

THE BELGIAN unemployment insurance system



June 2020

SUMMARY

The Belgian unemployment insurance is part of the compulsory social protection system. Funded by the employees' and employers' social contributions, it is managed by the *Office national de l'emploi* (ONEM) and the payment funds (*caisses de paiement*), with respect to the payment of the benefits to jobseekers, and by the regional employment services (Forem, VDAB, Actiris, ADG), with respect to the support provided to the unemployed.

Unemployment benefits guarantee to employees without a job a replacement income provided they meet the eligibility conditions, notably the minimum condition of affiliation, variable depending on the jobseeker's age. The benefit amount varies depending on the relevant person's family situation and past professional activity. It is equal to 65 % of the reference wage at the beginning of the period during which unemployment benefits are paid, evolves over time and ends up becoming a flat-rate amount after a period comprised between 14 and 48 months. Jobseekers who are not entitled or no longer entitled to receive unemployment benefits may, under certain conditions, benefit from an assistance-type benefit (social integration revenue).

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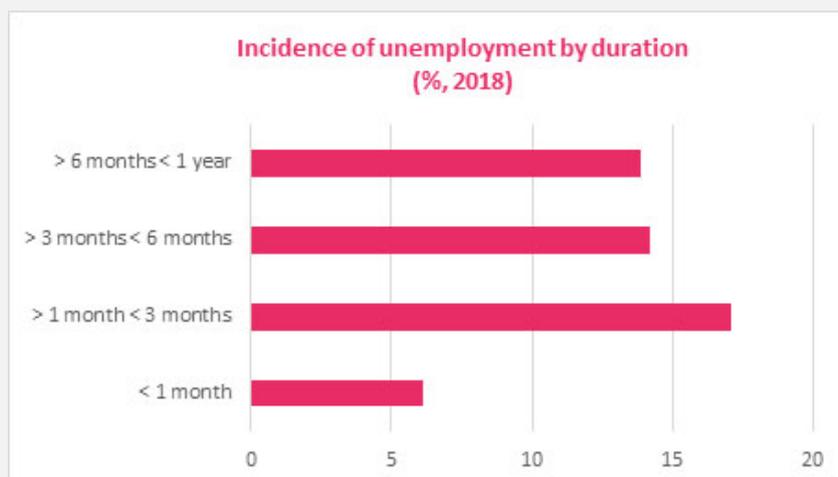
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Data related to the employment market¹

Total population	11 467 923 (January 2019)
Unemployment rate	5.2 % (November 2019)
Employment rate	65.6 % (2019)
Legal minimum wage	€ 1 593,81 / month (as at 1st January 2020)
Average wage	\$ 52 080 (i.e. approximately € 45 097; 2018)

In the 3rd quarter of 2019, the unemployment rate in Belgium (5.2 %) was below the European average (6.3 %), with, however, strong regional disparities (3.4 % in the Flemish region, 7 % in the Walloon region, 12.6 % in the Brussels-Capital region).

The long-term unemployment rate (1 year and over) in Belgium was relatively high, representing 48.7 % of jobseekers in 2018. For the same year, the European average was 43.4 %.



Source : OECD

The youth unemployment rate in Belgium is close to the European average. It was equal to 15.85 % in 2018, the European average being 15.2 % over the same period. In 2013, youth unemployment rate in Belgium was 23.68 %.

In 2018, the percentage of salaried employees with a temporary employment contract was 10.8 %, below the European average of 14.2%.

For the same year, the percentage of employees with a full-time job in Belgium was 83.4 %, whilst 16.6 % of the employees had a part-time job. This rate corresponds to the European average over the same period.

¹Eurostat, OECD, Belgian Government.

GENERAL PRESENTATION OF THE BELGIAN SYSTEM

The Belgian social protection system was created during the second part of the 19th century around the trade unions and a contributory approach. As in the model created in Germany by the chancellor Otto Von Bismarck, the carrying out of a professional activity and the payment of contributions created, as of this period, a protection against the risk of unemployment, first limited to the company, industry or region. It is only after the First World War, in a context of economic crisis, that the foundations of a national unemployment insurance system have been set.

In 1944, the law creating social security defined the framework of unemployment insurance, based on the principle of national and compulsory solidarity for all salaried employees. The unemployment insurance system was thus incorporated into the social security which currently comprises seven divisions (pension and survivor's pension, work-related accidents, work-related illnesses, family benefits, illness-maternity benefits, annual vacations, unemployment).

The unemployment insurance scheme

The Belgian unemployment insurance system is a compulsory and contributory system. Mainly funded by the social contributions, the rules governing the scheme are defined by the legislator and the government, after having sought the social partners' consultative opinion.

The amount of the unemployment benefit, which varies over time, is based on several criteria among which the jobseeker's family situation. As to the length of time during which the unemployment benefits are paid, it comprises a first part of a maximum duration of 48 months during which the related benefit amount is proportional to the jobseeker's former wage, and a second part, of a non-predetermined duration, during which the benefit amount is fixed and the benefit resembles, as a result, an assistance-type benefit.

Also, the scheme features a series of numerous parameters (minimum benefit amounts, maximum benefit amounts, capping and degressive nature of the reference wage and of the benefit amount) making the Belgian system a particularly redistributive system.

The public employment service

Belgium's federal organisation implies a distribution of competences regarding employment and unemployment insurance between the central government and the federate entities.

The National Employment Office

At the federal level, the National Employment Office (*Office national de l'emploi*, ONEM), a public establishment under the authority of the Ministry of Employment and Labour, is mainly in charge of the management and implementation of the unemployment insurance regulation.

The ONEM is composed of a central administration and 30 unemployment offices throughout the territory. Each unemployment office is in charge of determining who is entitled to unemployment benefits, transferring the payment authorisation to the relevant payment office, checking that the benefits are paid and applying the sanctions in the event of a breach.

From a management point of view, the ONEM is administered by a **tripartite management committee**, composed of a president (independent expert), 2 government delegates (one appointed by the Minister of Finance and one appointed by the Minister of Employment and Labour), 7 representatives of the employers' organisations and 7 representatives of the salaried employees' organisations.

The regional employment services

Belgium has four public employment services at the regional and community level:

- ▶ the VDAB in the Flemish region²;
- ▶ the FOREM in the Walloon region³;
- ▶ ACTIRIS in the Brussels region (together with Bruxelles Formation);
- ▶ the ADG in the German-speaking Community.⁴

They perform the missions related to the registration of jobseekers, placement and professional training.

The payment bodies

The payment of the benefits is made by the private payment bodies, which are themselves managed by the three main Belgian trade unions (*Centrale générale des syndicats libéraux de Belgique, Confédération des syndicats chrétiens, Fédération générale des travailleurs en Belgique*).

Each jobseeker is free to choose their payment body. Generally, the persons who are members of a trade union use the payment body managed by the trade union of which they are members. The persons who are not members of a trade union may use a public payment body (*Caisse auxiliaire de paiement des allocations de chômage*).

It shall be noted that the mission of these bodies also consists in constituting the file for the unemployment office and informing the jobseeker of their rights and obligations.

HISTORICAL BACKGROUND

Crucial role of trade unions in the creation of social protection

The development of the Belgian unemployment insurance system is closely linked to trade unions. Having emerged during the second part of the 19th century, the trade unions funded by workers' contributions used to provide protection against the risks associated with loss of employment. Yet, the trade union funds were fragile, being limited to a company, an industry or a region, and were quickly exhausted during the periods of economic upheaval. To remedy this problem, the trade unions turned to the city authorities and asked for subsidies. The most popular mechanism was the Unemployment Fund, introduced by the **Town Council of Ghent**, which granted an individual aid directly to the unemployed who were insured. This aid supplemented the allowance paid by the trade union unemployment fund, notably when the latter was exhausted. Other cities set up Unemployment Fund as from 1900 (in 1913, there were 29 communal Unemployment Funds).

The Ghent system

The "Ghent system" refers to an institutional arrangement whereby trade unions are strongly involved in the management of social protection systems, including unemployment insurance system.

Besides Belgium, the Ghent system also inspired the Swedish, Finnish and Danish systems in which being member of a trade union was a condition for being eligible to certain social benefits, notably to unemployment insurance benefits (service trade unionism). Today, Belgium has only a partial Ghent system: membership in a trade union is not a condition to be eligible to unemployment insurance benefits but the trade unions retain a significant role in the payment thereof (see above). Countries which apply this system generally have high unionisation rates.

² Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding (Flemish service for job searching and professional training)

³ Office wallon de la formation professionnelle et de l'emploi (Walloon office of professional training and employment)

⁴ Arbeitsamt der Deutschsprachigen Gemeinschaft (Labour office of the German-speaking community)

Extension of the compensation mechanisms at the national level and creation of the ONPC

The first intervention of the central government took place in 1907 and consisted in granting of a modest subsidy by the department of Industry and Labour. As a result, the unemployment insurance system retained a mainly trade unionist nature until the First World War. The war having emptied the unemployment funds, a state intervention became necessary. In 1920, the National Crisis Fund was created, aiming at managing and redistributing the state subsidies to the various unemployment funds. However, the coexistence of the National Crisis Fund, the municipal Unemployment Funds and the trade union unemployment funds made the allocation of the aids complicated; therefore, the National Placement and Unemployment Office (*Office national du placement et du chômage*, ONPC) was created by the royal decree of 27 and 31 July 1935. Its role consisted in distributing the funds and unifying interpretations of the regulation, whilst monitoring the payment of unemployment benefits and the evolution of the number of unemployed persons.

Creation of social protection in 1944

The need to reform the system and to guarantee a stability to the workers was once again felt during the Second World War. The law of 28 December 1944 creating social security defined the unemployment insurance framework, based on the national and compulsory solidarity for all salaried employees. This law was supplemented by the Regent's decree of 26 May 1945, setting out the concrete provisions. The Provisional Aid and Support Fund was created, in charge of placement and hiring of workers, as well as of professional re-adaptation and payment of benefits to the unemployed. The Fund was funded by the workers' and employers' contributions and by the state subsidies. The municipal authorities no longer contributed to the funding of benefits, and the trade unions retained their role as intermediary. In 1951, the Fund went back its original name, the National Placement and Unemployment Office.

The law of 14 February 1961 establishing the National Employment Office

The name of the office in charge of unemployment insurance was changed one last time by the law of 14 February 1961 providing for economic expansion, social progress and financial recovery: the ONPC became the National Employment Office (*Office national de l'emploi*, ONEM). This name reflected the enlargement of competences assigned to the body. In addition to paying the benefits to the unemployed, the ONEM was also in charge of the unemployment prevention, with an active employment program and a regulation of the employment market. The Law on the management of social security of 25 April 1963 confirmed the **joint management of the ONEM**, composed of the same number of employees' representatives and employers' representatives, plus two government's delegates and an independent president. Over time, the objective of social security evolved, notably as a result of a period of prosperity during the 60's. Thereby, the idea was no longer to protect workers against poverty, but to protect them against the degradation of their living standards.

The evolution in the years 1970-1980

The unemployment insurance system underwent a new crisis at the beginning of the 70's. It triggered a massive increase of the number of unemployed which continued to rise until the end of the 80's. Between 1974 and 1987, the number of unemployed receiving benefits increased from close to 100 000 to more than 515 000, thus representing more than 10 % of the labour force. Several reforms ensued during the 1980's, aiming at reducing the amount of unemployment benefits and making access to compensation more difficult. The Dewulf law adopted in 1980 distinguishes three categories of unemployed based on their family situation: the "isolated", the cohabitants with dependents (the "heads of household") and the "cohabitants" without dependents. The benefits paid to this third category were progressively reduced.

The administrative reforms reallocated the missions which were until then carried out by the ONEM. The regions became in charge of the placement, and the linguistic communities became responsible for the professional training. Four new bodies in charge of placement and professional training were thus created: the VDAB for the Flemish region, the FOREM for the Walloon region, the ORBEM/BGDA for the Brussels region and the ADG for the German-speaking Community. The ONEM remained responsible for the management of unemployment insurance system at the national level.

Decrees of 1991

At the beginning of the 90's, two major decrees amended the rules governing unemployment insurance: the royal decree of 25 November 1991 relating to the regulation of unemployment, and the ministerial decree of 26 November 1991 relating to the implementation of the unemployment regulation. These two decrees defined the conditions of eligibility under which the unemployment benefits could be granted, as well as the rules of implementation of sanctions in the event of a non-compliance with these conditions. Since then, numerous amending decrees have been adopted to best adapt the unemployment insurance system to the political and social developments. In 2004, a new measure thus obliged the jobseekers to regularly prove their job search efforts.

The 2012 reform

The last major reform of unemployment insurance scheme was adopted in 2012. On the one hand, the conditions of eligibility were relaxed (with an extension of the reference period taken into account to determine the entitlement to the benefits) and the initial amount of the unemployment benefits was increased (during the first three months, the amount is equal to 65 % of the reference wage, within the limit of the cap); on the other hand, the degressivity was reinforced, now applying sooner and to all categories of jobseekers. Lastly, a third period was created, during which flat-rate unemployment benefits are paid for an indefinite duration.

THE UNEMPLOYMENT INSURANCE SCHEME

Beneficiaries

All salaried workers⁵ residing in Belgium automatically benefit from the unemployment insurance. Independent workers are not covered by the unemployment insurance scheme.

Funding of the mechanism

The unemployment insurance scheme is funded by employers' and employees' contributions, as well as by state subsidies.

For 2020, the global rate of contribution to social security amounts to 19.88 % of the gross quarterly remuneration with respect to the employers' portion, and to 13.07 % with respect to the employees' portion, i.e. 32.95 % in total. Of this global rate, 2.33 % are allocated to the unemployment insurance system (1.46 % of the employers' portion and 0.87 % of the employees' portion). An additional contribution of 1.69 % is due by the employers employing more than 10 employees.

Eligibility conditions

The unemployment insurance eligibility conditions are the following:

- ▶ meet the condition of affiliation (see the table below);

⁵ Young people having finished their studies may, under certain conditions, benefit from the professional insertion benefit (not discussed in this study).

Jobseeker's age ⁶	Minimum number of days of salaried work ⁷	Reference period
Below 36	312 days (1 year)	21 months
Between 36 and 49	468 days (1 year and a half)	33 months
50 and above	624 days (2 years)	42 months

- ▶ be involuntarily unemployed (the jobseeker may be excluded from the unemployment benefits if they quit a suitable job without a legitimate reason or if they are dismissed for misconduct);
- ▶ be available for the employment market and ready to accept any suitable job;
- ▶ be registered as jobseeker with the competent employment office;
- ▶ be actively seeking a job;
- ▶ be fit to work;
- ▶ be under 65;
- ▶ have their main residence in Belgium.

Benefit amount

Elements taken into account

Three criteria determine the benefit amount: the jobseeker's family situation, the reference wage and the duration of activity prior to the unemployment situation.

Jobseeker's family situation

The Belgian regulation distinguishes 3 categories of jobseekers based on their family situation and on the composition of their household:

- ▶ **Jobseeker "cohabitant with dependents"**
Jobseekers falling into this category are the ones who are in one of the following situations:
 - jobseekers cohabiting with a spouse who does not have any income;
 - jobseekers cohabiting exclusively with one child or several children and receiving family benefits for at least one of them (provided that none of the children receives any income);
 - jobseekers living by themselves and paying an alimony.
- ▶ **"Isolated" job seeker**
Isolated jobseekers are persons who live alone and do not pay any expenses which may be assimilated to alimonies.
- ▶ **Jobseeker "cohabitant without dependents"**
This category comprises all the jobseekers who are not included in the two categories above. Jobseekers-cohabitants without dependents are the persons who live with a spouse or with one or several children who receive an income.

⁶ The jobseeker may also be entitled to receive unemployment benefits if they meet the condition relating to the number of days worked set out for a higher age category.

⁷ To calculate the working days, the ONEM counts 6 working days per week for full-time working periods, i.e. 78 working days in average. For part-time working periods, the number of working days taken into account is equal to the number of hours worked multiplied by 6 and divided by the average weekly number of full-time working hours for the same function.

Reference wage

The unemployment benefit is calculated based on the gross remuneration⁸ received for at least 4 weeks at the last employer's up to a certain amount. However, the reference wage is capped to a maximum amount, and its value changes over time under the following conditions:

Monthly amount	Compensation period
€ 2 700.75 (Upper wage cap)	From the 1 st to the 6 th month
€ 2 517.15 (Mid-wage cap)	From the 7 th to the 12 th month
€ 2 352.21 (Lower wage cap)	As from the 13 th month for the cohabitants with dependents or without dependents
€ 2 301.03 (Specific wage cap)	As from the 13 th month for the isolated

Duration of the professional activity prior to the unemployment situation

The past professional activity is assessed in years, by converting the working hours and days. It is possible to claim a maximum of 312 days per year. Thus, the total of working days and of days assimilated to working days (sick days, holidays etc.) is divided by 312 to obtain the number of years of past professional activity.

Compensation periods and degressive nature of the benefits

Based on these criteria, the compensation is organised in three periods which are themselves broken down in different phases:

First compensation period (12 months)

During this 12-month period, the benefit amount is proportional to the former wage. However, it decreases during each of the three following phases:

Phase	Duration	Replacement rate	Applicable cap
1	3 months	65 % of the reference wage	Upper cap
2	3 months	60 % of the reference wage	Upper cap
3	6 months	60 % of the reference wage	Mid cap

⁸ If the remuneration received is below or equal to the minimum wage, the amount of the allowance is calculated based on the reference wage of € 1 593.81.

Second compensation period (36 months maximum)

The second compensation period, of an initial duration of 2 months, starts as from the 13th month and lasts, depending on the situations, until the 48th month of unemployment (extension of 2 months per year of salaried employment, up to a maximum of 36 months).

It is subdivided into a maximum of 5 phases, during which the cap of the reference wage and the replacement rate evolve.

The first phase lasts 12 months (2 fixed months plus 10 months maximum depending on the professional past); variable caps and replacement rates depending on the categories of jobseekers apply during this phase under the following terms:

Replacement rate	Applicable cap	Category of the beneficiary
60 % of the reference wage	Lower cap	cohabitant with dependents
55 % of the reference wage	Specific cap	isolated
40 % of the reference wage	Lower cap	cohabitant without dependents

The four following phases last 6 months each. At the end of each phase, the benefit amount decreases by one fifth of the difference between the amount of the previous phase and a predefined flat-rate amount (see below).

Third compensation period (indefinite duration)

At the end of the second period (at the latest after 48 months), the jobseeker no longer receives a benefit proportional to their former wage, but a flat-rate amount based on their family situation. The length of the third period is indefinite. The amounts of the flat-rate benefits are the following:

Monthly flat-rate amount	Category of the beneficiary
€ 1 315.60	cohabitant with dependents
€ 1 077.96	isolated
€ 561.34	cohabitant without dependents

Payment frequency

Jobseekers who have worked full-time receive 6 daily allowances per week (from Monday to Saturday), which corresponds to 26 daily allowances per month in average.

Summary table

1 st period 12 months			2 nd period between 2 and 36 months (2 months per year of past professional activity)						3 rd period
3 months	3 months	6 months	2 months (fixed)	max 10 months (variable)	max 24 months (variable)				indefinite duration
					6 months	6 months	6 months	6 months	
65 % Upper cap	60 % Upper cap	60 % Mid cap	cohabitants with dependents: 60 %, lower cap isolated: 55 %, specific cap Cohabitants without dependents: 40 %, lower cap	- 20 % of the difference between the amount of the beginning of the 2 nd period and the flat-rate amount	- 20 % of the difference between the amount of the beginning of the 2 nd period and the flat-rate amount	- 20 % of the difference between the amount of the beginning of the 2 nd period and the flat-rate amount	- 20 % of the difference between the amount of the beginning of the 2 nd period and the flat-rate amount	flat-rate amount	
Max : ⁹ 1 755.52 1 755.52 1 755.52	1 620.58 1 620.58 1 620.58	1 510.34 1 510.34 1 510.34		1 411.28 1 265.68 940.94	1 374.62 1 218.88 861,64	1 337.96 1 172.08 782.60	1 315.60 1 125.28 703.30	1 315.60 1 078.48 624.26	1 315.60 1 077.96 561.34
Min : 1 315.60 1 077.96 1 041.56	1 315.60 1 077.96 961.48	1 315.60 1 077.96 961.48		1 315.60 1 077.96 796.90	1 315.60 1 077.96 749.84	1 315.60 1 077.96 702.78	1 315.60 1 077.96 655.46	1 315,60 1 077.96 608.40	

⁹ The 3 maximum and minimum amounts specified for each compensation phase correspond to the 3 categories of jobseekers (cohabitants with dependents, isolated, cohabitants without dependents).

Exceptions to degressivity

There are exceptions to the principle of degressivity of benefits in certain situations. Thereby, the amount of benefits is not reduced after the expiration of the first compensation period (after one year) if the jobseeker:

- ▶ has reached 55;
- ▶ is declared permanently unemployable at least at 33 %;
- ▶ justifies of at least 25 years of past professional activity.

Combining unemployment benefits and income of a salaried activity

Ancillary activity

Jobseekers who carried out an ancillary activity before losing their main salaried job and who wish to retain said ancillary activity may combine the income of this activity and the unemployment benefits. To do so, they must meet the following conditions:

- ▶ report the ancillary activity at the time of their application to receive unemployment benefits;
- ▶ have carried out this activity for a minimum of three months preceding the application to receive unemployment benefits;
- ▶ carry out this activity after 6 p.m. and before 7 a.m. during the week, or during the weekend.

It is to be noted that this ancillary activity may not be in the hotel, restaurant, entertainment, solicitation, insurance brokerage sectors, unless said activity is minimal or is not specifically carried out after 6:00 p.m.

The daily amount of the unemployment benefit is reduced by the portion of the daily income of the ancillary activity exceeding € 14.25. The daily income is calculated by dividing the annual remuneration by 312 days. However, the entitlement to benefits is refused if the activity ceases to have an ancillary nature, because of the number of hours worked or of the amount of the revenues received.

Occasional activity

Should the jobseeker work occasionally, they will lose one daily allowance for each day of activity (whatever the duration of the activity and remuneration it gave rise to).

Activity resumed part-time

Should the jobseeker receiving unemployment benefits resume a part-time activity for a duration at least equal to the third of a full-time activity, they may be considered as a "part-time worker with maintenance of the entitlement to unemployment benefits". This status enables them to benefit from an Income Guarantee Allowance (*Allocation de garantie de revenue*, AGR), in addition to their remuneration. However, they must meet certain conditions: the weekly working time may not exceed the 4/5th of a full-time job, and the monthly remuneration must be below € 1 528.84. The worker must also be registered as a full-time jobseeker and remain available for a full-time job. The amount of the AGR is then determined based on the amount of the unemployment benefit, the monthly amount of an hourly supplement (for the hours exceeding the third of a full time) and the net remuneration. However, the total revenues (AGR + net part-time remuneration) cannot exceed the net remuneration which the jobseeker would have received if they had carried out a full-time activity.

Resumption of rights to receive unemployment benefits

Any person who ceases to be unemployed for any reason whatsoever (they go back to school or carry out an independent activity, for example), may automatically be re-entitled to receive unemployment benefits if they file a new application for unemployment benefits at the latest three years after the last day on which they received benefits. Said person must re-register as jobseeker and be again available for the employment market, without the need to justify having worked for a certain period ("exemption from qualifying period").

Recharging one's rights to receive unemployment benefits

Any jobseeker who works again for 12 months during a 18-month reference period may recharge their rights, i.e. "go back to the first compensation period".¹⁰ If the interruption lasted for more than 2 years, and if the jobseeker worked again for 4 consecutive weeks for a same employer, the amount of unemployment benefits is recalculated on the basis of the remuneration from this last activity.

¹⁰ It is also possible to "go back" to the first compensation period for jobseekers who have worked part-time for 24 months over a reference period of 33 months, or a third of a full-time work for 36 months over a period of 45 months.

THE UNEMPLOYMENT INSURANCE SYSTEM IN BELGIUM

Job loss							
Eligibility conditions							
Job loss	Affiliation	Job search	Registration	Physical ability	Availability	Age	Residence
Be unvoluntarily unemployed	Duration varies based on the jobseeker's age (312, 468 or 624 during the last 21, 33 or 42 months)	Be actively searching for a job	Be registered as a jobseeker	Be fit to work	Be available for a job	Not have reached the retirement age (65)	Reside in Belgium
Payment of unemployment benefits							
Benefit duration		Benefit amount					
A minimum 312, 468 or 624 days of affiliation	Affiliation sought within the last 21, 33 or 42 months	Elements taken into account for the calculation					
		<p>↓</p> <p>After a period of 48 months during which the amount of the benefit is degressive, the jobseeker receives a flat-rate benefit for a duration which is, in principle, indefinite</p>		<p>↓</p> <p>Family situation</p> <p>3 categories of jobseekers:</p> <ul style="list-style-type: none"> - cohabitants with dependents - isolated - cohabitants without dependents 		<p>↓</p> <p>Reference wage</p> <p>Remuneration received for at least 4 weeks in the last employment (capped)</p>	
		<p>↓</p> <p>Amount</p> <p>1st period: 65 % or 60 % of the wage reference 2nd period: between 60 % and 40 % based on the jobseeker's family situation, and then degressive 3rd period: flat-rate amount between € 1 315.60 and € 561.34</p>					
Starting point of the payment of unemployment benefits							
No waiting period when the eligibility conditions are met							
Payment of unemployment benefits and resumption of activity							
Ancillary activity			Occasional activity		Activity resumed part-time		
↓	↓	↓	↓	↓	↓	↓	↓
Report of the activity at the time of the application to receive unemployment benefits	Activity carried out during at least the 3 months preceding the application	Activity carried out after 6 p.m. and before 7 a.m. during the week, or during the weekend	Activity carried out occasionally	Weekly working hours not exceeding 4/5th of a full-time job	Remuneration below € 1 593.81 (gross)		

THE ASSISTANCE SCHEME

Beneficiaries

Jobseekers who do not meet the conditions necessary to receive unemployment benefits may, under certain conditions, benefit from the Social Integration Revenue (*Revenu d'intégration sociale*, RIS). Paid by the Public Centre for Social Action (*Centre public d'action sociale*, CPAS), the RIS guarantees a minimum income to the persons with few or no resources. The assistance scheme is funded by the public contributions and the CPAS' own funds.

Eligibility conditions

Six conditions must be met to be able to benefit from the RIS:

- ▶ have the Belgian nationality (or be a citizen of the European union, foreigner registered with the population register or recognised as refugee or stateless);
- ▶ be at least 18;
- ▶ legally reside in Belgium;
- ▶ not have sufficient resources (below the RIS) and not being able to obtain them on one's own;
- ▶ be willing to work (unless medical reasons or other reasons prevent it);
- ▶ not be eligible to other social benefits (unemployment benefits, family benefits, sickness benefits or alimony).

Benefit amounts

The amount of the RIS is determined based on the jobseeker's situation and resources.

As at 1st January 2020, the RIS corresponds to the following amounts:

Maximum amount that can be paid	Category of the beneficiary
€ 1 270.51	cohabitant with dependents
€ 940.11	isolated
€ 626.74	cohabitant without dependents

If the beneficiary receives an income which total amount is below the RIS, said income will be reduced by the RIS to which they are entitled. Thus, the jobseeker benefits only from a partial RIS.

However, some income is not deducted from the RIS amount. This is notably the case of the benefits such as:

- ▶ family benefits;
- ▶ alimonies;
- ▶ regional premiums and benefits;
- ▶ studies benefits;
- ▶ indemnities received as volunteer.

The exemptions may also concern the income of certain socio-professional categories:

- ▶ persons who are in professional training or who start working (exemption of € 248.90/month for a maximum of three years);
- ▶ full-time students who have signed a social integration individualised project agreement with the CPAS (*projet individualisée d'intégration sociale*, PIIS; exemption of € 248.90 if the student does not benefit from a scholarship, applied during the entire term of the agreement);
- ▶ persons receiving an income stemming from an artistic activity (exemption of € 2 986.79 during a period of 3 years maximum).

RIS duration

The length of time during which the RIS is paid is not predetermined.

UNEMPLOYMENT INSURANCE SCHEMES: COMPARISON FRANCE / BELGIUM

	Unemployment insurance system FRANCE	Unemployment insurance system BELGIUM
Salaried employees concerned	Salaried employees of the private and public sectors	Salaried employees of the private and public sectors
Qualifying period	6 months (i.e.; 130 days worked or 910 hours worked) during the last 24 months or during the last 36 months for the salaried employees aged 53 and above.	1 year, 1 year ½ or 2 years (312, 468 or 624 days worked) during the last 21, 33 or 42 months (depending on the age)
Benefit duration	The compensation period is determined depending on the number of calendar days comprised between the first day of the first period worked and the last day of the last period worked. It therefore includes the days worked and the days not worked between two periods of employment. ¹¹ This number of calendar days is retained during the last 24 or 36 months. The minimum length of compensation period is 182 days (6 months) and the maximum length of compensation period is 730 days for persons under 53, 913 days (30 months) for persons between 53 and 54 and 1095 days (36 months) for persons aged 55 and above.	1st compensation period: The length is 12 months for all beneficiaries (benefit amount proportional to the former wage) 2nd compensation period: The length is between 2 to 36 months (2 additional months per year of seniority in the salaried job, with a benefit amount proportional to the former wage) 3rd compensation period: in principle indefinite duration (fixed benefit amount)

¹¹ Change introduced by the decree n°797-2019 of 26 July 2019 applicable to all jobseekers whose compensation period starts following the termination of an employment agreement as from 1st April 2020.

	Unemployment insurance system FRANCE	Unemployment insurance system BELGIUM
Benefit amount	<p>The daily reference wage (<i>salaire journalier de référence</i> -SJR) includes the gross rémunérations received over the 24 or 36 month-reference period (based on the age of the jobseeker), divided by the number of calendar days between the first day of the first period worked and the last day of the last period worked.</p> <p>Therefore, the benefit amount corresponds to the most favorable amount between:</p> <ul style="list-style-type: none"> ▶ 40.4% of the reference daily wage + fixed part or, ▶ 57% of the reference daily wage or, <p>Minimum benefit: € 29.26 within the limit of 75% of the reference daily wage</p>	<p>The benefit amount is calculated based on the average remuneration received for at least 4 weeks in the last employment.</p> <p>The benefit amount is equal to 65% of the former wage at the start of the compensation period, and then decreases as from the 4th month. Such degressivity can continue until reaching a flat-rate amount.</p>
Tax treatment	Benefit subject to social contributions and income tax	Benefit subject to social contributions (except for certain categories) and income tax
Funding	<p>Unemployment insurance contributions:</p> <ul style="list-style-type: none"> ▶ Employer: 4.05 % ▶ Salaried employee¹² : - ▶ Total: 4.05 % <p>Public contributions: <i>Contribution sociale généralisée</i>¹³ (CSG) on income of activity</p>	<p>Contribution to social security, of which portion of unemployment insurance:</p> <ul style="list-style-type: none"> ▶ Employer: 1.46 % ▶ Salaried employee: 0.87 % ▶ Total : 2.33 % <p>Public contributions: state subsidies</p>

¹² Maintenance of the salaried contribution for the intermittent salaried employees of the entertainment business, the salaried employees of Monegasque employers and for certain expatriate salaried employees.

¹³ Taxation of any nature.