, justice and social peace.

Recently, however, there has been a tendency to regionalise union structures (e.g. Centrale Régionale de la F.G.T.B.). Most of the unions are founded on an industrial basis.

The Independent Trade Union in the Public Services was set up for the public sector in 1926. The Confederation of United Trade Unions of Belgium was created in 1963.

### **2.3. Employers' Associations**

In 1895, the first national employers' association was established: the 'Comité Central du Travail Industriel' (CCTI). It stressed the solidarity between employers and employees and underlined the fact that, in the long run, their interests are not in conflict. This principle still guides the actions of the employers' body.

In 1913, the Central Industrial Committee for Belgium succeeded the CCTI which had to cope with the difficult economic periods and two world wars. In 1946 it was in turn succeeded by the Union of Belgian Industry (FIB-VBN). The change of name involved an extension of competence and a broader sphere of concern. The structure of the organisation was simplified and the association worked with government and unions. In 1973, the FIB-VBN was enlarged and renamed to cope with the huge variety of problems of an economic and social nature. The goals of this League of the Belgian Enterprises (FEB/VBO) can be summarised as:

- (1) to group the employers' associations of different industrial sectors (e.g. Fabrimetal, Febeltex) to foster solidarity between different branches;
- (2) to take care of the economic, social, and moral interests of enterprises;
- (3) to represent enterprises;
- (4) to study and to stimulate the development of enterprises;
- (5) to look for social peace and economic and social development in harmony with the government and the unions.

FEB/VBO has, on the one hand, to study in depth all the problems of the enterprise, and on the other hand, to take concrete action in discussions with the other partners. This implies of course an extensive programme of information and communication. With economic decentralisation, different regional sections also appeared:

- (1) Vlaams Economisch Verbond (VEV) for the Flemish area;
- (2) L'Union Wallonne des Entreprises (UWE) for the Walloon area;
- (3) Verbond van Ondernemingen te Brussel (VOB) or Union des Entreprises de Bruxelles (UEB) for the capital.

### **2.4. Unions and employers' associations and their potential influence on the government**

As already indicated, collective bargaining agreements are the result of discussions between the different partners: employers' associations and trade unions. It is obvious that several laws and, in consequence, the industrial relations system will be determined by the philosophy of the employers' associations and the unions.

Both the FEB/VBO and the unions examine in depth the variety of problems they face in order to bring them as effectively as possible into the discussion. This implies that they have a direct impact on all the solutions proposed.

As far as the trade unions are concerned, there has been a gradual development of the influence they exert on the other partners. Several factors have helped to strengthen the authority of the most important trade unions such as the problem of the general strike, which goes beyond the competence of one single national centre, and the attempt to set up a single central strike fund. Another factor is the arbitration role which these organisations have played in questions of union demarcation (areas of competence of the national centres). It is clear that the setting up of regional sections has reinforced their authority on this level.

## Chapter III: LEGAL FRAMEWORK

### 1. LEGAL STATUS OF JOBSEEKERS

#### 1.1. Description of the different categories of "The Unemployed"

All persons calling on placement services are classified as "jobseekers" (demandeurs d'emploi). Enrolment is either voluntary or compulsory because it is imposed by existing regulations.

Placement has its juridical basis in the Arrêté Royal (A.R.) of 20/XII/63 relating to employment and unemployment (Moniteur Belge - M.B. - 18/I/64). This decree was modified by that of 6/X/78 (M.B. 22/XI/78), by the special law on institutional reforms of August 8, 1980 (M.B. 15/VIII/80) and the A.R. of March 30, 1982.

There are **two categories of jobseekers**:

#### A. Unemployed jobseekers

1. Fully unemployed receiving an allowance  
Registration as a jobseeker is one of the conditions for receiving an unemployment allowance. The A.R. of March 30, 1982 divides the unemployed who are receiving an allowance, into three categories:
  - the head of the family
  - the single person
  - the cohabitant. This group is subdivided into two categories:
    - those living together with a person who has nothing else but a replacement income;
    - those living together with a person who receives an income from work.
2. Unemployed/jobseekers classified under the terms of "other unemployed" compulsory registered:
  - young jobseekers registered in pursuance of the A.R. of 20 December, 1963 during the 75 days preceding their admission to benefit from unemployment allowance, a period extended to 150 days from January 1, 1981 except for the under 18s;
  - the unemployed working on short- time;
  - the partially unemployed after a specific period of unemployment which can vary in function of the business cycle and different sectors of activity;
  - the complete and fully indemnified unemployed working in a sheltered workshop;
  - the sanctioned fully unemployed temporarily excluded from benefiting from unemployment allowance, during the period of exclusion;
  - persons presented by public social aid centres (CPAS);
  - some people coming under the National Fund for the Social Rehabilitation of the Handicapped.
3. Free jobseekers having no job at the time of their registration (seekers who voluntarily call on the placement services but do not ask for unemployment allowances).

## **B. Other jobseekers**

1. Unemployed persons employed for the moment by the public authorities;
2. "Free" jobseekers who are working at the time of their registration (eg. persons wanting to change their job, their place of work, their professional status, etc.). As in the case of category A.3 above, these are persons who register voluntarily but still have a job at the time of their registration;
3. "Free" jobseekers who are unemployed (eg. the woman who has brought up her children and wants to go back on the labour market).

### **1.2. Summary description of the main rules of hiring and dismissing workers**

See chapter II.

### **1.3. Entitlements of the different categories of the unemployed**

See measures B-iii.1 to B-iii.9 (Chapter IV)

## **2. LEGAL RULES/CODES FOR MATCHING LABOUR SUPPLY AND DEMAND**

### **2.1. Traditional approaches**

#### **A. Introduction**

Supply and demand are brought together in the placement office and the subregional employment service. To the extent that supply and demand are not satisfied at the local level, "daily compensation" is arranged between neighbouring sub-regional services and, at least once a week, among the subregional services of the country and even internationally. (EEC ruling No 1612/68 of the Council of the European Community foresees this, and some experiments have been carried out within SEDOC.)

Inter-regional operations can also be the subject of specialised organisation within certain branches, such as agriculture and hotels, or for certain categories of workers, such as house-helpers.

#### **B. Renovation of traditional management techniques: The SIMONA Project**

The need to design an improved placement system inspired the application within the Halle-Vilvoorde employment service SSE of a pilot project for computerising placement.

The traditional way in which SSEs register and manage a file through a central computer only enables limited intervention of the Office on the labour market.

The SIMONA (Studie en informatiemodel voor ontwikkeling van een nieuw arbeidsmarktbeleid) project is based on a study by the COI, the regional computer office for Flanders. It was approved by the regional executive of Flanders in August 1981, which financed it and took out a licence on it. SIMONA is now being applied in Malines and Leuven and is likely in the future to be put in place in Alost and Dendermonde. The Walloon executive has purchased the licence and is experimentally testing it in Liege under the name of SIROCCO.

This system inaugurates a new form of rapid placement whereby data concerning enterprises, job offers and jobseekers are registered and collected in a data bank. The purpose of the computerised system is thus, by means of these three data banks, to improve coordination between supply and demand on the labour market. It enables a pre-selection to be made and brings together a broad spread of precise information on supply and demand.

## **2.2. The development of new placement alternatives**

### **1. The Job Service**

The Job Service has been working since 1979 in the SSEs in Liege, Tournai (and in its placement offices), Antwerp and Bruges and in the placement office in Blankenberge. It was extended in February 1981 to cover nearly 80% of the SSEs in the country.

The system provides completely free access to job offers both for the unemployed and those seeking to improve their professional situations. The jobseeker himself makes the choice among the vacancies displayed. By its spontaneous character, this procedure clearly encourages the matching of supply and demand. The jobseeker generally feels more motivated and more involved when he goes to the employer. Administrative formalities are reduced to the minimum and the placement officer can spend more time on prospecting the employment market and selecting among jobseekers.

The Job Service has enlarged the range of employment openings offered to jobseekers and thus enhanced occupational mobility. The jobseeker can choose directly, without following any particular procedure, a job which differs from that for which he was enrolled at the SSE.

### **2. Information for young jobseekers**

The number of young school leavers enrolling as jobseekers between June and the end of September 1982 was 99,678 (48,698 males and 50,980 females). This bore witness to the difficulties experienced by young people for entering the labour market and explains why the approaches made for them have become priority actions for the employment services.

SSE actions have focused mainly on disseminating information which is likely to facilitate the integration of young people into working life and is thus one of the aspects in the broader framework of open placement.

Actions are being undertaken at various levels:

- a. ONEm has been carrying through forward-looking actions for young people: information campaigns have been organised by each SSE within the schools in their area with the collaboration of the psycho-medical services, the local careers' guidance centres and other bodies such as the press, local radio and employers' and trade union organisations. The information deals with the current requirements of the labour market, possible forecasts as regards employment and the services which ONEm can provide for young people with a view to their occupational integration. The use of an audio-visual programme followed by a direct exchange of ideas with a competent officer has proved to be very effective.

The active role of the sub-regional employment committees needs to be stressed for promoting the actions of the placement services in their respective regions.

Information sessions have been organised not only on ONEm's initiative but also in response to invitations from those in charge of teaching or even sometimes parents', youth and local organisations.

- b. In order to gather a maximum amount of information on the young jobseeker, so as to provide him/her with personalised help needed for becoming integrated into the labour market, SSEs regularly call to their offices young people under 25 who are registered at ONEm. In the course of 1981, ONEm sent out some 170.000 such invitations, to which 150.000 young jobseekers responded.
- c. On the other hand, within its broader placement action, ONEm has helped in the dissemination of brochures concerning the employment problems faced by young people. These are published by ONEm under the auspices of the sub-regional employment committees, trade union bodies, professional groups and various study centres.
- d. Finally, if stress has been put on information facilitating access to the labour market, the social, economic and psychological "marginalisation" of some young jobseekers has led the placement services to collaborate with vocational guidance and initiation centres in the two communities. In 1982 nearly 13.000 young people were sent to these centres where, thanks to a proper framework, they could start to think more coherently about their possible future occupations.

### **3. The Job-Info Exchange**

The "jobs' market" was born of the idea that, in any market, supply and demand must always be matched in the end. This concept was formalised at the end of 1980 with the organisation of a Job-Info Exchange in Antwerp.

Because of its success, various SSEs have subsequently organised Job-Info exchanges with the collaboration of the advertising service of the central administration, sub-regional committees and commune administrations in Dendermonde, Bruges, Antwerp, Mons and Liege.

A Job-Info Exchange can be considered as a new form of placement which seeks to complement existing procedures. These initiatives seek, separately or together, to fulfil a dual role: they are, on the one hand, "employment exchanges" which should enable the public to collect a considerable amount of documentation as well as to foster and improve contacts between employers, jobseeker and ONEm.

By the speed with which they enable applicants to be dealt with, by the way in which they can reduce apprehensions by the jobseeker in his relationships with employers and ONEm and by doing away with prejudices and ensuring an improved understanding of the labour market, the organisation of the Job-Info Exchange offers a considerable number of advantages to jobseekers, employers and ONEm.

### **4. Matching job-offers through the media**

Satisfying job offers for which SSEs cannot provide follow-up implies dealing with the offer on the level of the whole region or the entire country: this is national matching.



Emphasis needs to be placed on the media (daily bulletins, radio, TV) which have been used for such approaches more intensively over the past years. Each day a national matching bulletin ("bulletin de compensation nationale") is sent to all the placement offices in the country. In addition to unsatisfied job offers - mentioned above - it contains notices of recruitment of officials of the state, the provinces, the communes and other public administrations as well as calls to applicants for jobs abroad stemming from private enterprises and official national and international bodies.

**5. T-Services of ONEm (see B-viii.1)**

The T-Service was created in 1978 as an additional ONEm service. Through it, ONEm can recruit and place temporary workers by substituting the employer-user relationship; thus ONEm pays remunerations and applies all the legal requirements for taxes, social affairs and administration.

Royal decrees of December 1981 fundamentally change this principle by conferring on ONEm the quality of legal employer of the temporary workers it takes on, who are then made available to users, being linked for this activity with an interim work enterprise. These new arrangements were brought in in 1982.

This activity can be seen to meet a real need for enterprises drawing on it to replace their permanent staff members who are temporarily absent or to face up to a momentary work peak, an exceptional order, etc.

As regards jobseekers some, essentially among the young people, sometimes choose temporary work as a means of joining the labour force. Others, hoping for permanent work, can get better guidelines for their future occupation through the experience acquired.



## **Chapter IV : MEASURES**

### **Overview**

#### **1. Overall measures**

- Modération salariale  
Moderating wage increases (B-i.1)
- Aménagement du temps de travail  
Re-arranging working time (B-i.2)
- Travail à temps partiel  
Part-time work (B-i.3)

#### **2. Employment maintenance measures**

- Mesures pour promouvoir la mobilité géographique  
Measures promoting geographical mobility (B-ii.1)
- Allègement des charges sociales en faveur des PME  
Easing social charges on smaller firms (B-ii.2)
- Primes de reclassement et de départ  
Job change and departure premiums (B-ii.3)

#### **3. Measures giving aid to the unemployed**

- Unemployment allowances
  - Allocation de chômage complet  
Complete unemployment allowance (B-iii.1)
  - Allocation d'attente  
Waiting allowance (B-iii.2)
  - Allocation de chômage partiel  
Short-time working (partial unemployment) benefit (B-iii.3)
  - Chômage partiel dû à une activité réduite acceptée pour échapper au chômage  
Partial unemployment due to reduced activities in order to avoid unemployment (B-iii.4)
  - Indemnité d'attente (charbon et acier)  
Waiting allowance - coal and steel (B-iii.5)
  - Prime de départ  
Premium for leaving coal-mining (B-iii.6)
  - Indemnité d'attente (autres secteurs)  
Waiting allowance - other sectors (B-iii.7)
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Dismissal advantages and allowances due by the employer (B-iii.9)

- Chômeurs difficiles à placer  
Difficult-to-place unemployed (B-iii.10)
- Non-market jobs for the unemployed
  - Chômeurs mis au travail par les pouvoirs publics  
Public authority jobs for the unemployed (B-iii.11)
  - "Cadre spécial temporaire" - CST  
C.S.T.: special temporary jobs (B-iii.12)
  - Travail autorisé des chômeurs  
Authorised work by the unemployed (B-iii.13)

#### **4. Measures aimed at training, retraining and occupational mobility**

- Aides de réadaptation  
Re-adaptation aids (B-iv.1)
- Formation professionnelle  
Vocational training (B-iv.2)
- Stages des jeunes  
Youth traineeship (B-iv.3)

#### **5. Job creation measures**

- Primes accordées en vue de stimuler la création d'emplois indépendants  
Premium for setting up as a self-employed (B-v.1) (Suspended)
- Primes accordées en vue de stimuler la création d'emplois salariés dans les PME  
Premiums to encourage job creation in smaller firms (B-v.2) (Suspended)
- Le troisième circuit du travail  
Third work circuit (B-v.3)
- Le Fonds Budgétaire Interdépartemental de Promotion d'Emploi  
Interdepartmental Budgetary Fund for Promoting Employment (B-v.4)
- Incitation à l'engagement d'un premier travailleur  
Incentive to hire a first worker (B-v.5)
- Recrutement de chômeurs par les petites et moyennes entreprises pour des projets d'expansion économique  
Recruitment of the unemployed by small and medium-sized enterprises for economic expansion programmes (B-v.6)

#### **6. Measures in favour of special categories of people**

##### **Young people**

- Encouragement des jeunes de devenir indépendant  
Encouragement of the young to set up on their own (B-vi.1)
- Réduction temporaire des cotisations patronales à la sécurité sociale en cas de recrutement de jeunes  
Temporary reduction of the employer's social security contribution on recruiting a young jobseeker (B-vi.2)

**The handicapped (B-vi.3)**

- Education et formation  
Education and training
- Emploi des handicapés  
Employment of the handicapped
- L'emploi protégé  
Sheltered jobs

**7. Measures dealing with working time**

- Aménagement du temps de travail  
Re-arranging working time (see B-i.2)
- Travail à temps partiel  
Part-time work (see B-i.3)
- Prépension légale (abrogé)  
Legal early retirement (B-vii.1) (Abrogated)
- Prépension de retraite  
Early retirement pension (B-vii.2)
- Prépension conventionnelle  
Early retirement by joint agreement (B-vii.3)
- Prépension spéciale pour travailleurs âgés (abrogé)  
Special early retirement for older workers (B-vii.4) (Abrogated)
- Lutte contre les heures supplémentaires injustifiées  
Unjustified overtime (B-vii.5)

**8. Placement measures**

- Travail temporaire  
"T-Service" Temporary work (B-viii.1)

### 1. Overall measures

The Belgian government has brought in a certain number of innovatory measures guided by a spirit of economic effectiveness and social justice. Within this context taking active measures to share the work available has been the focus of attention within the framework of the general effort to bear the weight of the crisis showing solidarity. **Three thrusts** have guided the action of the government in the fight for giving an income from work and a feeling of belongingness back to the greatest possible numbers.

- Moderating wage increases (B-i.1)
- Re-arranging working time (B-i.2)
- Part-time work (B-i.3)

## **MODERATION SALARIALE**

### **Moderating wage increases**

The Belgian workforce, which had already accepted wage and salary cuts in 1982 to improve the competitive position of enterprises, has been called on for further wage and salary moderation in 1983 and 1984. The purpose this time is for employment: sharing the available work must be accompanied by sharing incomes.

In fact, the benefit of the further moderation must be earmarked as a priority for job creation. Within this framework, the government has proposed and encouraged the reaching of sectorial and enterprise agreements which foresee the benefits of the wage and salary moderation being used to reduce the length of work by 5% to be linked with a compensatory hiring of 3%. In cases where this type of agreement could not be reached those deemed equivalent have sometimes been accepted. In cases of the break-down of negotiations, enterprises are required to pay the wage and salary moderation to an Employment Fund, the objective of which will be to contribute to financing job creation.

The first balance sheet which has been established gives the following results: numbers of agreements reached

- in the private sector:         $\pm$  75 sectorial agreements  
                                      $\pm$  800 enterprise agreements
- in the public sector: negotiations still under way
- Overall evaluation of these agreements: the last approximations indicate that between 26.000 and 40.000 jobs (new, but also previous jobs saved) have been created in the private sector, small and medium-sized enterprises and public sector combined.

## **AMENAGEMENT DU TEMPS DE TRAVAIL**

### **Re-arranging working time**

Complementing this "encouragement" for collective bargaining in the area of reducing the length of working time, the government has set up the legal framework for "experiments" in working time to be carried out within enterprises so as to redistribute the available work. Through this measure the government is encouraging substantial reductions in working time accompanied by the more intensive use of production facilities. Some enterprises should, for instance, increase the number of their shifts so as to meet a direct or potential demand which is rapidly rising. They face, however, serious obstacles concerning, on the one hand, the more intensive utilisation of current human resources bringing about too great further costs (eg. overtime) which would harm the competitive position of the enterprise and, on the other, the increase in human resources (hirings) should run parallel with major material investments, whose medium term possibilities for writing off in amortisation are difficult to estimate.

From now on, the government is allowing enterprises in such circumstances to reach a reversible agreement with the workers under the control and with the intervention of the public authorities. The owner and the workers of an enterprise can agree to a substantial reduction of the length of work accompanied by compensatory hirings.

The state would temporarily put into abeyance certain rigidities (regulations) linked with work organisation. This authorisation would, however, be temporary and reversible, being linked directly to the experiment. A contract setting out the financial arrangements (employer, worker and the state) would also have to be concluded. The intervention of the state would be limited to a maximum amount, declining over time. In any case, the experiments will have to be contractual and reversible and must be carried out under the scrutiny of a steering committee set up to avoid misunderstanding and excesses.



## TRAVAIL A TEMPS PARTIEL

### Part-time work

The third thrust of the Belgian government has been to encourage voluntary part-time work. To do this, certain social legislation (unemployment, pension, social security, ...) has been re-arranged to make the part-time worker a real worker in the full meaning who can freely re-arrange (sometimes temporarily) the use of his/her time without fearing for his/her security and future.

#### Part-time work in the private sector

Since May 1, 1982 the worker who, so as not to be unemployed, accepts a job at reduced working time can draw on unemployment allowances for the length of his work contract. When he loses this reduced time job he no longer has to prove his "eligibility", ie. to justify the number of working days required within a limited period of time.

On the other hand, since September 1, 1982 the worker who has voluntarily opted for reduced time working no longer sees his allowance done away with after 75 days if he can prove that he worked for 600 days during the three years preceding his reduced time working.

#### Part-time work in public administration

Leave for family and social reasons has been revised. It can now only be requested for personal or family difficulties. It is unpaid, but is assimilated into the period of service. Thus the officer fully keeps his/her rights to salary increases and his/her statutory seniority for evaluating promotion.

Leave for personal convenience has been brought in. This can be requested by the officer for any reason. It can only be granted for a half-time or, in certain cases, three-quarter-time job.

These two types of leave are only given if they are compatible with the proper functioning of the service. Absent officers are replaced by temporary officers.

#### Part-time work in Education

In this sector as well, an effort has been made by the government to fight unemployment by stimulating reduced time work. It can be briefly stated that, henceforth, reduced time working is possible at every level and for every job.

By splitting into two half-time jobs the function of school-teachers in infants and primary schools, reduced working time is being encouraged in teaching. This type of teaching is relatively well entrenched (10% of the persons employed).

x  
x x

Whereas some measures have been put into clear shape through the decrees falling within the special powers mentioned above, others are currently in the drafting stage. These include industrial apprenticeships, the reform of the "crédits d'heures" system whereby young people can have the training they want, as well as the limiting of overtime and improved monitoring of illicit work.

## **2. Employment maintenance measures**

- Measures promoting geographical mobility (B-ii.1)
- Easing social charges on smaller firms (B-ii.2)
- Job change and departure premiums (B-ii.3)

## MESURES POUR PROMOUVOIR LA MOBILITE GEOGRAPHIQUE

Measures promoting geographical mobility

### Aim

To help workers who are moving to take up a new job

### Legal basis

Royal decree of December 20, 1963  
March 26, 1965 (Art. 79-80)

### Contents

ONEm contributes to the expenses incurred by workers having to change residence in order to be, or to remain, available to an employer who is extending or converting an enterprise.

Aid for moving is generally provided to an unemployed person to get a job or undertake training.

When a worker is employed in a job paying lower wages than those he had previously and he is made redundant in this second job the basis for calculating the unemployment benefit is the previous wage.

### Financial resources

The financial intervention is paid by ONEm to the employee after submission of the supporting documents

### Institutional support

ONEm

### Duration

unlimited

### Effects

This measure has not so far had many results

## ALLEGEMENT DES CHARGES SOCIALES EN FAVEUR DES PME

Easing social charges on smaller firms

### Aim

To reduce labour costs of small and medium-sized firms to enable them to maintain employment

### Legal basis

Law of 30/iii/76 concerning economic recovery, the relevant royal decree (18/vi/76) modified by a further royal decree of December 24, 1980 (MB 31/xii/80)

### Contents

Employers are entitled to a partial reduction on their social security contributions: on July 1 each year employers are given, for each of the four quarters of the previous year, a reduction of 10% on the first payment of 180,000 BF of the quarterly contributions overall, ie. a maximum of 18,000 BF by quarter or 72,000 BF per annum. Employers who pay overall quarterly contributions of between 180,000 BF and 750,000 BF have the right, not to a reduction of 10%, but to a lump sum reduction of 13,000 BF per quarter or 52,000 BF per annum. Those whose overall quarterly contributions exceed 750,000 BF per quarter receive a lump sum reduction of 9,000 BF per quarter or 36,000 BF per annum, the maximum amount permitted under the first royal decree. All employers have to pay annually to the national social security office (O.N.S.S.) a compensatory contribution for each of the quarters of the past year; this equals 1.40% of the total amount of the quarterly contributions in excess of 750,000 BF.

### Financial resources

see above

### Institutional support

ONSS (the national social security office) makes the "credit-debit" calculations and pays the sums in question to the firms provided they amount to more than 1.500 BF

### Duration

Unlimited from January 1981

### Effects

Year	number	Total of the reports with debit or credit balance		Total of the reimbursed contributions (1)	Balance of the transactions concerning the redistribution (1)
		amount of the withdrawals (1)	amount of the compensating contributions (1)		
1978	15354	548,3	2.648,2	2.249,5	+ 398,7
1979	16051	573,2	2.788,8	2.335,8	+ 453,1
1980	16951	605,6	3.019,3	2.392,8	+ 626,5
1981	12979	497,7	2.872,3	3.429,9	- 537,6

(1) in million BF.

Source: Annual report of the O.N.S.S. 1978-1981

## PRIMES DE RECLASSEMENT ET DE DEPART

Job change and departure premiums

### Aim

To give financial support to those leaving coal-mines

### Legal basis

Royal decree of July 22, 1966 (M.B. 29/vii/66)

### Contents

Payment of a premium on taking up a new mining job ("job change") or of finally leaving the industry whether for other employment or to take a pension ("departure premium").

### Financial resources

The "job change" premium amounts to a maximum of 40,000 BF (paid in two instalments) and the "departure" premium ranges from 62,500 BF to 100,000 BF.

### Institutional support

ONEm

### Duration

Until the closure of the last Belgian mine

### Effects

#### 'Job change' premium

Year	Beneficiaries		Expenditure (in million BF)
	first instalment	second instalment	
1979	303	191	9,9
1980	237	201	8,8
1981	5	91	1,9
1982	-	2	0,4

#### Departure premium

Year	Beneficiaries	Expenditure (in million BF)
1979	555	46,0
1980	651	54,3
1981	349	31,6
1982	60	5,1

### 3. Measures giving aid to the unemployed

#### Unemployment allowances:

- Total unemployment benefit (B-iii.1)
- Waiting allowance (B-iii.2)
- Short-time working (partial unemployment) benefit (B-iii.3)
- Partial unemployment for reduced activity (B-iii.4)
- Waiting allowance (coal and steel) (B-iii.5)
- Premium for leaving coal-mining (B-iii.6)
- Waiting allowance (other sectors) (B-iii.7)
- Dismissal allowance (B-iii.8)
- Dismissal advantages and allowances due by the employer (B-iii.9)

#### Difficult-to-place unemployed (B-iii.10)

#### Non-market jobs for the unemployed:

- Public authority jobs (B-iii.11)
- CST: special temporary jobs (B-iii.12)

#### Authorised work by the unemployed (B-iii.13)

## **ALLOCATION DE CHOMAGE COMPLET**

Total unemployment benefit

**Recipients:** Workers having had a career

**Conditions:**

- a) to be involuntarily unemployed
- b) to be deprived of remuneration
- c) to be enrolled as a job-seeker
- d) to be fit for work
- e) to check in daily at the unemployment service of the local authority of the place of domiciliation
- f) to have worked, according to age, for 75 days during the last ten months or 600 days during the last 36 months
- g) to be under 65 years of age (men) and under 60 years of age (women)

**Amount:** (on the basis of a twenty-sixth of the wage lost, with a ceiling):

- i) heads of family: 60% (minimum 797 BF and maximum 958 BF on 1/02/1982)
- ii) single persons:
  - first year: 60%
  - second year: 40%
  - from the third year: 50% of the guaranteed minimum monthly wage.

Until 31/12/1983, the daily allowance of co-habitants is reduced by 6% if there is another earned income within the household.

**Duration:** Unlimited, except from the time when the authorities see that the unemployment is abnormally prolonged or renewed.

**Management:** ONEm

## **ALLOCATION D'ATTENTE**

Waiting allowance

**Recipients:** Young persons who have completed their studies but have not found employment.

### **Conditions:**

- a) - e): same as for B.-iii.1
- f) to have been enrolled as a jobseeker for 150 days (75 days for those under 18)
- g) at the end of this period:
  - to submit a request for compensation
  - not to have reached the age of 26 years

### **Remarks:**

From 1/04/1982 the right to unemployment benefits has been limited to the heads of households; the non-heads of households (single persons and co-habitants) receive waiting allowances.

### **Amount:** (on 1/12/1982)

- i) - Head of the family: 797 BF minimum
- ii) and iii) - for single persons and co-habitants the waiting allowances are
  - under 18: 217 BF
  - from 18 to 20: 349 BF
  - 21 and above: 456 BF

For co-habitants, the waiting allowances cannot exceed the unemployment benefits of young unemployed persons who have already worked.

**Duration:** see B.-iii.1.

**Management:** see B.-iii.1.



## **ALLOCATION DE CHOMAGE PARTIEL**

Short-time working (Partial unemployment) benefit

Persons protected: manual workers

Recipients: unemployed workers

### Conditions:

- a) reasons for unemployment: economic, technical <sup>1</sup> or bad weather
- b) making the persons unemployed must meet specific conditions foreseen by the regulation (length, rhythm of the breaks)
- c) the employer must warn the worker and the regional office of ONEm at least 7 days in advance of the start of partial unemployment (except in the case of bad weather)
- d) the employer must give the worker a certificate specifying the date of the days or half-days of short-time working.

Amount: 60% of the gross ceiling wage for all categories (see B-iii.1: i, ii, and iii).

Duration: Unlimited

Management: ONEm

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1. When unemployment is due to a technical incident suffered by the enterprise, unemployment is only compensated from the seventh day of inactivity; the first seven days of this period are paid by the employer at the normal wage (concept of "giving notice").

B-iii.4

**CHOMAGE PARTIEL DU A UNE ACTIVITE REDUITE ACCEPTEE POUR ECHAPPER  
AU CHOMAGE**

Partial unemployment due to reduced activity accepted in order to avoid unemployment

**Persons protected:** All wage-earners

**Recipients:** Compensated jobseekers who have accepted part-time employment

**Conditions:**

- a) to have been totally unemployed
- b) to stay registered as a jobseeker
- c) to be prepared to accept full-time work
- d) not to work more than 32 hours per week
- e) weekly earnings must be less than six times the daily reference wage.

**Amount:** Prorata temporis for half-days not worked (the rate of compensation is the same as for total unemployment).

**Duration:** Unlimited

**Management:** ONEm

**INDEMNITE D'ATTENTE (Charbon et Acier)**

Waiting allowance (coal and steel)

**Persons protected:** coal and steel workers

**Recipients:** Workers made totally unemployed following the cessation, reduction or modification of the activity of their enterprise

**Conditions:** (Convention of 23/12/1975 between Belgium and the EEC):

- a) to be bound to the enterprise by a contract of unlimited duration
- b) the contract must be broken at the latest four years after the date of closure
- c) to be domiciled in Belgium (except for frontier workers)
- d) to be enrolled in Belgium as a jobseeker

**Amount:**

- i. Compensated unemployed workers:  
Additional allowance to the unemployment benefit (total or partial compensation for the difference between the remuneration lost and the unemployment benefit)
- ii. Workers having found another employment:  
Allowance (compensation for the difference between the remuneration lost and the new remuneration)
- iii. Unemployed persons following vocational training or put to work by public authorities:  
The remuneration lost remains guaranteed
- iv. Beneficiaries from the coal industry:  
Flat rate allowance compensating for the lost coal allowance (paid in kind)

**Duration:** 14 months (with a six month extension for workers who are difficult to place)

**Management:** ONEm

**PRIME DE DEPART**

Premium for leaving (see also B-iv.2)

**Persons protected:** Workers in coal-mining

**Recipients:**

- i) Persons dismissed whose final cessation of work took place after 31/12/1974
- ii) Older workers (or those physically impaired)

**Conditions:**

- i) to hold a new job in another industry
- ii) to have taken up a retirement or invalid pension

**Amount**

- i) Less than 13 years of service: 62,500 BF (lump sum)
- ii) 13 years of service or more: 5,000 BF per year of seniority (maximum: 100,000 BF)

**Management:** ONEm

**INDEMNITE D'ATTENTE (autres secteurs)**

Waiting allowance (other sectors)

**Persons protected:** Workers from industries other than coal and steel

**Recipients:**<sup>1</sup> Workers dismissed following the closure of a firm employing more than 20 persons

**Conditions:**

- a) to be bound by a contract of unspecified duration or by an apprenticeship contract
- b) to have at least one year's seniority
- c) to be dismissed during a specific period
- d) to be domiciled in Belgium
- e) to be registered as a jobseeker (except for those who have found another job)

**Amount:**

- i) For the compensated unemployed: additional allowance<sup>2</sup>  
(= partial compensation for the difference between the lost remuneration and the unemployment benefit)
- ii) For workers having found another job or following a vocational training course: allowance equal to 50% of the difference between the remuneration lost with a ceiling and either the new remuneration or the unemployment benefit

**Duration:** 12 months<sup>3</sup>

**Management:** ONEm

- 
- 1. Closure: cessation of activities (of an enterprise or a division of an enterprise) bringing about the loss of 3/4 of the personnel.
  - 2. Ceiling: 14,000 BF.
  - 3. With an extension of six months for workers aged 50 or more, for salary-earners aged 40 or more; also applicable to workers dismissed by companies employing less than 20 persons.

B-iii.8

**INDEMNITE DE LICENCIEMENT**

Dismissal allowance

**Persons protected and recipients:** See B-iii.7

**Conditions:**

- a) and b): same as B-iii.7.
- c) insolvency of an employer, liquidator or trustee

**Amount:**

- a) 1,000 BF per year of service (maximum: 20,000 BF), indexed at 100 (1973)
- b) increased by 1,000 BF per year of age above 45 (second maximum of 20,000 BF)

**Management:** Fonds de Fermeture d'Entreprises (Fund for Corporate Closure)

B-iii.9

## **AVANTAGES ET INDEMNITES DE LICENCIEMENT DUS PAR L'EMPLOYEUR**

Dismissal advantages and allowances due by the employer

**Persons protected:** see B-iii.7 <sup>1</sup>

**Recipients:** see B-iii.7

**Conditions:** a), b) and c) of B-iii.7

**Amount:**

Sums due with a monthly ceiling of 40,000 BF. However, for determining the dismissal allowance of salary-earners, the Fund calculates according to age, years of service and remuneration. Maximum allowable: 650,000 BF per worker who is the victim of a closure.

**Management:** see B-iii.8

N.B.: Within most of the "commissions paritaires sectorielles" (labour-management commissions by industry) there is a security fund managed by the representatives of the workers and the employers of the industry in question. These funds are maintained through employer contributions which enable the workers of the industry to be given specific additional social advantages (among other things unemployment, early retirement and corporate closures).

There is in the construction industry, for instance, a "freeze allowance" equal to three quarters of the difference between the wage and the unemployment benefit.

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1. Closure: cessation of activities (of an enterprise or a division of an enterprise) bringing about the loss of 3/4 of the personnel.

## **CHOMEURS DIFFICILES A PLACER**

Difficult to place unemployed

### **Aim**

To encourage employers, through financial incentives, to hire and to re-integrate into the production process workers who have considerable difficulty in finding and keeping jobs because of their age or physical defects.

### **Legal basis**

Royal decree of December 20, 1963 (Art 53-58)

### **Contents**

ONEm pays an employer the minimum remuneration together with the employer's social security contributions for one year for hiring difficult-to-employ persons, these being defined as:

- those having received unemployment benefits for at least 12 of the past 18 months and, at the time of hiring, being aged at least 55 (for a worker) and 40 years (for an employee);
- those who have been receiving unemployment benefits for the 9 months previous to the hiring and whose ability to work is reduced either by 30% because of a decline of their physical ability or 20% because of mental diminution.

### **Financial resources**

At the end of each quarter ONEm pays the employer an employee's minimum wage together with the employer's social security contribution. The employer receives:

- a lump sum
- degressive over time
- linked to the consumer price index

### **Institutional support**

ONEm

### **Duration**

Unlimited

### **Effects**

This measure has not so far had many results



B-iii.11

## **CHOMEURS MIS AU TRAVAIL PAR LES POUVOIRS PUBLICS**

Public authority jobs for the unemployed

### **Aim**

To enable the unemployed to gain some work experience in the public sector or private sector of non-profit cultural, social and humanitarian bodies.

To recuperate some of the money devoted to unemployment benefits through performing tasks of collective interest.

### **Legal basis**

Law of May 17, 1933

Royal decree of December 20, 1963 and (M.B. 18.i.64)

Regional amendments

### **Contents**

The unemployed can only be put to work on works of public utility which cannot usually be performed by the personnel available to the administration or the establishment. The work has to be "suitable" for the unemployed person, who remains on the unemployment register.

### **Financial resources**

ONEm pays the unemployed person. The administrations and establishments reimburse ONEm per worker and per day the difference between the unemployment benefit and 600 BF to 700 BF according to the skill level of the unemployed plus a 12% fee on the allowance benefit without deduction of social security. In the private sector of non-profit cultural, social and humanitarian bodies, the employer himself pays the unemployed person and ONEm reimburses the amount of government intervention (see above). Solely for lump sums, the scheme cost ONEm BF 13.919,750,000 in 1981.

### **Institutional support**

ONEm

### **Duration**

1 year with possibility of prolongation

### **Effects**

This measure has impacted mainly on the unskilled unemployed and young unemployed. It has in fact mitigated the worst of the ill effects of unemployment on the unskilled. In the last 3 years it has provided on average employment for about 33.000 people.

## **"CADRE SPECIAL TEMPORAIRE" -CST-**

Special temporary jobs

### **Aim**

To enable the unemployed receiving full unemployment benefits to undertake work useful to the community which is not currently being performed.

### **Legal basis**

Law of December 22, 1977 concerning the 1977-78 budgetary proposals.

Royal decree concerning the application of section 3 of this law.

Royal decree of March 22, 1982 modifying that of August 12, 1981, being in application of the 1977 law.

### **Contents**

CST projects must have the following characteristics:

- be of collective interest and satisfy unmet needs
- be adapted to the characteristics of the unemployed in the sub-region in question
- create additional employment for at least 3 months while maintaining existing employment
- not be for profit
- fit in with the promoters' usual activities

These promoters must:

- already employ the requisite number of trainees
- respect and apply legislation relating to work
- provide the equipment needed
- provide a proper setting to the CST team

### **Financial resources**

The state covers 100% of the remuneration and social charges for one year and 75% for a second year.

### **Institutional support**

ONEm

### **Duration**

The measure has been extended to 31.12.1986

### **Effects**

- The measure has been effective in putting higher skilled unemployed back into employment.
- A number of new job facilities meeting some latent social needs have been created: in 1980: 26.000; 1981: 24.000; 1982: 19.000 (all averages)
- $\pm$  75% of C.S.T. job-holders are younger than 30 years
- $\pm$  60% of C.S.T. job-holders are women.

B-iii.13

## **TRAVAIL AUTORISE DES CHOMEURS**

Authorised work by the unemployed

### **Aim**

To enable the unemployed to undertake some work

### **Legal basis**

Article 126 of the A.R. concerning unemployment of 10.12.1963

### **Contents**

The unemployed worker can, with previous authorisation, work on his own account, for third parties and for the person he lives with, and under defined conditions. These are basically that the work is "minimal" and that remunerative transactions do not take place.

### **Financial resources**

None

### **Institutional support**

ONEm

### **Duration**

Unlimited

**4. Measures aimed at training, retraining and occupational mobility**

- Re-adaptation aids (B-iv.1)
- Vocational training (B-iv.2)
- Youth traineeships (B-iv.3)

## **AIDES DE READAPTATION**

### **Re-adaptation aids**

#### **Aim**

To compensate workers in coal-mining and iron and steel for job loss

#### **Legal basis**

Art. 56 of the Treaty of Rome and conventions between the Belgian government and the Commission of the European Communities. (M.B. 6/v/76)

#### **Contents**

There are four varieties of re-adaptation aids:

- "waiting allowances" to compensate for lost wages for a period of 14 to 20 months (declining amounts are paid to the unemployed)
- reimbursement of transport and moving expenses and a re-installation allowance
- contribution to vocational re-education costs
- (for miners) compensation for free coal

#### **Financial resources**

For 1981 the basis for calculating allowances was 37.200 BF for an unemployed person and 66.900 BF for replaced redundant workers or those following vocational education. Payments (in millions of BF) made in recent years have been:

Year	Coal-mining	Steel	Total
1979	31.6	190.5	222.1
1980	42.55	159.9	202.45
1981	21.75	93.94	115.69
1982	5.6	70.0	75.6

#### **Institutional support**

Ministry of Employment and Labour

#### **Duration Unlimited**

#### **Effects**

<u>Beneficiaries</u>	<u>Coal-mining</u>	<u>Steel</u>	<u>Total</u>
1979	4.872	26.962	31.834
1980	5.918	28.341	34.259
1981	3.155	19.384	22.539
1982	861	16.088	16.949

## **FORMATION PROFESSIONNELLE**

### **Vocational training**

#### **Aim**

To impart vocational skills so as to be able to carry out a paid job.

#### **Legal basis**

Royal decree of 20/xii/63 concerning employment and unemployment  
(M.B. 18/i/64)

#### **Contents**

"Vocational training" consists of:

- learning a trade or profession
- re-adapting within a trade or profession
- acquiring the necessary basic training for carrying out a vocational activity
- improving and enlarging vocational knowledge to enable adaptation to changes in the trade or profession
- observing the worker with the above purposes in mind in order to discern his/her physical and intellectual abilities and to ascertain the best vocational bent.

Vocational training programmes with these aims in different areas are provided for individuals (employed, self-employed and unemployed) within ONEm centres, within ONEm-recognised bodies and within enterprises. Different entry conditions pertain to persons of different ages, but work experience is required for all, except for registered unemployed.

Registered unemployed are required to follow any vocational training they are offered or else lose their allowances for between 4 and 26 weeks. A vocational training contract is signed between the individual and ONEm.

Special centres exist for young unemployed (14-30 years old) which older people also attend.

#### **Financial resources**

ONEm pays individuals participating in training (directly or, when applicable, to the enterprise):

- an allowance for loss of wages or the maintenance of the unemployment benefit
- an "encouragement premium" ranging (according to programme length) from 250 BF to 2,000 BF (for more than 1400 course hours)
- reimbursement of travel expenses according to specific conditions
- a "fidelity premium" of 500 BF after having stayed in the trade learned for 6 months following the course
- the benefit of the social security: illness, family allowances, annual vacation (2 days per month of training followed)

#### **Institutional support**

ONEm

#### **Duration**

Unlimited

#### **Effects**

see next page

### Comparative overview of training 1979-80-81

Nature of training	Completed		On-going
	In 1979	In 1980	In 1981
			31.12.81
vocational training carried out by ONEM			
Directly managed centres			
- basic training	7.438	7.550	8.503
- complementary training	1.649	1.959	5.897
- C.N.F.E.P. training	761	750	721
Centres created in collaboration with enterprises	1.051	888	1.559
Vocational training subsidised by ONEM			
Approved centres	1.362	1.375	1.686
Individual training			
- in enterprises	863	1.201	1.342
- in technical education establishments	329	504	299
Aid to the creation, extension or reconversion of enterprises	1.589	2.849	3.305
Special centres for youth			
- Observation and orientation	7.241	7.485	6.720
TOTAL	22.283	24.561	30.032
			13.344

## **STAGES DES JEUNES**

### **Youth traineeships**

#### **Aim**

The purpose of the system is to enhance and simplify the transition of young people from studies to professional work. The training period ("stage") proposed must correspond to the trainee's qualifications, education, and physical and intellectual capacities.

#### **Legal basis**

The law on economic recovery, March 30, 1976 (M.B. 10/iv/76)

The law of December 22, 1977 relating to the 1977-78 budgetary proposals (M.B. 24/xii/77)

Royal decree no. 26, March 24, 1982 (M.B. 26/iii/82)

#### **Contents**

Enterprises and administrations employing at least 50 people are required to hire young (under 30) unemployed persons as trainees in a proportion of 3% of their total manpower. The 2% is compulsorily full-time and 1% is optionally full or part-time. 16-18 year olds are given priority for the part-time posts, thereby enabling them to follow external training; these cover a one year period and can be extended for a similar period. Full-time trainees are employed for 6 months, with a possible prolongation for a similar period of time. Enterprises employing less than 50 people can employ one or more trainee(s) within limits laid down by the King. Trainees sign a contract with the enterprise. This can be broken by the trainee in 7 days if, for instance, he wants to take up a job offer. Remuneration is at least 90% of that of a worker doing the same type of job.

#### **Financial resources**

none

#### **Institutional support**

ONEm

#### **Duration**

31.12.1983

#### **Effects**

In 1981 the youth training system provided a monthly average of training for about 27.500 young people, and in 1982 for about 28.600. At the end of December  $\pm$  6.000 young people were employed in part-time training. Of the young people who have taken part in this system  $\pm$  45% found a lasting job in the private sector.



**5. Job creation measures**

- Premiums for setting up as a self-employed (B-v.1) (suspended)
- Premiums to encourage job creation in smaller firms (B-v.2) (suspended)
- Third work circuit (B-v.3)
- Inter-departmental Budgetary Fund for Promoting Employment (B-v.4)
- Incentives to hire a first worker (B-v.5)
- Recruitment of the unemployed by small and medium-sized enterprises for economic expansion programmes (B-v.6)

B-v.1

## **PRIMES ACCORDEES EN VUE DE STIMULER LA CREATION D'EMPLOIS INDEPENDANTS**

Premiums for setting up as a self-employed (suspended)

### **Aim**

To stimulate individuals establishing their own businesses.

N.B. Virtually the same measures apply to setting up agricultural, horticultural and breeding establishments.

### **Legal basis**

Economic re-orientation law of August 4, 1978

Royal decree of October 10, 1978

Royal decree of February 10, 1981

### **Contents**

Any under-35 year old, or over-35 who has been unemployed for 6 months, for the first time can, from January 1, 1981, obtain a premium to set up his own business

### **Financial resources**

The regional economic expansion administration pays a maximum of 50,000 BF for the person to set up the business

### **Institutional support**

### **Duration**

The scheme came into operation on 1/i/81. It was suspended at the national level on July 1, 1982 for budgetary reasons. It can be taken over by regional authorities, that of Brussels only applying it at present.

### **Effects**

1981:       - number of adjusted premiums: 899  
              - amount: 44.950.000 BF

## **PRIMES ACCORDEES EN VUE DE STIMULER LA CREATION D'EMPLOIS SALARIES DANS LES PME**

Premiums to encourage job creation in smaller firms (suspended)

### **Aim**

The purpose of the action is to increase employment in small manufacturing firms employing less than 14 persons.

### **Legal basis**

Law of August 4, 1978 on economic reorientation

Royal decree of October 10, 1978

Law of February 10, 1981 (recovery of the "middle classes") M.B. 14/ii/81

### **Contents**

A premium can be paid ex post for a period not exceeding 3 (or 5) years to any of the following types of enterprises which have increased, over the previous four quarters, the number of employees up to a total payroll of 15:

- commercial enterprises
- handicraft, tourist, service and industrial enterprises
- liberal professions directly concerned with the economic activities of smaller enterprises
- agricultural and horticultural enterprises
- establishments helping smaller enterprises

N.B. banks, financial institutions, insurances, real estate agencies, utilities, liberal professions and notaries are explicitly excluded.

### **Financial resources**

The law of February 10, 1981 has increased the amount of the premiums. The overall amount of the premium which is granted for hiring workers as of January 1, 1981 cannot exceed BF 100.000 for each worker, to be paid over a three year period. If the person hired is the first worker, a premium of BF 120.000 will be granted, to be paid over a three year period.

### **Institutional support**

The Administration of Economic Expansion of the regional ministry of the "middle classes" vets applications, which must arrive not later than 12 months after the person has been hired. It also makes the payments.

### **Duration**

This system was suspended at the national level on July 1, 1982 for budgetary reasons. It can be taken over by regional authorities, where it is currently only applied in Brussels.

### **Effects**

	1978	1979	1980	1981
1. Number of demands submitted	269	9,948	7,459	5,871
2. Number of adjusted premiums	-	2,352	4,899	6,954
3. Amount:				
a) law of August 4, 1978	-	114 525,000	271 350,000	383 235,000
b) law of February 10, 1981	-	-	-	25 425,000

## **LE TROISIEME CIRCUIT DU TRAVAIL - T.C.T.**

Third work circuit

### **Aim**

To meet the problems of the structurally unemployed through the creation of jobs by the public or private sector seeking to respond to collective (non-market) needs

### **Legal basis**

Royal decree of December 20, 1963

Royal decree no. 15 of March 24, 1982

### **Contents**

The measure was inspired by the CST (cf B-iii.12). It seeks to provide the typical long-term unemployed (2 or more years during the last 4 years) of a sub-region with an unlimited work contract (which can be split into part-time employment) for work aimed at meeting "lasting collective needs which cannot be covered by businesses or the public sector". It is also intended to enable the persons concerned to acquire training and professional qualifications to facilitate their subsequent access to other work circuits. Jobs created must not suppress those existing elsewhere by the same employer or public authority. Sub-regional employment committees should play an active role in stimulating or even putting forward requests.

### **Financial resources**

The state covers directly all remuneration.

### **Institutional support**

ONEm through its sub-regional employment committees, and the Ministry of Employment and Labour.

### **Duration**

Unlimited

### **Effects**

The T.C.T. offers the possibility of an unlimited work contract for those categories of unemployed whose opportunities for getting a normal job are very low. The goal for 1983 is to provide 15.000 permanent jobs through this system.

**LE FONDS BUDGETAIRE INTERDEPARTEMENTAL DE PROMOTION DE L'EMPLOI**  
Inter-departmental Budgetary Fund for Promoting Employment

**Aim**

To create 2,500 to 3,000 new jobs to meet collective needs. It is intended for those who have been unemployed for at least two years or for two of the last four years.

**Legal basis**

Royal decree no. 15 of March 24, 1982.

**Contents**

The fund provides subsidies to the State, the Regions, the Communities and the related dependent bodies of public interest (except teaching establishments) to meet collective needs which are already but insufficiently subsidised.

**Financial resources**

The budget of the Ministry of Employment and Labour.

**Institutional support**

The Ministry of Employment and Labour.

**Duration**

Provisional three years, until March 24, 1985.

**Effects**

As for the Third Work Circuit, the accent is placed on the structurally unemployed, for whom government will provide 3.000 jobs in 1983 by means of this system.

## **INCITATION A L'ENGAGEMENT D'UN PREMIER TRAVAILLEUR**

Incentives to hire a first worker

### **Aim**

To reduce the apprehension of possible employers to recruit a first worker, caused by the burdens of the wages and the necessary administrative formalities.

### **Legal basis**

Royal decree no. 111 of December 15, 1982. (M.B. of December 12, 1982)

### **Contents**

Natural persons and corporate bodies in the private sector, who have never (or not in the 12 months prior to the recruitment) been liable to social security contribution through employing a worker (who was not a servant or a pupil), benefit from a reduction of the employer's charge for social security when they recruit a first worker after December 31, 1982. This temporary reduction lasts for eight quarters after the recruitment.

If the employer so desires, the administrative formalities will be handled by a social secretariat. The costs of this procedure will also be borne by the O.N.S.S.

- the social security office.

The first worker has to be:

- fully unemployed receiving unemployment benefits; or
- fully unemployed registered at O.N.E.m. for at least one year but not receiving unemployment benefits; or
- fully unemployed registered at O.N.E.m. and having been self-employed for at least one year in the two years before his recruitment in this system; or
- a former apprentice, younger than 26 years of age and having terminated his apprenticeship in the year before his recruitment.

### **Financial resources**

The O.N.S.S. bears the social charges and the administrative costs.

### **Institutional support**

The Ministry of Social Affairs

### **Duration**

Unlimited

### **Effects**

Too early to evaluate

B-v.6

## **RECRUTEMENT DE CHOMEURS PAR LES PETITES ET MOYENNES ENTREPRISES POUR DES PROJETS D'EXPANSION ECONOMIQUE**

Recruitment of the unemployed by small and medium-sized enterprises (SMEs) for economic expansion programmes

### **Aim**

- To reduce the unemployment of persons with special abilities.
- To stimulate the SMEs' personnel capacity for development activities.

### **Legal basis**

- Royal decree no. 123 of December 30, 1982 (M.B. January 18, 1983).
- Another royal decree is in preparation (May 1983).

### **Contents**

A government financial intervention will be given to certain SMEs to carry out economic expansion projects.

Criteria for being considered are :

- enterprises employing between 3 and 100 worker;
- enterprises must demonstrate their ability to bring such a project to a favourable conclusion and prove they need a government intervention so to do;
- ability to carry out the project themselves;
- or have an agreement with an institution (of public utility or otherwise) that is able to carry out the project.

The jobs created through this project may only be filled by fully unemployed persons receiving unemployment benefits (including those unemployed in public authority jobs, in the Third Work Circuit or in the 'Cadre Spécial Temporaire'). During the time they hold their jobs, they receive the same salaries as those engaged in the Third Work Circuit or in the 'Cadre Spécial Temporaire'.

The following programmes can be considered:

- the study or inquiry to develop new products or procedures
- export promotion
- energy and raw materials savings

Government intervention lasts a maximum of two years and amounts to 50% of the wages and social charges if the SME carries out the project, and 100% the first year (and 75% the second year) if another institution carries out the project for the SME.

### **Financial resources**

ONEm, which pays the wages and social charges.

### **Institutional support**

The ministries of labour and of the middle classes.

### **Duration**

The first projects will probably start in the autumn, 1983

## **6. Measures in favour of special categories of people**

Young people:

- encouragement of the young to set up on their own (B-vi.1)
- temporary reduction of the employer's social security contribution on recruiting a young jobseeker (B-vi.2)

The handicapped: (B-vi.3)

- education and training
- employment of the handicapped
- sheltered jobs



B-vi.1

**ENCOURAGEMENT DES JEUNES DE DEVENIR INDEPENDANT**

Encouragement of the young to set up on their own

**Aim**

To encourage young people to become self-employed

**Legal basis**

Royal decree no. 6 February 15, 1982 (M.B. February 20, 1982)

**Contents**

This decree concerns persons younger than 35 years of age, who desire to become self-employed. If they do so, for the first time, after January 1, 1982, they benefit from a reduction of income taxes over three years.

**Financial resources**

Ministry of Finance

**Institutional support**

Ministry of Finance

**Duration**

Unlimited

B-vi.2

**REDUCTION TEMPORAIRE DES COTISATIONS PATRONALES A LA SECURITE SOCIALE EN CAS DE RECRUTEMENT DE JEUNES**

Temporary reduction of the employer's social security contribution on recruiting a young jobseeker

**Aim**

To encourage employers to recruit young jobseekers and thereby to stimulate employment

**Legal basis**

Royal decree no. 17 of March 9, 1982 (M.B. March 12, 1982)

**Contents**

Employers who recruit a jobseeker, younger than 25 years of age, who is enrolled at ONEm, with an unlimited work contract benefit from exemption from the employer's contribution for social security.

The recruitment has to constitute a net increase in the number of workers employed over the second quarter of 1981. Persons who became employers after June 30, 1981 can also benefit from this measure for the first two workers they recruit.

The reduction is granted for two quarters and includes the contributions for pension, illness insurance, unemployment and family allowances.

The advantages given in this decree are not applicable to the recruitment of youth trainees (see B-iv.4).

**Financial resources**

The Ministry of Social Affairs

**Institutional support**

The Ministry of Social Affairs and the Ministry of Employment

**Duration**

Until March 31, 1983

## Measures for the handicapped

### 1. Education and training

#### School education and vocational training

On completion of guidance (basic education or training, readaptation and recurrent training) the handicapped person needs to have access to the necessary training resources. They consist, as the case may be, of teaching or vocational training.

#### General and technical education

Many of the handicapped, provided there are suitably adapted measures, are capable of continuing their studies in ordinary teaching establishments.

The national Fund for Social Rehabilitation of the Handicapped ("the Fund") encourages this type of training by contributing to the costs of purchasing special teaching material or special technical tools which might conceivably be necessary, as well as to the additional travel or lodging costs incurred by the handicapped person in following the course, because of his handicap.

A certain number of the handicapped have to make use of special teaching methods: this is the special education network organised by the Minister of National Education and Culture. It provides for the teaching and education of the handicapped and ensures the development of their physical and intellectual skills, their social adjustment and prepares them for family life, and for carrying out a profession compatible with their handicap either in normal conditions or in a sheltered workshop.

#### Practical vocational training

Educational establishments cannot enable the handicapped to enter all the 2,000 odd vocations existing within industrialised countries and must hence limit teaching to certain trades.

Practical vocational training is hence indispensable for learning a good number of trades.

In the field of vocational training as such, a certain number of handicapped persons can make use of traditional vocational training tools such as apprenticeships within small and medium sized enterprises, and accelerated vocational training within the ONEm centres.

But for many handicapped persons it is necessary to have recourse to training instruments which have been especially adapted. There are three approaches:

1. The **training contract** within the vocational training centres for the handicapped approved by the Fund which provides them with various grants and contributes to the average individual cost of the training covered by the centre. There are 9 such centres which provide on average training for 360 handicapped persons per annum.
2. The **special apprenticeship contract** is the approach most used as regards numbers. The contract is signed between the employer and the handicapped person. It must be validated by the Fund which then fixes the length of the contract, the fields in which the handicapped person is to be trained and the qualification which he can reach given his handicap and the results of his estimate of vocational guidance.

### **3. Assimilating school education or teaching with vocational training**

This approach is used for a handicapped person having the requisite intelligence to enable him to carry out higher level studies but whose financial resources do not allow him so to do or when the studies have been interrupted for more than two years.

The Fund covers the costs of the studies, travelling expenses and the payment of an allowance taking the place of wages for the length of the studies.

x  
x    x

Handicapped persons undergoing vocational training draw benefits and supplementary income aimed at providing them with basic remuneration from 18 years of age onwards.

Furthermore, the Fund gives grants to cover training costs, travelling and board and lodging, expenses for the purchase of teaching aids and employer contributions for social security where this has to be paid.

## **2. Employment of the handicapped**

The end purpose of rehabilitation, its crowning achievement, is the integration of the handicapped into economic life (private or public).

### **1. Employment in enterprises**

The law sets out the principle that private enterprise and public administration as well as public interest bodies are required to employ the handicapped. However, with the exception of public administration, these measures have not yet been made applicable since some people consider that it is preferable to work more by persuasion than constraint and coercion.

Some **incentives to placing the handicapped** should, however, be pointed out:

- within the framework of the economic expansion law, when the state provides aids for creating or expanding an enterprise, the decision is sometimes paired with the requirement for the enterprise to take on a certain number of handicapped persons among its new workers.
- collective agreement no. 26 of October 1975 concluded within the National Council of Labour on October 15 1975 authorises the employer to pay the handicapped person a wage proportional to his performance. The difference between the "real wage" and the usual wage is covered by a grant from the Fund or ONEm, if the placement has been made through its services;
- covering a part of the wages and the social charges over a maximum of one year for a handicapped person who has been found work or who works at a job which has been created. This is a lump sum grant aimed at covering the employer's loss of income caused by the handicapped person's adaptation to his work station;
- coverage by the Fund of the cost of equipping the work station or access to it;
- contribution by the Fund to the costs of working clothing or instruments when the cost is not covered by the enterprise;
- contribution to the additional cost caused by the handicap in the transportation costs of the handicapped person to his place of work.

The results obtained at the end of the individual programme of rehabilitation which the handicapped person undergoes and the whole set of personal elements taken into consideration such as the family and social situation of the person concerned and his vocational choice, all enable the most appropriate placement possibility to be made for him/her.

ONEm is entitled to face this problem of the handicapped. To this effect the Fund provides the specialised placement officers of the regional offices of ONEm with the requisite data for carrying out placements.

## **2. Public administration and public interest bodies**

A royal decree of 1/12/64 sets out special rules concerning the admission of the handicapped to jobs called "public". These arrangements replace the rigid rules of aptitudes required of candidates for these jobs by more individualised examination criteria dealing with the real possibilities for the person concerned to carry out the function which is being competed for. Another measure has been taken with the aim of stimulating the employment of the handicapped within the civil service. This is the royal decree of 11/8/72 (subsequently modified) which sets aside 1200 jobs for the handicapped registered at the Fund within the civil service and 90 handicapped in semi-state establishments.

## **3. Crafts and independent professions**

Having the handicapped working in crafts or in an independent profession is also fostered by an executive royal decree which stipulates that the Fund is entrusted with providing or guaranteeing loans, with or without interest, in money or in kind.

## **4. Sheltered workshops**

The legislator has also provided in this respect for the placement in sheltered workshops of persons whose handicap is such, in nature or severity, that he/she cannot, for the time being or permanently, work under normal working conditions.

### **3. Sheltered jobs**

Sheltered workshops have been created for persons whose handicap is such that they are unable, either temporarily or permanently, to carry out a vocational activity under normal working conditions.

These workshops are organised in such a way as to take account of the working possibilities of each of the handicapped persons working there, in particular by a special division of the job of each one and by appropriate adaptation of the speed of work.

Sheltered work aims at two fundamental objectives:

- to provide every handicapped person with the opportunity of useful and remunerated work; and
- to enable every handicapped person to develop his/her vocational talents with the ultimate goal of becoming re-integrated into normal working life.

The number of handicapped workers has grown steadily from 172 in 1958 to 14.100 at the end of 1982 despite the economic recession.

## **7. Measures dealing with working time**

- Re-arranging working time (see B-i.2)
- Part-time work (see B-i.3)
- Legal early retirement (B-vii.1) (abrogated)
- Early retirement pension (B-vii.2)
- Early retirement by joint agreement (B-vii.3)
- Special early retirement for older workers (B-vii.4) (abrogated)
- Unjustified overtime (B-vii.5)

## **PREPENSION LEGALE**

Legal early retirement (abrogated)

### **Aim**

- To enable workers who so desire to leave their job before the legal retirement age by providing them with decent financial conditions and
- To enforce the replacement of an early retiree by an unemployed worker of less than 30 years of age.

### **Legal basis**

Legal early retirement was first introduced for wage-earners in the private sector by the law of March 30, 1976 (M.B. 1/iv/76) called "loi de redressement économique". The system was subsequently set out in the law of December 22, 1977 concerning budgetary proposals for 1977-78 (M.B. 26/xii/77) and by the Royal decrees of December 7, 1978 (M.B. 23/xii/78) and August 22, 1979 (M.B. 31/viii/79). It was extended to public service contractual and temporary workers by the A.R. of December 7, 1978 (M.B. 23/xii/78).

### **Contents**

The scheme covers all persons linked by a work contract to a private employer for an unlimited time period, but excludes those "definitively appointed" in public services and domestic workers. Special conditions pertain to sailors and "shoregangers". Workers must be at least 60 years of age (men) or 55 (women) and it is they who must make the request to the employer. Early retirees retain the status of "unemployed" but cannot become employed again and are not required to be monitored by the unemployment office.

The amount of the pre-pension (which is paid by ONEm until normal retirement age) consists of two parts:

- the first is equal to the unemployment benefit which the worker would have had had he been made redundant (= 60% of the gross salary lost with a ceiling of 38,350 BF, linked to the cost of living index).
- the second is equal to half the difference between the average net monthly reference remuneration, with a ceiling of 61,000 BF per month (index linked) as at 1/ii/81, and unemployment benefit.

Replacement must take place before expiration of the notice to leave by the person requesting early retirement to the employer.

### **Financial resources**

The amount of the early retirement is taken care of by ONEm until the normal retirement age.

To some extent, the first part of the costs of the scheme ("allocations de chômage") are covered by reductions in the amounts paid to the unemployed, who now have jobs. The second part, the "complément", indicates the minimum cost of the measure:

	Allocation de chômage	Complément
1976	267.910.749	53.818.431
1977	2.600.398.037	569.327.580
1978	4.741.075.347	1.085.685.819
1979	6.278.530.688	1.488.467.833
1980	8.176.210.132	1.918.197.500
1981	10.160.750.000	2.350.931.000

**Institutional support**

The measure is administered by ONEm.

**Duration**

It is a temporary measure which came into force on 11/iv/76 and remained in force until December 31, 1982.

**Effects**

At the end of December, 1982, some 45.000 persons had used this scheme of legal early retirement. Between October 1976 and December 1982, 51.136 unemployed people under 30 years of age were put to work by the replacement of the early retirers.



## **PREPENSION DE RETRAITE**

### **Early retirement pension**

#### **Aim**

To "free jobs" by enabling workers who so desire to leave their job before the legal retirement age by providing them with a normal pension and requiring their replacement by an unemployed worker.

#### **Legal basis**

Royal decree no. 98 of September 28, 1982 (M.B. September 28, 1982). Royal decree of October 14, 1982 (M.B. October 16, 1982).

#### **Contents**

Male workers, wage- and salary-earners, employed in the private sector have the right to demand an early retirement pension. They must be at least 60 years of age and make a request to their local municipality (as for a normal pension). The amount of the pension is calculated on the usual basis and is not reduced because it is taken early. The years of inactivity between the early retirement and the normal pension age (65) will be calculated on a fictive base equal to the earnings the person had the year before the date of his early retirement pension. An essential point of this regulation is that employers are systematically required to replace the early retired person by jobseekers. This replacement must take place between the first day of the three months before and the first day of the month after the worker receives his early retirement pension. The duration of the labour contract of the substitute must amount to at least one year.

#### **Financial resources**

The state covers the amounts of the early retirement-pensions until the month after the person reaches the age of 65 years.

#### **Institutional support**

This measure is carried out by ONEm.

#### **Duration**

Until January 1, 1983 with possibility of prolongation of the system by law.

## **PREPENSION CONVENTIONNELLE**

Early retirement by joint agreement

### **Aim**

To face up to situations of under-employment with a view notably to promote the maintenance of employment or the hiring of "less aged" workers.

### **Legal basis**

The system was installed by Collective Working Agreement no. 17, December 1974 of the Conseil National du Travail which was made compulsory by the Royal decree of January 10, 1975 (M.B. 31/i/75). It came into operation on January 1, 1975.

### **Contents**

Under certain conditions and until the normal retirement age, an allowance complementary to the unemployment benefit is paid to redundant older workers. Enabling older workers to draw an early retirement pension is a complete or partial substitute to the redundancy or non-recruitment of young people who would have drawn their unemployment benefit at the same time; for their period of notice is much shorter as would also have been the length of their registration preceding the benefit of unemployment allowances.

The convention concerns all employers and employees with work contracts of unlimited duration. To receive the early retirement pension, a person has:

- to be more than 60 years of age but not to have reached retirement age
- to be made fully redundant for economic or rationalisation reasons
- to fulfil the conditions needed to draw unemployment benefit
- not to justify other allowances resulting from redundancy.

The person remains on the unemployment register, but he does not have to sign on each week, and cannot be employed. From the time of redundancy until normal retirement age the person can receive:

- an unemployment benefit equal to 60% of the gross wage with an index-linked ceiling of 38,350 BF as at 1/ii/81
- an index-linked complementary allowance equal to half of the difference between the net reference remuneration (with an index-linked ceiling of 63,450 BF as at 1/ii/82) and the unemployment benefit. This sum is the personal charge of the last employer unless a Royal decree has required other arrangements, such as the existence of security funds.

### **Financial resources**

The unemployment benefits made within this convention have so far been :

1977:	2.931.862.823 BF
1978:	4.878.681.504 BF
1979:	6.621.085.935 BF
1980:	8.453.161.789 BF
1981:	11.206.550.000 BF

The complementary allowance does not normally come from the state except in cases of bankruptcy. Within this scheme the Fund for Corporate Close-down (Fonds de Fermeture d'entreprises) has made the following payments:

1976:	1.740.646 BF
1977:	10.588.726 BF
1978:	14.300.057 BF

1979: 15.989.089 BF  
1980: 16.860.907 BF  
1981: 39.885.072 BF

The cost for the state can hence be considered to be zero.

**Institutional support**

The measure is administered by ONEm.

**Duration**

Unlimited

**Effects**

1981: 46.346  
1982: 60.366

## **PREPENSION SPECIALE POUR TRAVAILLEURS AGES**

Special early retirement for older workers (abrogated)

### **Aim**

To relieve hardship in the case of virtually unemployable older workers.

### **Legal basis**

Law of December 22, 1977; Royal decree of December 27, 1977 (M.B. 31/xii/77); Royal decree of 24/xii/80 (M.B. 31/xii/80)

### **Contents**

The scheme enables older persons who have been unemployed for at least a year with neither an existing early retirement pension nor the status of an "improved unemployed" ('chômeur amélioré') to request early retirement. Until the usual age of retirement, they are guaranteed an income equal to what they would have received had they continued to receive the unemployment benefit increased by an index-linked annual sum of 12,000 BF. The scheme is also subject to a special fiscal allowance.

### **Financial resources**

Provided by ONEm and ONPTS

### **Institutional support**

ONEm

### **Duration**

This is a temporary measure which came into force on 31/12/77 and remained in force until 31/3/82.

## **LUTTE CONTRE LES HEURES SUPPLEMENTAIRES INJUSTIFIEES**

### **Unjustified overtime**

#### **Aim**

To fight against unjustified overtime in order to spread available work. A secondary aim is to inform authorities about manpower gaps.

#### **Legal basis**

Law of March 16, 1971 relating to work in the construction sector (M.B. 30/3/71)

Collective Agreement on work, no. 29 concluded within the Conseil national du Travail (National Labour Council) on November 29, 1976 concerning overtime, rendered compulsory by the A.R. of January 6, 1977 (M.B. 8/3/77)

#### **Contents**

Overtime is defined as work whose duration exceeds the normal length of work as specified by the 1971 Law. The duration of work is defined as the time during which the worker is available to the employer. Normally, this time cannot exceed 8 hours/day or 40 hours/week.

Overtime is, in principle, banned and any employer allowing it is subject to legal sanctions. Derogations are, however, allowed:

- for reasons of "force majeure"
- where the material will rapidly deteriorate if not worked on at once
- where there are extraordinary circumstances within a sector and within a firm

#### **Financial resources**

Not applicable

#### **Institutional support**

ONEm directors, and the social inspection of the Ministry of Labour and Employment.

#### **Duration**

Unlimited

**8. Placement measures**

- "T-service" travail temporaire  
Temporary work service B-viii.1

## **"T-SERVICE" TRAVAIL TEMPORAIRE**

Temporary work service

### **Aim**

To facilitate the matching of supply and demand for temporary work by providing management with a guarantee of the quality of the temporary workers it requires.

### **Legal basis**

ONEm initiative. Royal decree of October 23, 1978 (M.B. 11/xi/78) and ministerial decree of March 8, 1979 (M.B.22/iii/79)

### **Contents**

Four "T-services" have been established in the largest towns of Belgium. They have cut out all red tape to enable management to get hold very rapidly of the temporary workers it needs. On the supply side, all jobseekers are welcomed whether or not they are registered as unemployed or enrolled at other temporary work agencies. A qualified staff selects candidates to give employers a guarantee of the professional skills of the workers.

### **Financial resources**

ONEm adds 1% to the total amount of the expenses incurred to the bill sent to the users.

### **Institutional support**

ONEm

### **Duration**

Unlimited

### **Effects**

Number of hours paid by the agencies of T-services in 1981:

<u>white collars</u>	<u>blue-collars</u>	<u>Total</u>
493.616	956.314	1.449.930





## Chapter V: INFORMATION AND RESEARCH

Both the Ministry of Employment and ONEm continuously collect and analyse information available on the subject of the labour market for the whole of the country as well as for various regions and specific professions and jobs. A considerable amount of this information is published periodically, but data which are not published are available to anyone carrying out research on the problems of work.

Although ONEm has a considerable amount of information on manpower demand available, it is not complete since only employers with 20 employees or more are required to notify it of all job vacancies of more than three days and in any case all vacancies which have been advertised.

ONEm has developed a computerised labour market information system indicating by region and trade the available manpower, as well as unsatisfied offers. ONEm knows well trends in the needs of the economy, and seeks to disseminate this information, particularly to young people. For this task the subregional offices have specialised placement officers. Particular emphasis is placed on career guidance at the start of working life.

Among the standard careers' information activities of ONEm are:

- open door sessions
- films on different jobs
- vocational documentation
- publications and reports on the unemployment market
- information to its own information officers in the form of vocational monographs
- information brochures for young people

ONEm has some contacts with CRIEP, the research and information centre on studies and jobs established by the Ministry of National Education.

APPENDIX I

**Appendix to Chapter II**

**I.3 Wage Protection Law (Law of April 12, 1965, M.B. April 30, 1965)**

The goal of this law is to ensure that the employee obtains his wage so that he can look after his family. Therefore, this law defines:

- how and when the wage has to be paid
- which part of the wage does not have to be given to the employee, for instance for fiscal reasons.

The 'Conseil National du Travail' (C.N.T.) also defines a minimum wage for all employees.

**MISEP — Mutual Information System on Employment Policies**  
**BELGIUM — Basic Information Report**

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