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# The Belgian National Action Plan for Social Inclusion 2001-2003: a preliminary evaluation

*Report of the non-governmental experts*

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# INTRODUCTION
# THE MOVING CONTEXT

## 1. The political context

After a long era dominated by a Christian-democratic – socialist coalition, the first 'purple-green' coalition has been established in Belgium in 1999. The NAPincl 2001-2003 partly reflects the new priorities of this coalition. On the international level, terrorism and wars have overthrown the political, economic and social stability and raised awareness about various issues related to globalisation and social cohesion.

*Active welfare state*

The '*active welfare state'* has become the flagship of the government programme. Various policy papers mention the potential of active labour market measures (a) in preventing long-term dependency on income transfers, (b) as part of a multidimensional strategy tackling social exclusion from different angles (income, education and training, labour market participation etc.), (c) as a condition for the sustainability of our social protection system, and (d) as a means to promote participation of all citizens in society. The 'active welfare state' strategy combines measures to eliminate inactivity traps - in systems of unemployment as well as sickness, disability and early retirement benefits - with personalised services and activated benefits to move welfare recipients into work. From the point of view of social inclusion, the two exponents of this strategy have undoubtedly been (a) the Spring programme, aimed at reducing the minimum income caseload, mainly through a battery of activation measures; and (b) the replacement, as from 1st October 2002, of the guaranteed minimum income by the so-called 'right to social integration', mainly for young people:[1] this implies that applicants for the minimum income below age 25 will in first instance be offered a pathway towards work (together with a benefit).

Unsurprisingly, a huge debate has surrounded the move toward the active welfare state, and the introduction of the 'right to social integration' in particular. Nonetheless, it is worth mentioning that the 'Belgian' concept of activation, contrary to some other models, includes a well thought-out balance between rights and duties, and shared responsibilities of the individual citizen and the State.

Note that it is as yet too early to assess the merits of the active welfare state. As will be shown in sections 1 and 2 of chapter 1, the new approach has until now yielded mixed results, partly due the adverse economic circumstances.

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1 The law has assigned a similar, but noncommittal, right to other age groups.

*The knowledge society*

Together with the EU, Belgium has turned onto the highway of the knowledge-based society, responding to the challenge of the Lisbon Summit in 2000, to become '*the most competitive and dynamic knowledge-based economy in the world, capable of sustainable growth with more and better jobs and greater social cohesion'*. Although the conciliation of these objectives is not straightforward, the strategic plans developed at all levels of government as well as by the social partners seem to have taken them on board. The social dimension of these plans is obvious: quantitative targets have been set by the Flemish government as regards literacy rates, reduction of the number of unqualified school-leavers, etc.; the French Community fosters positive discrimination, with priority for primary and preschool education; the social partners have committed themselves to investing 0.1% of the wage bill to specific training provision for at-risk groups… Despite these good intentions, it is as yet unclear whether efforts will be sufficient to narrow the knowledge gap between rich and poor in Belgium.

Indeed, education in Belgium has a fairly good reputation as regards average performance of students in PISA and TIMSS surveys, but a poor reputation where equality of outcomes is concerned (OECD, 2001). According to Unicef, Belgium ranks 14th among 24 rich countries on an 'absolute educational deprivation' index, with 14% of all young people lacking basic skills in language, maths and science (Unicef, 2002). There are huge inequalities in achievement between the regions and, within a given region, between and within schools. Among the Flemish adults, 18.4% are considered insufficiently equipped for the knowledge society (i.e., they had literacy levels 1 or 2 in the International Adult Literacy Survey – OECD, 1997).[2] And yet, paradoxically, those most in need tend to participate least in LLL. According to the 2001 Labour Force Survey, individuals with higher education participate five times more in LLL than their counterparts with primary or lower secondary education. In sum, there is a long way to go in achieving the knowledge society for all.

*Tax reforms*

A third major option of the purple-green government has been a substantial cutback in personal income taxes and (employer and employee) social security contributions. The aim was to encourage private economic activity and to reduce the cost of labour. Evaluation research (summarised in Plasman et al., 2002) has shown that a reduction of social security contributions tends to have positive effects on employment, particularly if it is focussed on low wages and if it is not outweighed by wage increases. As concerns the personal income tax reform, the assessment is less clear-cut. Selective tax reductions on low wages are expected to encourage labour supply through the removal of inactivity traps. Cutbacks in higher income brackets (which predominated in the Belgian tax reform) have two mutually offsetting effects on labour supply (income and substitution effect) and therefore do not seem to have an unambiguously positive impact on employment. On the other hand,

2 It is generally expected that the rate of low literacy is higher in French-speaking Belgium.

given the economic stagnation in recent years, the tax reduction has undoubtedly increased pressure on the government budget, including on social outlays (see below).

*Decentralisation*

Another recent debate relates to the core business of governments. One policy option in this context is the *devolution of power to local governments*, including in the social field. This appears to have double-edged effects: in the Flemish Community, for example, a new Decree is being prepared to strengthen the co-ordination of 'local social policy' and the accountability of local governments in this area. At the same time, the Social Impulsion Fund, administered at the (Flemish) Community level but aimed at funding local social inclusion projects, has now been integrated into broader municipal funds such that the earmarking for anti-poverty purposes is, in principle, suppressed.[3] In municipalities where social inclusion is not perceived as a priority, this has already resulted in the closing down of a number of anti-poverty projects. For a sketch of the broader context and a discussion of issues, see Van Menxel (2002b).

*Globalisation*

Shortly after the launch of the NAPs (Summer 2001) the terrorist attacks of September 11th have overthrown the world's political, economic and social stability and raised our collective awareness of the global dimensions of social cohesion. Comparison of the economic forecasts of the Belgian Federal Planning Bureau before and after 11th September suggest that the attacks may have caused a loss of 50.000 jobs to the Belgian economy alone. Globalisation means increasing interdependence of national economies in terms of growth as well as vulnerability. It also means liberalisation of (world) markets for goods and services (GATS), increased capital movements, increasing pressure of migration flows, etc.

*Migration and social exclusion: two different worlds ?*

Curiously, the debate about *migration* has in the past decades been increasingly disconnected from that on poverty and social exclusion. Whereas until the early 1980s poverty was to some extent assimilated with discrimination of immigrant workers, this perception has completely changed due to the drastic shifts in migration policy in the past 30 years. A migration stop (for non-EU citizens) was imposed in 1974 except for family re-unification, studies, asylum or otherwise in the context of bilateral agreements. This policy came under pressure again in the 1990s, when successive waves of asylum seekers (from the Balkans, Central Africa, Afghanistan, but also from other regions) flowed into the country and 'overwhelmed' the public assistance rolls in large cities as well as the shelters set up by the State. The treatment of these groups has become increasingly organised – and

3 One part of the SIF will be merged with the existing Municipal Fund, with just a prior establishment of the share that will be attributed to the municipal social service. The other part, assigned to large and medium-sized cities, is being renamed 'City Fund': it can be used for any purpose relating to 'quality of life in the city'.

increasingly strict - in recent years, partly under pressure of growing social tensions and the rising tide of the extreme right: faster treatment of applications; increasing percentages of dismissed cases and forced repatriations; establishment of open and closed centres; suppression of any cash public assistance during the first phase of the application procedure – and of any public assistance after dismissal; prohibition of work unless a person is recognised as a refugee,[4] etc. It can be suspected that this tendency is paralleled by an increasing number of illegal immigrants. Whereas 'documented' asylum seekers are still protected by international conventions and public institutions, undocumented immigrants often go underground, ending up in circuits of human trafficking, extreme deprivation and exploitation in the labour and housing markets. By definition, very little is known about this group, apart from casual information from the police, the housing inspection or the voluntary sector. In (Belgian) poverty research, they remain equally unknown. In 2000-2002, the Belgian government conducted a regularisation campaign, for which 37 000 persons applied; almost 70% resulted in a positive decision. However, a survey among 340 (known) undocumented immigrants, a few months after the application period, showed that 43% of them had not applied, mainly because they expected a negative outcome, but also by distrust towards the authorities, lack of information, the paperwork involved etc. At least 45% of the respondents had children (Kerkwerk Multicultureel Samenleven, 2000).

At the same time, the debate about the development of a genuine integration policy is starting…

*Liberalisation of markets for basic services*

A new major trend (triggered this time by international institutions such as the EU and the WTO) relates to the *liberalisation of markets for basic services* (such as training, electricity, public transport etc.). Although it is expected that this will lead to greater efficiency and lower costs, some forms of preferential treatment of disadvantaged groups may get lost. Even their access to basic services (energy, public housing, training, financial services, telecommunication etc.) seems to be less guaranteed than in the past. In the electricity market, for example, social tariffs do persist but legal restrictions on cut-offs appear to be more and more bypassed by creative techniques of private companies – while very little has been done to guarantee equal *access* to new services or companies. In the vocational training field, rules have been imposed regarding free access for the unemployed to public or subsidised services; but the competition between public, for-profit and private non-profit initiatives is not necessarily 'fair', with possible effects on the availability of suitable training for disadvantaged groups. Under the pressure of competition, public agencies may even tend to concentrate more on easy-to-place groups.[5] Even the EU-guideline of 12 December 2002 concerning employment subsidies poses a serious threat to dozens of social economy projects for

4 During the application procedure for regularisation, some openings have been made as regards access to training and work experience schemes.

5 For example, in pursuit of greater effectiveness, Forem decided to concentrate on 'qualifying courses' and to withdraw from pre-vocational training. In the future, services will be offered to job-seekers only upon their own explicit request: it can thus be expected that discouraged unemployed persons will be supported less.

the employment of disadvantaged groups, for the sake of open competition. In public housing, the pressure of market forces involves a risk of (further) displacement of the lowest income groups. Striking a new balance between the efficiency gains from 'marketisation' on the one hand, and social corrections on the other hand, appears to be a new challenge and deserves careful study.

## 2. The economic context

*Unemployment*

The uninterrupted growth in employment came to an abrupt end during the last quarter of 2001, partly as a result of the events of 11th September and the bankruptcy of Sabena. Nonetheless, the slow-down in growth over 2001 did not result in significant job losses until early 2002. By the end of 2002, domestic employment was 23,000 units below the peak level it had reached five quarters earlier (whereas a priori it was expected to grow – Groenez & Nicaise, 2002b). Employment is not expected to begin to rise again until the second quarter of 2003, although this would not be sufficient to achieve last year's annual average. Since the workforce is continuing to rise in 2003, influenced by the rising female participation rate, the unemployment rate should increase from 13.3% in 2002 to 13.9% in 2003. The unemployment rate according to the standardised Eurostat definition should reach 7.7% in 2003, compared to 7.3% in 2002 and 6.7% in 2001.

When looking at the rise in unemployment, it is striking that increasing numbers of young people (under 25) are jobless. The number of young job-seekers rose annually by 7.1% to 121,541 people, while the number of very long-term job-seekers (2 years or more) has again fallen. In 2002, Belgium had an average of 163,017 long-term job-seekers, or 6% fewer than one year earlier. By contrast, it is disconcerting that the number of people who have been looking for work for 1 to 2 years is increasing hand over fist.

*New budgetary tensions*

The economic recession also leads to *budgetary tensions*. On the one hand, as a result of the economic decline, incomes are lower than expected and, on the other hand, the increase in unemployment forces the government to spend more on social security. The precise impact of these tensions is as yet uncertain, but it is clear that the risk of budgetary derailment will have to be dealt with further by the new government, after the federal elections of May 2003. In the mean time, budgetary bottlenecks are clearly perceptible in the social sector. Even some of the credits envisaged for calculating indicators relating to the NAPincl have recently been blocked. On the other hand, it is impossible to refute the fact that the present government, despite the economic downturn, has introduced substantial increases in minimum incomes (see section 1 of Chapter 1).

The budget constraints are of course all the more inconvenient for a government that has bet on tax cuts – or vice versa, tax cuts are hard to reconcile with the pressing social needs under a tight budgetary discipline.

# CHAPTER 1
# THEMATIC REVIEW OF IMPLEMENTATION AND IMPACT OF THE NATIONAL ACTION PLAN

An exhaustive discussion of all intentions reflected in the NAP would obviously take us too far. In this chapter, we confine the analysis to the main intervention areas and, within these areas, we concentrate on the headlines of action.

The efforts of the Administration to set up a detailed monitoring system for each measure discussed in the NAP deserve to be mentioned at this point.[6] Nonetheless, it appears that a lot of data are still missing, even for the year 2001. This has to do with co-ordination problems between federal and regional authorities on the one hand and a lack of personnel for the follow-up of the NAP on the other. In some cases, we have not been able to establish whether a measure had actually been carried out, due to this lack of information.

A similar remark holds for the impressive system of indicators that has been developed in collaboration with statistical offices, various levels of administration, academics and other experts. These indicators will be published in a specific publication in the Autumn of 2003. Due to the time needed for data collection and treatment, most indicators are not available for the last two years, which means that a genuine quantitative assessment of the impact of the NAP is not possible at this stage. The system of indicators will, however, prove to be useful for the evaluation of long-term trends. It will also enable us to evaluate the success of NAPs with some delay.

## 1. Income

### 1.1 Combating inactivity traps

It is acknowledged in the NAPincl that the income situation of benefit claimants had deteriorated since the mid-1980s and that this was the result of the freezing of benefit amounts, partly in order to make savings and partly to attenuate unemployment traps. This had led to an increase in poverty by 1 to 2 percentage points over the 1990s (Cantillon et al., 2001). Hence, the dilemma between the fight against poverty on the one hand, and the removal of inactivity traps on the other, appeared to be one of the key issues in the policy of the active welfare state.

6 The Poverty Unit of the federal administration has developed an Access database with more than 300 entries corresponding to separate measures. For each measure, the database contains information about responsible authorities, objectives, contact persons, legislation, phasing, budgets, implementation, relevant indicators, stakeholders, and expectations.

In response to this problem, a number of *fiscal and parafiscal measures* have been taken in recent years to make low-paid work more attractive. In order to improve income from employment for those on low wages, on 1 January 2000 a reduction in personal social security contributions for low wage earners was introduced. This represents a maximum increase in the net income of the lowest wage earners of 7 to 8%. On 1 January 2003, this measure was further reinforced; firstly by further reducing the amount of the personal contributions payable and, secondly, by extending the number of employees covered by this measure. In addition, various targeted measures were taken for (working) single parents, the handicapped and part-time workers.

De Lathouwer (2001) estimated the *impact on unemployment traps* of the most recent fiscal and parafiscal policy measures. This reveals that low-paid work has indeed become more attractive. The largest unemployment traps, in particular, which are associated with the transition from maximum benefits to full-time low-paid work (minimum wages), have been significantly reduced by these measures. The financial trap for single-parent families in this situation was reduced by 16 percentage points and by 10 percentage points for breadwinners with children.

### 1.2 New increases in minimum benefits

As a result of the increase in the poverty risk among households which have to live exclusively on a replacement income and because the problem of unemployment traps is the most evident among categories where the inadequacy of the minimum benefits is the greatest (single-earners and single-parent families), the battle against unemployment traps can no longer be waged by lowering the minimum benefits (in relative terms). This is made clear in the NAPincl: *"From a poverty perspective, employment remains the top priority in the active welfare state. However, it is essential that benefits be increased so as to keep pace with the general welfare level. Within the context of the NAP employment, Belgium has committed itself to ensuring that an adequate level of social protection is maintained for those who, despite the measures taken to increase the employment level, still cannot find a position on the labour market. This is to ensure observance of the positive triangular relationship embodied in the Lisbon agreements".*

In 2000-2003, policy has again tended towards increasing basic benefits. This policy is characterised by a high level of selectivity: rather than raising the minimum protection level systematically for all benefit categories, it was targeted in particular at the group of single people. In the areas of both unemployment insurance and sickness and disability insurance, these benefits were repeatedly increased, on top of the general adjustments.

In terms of income protection, adjustment of the systems of guaranteed minimum incomes is particularly notable. Reform of both the guaranteed minimum income (see section 1.3, Living Wage Act) and the system of guaranteed incomes for the elderly are associated with both general and selective increases in benefit levels. Within the system of guaranteed child allowance, the income ceiling is being raised. Selective increases are also being made to replacement income (unemployment, disability, pensions) for those on the very lowest benefits.

Finally, we point out that the existing tax credit for children can now be partly refunded. Unlike the tax credits mentioned in point 1.1, this measure is not intended to reduce the unemployment trap but to guarantee better income protection. For this reason, this measure applies both to working people and to those not working.

A new evaluation of the impact of these measures (Cantillon et al. 2003) shows that the policy of reducing fiscal and parafiscal charges, as well as the selective increase in minimum benefits, have led to a substantial increase in minimum benefits and net minimum wages. The ground they had lost over 25 years has not been recovered but, against the background of the 1990s, we can say that the trend has definitely been bucked. Real minimum benefits saw their strongest increase in over 10 years. Certain groups of people who have to subsist on benefits actually saw a marked improvement, such as unemployed single people and even single people on welfare.

Even after the recent reforms, the minimum benefits however remain insufficient to lift the beneficiaries above the poverty level. In order to achieve the objective of a sufficiently high level of social protection, a constant link between minimum benefits and the development in welfare is a necessary step.

The recent upward trend was only possible at significant budgetary cost because – contrary to expectations – the prior reduction in fiscal and parafiscal charges on low wages (necessary in the battle against financial unemployment traps) did not go hand in hand with a reduction in the volume of benefits. In other words, the policy was not sufficiently successful in achieving the "activation" which was also intended. Reducing unemployment traps does not after all guarantee that enough jobs will be available.

### 1.3 Activation of benefit recipients, employers and institutions

Combating inactivity traps (see 1.1) while raising social benefits (1.2) is obviously a very difficult exercise. One way out of the dilemma has consisted in tightening the eligibility conditions for benefits. For young people, mandatory participation in activation programmes has de facto become a key characteristic of the Belgian social protection system, in the unemployment insurance as well as in social assistance schemes. However, it can be argued that the *new emphasis on duties and responsibilities (besides rights) does not only relate to welfare recipients, but also to employers and institutions.*

The *Rosetta Plan*, introduced in April 2000 and aiming at preventing long-term unemployment among young people, includes two parts: (i) a (mandatory) activation programme guaranteeing 'pathways to integration' to each applicant (thus also including an obligation for employment services to offer a package of services) and (ii) an obligation for employers to recruit young people up to a share of 3% of their labour force.

As from 1st October, 2002, an important reform has taken effect in the guaranteed minimum income system. For young people (up to age 25), the entitlement to benefits has been linked to an

integration agreement whereby the municipal social service commits itself to offering a pathway to work within 3 months. Obviously, this also implies the obligation on the part of the young person to accept suitable offers.[7] Here too, however, a balance has been sought between rights and duties of the individual – and society. Symbolically, the new benefit system (with identical levels of benefit) has been named 'living wage' or 'integration income'.

Despite the cautious formulation of the law, it has met strong opposition on the part of representative associations of poor people, who perceive it as an erosion of a basic human right (the right to a minimum standard of living ought to be linked to human dignity without further conditions). The lack of prior consultation has added to the vehement opposition. In any event, the fear of the associations is not groundless: even if sanctions and suspensions remain the exception, there is increasing evidence, in Belgium and elsewhere, about substantial non take-up of minimum income benefits (including among young people) which may be partly attributable to the deterring effect of strict activation requirements (Nicaise, ed., 2001; Groenez and Nicaise, 2002). In our view, much will depend on how the law will be applied in practice: will welfare centres use it as a screening device to test the willingness to work, possibly in low-quality jobs – or will they try and offer genuine chances for re-integration, tailored to the needs of each young person ? The associations have warned against possible perverse effects of the activation approach (SLPPES, 2001):

- misuse of contractual relationships (between the administration and the applicant) in situations where there is obviously no balance of power between the parties, which involves a risk of further exclusion;
- for the most vulnerable groups, straight transition into formal employment may be too demanding because of (mental) health problems, the presence of small children etc.;
- the poor quality of some training or job offers, which may even further undermine working conditions in the regular labour market;
- the lack of opportunities for sustainable integration after participation in some programmes;
- poor matching between jobs / training on offer and the skills or the personal condition of applicants, sometimes leading to failure, sanctions and increased frustration;
- creaming mechanisms in the selection of candidates.

These remarks call for caution in the pressure for 'quick results' in terms of decreased welfare rolls. For an effective and sustainable social inclusion, quality is more important than quantity. The law on the 'integration income' includes some guarantees in this respect (negotiation and appeal procedure, minimum wages, good quality contracts etc.) but the test of practice is yet to come.

### 1.4 Conclusion

Apparently in conflict with the prescriptions of international institutions about work incentives – but out of sheer necessity – the Belgian government has raised minimum incomes and undone some of their devaluation of the past 15 years. In order to reconcile this policy with the battle against

7 Sanctions include the partial or total withdrawal of the benefit during 1 month at most.

unemployment traps, net incomes from work are also being increased and benefits are increasingly being linked to activation. At the same time, the costs of unskilled work are being lowered for employers by a selective reduction in employers' charges. However, under current economic circumstances, these measures inevitably contribute to a tighter budgetary situation…

For the credibility of the active welfare state, quality and sustainability of activation programmes will be essential conditions.

## 2. Labour market

For this policy area, the NAPincl co-incides to a large extent with the NAP for employment, which reflects a mainstreaming of social inclusion policy. The same applies to ESF-interventions, which are being co-ordinated with mainstream employment policies, as reflected in the NAPs for employment of 2002 and 2003. Over and above the structural reduction of the cost of low-skilled labour through reduced social security contributions on low wages (€ 2.8 bn in 2002), re-integration measures for the unemployed have been strongly diversified in recent years.

### 2.1 Targeted employment programmes

The recruitment subsidies in question either take the form of reductions in social security contributions or of benefit activation. € 1 billion has been reserved for this type of wage cost reductions (including recruitment subsidies for young people and the long-term unemployed).

In April 2000, the First Job Plan (also called Rosetta plan) was launched, which involves an obligation on both the public and private sectors to create additional jobs for *young people*. Over three years, 126,000 First Job Agreements were signed: 85-90% still have a job in the early months after the first job agreement. Although the First Job Plan is not geared exclusively towards unskilled young people, 35% of the young people involved are unskilled, compared with 23% among the overall number of working young people.

The most important tools for the *(adult) long-term unemployed* are: the Local Employment Agency (PWA), service jobs, transitional employment programmes and activated social benefits. Although these measures are still situated within the curative approach (for those already long-term unemployed), in all programmes the requirement regarding the prior duration of unemployment was reduced (shift towards prevention).

Since 1 January 2002, a new system of activation for the long-term unemployed has been in force (the Activa plan), which replaces the old system of service jobs. Employers who recruit the very long-term unemployed or older job-seekers are entitled to wage subsidies of up to 500 euros (activated benefit) per employee per month, depending on their duration of inactivity.

For a more detailed evaluation of each of the employment programmes mentioned, please refer to the mid-term evaluation of the European Employment Strategy in Belgium (Plasman et al., 2002). Table 1 shows the general evolution of employment in the various activation programmes. This shows that the number of those employed has risen sharply since 1998. At the same time, a shift is noticeable from the PWA system, but particularly from the transitional employment programmes in 2001 and 2002 towards the new “Activa” system.

Table 1 Evolution of employment in the activation programmes

| Trends in employment programmes | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1999 Number | 2000 Number | 2001 Number | 2002 Number | % | 2002-2001 % | 2001-2000 % | 2000-1999 % |
| Individuals in Local Employment Agencies (PWA/ALE) | | | | | | | | |
| Men | 1758 | 1717 | 1717 | 1826 | 11.0 | + 6.4 | 0.0% | -2.3% |
| Women | 14658 | 13867 | 14679 | 14849 | 89.0 | + 1.2 | +5.9% | -5.4% |
| Total | 16416 | 15584 | 16396 | 16675 | 100.0 | + 1.7 | +5.2% | -5.1% |
| Individuals in Service Jobs, SINE/Activa Plan | | | | | | | | |
| Men | 2761 | 4352 | 4743 | 6188 | 42.4 | +30.4% | + 9.0% | + 42.4% |
| Women | 3233 | 5486 | 6404 | 8403 | 57.6 | +31.2% | + 16.7% | + 59.4% |
| Total | 5994 | 9838 | 11148 | 14592 | 100.0 | +30.9% | + 13.3% | + 51.6% |
| Individuals in transition programmes | | | | | | | | |
| Men | 2557 | 2825 | 2581 | 2123 | 42.3 | -17.7% | - 8.6% | + 10.5% |
| Women | 2630 | 3240 | 3104 | 2901 | 57.7 | -6.5% | - 4.2% | + 23.2% |
| Total | 5187 | 6065 | 5685 | 5024 | 100.0 | -11.6% | - 6.3% | + 16.9% |

Source: Yearly Reports of the national unemployment agency ONEM/RVA 1999-2002

Over 70% of unemployed people who make use of activation are women. This over-representation can be attributed particularly to their significant share (89%) activities within the context of a PWA (mainly domestic services).

Of course, with this type of job plan, account must be taken of high deadweight and substitution effects, but this does not necessarily mean that the measures are inefficient.

## 2.2 Activation of minimum income recipients[8]

The employment measures in Belgium were originally targeted almost exclusively at insured unemployed people. During the 1990s, some catching up was observed: existing job plans and, since 1998, new job plans too (activation programmes) have been opened up to minimum income claimants (and other categories). At the same time, the federal government lowered the thresholds for participation in some forms of vocational training and employment. These first activation steps were followed up in the “Spring Programme”, a set of measures approved by the government in March 2000. In addition to a package of measures intended to reduce the influx into minimum income, transitions back into employment are also being promoted (specifically by significantly relaxing the conditions for the activation of welfare benefits).

The Spring Programme is not shy in its ambitions: to reduce the number of welfare recipients by 1/3 over 5 years and to increase transition to work by 50%. One of the objectives of the Spring Programme has already been largely achieved: between 1/1/1999 and 1/9/2002 the number of activated welfare clients rose by 115% (most recent figures indicate that 10,500 people are working). It is particularly striking that, despite the economic recession, the employment of (previous) minimum income recipients continued to increase in 2001 and 2002. The number of those entitled to the

8 Thanks to Frank Pirard for his help with this section

guaranteed minimum income continued to fall between 1999 and early 2002. Subsequently, the number of claimants rose again, although in September 2002 their number was still 12% lower than in January 1999.

Nonetheless, an important note should be added here. The methodology of Article 60 §7 of the law on Municipal Welfare Centres plays a substantial role in the increased employment achieved. Initially, this concerned only temporary employment, with a view to restoring the right to unemployment benefits. 75% of the increase in employment in the Spring Programme can be attributed to a more intensive use of this methodology. Is the tool now being used rather with a view to work experience and subsequent transition into regular employment, or is it still linked to the transfer from the guaranteed minimum income towards the unemployment insurance ? A survey by the administration in 1998 revealed that 50% of those employed under Article 60 subsequently became unemployed again, while 30% remained in work. It can only be hoped that the measures in the Spring Programme will improve these scores (see also section 1.3).

### 2.3 Training and route counselling

It is known, from the available evaluation research, that both training and personal counselling of the long-term unemployed are critical factors for the success of rapid and lasting re-employment. The supply of training for job-seekers has risen spectacularly in Belgium, but participation in this training remains very unevenly distributed (Plasman et al., 2002). The social partners agreed to spend 1.9% of the wage bill on training by 2004, including 0,1% for at-risk groups. New voucher schemes have been set up, both for employers and workers. Particular efforts have been made in by public training agencies the field of ICT-literacy (VDAB-courses with free computer lending service, European Computer Driving License), courses for immigrants (Forem) and language courses (French and German-speaking Community).

This study by Plasman et al. also shows that, since 2000, Belgium has made significant progress in terms of the provision of route counselling (within the framework of Employment Guideline 1 – prevention of long-term unemployment). However, on the basis of personnel deployment and the description of the routes, it cannot yet be convincingly demonstrated that this counselling is intensive or sustained. In this respect, the public employment services still have much to learn from the non-profit sector (Nicaise, 2001).

### 2.4 Social employment schemes

Within the framework of the Co-operation Agreement for the Social Economy (as well as prior to this), the employment of underprivileged target groups in social enterprises is cofinanced by the federal government, the Regions and the German-speaking Community. For instance, the “SINE measure” provides for an exemption from employers’ contributions and activation of the replacement income, both for an unlimited time, for very long-term unemployed persons or minimum income recipients. Some recent measures at regional level further promote the creation of specific types of

social enterprises, such as social workshops, employment-training projects and integration enterprises. Another option of the joint policy is to take over the ethics of the social economy in the regular business community (corporate social responsibility).

In total, the social employment schemes in Belgium cover roughly 15,000-20,000 people (not including sheltered employment). The majority of these people are in employment-training projects. It may be assumed that these numbers have gradually increased in recent years.

As to the question about the sustainability of the employment created in this way, Lauwereys et al. (2000) and Rubbrecht and Nicaise (2001) give a positive answer, at least for Flanders. Despite the weak profile of the target groups, after 6 years 70% of former participants in work experience projects are still in work. The corresponding figure for social workshops is as high as 85% (note that these contracts are for an indefinite period). Among integration enterprises, the activity rate falls after 4 years (when the subsidy expires) to approximately 60%. Those who do make the transition to the regular labour market find better-quality work (more full-time, more permanent contracts, more skilled work) than the comparison group (who have not benefited from social employment schemes). Finally, positive side-effects were observed in other areas of life, particularly socio-cultural participation and the ability to cope of those involved.

Paradoxically, social employment schemes are now being threatened by a European regulation which imposes severe restrictions on subsidised employment. The Belgian Minister for Social Integration and Social Economy, Vande Lanotte, has filed an objection to this regulation at the European Court of Justice.

## 2.5 Conclusion

In terms of labour market integration, the NAPincl is to a large extent a carbon copy of the NAPempl. Since 1999 the emphasis has clearly shifted towards the *preventive* approach, to youth unemployment in particular. As far as combating long-term unemployment among adults is concerned, an all-embracing, firm approach is still being developed. However, it is striking that the rate of long-term unemployment has decreased significantly in the last years, even dropping below the EU-average in 2002.

In recent years, Belgium has perceptibly diversified its *policy mix* within its active labour market policy: where previously it relied to a large extent on direct job creation and cost reduction, in recent years much has been invested in route counselling, training, the social economy and the activation of benefits. In the social economy, the potential is still great, on condition that more work is put into streamlining and the structural recognition of various forms of work and that the recent European regulation regarding employment assistance is adapted.

## 3. Education

As stated in the ex-ante evaluation of the NAPincl,[9] education policy in Belgium has been completely de-federalised, so that evaluation needs to take place at the Community rather than national level. Whereas some common threads can be found between these policies, no comprehensive strategic approach to social inclusion within education is reflected in the NAP. For example, no mention has been made of early childhood education, nor adult education.[10] The main lines of action announced were

- the removal of financial obstacles;
- improvements in school-to-work transition;
- reduction of unqualified school leaving;
- reforms of educational priority policies.

### 3.1 Flemish Community

As regards the first objective (*removal of financial barriers*), the efforts have been rather modest [11] and mainly targeted at higher education. Yet, recent studies had revealed a strong increase in household expenditures for school: in primary school, private expenditures have risen by 93% (68% in real terms) between school year 1988-89 and 1998-99 (Vleugels et al., 2000); while at secondary level, the increase was 82% (55% in real terms) between 1986-87 and 1999-2000 (Fripont et al., 2001). In its 2001 report, the Resource Centre for the Fight against Poverty advocates more drastic measures, including the revaluation of student grants and their extension to all levels of education, until free education is fully achieved (SLPPES, 2001).

The main policy development in Flanders (hardly mentioned in the NAP – see section 6.3) was the reform of educational priority policies. A new Decree on Equal Opportunity in Education has become operational in school year 2002-2003. It consists of two main parts:

- a legal *right to enrol* in the school of one's choice, putting an end to segregation, mainly of migrant children. Indirectly, however, this may also affect native poor children who are not

9 Expert comments on NAPincl – Belgium, June 2001

10 This does not mean that no initiatives have been taken in these fields. For example, in the French Community, major efforts are being made to boost child care provision, while at kindergarten level, the government is investing in special psychomotor stimulation programmes. As regards LLL, regional governments and the social partners have developed strategic plans, and serioous investments in labour market training have been made in recent years (see section 2.3). It is unclear, however, how far at-risk groups are really benefiting from these massive investments. Moreover,

11 The most tangible measure was an earmarked subsidy to primary schools, aimed at guaranteeing free access to swimming pools (as swimming is part of the mandatory curriculum). Schools are also obliged, as from 1st September 2002, to publish the estimated school expenses in the school regulations and to submit them for discussion to the school council. More publicity has been made for student grants in secondary education (but amounts have not even been adjusted for inflation over the last two decades).

disabled but, nevertheless, were all too often referred to special education in the past because of learning problems;

- a combination and reinforcement of pre-existing *priority schemes in school funding*. Clear funding rules, less bureaucratic administration and a greater emphasis on the schools' (ex-post) accountability are the main characteristics of the new system. Generally speaking, the funding criteria have resulted in a more objective – but also, more 'shattered' allocation of resources: 30% of all primary school children appear to belong to the target group.

In the same context, important efforts have been made for the *in-service training of school teams*, thus meeting one of the demands of grassroots associations (SLPPES, 2001).

Other measures relate to various specific issues. The number of transition classes for 'non-Dutch speaking newcomers' have been further expanded. Pilot projects have been launched to improve the school climate in disadvantaged areas, to empower pupils in choosing their career options, and to replace the 'all-or-nothing' system of secondary education diplomas with credits (partial certificates). The latter measure can be seen as a way to prevent unqualified school-leaving. Work trial periods in technical and vocational schools have been promoted through more flexible and transparent (time) regulations as well as a database facilitating the matching of demand and supply. And Regional Technology Centres have been created to provide access to modern equipment for technical and vocational schools with limited resources.

It must be mentioned, on the other hand, that a number of local projects called 'school community action' (schoolopbouwwerk) have closed down. These projects were funded, until now, by the Social Impulsion Fund, which is currently being reformed. As we explained in the introduction, municipalities have received greater discretion as to the use of the funds, which has resulted in a partial dismantling of the anti-poverty projects. Yet, the voluntary sector has emphasised the importance of community action for the development of a climate of confidence between schools, parents and local communities (SLPPES, 2001).

### 3.2 French Community[12]

In the French Community, it is important to point out the central place of the Decree of July 24, 1997 (known as the "missions" Decree). All the following legislative texts are related to it and must be interpreted within the same perspective.

*Education Priority Areas* (*Zones d'éducation prioritaires*) established since 1989 were replaced by a new mechanism called *Positive Discrimination* (Decree of June 30, 1998). Positive discrimination is used to provide extra-funds to schools with large proportion of deprived children, in order to ensure equal opportunities to all pupils. It is an indirect system, based on the characteristics of children's place of residence, which provides an index to each school. Schools have to submit projects to be eligible for funding (Demeuse and Monseur, 1999). In 2002, a new Decree (March 27, 2002) has

12 This section was written by Prof. Marc Demeuse (Department of Education, University of Liège)

modified the previous one. The new regulations, based on an evaluation of the first years of the positive discrimination system, provide a more systematic and mechanistic approach in order to escape a well-known tendency to spread money out over a too large number of projects. In the future, no more than 12% of all pupils will be targeted at.

During the same period and related to the Decree of July 12, 2001 on Community financing, increasing solidarity between schools (*différenciations positives*), a lot of legislative work was finalised and put into practice:

- Decree of June 7, 2001 on social advantages (i.e. the way for local public authorities to provide extra money for non-pedagogical activities);
- Decree of June 14, 2001 on special classes (*classes passerelles*) for pupils coming from abroad (with insufficient knowledge of French)[13];
- Decree of July 19, 2001 on secondary dual vocational education (including mechanisms for equivalent qualifications with other tracks).

An effort was also made in the field of student grants, mainly for higher education, to foster equal access for all to university and *hautes écoles.* In tertiary education, an agency for evaluation of quality (Decree of November 14, 2002) was created in order to ensure quality and good practices, including pedagogical aspects.

In 2002, two Decrees adopted on March 27 are meant to complete the system with adequate monitoring tools. The first one defines more precisely the missions of the *Commission de Pilotage*: ensuring a real follow up of the students and their schooling in order to reduce drop out and truancy, organising systematic external evaluations at all stages of the compulsory system, offering a comprehensive system of indicators related to the functioning of the educational system. On the basis of the work of the commission, it is now possible to imagine to be ready to evaluate innovations related to a better social integration. The second Decree creates a public enterprise to collect and organise all statistical data about education in the French Community. It is for sure a pre-condition to pilot a system which is already well equipped from a legal point of view to fight against social exclusion.

[13] Bilateral agreements between the French Speaking Community and Greece, Italy, Morocco, Portugal and Turkey, according the Charter on native culture and language (*Culture et langue d'origine*, 2001) favour also a smooth integration of immigrants, in respect to their own cultural identity and personal development.

## 4. Housing

It has been demonstrated that shortages in the housing market have severely exacerbated poverty over the past decades, as average rent prices have risen much faster than the overall consumption price index (De Decker, 2002): whereas the purchasing power of owners has remained almost constant between 1976 and 1997, tenants have experienced a drop of 20%. One typical characteristic of the Belgian housing market is the very small share of public housing (approx. 5%). At the same time, housing benefits (rent subsidies) to low-income households are nearly non-existent in Belgium.[14] As a consequence, 10% of all households spend more than a third of their income on rent (Household Expenditure Survey, 1998). Other consequences of deficient housing relate to health problems, overindebtedness, lack of basic comfort, homelessness, powerlessness, social isolation etc. (Observatoire de la Santé et du Social, 2002).

In the NAPincl, the following priorities had been put forward,

- in the public housing sector: investments in the quantity and quality of the housing stock, improvements in accessibility, and initiatives for specific target groups;
- in private housing: incentives for qualitative improvements (including controls), improvements in accessibility for at-risk groups, adjustments in the (Flemish) system of housing benefits, and tighter market regulation (prevention of displacement, mediation services, price-quality norms).

Although regional governments (including the German-speaking Community) have launched construction programmes for several thousands of new units per year, the plans are not being fully implemented; and they are still far from sufficient to cover the needs. Figures about the number of available units are lacking, but even the most optimistic estimates show that targets are not being met. Brussels has prioritised the renovation of existing public housing estates. Legal measures have authorised public authorities to requisition empty buildings for emergency housing, or to acquire run-down estates with priority for transformation into public housing; but the use of these options has remained marginal until now (for example, not a single requisition in Brussels – OSS, 2002). All this suggests a rather modest increase in the number of available units. Moreover, there is increasing political pressure on housing companies to open up their accommodation to middle-income households or even sell part of their assets in order to achieve a 'better social mix'… and a better financial balance. This means that the access to decent and affordable housing for low-income households is not particularly improving.

While little progress is being made on the economic front, new 'soft' formulae are being introduced in the housing sector: '*dwelling guidance'* is organised by social services in trying to facilitate the social

14 In principle, housing benefits exist only for people moving from a degraded home or from homelessness into decent accommodation. In the Walloon Region, a separate system is in operation for large families. And municipal social services can extend ad hoc rent assistance to their clients.

integration of marginalised people in public housing estates; *social renting agencies* act as brokers between private owners and their (homeless) clients while reducing rents and providing guidance; *mediation commissions* and *collective bargaining fora* have been set up between tenants, landlords and the (local) government; *centralised registration of applications* for public housing aim at improving the match between supply and demand. However, these innovations seem to have a limited quantitative impact (De Boyser, 2002).

It looks as if progress is being made in one particular segment: the number of permanent residents in campings has decreased sharply in Flanders, after the enactment of several laws and decrees for their relocation. Yet, experts have criticised the coercive nature of measures and called into question the quality of the new residences offered. In the Walloon Region, a 'softer' master-plan is starting in 2003, following several pilot projects carried out in previous years. The 'HP-Plan', endorsed by all Ministers of the Walloon government, is characterised by its voluntary nature and the will to guarantee basic rights, without perverse effects.

As regards *homelessness*, a recent study has pointed to a shift in the profile of people affected over the last 25 years (Van Menxel, 2002a): relatively more women are seeking shelter (currently 1/3 as compared to 1/6 a quarter of a century ago) and the average age is rising again (although still more than 40% are younger than 30). The share of foreigners appears to be rising too, due to inflows from CEE countries, but the vast majority are still Belgians. Unfortunately, no figures are available as to (short-term) trends in the number of homeless people. There are just 'signals' from shelters that they are running above their capacity, suggesting a rise in recent years.

## 5. Health care

Although Belgium has a very good reputation as regards public health policy, inequality remains problematic. For example, one in four households in the lowest income quintile has to postpone medical expenses for financial reasons, as against one in forty in the highest quintile (WIV, Health Survey 2001). Other sensitive indicators of inequality relate to corpulence, heavy smoking behaviour etc.

In this field, the Belgian NAP includes a very broad set of federal and regional / Community-level measures, both universal and targeted, preventive and remedial, relating to physical and mental health. All these new measures add to an existing health care and health insurance system that can undoubtedly be ranked among the very best and most accessible worldwide.

The most innovative measure in the NAP is the *maximum health bill* (MHB), which has come into effect (gradually) as from 1st January, 2001. The MHB puts a ceiling on households' yearly health care expenditures, by reimbursing excess expenses. Although the MHB is partly means-tested, its administrative burden is minimised through automatic assignment, by use of the most advanced tools of e-government. Low-income households are reimbursed immediately; others recover the balance of their expenses with some delay, via the tax administration.

A participatory evaluation research had been commissioned (prior to the submission of the NAP) by the Interministerial Conference for Social Integration and assigned to a consortium with logistic support from the Resource Centre for the Fight against Poverty. The research involved several grassroots organisations and the University of Gent (Vakgroep Huisartsgeneeskunde). A dialogue has been set up with professionals and other interested stakeholders, resulting in a conference in December 2002.

Despite general satisfaction with the measures included in the NAP, the research concluded that socially excluded households are still faced with substantial barriers, both within and 'around' health care services:

- preferential fees and the MHB do not exempt them from any *personal contribution* and, once the ceiling has been reached, *advance payments* which may still put an excessive burden on their current household budget. In some cases, when they are unable to make advance payments, services are denied to them;
- preventive health care includes *non-medical services and basic outlays* which poor households may not be able to afford (decent housing, mobility, home care etc.);[15]

15 The Flemish (almost universal) 'Care insurance' (zorgverzekering) can be seen as a valuable response to this. This measure, introduced in 2001, covers the non-medical expenses of caring for patients, such as home care, house cleaning and attendant care, that is provided by either formal or informal caregivers. It is funded through premiums paid by every Flemish citizen aged 25 years or older.

- poor education often means a *lack of awareness, information or understanding* of essential rules relating either to personal health care, or to administrative rules involved in the system;
- *social exclusion* may involve prejudicial behaviour on the part of medical staff, or a lack of access to informal care from family or neighbours;
- some services are *not readily accessible* due to waiting lists or even lack of information;
- for registration in the health insurance, *homeless people* need to take a reference address. Although they can use the address of the municipal social service, they may renounce it for fear of stigma.

On the other hand, participants in the focus groups particularly approved the services of *local health centres* ('wijkgezondheidscentra' / 'associations de santé intégrée') which provide multi-disciplinary and free services in exchange for a fixed yearly membership fee. The (further) development of these centres in the Walloon Region is one of the actions planned in the NAP. They also approved the support provided by the social services of *mutual health insurances*.

The main conclusion that can be drawn from this evaluation is the need for a holistic and integrated approach to health care. Top quality medical care and a sophisticated system of health insurance may be necessary, but are by no means sufficient conditions for equality of access between rich and poor households. Accessible non-medical care services, a decent incomes and housing policy, education and social guidance are essential elements of an integrated approach. Note that these elements have been included in some local projects: a closer look at their success may be worthwhile.

One major shortcoming of the evaluation project was the fact that the problems of undocumented immigrants – who probably experience the worst problems in this area - were completely ignored. This again illustrates the separation between social inclusion and migration issues in the minds of all parties involved.

# CHAPTER 2
# POLICY DESIGN AND MONITORING

## 1. Co-ordination of policies

In the 1980s and 1990s, Belgium had made good progress in terms of the institutional setup for social inclusion policy. The General Report on Poverty (ATD-Vierde Wereld et al., 1995) has been generally acknowledged as a milestone in this regard. One of the key recommendations of the report in order to facilitate a holistic strategy against poverty – given the complexity and high degree of decentralisation of the Belgian political structure - was the creation of co-ordination structures between all levels of government, administrations, the social partners and the voluntary sector. A co-operation agreement between the federal, community-level and regional governments was concluded in 1998 and ratified by their respective parliaments.

- First of all, this agreement hallowed the principles of policy-making in this field (the guarantee of basic human rights; partnership with those suffering from social exclusion; and a holistic approach);
- Secondly, it consolidated the Inter-Ministerial Conference for Social Integration (IMCSI), charged with the design and monitoring of co-ordinated government policies at all levels. The IMCSI is supposed to meet at least twice a year.
- Thirdly, a (semi-public) Resource Centre for the Fight against Poverty, Precariousness and Social Exclusion (SLPPES) was created jointly by the 'federated entities'[16] to ensure a permanent dialogue between all parties, including self-organisations of people living in poverty (see section 3 below). The Resource Centre has to produce two-yearly reports on the evolution of poverty, including an evaluation of policy developments and proposals for further improvement: the first report was published in June 2001 (SLPPES, 2001), the second one is expected by the end of 2003. Any level of government or Minister can also consult the Resource Centre for advice on specific measures or issues.

At first sight, the linkage between this institutional setting and the open co-ordination method looks straightforward. In practice, however, things appeared to be more complex.

- Curiously, the first NAPincl has not been drafted by the Inter-Ministerial Conference, but by an ad hoc group within the framework of a (Belgian) inter-governmental conference on the implementation of the Lisbon strategy. This has had rather unfavourable effects on the 'embedding' of the first NAP in the Belgian institutional context. Separate plans had been prepared, first by the federal, and later by the Flemish government; and their integration proved to be a difficult exercise. In 2003, the preparation of the second NAP has been

16 In the Belgian context, the term 'federated entities' refers to the federal, regional and community governments.

assigned to the IMCSI, which will hopefully contribute to a better integration of policies – although it is too early for an assessment of this process.

- Moreover, the evaluation of the (first) NAP was not integrated with the two-yearly reports of the Resource Centre. The reasons for this are threefold: (i) as will be explained in greater detail in section 3 below, the government and the voluntary sector (which weighs heavily on the agenda of the Resource Centre) held rather different views on policy development and evaluation at the time when the NAP was launched; (ii) the evaluation of the NAP has in fact been conceived by the government as a 'monitoring' process rather than a critical assessment. For this reason, the government has commissioned a special task force with the follow-up of the NAP: one working group is developing a system of performance indicators, and a second one monitors the implementation of actions. (iii) At the start of the NAP 2001-2003, the Resource Centre was still in its infancy stage, and probably insufficiently equipped for a rigorous and comprehensive assessment of all aspects of the NAP within the strict time schedule imposed by the EU.

This explains why the design and follow-up of the first Belgian NAP has to some extent been disconnected from the 'mainstream' policy-making and evaluation fora. It is hoped, however, that the NAPs will gradually gain credibility and momentum, and that the two approaches will converge in the future. There are some obvious signs in this direction: (i) the fact that the Resource Centre for the fight against poverty, the Belgian Anti-Poverty Network and a representative of the 'Collective of Partner-Associations of the General Report on Poverty' participate in the task force of the NAP,[17] and (ii) an agreement on co-ordinating the timing of the two-yearly reports of the Resource Centre and the NAPs, to facilitate feedback from the former into the latter.

For this evaluation report, the government as well as the administration have provided full access to their monitoring data, in the format of an Access database with more than 300 records, each covering a specific measure or action. While extensive follow-up information is available for some measures, other records are still empty at this stage, even for 2001.

## 2. The involvement of Regions, Communities and municipalities

Let us briefly remind the reader of the political structure of the Belgian federal state. One specificity of this state structure is the absence of a hierarchic relation between the State, the three (economic) Regions and three (cultural / linguistic) Communities.[18] For some policy areas, the Regions or Communities have full autonomy and thus, unsurprisingly, may have divergent policies. Co-ordination is a continuous matter of concern (see section 1).

17 but this is very different from a genuine participatory evaluation and cannot guarantee the integration of the NAP process in mainstream anti-poverty policy.

18 The Flemish Region and Community do not fully coincide greographically, but their governments have been merged.

On the other hand, this also means that the 'federated entities' cannot be by-passed in policy-making – nor can they evade their responsibilities. For example, the *Flemish Community* produces and yearly updates its own '*Flemish Action Plan'* for social inclusion (as well as for employment). Given the smaller scale and more limited scope of policy fields involved, as well as the absence of space constraints in the presentation of the plan, the Flemish plan gives a very detailed and interesting account of achievements and new measures envisaged for the future. According to the new Poverty Decree (passed in March 2003), the Flemish Plan will be updated and subject to a debate in the Flemish Parliament each year. The Poverty Decree also provides a framework for networking and subsidisation of grassroots organisations, the training of paraprofessionals having experienced poverty in their personal life (*ervaringsdeskundigen*) and their engagement in public services, the funding of pilot projects, and the organisation of policy consultation at the Community level.

Although the *French Community* does not have a specific social inclusion plan, the fight against social inclusion is one of the headlines of its '*Charte d'avenir*', covering measures in child and youth care, education, culture and sports, health care and the reintegration of ex-offenders. The 'Observatoire de l'Enfance, de la Jeunesse et de l'Aide à la Jeunesse' is responsible for the co-ordination of anti-poverty actions in the context of the NAP, at the level of the French Community.

The *German-speaking Community* has assigned the co-ordination of social inclusion to the Administration for Family, Health and Social Affairs. The German-speaking Community also produces its own 'social report'.

The *Walloon Region* has created, within its Ministry and under the direct authority of the prime-minister, an *Interdepartmental Directorate for Social Integration* (DIIS) which co-ordinates the implementation of social inclusion policies within the Administration. The tasks of the DIIS include the production of reports on social cohesion on the level of the Region (see e.g. DIIS, 2001), the follow-up of relevant policies, the launching of new proposals, and the co-ordination of various actions in the field of special child care, youth, community development, integrated social plans (PSI) of municipalities, public housing, etc. DIIS is also the platform for mutual consultation between the government, the administration and field workers in the Walloon Region. Rather than drawing up a separate social inclusion plan, the Walloon government has opted for the integration of related priorities into a strategic development plan called 'Contrat d'Avenir pour la Wallonie', which has been subject to public debate in various fora.[19]

In *Brussels*, the *Observatory for Health and Social Affairs* produces yearly reports (see e.g. Observatoire de la Santé et du Social, 2002) and provides technical assistance to initiatives of the regional government. A Decree of the Brussels Parliament (8th June 2000) stipulates that the reports must be discussed in a Round Table with delegates from the Parliament, the public welfare centres (CPAS), municipalities and NGOs. These debates have resulted in various resolutions of the

19 See, for example, priorities 12 (quality of housing), 14 (social integration) and 15 (labour market integration of disadvantaged groups).

Brussels Parliament. The 2002 report of the Observatory offers a remarkable analysis of the far-reaching implications of deficient housing for the overall well-being of the people concerned (see section 4 of chapter 1); it also evaluates the implementation of earlier measures and discusses a set of additional proposals to tackle the housing problems.

*Municipalities* are also involved in various ways in social inclusion policy. The main actors are the municipal social services (*public welfare centres)*, responsible for the administration of the guaranteed minimum income as well as other forms of social assistance. They are represented in the task force for the follow-up of the NAP and in the steering group of the Resource Centre. The Walloon Region co-finances municipal *Integrated Social Plans* (PSI) based on a multidimensional and partnership approach, in municipalities selected according to criteria relating to the degree of social exclusion. This approach is very similar to the previous Flemish *Social Impulsion Fund*, which has now been integrated into broader municipal funds. Despite the fact that overall funding in Flanders has not diminished, it has become less earmarked, which means that a number of anti-poverty projects have been closed down.

Last but not least, the *social partners* need to be mentioned, as they also have a legal mandate in this area: they participate in the steering group (Commission d'accompagnement) of the Resource Centre mentioned above, and the National Labour Council as well as the Central Council for the Economy must discuss the two-yearly reports of the Centre.

## 3. Involvement of socially excluded groups

As suggested in section 1 above, the whole process of design and follow-up of the first NAP has very much been seen as a top-down exercise – at least, until now. Grassroots organisations have not participated in its design and have been barely informed of its existence two weeks before its submission to the European Commission. Apart from the reasons mentioned in section 1 of this chapter, several factors can help explain the lack of participation:

- the *tight time schedule* for the preparation of the plan. Past experience has repeatedly shown that consultation with the victims of social exclusion is a very intensive and time-consuming exercise, which seldom fits with the timing of policy-makers;
- the rather *technocratic nature* of the open co-ordination method, combined with the *distance* between the European policy level and ordinary citizens (let alone, socially excluded groups) makes direct participation of the latter in the policy-making process all the more difficult. The NAP was clearly seen as a 'top-down' exercise. The associated grassroots organisations thus were not keen to get involved in a process which had been initiated without them, even though they appreciated the principles of the open co-ordination method and the Nice objectives. Given the lack of time and manpower, the NGOs preferred to concentrate on 'their' two-yearly report in collaboration with the Resource Centre;
- A third explanation relates to the federal state structure, characterised by a *segmentation of policy areas* between the federal, community and regional levels. The federal government, which co-ordinates the drafting of the NAPs, is rather cautious in engaging in a direct

consultation process with NGOs, for fear of getting involved in discussions about other levels of authority, and therefore always tends to prioritise negotiation with the 'federated entities'. Yet, this deadlock can be overcome in fora such as the Resource Centre, which has received a mission from all Belgian governments, or through decentralised consultation at all levels.

- In Belgium in particular, the preparation of the first NAP even took place in a *climate of relative distrust* between (associations of) poor people and the government. Serious tensions had arisen around some unilateral and controversial decisions of the (federal) government, which had direct implications for the poor: for example, a shift in the statute of the Resource Centre [20] and, more importantly, the transformation (mainly for young people) of the guaranteed minimum income into the 'right to integration (income)'. The latter measure was very much perceived as a shift towards workfare and, moreover, had been prepared without any consultation until a few weeks before its enactment was introduced in Parliament. Unsurprisingly, regaining the confidence of the associations for a 'partnership' in the context of the NAP has proven to be difficult.

Note, however, that the confrontation between grassroots organisations and the government can in itself be seen as a sign of growing political awareness among the poor. Despite the (regrettable) tensions, it is possible that both parties learn from them and that a genuine process of negotiation becomes more and more feasible.

As mentioned in section 1, the dialogue between associations of people living in poverty and other stakeholders in the fight against social exclusion is the main remit of the Resource Centre for the Fight against Poverty. Dozens of such associations are currently in existence in Belgium, including small and larger ones (e.g., a Belgian section of ATD-Fourth World). They have to some extent federated at the national and regional level (Collective of Partner-Associations of the General Report on Poverty, Brussels Anti-Poverty Forum, Flemish Anti-Poverty Network, Walloon Anti-Poverty Network, Common Front of the Homeless). The associations have agreed on a common methodology, based on principles of community development, and some of them are increasingly recognised as valid representatives of those suffering from poverty. The Collective of Partner-Associations is actively participating in the preparation of the two-yearly reports of the Resource Centre. For this purpose, thematic 'dialogue groups' have been set up, which always include (representatives of) people living in poverty and gradually extend to other stakeholders (professionals, government officials, other associations). Apart from the grassroots organisations, the steering group of the Centre (Comission d'accompagnement) includes representatives of all levels of government, the social partners, the federation of municipal welfare centres and the mutual health insurance agencies. The criteria for a genuine 'dialogue' have been extensively described in the first

20 The custody of the Resource Centre was transferred from the prime-minister to the minister of social integration; and its disconnection from the (influential) Centre for Equal Opportunities and Fight against Racism was envisaged. The latter intention has not materialised until now.

report of the Resource Centre (SLPPES, 2001). Some lessons drawn from this process in the thematic groups have been included in our comments on the NAP in chapter 1.

The *participatory evaluation research relating to health care policy*, mentioned in section 5 of chapter 1, is a second example of genuine involvement of the poor in the evaluation of government policies (despite some difficulties). The preparation of this report, based on successive rounds of focus group meetings, gradually extended to external partners and with feedback of draft reports, has taken three years.

A similar participatory research has taken place in the field of *youth care*, in collaboration between the Administration of the French Community, the Resource Centre, the University of Liège and professionals from the sector.

At present, an even more ambitious project is dealing with the improvement of *indicators of social inclusion*.[21] Participants from the target group are being remunerated for their work in this research, either individually or collectively,[22] while extra time and support are being provided to them for the preparation of meetings; an agreement has been signed between all participating partners (people living in poverty, representatives of administrations, the social partners, universities, government bodies…) in order to guarantee a balance between the inputs of different stakeholders in the report. The project has been negotiated extensively, and will last for two years. The time schedule of such a rigorous exercise obviously conflicts with the deadlines which are often imposed in policy-making procedures, while the costs involved may often restrain governments from entering into a genuinely participatory process. Nonetheless, the output from this type of process can have a strong positive impact on social inclusion policy in the long term (see e.g. the General Report on Poverty from 1995).

In the context of the *preparation of the NAP 2003-2005*, two part-time community workers with extensive experience in anti-poverty associations have been engaged for a period of six months to disseminate information about the purpose of the NAPs and to collect ideas, mainly on the basis of existing dossiers prepared in grassroots organisations. Again, the strict deadlines are seen as a serious problem. In fact, this exercise should be carried out on a continuous basis to yield fruitful results in the long run.

To sum up, examples of participation of those experiencing social exclusion do exist. They reveal a series of key conditions for guaranteeing a genuine participation (see also Chapter 1 of SLPPES, 2001):

- pre-existence of *representative grassroots associations* that have built up a collective political awareness among the target group. The mere availability of such associations

21 This project is co-financed by the Resource Centre, the Federal Ministry of Social Integration and the French Community.

22 In some cases, associations are being remunerated rather than individual participants.

involves a long-term financial and human investment, which is not to be taken for granted as yet;

- an *agenda* (choice of issues for discussion) meeting the priorities and experience of those experiencing social exclusion;
- sufficient *time and resources* for the development of a process of dialogue, including, if necessary, the remuneration of participants;
- a *rigorous methodology*, starting with an exchange of life experience, moving along with training, extending gradually to exchange with other stakeholders and resulting in a negotiation of policy proposals;
- a guarantee of balance between partners with different backgrounds, which necessitates *positive discrimination* in terms of time, support and resources in favour of the target group;
- a process of '*intercultural mediation'* (even when most partners have the same ethnic background) to ensure the mutual understanding between people with completely different life experiences;
- a guarantee of participation *until the final stage* (i.e., not limited to testimonies of life experience, but until the re-drafting of final conclusions and even the follow-up of the policy implementation);
- last but not least, a *climate of confidence* between the partners involved, which means that the authorities asking for advice prove their commitment and sense of democracy in a sustainable way.

In concrete terms, we would suggest the following procedure for participation of grassroots organisations in the next round of NAPs:

- replace the 'reactive consultation' (on the basis of a draft in the last weeks before submission) with a 'proactive consultation': invite NGOs to look forward and establish their priorities for the NAP 2005-2007 (!), as from the Autumn of 2003. Only then will they be able to set up a fair dialogue with their socially excluded members and give timely advice.
- Support this consultation with decent and continuous subsidies to those NGOs that organise the collective self-expression of target groups. Recognition and subsidisation of these NGOs should appear in the NAP as a key measure. Also invest in intermediary bodies such as the Belgian Resource Centre, which can accumulate expertise and support NGOs in organising a permanent dialogue with all stakeholders.
- Provide specific training to workers and activists from these NGOs, relating to policy issues as well as negotiation techniques (supposing that they already have had a prior training in community development). Also provide training on social in-/exclusion for policy makers, including methods for dialogue with socially excluded people.
- Make sure that reports and papers from these NGOs are read and discussed in relevant policy arenas, that they are adequately archived and consulted whenever appropriate – especially when the timing of policy agendas does not allow for a new round of dialogue.
- Develop a climate of trust through open communication on policy agendas, feedback on the follow-up of consultation, etc. Avoid unfeasible deadlines for submission of advisory papers. When consultation is more urgent, use alternative methods such as expert advice from

intermediate bodies, based whenever possible on existing (written) material from grassroots organisations, and make sure that measures will remain subject to participatory evaluation afterwards.

- These rules should not only apply to the NAP as such, but to all policy initiatives on different levels – which means that similar procedures should be followed by regional and local authorities.

# CHAPTER 3
# RECENT RESEARCH AND POLICY EVALUATION REPORTS

Many recent research results have been mentioned already in the previous chapters. Here, we will mainly focus our attention on the development of indicators for social inclusion, and the reviews of research and policy evaluation in recent poverty reports.

## 1. Indicators [23]

The development of quantitative and qualitative indicators has been one of the key objectives of the Belgian government, which was convinced that anti-poverty and social inclusion policies on both a national and a European level had to be evaluated by proper benchmark indicators, taking into account the various monetary and non-monetary dimensions of poverty and social exclusion. During the Belgian Presidency of the EU, the Belgian government supported the work of the Commission in this domain and encouraged the activities of the working group 'indicators' of the Social Protection Committee, e.g. by commissioning a report on social indicators from a scientific expert group. The Laeken Summit agreed on a set of common indicators on social inclusion, which provided a strong impetus for the further development of the NAPs Incl in the future.

In its first NAPIncl (2001-2003), the Belgian government announced that it would use the National Action Plan as a key tool for 'long term statistical capacity building'. Considerable efforts have indeed been made to collect a broad set of indicators for the second NAPincl from a variety of sources. A special task force 'Indicators' was appointed to elaborate a set of comprehensive indicators on social inclusion. This task force consisted of representatives of various administrations, the scientific world and the responsible ministers. In the past, the group relied on the experience of the Centre for Social Policy, which had been the main source for income poverty indicators as it collected the Belgian Socio-economic Panel Survey (BSEP), but other Belgian experts on poverty and social inclusion have now been involved on a routinely basis as well.

The NAPIncl 2001-2003 initially contained a large number of monetary and non-monetary indicators. Together these indicators deal with the various aspects of social inclusion policies and the multidimensionality of social exclusion. With some exceptions, the quality of the selected indicators was usually good and they were already widely accepted by the national and international research community. Scientific practice had already illustrated the robustness of these indicators for comparisons over time and across nations. In the Spring of 2002, the 18 common EU indicators on poverty and social exclusion were integrated into the NAPIncl 2001-2003, while some indicators were newly added and for some the definition changed. This brings the total number of indicators currently included in the NAPIncl to 60 (see list included in appendix). These indicators will be

23 This subsection was written mainly by Koen Vleminckx from the Department of Sociology, Univ. of Leuven

included in the NAPIncl, but will also be published separately by the government in a 'Compendium on Poverty and Social Inclusion' in the Autumn of 2003..

The special task force 'indicators' has reviewed the list of indicators for the Belgian NAPIncl, addressing first of all the over-representation of income-based indicators. Some of the tertiary income-based indicators were removed. On the other hand, the task force 'indicators' paid extra attention to the dimensions *health, education, housing,*[24] *and social integration and participation*. For these four dimensions, special sub-groups were set up involving the experts in each field. Unfortunately, as the budget control of April 2003 necessitated cutbacks in government expenditure, the production of some indicators had to be stopped. The *labour market* dimension has been reviewed on the basis of a document by the European Social Observatory, which analysed the link between the NAPIncl and the NAP on Employment. The inclusion of policy indicators was considered, but not further elaborated because of difficulties in obtaining relevant information. The same holds for relevant flow indicators based on longitudinal data. However, research on flow indicators is ongoing and some indicators might be included in the future. Furthermore, research into the development of a multidimensional index of social inclusion is continuing and is considered one of the main long-term projects of the special task force.

The task force paid particular attention to the *gender* dimension of the various indicators. Many indicators have been broken down by gender. Gender-relevant indicators have been selected for all six dimensions. However, as the income indicators are based on equivalent household income, the gendered results are based on the assumption that household income is commonly shared by all household members. Furthermore, some attention was paid to the situation of *non-nationals*. This effort was being hampered by the fact that surveys (such as ECHP, Health Survey, …) did not have a sufficient sample size for a reliable breakdown of indicators by nationality. Breakdowns by nationality are included for some indicators on education (non-EU nationals) and health (non-Belgian nationals), but not for any of the other four dimensions. However, it is clear that more can / should be done on this subject in the future. In contrast, a large number of indicators covering all six dimensions have been calculated for each of the Belgian *regions*. It was not possible to do this for all indicators, because of the limited sample size of some of the main surveys.

An important problem is the fact that several of the selected indicators are no longer *comparable* to those published in the NAPIncl 2001-2003. The definition of some indicators has changed and changes were made to some of the main surveys (see further). Another major problem is the lack of *up-to-date* indicators in the NAPIncl. Many indicators represent the situation in 2001 - or even 1999 in the case of most income indicators. Only for education were indicators available until 2002. As a result, the indicators cannot be used to evaluate progress made during the last two years, which is

24 Information on the homeless is currently missing, because Belgium lacks systematic information on this group. Most of the available information only focuses on one of the regions. Eurostat has requested the French statistical agency INSEE to study the possibility of estimating the number of homeless on a European level and within this context a questionnaire on Belgium was completed. Furthermore, some ongoing Belgian studies may provide some basic estimates in the near future that might even be included in the NAPIncl 2003-2005.

the period covered by the first NAPIncl. To some extent this can be explained by the limited availability of recent (survey) data. For instance, all currently available information obtained from the ECHP data, refers at best to 1999. This problem is being addressed partly by the Belgian administration, as they have tried to exploit administrative data sources for the calculation of up-to-date indicators, and by the European Commission, which is currently launching the 'EU Survey on Income and Living Conditions ' (EU-SILC) with the explicit aim to provide more up-to-date indicators. These developments will be helpful to improve the situation in the future, but are not relevant for the new NAPIncl. Another way to produce more adequate monitoring data is the development of micro-simulation models. One such model is MISIM, produced at the Centre for Social Policy;[25] a second one (Modète) is the Belgian subset of Euromod (Joyeux, 1998). A dynamic simulation model based on the PSBH is currently being developed by HIVA.

The first Belgian NAPIncl opted for using the 'European Community Household Panel' (ECHP), collected by Eurostat since 1994, as its main data source. Currently 34 out of a total of 60 indicators are based on the ECHP data. Initially there were some problems, as an important difference occurred between results (e.g. income poverty and inequality) based on the ECHP and similar indicators based on the Centre for Social Policy's BSEP survey, which was the main source for poverty and social exclusion indicators in Belgium since 1976. However, these differences have been significantly reduced in the latest release of the ECHP (December 2002) mainly due to Eurostat's decision to change the imputation and weighting procedures.

However, the ECHP, which ran over an eight-year period (1993-2001), will in the future be replaced by the 'EU-Survey on Income and Living Conditions' (EU-SILC). The EU-SILC will cover cross-sectional data on income, poverty, social exclusion and other living conditions as well as longitudinal data confined to income, labour and a limited number of non-monetary indicators of social exclusion. On the basis of a gentlemen' s agreement, Belgium will launch the SILC project in 2003, together with six other countries (Austria, Denmark, Greece, Ireland, Luxembourg, and Norway). The 2003 SILC survey will be a 'simple integrated survey', but in 2004 administrative data will be used as far as possible. It will also focus on cross-sectional data, as longitudinal data only have to be provided from 2004 onwards. The Belgian task force on indicators closely co-operates with the working group of the Statistical Council (Hoge Raad voor de Statistiek) of the National Institute for Statistics (NIS/INS). This working group currently prepares the organisation of the 'EU Survey on Income and Living Conditions ' (EU-SILC) for Belgium.

In general, the Federal government services and institutes responsible for the development of the indicators on social inclusion and those responsible for the collection of the data on which these indicators will be based, have been taking great care to exchange information and have invited academic experts in the relevant fields to take active part in recent developments, which is a very positive development.

25 Misim was used, among other things, to simulate the impact of the tax reform on the income distribution in Belgium.

Before concluding this section, reference needs to be made again to the ongoing participatory research project mentioned in section 3 of chapter 2. People experiencing social exclusion are joining in a reflection, together with other stakeholders, about indicators that take on board their own subjective perceptions, assessment and (collective) priorities. The final report of this project will be available by the end of 2003: the next step will be to integrate its conclusions as far as possible into the set of indicators for the next NAPs.

## 2. Reviews of academic research

In this section, we briefly discuss some of the main reports on poverty and social inclusion published in the period 2001-2003. Note that it is impossible to give a complete account of all Belgian publications in the field, even for the period 2001-2003, in these few pages – nor can the contents of the selected reports be discussed in detail.

The most important academic source is the series of *Yearbooks on Poverty and Social Exclusion* produced by CASUM (University of Antwerp): these readers, edited by Vranken et al., already have a tradition of more than 10 years. They contain contributions from CASUM about recurring issues as well as summaries of new research by other groups and a statistical annex. Some noteworthy 'novelties' in the 2001 edition include: a qualitative research about the culture of poverty (Steenssens) and a contribution about poverty and sustainable development (Frère). In the 2002 issue, we find 3 contributions about the dynamics of poverty (Dewilde; Dewilde & Levecque; Nicaise & Groenez), a paper about the 'forgotten' poor among farmers (Meert et al.) and another one about cultural participation of people living in poverty (Demeyer et al.). The yearbooks are mainly confined to the Flemish Community, although they also discuss federal policy issues. The latest issues also include chapters on Brussels and Wallonia.

An interesting collection of academic papers from all parts of the country was published in the June 2002 issue of the journal '*Reflets et Perspectives de la Vie économique*' (Gevers, ed., 2002). These papers are characterised by their more specialised scientific nature, including issues such as child poverty (Vleminckx) and child mortality (Masuy-Stroobant).

Nearly all universities in Belgium have research groups specialising in areas related to social inclusion. Most of these researchers have adhered to a network called GIReP/IGOA (Groupe Interuniversitaire Recherche et Pauvreté / Interuniversitaire Groep Onderzoek en Armoede) which collaborates closely with grassroots organisations.

## 3. (Other) policy evaluation reports

DIIS (Direction Interdépartementale de l'Intégration Sociale) has launched a (first) report on *social cohesion in the Walloon Region*. The report (DIIS, 2001) contains a detailed statistical picture of five

related areas (poverty in general, labour market, housing, health and family life),[26] a directory of regional measures in each of these fields, and a set of policy recommendations. The report concludes with a call for more systematic evaluation, better co-ordination between levels of government, more integrated approaches and a partnership with those experiencing poverty.

We already mentioned the yearly reports of the Observatoire de la Santé et du Social in the Brussels Region. As from 2002, these reports are focussed on particular areas (such as housing in 2002). As regards the Flemish Community, brief analytical and evaluation sections are integrated into the yearly poverty action plans.

The first *two-yearly report of the Resource Centre for the Fight against Poverty* (SLPPES, 2001) is particularly relevant in this context because (a) it reflects the policy agenda of grassroots associations and (b) it fits within the agreed process of continuous dialogue between all stakeholders at all policy levels, supported by legal procedures. This report starts with three general chapters (one on the context, one on the dialogue method and one on indicators of social inclusion) and then tackles four key issues (family policy, health, work and education) including links with many other areas. Although the chapters deal with very concrete issues (e.g. the financial consequences of placement of children, embargoes in hospital care, the regressive nature of the personal income tax reform, the problem of referrals to special education etc.), the authors of the report avoided to draw up a shortlist of proposals as they feared that policy makers would concentrate on these proposals and forget the analysis underpinning them. In fact, despite the existence of legal obligations governing the follow-up of these two-yearly reports of the Resource Centre by all 'federated entities' and the social partners, the (lack of) response is worrying. Both the Resource Centre and the Inter-Ministerial Conference on Social Integration will need to draw lessons from this experience in organising the publicity and follow-up for the next reports.

26 The statistical analysis was carried out by the regional statistical office (Service d'Etudes et des Statistiques) in collaboration with universities.

## CONCLUSION – EXECUTIVE SUMMARY

The 'active welfare state' has been the main thread in the Belgian socio-economic policy in recent years. For socially excluded groups, this has meant new opportunities for inclusion, as inactivity traps have been removed, benefits activated, and more personalised services have been offered to job seekers for their re-integration into the labour market. The direct impact has undoubtedly been largest for young people, who saw their unemployment benefits or guaranteed minimum income linked to integration agreements and personalised pathways to employment. Unfortunately, the economic slump since 2001 has created more (youth) unemployment than government programmes were able to absorb.

The transition toward the active welfare state proved to be a complex issue: the traditional 'sticks and carrots' approach advocated by some international institutions could not apply in this case, as (minimum) benefits had already been too much compressed and poverty rates were on the increase in the 1990s. Therefore, a smart combination of (moderate) increases in benefits with tax cuts on low wages has been applied, leading to substantial net increases in minimum wages. Moreover, the Spring Programme succeeded in boosting welfare-to-work transitions among minimum income recipients despite growing general unemployment rates.

Of course, activation policies have met quite some scepticism among field workers and associations representing the poor. The fear for poor-quality offers, sanctions and deterring effects on (potential) beneficiaries, expressed by these groups, is grounded and should be taken seriously. The tension surrounding the debate was raised by the fact that the government had not engaged in consultation with the anti-poverty movement until a few weeks before the enactiment on the 'integration income'[27] was introduced in parliament. Nonetheless, it should be admitted that, at least from a legal point of view, the Belgian model strives at a balance between duties of the individual and commitments / duties on the part of public authorities and employers.

Our thematic review of the main policy areas in the NAPincl has shown differences in quality and progress between the areas. Income and employment policy have been characterised by a clear strategy (see above). The same holds for health care, where recent policy has combined more effective financial insurance (universal coverage, maximum health bill) with innovations in care services. People from socially excluded groups who were associated in a long-term evaluation have shown the need for more integrated approaches, as prevention of health problems necessitates decent housing, education, social integration etc.

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27 This law linked the access to a guaranteed minimum income to an activation offer (mandatory for people below age 25, free of obligations for other age groups).

Policies on education and housing were less balanced. Educational priority policies have been refined; several measures were aimed at countering school dropout and smoothening school-to-work transitions. On the other hand, little progress has been made in reducing the cost of education for parents; no genuine prevention strategy has been adopted; and adult education was almost absent from the scene.

As regards housing, while the need for intervention proves to be urgent, the intentions of the NAP were not very ambitious and achievements are unclear.

Belgium has a solid experience and institutional setting as regards social inclusion policy design. Curiously, the first NAPincl has been designed by an ad-hoc task force in a different setting, which has had unfavourable implications for the public policy debate. Few citizens are aware of the existence of a NAP (let alone, of its content), while representative grassroots organisations have to some extent turned up their noses at the plan – at least, initially: it was perceived as an 'alian', technocratic exercise. Their involvement in its follow-up and evaluation is currently growing, but remains a matter of concern, despite their serious commitment in several other dossiers and their adherence to the Nice objectives. Given the experience of the associations in participatory research and policy negotiation, their involvement in the open co-ordination process for social inclusion must be feasible. It is rather a matter of confidence and patience – on both sides. For example, in drafting the next NAPincl, it would be well-advised for the authors to take on board the many suggestions included in the 2001 report of the Resource Centre for the Fight against Poverty. This may not only inform policy makers, but also avoid disenchantment on the part of the voluntary sector.

Substantial investments have already been made to develop a multi-dimensional set of social inclusion indicators as well as a monitoring database for all measures included in the NAP. Admittedly, the return on these investments will become apparent only within a few years. Further efforts will be needed (a) to integrate the perspective of those suffering from exclusion, and (b) to speed up data collection and analysis, in order to make them more useful for policy evaluation.

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