

MUTUAL LEARNING PROGRAMME:
PEER COUNTRY COMMENTS PAPER - BELGIUM

Is there a lone parents' policy in Belgium?

Peer Review on "Pathways to Work for Lone Parents"
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1 LABOUR MARKET SITUATION IN THE PEER COUNTRY

This paper has been prepared for a Peer Review within the framework of the Mutual Learning Programme. It provides information on Belgium's comments on the policy example of the Host Country for the Peer Review. For information on the policy example, please refer to the Host Country Discussion Paper. The author wishes to thank Yannick De Cocqueau Des Mottes, from the VDAB, for his very helpful comments and analysis and research assistance from Hafsatou Diallo from DULBEA.

The most recent study on lone parent families has been carried out by the ONAFTS (National Office for Children Allowance for Employees).¹

- In 2004, there were 260,302 single parents in Belgium living with children under the age of 20. Between 1991 and 2004 the number of lone parent families has increased by 32.1%
- 20.48% of Belgian households with children are composed of lone parents. This number is distributed as follows across the regions:
 - in the region of Brussels: 30.9%;
 - in the Flemish region: 15.8%; and
 - in the Walloon region: 25.5%.

Eighty six point two percent of lone parents in Belgium are single mothers and 70% of these women are between 25 and 45 years old. The proportion of lone parents with very young children under three is relatively low, 13.72%, compared with 20% for parents living as a couple. This is not surprising since most lone parent families result from divorces.

With regard to lone parents in the labour market:

- The number of people in employment is higher among parents living in couples than among single parents (78.4%, against 55%) The employment rate of lone mothers is even lower, at 52.4% compared with 70.4% for lone fathers and 69.2% for mothers with a partner. Twenty six point one percent of lone parents are unemployed and job-seekers and 10.5% are inactive. These figures have to be compared with those for parents living as a couple, of whom 5.4% are job-seekers and 2.9% inactive. Among lone mothers, there is a larger proportion working full-time versus mothers living with a partner (46.8% against 37.7%).
- Single parents have an unemployment rate five times higher than parents in couples (32.2% against 6.5%). For lone mothers the unemployment rate is 34.8%, compared with 9% for mothers living in a couple. For young lone mothers (aged 18-24) the rate is more than 70%, and for the 25-34 age group, the unemployment rate is 47%.
- This unemployment rate also varies largely depending on the age of the youngest child: it is about 56% for lone mothers with at least one child under three and 42% amongst those whose youngest child is between three and five. The child care coverage rate for children under three increased from 21.6% in 2000 to 34.2% in 2006 in the Flemish Community and from 21.6% in 2004 to 23.4% in 2006 in the French Community².

¹ Les familles monoparentales en Belgique, FOCUS 2008-2, Office National des Allocations Familiales pour Travailleurs Salariés, Brussels, 2008

² Meulders Danièle, Sile O'Dorchai, 2008, Child care in Belgium, Working Paper 08-08 RR, Brussels, www.dulbea.org

- Another characteristic of unemployed lone parents is that a larger proportion are jobless since leaving school: 37.7% for lone mothers, against 28.3% for mothers in a couple.
- One third of the families where at least one member is unemployed are lone parents. This contrasts with the fact that lone parent families account only for 20% of families with children.

With regard to the social situation of lone parents:

- In 2009, of the 79,614 people benefitting from the Revenu d'Intégration sociale (Income for Social Integration) 21,182 were lone parents (an increase of 21% since 2005) of whom (84%) are women³.
- The proportion of people living below the poverty threshold in Belgium is 14.7%, rising to 39.5% among single parents.
- 48.9% of children of lone-parents live in owner-occupied housing; that figure climbs to 85.2% for children living in two-parent families.
- A greater proportion of single parent households have a lack of space, than do two-parent households (19.6% compared to 5.8%).
- With regards to school extracurricular activities, 66.9% of the children of two-parent families practice at least one extracurricular activity, compared to 53.6% of the children of lone parents.

2 ASSESSMENT OF THE POLICY MEASURE

As is the case in Northern Ireland, lone parent families in Belgium constitute a large proportion of all families: 13% in Belgium and 7-10% in Northern Ireland. Whilst there appears to be a decrease in Northern Ireland, the figures available for Belgium indicate an increase. This is reinforced by the 21% increase, from 2005 to 2008, in the proportion of lone parents benefitting from the Income for Social Integration.

There are similar features in the situation in both countries: the difference in employment rates between lone parents and parents living as a couple clearly indicate that specific measures need to be adopted. However, specific measures that have been adopted in Belgium in recent years remain limited and have concentrated on financial support, with an increase in child benefits and limited support for return to work.

The Belgian Federal system of unemployment insurance guarantees that unemployed persons who are considered to be the head of household are entitled to an unemployment benefit that does not decrease with the duration of unemployment and remains at its maximum. It is clearly an indirect support to lone parents. But at the same time the net difference between this unemployment benefit and the level of the minimum wage, when taking into account extra children allowances for lone parents, is very weak and may lead to an unemployment trap. The 75 Euro per month granted to unemployed lone parents over 12 months is a positive measure, but its effect has not yet been evaluated.

In Belgium, the unemployment insurance scheme allows young people finishing their studies and not finding a job to receive unemployment benefit. One characteristic of the unemployed lone parents is the higher proportion of persons benefitting from this kind of allowance compared with unemployed people with children and living as a couple: 37.7% against 28.31%. There is also the question of the loss of human capital of a large proportion of lone mothers.

³ FPS Social Integration, anti-Poverty Policy, Social Economy and Federal Urban Policy, Statistics

As in Northern Ireland, the lack of child care places is a crucial point if the objective is to enable the transition to work for lone parents who are unemployed or inactive. This is clearly indicated by the high unemployment rate (56%) of lone mothers having children under three.

Lone parenting does not represent a problem in itself but the factors which are associated with it, such as social exclusion, the risk of poverty, etc., deserve special attention. To focus on the consequences, rather than on the fact of being a single parent, makes it possible to study the subject in a less stigmatizing manner. Moreover it is difficult to define the lone parent family, because such families make up a heterogeneous group, whose circumstances are often temporary. The challenge is thus to know how better to target the people most concerned.

Experimental or pilot programmes do not exist in Belgium. Generally, new measures are launched without rigorous ex-ante evaluation and pilot experiences tend not to be regarded favourably by public authorities. Ex-post evaluations are progressively becoming compulsory, but the technical question of how to evaluate the results of a programme or measure remains difficult.

Dedicated Personal Adviser

Working with only one point of contact - a dedicated specialist lone parent expert - is clearly a key element in overcoming the barriers to work faced by lone parents. The use of this practice has already shown some positive outcomes in Belgium, mainly in the Flemish region. In Belgium, the labour market is a regional issue. The VDAB, the Forem and Actiris, which are public services in charge of employment and training services in the Flemish, Walloon and the Capital Brussels areas, respectively, as of now, have no measure designed to specifically target lone-parent families. In Flanders, VDAB uses specialist personal advisers for people in poverty. This target group has been chosen because poverty is, by definition, a problem for all affected by it; this is not the case for lone parents who may face very different situations, some of them requiring no public intervention.

However, we can point out that the VDAB, Forem and Actiris use a methodology identical to the one used in Northern Ireland, in order to better meet the needs of jobseekers (a Dedicated Personal Adviser)

The job-seeker has a single experienced advisor to guide him or her through the pathway to employment. This guidance is done in three steps: first, a maintenance assessment; second, developing a strategic plan; and third, monitoring the plan. So, depending on the specific situation of the person the plan may include the support of a social worker or the establishment of pre-qualification training. Working with a unique advisor gives a global vision and an understanding in depth of the specific personal needs. In summary, the actions taken are implemented according to the case by case analysis of the specific person. Only the VDAB has teams of advisors who target people who have either reached the poverty threshold or are below the poverty line. VDAB works in collaboration with experienced consultants who have experienced such harsh situations. Working in collaboration with those experienced consultants gives confidence to jobseekers that they can achieve their goals.

The process of accompanying unemployed people may lead to sanctions, from temporary suspension of unemployment benefit to an exclusion of the system. It is worth noting that among unemployed women being sanctioned, 23% are lone mothers and the proportion of lone mothers among all sanctioned women claiming social assistance (Income for social integration) after a sanction is about 45%. The "Plan d'accompagnement des chômeurs", may thus lead to a worsening of the situation of lone mothers, without giving them a real

alternative. Unfortunately the evaluation of the Plan does not give any information on the success rate for lone mothers⁴.

Financial Incentive

The employment trap requires particular attention in Belgium, as in Northern Ireland. Calculations show that there is almost no net difference between the maximum unemployment benefit, which is around 1,200 Euro, and the net wage when paid at the minimum wage, when taking into consideration the extra child allowance for lone parents and unemployed lone parents. Attempts to encourage work through financial incentives can be a necessary measure, but there need to be eligibility criteria to target those lone parents in real need. A financial incentive has been introduced for unemployed lone-parents who resume work; this amounts to 75 Euro per month for 12 months.

This measure is similar to the work credit for single parents that have been established in Northern Ireland. The financial aid allows those parents who find themselves isolated to get back on their feet and return to normal social and professional life. After twelve months the premium is no longer considered to be a necessity.

An important point that we often forget to mention is the role played by the employer. To help lone-parent families to return to the job market it is necessary to modify the work organisation in order to make it possible for the employee to better reconcile private and professional life (through more flexibility at work). These adjustments have of course to be made without reducing the model of the "autonomous worker - deployed" to that of "part-time worker - dependent". The wage associated with a part-time job is too low to guarantee an income that is above the poverty line, thus flexible working-time arrangements should not lead to only part-time jobs being available to lone parents.

3 ASSESSMENT OF THE SUCCESS FACTORS AND TRANSFERABILITY

A similar programme to that operating for lone parents in Northern Ireland could be implemented in Belgium. The large proportion of lone parent families in the three regions in Belgium, and their high unemployment rate, argue in favour of such a programme.

However, since the "Plan d'Accompagnement des Chômeurs" has already been implemented in Belgium, it would be difficult to adopt a specific accompanying measure for lone parents, especially given the high cost of such an additional measure. However, the negative circumstances of a large proportion of lone parents - mostly lone mothers at risk of poverty - should be taken into account in the functioning of the Plan d'Accompagnement des Chômeurs". The evaluation of its implementation⁵ has shown that 23% of unemployed women being sanctioned are lone mothers and that 45% of the women needed to claim for social assistance, once that the sanction had been applied. Although the proportion of sanctioned people remains low, it has increased significantly and it is feared, within the economic crisis, that given the fact that job opportunities have dramatically diminished, it will continue to increase. Unfortunately the evaluation does not give any specific results for lone mothers in terms of transition to work.

The role of dedicated advisor is put forward in the host country report as a key success factor. This is true for other programmes aimed at reducing unemployment on a more general level. The only obstacle to the transferability could be the cost.

⁴ Vicky Heylen, Joost Bollens, Pasquale Ceniccola and Adinda Vanheerswyngheles, Flux potentiels des sanctionnés vers les CPAS :Le plan d'activation du comportement de recherche, September 2009

⁵ Vicky Heylen and alii, September 2009

The relatively high level of financial incentives is also presented as an important success factor. In comparison with the amount of credit allowed to lone parents returning to work in Belgium, the support in Northern Ireland is about three times higher. It is not clear that the Belgian credit is high enough to make a job opportunity at the minimum wage acceptable for a person benefitting from the maximum unemployment benefit. Moreover, the cost of childcare, even if this may be fiscally deducted, seriously reduces the net advantage of accepting a job. It is also argued that it allows lone parents to enter employment, and mainly part-time jobs that fit with lone parents' family commitments, as well as skills and aspirations. However, a part-time job is not necessarily a real choice for lone parents returning to work. It may also be the case that childcare facilities are such that part-time work may be the only possible choice. It is probable that more action is necessary, in order to tackle the lack of childcare places and to offer services related to children, so that full time jobs will be accessible for lone parents. Part-time jobs are often associated with lower relative wages, weaker promotion opportunities and are often identified as a key factor in inequality between men and women in the labour market. It is also a factor increasing the risk of poverty. Another characteristic of part-time jobs is the weak transition rate from part-time to full-time. Given the fact that being a lone parent is often a transitory status, it would be better to encourage full-time rather than part-time jobs. Figures for Belgium show that the proportion of lone mothers working full-time is higher than it is amongst mothers who are living in a couple.

Nevertheless the evaluation of the Northern Ireland pilot has shown that some critical issues, such as child care facilities, have not been addressed. It is certainly the case that if some transferability to the Belgium situation is possible and desirable, the crucial point of childcare facilities, mostly for children under three, would have to be incorporated in a project aimed at facilitating access to employment for lone parents and specifically for lone mothers.

4 QUESTIONS

- What is the definition of lone parents, since such status may be temporary and is sometimes an 'administrative' lone parenthood, when people are in fact living as a couple without declaring it? How is this managed in Northern Ireland?
- What happens in the project when people find a partner during the course of the project?
- If the lack of childcare provision is considered by 90% of lone parents as a barrier to work, would it not be more efficient to extend the coverage rate of childcare? Why this has not been the case?
- Has a gender impact assessment been conducted for this pilot project?

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ANNEX 1: SUMMARY TABLE

Labour market situation in the Peer Country
<ul style="list-style-type: none"> 20.5% of Belgian households with children are composed of lone parents, 30% in Brussels. 86.2% of lone parents in Belgium are single mothers and 70% of these women are between 25 and 45 years old. The employment rate of lone mothers reaches only 52.4%, compared with 70.4% for lone fathers and 69.18% for mothers living in a couple. Just over twenty six percent of lone parents are unemployed and job-seekers and 10.5% are inactive. The number of people living below the poverty threshold is 14.7%, but rises to 39.5% among single parents. In 2009, of 79, 614 persons benefitting from the Revenu d'Intégration sociale (Income for Social integration) 21,182 were lone parents. It has increased by 21% since 2005.
Assessment of the policy measure
<ul style="list-style-type: none"> No similar pilot project exists in Belgium, although some limited measures have been taken to support lone parents in finding a job and to reduce their risk of falling into poverty. A similar role for personal advisers has been adopted within the framework of the "Plan d'accompagnement des chômeurs", with some success. A similar project would be desirable in Belgium.
Assessment of success factors and transferability
<ul style="list-style-type: none"> The use of a personal advisor is certainly a key success factor. Transferability to Belgium is possible and desirable, but the crucial issue of availability of childcare facilities, mostly for children under three, would have to be incorporated in any project aimed at facilitating access to employment for lone parents and lone mothers.
Questions
<ul style="list-style-type: none"> How are lone parents defined and how is eligibility managed? How to respond to changes in family status during the project, or during the time covered by a financial incentive? Why have measures, to improve availability of childcare facilities, not been taken? Are part-time jobs really an improvement for jobless lone mothers? How was this project evaluated from a gender perspective (was there a gender impact assessment)?