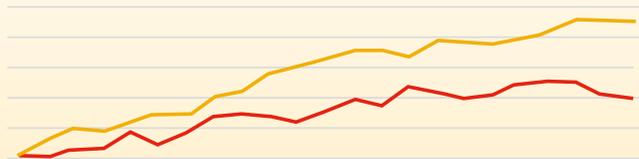


Socio-economic Barometer 2019



Socio-economic Barometer 2019

Men-women

All references to people or roles (e.g. worker) are of course about both women and men.

Table of contents

75 years of fighting for equality – we still have challenges to meet	5
1. Purchasing power, wages and productivity	11
1. Wage-based purchasing power: continual erosion	11
2. Minimum wage worth less and less	13
3. Productivity and wages: workers are not getting their fair share	15
4. Stagnation in productivity: government and business must shoulder their responsibilities	17
5. Party time for shareholders	19
6. No pay restraint for those on higher incomes	21
2. Inequality	23
1. The shrinking of Belgium's middle class	24
2. Rise in the number of poor workers	25
3. The gender pay gap: still huge	26
3. Economy and prosperity	29
1. Economic growth: four lost years	29
2. Jobs, jobs, jobs ?	31
3. Taxation: workers make a relatively high contribution to the community	32
4. Unemployment and poverty: poverty rising despite fall in the "official" unemployment rate	34
5. Poverty barometer: the emergency lights are flashing	36

4. Quality of employment **38**

1. Is full time a rarity for new employment contracts? 39
2. Temporary employment: more short-term contracts in Belgium 40
3. Flexi-jobs = dumping-jobs 42
4. Student jobs: a necessity and a threat 43
5. Discrimination on the labour market 44

5. Welfare and social protection **45**

1. Financing our social security: insecurity 46
2. Burn-out and other mental health issues: a “disturbing truth” in the 21st century 48
3. Difficulty in accessing health care 49
4. Social security: benefits below the poverty line 50
5. Legal pensions: our pensions do not allow us to live with dignity 51

6. Living (together) sustainably **52**

1. Still a long way to go to achieve green mobility 53
2. Energy: the slow conversion 54
3. Greenhouse gas emissions: moving up a gear 55
4. Fuel poverty 56

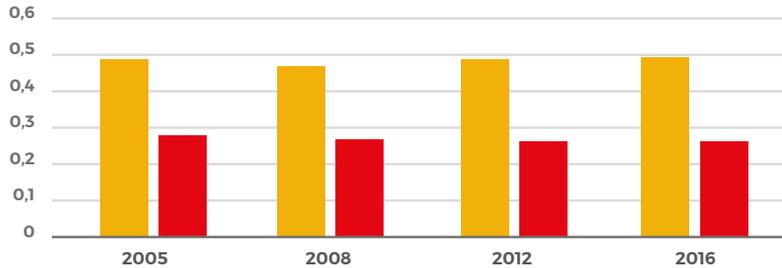
75 years of fighting for equality: we still have challenges to meet

Belgium has few big national symbols. We can be proud however of the institutions that we have built together: our education, social dialogue and social security systems.

For 75 years, our social security system has been a machine that drives equality. For 75 years, the trade unions and employers have been managing this machine. It prevents people from being exposed to the brute force of the free market. It supports and protects.

If taxes and social contributions were not levied and redistributed, more than 40% of the Belgian population would live in relative poverty (Graphic 1). Social security reduces inequality, which would be much deeper if we did not correct the impact of the free market (Table 2). Since the financial crisis of 2008, this inequality has been growing, and consequently so has poverty - before redistribution. Our social security system, however, is succeeding in reducing it by the same amount.

INCOME INEQUALITY (GINI coefficient) BEFORE AND AFTER REDISTRIBUTION



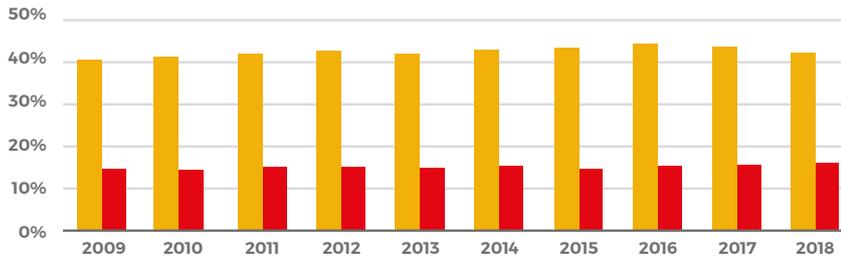
The GINI coefficient measures the level of inequality in society: 1 = total inequality; 0 = total equality. The closer the figure is to 1, the more unequal society is; the closer the figure is to 0, the more society is egalitarian.

■ Inequality before tax and social security are taken into account ■ Inequality after redistribution

Source: OECD, Income inequality database, EU SILC, 2019.



RISK OF POVERTY BEFORE AND AFTER REDISTRIBUTION



■ Risk of poverty rate before tax and social security are taken into account
 ■ Risk of poverty rate after redistribution

Source: OECD, Income inequality database, EU SILC, 2019

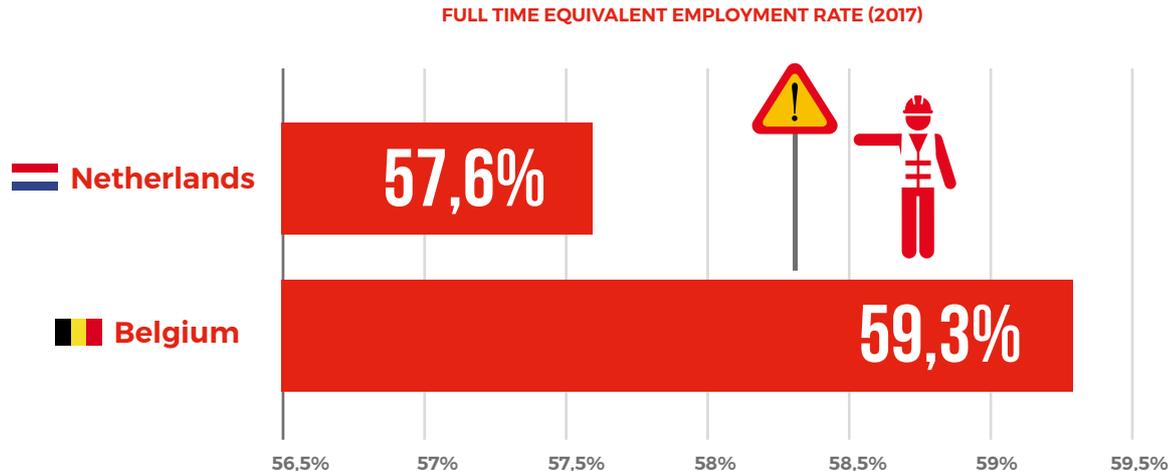
The International Labour Organisation (ILO) indicated recently that pay inequality had increased globally. Only a few countries have gone against this trend, including Belgium (Global Labour Income Share and Distribution, ILO, 2019).

The last 75 years, we have been able to institutionalise this approach to pay inequality through our social security system. But our social dialogue model also enables us to greatly reduce this inequality. An OECD study shows that in countries where strong trade unions are free to negotiate good agreements (expressed by the number of workers covered by CBAs, on the horizontal axis) the super rich (the richest 1%, on the vertical axis) receive less.



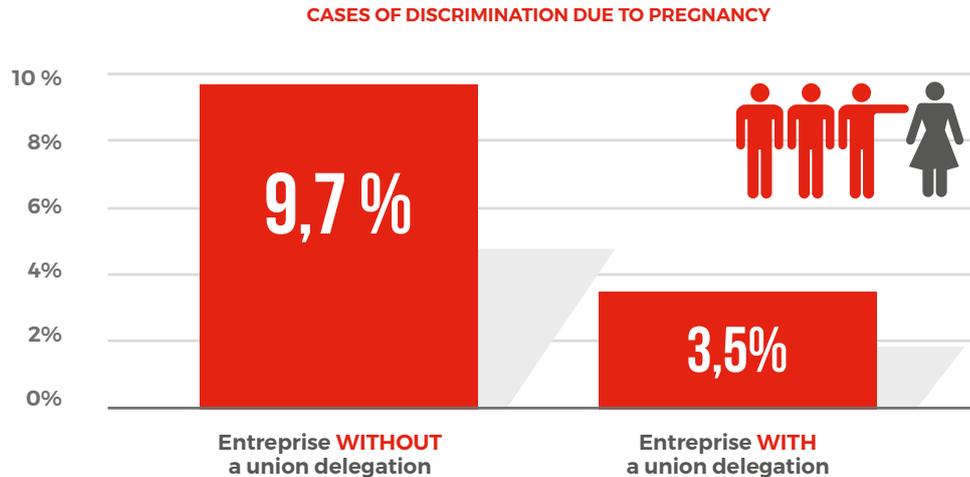
Source: OECD, 2015.

We want a labour market model that provides stable jobs with a decent income. We reject a model in which workers have to combine all sorts of hyper-flexible mini-jobs to make ends meet. The Netherlands is often upheld as an example of an effective labour market policy. It is often said that because of the lack of flexibility on the Belgian labour market we have a low employment rate, lower than the Netherlands for example. Traditionally, when calculating the employment rate, the number of “persons” are counted. But not the number of hours these “persons” work in reality. If a person has a flexible job for only a few hours a week, it is still counted as a full time job. When we correct this bias and take into account the real number of hours worked, the Netherlands scores significantly less well and is far lower down the employment rate scale.



Source: OECD, 2019.

The positive effects of our social dialogue model are felt not only at the macro-economic level but of course on a daily basis in the workplace. Let us look at the effect of the “mere” presence of a union delegate in the case of discrimination in pregnancy. Dismissal because of pregnancy occurs three times more often among workers in a workplace without a union delegate (9.7%) than among workers employed in an enterprise with a union delegation (3.5%).



Source: Institute for equality between men and women, 2017.

Alternatively, let us take the case of absence due to illness in general. Studies (Sjöberg, 2016 and Think Tank Minerva) show that an additional 1% of union membership leads to 13 minutes less absence per week on average. Not much? Based on these findings, if union membership levels had been maintained in Europe between 1996-2010 (which was not the case) workers would have taken two and a half hours less sick leave per year.

People fought to build our social security system and make social dialogue part of our DNA, some even lost their lives for it. We are still continuing this social struggle every day: in the workplace, in each sector and at the national level. With positive results – however small they may be sometimes – for both workers and employers.

We find ourselves facing enormous challenges. Over the last ten years, the social model that we have built so painstakingly has been weakened on many fronts. Decisions taken in the last legislature have had serious consequences for all those who are dependent on our social protection. But it is our duty as social partners to find how we can improve the effectiveness of our social security system. The poverty rate remains high in our country, despite our well-developed social security system.

Even if our social model is still standing, this barometer seeks to highlight the weaknesses in the system. First of all, we examine wages and taxation, which form the core of the funding of our social model. Then, we examine how inequality has developed and how it has been impacted by developments on the labour market. We also look at the effectiveness of our social security system and, finally, the sustainability – from an environmental perspective – of our model.

1. Purchasing power, wages and productivity

The balance between work and capital has been lost. A growing share of the economic cake goes to shareholders and big income earners. Workers and the lowest earners are losing out. Meanwhile, enterprises are addicted to subsidies and avoid all responsibility for training and investment.

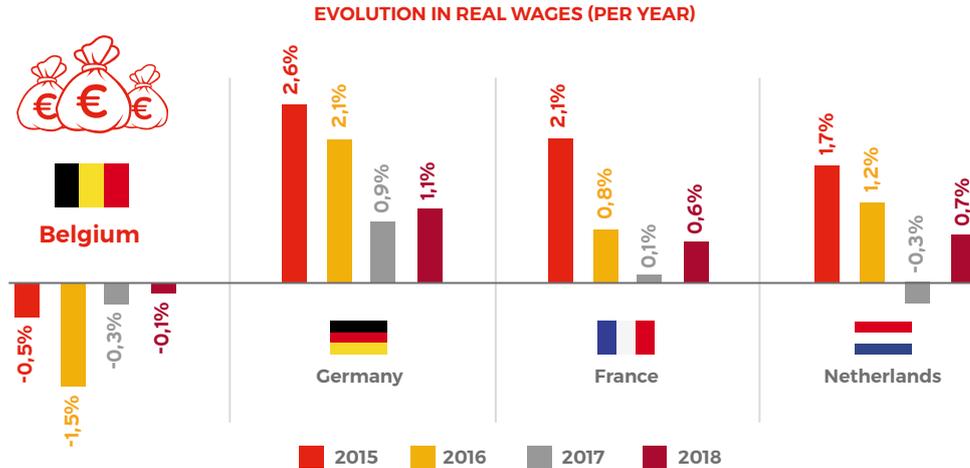
That is why we call urgently to:

- remove the straight jacket imposed by the new law (1996 law) on cross-industry wage formation;
- guarantee and respect automatic indexing and pay scale increases ;
- introduce a minimum hourly wage of 14 euros - the minimum needed to live in dignity ;
- reduce wage tension (between the highest and lowest wages) in companies to a maximum ratio of 14;
- introduce an individual right to five days of quality training, per worker, per year, in all companies.

1. Wage-based purchasing power: continual erosion

Both the ILO and the European Trade Union Institute (ETUI) have studied the evolution of our wages, taking inflation into account, hence price rises.

Conclusion: despite the automatic indexation of wages, real wages (i.e. wages minus inflation) have fallen by 2.4% since 2014. In 2014, 100 euros in your wallet would buy noticeably more goods and services than it does today. Everything is going up, but wages are not rising at the same rate. In Germany, over the same period, wages grew by nearly 7%. In France and the Netherlands they grew by over 3%.

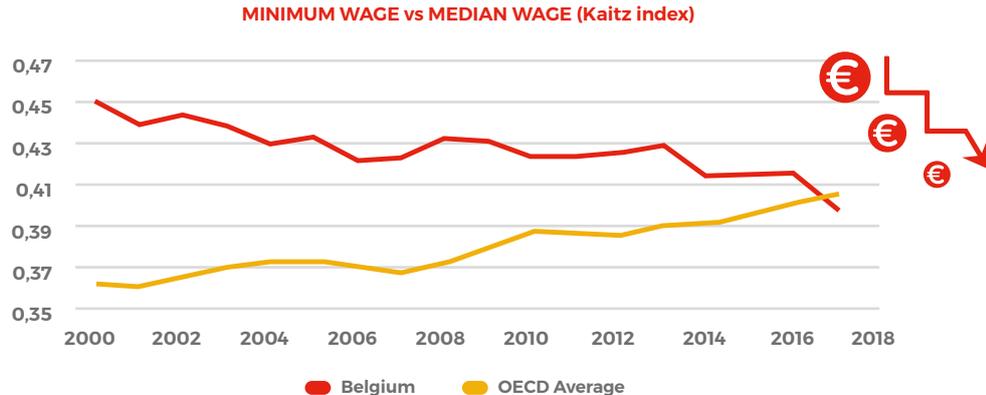


Source: ILO, Global Wage Report 2018/2019; Benchmarking Working Europe, ETUI, 2018

The Michel Government reduced workers' purchasing power to make our country 'more competitive' on the international markets. This government did so by skipping an index rise and by the imposition narrow margins on wage growth (outside the index) as well as increasing indirect taxation (VAT, ...), excises duties and utility prices.

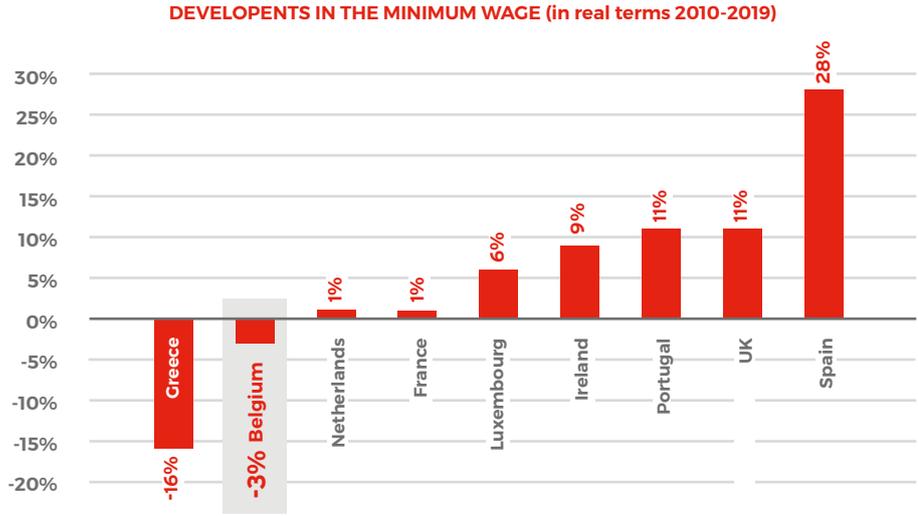
2. Minimum wages worth less and less

Lower wages continue to be “worth” less and less. How do we measure this? By comparing the minimum wage with the median wage, that is to say the wage in the middle of the income spectrum. We can see that the difference between the minimum wage and the median wage is increasing. This is expressed using the Kaitz index. This index shows the relationship between the minimum wage and the median wage. If the minimum and median wage are equal, the ratio is 1. If, for example, the minimum wage is only one third of the median wage, the Kaitz index is 0.33. In Belgium the Kaitz index has been falling for some time. The minimum wage is therefore falling in value. In 17 years the Belgian minimum wage has fallen by 8% in relation to the median wage. In the rest of the OECD, the reverse is happening: minimum wages are getting closer to median wages.



Source: OECD, minimum wage database, 2019.

Even when looking at the minimum wage in real terms (taking inflation into account), it is losing value. Except for Greece, Belgium is the only EU country where the minimum wage fell in value between 2010 and 2019.

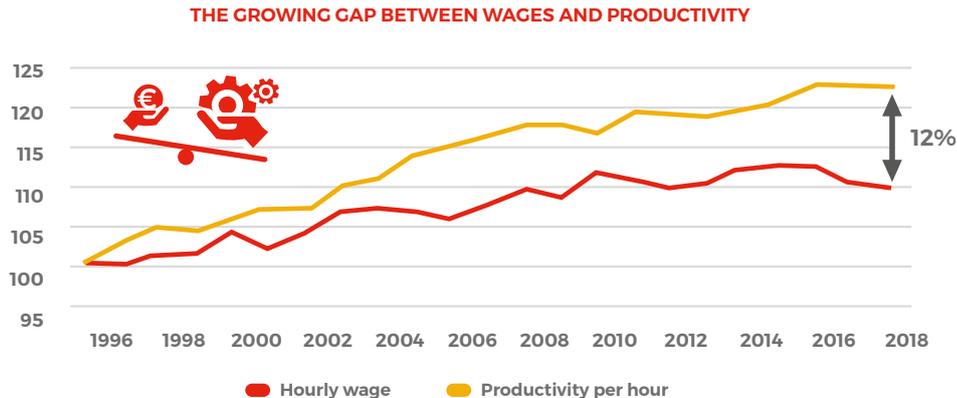


Source: Eurofound, 2019.

3. Productivity and wages: workers are not getting their fair share

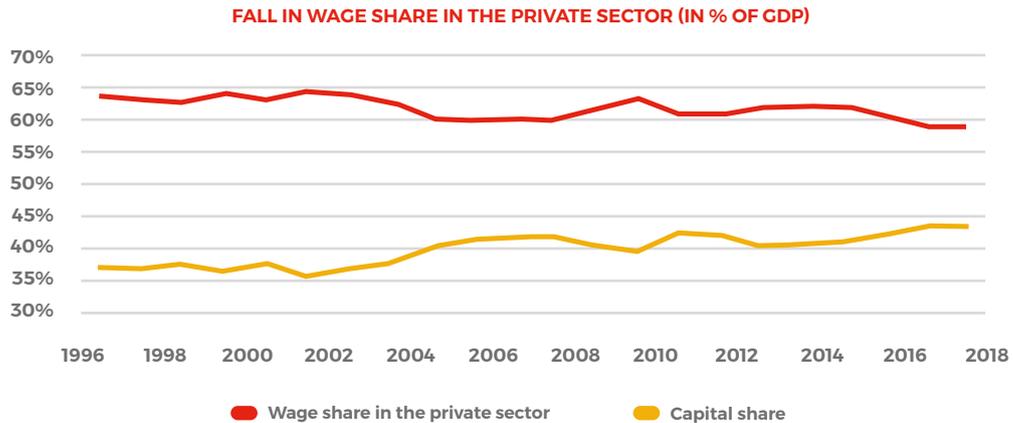
After the Second World War, it was agreed in the “*Social Pact*” to share out the wealth created through increased productivity equally between the owners of the means of production (the shareholders) and the workers. Since the oil crisis, the balance of power between labour and capital has shifted in favour of capital. In recent years, there has been no improvement.

In a fair economy, wage increases follow productivity increases. This means actually that the income from rising productivity is divided equally among those who own the means of production and the workers. In Belgium, however, the gap between wages and productivity is getting wider and wider. Not less than 12% since 1996.



Source: OECD, Compendium of Productivity indicators, 2019.

Shareholders therefore are receiving an increasingly bigger slice of the cake. “Workers’ share” in the economy, the “wages share” is steadily shrinking.



Source: BNB, sector accounts (S11 & S12), 2019.

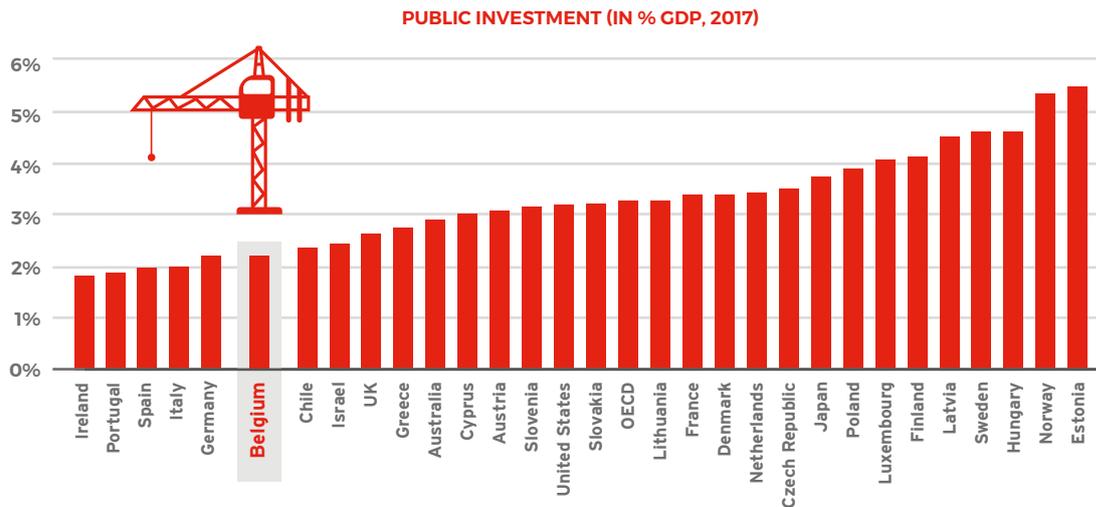
4. Stagnation in productivity: government and business must shoulder their responsibilities

The rise in our productivity has stopped. Resolving this state of affairs is partly the responsibility of the government, but also of business. The participation rate in training (provided by enterprises) among low skilled workers is very weak compared to neighbouring countries. Yet it is only by investing in the skills of low-skilled workers that we will be able to reduce the differences between high producing and low producing businesses.



Source: OECD, Productivity study Belgium, 2019.

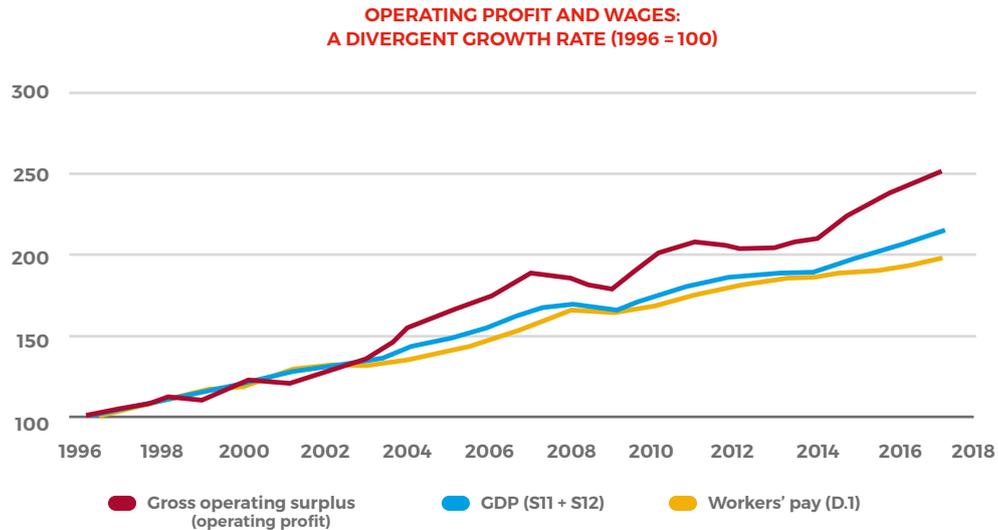
But the government's role cannot be forgotten either. For years, government investments have been well below the OECD average. This has an immediate negative impact on the productivity of our economy. The last government announced a strategic investment plan, but it turns out to be a near-empty shell. A catalogue of good intentions but with no funding behind it.



Source: OECD Productivity study Belgium, 2019.

5. Party time for shareholders

When we compare the increase in GDP (all that we produce together, also known as 'economic growth') with wages and operating profit, it is clear that business has benefitted more from economic growth than workers..



If we analyse the national accounts and isolate the private sector, we see staggering figures for the increase in operating profits and dividends: since 1996 dividends have increased by more than 200%, while wages have only increased by 98%.

	1996 (in billions of €)	2017 (in billions of €)	Increase (1996-2017)
WAGES AND SOCIAL SECURITY CONTRIBUTIONS	79,6	157,8	98%
OPERATING PROFIT (gross operating surplus)	46,5	116,7	151%
DIVIDENDS	8,16	25,8	216%

Source: BNB, sector accounts (S11 & S12), 2019.

And yet, companies continue to demand fewer taxes and lower labour costs. Those claims are misplaced, not only because workers have not been paid fairly for years, but also because companies receive billions of euros in public support.



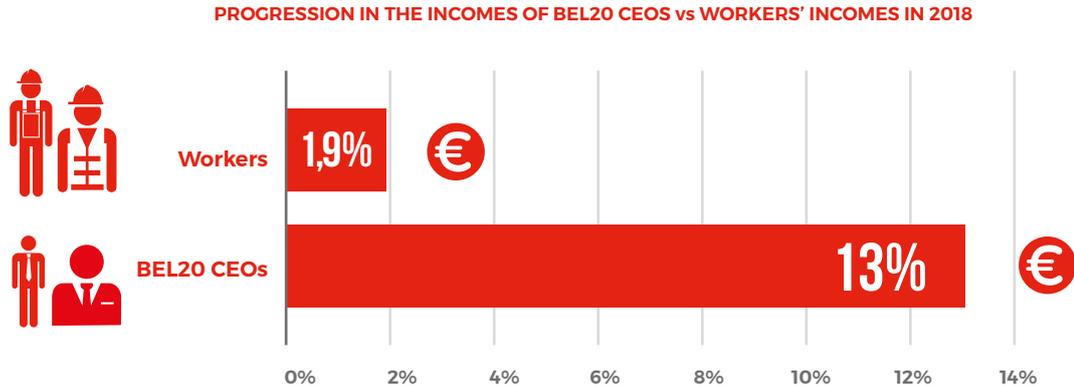
BILLIONS OF EUROS	1996	2017
WAGE SUBSIDIES	0,8	7,2
REDUCTIONS IN EMPLOYERS' CONTRIBUTIONS	1,2	5,8
TOTAL	2	13

Source: CCE, Technical Report, 2018.

Companies are exempted from paying a large part of social security contributions to the ONSS (the national social security system) and benefit from billions of euros in wage subsidies (the amounts are, however, deducted from the gross salary, but the employer does not have to pay them to the tax authorities). Companies received €13 billion in subsidies in 2017. In 2017, night work and overtime were subsidised to a total of € 1.5 billion. Early 2019, the Court of Auditors declared that the effectiveness of this state aid has not been proven and is difficult to monitor.

6. No pay restraint for those on higher incomes

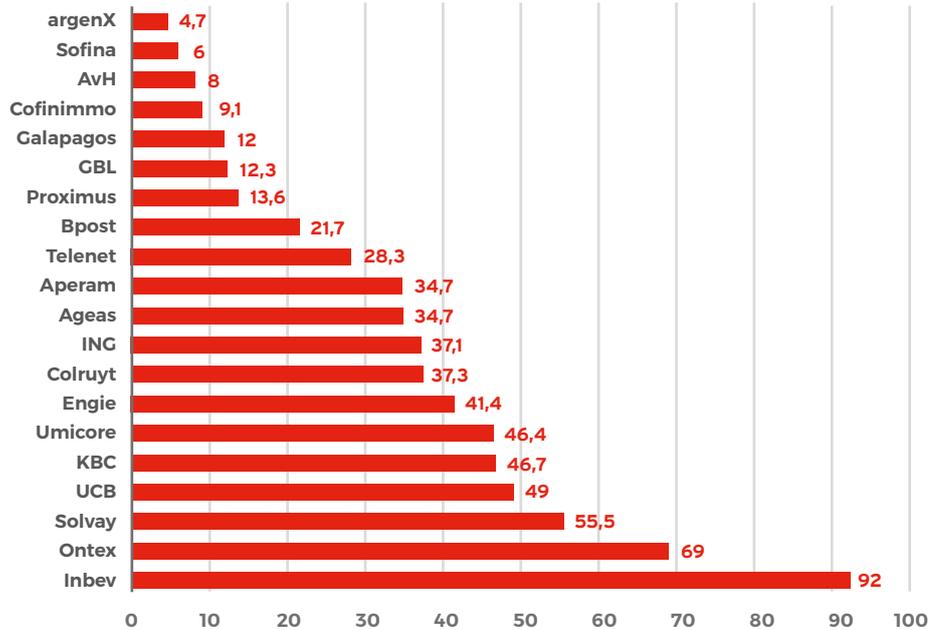
Despite a very strict law on wage formation - which limits pay rises for Belgian workers - the highest incomes manage to escape pay restraint.



Source: Planning Department, De Tijd, 2019.

In some companies, CEOs overstep the mark. Comparing a CEO's remuneration with the average salary of a worker in the same company gives an idea of the wage tensions within the company. The ratio obtained indicates how many times higher the CEO's salary is compared to the average salary of a worker within the company.

HOW MANY TIMES MORE IS A CEO'S SALARY COMPARED TO THE AVERAGE SALARY OF A WORKER IN HIS COMPANY?



Source: De Tijd, 2019.

2. Inequality

Until now, we have managed to limit income inequality through our redistribution systems (taxation and social security). But fundamental changes are underway. The middle income class is declining in favour – and to the detriment - of the extremes: more and more are becoming poor, more and more are becoming rich. This is the result of the imbalance between labour income and capital income. This manifests itself in particular in the increase in the number of working poor. The most persistent inequality remains inequality between women and men. Equal work must receive equal pay.

To rectify these inequalities we demand:

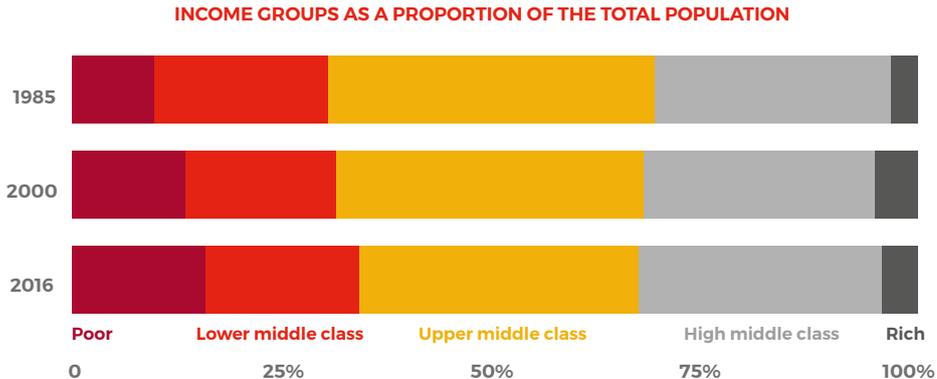
- social protection worthy of the name. A decent income, whether it comes from work or not;
- strengthening collective wage bargaining at all levels;
- a social security system that takes into account new forms of cohabitation (single parent families);
- the constitution of social rights for all by limiting hyper-flexibility (and the limitation of rights derived therefrom);
- equal pay for equal work. The total elimination of the gender pay gap and parity at all levels must be a constant priority in future inter-professional agreements.

1. The shrinking of Belgium's middle class

The middle class refers to those households that are at the centre of the income distribution scale¹. Households that do not receive the highest incomes, but who usually manage to get by without any problem. Note that the “lower” middle class is very close to the poverty line.

In recent years, many international studies have shown the importance of having a large middle class. It is a sign of better income redistribution and has always been a source of solid economic and social progress: economic growth is higher in countries with a large middle class. This applies to opportunities (and results) in education, productivity, capacity for innovation and public confidence in the public authorities.

However, we are witnessing a sharp decline in this important middle class.



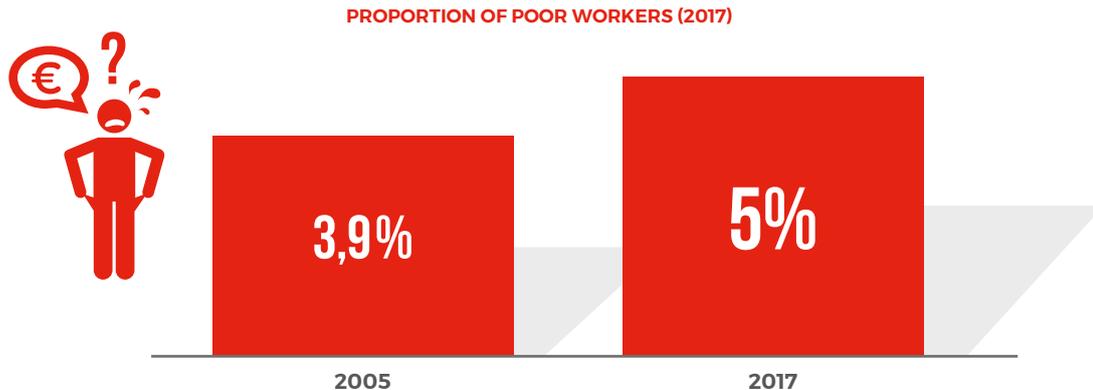
Source: Rapport Centrum voor sociologisch onderzoek. KUL « *The middle class in Belgium* », 2019.

¹ Middle class : families whose income is more than 60% of the median income and less than 200% of the median income. In Belgium in 2018 the median income was about 3200 euros.

The certainty that we once had that we could secure a place in the middle class has been undone: wages no longer follow the rise in productivity. Higher wages are progressing faster. Social mobility does not work anymore. Social security and public services are being dismantled. Low-income social classes are therefore increasingly characterised by growing vulnerability, a new precariousness. It is seriously damaging to our social model.

2. Rise in the number of poor workers

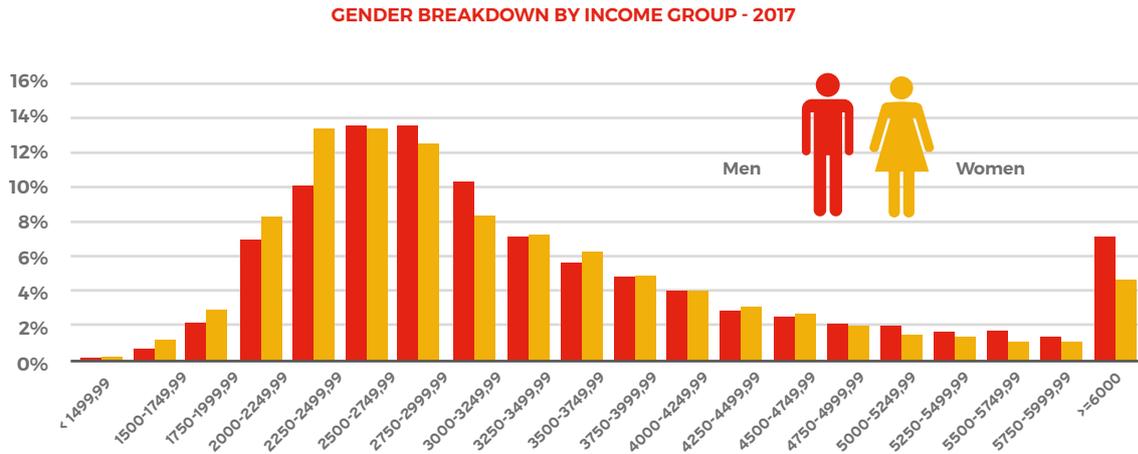
A quarter of a million Belgians are at high risk of poverty or social exclusion (they earn less than 60% of the median income) while they have a job. This represents five percent of the 4.8 million economically active people in our country. Over the last ten years, the number of working poor has increased by more than 16%.



Source: Eurostat, 2019.

3. The gender pay gap: still huge

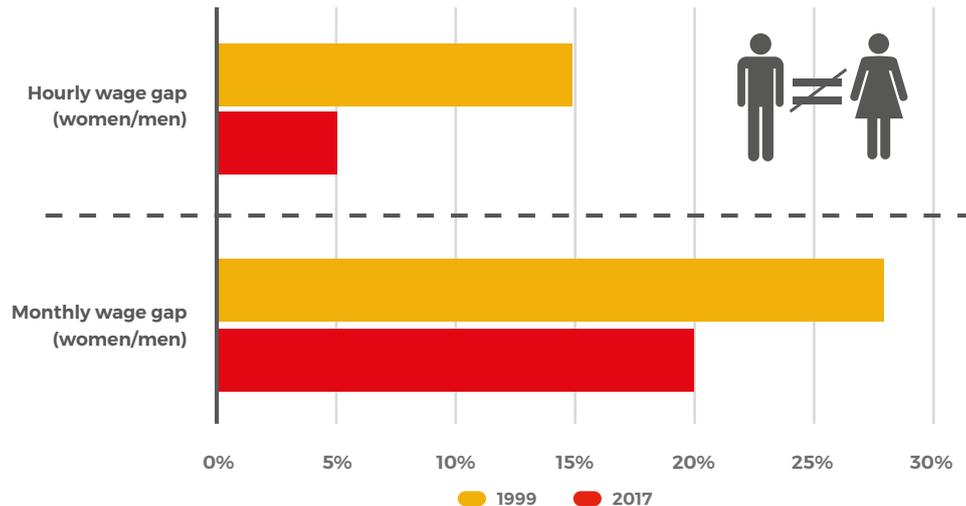
A gender breakdown by income group shows that women are still overrepresented in lower paying jobs.



Source: SPF Economy, 2018.

The most persistent discrimination in the labour market concerns inequality between women and men, which still translates into a considerable wage gap. The 14 years of Equal Pay Day actions and awareness have proven their worth. For equal working time the pay gap has almost disappeared, even though women who work full-time earn 5% less than their male counterparts. This situation does not reflect reality, however, because an examination of real monthly wages gives a very different picture.

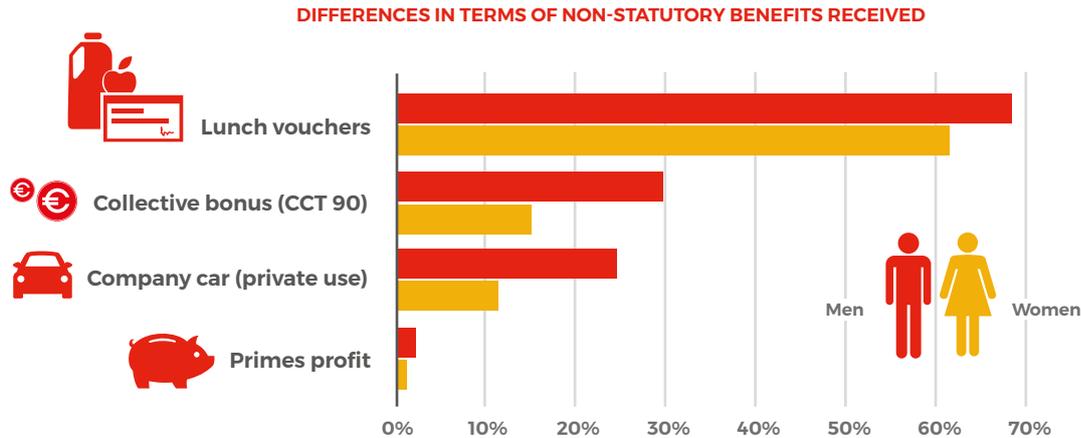
WAGE GAP BASED ON MONTHLY PAY vs WAGE GAP BASED ON HOURLY PAY



Source: SPF Economy, 2018.

In the private sector women’s monthly gross income is still nearly 20% less than men’s. And this figure has stagnated for five years. One of the main causes is part-time work, which is too often presented as a “free choice”. According to FPS Economy, however, only 8% of workers (women and men) deliberately choose to work part time. Furthermore, in certain sectors and functions only part-time contracts are offered.

The pay gap is not only apparent in terms of gross wages, however. It grows bigger when the fringe benefits are included in the comparison.



Source: SPF social security, 2019.

Moreover, the fact that “women’s occupations” and “women’s sectors” (health care, early childhood care) generally pay less well is not a coincidence but is related to value judgments.

3. The economy and prosperity

The last four years are lost years for economic growth and employment. The outgoing government failed to bring about a tax shift. Big fortunes continue to enjoy very favourable taxation. On the other hand, a large number of people have been excluded from the right to social benefits and must turn to the *CPAS* (public centres for social action) to survive. The risk of poverty for some groups of the population has increased considerably.

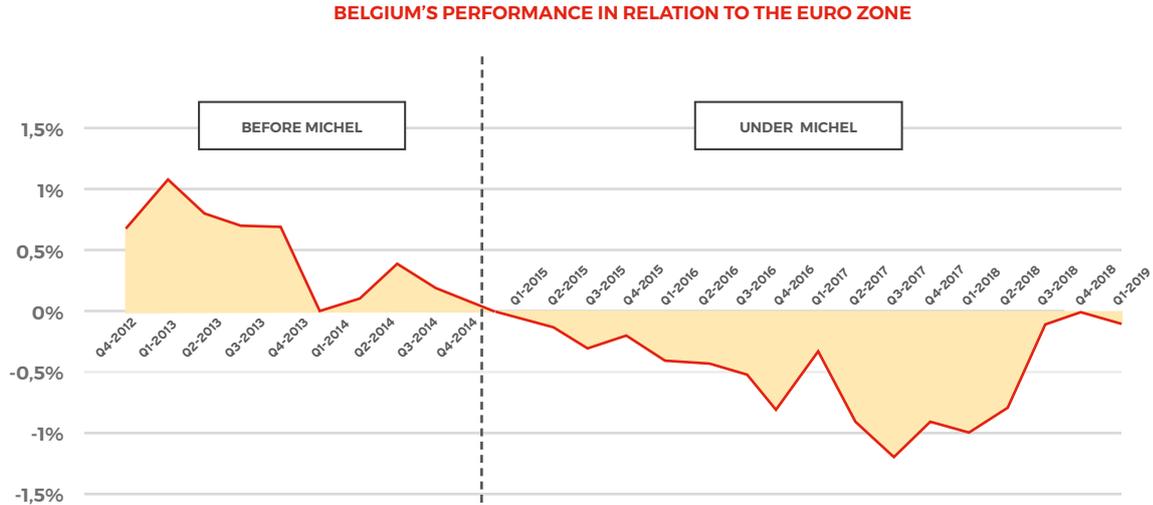
As we are therefore calling for:

- a shift in taxation towards income from property and capital: a real tax on wealth, the introduction of a tax on capital gains, a levy on financial transactions, a minimum European corporate tax of 25% ;
- job seekers are not social pariahs. They deserve a status that protects them from insecurity, and allows them to look for a job that matches their expectations and abilities. For job seekers, the risk of poverty is already intolerably high, so how dare anyone say that these people need 'to be motivated' in their search for work? The labour shortage is in fact a skills shortage. That is why the FGTB insists on the need to invest in the support and training of jobseekers.

1. Economic growth: four lost years

Before the Michel government took office, the Belgian economy was growing faster than the euro zone average. Once the Michel government came to power, the picture changed. Heavy budget cuts, additional curbs on public investment and severe cuts in wages and benefits have made their impact felt.

The chart below reflects Belgium's economic growth compared to the average in the euro zone. In the fourth quarter of 2012, Belgian growth was 1% above the euro zone average. From 2015, growth dropped below the euro zone average.

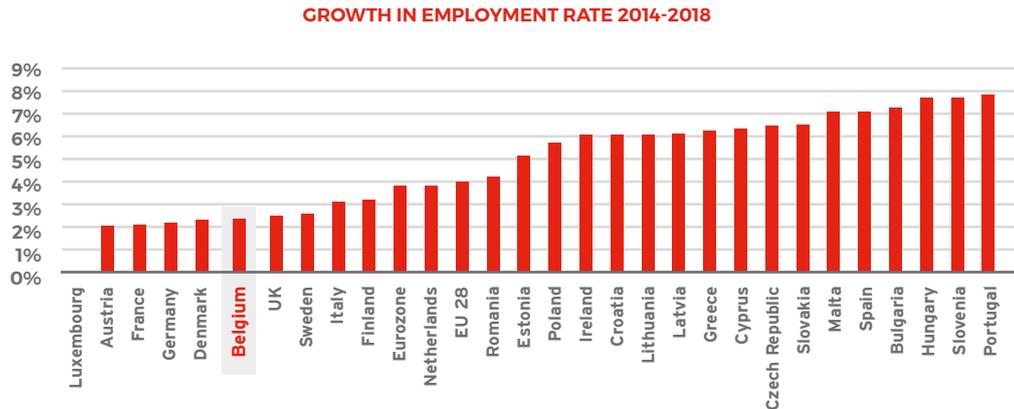


Source: Eurostat, 2019.

The argument “the rest of the EU has had to catch up, so it is logical that Belgium is now below the European average” does not hold water. Countries like Sweden, Austria, Germany and Luxembourg have also experienced, like Belgium, a less severe recession and yet they have performed much better.

2. Jobs, jobs, jobs?

In the last four years, jobs have indeed been created, but very few compared to the rest of the EU. This is despite a very favourable international situation. The University of Ghent has quantified this evolution. By failing to take sufficient advantage of this favourable situation, our country has missed out on 36,000 additional jobs. Of the 230,000 jobs created in the last four years, only a fraction is the result of government measures. KU Leuven estimates that 70,000 jobs have been created thanks to government policy. According to other calculations by the UCL (IRES), it is only 27,500 jobs.



Source: Eurostat, 2019.

3. Taxation: workers make a relatively high contribution to the community

There is a significant imbalance in the way different types of income are taxed in Belgium. The tax burden on labour income (earned at the cost of great effort) is much heavier than on capital or property income. It is urgent to tax each euro fairly: put all income in the same pot and apply a progressive rate.

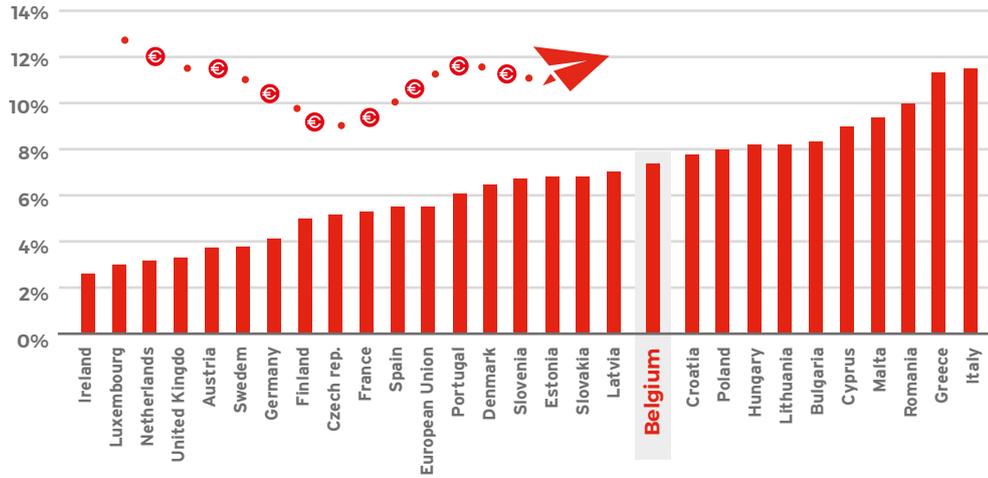


	HOW MUCH REMAINS FROM AN INCOME OF €1000 IF ...
... I WORK	€ 621
... I RECEIVE INTEREST OR DIVIDENDS	€ 700
... I RENT A HOUSE	€ 872
... I SELL SHARES	€ 1000

Source: Le Soir. Various federal institutions. 2019.

In addition, the state loses billions through tax evasion (by interpreting tax rules as “broadly” as possible) and fraud (ignoring tax rules). According to a report by the European Parliament, the EU loses around 823 billion euros of tax revenue a year. For Belgium, this represents 30.4 billion euros. When compared to GDP, Belgium scores poorly in relation to comparable economies (Germany, the Netherlands, France and Scandinavia).

% OF GDP LOST DUE TO TAX FRAUD AND TAX EVASION



Source: European Parliament
 "Report on financial crimes, tax evasion and tax avoidance". 2019.

4. Unemployment and poverty: poverty rising despite fall in “official” unemployment rate

Unemployment is falling, it's true. Every month, the *ONEM* (national employment office) announces positive figures. From a historical point of view, the trend looks favourable. But what it doesn't say is that this government no longer takes a significant number of job seekers into account its statistics.

The following groups are no longer included in the statistics:

- young people who have completed their studies (first year, no allowance): mid-2019 this group represented 35,486 people;
- unemployed people with compulsory registration as jobseekers, without entitlement to unemployment benefits (e.g. beneficiaries of integration income): 77,976 jobseekers (strong increase + 17.5% compared to 2018);
- unemployed persons registered on a voluntary basis as jobseekers: 39,266 persons.

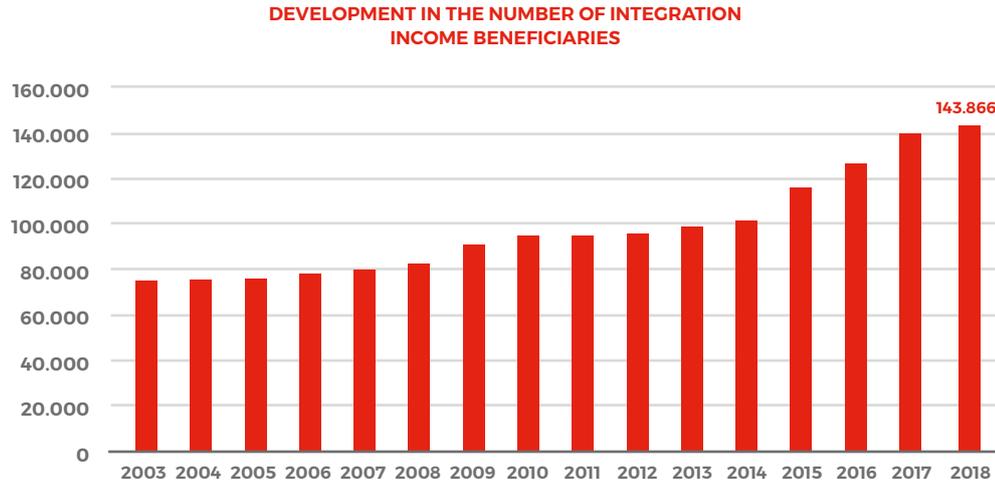
If we include these people in the statistics, we get a completely different picture. In the first half of this year, it becomes clear that 152,728 more Belgians than *ONEM* figures indicate were unemployed.

REAL NUMBER OF JOB SEEKERS FAR HIGHER THAN OFFICIAL FIGURES (first semester 2019)



Source: ONEM. Own calculations. June 2019.

The number of people living on an integration income has dramatically increased in recent years. With the tightening of conditions to qualify for unemployment benefits, the situation is getting worse.

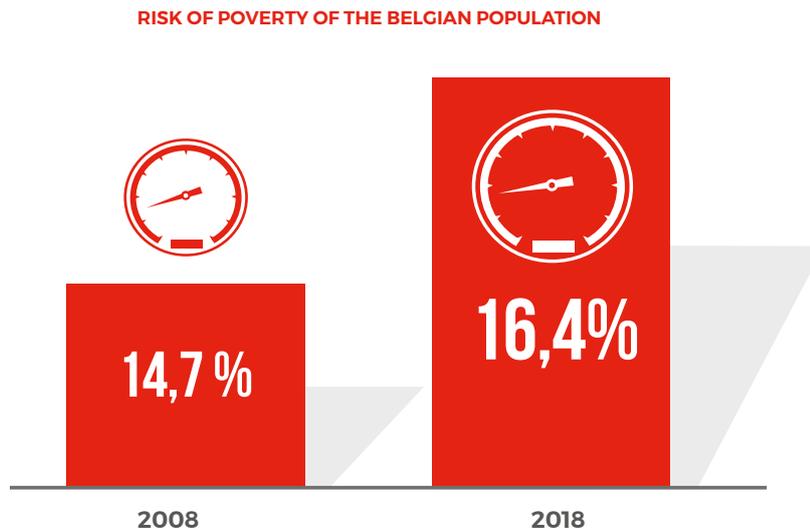


Source: SPP Social integration. 2019.

To note: the number of students benefiting from an integration income has doubled in 10 years to more than 21,000 beneficiaries in 2018

5. Poverty barometer: the emergency lights are flashing

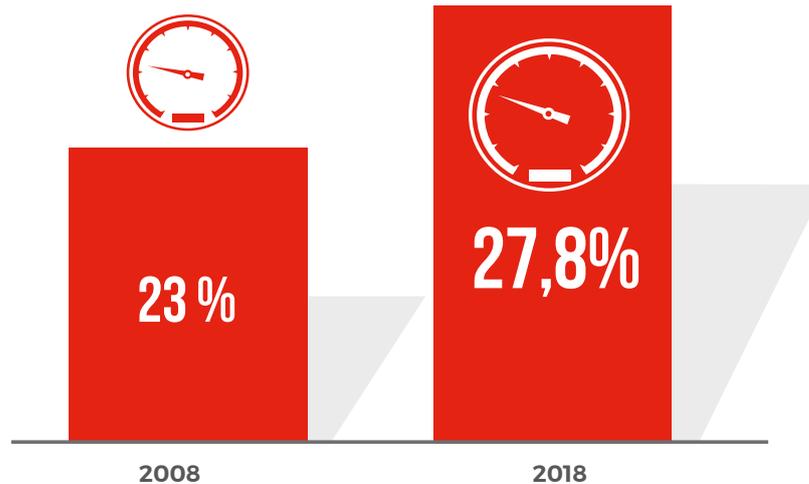
In Belgium, poverty is moving in the wrong direction. Overall, in 2018, 16.4% of the Belgian population was at risk of poverty. It's a significant increase compared to 2008.



Source: EU SILC survey, 2019.

The unemployed are significantly more exposed (49.4%) to poverty than the working population (5.2%). Lone-parent families (41.3%) are four times more likely to be at risk than a family of two adults and two children (9.8%). The same is true for tenants (37.2%) compared to people who own their home (9.1%). Finally, for the least qualified, who have at most a lower secondary education diploma, the risk of poverty is four times higher than for the most qualified people (27.8% against 6.4%).

RISK OF POVERTY AMONG LOW SKILLED WORKERS



Source: EU SILC Survey 2019.

4. Quality of employment

Work must be THE way to thrive. Work is not a commodity. Workers are not tools that are operated or stopped by a button at the whim of the business world in the name of competitiveness.

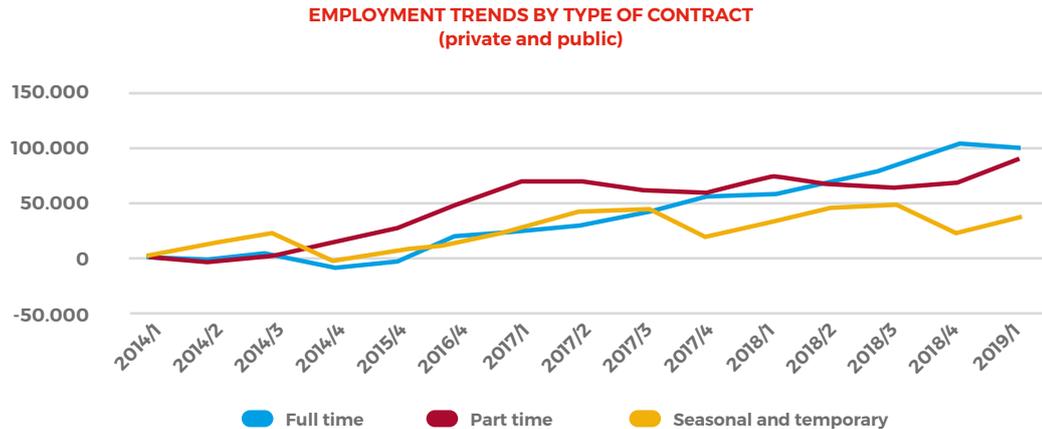
Yes, additional jobs have been created, but without regard to their quality. We, on the contrary, want quality jobs. No unpaid internships or temporary contracts renewable indefinitely, or forced part-time, mini-flexi “jobs” that do not guarantee any security of existence.

Everyone, young or old, male or female, native or immigrant, must have an equal opportunity to access the labour market and to a quality job that allows them to balance work and private life.

Moreover, access to the labour market is often denied, for no good reason. Discrimination must be tackled through ‘*mystery calls*’ standards, offering more opportunities to groups to risk (e.g. through corporate diversity plans and sectoral level targets) and by remunerating victims of discrimination more appropriately. The authorities need to focus more on awareness raising, particularly bearing in mind recent migration flows. Every person deserves a chance in life. Every person can bring something to society.

1. Is full time a rarity for new employment contracts?

ONSS (national social security organisation) figures show how many jobs have been created in the last five years (from the beginning of 2014 to the beginning of 2019). Of the 230,000 new jobs, it appears that less than half are full-time contracts. The same number of new jobs are part-time. The rest are seasonal or temporary jobs.



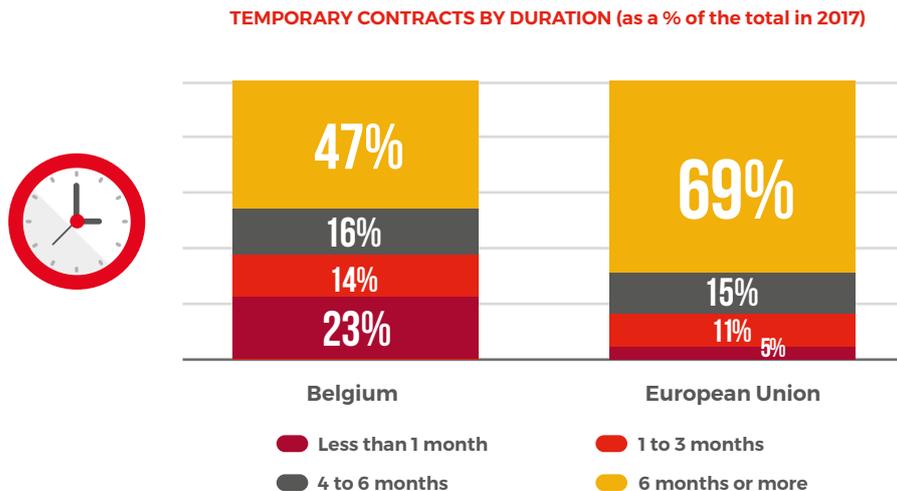
Source: ONSS. 2019.

Furthermore, in 2017 the Higher Council for Employment also indicated that the new jobs were mainly low-paid jobs. 47% of new jobs are in the lowest 20% of incomes. Overall, only 23% of all employed workers belong to the lowest 20%.

2. Temporary employment: more short-term contracts in Belgium

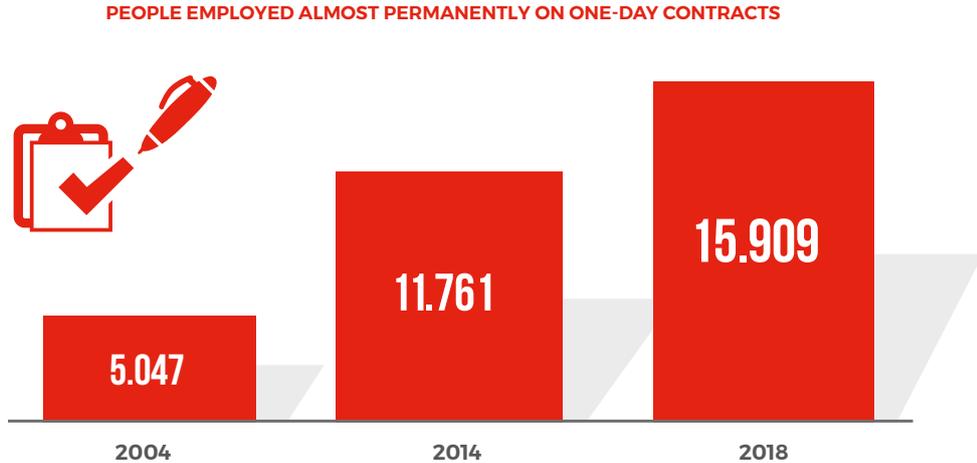
In 2018, the Higher Council for Employment reported that four out of ten new jobs were temporary jobs. In total employment, on the other hand, a quarter of jobs are temporary.

In comparison with the rest of the European Union, Belgium has a higher number of temporary short-term contracts. 23% of temporary contracts are for less than a month. In the rest of the European Union, this applies to only 5% of temporary contracts.



Source: BNB, 2019.

One-day contracts in the temporary sector are an extreme example of flexibility. Over the past 15 years, the number of temporary workers working all year round on a daily basis has literally exploded. In 2018, this precarious form of employment concerned 16,000 Belgians.



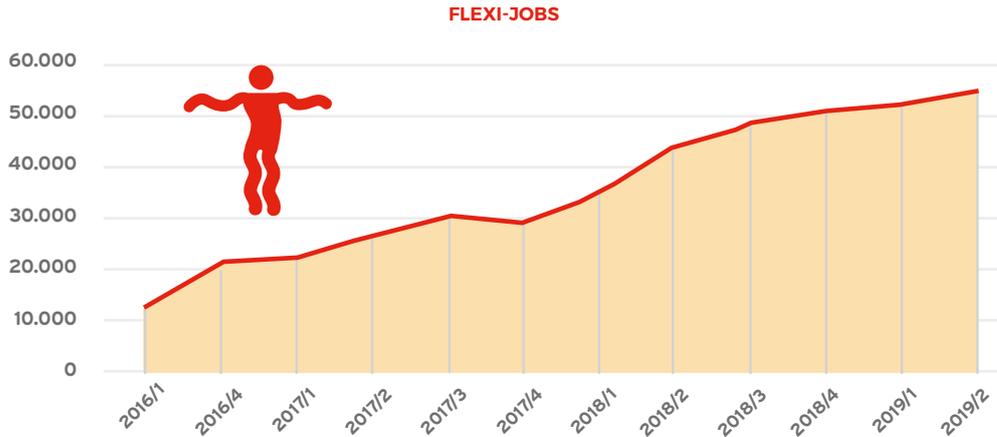
Source: ONSS, 2019.

On 24 July 2018, an agreement was reached in the National Labour Council to reduce by 20% the proportion (of all temporary contracts) of one-day contracts (excluding students), over two years (2018 and 2019). In the meantime, the ONSS figures for the year 2018 show that there has been an increase - slight, but still real - in the number of successive daily contracts ...

3. Flexi-jobs = dumping-jobs

At the beginning of 2016, the Michel government introduced a system allowing any worker employed for at least four fifths time to do a little extra work in the hotel and catering or in other sectors. This can be described as dumping because these are jobs on which very few social security contributions are paid. Moreover, these flexi-jobs are not accessible to jobseekers, they are therefore in no way a solution in the fight against unemployment.

In February 2019, the Court of Auditors ruled that the government had been reckless in extending the system. It came to the conclusion that 35% of flexi-jobs were not new jobs. Many workers have been forced to or have decided themselves to work 80% to be able to take on a flexi-job with the same employer. Meanwhile these are contributions that the state does not receive.



Source : ONSS, 2019.

4. Student jobs: a necessity and a threat

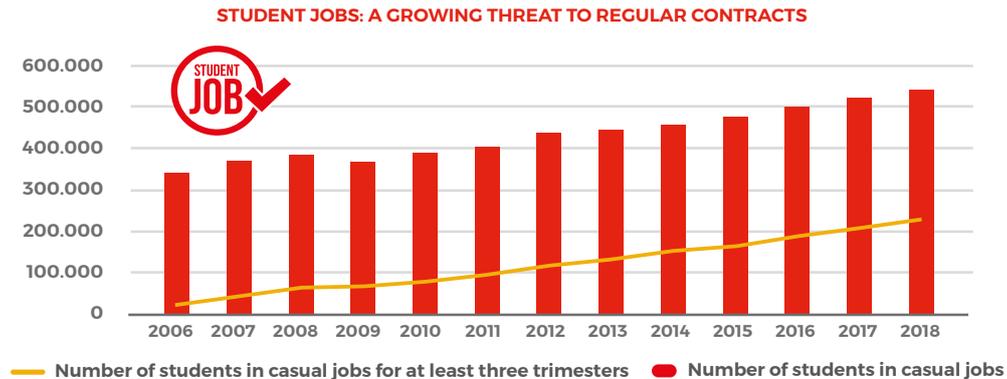
Working a little while studying to be able to afford some extras is something practically all students do. What is worrying, however, is the increase in the number of students forced to work to finance their studies. This is about half of the students in French-speaking Belgium. But all the studies show that this drastically reduces their chances of success.

We have already drawn attention to the high number of students surviving on an integration income (21,000). The figures show that more and more young people are at a financial dead end.

In addition to this, more and more students are in regular jobs.

More and more students are working for three or more trimesters. The percentage went from 9% in 2006 to more than 40% in 2018. It is no longer a case of a little student job during the summer.

The extremely advantageous para-fiscal framework for student jobs is obviously the cause and explains why employers are increasingly turning to student labour, often at the expense of "regular" employment.

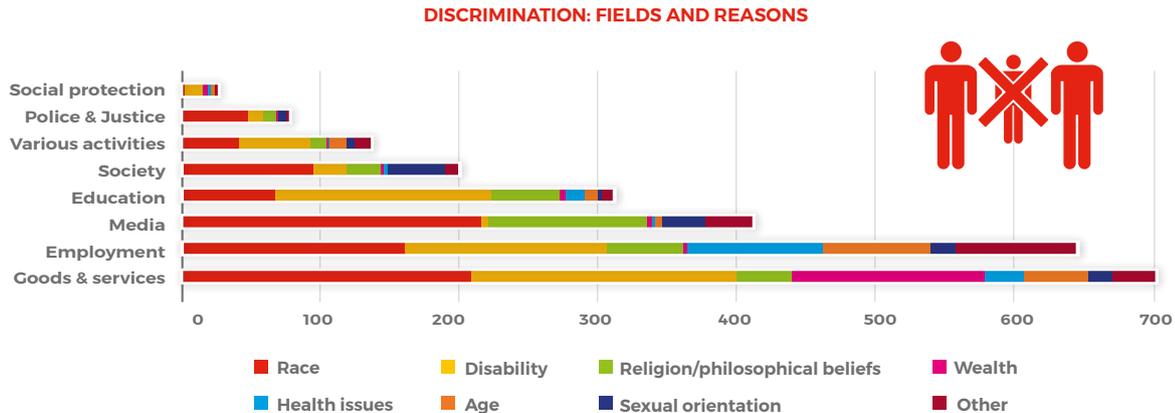


Source: ONSS, 2019.

5. Discrimination on the labour market

The number of complaints to Unia (the government’s anti-discrimination office) continues to rise. Of the cases filed in 2018, racial discrimination complaints rank highest (847), followed by disability (596) and religion (304).

When looking at where discrimination is most prevalent, work tops the list. The place where we get an income, where we expect to have opportunities, where we want to flourish, also seems to be the place where we run the greatest risk of being discriminated because of your origins, physical or mental abilities, beliefs or age.



Source: UNIA. Annual report. 2019.

5. Welfare and social protection

The financing of our social security is under pressure. Gifts to employers in the form of reductions in employer contributions, the precariousness of employment and the use of forms of earnings exempted from contributions undermine the revenue of the social security system. We must continue to guarantee its funding to sustain our social protection system and meet future needs in terms of health and aging. Additional funding can AND must be found through fair taxation and the introduction of a generalised social contribution.

All indicators show that the physical and mental burden of work is increasing. Following the demand for more flexibility, this has been accompanied by a proliferation of precarious jobs and an increase in the pace of work, leaving more and more workers exhausted. This is happening at a time when a large number of workers are looking for a job or want to increase their hours of work. A different approach to the concept of 'work' is needed today more than ever.

This is why the FGTB proposes:

- to introduce a collective reduction of working time. It is the only way in the short term to improve work / life balance;
- to give workers more autonomy through better collective bargaining, to make security and mental well-being a priority;
- to recognise burnout as an occupational disease and strengthen the role of prevention counselors and occupational physicians;
- to ensure that the growth target for health care meets the needs of citizens again.

Social benefits remain low: 90% of social minima are below the poverty line.

There is a need therefore to:

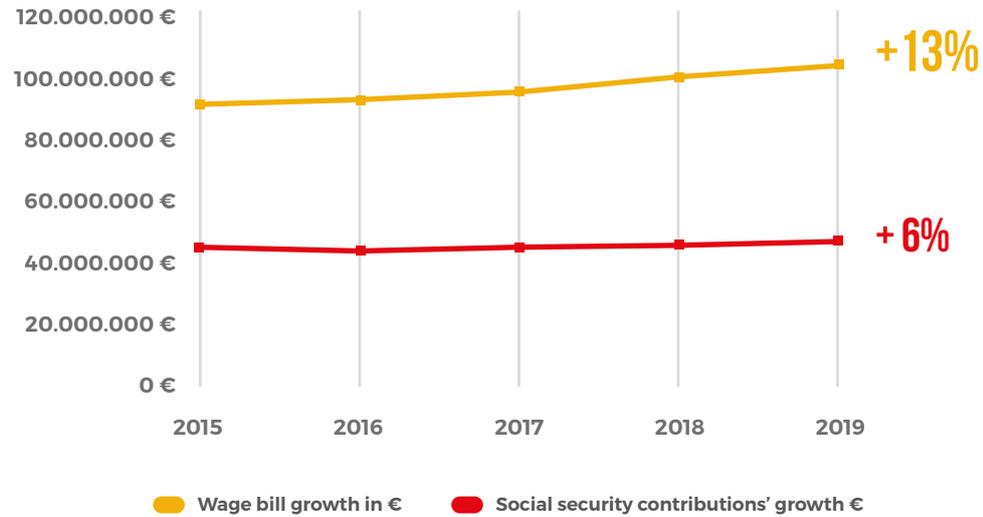
- raise all social benefits up to 10% above the poverty line;
- increase legal pensions to the minimum subsistence level of 1 500 euros.

1. Financing our social security: insecurity

Between 2016 and 2018, employers' contributions were reduced from 32.4% to 25% following the tax shift. According to the Planning Bureau, this cost 5.8 billion euros. According to the Social Security Management Committee, the social security deficit will climb to 6.3 billion euros by 2024 because the equilibrium allowance will no longer be guaranteed from 2021.

The growth in social security income from social security contributions has come to a virtual standstill because of this reduction to 25%. By introducing all sorts of flexible jobs (on which fewer contributions must be paid) and the extensive system of wage optimisation (more and more net benefits instead of gross pay), social security income is no longer growing in line with the increase in the wage bill and the needs of the population. Since 2015, the payroll has risen by 13%, while the contributions (personal and employer) connected to this have risen by only 6%. Yet the pace of growth should be the same.

**DIVERGENCE BETWEEN THE WAGE BILL AND SOCIAL SECURITY CONTRIBUTIONS
(in thousands of euros)**

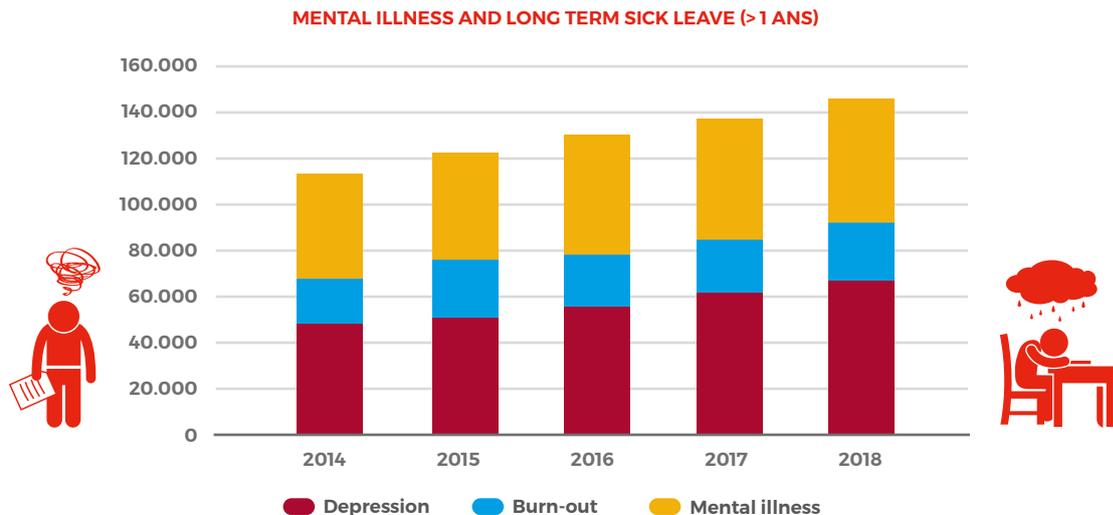


Source: Overall management of social security, 2019.

2. Burn-out and other mental health issues: a “disturbing truth” in the 21st century

Recently, KU Leuven found that more than 7% of the working population suffers from symptoms of burnout (burnout syndrome). 9% are considered at risk. It is striking that it is above all blue collar workers, clerical staff and young people between the ages of 18 and 34 who are at increased risk. The cause? Work. People are particularly at risk of burnout when the demands at work are too high and there are too few means and too few staff to cope.

The number of workers on sick leave because they are suffering from mental illnesses is also increasing alarmingly. Because burn-out and depression often last less than a year, the figures give only a partial view of the mental state of workers.



Source: INAMI, 2019.

	2014	2015	2016	2017	2018
MENTAL ILLNESS	112 648	122 825	129 680	136 343	145 180
TOTAL LONG TERM SICK LEAVE	321 573	346 971	366 293	379 908	400 745

Source: INAMI, 2019.

3. Difficulty in accessing health care

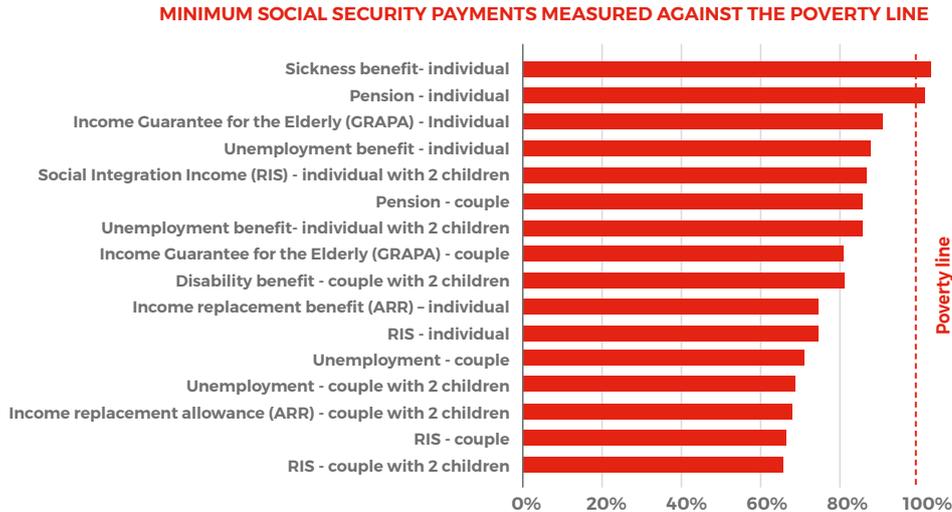
Belgians are not equal when it comes to access to healthcare. The European Social Policy Network has studied this accessibility problem, which has multiple causes: the cost is too high, waiting times are too long or the distance to medical centres is too great. Belgium has a very poor accessibility score for the lowest incomes (the poorest 20%). In 2011, 4% of the least affluent Belgians reported that they could not access health care. In 2017, this figure had gone up to 7%, almost solely because of the high costs.



Source: European Social Policy Network, 2018.

4. Social security: benefits below the poverty line

Social benefits in Belgium are too low. Benefits should protect against poverty. But this does not seem to be the case. If we look at the minimum social benefits, only a fraction of them (and the minimum wage) are above the poverty line.

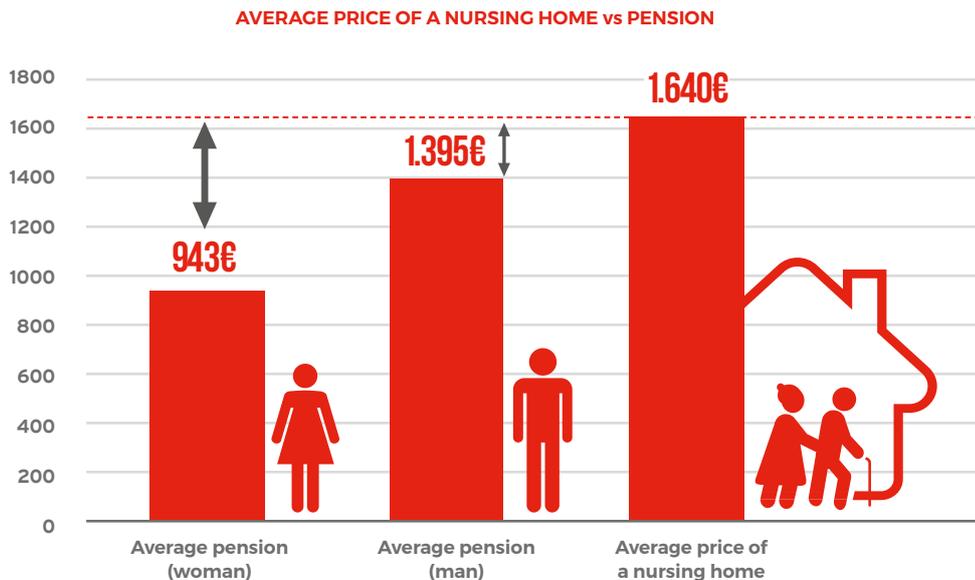


Source: SPF Sécurité sociale, 2019.

In its government agreement, the Michel administration had promised to raise the allowances to the level of the poverty line. By the end of 2017, this promise had been shamelessly thrown out. Moreover, the same government used only 60% of the welfare budget to adjust the lowest allowances. As a result, the gap between welfare recipients and workers keeps on growing.

5. Legal pensions: our pensions do not allow us to live with dignity

In Belgium, the average legal pension is 1,395 euros for a man and 943 euros for a woman. The price of a nursing home is much higher: 1,640 euros. The minimum legal pension is too low, like most minimum social benefits. The minimum pension after a full career is 1,249 euros per month for a single person, only a small fraction above the European poverty line.



Source: Federal Pension Service. Solidaris, 2019.

6. Living (together) sustainably

We are stuck in traffic jams, we and our children suffer from poor air quality. The transition to renewable energy is progressing extremely slowly. The reduction of our CO2 emissions is not following the planned trajectory. In the meantime, energy is becoming a commodity that is just too expensive for many citizens. It is time to develop a new model geared to social justice and the environment using the economy as one of the ways to get there.

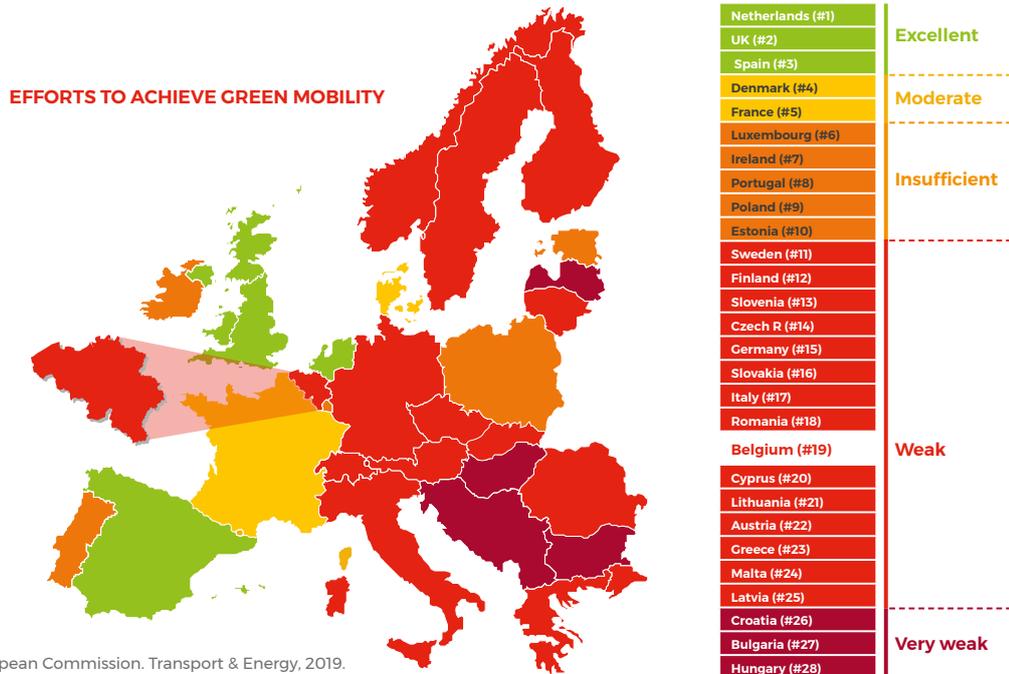
When it comes to mobility we want:

- a national investment plan for public transport;
- a strong, affordable and accessible rail transport system with a wider range of services, even in rural areas
- a limit on the use of company cars as part of the pay packet. The Mobility Budget as developed by the social partners in the Central Economic Council is a step in the right direction.

The FGTB is campaigning for the energy sector to be in public hands, with public companies, local authorities and citizen's cooperatives as the main actors. But the best energy is that which is not consumed. The FGTB calls for a vast programme for the rational management of the demand and use of energy to finally be developed.

1. Still a long way to go to achieve green mobility

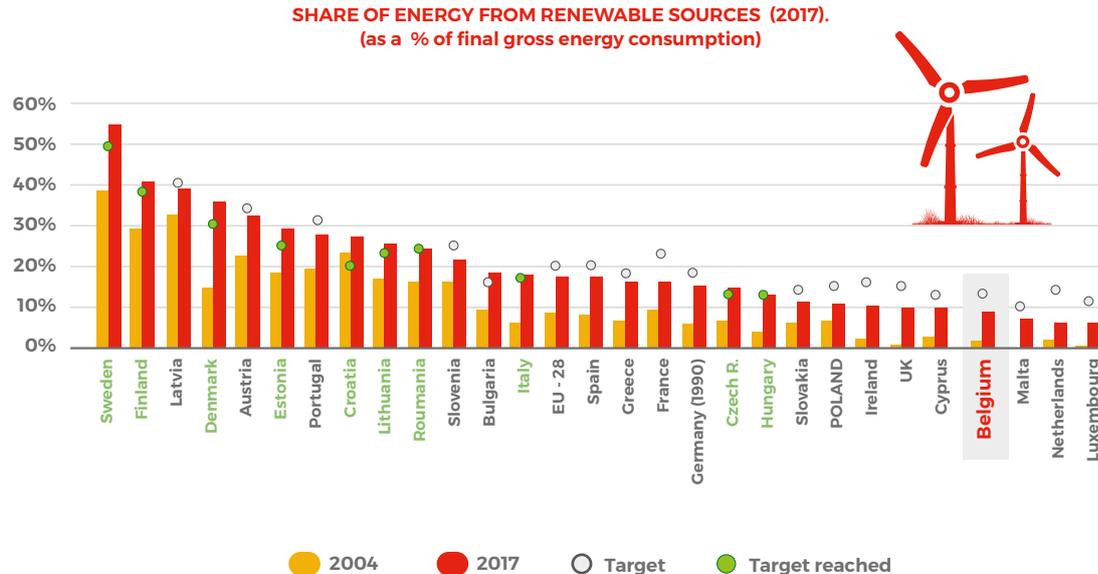
In 2018, all the Member States of the European Union presented a national plan to achieve the 2030 energy and climate goals. After an initial assessment and on the basis of the efforts made in the field of mobility, the European Commission has established a ranking of countries. This makes it possible to check the extent to which countries take seriously their commitment to moving towards green mobility. Belgium's place in this ranking says a lot about the lack of seriousness that our country has shown in recent years.



Source: European Commission. Transport & Energy, 2019.

2. Energy: the slow conversion

In 2009, the countries of the European Union made a commitment to replace, by 2020, a certain percentage of their energy production by green energy. All countries have made progress, some countries have achieved their goals, others - like Belgium - still have a long way to go.

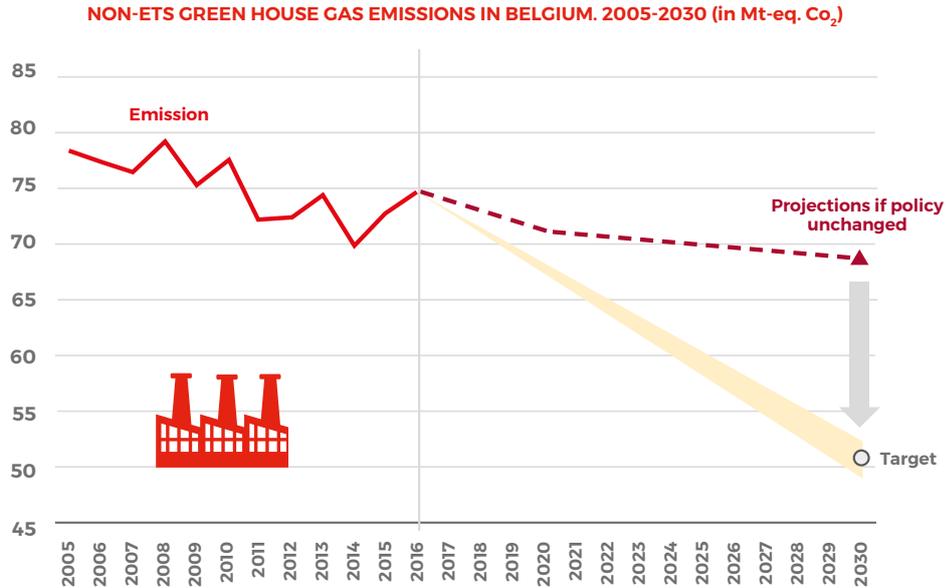


Source: Eurostat. 2019.

3. Greenhouse gas emissions: moving up a gear

Belgium has ratified the Paris Agreement. That means that, like other signatory countries, it will have to decrease its CO₂ emissions by 80 to 95% by 2050 (compared to 1990).

As shown in the diagram below, our country is still a long way, a very long way, from achieving that.

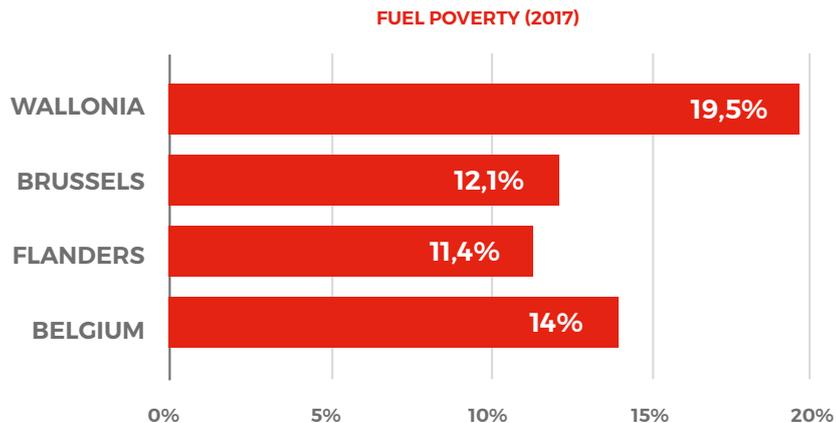


Source: National Inventory Report, 2018.

4. Fuel poverty

Since 2013, the proportion of households in fuel poverty has steadily declined. In 2017, however, it started going up again, due to rising energy prices. The fuel poverty indicator identifies households whose energy expenditure is considered “*abnormally*” high relative to their disposable income less the cost of housing. In 2017, around 14% of Belgian households were affected by one or the other form of measurable energy poverty, with regional variations: 11.4% in Flanders; 12.1% in Brussels and 19.5% in Wallonia.

Individuals and single-parent families are clearly the most affected. While (overall) 14% of households are in measurable energy poverty, this figure rises to 26.3% for single person households and 19.4% for single-parent families, compared to 4.2% for families with two adults with dependent children.



Source: King Baudouin Foundation 2019.



More infos:

FGTB

Rue Haute 42 | 1000 Brussels | Belgium
Tel. +32 2 506 82 11 | Fax +32 2 506 82 29
infos@fgtb.be | www.fgtb.be

  [syndicatFGTB](https://www.facebook.com/syndicatFGTB)

Any reproduction, total or partial of the text from this brochure is authorized only with explicit mention of the sources.
Editor responsible.: Robert Vertenuell © november 2019

Cette brochure est également disponible en français : www.fgtb.be
Deze brochure is ook beschikbaar in het Nederlands : www.abvv.be

D/2019/1262/25