

European Employment Observatory

EEO Review: The Employment Dimension of Economy Greening

Belgium

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1 INTRODUCTION

Today climate change issues are inextricably linked with economic development. In Belgium, at both federal and regional level, the various social and political stakeholders take account of the need for sustainable development. It is at federal level, however, that there is more structured discussion of the issue of green jobs: ‘the government, together with the federated entities, the social partners and the construction sector, shall set up an ‘alliance for work and the environment’. This joint platform shall enable the drawing up of measures which can be used to provide a long-term stimulus for investment in the ‘green economy (...) investing in growth and sustainability’: the government wishes to stimulate employment in the ‘green economy’ sector.¹

Interestingly, it is not just the Environment Ministers who state publicly how important it is to consider more than one aspect of development, i.e. both its economic and environmental sides. Joëlle Milquet, the Minister for Employment and Equal Opportunities stated²: ‘we can combine into one strategy our efforts to combat climate change and those to ensure the development of new economic activities and new jobs in a flourishing sector. The climate revolution offers opportunities for the creation of green jobs and for economic development in those countries which are quick enough to spot such openings. Our task is to play a pioneering and ambitious role as part of this exciting strategy to promote the environment, employment, entrepreneurship and general purchasing power.’

A half-day meeting on green jobs was therefore organised on 18 December 2008 by the Central Economic Council (Conseil Central de l’Economie, CCE) and the National Labour Council (Conseil National du Travail, CNT), at the request of Ms Milquet. It was attended by the Director of the International Institute for Labour Studies, a delegate from the European Commission’s DG for Employment, representatives of the social partners and speakers from the three regions of the country.³

The public itself seems relatively well aware of the environmental issues surrounding climate change. Nearly three out of four Belgians (72%) feel that climate change is ‘a real problem which needs to be tackled, as it will get worse’. The Belgian population, moreover, appears to be relatively proactive, since 77% of people questioned mentioned at least one thing they had done to combat climate change (91% in Brussels, 79% in Wallonia and 74% in Flanders).⁴

The social partners, for their part, take extensive account of sustainable development issues, with a particular focus on employment and on possible strategies to optimise preparation for the ‘greening’ of the economy, notably through training, but without

¹ Federal recovery plan, 11 December 2008.

² J. Milquet, Employment Plan 2009, November 2008

³ Namely Daniel COLLET (Director, Walloon regional administration – department of competitiveness and innovation, directorate for economic policy), Etienne AULOTTE (Bruxelles Environnement – directorate for energy, air, climate and noise – department for eco-friendly construction) and Hubert DAVID (President of Minaraad, the Environmental and Nature Council of Flanders)

⁴ <http://www.dedicated.be/index.cfm?catCourante=100&langueCourante=NL&PageCourante=27>

forgetting that sustainable development can only be properly considered in context, with reference to social policies.⁵

2 LABOUR MARKET OUTCOMES

2.1 The employment impact of meeting European targets (20-20-20)

One of the areas currently offering the greatest potential for new economic and employment opportunities is the possible environmental upgrading of the building stock. In Belgium, nearly half of all housing has no insulation (double glazing, roof, wall or pipe insulation). Residential buildings account for around 16% of greenhouse gas emissions, whereas an insulated home consumes 60% less energy than a non-insulated home.⁶

In Brussels, a generalised move towards eco-friendly construction techniques would result in the creation of maybe as many as 3 500 jobs for construction workers and architects by 2012.⁷ In the same vein, the Flemish action plan ‘REG Huishoudens’ should enable the creation of 44 650 jobs by 2010, particularly in the areas of installation, production, marketing and distribution of goods and services linked to the reduction of household energy consumption.⁸ The use of standards such as the EPB (Energy Performance of Buildings) standard will also generate new requirements on the labour market (for EPB advisers, certifiers and inspectors).

The development of wind farms, particularly in the North Sea (European project North Sea Ring) will benefit not just the climate, but also employment. This project will lead to the creation of 700 000 jobs by 2050, including some in Belgium. A centre of excellence will also be set up in connection with this project, to focus on research into more sustainable forms of energy production.⁹

Changes to the tax system are one way to contribute to CO2 reduction targets. According to a study carried out by the Federal Planning Bureau (Bureau Fédéral du Plan),¹⁰ ‘tax shifting’ (increasing taxes on energy and reducing other forms of taxation) in Belgium could have a positive impact on employment, while helping Belgium to meet its targets for the reduction of energy consumption and greenhouse gas emissions. The table below (Table 1) gives the results of calculations made by the Federal Planning Bureau concerning four possible ways to ‘recycle’ this new public revenue. The figures shown here relate only to the two possible ‘energy tax’ scenarios at either end of the spectrum: an alignment, on the one hand, of our energy prices with average energy prices in neighbouring countries (France, Germany, the

⁵ Half-day of study on GREEN JOBS, organised by the Central Economic Council and the National Labour Council on 18 December 2008, at the request of Joëlle Milquet / Statement by the social partners.

⁶ FGTB, the FGTB climate policy, ‘Syndicat rime avec climat’, October 2007.

⁷ Study by ECORES, ‘Formation et construction durable: les besoins de formation du secteur de l'éco-construction et de l'efficacité énergétique en Région de Bruxelles-Capitale’, October 2008.

⁸ Avis concernant la thématique des emplois verts, Central Economic Council and National Labour Council, 14 July 2009.

⁹ FGTB magazine Syndicats No. 9, 15 May 2009, ‘Rencontre avec Paul Magnette et Kathleen Van Brempt’.

¹⁰ Bureau Fédéral du Plan, ‘Opérations de tax shifting en Belgique: quelles peuvent en être les conséquences macroéconomiques?’, Press release, 2 December 2009.

Netherlands), or, at the other extreme, a gradual approximation of our energy prices to those of Denmark. The first option would result in a more moderate price increase, and therefore a lesser reduction in disposable income, domestic demand and investment, as well as a stagnation of GDP. The second, however, would trigger a sudden and steep rise in energy prices (a 75% increase forecast for 2012), and hence a sometimes more severe reduction of disposable income, GDP, domestic demand, etc. Results obtained from the other two scenarios investigated¹¹ fall, therefore, between these two sets of figures.

Table 1: Principal medium-term macroeconomic results (% difference compared to the simulation basis – the year 2015)

	Across-the-board reduction of employers' national insurance contributions (NICs)	Targeted reduction of employers' NICs (on low-paid jobs)	Combined reduction of employers' and individual NICs	Combined reduction of income tax and corporate tax
Alignment of Belgian energy prices to prices in neighbouring countries				
Employment, in thousands of jobs	5.21	10.73	1.03	-1.94
Real household disposable income	-0.13	-0.16	-0.06	0.01
CO2 emissions	-1.52	-1.55	-1.51	-1.51
Alignment of Belgian energy prices to prices in Denmark				
Employment, in thousands of jobs	33.47	58.57	4.95	-28.98
Real household disposable income	-0.64	-0.99	-0.13	0.3
CO2 emissions	-9.1	-9.38	-9.11	-9.23

In both scenarios, the impact on the reduction of CO2 emissions is scarcely affected by the choice of tax cuts made. The effect on employment, however, does vary according to which of these four revenue recycling strategies is followed, and is greatest when employers' contributions are reduced, in particular when such reductions are targeted at workers in low-paid jobs. There is a negative impact on employment if direct taxation (income tax and corporate tax) is cut. The advantage of this last option, however, is that it does not eat into the disposable income of households.

The alignment of Belgian to Danish energy prices would, according to these calculations, create more jobs and produce a more significant reduction in CO2 emissions, but would also have a greater negative impact on disposable income. These final conclusions have not all been verified in the case of a combined reduction in income and corporate tax.

¹¹ Other scenarios for increasing energy taxation are considered in the study: an alignment of Belgian energy taxes to those applied in neighbouring countries, and a gradual alignment of Belgian energy prices to those of the Nordic countries. Some calculations also presuppose the introduction of a carbon tax, at a level of EUR 17 per tonne of CO2 emitted.

2.2 Quantitative assessment of the green sector of the economy

A study¹² of the Belgian environmental industry has been carried out by the Federal Planning Bureau. It was published in June 2009 and covers the period 1995-2005. Over this period, 2 538 organisations were listed as being associated with the industry¹³, of which 1 821 were said to be specialised companies (whose main activity is the production of environmental good and services), and 717 were secondary producers. Their number increased by 44% over the same period. In general, they are small businesses (with fewer than 10 full-time workers). Almost half of these companies (48%) work in areas linked to the treatment of solid waste. The majority (86%), moreover, supply services rather than producing goods or fittings.

The study also looks at employment in the industry, listing 55 000 full-time equivalent posts in 1995, rising to 77 000 in 2005: an increase of 40%. Over the same period, total employment in Belgium increased by only 7%. Employment in the environmental sector represents 2% of total employment. The most labour-intensive areas are research, development, monitoring, engineering and analysis. The construction sector also accounts for a relatively large number of jobs.

A comparison of the rate of increase of employment with the rate of increase of turnover (22%) suggests that ‘the labour intensity of the Belgian environment industry has been on the rise during the period investigated’¹⁴. This could indicate a slower growth of productivity in environmental businesses.

Apart from these limited figures from the Federal Planning Bureau, there is not enough data available to draw up a full inventory of the sector. As such, it is not possible to quantify the importance of ‘green jobs’ in Belgium today in terms of the number of people employed, skill-requirements, investment, subsidies, etc.

The National Labour Council and the Central Economic Council have stressed to the federal government how important they feel it would be to have an in-depth study carried out of the employment potential of the environment industry.¹⁵

2.3 Factors influencing the restructuring process

It has been suggested, on the one hand, that the predominance of SMEs (88% of companies in Belgium have fewer than 20 employees) may slow down the restructuring process. SMEs, it is felt, are considerably more resistant to change than larger businesses, because they lack information and face more significant costs in moving to new forms of energy.

¹² Federal Planning Bureau, ‘The Belgian environment industry (1995-2005)’, working paper 7-09, June 2009.

¹³ For the purposes of this study, the environmental industry consists of “firms whose specific objective is to measure, prevent, limit, minimise or correct environmental damage, including those aiming to limit the use of natural resources” (this definition is also accepted by the OECD and the European Commission).

¹⁴ Federal Planning Bureau, ‘The Belgian environment industry (1995-2005)’, working paper 7-09, June 2009, page 28.

¹⁵ Avis concernant la thématique des emplois verts, Central Economic Council and National Labour Council, 14 July 2009.

On the other hand, the emergence of new sectors, such as the eco-friendly construction sector, has created new needs in the labour market, including, fortunately, some openings for low-skilled workers.¹⁶

Since the introduction of the EPB (Energy Performance of Buildings) standard, there are in Wallonia, for example, a number of EPB ‘facilitators’, who carry out information campaigns and give advice to those in the sector, to help them apply the new rules. There are also EPB officials (architects or others approved by the Walloon authorities) whose job is to plan and inspect the EPB measures applied by people drafting feasibility studies, as well as EPB certifiers who finally attest to the energy performance of the building.¹⁷

The growth in the green economy, however, has also brought technical developments and new technologies which, in certain lines of work, mean that further training is vital. Many training courses have now been developed, especially in the area of solar energy, land reclamation, air conditioning, etc. Yet these courses are still not widely known, do not arouse great interest, do not always include coverage of emerging needs, and may be expensive if not subsidised.

Moreover, an analysis of market trends, looking towards 2012, highlights certain specific shortages of skilled labour. The greatest needs in the eco-friendly construction and energy efficiency sector are for the following trades: builders, carpenters, heating engineers, architects/designers and solar panel installers.¹⁸

This mismatch between the skills required by companies and those available on the labour market could slow down the development of sustainable construction, due to a quantitative and qualitative skills shortage, and could, in the short term, generate unemployment.¹⁹

2.4 “Green” financial instruments to promote employment

At federal level, grants, subsidies and tax breaks²⁰ are available to encourage households to carry out certain types of environmentally-friendly expenditure (the replacement and maintenance of boilers, solar energy, insulation, double glazing, etc.).

The Interprofessional Agreement (AIP) for 2009-2010, moreover, allows companies to supplement their workers’ pay with ‘eco cheques’, redeemable against certain environmental goods and services. The value of these may be exempted from tax and national insurance contributions.²¹

Aid is also granted at regional level to individuals, companies and public service organisations to promote rational energy use (REU).

¹⁶ ‘L’éco construction va générer 3.500 emplois. De nouveaux métiers verts’, Le Soir, 9 May 2008.

¹⁷ <http://energie.wallonie.be/fr/la-reglementation-peb.html?IDC=6232>

¹⁸ Study by ECORES, ‘Formation et construction durable: les besoins de formation du secteur de l’éco-construction et de l’efficacité énergétique en Région de Bruxelles-Capitale’, October 2008.

¹⁹ IEV Symposium, ‘Amélioration énergétique du logement: pour une alliance environnement-emploi!’, 20 and 21 June 2009: Nathalie Bergeret, Deputy Director of the Confédération Construction Wallonne, ‘Le PEB: des enjeux en matière de formation et d’emploi’.

²⁰ <http://minfin.fgov.be/portail2/fr/themes/dwelling/energysaving/index.htm>

²¹ Belgian National Reform Programme 2008-2010.

The Walloon Region²²:

Under the AMURE Programme, the Region grants a subsidy to businesses, enabling them to carry out an energy audit of their facilities. The purpose of this audit is to allow a company to assess whether it would be worth investing in an overall plan to improve its energy efficiency.

Energy-saving investments in certain categories²³ are tax-deductible for businesses and professions.

Where the budget permits, the Region provides an investment grant and exemption from property tax to companies carrying out an investment programme aimed at sustainable energy use (hydropower, wind power, solar energy, geothermal energy, biogas, organic products and waste from farming, forestry and arboriculture, as well as the biodegradable organic fraction of waste), or at environmental protection.

Subsidies are also available to architects and project managers as part of the Walloon 'Building with energy' campaign for new housing.

In a preliminary draft law intended to promote employment, the Walloon government has adopted a provision to grant subsidies to non-profit organisations and companies working in the waste reuse and recycling sector, including waste collection and sorting. These subsidies would amount to EUR 3 000 per year per FTE (full time equivalent) for each low-skilled worker taken on, and EUR 1 500 per year per FTE, for up to 20 FTE posts per approved organisation, for workers already employed.²⁴

In 2008-2009, moreover, a budget of EUR 12.7 million was devoted to research and development (R&D) projects in the area of renewable energy and energy saving²⁵.

The Brussels-Capital Region²⁶:

A partnership is planned between the public authorities and households to provide pre-financing for the energy renovation of buildings (including rented accommodation). Households finding it difficult to pay their energy bills, and low-income households, will be the first to benefit from this measure.

Since 1 April 2008, the Brussels-Capital Region has made available an energy grant for households who volunteer to have an energy audit carried out by a specialised 'PAE' auditor recognised by the Region.

Moreover, a subsidy, which may represent up to 50% of the cost of studies, management consultancy services or training, can be obtained from the Economic Expansion Service.

Finally, as part of its policy of support for environmental measures taken by businesses, the Brussels-Capital Region grants additional tax rebates to companies

²² <http://energie.wallonie.be/fr/index.html?IDC=6018>

²³ Restricting energy loss in existing kilns or furnaces, restricting ventilation energy loss in existing buildings, residual heat recovery, etc.

²⁴ Walloon Government, 'Plan d'actions anti-crise', 5 December 2008.

²⁵ Belgian National Reform Programme 2008-2010.

²⁶ <http://www.ibgebim.be/>

for investments aimed at protecting the environment, or for research and development into improving the environmental impact of their activities.

*The Flemish Region*²⁷:

Various measures have been taken in favour of initiatives to promote the sustainable use of energy.

In particular, housing stock more than 5 years old is eligible for a reduction of VAT from 21% to 6%, subject to the following conditions:

The reduction applies to alterations, renovation, improvements, repair or maintenance of the building. Under no circumstances may it be used to destroy a building with a view to constructing new housing.

Currently, the measure only applies to private accommodation. The Flemish Environment Minister, however, intends to extend it to office buildings and/or shops.

Work must be carried out by an approved contractor.

Other energy-saving grants have been agreed upon by the Flemish Government. Some examples are the EUR 1 000 grant available for any roof or attic insulation project covering a minimum area of 40m², and a grant for the installation of photovoltaic panels. To receive it, the owner must obtain a certificate for every 1 000 kWh produced. This certificate may be exchanged by the supplier for a guaranteed sum.

2.5 Recovery measures shaped to address labour market needs and to contribute to the greening of the economy

From 1 January 2009 until 31 December 2011, private homeowners may apply for a ‘green loan’, i.e. a 1.5% interest rate subsidy from the federal authorities, to finance an energy-saving investment. The measure was proposed by Bernard Clerfayt, the Secretary of State responsible for environmental taxation, as part of the economic recovery plan. It has the advantage of contributing quite significantly to the meeting of environmental targets, while also reducing household energy expenditure, stimulating employment and increasing purchasing power.²⁸ A similar initiative exists in the Brussels-Capital Region, entitled ‘social green loan’. This zero-rate loan is available only to low-income households.

The Walloon regional government has extended their third-party investor scheme to private individuals, to help them in their efforts to save energy. Businesses specialised in this scheme will provide prior financing for these projects, and will be repaid via the energy savings thus made possible. The benefit of the new system is that the individual has no loan to repay, and that the regional grants for energy-

²⁷ <http://www.energiesparen.be/>

²⁸ Actualités du MR, ‘Environnement: un prêt vert qui peut rapporter gros’, published on 30 July 2009.

saving projects can be given to the third-party investor. The construction sector, moreover, sees the scheme as a way to create 15 000 new jobs.²⁹

3 LABOUR MARKET POLICY DEVELOPMENTS

3.1 Labour market policies that can and do support the move to a greener society

The EPB (Energy Performance of Buildings) standard applies in all three regions. Its purpose is to reduce the energy consumption of buildings, taking account of the extent of thermal insulation, ventilation and airtightness, free energy sources (sunshine etc.), efficiency of the heating, cooling and sanitary hot-water systems, as well as the potential for using renewable sources of energy. A number of requirements are thus set for any building, reconstruction or renovation work needing a planning permit, as of certain dates which vary from region to region. The Flemish Region has been applying this legislation fully since January 2007, whereas the dates of entry into force in, respectively, the Brussels and Walloon Regions were far later: July and September 2008.³⁰

The establishment of this standard is creating new needs in the labour market. In the Walloon Region, for example, there are a number of EPB ‘facilitators’, who carry out information campaigns and give advice to those in the sector, to help them apply the new rules. There are also EPB officials (architects or others approved by the Walloon authorities) whose job is to plan and inspect the EPB measures applied by people drafting feasibility studies, as well as EPB certifiers who finally attest to the energy performance of the building.³¹

In May 2008, the Walloon government adopted an ‘eco-climate cheque’ scheme, offering training vouchers for training in the area of energy saving. These vouchers will be made available to SMEs wishing to train their workers in new energy-saving techniques. In 2008, the Region distributed 3 281 of these. A EUR 3 million budget has also been given to the FOREM (the Walloon public employment and training service) to develop training courses for emerging professions in the area of energy efficiency, and for people wishing to train as energy advisers.³²

The Walloon Region also plans to provide subsidised APE (‘employment promotion assistance’) posts for companies and ‘IDESS’ initiatives (social employment initiatives in the field of community and household services) intending to start or develop a line of work relating to sustainable development.³³ The ‘employment promotion assistance’ scheme is a job-subsidy scheme under which the authorities pay part of the worker’s salary.

²⁹ ‘Antoine lance le tiers investisseur’, *La Libre Belgique*, 4/12/2008

³⁰ <http://jevaisconstruire.rnews.be/fr/style-de-vie/maison/primes/peb/la-peb-en-2008-etat-des-lieux/article-1194518949520.htm>

³¹ <http://energie.wallonie.be/fr/la-reglementation-peb.html?IDC=6232>

³² Half day of study on GREEN JOBS organised by the Central Economic Council and the National Labour Council on 18 December 2008 at the request of Joëlle Milquet / Statement by Daniel Collet, Director, Walloon regional administration, department for competitiveness and innovation.

³³ Walloon Government, ‘Plan d’actions anti-crise’, 5 December 2008.

As part of the Air Climate plan adopted in March 2008 by the Walloon Region, two new environmental clusters have been approved: CAP 2020 and TWEED. These join two existing clusters in the environmental sector: Solid Waste and Eco-building.

CAP 2020 is a Walloon grouping of construction companies, made up of building firms, architects, producers and suppliers of materials and services who have taken on the European target of 2020 for a significant reduction in energy consumption. The objectives of the CAP 2020 cluster are the following: to give new momentum to the construction sector, to increase the quantity and quality of jobs in the sector, to make buildings a more pleasant place to be, to reduce their environmental impact by a factor of four, and to promote renewable energy sources until 30% of the energy consumed in a building is of this type.

The TWEED cluster (Technology Wallonia Energy - Environment and sustainable Development) is a Walloon organisation made up of more than 80 companies working in the sustainable energy sector.³⁴

The Brussels-Capital Region now has a cluster of companies working in eco-friendly construction: the Ecobuild cluster. Its main objective is to promote cooperation and synergy between companies, support bodies and research centres, as well as between different trade associations in the eco-building sector, from architects to building contractors, from workers skilled in the various trades to businesses selling environmentally-friendly materials.³⁵

The Flemish Region, following the same approach, is working on the setting up of a research and development hub specialising in energy: the 'Environmental and Energy Technology Innovation Platform' (MIP). To do so, the Flemish government is relying on cooperation between companies, the social partners and the general public. It has made EUR 21 million available for this project.³⁶

The final version of 'Marshall Plan 2 – Green' was approved on 3 December 2009 by the Walloon government. The first measures in the plan may be put into effect in the coming weeks.

The Walloon Marshall Plan is made up of five 'competitiveness hubs'. The new plan provides for the setting up of a sixth hub, specialising in environmental technology.

The Plan is structured around many objectives, to be met by 2014. It includes, among other things, the making available of 50 000 new energy grants to private individuals, as well as a prolongation of the APE ('employment promotion assistance') job-subsidy scheme and its expansion through the creation of 1 000 new subsidised posts.

Priority axis 5 of the Plan concerns improvement of the energy and environmental performance of the Walloon building stock. This axis has a EUR 279 million budget, which will be increased by EUR 600 million from alternative funding sources. The means used to meet this objective will be training, employment

³⁴ <http://clusters.wallonie.be/federateur/fr/>

³⁵ <http://www.brusselsgreentech.be/fr/index.php>

³⁶ Het Vlaams klimaatbeleidsplan, p 81.

subsidies (780 APE or PTP ‘professional transition programme’ posts), incentives, grants, and innovative or original projects.

3.2 Involvement of ESF funding in going green

Between 2007 and 2013, Belgium will receive EUR 2 258 billion in European regional aid, broken down as follows between the three Structural Fund objectives:

- EUR 1 425 billion under the regional competitiveness and employment objective;
- EUR 638 million under the convergence objective; and
- EUR 194 million under the European territorial cooperation objective.

Projects with an environmental and/or sustainable development aspect are most often to be found under the European territorial cooperation objective.

The Brussels-Capital Region is a partner in the ‘Urbact II’ project, which considers city regions as driving forces for competitiveness and sustainable development. The STIB (Brussels urban public transport company) is also involved in the ‘Tramstore 21’ project, which aims to extend the use of new environmentally-friendly technology to the whole of the transport sector.

The Flemish Region, in its turn, is participating in ‘Bio Base Europe’, a partnership between an industrial biotechnology test plant in Ghent and a training centre for process operators in Terneuzen. This partnership will result in the construction of research and training centres aiming to promote development of a sustainable bio-based economy in Europe. One of the first barriers to the operation of this new centre of knowledge is the shortage faced by the bio-based economy of experienced process operators and technical specialists.

The Walloon Region is also involved in two projects. The objective of the first of these, ‘Sustainable Industrial Sites’, is to work together with partners from Germany and Belgium (Limburg) to develop a cross-border tool for the efficient organisation of industrial areas specialising in sustainable or renewable forms of energy. The second, ‘Projet Enerbiom’, consists in the setting up of a research hub to examine the potential for obtaining energy from plants.

A number of projects fall under the regional competitiveness and employment objective, including some Flemish initiatives developed by the Flemish Institute for Sustainable Research (VITO, Vlaamse Instelling Technologisch Onderzoek), which are centred on an information campaign on the use and economic benefits of environmentally-friendly and low-energy technology and management systems. The Brussels-Capital Region is a partner in a project headed by the Brussels Employment Agency (ABE) and Bruxelles Environnement. The project aims to create a hub specialised in sectors of the economy working on urban environmental issues (eco-friendly construction, energy performance of buildings and renewable energy). The Brussels-Capital Region is also involved in the ‘Brussels Green Fields’ project, which revolves around a system for technical, administrative and financial support to encourage initiatives from companies providing employment and intending to set up business on a site which is currently polluted, and therefore unusable

3.3 *Interesting practices*

Perhaps the major obstacle is to define what precisely green labour market policies are. If we exclude the direction of research and development, for example in the Marshall Plan, almost the only field of the green labour market policy relates to the energy savings and eco building in the building sector. In this field a relatively large set of measures has been adopted in the three regions of Belgium. Most of the measures are related to training but there is also direct financing of jobs, like the subsidised APE ('employment promotion assistance') posts for companies and initiatives intending to start or develop a line of work relating to sustainable development.

3.4 *Assessment on the direction of existing reforms*

One cannot consider that there is a systematic or coherent reform programme linked with the greening economy either at the regional or federal level. With the exception of new skills needed in the building sector, linked with the measures adopted in order to favour eco-construction, there is no specific anticipation of new skills, which will be needed with the development of a greener economy. As quoted in the 2008 Autumn Review for Belgium, 'the development of a prospective labour market tool that more accurately indicates the skills discrepancies of the future labour market would be welcomed. There has been one piece of prospective research on how to develop a methodology to have an accurate view on the 'hard to fill vacancies' in the future (Bollens and Vos 2002: 197). However, the effort never resulted in the development of a tool to be implemented by the government. Although costly, this kind of tool might help to have a more efficient labour market (policy)',³⁷

The implementation of a carbon-tax is an old debate in Belgium. It has been regularly discussed since 1990 and the Federal Planning Office has regularly estimated the effect of a carbon tax often compensated by a decrease of the social security contributions³⁸

Nevertheless, despite the positive effects of different scenario both on employment and on the reduction of CO₂ emission, this has not lead to effective measures since then. The reduction of social security contributions have been pursued, but without being compensated by a carbon-tax. The Planning Office also regularly produces research papers on this topic. The last one has been briefly summarized on page three of this article. These different papers give convincing arguments in favour of a carbon-tax. However, this measure has negative effects on production costs and on disposable income, which makes their adoption politically sensitive.

³⁷ Luc Sels, Tom Vandenbrande, Improving the capacity to anticipate EU-wide labour market and skills requirements- Belgium University of Leuven (HIVA)

³⁸ Conséquences pour l'économie belge de l'introduction d'une taxe sur l'énergie, F. Bossier, WP Bureau du Plan-Plan Bureau, 1992,

Un redéploiement fiscal au service de l'emploi en Europe - Réduction du coût salarial financée par une taxe CO₂/énergie., Francis Bossier, Ingrid Bracke, Thierry Bréchet, L. Lemiale (ERASME, Université Paris I et Ecole Centrale de Paris), Catherine Streel, Patrick Van Brusselen, P. Zagamé (ERASME, Université Paris I et Ecole Centrale de Paris), Planning Paper 65

3.5 Optimal level of policies

Most of the active labour market policies are under the responsibility of the government or public employment services at regional level. The Federal level is mainly concerned with the social security system, including both contributions and allowances, and part of the fiscal system. The collective bargaining system is still organized primarily at the federal level. Thus, the question of an optimal level cannot be disconnected from the general discussion in Belgium on the optimal level of employment policy. There is a big discussion about that, with very different and even antagonistic points of view. Nevertheless, there is a willingness to coordinate the policy towards a sustainable growth and to a greener economy. But a simple examination of the different regional government's programmes shows that not only do priorities differ, but that the different budgetary margins also induce different choices.

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