

# **National Social Report 2012**

## **Belgium**

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## 1. Introduction

This National Social Report (NSR) 2012 for Belgium has been drawn up within the framework of the Social Open Method of Coordination (OMC)<sup>1</sup>. It gives an overview of the situation in Belgium from the perspective of the common OMC objectives, based on an analysis of the indicators that were developed in the context of the open method. It also briefly describes the political initiatives that have recently been taken and announced to achieve those objectives. The National Social Report is consistent with the Belgian National Reform Programme (NRP) 2012 and complements it. The NSR and the NRP should be read together. Specific references are provided further on in the text. Besides the NRP sections concerning social inclusion and social security, the sections in which the strategy is developed regarding the Europe 2020 goals 'employment' and 'education and training' are essential because that policy plays a central role in social protection in Belgium.

The Belgian social inclusion and protection policy falls within the responsibility of the authorities at different levels of government. A new federal government took office at the beginning of December 2011 in Belgium. The federal measures described in this report have their origin in the government agreement, the policy statement and the policy notes of the new government. The role of the Communities and the Regions in particular in the fields of social inclusion, health care and long-term care is very important and will be even more important once the planned State reform will have been implemented (see further). The parts of this report dealing with these political domains were developed in consultation with those authorities.

As the guidelines for this report were given late<sup>2</sup> and the content has had to be adapted to the NRP content, it has not been possible to consult stakeholders specifically on this report. Where relevant, it will be specified further in this report how stakeholders are involved in drawing up or implementing policy.

The length of this report being limited, it was often impossible to incorporate in the text a detailed indicator analysis by subgroup (gender, region ...). The data broken down by age and gender for the OMC key indicators have however been incorporated in the technical annex. Detailed data are gathered and analysed by the Social OMC Indicators working group<sup>3</sup>.

The structure of the report is as follows:

Section 2 includes an analysis of the economic and social context in Belgium and the progress made as regards the Social OMC common objectives, mainly based on the OMC indicators.

Section 3 describes the overall strategic approach of the Belgian social protection policy focussed on maintaining a strong social security, increasing the employment rate and reforming the State.

Sections 4, 5 and 6 give a short overview of the key measures adopted or planned according to the report guidelines, for the three strands of the Social OMC: social inclusion, pensions and 'health care and long-term health care'.

A technical annex provides an overview of how Belgium performs on the overarching indicators of the Social OMC and on the 'at risk of poverty or social exclusion' indicator, the main social inclusion indicator in the Europe 2020 strategy. The Belgian score is compared to the EU27 average on a number of key indicators.

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<sup>1</sup> The Social OMC is continued and reinforced in the framework of the Europe 2020 strategy. See: Employment, Social Affairs, Health and Consumers Affairs Council (EPSCO) 17 June 2011 - The Future of the Social Open Method of Coordination (OMC) - Endorsement of the Opinion of the SPC <http://register.consilium.europa.eu/pdf/en/11/st10/st10405.en11.pdf>

<sup>2</sup> The Sociale Protection Committee. Preparation of the 2012 National Social Reports (NSR). SPC/2012.2/4 (15/02/2012).

<sup>3</sup> The indicator set is available on <http://www.socialsecurity.fgov.be/fr/nieuws-publicaties/sociale-bescherming-inclusie-indicatoren/sociale-bescherming-inclusie-indicatoren.htm>. Key indicators with regard to poverty are monitored in the Inter-Federal Poverty Barometer: <http://www.mi-is.be/be-fr/doc/politique-de-lutte-contre-la-pauvrete/le-barometre-interfederal-de-la-pauvrete-2011> .

This report has been drawn up by the Federal Public Service Social Security (general coordination), the Programmatic Federal Public Service Social Integration, Anti-Poverty Policy, Social Economy and Federal Urban Policy and the Federal Public Service Health, Food Chain Safety and Environment.

## **2. Analysis of the economic and social context and of the progress made in achieving the common objectives of the Social OMC**

### ***Welfare, social protection, poverty or social exclusion***

Belgium enjoys great prosperity and has a highly developed social protection system. In 2009 (EU-SILC 2010), the median (equivalised) disposable income was among the higher ones in the EU27 zone (9<sup>th</sup> place). Income inequality is relatively low: the S80/S20 ratio was, for the same year, 3,9 (9<sup>th</sup> place in EU27). In 2009, social protection expenditure amounted to 28,9% of GDP, which is just above the average level of the 27 Member States (28,4% of GDP)<sup>4</sup>. Social benefits reduce the at-risk-of-poverty rate from 27% to 15%, representing a reduction of 46% (EU27 : 37%)<sup>5</sup>.

In 2010, 14,6% (EU27: 16,4%) of the population were *at risk of poverty*<sup>6</sup>. This overall percentage hides major differences between regions and categories of the population. In Brussels, the risk of poverty is 28%<sup>7</sup>, compared with 18% in Wallonia and 10% in Flanders. The following categories are very much (extremely) at risk of poverty: unemployed persons (30%), members of households with very low work intensity (without children: 38%, with children : 72%), members of single-parent families (35%), low-skilled people (23%), people who are not nationals of an EU Member State (51%), tenants (30%). Elderly people (19%) and children (18%), sick or disabled people (19%) or other persons who do not work (25%) also have an increased risk of poverty. 5,9% of the population face *severe material deprivation*. These situations of severe deprivation primarily concern single persons (11%), single parents (18%), unemployed persons, sick/disabled persons and tenants (all 16%), people who are not nationals of an EU Member State (30%) and people without paid work (without children : 15%, with children : 34%). 10% of the overall population lived in *households with very low work intensity*. Here, categories of the population particularly at risk are the following ones: people aged 50-64 (15%), single persons (15%), single parents (36%), tenants (22%), people who are not nationals of an EU Member State (28%) and low-skilled people (14%).

In 2010, in Belgium, 5% of the population in employment faced the risk of poverty. This percentage is one of the lowest among the 27 EU Member States, but in view of the numerical importance of the group of working people, poor workers still make up a substantial part of the overall population at risk of poverty (17%). Moreover, again in 2010, 12,6% (EU27 : 10,0%) of the population aged 0-59 lived in households with very low work intensity. This percentage is one of the highest among the 27 EU Member States. The risk of poverty for those persons is relatively high, especially when children are present in the household (poverty risk above the average of the 27 EU Member States). These indicators show that for some specific groups, access to the labour market, and for non-working persons, the level of benefits – some of which are below the at-risk-of-poverty threshold – are major challenges.

In 2010, the percentage of people living in households where housing charges were very high (more than 40% of the household income) was 33% for the lowest income quintile and 1% for the highest income quintile. These figures are roughly in line with the EU average.

### ***Evolution of the risk of poverty or social exclusion over time and Europe 2020's target regarding social inclusion***

In 2008, in Belgium, 2.194.000 persons were *at risk of poverty or social exclusion*. This means that they were at risk of poverty or lived in households with very low work intensity or were

<sup>4</sup> The figures for 2009 are still provisional for a number of Member States.

<sup>5</sup> For the calculation of this indicator pensions are not regarded as social benefits.

<sup>6</sup> See the technical annex for the definition of the indicators and for the data source.

<sup>7</sup> In Brussels, the sample is too small and therefore this percentage is subject to considerable statistical uncertainty.

subject to severe material deprivation (union of the three above mentioned indicators). Belgium wants that by 2020 (data 2018) the number of persons at risk of poverty or social exclusion be reduced by at least 380.000 compared with the reference year (2008). This implies a reduction by 17%.

The evolution between 2004 and 2010 is shown in section 4.5 of the NRP and in technical annex 3 of this report. There was a slight downward trend over the period 2005-2009, but this trend did not continue in 2010: between 2009 and 2010, there was a slight increase. The downward trend was due mainly to the indicator "very low work intensity" and, to a lesser extent, to the indicator "severe material deprivation". Those two indicators also caused the, very limited, increase observed in the most recent data.

### ***Economic growth, the development of the employment rate and the impact of the crisis***

The Belgian economic situation and the forecasts until 2016 are discussed in section 1 of the National Reform Programme.

Between 2005 and 2007, Belgium reported a moderate annual GDP growth which amounted on average to 2,4%, i.e. just under the growth observed in the EU27 (2,8%). In Belgium, the crisis' economic impact was however, on average, more limited than in Europe: indeed, in 2008 and 2009, the GDP growth was respectively 1% and -2,8%, compared with 0,3% and -4,3% for the EU-27. With a GDP growth of 2,3% in 2010 and a growth estimated at 1,9% in 2011, the recovery was stronger than in the EU-27 as a whole (+2% in 2010 and +1,5% (estimated) in 2011). The impact of the crisis was also rather limited in terms of employment rate and unemployment rate. Between 2008 and 2009, the employment rate (persons aged 15-64) went down from 62,4% to 61,6%, but it increased again in 2010 to reach 62%. The long-term unemployment rate increased from 3,3% in 2008 to 4,1% in 2010, but it seems that it decreased somewhat in 2011 (3,8% in the third quarter). The financial crisis did have a significant budgetary impact. In 2007, the public debt had been reduced to 84,1% of GDP, after a gradual and lengthy reduction. It is again estimated at 97,3% of GDP in 2011.

The crisis' social impact in Belgium, measured against the indicators of the social OMC, has remained rather limited so far. Between 2009 and 2010, the median equivalised disposable income of families and, consequently, the at-risk-of-poverty threshold (60% of the said income) remained essentially unchanged. This demonstrates that the crisis has had a limited impact on the population's incomes. In some EU Member States, a significant loss of income can be observed. For some years, the risk of poverty has stabilised at about 15%. In contrast to what is observed by the SPC for a number of Member States<sup>8</sup>, there is no current indication that poverty has become deeper during the crisis (at least as measured according to the relative median at-risk-of-poverty gap). The number of people benefiting from the general social assistance benefit did increase till the beginning of the year 2010 and stabilised thereafter<sup>9</sup>. The number of people who struggle to pay their bills and other loans also increases, according to some indicators.

In a context of widespread growth slowdown in the euro area, the National Accounts Institute was forecasting in February 2012 an economic growth of only 0,1% of GDP for 2012. Job creation, which stopped in mid-2011 because of economic downturn, would resume only slightly in 2012. Finally, the unemployment rate would grow from 7,2% to 7,5%.

### ***Pensions***

In recent years, major efforts have been made to guarantee adequate pensions and increase the pensioners' minimum incomes (see Section 5). This policy has probably contributed to reducing the risk of poverty among the elderly (65+), which went down from 23% in 2006 to 19% in 2010 (27EU : 16% in 2010). The relatively strong fall observed between 2009 and 2010 (from 22 to 19%) may also be explained by an almost constant at-risk-of-poverty

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<sup>8</sup> SPC (2012) Third Report on the Social Impact of the Economic Crisis and the ongoing Fiscal Consolidation : Main Findings and Main Policy Messages.

<sup>9</sup> The number of persons benefiting from the financial assistance of the PCSA/CPAS/OCMW (equivalent integration income) continued to increase in 2010 and in the beginning of 2011.

threshold. The relative median at-risk-of-poverty gap, which applies to the persons aged 65 and older, remained stable in the last few years.

Notwithstanding the positive evolution of the risk of poverty, a number of indicators show that pensions, on average and compared with other countries, are not high. For example, the ratio between the average income of persons aged 65 and older and the average income of the persons aged 0-64 is 75%, in contrast with an average of 88% for EU27. The aggregate replacement rate, i.e. the ratio between pensions of persons aged 65-74 and professional incomes of persons aged 50-59 is 44%, in contrast with an average of 53% in EU27. Belgium ranks among the five last States as regards those two indicators.

For a correct assessment of the situation of the elderly in terms of prosperity, it is also important to take the own dwelling into account. Taking into account the imputed rent from the own dwelling, the risk of poverty of elderly persons is at the same level as that of the working-age population<sup>10</sup>. Contrary to the indicator "risk of poverty", the scores of the elderly (65+) are lower than those of the persons aged 0-64 as regards severe material deprivation (respectively 3% and 6%).

The prospective theoretical replacement ratio shows that by maintaining the current policy and under a set of assumptions, the replacement rate will be about the same for a person who will retire in 2050.

As regards the budgetary sustainability of pensions, the Study Committee on Ageing (2011) estimates the additional costs of pensions at 0,8% of GDP over the period 2010-2016 and at 4,3% of GDP over the period 2010-2060. The additional total cost of ageing is estimated at 0,9% of GDP over the period 2010-2016 and at 5,6% of GDP between 2010 and 2060.

### ***Health care and long-term care***

Further efforts are needed to promote international comparability of relevant indicators, but on the basis of available data, Belgium scores relatively well as regards health outcomes and access to health care. At the same time, attention should be drawn to the fact that, as in other Member States, considerable social differences in health still remain.

In 2009, life expectancy at birth was 82,6 years for women and 77,1 years for men. With regard to women, this result is just over the average in EU27 (82,2 years). By contrast, life expectancy for Belgian men is one year over the average observed in EU27 (76,1 years). In 2009, healthy life expectancy at birth was 63,7 years for men and 63,5 years for women. At the age of 65, healthy life expectancy was 10,5 years for men and 10,1 years for women. Total life expectancy at 65 years is 21,1 years for women and 17,5 years for men. There are substantial differences depending on the socio-economic status. Healthy life expectancy at the age of 65 is thus estimated at 7,38 years for low-skilled men and at 11,28 years for highly qualified men. For women the estimates are respectively 7,56 years and 12,57 years (ISP, EU-SILC 2004).

Belgium scores well for the indicator 'accessibility of health care'. The number of persons who must, for financial reasons, postpone a visit to the doctor is among the lowest in EU27. In 2010, this group accounted for 2,5% of the population. The percentage climbs to 7% for the 20% of the population with the lowest incomes.<sup>11</sup>

For the period 2010-2016, the Study Committee on Ageing (2011) estimates the budgetary cost of ageing at 0,5% of GDP as regards health care and long-term care. The additional costs are estimated at 3% of GDP for the period 2010-2060.

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<sup>10</sup> Study Committee on Ageing – *Annual Report June 2011* (p.66-67): [www.plan.be/admin/uploaded/201107120843500.Rapport\\_CEV\\_FR.pdf](http://www.plan.be/admin/uploaded/201107120843500.Rapport_CEV_FR.pdf).

<sup>11</sup> Yet attention should be drawn to the fact that this indicator only gives a partial picture of the accessibility of health care.

### **3. Global strategic approach: an effective and efficient social security, a higher employment rate and state reform**

Social security, as a solidarity-based and redistributive insurance to cover social risks, is the foundation of social protection and social inclusion in Belgium. Today its financial balance is threatened especially by adverse economic conditions which have an influence on receipts and expenditure, and by the demographic development which causes an upward pressure on the benefits in the disability, health care and pensions sectors (see above).

You will find hereafter a short description of some key strategic axes of the Federal Government's policy regarding this problem. The strategic priorities and initiatives concerning each of the three strands of the social OMC are described separately in the following sections.

It should be remembered first that the government's commitment to return to a balanced budget of the State in 2015 (see stability programme) is very important with a view to the sustainability of the social system.

First of all, a *balanced budget of the social security* will be guaranteed throughout the parliamentary term (till 2014) by way of an increase of the existing *government allocation*. This will guarantee the continuity of the payment of the social benefits. Social security must be able to meet its obligations towards citizens. For the rest, the government will stick to all the upgrade measures taken within the framework of the 'well-being envelope' 2011-2012. The right of recipients of social benefits to the *linking of benefits to the development of the general standard of living* has been confirmed. In the period 2013-2014, the amounts of the available envelopes will drop temporarily, but this will not prevent an increase of minimum social benefits, and, in particular, of minimum pensions of salaried and self-employed workers.

Both measures must enable the social security of salaried workers and self-employed workers to continue meeting its goals. They must also enable it to play its full role of automatic stabilizer.

The *fight against social fraud* will be intensified significantly thanks to a better support of competent inspection services and to the implementation of concrete measures to combat social fraud more effectively. Social fraud is very expensive, both in terms of receipts and expenditures, and undermines the legitimacy of the social model.

*In order to raise the employment rate, to help recipients of benefits to find work and to increase the effective retirement age*, it is essential, also in the long-term, to *carry out a structural reform of the labour market and pensions*. More efforts will be made to help persons on work incapacity benefit to re-enter the labour market.

Important steps will also be taken to *reduce expenditure growth in the health care sector*. Those measures shall not adversely affect the accessibility of health care and the quality of the health care system. A more effective use of resources should contribute to the long-term financial sustainability of this very labour-intensive sector.

Finally, the federal government's agreement includes an important section concerning the *reform of the state*. A considerable transfer of powers to the federated entities has been announced. This process will also have a major impact on social policy. Changes concern the labour market policy (and in particular the monitoring of the availability of the unemployed, the policy focused on target groups and the vocational guidance), health care and assistance to persons (support for disabled persons, hospital policy, policy for senior citizens and long-term care, mental health care, prevention policy, organisation of primary health care) and family benefits. The aim is to homogenise the sets of competences at the level of Regions and Communities, which will allow for the conduct of a more effective policy. Moreover, the necessary coordination between the federal State, which retains significant competences in social policy matters (social security, social assistance, personal income tax, ...) and the federated entities will remain guaranteed.

## 4. Reducing poverty and social exclusion

### ***National objective***

The federal government agreement confirms the commitment that by 2020 the population at risk of poverty or social exclusion should be reduced by at least 380.000 people compared to 2008: see Section 4.5 of the NRP. The NRP mentions key measures aimed at the general objective (4.5.1 Guaranteeing social protection) and the three policy priorities: reducing child poverty (4.5.2), active inclusion of people far from the labour market (4.5.3) and the fight against inadequate housing and homelessness (4.5.4).

### ***Measures towards certain groups with a high poverty risk not mentioned in the National Reform Programme***

#### *Integration of Migrants and Ethnic Minorities*

As mentioned in Section 2, people with a non-UE nationality face a high risk of poverty (51%). In Belgium the integration policy falls within the jurisdiction of the Regions, which have developed a wide range of measures. Still, data on the general social assistance benefit and social integration show that a growing number of non-EU nationals residing for a long time in Belgium with legal resident status use the services of the Public Centres for Social Welfare: in 2010, 17% of beneficiaries of the general social assistance benefit were non-EU nationals, an increase by 2 percentage points compared to 2003. At the same time we can see that those people make up an ever-growing target group in the activation policy of the Public Centres for Social Welfare: 37% in 2010 vs. 23% in 2003. In 2011, at the federal level, a study was initiated in order to measure the results of the integration policy. The study addresses the recognition of the Public Centres for Social Welfare activities aimed at promoting the integration of migrants. The results (available by mid-2012) will be the basis for policy development. Flanders will draw up an integrated action plan to approach the integration theme in an inclusive but explicit manner, with actions in different strategic domains, paying particular attention to Central and Eastern Europe migrants (the Roma), migrants living in poverty and nomadic people. As far as media policy is concerned, additional efforts will be made as regards image, through a better reflection of society's diversity. The 'Antidiscrimination and Diversity Plan' is being implemented in the Brussels-Capital Region. At the end of 2010 39 companies made a commitment through a (jointly funded) diversity plan. Six of these companies (representing 20.000 employees) have already launched a plan. In Wallonia the budget spent on the integration of people of foreign origin has been increased and reinforced thanks to the Marshall Plan (5.690.000 Euro in 2011). Seven regional integration centres coordinate local integration plans supported by the municipalities, work on the integration process of newcomers and develop specific initiatives and consultations in the field of socio-professional integration. This is complemented by the local initiatives for social development that make it possible to support projects of associations working with foreigners and following an adapted methodology.

The Belgian strategy for integrating the Roma is favourable to an integrated and coordinated approach paying special attention to social participation and integration of the Roma.

#### *Lone parents*

Another group at high risk of poverty are lone parents and their children (35%). It shall be ensured at the federal level that the act aimed at structurally integrating the gender dimension into all federal policies is implemented. When implementing reforms in the future the federal government will pay special attention to reinforcing gender equality in the context of socio-economic issues, and to the position of single-parent families and single persons. Supporting lone parents is a major concern in Flanders strengthened efforts to fight child poverty (see NRP). In the Brussels-Capital Region a working group paying special attention to single-parent families has been set up within the framework of the Territorial Employment Pact. By means of a four-year study, that working group will examine problems and formulate recommendations at meetings where single-parent families will be invited too. Wallonia wants to support parents specifically through reinforcing meeting places in 2012 (measures implemented from 1/01/2013). Besides, the overall Equality Plan adopted in 2011 contains a package of aids



especially in favour of families in precarious situations, including many single-parent families. Finally, let's recall that since October 2008 one parent families receive increased child benefit and that since 2010 they are entitled to the increased reimbursement regarding health insurance (often for free).

#### *In work poverty*

In 2010 5% of workers were at risk of poverty in Belgium. That percentage is among the lowest in the European Union. Institutional factors such as the legal minimum wage, the automatic wage indexation, the legal minimum working time, tax provisions like the marriage coefficient and the social security system providing universal health care coverage and child benefit for all children, contribute to that achievement. The highest poverty risk among workers is found among people with a temporary employment contract who have not worked for a whole year, single persons and single-parent families. Recent analysis shows that a low wage is not synonymous to in-work poverty. Many people with a low salary are not the household's only income source but the low-paid who are the only source of income are often poor if not very poor.

In 2013 the federal authority will increase by 200 Euro the tax-exempted portion of low and middle incomes in order to reduce the tax burden on the labour force, which means an advantage of about 50 Euro net of tax a year for workers (salaried workers, self-employed persons or civil servants). The federal authority will also reform the exemption for professional reintegration granted to the beneficiary of the general social assistance benefit who takes up a part-time job so as to facilitate access to work and encourage increasing working time.

#### ***Common objective: a coordinated policy involving all levels of government and all stakeholders, in particular people living in poverty***

In recent years, efforts have been made at all levels of government to better coordinate social inclusion policy. Every authority has in its own way made progress in fostering a transparent preparation, follow-up, evaluation and adjustment of policy, paying special attention to the involvement of all stakeholders, especially people living in poverty.

In order to obtain a coordinated policy rather based on the multiple dimensions of poverty than on the separate, different policy fields and competences, the working of the Interministerial Conference on Societal Integration – gathering ministers in charge at all levels of government – was reinforced in 2011 through five thematic working groups (homelessness, digital divide, indebtedness, integration of the Roma, solidarity housing) and the standing Poverty Working Group that has to coordinate policies between the federal level and the federated entities. At the inter-federal level the Combat Poverty, Insecurity and Social Exclusion Service's Biennial Report that formulates strategy recommendations based on the dialog method remains an important source of inspiration for future policy developments. The Inter-federal Poverty Barometer follows the developments using a number of carefully selected indicators. To guarantee the involvement of all stakeholders in drawing up the NRP and the NSR, The NAPIncl Actions Working Group was reformed in 2011. It became the Belgian Platform against Poverty and Social Exclusion EU2020 by analogy with the European Platform against Poverty and Social Exclusion. The Belgian platform is the central consultation body for the preparation and follow-up of the European and Belgian policies regarding the fight against poverty and social exclusion.

The revision of the *Federal Poverty-Reduction Plan* planned in 2012, where the transversal and inclusive approach of the fight against poverty plays a central role at the federal level, will give a new incentive towards a coordinated approach.

The *Flemish poverty policy* is coordinated by a Vice-Minister-President since the Flemish Government took office in July 2009. The local level was recognised as the director of a local, inclusive and integrated poverty-reduction policy. Through the VAPA (Flemish poverty-reduction action plan) 2010-2014, the Flemish Authority aims at an ambitious, inclusive and coordinated fight against poverty. An intensive cooperation between the different policy domains and levels is guaranteed and the conditions are created for the participation of people living in poverty in the policy cycle and in society. Measures are monitored and a progress report is published annually. Civil society, the Flemish Network of Associations where the Poor

take the Floor and the Flemish Parliament insist on defining priorities in the Plan so as to increase its impact and visibility. The VAPA is currently being adapted.

Every two years, the *Brussels-Capital Region* publishes a report on poverty containing five parts:

1. an annual 'barometer of well-being' including basic data on the socio-economic situation of the Brussels population and poverty indicators;
2. a thematic report concentrating on the problems of a specific target group and jointly produced with social services and associations where the poor take the floor;
3. diverse perspectives, contributions on the characteristics of poverty and the fight against poverty;
4. a Brussels poverty-reduction action plan drawn up by the four Brussels authorities on the basis of a cooperation agreement;
5. a summary of a roundtable discussion on all the parts of the report, the emphasis being on the specific target groups.

Besides, different platform and consultation structures have been created to coordinate the Brussels social policy.

At the local level, the municipalities involved in the 2009-2013 *Plan for Social Cohesion in Wallonia*<sup>12</sup> jointly developed action plans. The Plan is based on an indicator of access to fundamental rights allowing measurement of the social cohesion level of the municipality and defining the amount of the subsidy granted to the plan. The plans impact is currently being assessed and measured with a view to developing the next Social Cohesion Plan 2014-2019. The Government supports the Walloon Poverty-Reduction Network within the framework of the project 'Towards a Wallonia without Poverty by 2025' to stimulate and structure active participation of population groups in a situation of poverty.

## 5. Adequate and sustainable pensions

Important measures are taken to promote the ***sustainability of social security in general and the pension system in particular*** (second common objective on pensions).

In accordance with the European recommendation for Belgium to avoid early withdrawal from the labour market in order to clearly increase the effective retirement age (second recommendation), the federal government has set itself the objective that 50% of people between 55 and 64 will be working in 2020, compared to 37,3% in 2010 (+2,0 percentage points compared to 2009) (see section 4.1 in the NRP). Simulations show that if that objective is reached, the overall employment rate would increase by 2,9%.

The measures that have been taken or that are in preparation are commented in Section 3.1 of the NRP (end-of-Career issue). For adaptations concerning the early withdrawal from the labour market through the unemployment benefits system, we refer to the NRP. The measures concern for instance bridging pensions (unemployment allowance with a supplement paid by the former employer): common bridging pension, bridging pension in companies in difficulties or undergoing restructuring; the obligation to continue registering as a job-seeker even at a later age; the accompanying of older job-seekers; the obligation to take into account the age pyramid in case of collective redundancies; the adaptation of the employer subsidies for the recruitment of older employees in Flanders; the improvement of working conditions for older workers.

We discuss here in more detail the important reforms of the Belgian pension system decided by the federal government.

Priority is given to systematically increasing the minimum age for early retirement pension in all pension systems (salaried workers, self-employed workers and civil servants). The age of access to early retirement pension will be increased gradually to 62 years if there is a career of at least 40 years in 2016 (60 years if there is a career of at least 42 years and 61 years if

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<sup>12</sup>The Plan for Social Cohesion in figures: 147 municipalities, 1.700 actions, 34 million Euro a year, 670 full-time jobs.

there is a career of at least 41 years), while today, the age condition is 60 years and the career condition is 35 years (salaried workers and self-employed) and 5 years (civil servants). The pension bonus systems (salaried workers and self-employed) introduced in 2007 and the age supplement system (civil servants) introduced in 2001 as an incentive to extend careers and curb early retirement will be assessed in 2012 in order to reinforce their stimulating effect. Measures were also taken to limit assimilated periods in the pension calculation. These periods are periods of inactivity that, in the calculation of the pension amount, are considered as periods where social contributions have been paid, while the insured person paid no financial contribution. As an example, third period unemployment and periods of bridging pension before 60 years - except for bridging pensions based on a collective employment agreement or in the case of a company in difficulties or undergoing restructuring and some other limited bridging pension systems - will only be taken into account in the pension calculation according to the minimum right for each year worked. Periods of voluntary employment interruption, except for the motivated time-credits and thematic leaves, will only be taken into account for a maximum of one year in the pension calculation. In the case of a reduction in working time by one fifth, assimilation can be counted in days.

Since 2003 the successive Belgian governments aim at greater democratisation and more solidarity in the second pillar pensions (sector pensions and company pensions). That objective has been partly reached (from less than 30 % of all salaried workers in 2003 to more than 60 % affiliated in 2011). The current federal government intends to continue the broadening of second pillar pensions and will study their deepening. As a first step the government will thus consult the social partners on generalising the second pillar or creating a first pillar bis.

Finally, the survivor pension system will also be reformed for widows and widowers under 30 years of age. People losing their partner will receive a 'transition benefit' for a period determined by age, number of children and number of years of legal cohabitation or marriage. At the end of the transition benefit period and if the survivor has no job, a right to unemployment benefits will automatically open without waiting period and with an adequate and early support. Rules concerning the combination of a survivor pension and professional income will be relaxed to combat unemployment traps.

As far as **pension adequacy** (first common objective on pensions) is concerned, significant efforts have been made during recent years to increase the minimum income of retired people. As an example, the guaranteed income for the elderly (GRAPA) was increased at the end of 2006 to reach the at risk of poverty threshold at the time. Minimum pensions were increased too, among them these for the self-employed. Besides, minimum rights per year worked were introduced.

The new federal government has also planned other complementary measures to increase the social adequacy of the pension system. As an example, the guaranteed income for the elderly (GRAPA) will be granted quicker to avoid that elderly people do not exercise their rights or enjoy them too late. As in the past, pensions for self-employed and salaried people will be uprated within the framework of the 'well being envelope'. Besides, the government will elaborate a series of measures to fight poverty among older and retired people (to be introduced before mid 2014). In addition, the professional revenue limit for pensioners will be suppressed for people that have worked at least 42 years in 2013. That measure will be assessed in 2014 with a view to a possible increase in the career condition. For people that do not meet the career condition: the (henceforth indexed) income ceiling will remain in place but the sanction will be proportional to the degree to which the income exceeds the threshold. It will remain impossible to establish supplementary pension rights when one already receives a pension.

The third social OMC common objective on pensions refers, among others things, to the importance of **adequately informing people so that they can plan their retirement**. The federal government wants to make sure that all workers receive an estimate of their future pension rights built up in the first and second pillars, preferably each year and in electronic form from the beginning of their career. Career data on the three pension schemes and complementary pensions will be brought together in one database. As a consequence, there

will be only one interlocutor to inform (future) retired workers on their situation and the rights they have built up.

### ***Stakeholder participation***

Changes to the different pension schemes generally are thoroughly discussed with the social partners (i.e. employers and workers organisations). As far as public sector workers are concerned, consultation occurs within the 'A Committee', which is the consultation body between the government as employer and civil servant trade unions. For the self-employed and salaried workers, consultation takes place within the National Labour Council (NAR) and the Management Committee of the National Pension Board (RVP) and the National Social Insurance Institute for Self-Employed Workers (RSVZ).

During the previous legislature period, the Minister of Pensions organised a national pension conference with all social partners and other civil society organisations involved (senior organisations, women organisations...). The conference resulted in a green paper that contributed to the pension reform measures contained in the new federal government agreement.

Already in December 2011, the Federal Government has submitted the most important pension measures to the Parliament, which adopted them. Afterwards, in January and February 2012, a vast and long consultation took place with social partners concerning implementation and support measures. The consultation gave rise to important changes to the measures taken, but without changing the very essence of the reform, i.e. raising the effective retirement age by two years.

## **6. Accessible, high-quality and sustainable health care and long-term care**

In the Eurobarometer survey, the Belgian health care system gets the populations' highest satisfaction score in Europe<sup>13</sup>. It also achieves good scores in international studies as regards equal access to care. Nevertheless, addressing health inequalities and access to health care remain important concerns. Therefore, a policy aiming at the continued improvement of quality, sustainability and accessibility of health care is being conducted.

### ***Recent achievements***

First, substantial efforts have been made to improve the affordability of health care : firstly by further developing the "maximum health bill". The maximum health bill is an instrument that protects families when their total expenditure for sickness costs for reimbursed care (the patient's participation) exceeds a certain threshold that varies depending on household income. Furthermore, reimbursement rates have been increased for categories of patients with high medical expenses, such as chronically ill patients, patients suffering from rare diseases or patients affected by cancer, as well as for dental care. The third-party payer system for low-income families will be further extended. This is a system under which the patient only pays the own contribution to the care provider, whereas a third party, i. e. the health insurance fund directly pays the refundable part of the costs, so the patient doesn't have to advance (pre-finance) the fee. At regional level, initiatives have been taken in order to guarantee the affordability of long-term care, especially for the elderly. The Walloon Region, for instance, has improved the financial support for family assistance, and the Flemish Community has continued to develop the Flemish care insurance - an additional insurance for non medical care costs, which improves the accessibility of care. A recent OECD study<sup>14</sup>, for instance, shows that all these efforts have been successful. According to the study, there are no significant inequalities in Belgium, concerning consultations of general practitioners, between persons of low socio-economic status and persons of higher socio-economic status. As to specialised health care (in hospital and extra muros), this study finds limited inequalities.

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<sup>13</sup> Eurobarometer (April 2010) *Patient safety and quality of healthcare*  
[http://ec.europa.eu/public\\_opinion/archives/ebs/ebs\\_327\\_en.pdf](http://ec.europa.eu/public_opinion/archives/ebs/ebs_327_en.pdf) .

<sup>14</sup> Measuring and Explaining Disparities in Health Care Utilisation, OESO 2011 et OECD Health working paper N° 50 (2004): Income-Related Inequality in the Use of Medical Care in 21 OECD Countries.

Next, concrete actions have also been implemented in prevention : within this context, the Flemish authorities have formulated quantified health targets and related action plans, for instance with respect to vaccination and breast cancer screening, and since the school year 2010-2011, they offer the human papillomavirus (HPV) vaccine to all girls enrolled in the first year of secondary education in Flanders. The French Community offers this vaccine during the second year of secondary education. Moreover, since 2009, the French Community has also implemented a programme for the screening of colorectal cancers. At federal level, the National multiannual Cancer Plan (3 years) was adopted in 2008. It includes an important part devoted to prevention and detection.

With respect to the quality of health care, it should be noted that first important steps have been undertaken in the reform of psychiatric care aimed at moving from a concept based on institutional care to a network concept, with the objective of improving the psychiatric patient's integration into society. To this end, within the context of pilot projects, new forms of ambulatory care are being developed and networks connecting psychiatric care institutions and other social institutions, like education and employment are being extended and/or strengthened.

In the area of long-term care for the elderly, a wide range of new services have been developed for short-term stays, home support and personal care, with, among others, an extension of home care services such as care attendance, temporary care, informal care and regional service centres. Depending on the region, the emphasis of the extension is different. Likewise, the number of "assisted living residences" and "day-care centres" has substantially increased in recent years. Moreover, the nursing and caring staff as well as informal carers have been supported in a better way, for instance through training programmes and enhanced financial support for existing training courses. These increased home care possibilities go hand-in-hand with a shift from 'classical' retirement homes' beds to nursing homes' beds with a heavier care burden. This means more specifically the conversion of about 20.000 beds within the period 2005-2011.

In 2009, the Flemish Community has also issued a decree about home care and residential care for older people, aiming to combine and better align existing and new forms of home care, home care support and residential care for older people. The Flemish strategic plan for older people (2010–2014) also wishes to achieve a high level of social protection and equality of opportunities, an accessible and high-quality supply of health care and services as well as opportunities for personal fulfilment. The Walloon Region has adopted an action plan in order to improve the well-being of older people and to extend the time that they can keep living at home. In addition, for instance, a nutrition plan for older people in rest homes has been developed, and measures have been taken to bridge the digital divide, to encourage older people to exercise, etc. At the federal level, specific actions have been initiated with regard to taking charge of old age dementia or with regard to the struggle against nosocomial infections in institutions for the elderly for instance.

### ***Planned initiatives***

For the years to come, the principal lines of action of the policy to be conducted will remain largely unchanged : ensuring quality and accessible health care by paying continued attention to the improvement of efficiency and effectiveness.

In order to improve health care affordability, the increased reimbursement of the health insurance will be simplified and made more transparent so that the target group can better be reached. The procedure for granting the third-party payer system to low-income families will be simplified and accelerated and it will be generalised for the most vulnerable patients (chronically ill patients and beneficiaries of the increased reimbursement). Further, for the chronically ill, a more favourable status will be created, which will take into account the seriousness of the disease and the related costs. Concerning orphan medicines, a legal basis will be set up in order to enable their provisional reimbursement. Within the framework of health promotion and with a view to reducing the health divide, Flanders will also strengthen the operation of neighbourhood health centres in deprived neighbourhoods.

In order to further improve physical accessibility, and given the large number of acute hospital beds in Belgium, the federal authority will encourage cooperation and closer linkage between

hospitals and will ensure a more balanced geographical distribution of primary and second-line care supply. The Flemish Authority bases the development of the programming of the social assistance and health care structures on the subdivision of the territory in health care regions in order to get an optimal coverage.

As regards prevention, the Flemish Authority is planning a renewal of the health goals for suicide prevention, vaccinations and prevention of falls during the period 2012-2020, while developing new strategies in this respect. Existing breast cancer prevention measures will be complemented in 2013 and 2014 by measures related to cervical cancer and colon cancer. In 2013, the German-speaking Community will continue to integrate the services responsible for prevention and health education into schools in order to allow for a multidisciplinary approach and to reduce the number of contact points for the users.

In order to improve quality, the goal is to further strengthen the role of the general practitioner, thanks to the Belgian eHealth platform : (1) by generalising the electronic global medical file, which is recorded with the general practitioner but can be shared with other doctors, (2) by taking initiatives at regional level in order to build a platform for the electronic sharing of data between various actors in the health care and social assistance sectors, (3) by giving the general practitioner a key role in the so called "care pathways", and (4) by optimizing on-call duty. Moreover, the goal is also to ensure the availability of care providers by making the profession of general practitioner, nurse and care attendant more attractive by means of actions at federal and Community level.

As regards long-term care for the elderly, a national observatory of chronic diseases is currently being created and the national plan for chronic diseases is being pursued, which focuses on the affordability of chronic care. Moreover, a wide range of new services is being developed: for example, on the initiative of the different Belgian authorities, innovative care projects are stimulated, such as projects for care innovation within the framework of the Flemish Authority's health insurance. The goal is always to enable older people to remain at home as long as possible and to ensure their autonomy.

The importance of the upcoming State reform needs to be highlighted. At present, many competences in the health care sector are shared by the federal authority and the Communities. Thanks to this State reform, various competences in the care-giving sector will be transferred to the Communities in order to increase the homogeneity of competences, so that policy can better meet local needs. It relates specifically to the competences concerning residential care, mental health care and psychiatric nursing homes, to the competences in the area of construction and renovation of hospital infrastructures, to the residual competences as to prevention and organisation of primary care. Furthermore, consultation between the Communities and the federal authority will also be strengthened by the creation of a new institute, which will be a permanent and inter-federal meeting place for the consultation between competent Ministers in the area of health care. The task of this institute will be to develop a common and future-oriented vision and to define a sustainable health policy.

In order to ensure the financial sustainability of the health insurance, the 'budgetary norm' is maintained from 2012. However, an increase of expenditures in real terms remains possible in order to safeguard the quality and the accessibility of health care for all. At the same time, the actors of the health care sector are made co-responsible, among others by encouraging them to prescribe medicines in an efficient manner, by establishing a 'medicine substitution right' for pharmacists for two specific classes of medicines (antibioticum and antimycoticum) with the possibility for the doctor to oppose the substitution right for medical reasons, by fostering the use of generic and bio-similar medicines and by increasing price competition in the pharmaceutical sector, and, as far as the hospital sector is concerned, through the increased financing based on pathology and through the extension of the comparative system of reference amounts for standard pathologies.

### ***Involvement of stakeholders***

Health care policy is implemented at various levels in Belgium. Social partners and sectoral actors are actively involved in the consultation process. In this way the various technical committees within the National Institute for Health and Disability Insurance, which are

composed of representatives of the insurance organisms and of the health care professionals, participate in the preparation of measures within the social security and its health insurance.

At regional level, there are also various consultation and advisory bodies, which are actively involved in policy-making. These advisory bodies comprise the representatives of the various representative organisations (employers, workers, older people, patients' organisations, care providers, informal carers, ...).

# Technical annexes<sup>15</sup>

## 1. Overarching indicators of the Social OMC: Belgium

Code	Key dimension	Indicators	EU / NAT	Breakdowns	2005			2006			2007			2008			2009			2010		
					By sex			By sex			By sex			By sex			By sex			By sex		
					Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females
1a	Risk of poverty	At-risk-of-poverty rate	EU	Total	14,8	14,2	15,5	14,7	13,7	15,6	15,2	14,4	15,9	14,7	13,6	15,9	14,6	13,4	15,7	14,6	13,9	15,2
				Less than 18 years	17,3	17,6	17,0	15,3	15,8	14,8	16,9	18,0	15,8	17,2	16,7	17,6	16,6	15,9	17,4	18,3	17,5	19,0
				From 18 to 64 years	12,2	11,4	13,0	12,2	11,4	13,1	12,6	11,8	13,3	12,2	11,0	13,5	12,1	11,0	13,2	12,1	11,7	12,6
		65 years or over	21,9	21,3	22,3	23,2	20,8	25,1	23,0	20,5	24,8	21,2	20,1	22,0	21,6	20,6	22,3	19,4	18,7	20,0		
		At-risk-of-poverty threshold (PPS)	EU	Single person	9.320			9.707			9.787			10.046			10.494			10.302		
			EU	Two adults with two children younger than 14 years	19.572			20.385			20.552			21.096			22.038			21.635		
1b	Intensity of poverty risk	Relative median at-risk-of-poverty gap	EU	Total	18,3	19,2	17,5	19,4	20,7	18,5	17,8	19,2	16,9	17,2	18,2	16,6	18,1	18,9	17,7	18	18	18
				Less than 18 years	18,3	18,3	18,3	20,7	21,2	19,9	18,3	18,9	17	17,5	16,7	18,6	21,3	21,3	21,3	20,8	17,2	26
				From 18 to 64 years	19,6	20,8	19,3	21,1	21,6	20,3	20,5	22,3	19,9	19,1	20,5	18,6	20,7	20,6	20,8	21,1	21,1	20,9
		65 years or over	13,7	16,7	12,9	17,2	18,7	16,8	14,6	17	14	14,1	15,4	13,3	12	13,4	10,6	13	14,9	11,5		
2	Income inequalities	S80/S20 income quintile share ratio	EU	Total	4	4,3	3,8	4,2	4,4	4	3,9	3,9	3,8	4,1	4,1	4,1	3,9	3,9	3,9	3,9	3,9	
				Less than 65 years	4,1	4,4	3,9	4,2	4,4	3,9	3,9	3,9	3,8	4,1	4,1	4,2	3,9	3,9	4	3,9	3,8	
		65 years or over	3	3,1	3	3,4	3,5	3,4	3,4	3,5	3,3	3,1	3,2	3,1	3,4	4	3	3,7	4,2	3,3		
3	Health inequalities	Healthy life expectancy (years)	EU	Healthy life years in absolute value at birth		61,7	61,9		62,8	62,8		63,3	63,7		63,2	63,8		63,7	63,5			
				Healthy life years in absolute value at 65		9,1	9,5		9,5	9,8		10,1	10,3		10,3	10,2		10,5	10,1			
4	Educational outcome and human capital formation	Early leavers from education and training	EU																			
5	People living in households with very low work intensity	People living in households with very low work intensity	EU	Less than 6 years	14,3	14,3	14,3	12,3	13,1	11,6	13,2	13,1	13,4	8,7	6,3	11,2	12,1	11,3	12,9	12,5	11,5	13,5
				From 6 to 11 years	12,6	12,9	12,3	12,4	13	11,7	10,8	9,4	12,2	8,7	7,5	10	10,9	10,6	11,2	12,5	12,2	12,8
				From 12 to 17 years	13,4	12,7	14,2	14,2	15,6	12,7	12,5	12,7	12,3	9,3	8,7	9,9	10	9,3	10,6	11,1	10,2	12,2
				Less than 18 years	13,4	13,3	13,5	13	14	12	12,2	11,8	12,6	8,9	7,5	10,4	11	10,4	11,6	12	11,2	12,9
				From 18 to 59 years	15,8	14	17,6	14,8	12,3	17,3	14,4	12,9	15,8	12,7	11,3	14,2	12,8	11,3	14,3	14,3	12,9	12,1
		Less than 60 years	15,1	13,8	16,5	14,3	12,7	15,9	13,8	12,6	15	11,7	10,2	13,2	12,3	11	13,6	12,6	11,8	13,5		
6	Financial sustainability of social protection systems	Projected total public social expenditures, % of GDP	NAT																			
7a	Pensions adequacy	Relative median income ratio	EU		0,73	0,74	0,73	0,71	0,72	0,71	0,74	0,76	0,73	0,74	0,75	0,74	0,74	0,77	0,74	0,75	0,77	0,74
7b		Aggregate replacement ratio	EU		0,42	0,45	0,47	0,42	0,46	0,4	0,44	0,46	0,46	0,45	0,44	0,47	0,45	0,47	0,46	0,46	0,46	0,47
8	Inequalities in access to health care	Self-reported unmet need for medical care	EU	Too expensive	2,4/			1,6/0,1				1,4/				1,5/0,2				1,2/0,1		
				Too far to travel	:/0,1			0,1/														
				Waiting list																		
				Utilisation of medical care services	OECD		7,5		7,5			7,6										
9	Improved standards of living resulting from	At-risk-of-poverty rate anchored at a fixed moment in time (2005)	EU	Total			13,2	12,5	13,9	13,3	12,7	14	13,7	12,6	14,7	10,6	9,9	11,3	11,1	10,7	11,6	
		Less than 18 years					14	14,7	13,2	14,7	15,2	14,2	16,3	15,8	16,8	12,9	12,3	13,5	14,4	13,6	15,3	
		From 18 to 64 years					11	10,3	11,8	11,1	10,5	11,8	11,4	10,2	12,6	9,2	8,3	10,1	9,5	9,1	9,8	
		65 years or over							20,5	18,6	21,9	20,1	18,4	21,4	19,1	18,6	19,5	13	13,4	12,7	13,4	13,5
10	Employment of older workers	Employment rate of older workers	EU	Age: 55-64	31,8	41,7	22,1	32	40,9	23,2	34,4	42,9	26	34,5	42,8	26,3	35,3	42,9	27,7	37,3	45,6	29,2
11	In-work poverty	In work at-risk-of-poverty rate	EU	Total	3,9	4,5	3,1	4,2	4,5	3,7	4,4	4,4	4,3	4,8	4,5	5,2	4,6	4,6	4,7	4,5	4,8	4,2
12	Participation in labour market	Activity rate	EU	Total (15 to 64)	66,7	73,9	59,5	66,5	73,4	59,5	67,1	73,6	60,4	67,1	73,3	60,8	66,9	72,8	60,9	67,7	73,4	61,8
				15 to 24 years	35	37,6	32,3	34,7	37,4	31,9	33,9	36,1	31,6	33,4	36	30,8	32,4	34,9	29,9	32,5	35,2	29,8
				25 to 54 years	84,6	92,2	76,8	84,5	91,9	77	85,3	92,5	78	85,7	92,3	79	85,6	91,8	79,2	86,3	92,2	80,4
		55 to 64 years	33,3	43,4	23,4	33,5	42,7	24,6	35,9	44,4	27,5	36,1	44,4	27,9	37,2	45,2	29,3	39,2	47,5	30,9		
13	Regional cohesion	Regional cohesion: dispersion of regional employment rates	EU		8,4	6,8	10,5	8,7	7,1	10,6	8,6	6,9	10,7	8,4	6,6	10,5	8,7	7,4	10,4	8,8	7	10,9
14	Per capita health expenditure	Total health expenditure per capita	NAT		2.706			2.671			2.789			2.898			2.973					

Study Committee on Ageing 2011, reference scenario June 2011 (in % of GDP)

				2010	2016	2030	2050	2060	2010-2016	2016-2060	2010-2060
6	Financial sustainability of social protection systems	Projected total public social expenditures, % of GDP	NAT	25,3	26,2	29,1	30,9	30,9	+0,9 pp	+4,7 pp	+5,6 pp

<sup>15</sup> Unless specified otherwise: data collected by the Secretariat of the Indicators Sub-Group of the Social Protection Committee, received on 20 February 2012. For more information on the definition of the indicators and on data sources:

- Vade-mecum of common indicators agreed in the context of the Open Method of Coordination on Social Protection and Social Inclusion: <http://www.ua.ac.be/main.aspx?c=.VADEMECUM&n=79896>

- Website Eurostat:

[http://epp.eurostat.ec.europa.eu/portal/page/portal/employment\\_social\\_policy\\_equality/omc\\_social\\_inclusion\\_and\\_social\\_protection](http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_social_policy_equality/omc_social_inclusion_and_social_protection)



## 2. Context indicators: Belgium

Code	Indicators	EU/NAT	Breakdowns	2005			2006			2007			2008			2009			2010		
				By sex			By sex			By sex			By sex			By sex			By sex		
				Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
1	GDP growth (at constant prices)	EU		1,7			2,7			2,9			1,0			-2,8			2,3		
2	Employment rate, by sex	EU	15 to 64 years	61,1	68,3	53,8	61	67,9	54	62	68,7	55,3	62,4	68,6	56,2	61,6	67,2	56	62	67,4	56,5
			15 to 24 years	27,5	29,7	25,2	27,6	30,4	24,7	27,5	29,9	25	27,4	29,7	25	25,3	27,4	23,2	25,2	27,3	23,1
			25 to 54 years	78,3	86,1	70,4	78,4	85,9	70,7	79,7	87	72,3	80,5	87	73,8	79,8	85,7	73,8	80	85,5	74,4
	Unemployment rate, by sex and key age groups	EU	Total	:	:	:	8,3	7,4	9,3	7,5	6,7	8,5	7	6,5	7,6	7,9	7,8	8,1	8,3	8,1	8,5
			Less than 25 years	:	:	:	20,5	18,8	22,6	18,8	17,1	20,9	18	17,3	18,7	21,9	21,5	22,5	22,4	22,4	22,4
			From 25 to 74 years	:	:	:	7	6,2	7,9	6,3	5,6	7,2	5,9	5,4	6,5	6,6	6,4	6,7	7	6,8	7,2
Long-term unemployment rate, by sex and key age groups	EU		4,4	3,9	5	4,2	3,7	4,9	3,8	3,3	4,3	3,3	3	3,7	3,5	3,4	3,6	4,1	4	4,1	
3	Life expectancy	EU	Less than 1 year	79,1	76,2	81,9	79,5	76,6	82,3	79,9	77,1	82,6	79,8	76,9	82,6	80,1	77,3	82,8	:	:	:
			45 years	35,7	33,1	38	36,1	33,6	38,5	36,5	34	38,8	36,3	33,8	38,7	36,6	34,1	38,9	:	:	:
			65 years	18,6	16,6	20,2	19	17	20,6	19,3	17,3	21	19,3	17,3	20,9	19,5	17,5	21,1	:	:	:
4	Old age dependency ratio	EU	Current and projected	see below																	
5	Distribution of population by household types	EU	Total	100			100			100			100			100			100		
			Single person	14,7			14,5			14,8			15,2			15,1			15,1		
			One adult younger than 65 years	9,3			8,9			9			9,3			9,3			9,4		
			One adult older than 65 years	5,4			5,6			5,8			5,9			5,8			5,7		
			Single person with dependent children	6,1			6			6,1			6			6,2			6,5		
			Single female			7,9			7,9			7,9			8			7,9			8
			Single male		6,7			6,6			6,9			7,1			7,2			7,1	
			Two adults	24,9			25			25,2			25,3			25,6			25		
			Two adults younger than 65 years	14,4			14,6			15			15,2			15,3			14,8		
			Two adults, at least one aged 65 years and over	10,5			10,4			10,2			10,1			10,3			10,2		
			Two adults with one dependent child	11,1			11			10,5			10,9			10,8			11,2		
			Two adults with two dependent children	15,1			16,3			15,3			12,5			14			15		
			Two adults with three or more dependent children	12,9			10,8			12,2			14,7			13			12,2		
			Three or more adults	8,3			9,1			8,6			8,1			7,6			7,4		
			Three or more adults with dependent children	7,1			7,4			7,2			7,3			7,7			7,5		
Households without dependent children	47,8			48,6			48,5			48,6			48,3			47,5					
Households with dependent children	52,2			51,4			51,5			51,4			51,7			52,5					
6	Public debt, current and projected, % of GDP	EU AMECO		see below																	
7	Social protection expenditure, current, by function	EU	% of GDP	26,1			25,7			25,4			26,5			28,9					
8	People living in households with very low work intensity by income quintile and household type (population aged 0 to 59 years)	EU	Total	15,7			14,8			14,3			12,7			12,8			12,8		
			Single person	30,3			31,5			32			29,4			27,6			28,4		
			Single person with dependent children	35,7			35,9			32,9			27,5			33,2			30,1		
			Two adults with one dependent child	8,2			8,3			6,9			7,7			6,3			6,7		
			Two adults with two dependent children	5,2			4,5			3,2			3,7			3,2			4,6		
			Two adults with three or more dependent children	9			8,7			9,7			4,9			6,4			6,9		
			Two or more adults without dependent children	17,6			16,1			15,9			13			13,9			13,5		
			Two or more adults with dependent children	7,9			6,9			6,1			5,9			5,3			6		
			Three or more adults	8,9			7,8			10,8			6,7			5,3			7,2		
			Households without dependent children	21,3			20,4			20,6			18			18			18,3		
Households with dependent children	10,9			9,9			8,9			8,2			8,4			8,6					
9	Making work pay indicators	EU	Unemployment trap	85,0			85,0			85,0			85,0			93,0			93,0		
			low-wage trap																		
			Single person without children, 33% of AW	57,0			58,0			59,0			59,0			59,0			59,0		
EU	One-earner married couple, at 33% of AW, with two children	45,0			47,0			47,0			48,0			46,0			47,0				
	inactivity trap (esp. second earner case)	0,47			0,47			0,47			0,47			0,46			0,46				
10	At-risk-of-poverty rate before social transfers (other than pensions) by age	EU	Total	28,3	27,4	29,2	26,8	25,7	27,8	27,5	26,4	28,5	27	26	28	26,7	25,9	27,5	26,7	25,8	27,5
			Less than 18 years	33,7	33,6	33,7	29	29,1	28,8	31,4	31,7	31,1	31,6	31,7	31,5	32,3	32,4	32,1	31,8	30	33,6
			From 18 to 64 years	27	25,6	28,4	26	24,7	27,3	26,4	25,2	27,7	26	24,6	27,5	25,1	23,9	26,3	25,7	24,9	26,4
			65 years or over	25,7	24,9	26,4	26,9	24,9	28,4	26,6	23,8	28,6	24,8	23,7	25,6	25,9	24,8	26,7	24	23,3	24,5

Code	Indicators	EU	Breakdowns	2010	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060
4	Old age dependency ratio	EU	Current and projected	26	28	30,3	33,2	36,7	39,3	41	41,7	42,5	43,1	43,8
6	Public debt, current and projected, % of GDP	EU AMECO		92	88	84,1	89,3	95,9	96,2	97,2*	99,2	100		

\* Eurostat website 27/3/2012: 97,3

### 3. The Europe 2020 target: population at risk of poverty or social exclusion (%): Belgium

Indicator	Breakdowns	2005			2006			2007			2008			2009			2010		
		Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
<b>People at risk of poverty or social exclusion (union of the three sub-indicators below)</b>	Total	22,8	21,5	23,9	21,5	20	23,1	21,6	19,9	23,1	20,8	19,1	22,4	20,2	18,5	21,8	20,8	20	21,7
	Less than 6 years	25,8	26,8	24,6	19,4	20,2	18,5	22,2	23,9	20,4	20,4	18,4	22,4	22,1	21,3	22,8	25,2	24,1	26,2
	From 6 to 11 years	21,1	21,8	20,5	22,6	24	21,1	19,5	18,2	20,7	19,1	19,2	19,1	19,6	18,8	20,5	22,8	23,7	21,9
	From 12 to 17 years	23,4	22,7	24,3	22,1	25,1	18,7	22,9	24,3	21,4	24,1	25,5	22,7	19,5	19,5	19,6	21,5	19,5	23,8
	Less than 18 years	23,4	23,8	23,1	21,4	23,2	19,4	21,6	22,3	20,8	21,3	21,3	21,4	20,5	19,9	21	23,2	22,4	24,1
	From 18 to 64 years	22,3	20,4	24,1	20,7	18,2	23,1	20,7	18,7	22,7	20,1	17,9	22,2	19,3	17,5	21,2	20	19,1	20,9
	65 years or over	23,8	22,8	24,5	25,2	22,6	27,2	25	22	27,1	22,9	21,3	24,1	23,1	21,2	24,6	21	20,1	21,6
<b>People living in households with very low work intensity</b>	Less than 6 years	14,3	14,3	14,3	12,3	13,1	11,6	13,2	13,1	13,4	8,7	6,3	11,2	12,1	11,3	12,9	12,5	11,5	13,5
	From 6 to 11 years	12,6	12,9	12,3	12,4	13	11,7	10,8	9,4	12,2	8,7	7,5	10	10,9	10,6	11,2	12,5	12,2	12,8
	From 12 to 17 years	13,4	12,7	14,2	14,2	15,6	12,7	12,5	12,7	12,3	9,3	8,7	9,9	10	9,3	10,6	11,1	10,2	12,2
	Less than 18 years	13,4	13,3	13,5	13	14	12	12,2	11,8	12,6	8,9	7,5	10,4	11	10,4	11,6	12	11,2	12,9
	From 18 to 59 years	15,8	14	17,6	14,8	12,3	17,3	14,4	12,9	15,8	12,7	11,3	14,2	12,8	11,3	14,3	12,9	12,1	13,7
	Less than 60 years	15,1	13,8	16,5	14,3	12,7	15,9	13,8	12,6	15	11,7	10,2	13,2	12,3	11	13,6	12,6	11,8	13,5
<b>People at-risk-of-poverty after social transfers</b>	Total	14,8	14,2	15,5	14,7	13,7	15,6	15,2	14,4	15,9	14,7	13,6	15,9	14,6	13,4	15,7	14,6	13,9	15,2
	Less than 6 years	19,9	20,9	18,7	14,6	14,7	14,4	18,4	19,9	16,8	17,1	15,4	18,9	18,5	17,2	19,8	21,8	20,4	23,2
	From 6 to 11 years	14,7	15,5	14	15,2	15,1	15,3	14,5	14	14,9	14,5	14,3	14,8	15,6	14,8	16,6	16,8	17,4	16,2
	From 12 to 17 years	17,4	16,4	18,6	16,2	17,5	14,7	17,8	19,6	15,8	19,5	19,9	19,1	15,6	15,6	15,6	15,7	14,7	16,8
	Less than 18 years	17,3	17,6	17	15,3	15,8	14,8	16,9	18	15,8	17,2	16,7	17,6	16,6	15,9	17,4	18,3	17,5	19
	From 18 to 64 years	12,2	11,4	13	12,2	11,4	13,1	12,6	11,8	13,3	12,2	11	13,5	12,1	11	13,2	12,1	11,7	12,6
	65 years or over	21,9	21,3	22,3	23,2	20,8	25,1	23	20,5	24,8	21,2	20,1	22	21,6	20,6	22,3	19,4	18,7	20
<b>Severely materially deprived people</b>	Total	6,5	6,5	6,5	6,4	6,2	6,7	5,7	5,2	6,2	5,6	5,2	6	5,2	4,9	5,5	5,9	5,7	6
	Less than 6 years	9,3	10	8,5	8,1	9	7,1	6,8	6,1	7,5	6,9	6,4	7,5	7,7	7,8	7,5	7,7	6,9	8,4
	From 6 to 11 years	8,1	8,8	7,4	11,3	12,1	10,6	6,3	5,9	6,7	7,8	8,3	7,4	6,3	6,2	6,4	7,3	6,5	8,1
	From 12 to 17 years	8	8,2	7,8	9	9,3	8,7	7,7	7,4	8,1	7,2	8,1	6,3	5,6	5,1	6,1	8,2	6,7	9,8
	Less than 18 years	8,5	9	7,9	9,4	10,1	8,7	7	6,5	7,5	7,3	7,6	7	6,5	6,4	6,7	7,7	6,7	8,8
	From 18 to 64 years	6,5	6,4	6,7	6,2	5,5	7	5,9	5,4	6,4	5,7	5,1	6,3	5,3	5,1	5,6	6	6	6,1
	65 years or over	3,6	2,8	4,1	3,3	2,9	3,6	3,6	2,7	4,2	3,2	2,2	3,9	3,1	2,2	3,7	2,8	2,9	2,8

The indicator '**people at risk of poverty or social exclusion**' corresponds to the sum of persons who are: at risk of poverty and/or severely materially deprived and/or living in households with very low work intensity. People are only counted once even if they are present in several sub-indicators.

**At risk-of-poverty** are people with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income (after social transfers).

Material deprivation covers indicators relating to economic strain and durables. **Severely materially deprived people** have living conditions severely constrained by a lack of resources. They experience at least 4 out of 9 following deprivations items: cannot afford i) to pay rent or utility bills, ii) to keep their home adequately warm, iii) to face unexpected expenses, iv) to eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone.

**People living in households with very low work intensity** are those aged 0-59 living in households where the adults (aged 18-59) work less than 20% of their total work potential during the preceding calendar year.

**4. Comparison of Belgium with the EU27 average on some key indicators (EU-SILC 2010 unless indicated otherwise)**

		BE	EU27
Europe 2020 target: risk of poverty or social exclusion	Total	20,8	23,4
	Less than 18 years	23,2	26,9
	From 18 to 64 years	20,0	23,3
	65 years or over	21,0	19,8
At-risk-of-poverty rate	Total	14,6	16,4
	Less than 18 years	18,3	20,6
	From 18 to 64 years	12,1	15,3
	65 years or over	19,4	15,9
Severe material deprivation rate	Total	5,9	8,1
	Less than 18 years	7,7	9,6
	From 18 to 64 years	6,0	8,2
	65 years or over	2,8	6,4
Very low work intensity rate	Less than 18 years	12,0	8,9
	From 18 to 59 years	12,9	10,2
	Less than 60 years	12,6	9,9
At-risk-of-poverty gap	Total	18,0	23,2
	Less than 18 years	20,8	23,9
	From 18 to 64 years	21,1	25,7
	65 years or over	13,0	16,2
S80/S20-ratio	Total	3,9	5,0
	Less than 65 years	3,9	5,2
	65 years or over	3,7	4,0
In-work poverty rate	Total	4,5	8,5
Relative median income ratio	Total	0,75	0,88
Aggregate replacement ratio	Total	0,46	0,53
Unmet need for medical examination (too expensive)	1 <sup>st</sup> income quintile	1,5	4,8
	5 <sup>th</sup> income quintile	0,2	0,3
Healthy life years (EU-SILC 2009)	At birth-males	63,7	60,9
	At 65-males	10,5	8,2
	At birth-females	63,5	61,6
	At 65-females	10,1	8,3
Life expectancy (2008)	Less than 1 year-males	76,9	76,4
	At 65-males	17,3	17,2
	Less than 1 year-females	82,6	82,4
	At 65-females	20,9	20,7