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KEY POLICIES TO PROMOTE LONGER WORKING LIVES IN BELGIUM¹

(Situation 2007 to mid-2017)

Belgium has much to do to increase the employment rate for older workers. According to the Late Career Scoreboard (Table 1 at the end of this report), it is well below the EU average. In 2016, the employment rate for workers aged 55-64 was only 45.4% against an EU average of 55.3%. More specifically, as synthesised in Table 2, Belgium could take steps to facilitate phased retirement, reward longer careers, introduce specific provisions for arduous work, take a more balanced approach to employment protection by age, review the use of seniority wages and ensure that each region develops effective employment assistance for older jobseekers. That said, Belgium has already taken decisive steps to set up mechanisms for recognising and validating skills and balancing professional and family responsibilities. The challenge is to implement without delay the Flexible and Workable Work Act in order to boost high-quality jobs for all workers, including those reaching the end of their career.

1. Rewarding work and later retirement

1.1. Enhancing incentives to continue working at an older age

Introduction

The pension system is based on three pillars. Only the first pillar, the pay-as-you-go public statutory pension scheme, is mandatory for all workers; it is based on a 45-year career. The other two pillars are voluntary and consist of occupational supplementary or non-statutory funded pensions (group insurance) and individual retirement savings.

Raising the statutory age of retirement

The statutory retirement age for women was gradually raised between 1997 and 2008 from 60 to 65, the statutory retirement age for men. Under a law passed in July 2015, this will rise to 66 in 2025 and 67 in 2030. There is a plan to link the retirement age to life expectancy.

Until 2012, anticipated retirement was possible at 60 after a 35-year career. The minimum age will gradually rise to 63 between 2013 and 2019, conditional on a 42-year career. After 2024, the statutory anticipated retirement age will be raised in conjunction with the statutory retirement age.

With the exception of seafarers, miners and civil aviation cabin crew, there are no lower career or age conditions for pension eligibility in the pension system for salaried workers. These specific arrangements will be gradually wound down over a very long transition period: for example, those who started work as cabin crew on or after 1 January 2012 will receive the same pension as an ordinary worker.

1. This note has been produced by the Ageing and Employment Policy Team

In contrast, there are various public-sector pension schemes with different rules for pension eligibility. The lowest age conditions are for teachers, police officers, members of the armed forces and railway workers. The Pension Reform Commission 2020-2040² recommends drawing up a comprehensive inventory of existing pension eligibility rules in the different public-service sectors and to introduce a specific form of consultation with trade unions and representatives of public-sector employers, at the various levels of power, in order to reform them. Recent reforms have already harmonised these conditions to some extent, in particular by aligning the conditions for anticipated retirement with those in the private sectors (63 years of age and a 42-year career) and the gradual stripping out of years of study in the calculation of seniority for early retirement, with the possibility of ‘buying back’ those years for a lump-sum (aligned with the arrangements for the private sector).

Facilitating phased retirement

There is no phased retirement option in Belgium. The Pension Reform Commission 2020-2040 report defined the conditions for offering phased retirement in May 2015. It favours a flexible system which gives individuals a certain degree of choice over their late career and incorporates aspects of social trends, such as life expectancy and technological change in different occupations. Phased retirement also allows for the gradual transmission of experience. However, the Commission attached a number of reservations. First, this choice, available *a priori* to those workers who can afford it, must be corrected socially by planned compensation for arduous work. Second, for administrative reasons the Commission advises against introducing provisions for phased retirement into the current pension regulations. That is because the logical outcome of introducing phased retirement would be the replacement of certain existing schemes such as the time credit (Section 3.3) or unemployment with company supplement (Section 1.3), which would take the discussion into sensitive areas that are mostly the preserve of the social partners. The Commission considers that tinkering around the edges is not enough and that the pension systems needs comprehensive reform, in particular by moving towards a points-based system and individual accounts. The government has asked the Academic Pensions Council created in June 2015 to come up with proposals on this issue and on arduous work³.

Better combining of pensions with work income

New rules came into effect on 1 January 2015. Combining a pension with work income is allowed below the statutory retirement age, subject to upper limits on work income. For example, the cap on work income in 2016 was EUR 11 696 for a pensioner without dependent children. If the limits are exceeded, the pension is reduced in proportion to the percentage overshoot and amounts improperly received are clawed back. In contrast, these limits do not apply to pensioners aged 65 or over or who have had a working life of at least 45 years. Previously, the condition was to have reached 65 and had a working life of at least 42 years.

These changes have had a rapid impact, according to the CSE (2016). Although most of those who continue to work after 65 are self-employed, there has been an increase in the number of salaried employees since late 2015 (25% more salaried employees over 65 in the third quarter of 2015 compared with the third quarter of 2010).

2. The 2020-2040 Pension Reform Commission was set up in 2013 as a closed and independent body to prepare future pension reforms in order to improve the long-term social and financial viability of pension schemes. <http://pension2040.belgium.be> (as at 28 January 2018)

3. www.conseilacademiquepensions.be (as at 28 January 2018)

Rewarding longer careers

The Solidarity Pact between Generations⁴ introduced a bonus system in pension schemes for salaried and self-employed workers with the aim of keeping people in work for longer. The condition was for workers to keep working from the year in which they reached the age of 62 or the 44th year of their working life. In 2012, the pension bonus for a salaried employee was EUR 2.25 gross for each day worked during the reference period. The bonus was no longer awarded after the age of 65, though it could be extended for a few months for those whose career was less than 45 years.

A 2012 study by the High Finance Council which showed that the pension bonus had no significant effect on older workers' behaviour led the federal government to scrap the scheme for new entrants from 1 January 2015. One of the particular reasons given is that there is no penalty for those taking anticipated retirement in Belgium but a length-of-contribution condition in order to acquire maximum entitlement on reaching pension eligibility age.

1.2. Towards restricted use of early retirement schemes

Restricting access to publicly funded early retirement schemes

From the mid-1970s, the public authorities and the social partners introduced measures that created an early retirement culture in Belgium. Early retirement measures changed little between 2005 and 2011 (OECD, 2012). As a consequence of the implementation of the Generations Pact, sectoral collective agreements could allow derogations to the early retirement age for persons aged 56 and over, but only where those concerned had long professional careers (40 years or more), carried out physically demanding work (night work, work in successive and changing shifts, intermittent work), were unfit for work or had a serious physical impediment. It was noted, however, that the social partners had tended to take account of more unworked periods than before in calculating the length of professional careers. Moreover, in cases where restructuring caused collective redundancy in companies acknowledged to be in difficulty and/or restructuring was initiated by the Federal Minister of Employment, early retirement was still possible from the age of 52, and even 50 in certain circumstances.

In January 2012, the “conventional early retirement” scheme, under which older workers made redundant were paid compensation by their employer or a fund acting in its place in addition to unemployment benefit, was converted into “unemployment with company supplement” with much stricter conditions in terms of minimum age and length of career. In 2012 they were 60 and 35 years for men (28 years for women), rising in 2018 to 62 and 40 years for men (34 years for women)⁵. Unemployed workers in the scheme are in principle available for work (see Section 3.2).

The exercise of an occupation is not compatible in principle with unemployment with company supplement. However, those in the latter situation can, under certain conditions, exercise an additional regular self-employed or salaried activity, though if the annual income from such an activity exceeds about EUR 4 100, unemployment benefit is reduced by the same amount.

4. The Solidarity Pact between Generations was introduced in 2005 with the main aim of improving late-career management and limiting early withdrawal from the labour market. It has had little effect, see Dejemeppe et al. (2017).

5. There are also specific schemes for physically demanding work, night work for 20 years and companies in difficulty or restructuring. See <http://www.onem.be/fr/documentation/feuille-info/t149> (as at 28 January 2018)

Introducing specific provisions for arduous/hazardous work

Current pension system regulations do not make any mention of “physically demanding work”, according to the CSE (2017), though the notion features in other labour regulations, such as those relating to unemployment with company supplement, the status of older unemployed people (see Section 1.3) and late-career time credit (see Section 3.3). However, it forms part of the remit of the Academic Pensions Council, tasked with submitting proposals to the government that could provide the basis for exceptions to the general rule for the statutory retirement age in the future, based on length of career rather than just age.

1.3. Preventing welfare benefits from being used as alternative pathways to early retirement

Unemployment benefits

Unemployed workers aged 50 or over with a 20-year professional career used to qualify permanently for a seniority supplement after receiving the unemployment benefit paid by the National Office for Employment (ONEM) for one year. The age limit was raised to 55 in 2012, but unemployed workers aged 55 or over were exempted from the sliding scale of unemployment benefit introduced in 2012. From January 2015, the seniority supplement was scrapped for the newly unemployed. Unemployed older workers were also exempted from the requirement to look for work, though eligibility for this exemption has been gradually reduced since 2015 (see Section 3.2). According to the CSE (2017), the number of those receiving a seniority supplement has fallen substantially as a result of these regulatory changes, by 50% between 2011 and 2016.

Disability benefits

The rise in the number of people with chronic illness (lasting more than one year) and the associated costs for the disability insurance scheme has caused the federal government to take a series of measures. The aim is to improve prevention, improve reintegration (return to the employer, possibly at an adaptive workstation) and restrict the numbers qualifying for disability through closer monitoring and controls (CSE, 2017). Legislation in December 2016 introduced new measures relating to incapacity for work and new measures to monitor workers' health in order to better organise their return to work after sick leave. Sick workers must help to prepare their own return to work. Financial penalties may be imposed if they fail to answer questionnaires or attend medical appointments. Employers are also made responsible: if they do not do enough to reintegrate an employee, they may have to pay a penalty of EUR 800 per sick person. These penalties do not apply to companies with fewer than 50 employees.

Social aid

The minimum subsistence entitlement was replaced by a social integration entitlement on 1 October 2002. The aim is to ensure the social integration of adults (aged over 18) who do not have sufficient income and who fulfil the statutory conditions, the main ones being to live habitually and permanently in Belgium and not to have sufficient resources. The social integration entitlement may take different forms, including a living allowance, plus an individual social integration plan or not, a job or a combination of all three.

The main beneficiaries of the living allowance are young people aged 18-24 (32% in 2017), even though they account for only 10% of the Belgian population aged 18 and over, the corresponding percentages for those aged 45-64 being 21% and 34% (Service public fédéral de programmation Intégration sociale, 2017).

2. Encouraging employers to retain and hire older workers

2.1. Preventing discrimination in employment on the basis of age

Implementing current or new legislation

Unia (formerly the Interfederal Centre for Equal Opportunity) analysed how the principles of the Anti-Discrimination Act⁶ are implemented in the recruitment process and in other aspects of human resources (HR) management, especially relating to older workers⁷.

The Diversity Barometer – Employment introduced in 2012 shows that age is the criterion most likely to lead to discrimination, ahead of origin or gender. Making older workers redundant, refusing to hire them and even refusing them access to training have become recurring problems. HR managers also find negative attitudes towards older workers.

In the Flemish Region, complaints about discrimination are followed up by a complaints department. An online app detects discriminatory words or expressions in job offers and automatically sends employers advice so that they can adapt their offers.

Redeployment units in the Walloon Region have developed a module to raise awareness of stereotyping and prejudice with regard to older workers⁸. A 45+ adviser, available for each territory, can help older workers not to internalise the prejudice directed against them and in doing so exclude themselves from options for redeployment.

On 8 December 2016, the Brussels Government adopted a 10-point action plan to counter employment discrimination. It includes re-targeting the Occupational Experience Fund (see Section 3.3). The measure is extended to all those liable to suffer employment discrimination, not just workers over 45. The reform aims to adapt the measure to the specific features of Brussels with regard to diversity.

Launching public awareness campaigns

In 2012, the Federal Public Service (SPF) Employment, Labour and Social Dialogue launched an awareness-raising campaign with the tagline “Still young or already old at work?”, including TV slots, whole-page newspaper ads and a website⁹, with the aim of changing mentalities with regard to the employment of workers aged 50 and over.

In 2017, VDAB, the Public Employment Service (PES) in Flanders, launched a campaign with the tagline “There is no age for talent”¹⁰, including events organised by unemployed people aged 55 and over to motivate their peers and employers. The initiative will be repeated in 2018, depending on the results.

6. Discrimination on the grounds of age is prohibited by the Act of 10 May 2007 against certain forms of discrimination (the Anti-Discrimination Act) and by the equivalent legal norms of Regions and Communities.

7. <https://www.unia.be/fr> (as at 28 January 2018)

8. At least 60% of employees supported by redeployment units after collective redundancy were aged over 45 between 2013 and 2016.

9. <http://www.encorejeunedejavieuxautravail.be/fr/> (as at 28 January 2018)

10. *Op talent staat geen leeftijd*, <https://www.vdab.be/netwerkevent/55plus> (as at 26 February 2018)

2.2. Taking a balanced approach to employment protection by age

Implementing age-neutral measures

Since 2006, employers engaged in collective redundancy procedures have been required to offer outplacement to workers aged 45 and over (who have been with the company for at least one year and are being made redundant) in the framework of a redeployment scheme which workers are required to take part in or be penalised for voluntary unemployment. Employers are also required to pay redeployment compensation equal to the normal wage for each month during which the workers under the collective redundancy plan are registered in the redeployment scheme, up to a maximum of six months.

According to the federal government General Policy Statement of 1 December 2011, the law was due to be adapted to ensure that companies engaging in a collective redundancy procedure respected the internal age pyramid in accordance with the “mirror-image” principle applied in the Netherlands¹¹. The principle could not be applied, however, because the social partners – both employers’ and workers’ representatives – gave the National Labour Council a negative opinion. It was not taken up again in the 2014 General Policy Statement.

The CSE (2017) deplores the opposite signal recently sent by large firms who, when restructuring, have as a priority sidelined some of their oldest workers, even to the point of assuming the financial cost of their retirement. Parliament has asked the social partners to reach an agreement by the end of 2018 on a formula whereby a portion of redundancy payments, including outside collective redundancy procedures, can be used to finance an activation programme for the worker. Since the 2013 law giving blue- and white-collar workers equal status in the event of individual redundancy, workers under the conditions of the general redeployment scheme already contribute four weeks of their severance payment to the cost of their outplacement.

2.3. Discouraging mandatory retirement by employers

By law in general and by sector/occupation, private/public sector, region

Retirement is not automatic on reaching a certain age in the private sector or for the self-employed. In the public sector, the rule is still that public-service employees must retire when they reach the statutory retirement age for their category. Since 2010, they have been able to request an extension, which the employer is free to accept or refuse. The request must be renewed each year.

2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers

For all older workers

An employment opportunity plan for all older workers in private firms with more than 20 employees has been mandatory since 2013 following the conclusion of a collective agreement within the National Labour Council, implemented by a royal decree of 28 October 2012. The plan gives an overview of specific measures taken by firms to retain or increase the number of workers aged 45 and over. The employer may choose from a non-limitative list of areas for action contained in the collective agreement:

11. The distribution of layoffs in a collective redundancy must respect the age balance in the company <http://www.oecd.org/els/emp/Netherlands.pdf> (as at 28 January 2018)

constructive dialogue in the firm, whatever its size. It recommends stating the effects sought and how they will be monitored as soon as the plan is drawn up, taking account of each party's role in the process. That will give a more objective evaluation and a better analysis of the impact on the firm.

For the National Labour Council, an awareness-raising and information campaign is needed, in particular by developing a specific "Active Ageing Knowledge Centre" website where the social partners would find all the resources they need to implement the collective agreement, including a list of practical examples, instruments and tools.

Sharing skills and experience between different age groups

In 2004, the healthcare sector introduced a self-financing system (via the work-sharing plan) to reduce late-career working time with a requirement to replace older workers with young people¹⁴. The aim is to keep older workers in employment under good conditions and not to lose their experience and expertise while still hiring younger workers.

A study of age management commissioned by SPF Employment, Labour and Social Dialogue was carried out in 2011 and 2012. The main aims were to define what age management actually involves, to identify HR managers' current practices and to give practical advice to employers and their HR managers. The results were collated in the form of a good practice guide for firms¹⁵.

In Wallonia, a "mentoring" measure complements financial support for specific training (the adaptation credit). It aims to help companies use the professional know-how of older, more experienced workers to train their new, existing or temporary workers.

The non-profit organisation DUO for a JOB, created in Brussels in 2013, puts young jobseekers, either non-European or Belgian from a non-European background, in contact with experienced volunteers aged over 50 to help them in their search for work¹⁶. Once paired up, the young person and their mentor meet for two hours a week for six months. DUO for a JOB offers its services to young people and potential mentors in four cities: Antwerp, Brussels, Ghent and Liège. The scheme has been a success, both for young people (74% in work or training 12 months after the start of the pairing) and for mentors (90% commence a new pairing). A partnership has been set up with each regional SPE.

3. Promoting the employability of workers throughout their working lives

3.1. Enhancing participation in training by workers in their mid- to late careers

Promoting lifelong learning and development of the adult vocational education and training system

The Federal Parliament passed the Flexible and Workable Work Act on 5 March 2017¹⁷. *Inter alia*, the law reforms and abrogates the training system introduced by Article 30 of the law of 23 December 2005 on the Solidarity Pact between Generations, which provided that private-sector employers as a whole should devote 1.9% of their payroll to training. If that target was not met, they would have to pay a 0.05% contribution to finance initiatives for at-risk groups, especially late-career workers.

14. <http://www.plantandem.be/home> (as at 28 January 2018)

15. <http://www.emploi.belgique.be/moduleDefault.aspx?id=33118> (as at 28 January 2018)

16. <https://www.duoforajob.be> (as at 28 January 2018)

17. <http://www.emploi.belgique.be/defaultTab.aspx?id=45772> (as at 28 January 2018). See also www.travailsurmesure.belgique.be (as at 28 February 2018)

Under the new law, training is to be organised either at branch level or at company level by the creation of an individual training account. The interbranch target introduced by the new law is five days' training on average per year per full-time equivalent. Where there is no branch or company collective agreement, workers may claim a right to two days' training per year and per full-time equivalent. The law applies to both formal and informal training. According to the OECD (2017), if the interbranch objective is properly applied, it should reduce under-investment in vocational training, especially for older workers. As until very recently careers in Belgium were relatively short, because of early retirement for example, training after a certain age offered few advantages for either employers or for older workers, from whom there was generally little demand.

Setting up mechanisms for recognising and validating skills

Validation of professional experience is possible for about 50 or so occupations in the Flemish Region and the French Community, though the scheme is little used, especially by older workers.

The Flemish Region promotes the idea of a skills-based labour market and has created a resource called *Competent* in order to match work to skills rather than a diploma. The emphasis is on free training to strengthen digital skills. From 2018, the VDAB will operate a four-pronged approach to skills recognition and accreditation based on identification, documentation, evaluation and validation.

In the French Community, redeployment units set up after a collective redundancy procedure co-operate with outplacement organisations and the Skills Validation Consortium¹⁸. This was strengthened in 2014 by training for redeployment unit staff, a new coordination structure for workers and the production of a video presentation. The aim is to encourage workers, especially older workers, to validate skills acquired in their working lives but not officially recognised. This campaign is also a priority for both the Skills Validation Consortium and the social partners for the period 2015-2019.

3.2. Providing effective employment assistance to older jobseekers

Promoting an all-age mainstreaming activation approach

The exemption for older unemployed people to register as jobseekers has been reformed. The age was gradually raised from 50 in 2002 to 58 in 2008 with a 38-year career (after one year of unemployment) and to 60 in 2013. Save exceptions, from 1 January 2015 an “adapted” availability requirement has applied to unemployed workers with company supplement until the age of 65 (CSE, 2017). “Adapted” availability means that the unemployed person must be registered as a jobseeker, respond positively to appropriate job offers and co-operate in the support offered by the regional SPE but is not required to actively look for work and is hence exempted from the job search activation procedure. The new rules apply only to new entrants and are not mandatory for certain older unemployed people. Since 1 January 2017 the adapted availability requirement has applied from the age of 60, but unemployed people aged 62 with a 42-year career (63 and 43 years respectively in 2018) may ask to be exempted from the requirement. The message could be made clearer: registration as a jobseeker should be mandatory for all unemployed workers, whatever their age. This would encourage the regional SPE (Actiris in Brussels, Arbeitsamt in the German-speaking Community, Forem in Wallonia and VDAB in Flanders) to better help them find work.

In addition, the support and active follow-up (i.e. activation) of unemployed workers implemented by ONEM since 2004 stopped at the age of 50. The federal government decided in 2012 that the support plan, designed to ensure that those on unemployment benefit were genuinely looking for work, would be

18. <http://www.validationdescompetences.be> (as at 28 January 2018)

extended to all unemployed workers under 55 at 1 January 2013 and all unemployed workers under 58 from 1 January 2016. At the same time, the three regions gradually and in different ways extended their activation policy to target population. The Flemish Region implemented a specific activation policy for new unemployed workers aged 50-52 in 2009, rising to 53-55 in 2011 and from 55 in 2014. Since 2014, therefore, unemployed workers aged 50-54 have been activated in the same way as younger unemployed workers.

Targeting workers most at risk of long-term joblessness

As part of the sixth state reform, it was decided in 2014 that competence in labour market matters would lie largely with the regions. They have focused active labour market programmes (ALMPs) on priority groups, including the oldest workers, often in long-term unemployment. The programmes currently rolled out for older workers include the following features:

- i. Actiris advisers seek to raise awareness of diversity among firms in Brussels and encourage them to implement a diversity policy, in particular to foster the recruitment of older workers.
- ii. At VDAB, from 2014, training and support options have been stepped up for the over-50s. More unemployed older workers have returned to work, the measures most used being career guidance and training. The Actief+ initiative launched in 2017 is based mainly on enhancing the digital skills of unemployed workers over 55. Networking events have also been organised to put them in contact with employers.
- iii. Forem and the Arbeitsamt are gradually enhancing the services they offer to older jobseekers. Forem has carried out a number of initiatives since 2013, including the creation of a discussion forum between an expert from headquarters and officials on the ground focusing on the difficulties encountered with this category, and the extension of financial assistance for those aged 50 and over wishing to become self-employed (AIRBAG scheme). As part of the individual action plan, Arbeitsamt advisers can offer older unemployed people options such as a job under the auspices of the local employment agency (ALE).

Providing employment/hiring subsidies to firms

A federal measure was introduced in the early 2000s to reduce employers' social security contributions for all workers aged 57 and over and for workers aged 50 and over with a quarterly salary lower than a given amount. Under the Win-Win plan introduced in 2010 in response to the crisis, the reduction was increased for 12 months if the worker was hired in 2011 (and for 24 months if in 2010). The Win-Win plan ended on 31 December 2011. Under the stimulus plan introduced by the federal government in July 2012, new measures came into effect on 1 January 2013. In particular, a EUR 400 quarterly reduction in contributions was granted for employees aged 54 and over earning less than EUR 12 240 per quarter. A reduction in contributions was also granted for hirings of jobseekers aged 45 and over registered with the SPE for six months (Activa plan).

According to Dejemeppe et al. (2017), permanent reductions in contributions for older workers in employment¹⁹ are not an effective way of fostering the employment of older workers. The researchers base their conclusions on the evaluation of a EUR 400 reduction in contributions per quarter that the federal government introduced in 2002 for workers aged 58 and over. They argue that the reduction in contributions does not sufficiently target low wages.

19. To be distinguished from temporary reductions in employers' contributions for hiring unemployed workers.

The sixth state reform of April 2014 transferred powers to grant specific reductions in employers' social security contributions for target groups to the regions and the German-speaking Community²⁰ in order to better adjust them to the specific labour market needs of each region. Flanders decided in 2016, in consultation with the social partners, to limit incentives to three target groups of unemployed people: the young, the disabled and workers over 55. For the latter, the reduction in contributions concerns both retention and recruitment. A new target group – jobseekers aged 25-54 registered as unemployed for at least two years – was introduced from 1 January 2017 in order to overcome labour market shortages. Since 2016, the Brussels-Capital region has focused reductions on low-paid workers and workers aged 55-64. In Wallonia, they have targeted young less-skilled workers under 25, the long-term unemployed and workers over 55. For the latter, the *Impulsions 55+* scheme targets recruitment and retention in the private market sector until retirement age. The German-speaking Community grants assistance to employers who hire a less-skilled worker aged over 50 who has recently become unemployed.

Providing in-work benefits to older workers

A return-to-work supplement was introduced in 2002 under certain conditions for unemployed workers aged 50 and over who take up salaried employment or become self-employed. The age limit was raised to 55 and over in 2012. Paid by ONEM, the allowance is granted for an open-ended period (12 months renewable every 12 months for as long as the person concerned remains in work) if the worker has had a professional career of at least 20 years²¹. The return-to-work supplement for an open-ended period was EUR 205.92 per month in 2017. In other cases, the allowance is temporary and decreases each year (for a 12-month period renewable twice at most). The scheme was reformed as part of the sixth state reform. From the summer of 2017, it has been available only in the Flemish Region and the German-speaking Community, except for those who had already been granted an open-ended supplement before that date, with a maximum cut-off date of 30 June 2020 in the Walloon Region and 31 December 2018 in the Brussels-Capital Region.

3.3. Enhancing job quality for older workers

Preparatory discussions on the Flexible and Workable Work Act²², especially during round tables organised by the Minister of Labour, focused on improving working conditions throughout a career to enable workers to work longer and make a higher retirement age achievable. In a second phase, discussions concerned the sustainability of employment through increased flexibility to enable firms to cope with changes in the economy. The reform is based on 14 practical proposals, most of which came into effect on 1 February 2017²³.

Strengthening workplace safety and physical and mental health

The Occupational Experience Fund created in 2004 provides financial support for projects to improve working conditions for workers aged 45 and over submitted by firms or branches²⁴. Applications for subsidies submitted by firms may concern one or more of the three phases: measurement, diagnosis,

20. A set of powers was transferred from the Walloon Region to the German-speaking Community on 1 January 2016, including those relating to target groups and the return-to-work supplement.

21. <http://www.onem.be/fr/documentation/feuille-info/t92> (as at 28 February 2018)

22. <http://www.emploi.belgique.be/defaultTab.aspx?id=45804> (as at 28 January 2018)
<https://www.travailsurmesure.belgique.be/fr>

23. See Box on p. 119, CSE (2017).

24. See presentations at the Study Day on 3 April 2014
<http://www.emploi.belgique.be/publicationDefault.aspx?id=41493> (as at 28 January 2018)

improvement of working conditions. Branches conclude a co-operation agreement which sets out the baseline situation, the targets (planned initiatives, number of employers and workers concerned), the resources implemented and the subsidies required. About 340 subsidies were granted in 2014 for a total amount of EUR 2 554.561. Following the sixth state reform, the competences of the Occupational Experience Fund were transferred to the Regions in 2015. The fund's measures were suspended in the Flemish Region on 31 December 2015 and redirected in the Brussels-Capital Region in late 2016 towards a 10-point action plan to combat employment discrimination (see Section 2.1).

A resource, the VOW/QFT (*Vragenlijst Over Werkbaarheid/Questionnaire sur les Facultés de Travail*), has been developed under the auspices of the Occupational Experience Fund to help firms measure workability, defined as the balance between the requirements of work and workers' capacities. Research carried out in 2014 in three sectors (services, construction and industrial cleaning) helped to give a picture of workability in these sectors and to improve benchmarking of the resource. Firms now use the tool, without any specific reference to the fund, for measurement purposes and to raise awareness of the issue of older workers²⁵, though it can be used for workers in any age category.

Reducing the incidence of arduous/hazardous work

An arduous work allowance was introduced in 2010. It is paid by ONEM to salaried workers who, at their request, are transferred from arduous to less strenuous work with the same employer and who suffer a loss of income as a result. Employees must be aged 50 or over and have been assigned to arduous work for at least five years. The matter was transferred to the regions from 1 July 2014 under the sixth state reform, giving the Regions and the German-speaking Community responsibility for implementation. The allowance was scrapped in the Flemish Region and the German-speaking Community in the summer of 2016.

The National Strategy for Wellbeing at Work 2016-2020 aims to step up prevention and foster a health and safety culture in the workplace²⁶. Occupational health and safety is ultimately the responsibility of employers. Targeted measures need to be developed for SMEs, taking account of their characteristics, needs and specific knowledge, providing for support resources and incentives, for example. Likewise, there are also plans for better support from intermediate structures such as external occupational health and safety agencies and collaboration via a common occupational health and safety agency.

The Online Interactive Risk Assessment resource (OiRA) developed by the European Agency for Safety and Health at Work (EU-OSHA)²⁷ offers a simple and effective way for firms, especially SMEs, to assess workplace health and safety risks. The first OiRA resource in Belgium was developed for hairdressers in 2013. Other versions have since been launched for timber/wood in 2014, construction in 2015 and food services (Horeca) in 2016. Versions are also planned for cleaning services, bakeries, horticulture and the performing arts.

Balancing professional and family responsibilities

The existence since 1985 of various measures that enable private-sector workers to reduce their working time, such as time credits, career breaks and special leave, has certainly contributed to the success of part-time working in Belgium. The measures have been greeted with enthusiasm, especially by older workers.

25. <http://www.emploi.belgique.be/moduleDefault.aspx?id=38905> (as at 28 January 2018)

26. http://www.emploi.belgique.be/bien_etre_au_travail.aspx#2016. There is also a Belgian Safe Work Information Centre <http://www.beswic.be/fr> (as at 28 January 2018)

27. <https://oiraproject.eu/fr/oiraproject> (as at 28 January 2018)

Under the late-career time credit scheme, workers could reduce their working time by 20-50% and receive an allowance paid by social security. The CSE (2012) queried the effectiveness of such a scheme in keeping people at work for longer and wondered whether it might not in fact result in a reduction in the number of hours worked by the labour force as a whole. Their research found that some sectors used such schemes as a retirement pathway, with the supposed part-time work not actually being done. The federal government tightened the conditions for access to late-career time credit: the minimum age for access was raised (with some temporary exceptions) from 50 to 55 in 2012 and to 60 in 2015.

A similar system but even more advantageous to the worker exists in the public sector. Although a decision to tighten up the rules was taken in late 2011, as in the private sector, the age limit has not yet been raised from 50 to 55 because no royal decree has been issued. Likewise, the raising of the age limit to 60, initially scheduled for early 2015, is still being negotiated with the public-sector unions.

The study of the contribution of the late-career time credit carried out by Albanese et al. (2015) highlights two consecutive effects: first a lengthening of careers during the first four years for women (two for men), when the time credit is treated as full-time employment for the pension calculation, followed by anticipated retirement as soon as the participants qualify for it. The late-career time credit scheme may therefore hold back exit from the labour market between the ages of 60 and 63 but not beyond.

The Flexible and Workable Work Act introduced a whole series of measures from February 2017 to give workers more of a grip on their work and to share out efforts to combine work and family life, such as flexible working hours and occasional work for home, more fairly. A career savings account has been introduced in which workers can save non-statutory days off, for example, in order to take them later. It is a welcome shift towards more autonomous career management and the possibility of taking more time off if necessary. Workers can also gift days off (though only from standard leave, which workers are free to use as they wish) to a colleague with a sick child who has used up all their leave. Leave for palliative care and time credits for caregivers have been extended, from 2 months and 48 months respectively to 3 months and 51 months.

Table 1. Late Career Scoreboard, Belgium 2006 and 2016

	Belgium		EU28 ^a		OECD ^a	
	2006	2016	2006	2016	2006	2016
Demographic situation						
-- Old-age dependency ratio ^b	0.29	0.31	0.28	0.32	0.23	0.28
-- Effective labour force exit age ^c (years) Men	59.0	61.3	62.0	63.4	63.6	65.1
Women	57.9	59.7	60.5	62.0	62.3	63.6
Employment						
-- Employment rate, 50-74 (% of the age group)	31.6	39.6	38.3	45.4	47.0	50.8
of which 50-54	68.6	76.4	73.1	77.9	73.8	75.7
55-64	32.0	45.4	43.3	55.3	52.7	59.2
65-69	3.5	4.7	9.1	12.1	20.3	25.5
70-74	1.3	2.0	4.4	5.5	12.0	14.6
-- Gender gap in employment, 55-64 ((men-women)/men)	0.43	0.21	0.34	0.21	0.32	0.25
Job characteristics						
-- Incidence of part-time work, 55-64 (% of total employment in the age group)	26.5	34.1	22.1	22.2	20.3	21.1
of which voluntary 55-64 (% of part-time work in the age group)	92.5	96.2	85.4	78.9	87.3	85.2
Average number of weekly hours worked	18.0	19.4	17.1	17.5	16.6	16.9
-- Incidence of temporary work, 55-64 (% of employees in the age group)	4.3	3.3	6.9	6.7	8.9	7.9
-- Incidence of self-employment, 55-64 (% of total employment in the age group)	18.0	17.1	24.1	19.7	38.0	32.8
-- Full-time earnings, ^d 55-64 relative to 25-54 (ratio)	1.23	1.24	-	-	1.09	1.10
Dynamics						
-- Retention rate ^e after 60 (% of employees t-5)	27.6	34.5	37.1	48.8	40.3	50.3
-- Hiring rate, ^f 55-64 (% of employees in the age group)	1.9	2.2	6.1	5.8	9.2	9.1
Joblessness						
-- Unemployment rate, 55-64 (% of the labour force aged 55-64)	4.8	5.7	6.1	6.4	4.3	4.6
-- Incidence of long-term ^g unemployment, 55-64 (% of total unemployment in the age group)	83.4	83.7	49.8	63.7	26.3	44.3
-- Marginally attached workers, ^h 55-64 (% of population in the age group)	1.1	0.9	2.4	1.9	1.2	1.2
Employability						
-- Share of 55-64 with tertiary education (% of population in the age group)	22.5	27.5	17.2	22.9	20.0	26.2
-- Participation in training, ⁱ 55-74 (% of employed in the age group)	5.4	5.1	-	8.5	-	-
Relative to employed persons aged 25-54 (ratio)	0.61	0.72	-	0.66	-	-

a) Weighted averages with the exception of the share with tertiary education.

b) The ratio of the population aged 65 and over to the population aged 20-64.

c) Effective exit age over the five-year periods 2001-2006 and 2011-2016. The effective exit age (also called the effective age of retirement) is calculated as a weighted average of the exit ages of each five-year age cohort, starting with the cohort aged 40-44 at the first year, using absolute changes in the labour force participation rate of each cohort as weights.

d) Mean gross hourly earnings. Mean earnings for age groups 25-54 and 55-64 were calculated as the unweighted average of five year age groups. Year 2016 refers to 2014.

e) All employees currently aged 60-64 with job tenure of five years or more as a percentage of all employees aged 55-59 five years previously.

f) Employees aged 55-64 with job tenure of less than one year as a percentage of total employees.

g) Unemployed for more than one year.

h) Persons neither employed, nor actively looking for work, but willing to work and available for taking a job during the survey reference week.

i) Participation in formal and non-formal training in the last four weeks.

Source: OECD estimations from the *OECD Employment Database*, the *OECD Earnings Distribution Database*, *OECD Education at a Glance* and the *Eurostat Database on Education and Training*.

Table 2. Implementing ageing and employment policies in Belgium, 2007 to mid-2017

1. Rewarding work and later retirement	
1.1. Enhancing incentives to continue working at an older age	
<i>Raising the statutory age of retirement</i>	+
<i>Facilitating phased retirement</i>	/
<i>Better combining of pensions with work income</i>	+
<i>Rewarding longer careers</i>	+?
1.2. Towards restricted use of early retirement schemes	
<i>Restricting access to publicly funded early retirement schemes</i>	+
<i>Introducing specific provisions for arduous/hazardous work</i>	/
1.3. Preventing welfare benefits from being used as alternative pathways to early retirement	
<i>Unemployment (insurance and assistance) benefits</i>	+
<i>Disability benefits</i>	+
<i>Social aid</i>	+
2. Encouraging employers to retain and hire older workers	
2.1. Preventing discrimination in employment on the basis of age	
<i>Implementing current or new legislation</i>	+
<i>Launching public awareness campaigns</i>	+
2.2. Taking a balanced approach to employment protection by age	
<i>Implementing age-neutral measures</i>	/
2.3. Discouraging mandatory retirement by employers	
<i>By law in general and by sector/occupation, private/public sector, region</i>	+
2.4. Encouraging the social partners to implement better retention and hiring mechanisms targeted at older workers	
<i>For all older workers</i>	+

<i>Review of the use of seniority wages</i>	/
2.5. Encouraging good practice in collective labour agreements and/or by individual employers/industries in managing an age-diverse workforce	
<i>For all older workers</i>	+
<i>Sharing skills and experience between different age groups</i>	+
3. Promoting the employability of workers throughout their working lives	
3.1. Enhancing participation in training by workers in their mid- to late careers	
<i>Promoting lifelong learning and development of the adult vocational education and training system</i>	+
<i>Setting up mechanisms for recognising and validating skills</i>	++
3.2. Providing effective employment assistance to older jobseekers	
<i>Promoting an all-age mainstreaming activation approach</i>	+?
<i>Targeting workers most at risk of long-term joblessness</i>	+
<i>Providing employment/hiring subsidies to firms</i>	+?
<i>Providing in-work benefits to workers</i>	+?
3.3. Enhancing job quality for older workers	
<i>Strengthening workplace safety and physical and mental health</i>	+
<i>Reducing the incidence of arduous/hazardous work</i>	+?
<i>Balancing professional and family responsibilities</i>	++
<p>++ = Substantial action taken. + = Some action taken, but more could be done. +? = Some action taken, but requires further assessment. ? = Some action taken with negative impact. / = No relevant action taken. ✓ = No action needed.</p> <p><i>Source:</i> Assessment based mainly on answers by Belgium to several OECD questionnaires.</p>	

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