



# **Mutual Learning Programme**

DG Employment, Social Affairs and Inclusion

**Peer Country Comments Paper - Belgium**

## **Minimum wages through collective bargaining - reason or rigidity?**

**Peer Review on "Minimum wages – extending coverage in an effective manner"**

**Cyprus, 19-20 September 2019**



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## 1 Introduction

This paper has been prepared for the Peer Review on "Minimum wages – extending coverage in an effective manner" within the framework of the Mutual Learning Programme. It provides a comparative assessment of the policy example of the host country (Cyprus) and the situation in Belgium. For information on the host country example, please refer to the Host Country Discussion Paper (Christofides, 2019).

## 2 Situation in Belgium

### 2.1 Overview

Minimum wages in the private sector in Belgium are settled through collective bargaining between social partners at the national level and within sectors. This is different from other European Member States with so-called 'statutory' minimum wages. Minimum wages are part of the wage setting process, corresponding to sectoral market mechanisms, and are usually extended to all firms and workers in the sector. As a consequence, the national minimum wage applies to a small minority of less than 3 % of workers and is around 16 % lower than the average sectoral minimum wage. As of 2019, the minimum wage in Belgium stands at EUR 1 593, ranking fourth among the EU Member States, behind the Netherlands, Ireland, and Luxemburg (see Figure A.1 in annex).

Besides the automatic extension mechanism, the automatic cost-of-living adjustment ('indexation') of wages in Belgium contributes to the coverage and bindingness of minimum wages. Since Belgium has a relatively small, open economy without monetary competence and strongly connected to the neighbouring countries and trading partners, – albeit with a much lower employment rate – wage costs are a permanent topic of debate with respect to competitiveness and labour market participation of target groups. Nevertheless, while there is a political debate with strongly opposed views on minimum wages, the institutional framework puts the prerogative with the social partners. This has led to minor adjustments to the national minimum wage and youth minimum wages in the recent years. It is expected that the system will be maintained in the coming years, despite the political difficulties. Because of the resilience and stability, similar subsidiary and complementary minimum wage schemes could be considered in the remaining EU Member States without a national minimum wage, such as Cyprus, that do not have a national minimum wage, but that already have extensive multi-employer collective bargaining.

### 2.2 The institutional framework for wage setting

Two basic principles underpin collective bargaining in Belgium: subsidiarity and universality (Dorssement et al., 2004). *Subsidiarity* means that the lowest possible level is competent for wage setting, although the favourability principle stipulates that lower-level agreements should always be more favourable for the worker. *Universality* is the principle that prevents undercutting and free-riding, by legally extending agreements to all workers and firms undertaking the same activities – it levels the playing field. The two principles together contribute to high coverage rates and binding minimum wages in Belgium, despite a limited degree of central coordination and the absence of a national 'statutory' minimum wage as in other EU Member States.

The institutional framework for wage setting in Belgium is regulated by the Law of 1968 'on collective bargaining agreements and sectoral joint committees' (Vandekerckhove, 2018a). It defines the roles of the National Labour Council, the Central Economic Council, and the sectoral joint committees. The National Labour Council is a joint body where national collective bargaining agreements are settled. The national minimum wage (CBA n° 50) is one such agreement. Sectoral joint committees can conclude sectoral collective bargaining agreements. There are currently 103 joint committees and an additional 224 formal and informal joint subcommittees. The degree to which a joint

committee has established a sectoral job classification and wage scheme within a collective bargaining agreement differs: a main joint committee may have a broad framework which is further specified by agreements in the subcommittees or within companies. For instance, subcommittees can group firms of a similar size (e.g. small retailers) or firms within specific geographical areas (e.g. dock workers, metal industry, and regional non-profit activities).

The Central Economic Council provides support to the social partners and studies collective bargaining in Belgium. They also draft the "Technical Report", which includes a calculation of the Wage Norm. This is the upper margin for wage growth determined for every two-year bargaining period, and it connects the wage developments in Belgium to the projected wage cost developments in the neighbouring economies: Germany, France, and the Netherlands. It was invoked in 1996 in order to compensate the loss of monetary policy when Belgium would join the Eurozone in 1999, notably devaluation of the currency, as it allows wage moderation and therefore *internal* devaluation, to restore competitiveness and preserve employment. The Wage Norm, as a part of the 'Inter-Professional Agreement' (IPA) used to be a gentlemen's agreement by the informal 'Group of Ten', consisting of the national negotiators of the employers federations (including small employers and agricultural employers) and the three recognised trade unions. The social partners committed to the wage norm in the following sectoral negotiations, although in the absence of an agreement, the government could impose a Wage Norm. The 2015 revision of the Wage Norm provided a more conservative calculation, and stricter legal enforcement (Vandekerckhove, 2018a, p. 50; Vandekerckhove et al., 2018a).

The reason behind the institutional setting that allows a strong degree of independence to social dialogue, which is typical for Christian-democratic welfare states, is the idea of a social market economy where on the one hand profits are shared between labourers and capital owners, and where on the other hand wages are taken 'out of the competition', meaning that firms should not compete based on wage cuts. The current agenda for 'inclusive growth' promoted by the OECD, WEF, and the European Union through the Pillar of Social Rights effectively refers to the same concept (Vandekerckhove, 2018b). However, between the post-war period in which this system came about in many EU Member States and today, after several enlargements of the European Union, most comprehensive industrial relations systems have been under pressure or underwent important changes towards decentralization and derogation (the possibility to opt out of agreements or the inversion of the favourability principle)<sup>1</sup>. Partly because of strong membership rates and incentives to join trade unions and employers' federations, in Belgium this system remained almost unchanged for 50 years.

The national minimum wage is referred to as the 'guaranteed average monthly income' and refers to all labour earnings averaged over one year for employment of at least one month. This means bonuses should also be taken into account, and not just the basic pay rate. The national minimum wage applies to under 3 % of the workforce, who are linked to joint committees without a sectoral minimum wage and working at the minimum rate (CRB, 2018; Vandekerckhove, 2019a). Over time, this share has decreased and the overrepresentation of women in minimum wage jobs has converged to around the same share as men (2.25 % for women, 2.75 % for men).

Table 1 shows how the minimum wage itself has been adjusted since the raise in 2008. Two changes can be found: first, the increase to the current level of EUR 1 593.81 is due to indexation of the base rate of 2018. This type of indexation is called 'pivot' indexation, changing the rates whenever inflation caps 2 %. Many sectors, in contrast, index wages at fixed times. In general, the fact the national minimum wage is very rarely updated indicates that it lags behind the wage evolution in the private sector.

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<sup>1</sup> For a discussion on recent trends towards decentralisation, see Leonardi and Pedersini (2018)

Secondly, in 2015 the minimum wages for workers aged 18 or older were increased to the level of 21-year-old workers. Before 2015, CBA n° 43 stipulated that the minimum wage rate for 20 year olds amounted to 94 % of the guaranteed average monthly income, for 19 year olds this was 88 %, for 18 year olds it was 82 %, for 17 year olds it was 76 %, and for 16 year olds and younger, it was 70 %. These amounts are still much higher than in the Netherlands where a different rate for young workers are also defined (e.g. 34.5 % for 16 year olds) and the full minimum wage is attained at 21 years.

Table 1. Minimum wages defined by the National Labour Council

		<b>Minimum wage (EUR)</b>		
		<b>21 years or older</b>	<b>21.5 years + 6m seniority</b>	<b>22 years + 12m seniority</b>
1/10/2008	New base	1 387.49	1 424.31	1 440.67
		<b>18 years or older</b>	<b>19 years + 6m seniority</b>	<b>20 years + 12m seniority</b>
1/1/2015	Youth reform	1 501.82	1 541.67	1 559.38
1/6/2016	Indexation	1 531.93	1 572.58	1 590.64
1/6/2017	Indexation	1 562.59	1 604.06	1 622.48
1/9/2018	Indexation	1 593.81	1 636.10	1 654.90

Source: National Labour Council

Within the joint committees, higher rates can be negotiated. Table A.1 shows the minimum wages in Belgium in 2015, when the guaranteed average monthly income was EUR 1 501.82. In a limited number of joint committees the minimum wage rate was slightly below the national minimum wage. This depends on whether the wage rates have been indexed together with the pivot indexation, and on possible labour income other than the basic pay (e.g. bonuses) that is also taken into account to match the national minimum wage. However, the average sectoral minimum wage stands at EUR 1 791, which is around 20 % above the national minimum wage level in 2015. Moreover, some high-paying joint committees such as the non-specified white-collar joint committees n° 200 and n° 218, have low minimum wages, and low-paying blue-collar industries have relatively high minimum wages, indicating respectively a wider and a narrower wages distribution with the sectors. It has been shown that within joint committees, increases in the minimum wage have a compression effect on both tails of the wage distribution (Vandekerckhove et al., 2018b). Figure A.3 in annex illustrates the perfect stability of the wage distribution in Belgium over time between 1996 and 2015. Compared to other countries with a similar standard of living, which can be found in Figure A.2 in annex, this intrasectoral wage compression appears to dominate over intersectoral wage differences and lead to an overall narrow wage distribution between the first and the last quartile (Du Caju et al., 2009; Vandekerckhove et al., 2018a).



### **3 Opportunities and challenges of the introduction/ implementation of a statutory minimum wage**

#### **3.1 Current debate and developments**

As explained above, the national minimum wage in Belgium is, strictly speaking, not a statutory minimum wage. It is not applicable to public sector workers, and the rate is determined by the social partners. However, the government has intervened directly and indirectly with the minimum wage setting, for instance by lowering social security contributions for low-wage earners, while minimum wages increased in 2008, and by freezing the cost-of-living adjustments of negotiated pay rates in 2015. The stricter regulation of the Wage Norm has also only affected minimum wages and negotiated pay rates. In this respect, it is noteworthy that although the National Labour Council and the Group of Ten are independent from each other, there has been an implicit consensus to allow wage moderation through the Wage Norm while maintaining the wage indexation and the levels of the national minimum wage during two dips of the Great Recession (2008-2009, 2012-2013).

This does not take away that an important overhaul of the wage setting system, including the definition and role of minimum wages, is not expected, even if the largest political parties in each language group, the Flemish nationalist party N-VA and the French-speaking socialist part PS, have fully opposed views on the role of collective bargaining, that are each different from the current Christian-democratic, corporatist model. N-VA advocates a decentralized, German-style model of *Mitbestimmung* at the firm level, while the PS and other socialist parties and trade unions aim for a very strong increase of the national minimum wage from an hourly rate of currently EUR 9.6 to EUR 14, in order to close the gap between low-pay sectors and rent-sharing sectors. Both views step away from the subsidiarity principle to leave the governance of the labour market as much as possible to the social partners.

Because of the institutional framework preserving the autonomy of collective bargaining and the proposed changes are mutually incompatible, it is unlikely that the system will undergo dramatic changes. This implies that the stable and comparatively low inequality figures (see Figure A.2 and A.3 in annex) are expected to stay on the same path, unlike trends of increasing inequalities observed in other developed economies. In fact, the Wage Norm, which was intended to moderate wages in light of competitive pressure after entering the eurozone, has effectively helped to coordinate wage growth in different sectors regardless of their past productivity trends (Vandekerckhove et al., 2018a). Although it sets out an upper margin for wage growth, sectoral negotiators have interpreted the Wage Norm as a target, so that intersectoral wage differences are stabilized or even decreasing. It should also be noted that in recent years, real wage increases are rare across the board, and by far the largest part of wage changes are cost-of-living adjustments, which are guaranteed by the Wage Norms since 2009<sup>2</sup>. These are small increments, averaging around 2 % since 1999, which is the inflation target of the European Central Bank, and hence no particular strong disemployment effect are to be expected. The increase in the youth minimum wage in 2015, however, did positively affect the wages of young workers, and increased retention rates, but it decreased accession rates (López Novella, 2018).

In the host country paper on a possible minimum wage in Cyprus, it is argued that an 'algorithm' might be used to establish minimum wage levels. One could perhaps imagine that (national) minimum wages would be defined as a percentage of median wages (to account for the bindingness), or based on annual accounts and the evolution of the labour share in order to preserve internal demand, or linked to minimum wages in other countries. The Wage Norm, although in theory set up to determine the maximum growth of (minimum) wages, is an example of such a very formal rule, linking the wage growth

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<sup>2</sup> Before 2009, the Wage Norm was an "all-in" agreement, so that the real wage increase would shrink if inflation was higher than expected.

to expected productivity growth in the main trading partners (Germany, France, the Netherlands). However, in practice the Wage Norm is hardly enforced, and negotiators have amended the calculations in order to allow for a larger margin in the recent 2019-2020 bargaining round. The cost-of-living adjustment or 'indexation' of wages relies on rules set in collective bargaining agreements, and is the most important driver of nominal wage growth in Belgium. Hence there are some 'algorithmic' calculations involved, but the negotiations remain decisive. More importantly, the sectoral wage scales should correspond with market clearing wages, yet they objectify wage setting by valuing functions, not persons. This is the reason why any form of inequality on the labour market (by gender, age, ethnicity) in Belgium is limited (Kampelmann and Rycx, 2018; Vandekerckhove, 2019b; Vandekerckhove and Knipprath, 2016). There is no explicit social endeavour other than a fair wage, but the national minimum wage is checked with out-of-work benefits in order to avoid unemployment benefit traps (Collado, 2018). Minimum wages are praised as one factor to keep workers out of in-work poverty (Vandekerckhove et al., 2018c), but wage rates are not considered to be an anti-poverty mechanism in itself. Research also indicates that the direct effects are not strong (Marx et al., 2013).

### 3.2 Effectiveness

Minimum wages set a standard for the economy. Although negative employment effects may be found after scrupulous econometric research, countries with a high standard of living can afford higher minimum wages, and higher minimum wages stimulate capital investments and therefore growth in the long run. If this leads to innovation and increased productivity, employment figures may even grow. Research indicates that carefully determined minimum wages will be unlikely to harm the economy (Dolado et al., 1996). Negotiations can help and allow for a greater degree of flexibility. On the other hand, a statutory minimum wage is clear and easier to communicate, but at the expense of lower flexibility for firms and workers. The effectiveness of both types of agreements also depends on the enforcement of minimum wages. Table 2 summarizes the different minimum wage model:

- *Commitment*: wage rates are negotiated based on what is economically feasible, but there is no particular strong enforcement. Coverage therefore depends on the density of the signing parties.
- *Compliance*: wage rates are negotiated, but through legal extension, non-signing parties are also obliged to follow the agreement. The frequency of use and the scope of the extension procedure varies strongly between the EU Member States.
- *Choice*: although there is a national minimum wage, it is either too low to matter (low Kaitz-index), or it is poorly enforced. For instance, if workers need to individually go to court against their employer in order to claim a pay rise, this is unlikely to happen. Complying with the minimum wage is therefore *de facto* a choice, but the apparent flexibility is not absolute, as free-riders will drag down firms that are willing to comply voluntarily.
- *Compulsion*: statutory minimum wages that are strongly enforced are clear and guarantee a high coverage, but they take away an element of flexibility on the labour market. For instance, it is possible that the statutory minimum wage surpasses negotiated pay levels.

Table 2. Minimum wage models determined by type of agreement and degree of legal enforcement

		Legal enforcement	
		Weak	Strong
<b>Agreement</b>	Negotiation	<i>Commitment</i>	<i>Compliance</i>
		Flexibility: ++ Coverage: +	Flexibility: + Coverage: ++
	Law	<i>Choice</i>	<i>Compulsion</i>
		Flexibility: - Coverage: --	Flexibility: -- Coverage: ++

Note: own typology based on Aumayr-Pintar et al. (2019) and Kerckhofs (2011)

These types describe the tension between minimum wage models relying on economic 'reason' by the social partners, and the institutional 'rigidity' that could be imposed by the state when interfering in the wage setting process. To some extent, Belgium has characteristics from every option in the typology, as should be clear from the discussion above: for instance, the Inter-Professional Agreement, which includes the Wage Norm but also many other guidelines, is essentially non-binding, and therefore merely an expression of 'Commitment' by the social partners. The Wage Norm itself, on the other hand, is now enforceable, although there have been no court cases, so the 'Choice' model would be better suited than the 'Compulsion' model. However, with respect to the minimum wages in particular, the best fitting type is 'Compliance', because on the Law of 1968 that provides automatic extension of collective bargaining agreements. Moreover, both the social inspectorates and the presence of unions at the shop floor, so that infringements can quickly be detected, contribute to the stronger legal enforcement.

### 3.3 Difficulties and constraints

The models above describe theoretical or likely outcomes of institutional arrangements. However, in the Belgian case, while it is entirely possible for the system to reconfigure at the sectoral level (e.g. lower wages, more flexibility, longer hours, decentralized or regional bargaining), the structures appear to be fairly inert in the long run: wage scales undergo little changes, new occupations are linked to old categories, the scope of activities covered by joint committees is rarely redefined, and there is poor self-evaluation of the functioning of the joint committees. Also, Belgium has long been suffering from low employment rates, particularly among women and migrants, and the catch-up process is slow (see Figures A.4 and A.5 in annex). This is often linked to high relative wage costs in the 1970s and the 1980s, which spurred capital investments and productivity, but replaced labour (Van Herreweghe et al., 2018).

The paradox is that these shortcomings lead to criticism on the entire collective bargaining system, and not on the joint committees concerned who may work on the issues. Hence the freezing of nominal wages in 2015, for which the economic motive to avoid second-round inflationary effects in times of deflation risks was not sound, should rather be seen as a political reaction against the system. It has lowered the importance of collective bargaining in the total wage bill, since effective wages and certainly other wage components would still increase, only not the basic pay levels.

Yet the Central Economic Council does 'audit' the joint committees, and the Wage Norm, although invoked by law and now tightened (Van Gyes et al., 2018; Vandekerckhove, 2018a), remains in hands of the social partners. The 2018 annual report of the Ministry

of Labour signals that the dynamism of joint committees could improve if they are granted more decisive power rather than being overloaded by the duty to implement the decisions made at other levels (FOD WASO, 2018). This is important, as a number of issues, such as labour shortages in some occupations, and seniority schemes, can and should be handled by the joint committees and respond to a changing economic environment. A number of joint committees, stimulated by national agreements, have updated job classification schemes, assessed their gender neutrality, and there has been a conversion of age-related pay schemes to experience-related pay schemes. Still, collective bargaining appears to happen with tied hands and although the social partners value it highly (Van Herreweghe et al., 2018), the general perception is that it has to reassert its effectiveness.

Compared to newer systems, the organic growth of collective bargaining in Belgium since 1968 has led to overly complex and unclear statutes. For instance, it is almost impossible to compare the (minimum) wage rates of white and blue-collar workers and sometimes within job categories due to differences in the bonus systems, so called untaxed net premiums (eco vouchers and meal vouchers), accommodating tax reductions, and different holiday allowances. As a result, despite the fact that work incentives are sufficient and wage costs may not be insurmountable, the system is perceived as expensive by employers, and as unattractive by workers, because of the difficulty to oversee the real costs and real benefits.

### **3.4 Success factors and transferability**

The main principles in Belgium are universality (through extension and therefore coverage) and subsidiarity, combined with fairly high membership rates in the unions and employers' federations. Those three factors actually support each other: when minimum wages are binding, there is an incentive to be part of the negotiation. However, there are additional stimuli that increase the membership: one is that unemployment benefits can be paid through the unions, which is a smooth process for its members, and in many sectors a union premium compensates for the membership costs of currently around EUR 16 a month. On the other hand, most employers rely on external firms providing payroll services ('social secretariats') to find a way through the complex legislation, and there is also a connection with the employers' federation for all other kinds of support (e.g. training, lobbying, etc.). In other words: both workers and employers are easily associated, although members are quite loosely connected. Whenever there is a real issue, certainly on the union side (e.g. the increase of the retirement age), the members can be mobilised, but most members are not active. Nevertheless, in complex modern economies, there is a demonstrated need for information and legal protection, but the access to those representative organisations may be hindered by costs, intimidation, or unfamiliarity, leading to decreasing membership rates in many countries. In Belgium, the durability of the system relies on the reinforcing institutions and what could be called 'nudging' towards affiliation. It is certainly clear that the historical path that led to the self-organisation of labour and capital in Belgium cannot be repeated in other countries or in the current economic environment. Some policy support and capacity building interventions will be needed. In the case of Cyprus, for instance, it appears that the membership rates are comparable, but the idea of a state-supported framework, including legal extension of agreements, seems to be a big step – from commitment to compliance – whereas in Belgium this is almost natural.

#### **4 Questions**

- What is the problem with extending an agreement that is already well-supported? The advantage is that free-riders are kept out of the market, the disadvantage is that innovative and start-up companies may have more difficulty entering the market.
- Not only the significance, but also how substantial disemployment effects are, is of importance. It is not surprising that solid econometric research finds downward sloping labour demand in a static micro-economic model. What are the macro-economic arguments in the debate in favour for minimum wages in Cyprus?
- To what extent does trade or migration between Northern Cyprus and the Republic of Cyprus motivate the introduction of a broader national minimum wage?
- One fifth of the economy consists of undeclared work. Is there not a problem of enforcement or rather than of legal extension, considering a unionization rate of 45 % is comparatively high.
- Would the social partners be willing to cooperate in establishing a national minimum wage or is this a mere political endeavour?

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## Annex 1: Summary table

The main points covered by the paper are summarised below.

### Situation in the peer country

- The minimum wage rate is comparatively high, at EUR 1 593 in 2019.
- Sectoral minimum wages, however, are still on average 20 % higher.
- Collective bargaining is autonomous, relying on the principles of subsidiarity and universality.
- Employment rates in Belgium are low and target groups are difficult to include in the labour market.
- Yet despite a political debate, no fundamental changes to the wage setting mechanism are expected.

### Opportunities and challenges of the introduction/ implementation of a statutory minimum wage

- Despite political ambitions to steer the labour market, the autonomy of the social partners is by and large preserved.
- The Wage Norm did affect minimum wage rates, even if it defines an upper margin for wage growth. It was used to moderate wages after joining the eurozone and during the Great Recession.
- A single algorithmic determination of minimum wage rates seems unrealistic, but calculations contribute to the negotiation process.
- Collective bargaining is about decent wages for standard work, and therefore limits in-work poverty, but minimum wages are not an anti-poverty instrument in itself.
- It is important that minimum wages reflect to market conditions, but by valuing functions, not people, they avoid the exploitation of weaker bargaining power of target groups, distribute profits within sectors, and prevent growing inequalities.
- Different minimum wage models can be set up: commitment, compliance, choice and compulsion. Negotiations lead to more flexible pay rates, while legal enforcement ensure effective coverage of the agreement.
- The Belgium system carries some slack and complexity from the past. Social partners should be stimulated to revive the dynamism of collective bargaining, in order to avoid being overruled by other levels and political interference.
- It would seem natural to extend the Cypriot system of collective bargaining in the direction of the Belgium model with legal extension of collective bargaining agreements and a residual national minimum wage.

### Questions

- As the tradition of negotiating wages is in place, why would negotiators be opposed to the legal extension of agreements?
- Are there any considerations of long-run macro-economic effects of increasing minimum wages in Cyprus?
- Would minimum wages affect trade and migration between Northern Cyprus and the Republic of Cyprus?



- Are there issues with the enforcement of labour law legislation?
  - Would the social partners be willing to cooperate in establishing a national minimum wage?
-

## **Annex 2: Example of relevant practice**

Name of the practice:	Increase in the youth minimum wage
Year of implementation:	2015
Coordinating authority:	National Labour Council
Objectives:	Abolishing age discrimination for young workers.
Main activities:	Revision of the national minimum wage for young workers between 18 and 21 years old.
Results so far:	Youth unemployment in Brussels has decreased, although this is probably more because of labour market intermediation. The increase of the youth minimum wage has not been disruptive for the economy.

### Annex 3: Data annex

Table A.1. Minimum wage rate by joint committee in 2015 (ranked within group)

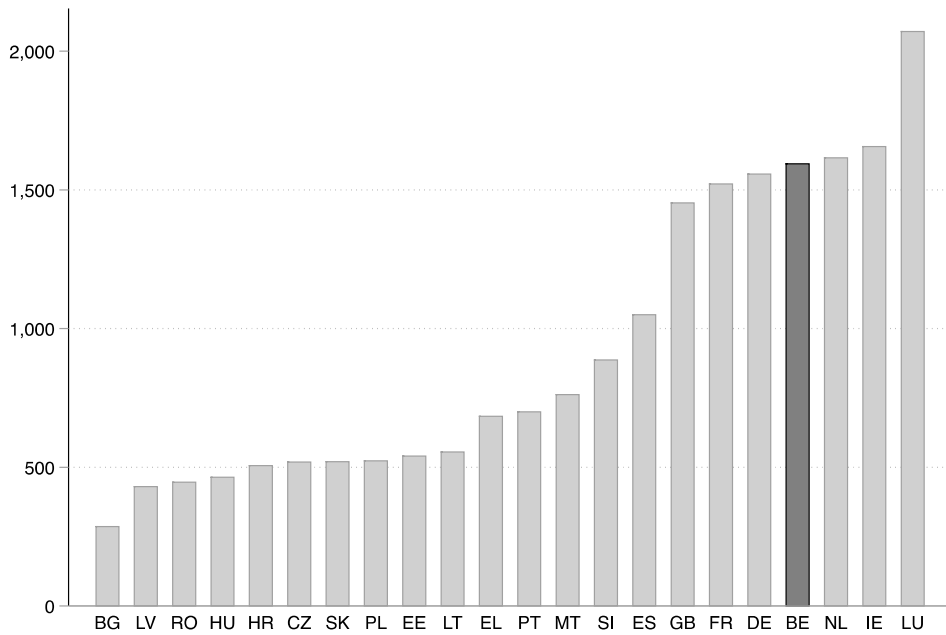
Blue collar		
145	Horticulture	1 536
120	Textile	1 653
140	Transport	1 672
115	Glass	1 703
152	Private education	1 720
136	Paper processing	1 733
110	Textile care	1 734
109	Clothing	1 746
118	Food	1 854
104	Iron	1 867
119	Food trade	1 872
116	Chemistry	1 875
130	Print	1 887
105	Non-ferro	1 899
149	Metal related	1 950
121	Cleaning	1 954
112	Garages	1 971
114	Stone	2 141
124	Construction	2 212
126	Woodworking	2 260
106	Concrete	2 377
White collar		
201	Independent retail	1 477
202	Food retail	1 499
200	Non-specified white collar (new)	1 502

209	Metal	1 569
218	Non-specified white collar (old)	1 645
220	Food	1 656
207	Chemistry	1 699
227	Media	1 709
214	Textile	1 814
215	Clothing	1 814
211	Petrol	2 632
<b>Mixed</b>		
307	Insurance brokers	1 491
311	Large retailers	1 543
312	Department stores	1 553
319	Educational institutions	1 580
329	Social and cultural work	1 590
321	Wholesale of drugs	1 635
313	Pharmacies	1 684
306	Insurances	1 722
308	Savings banks	1 769
310	Banks	1 842
302	Accommodation	1 852
327	Sheltered workshops	1 916

Source: Belgian Minimum Wage database 2016, based on [minimumlonen.be](http://minimumlonen.be)

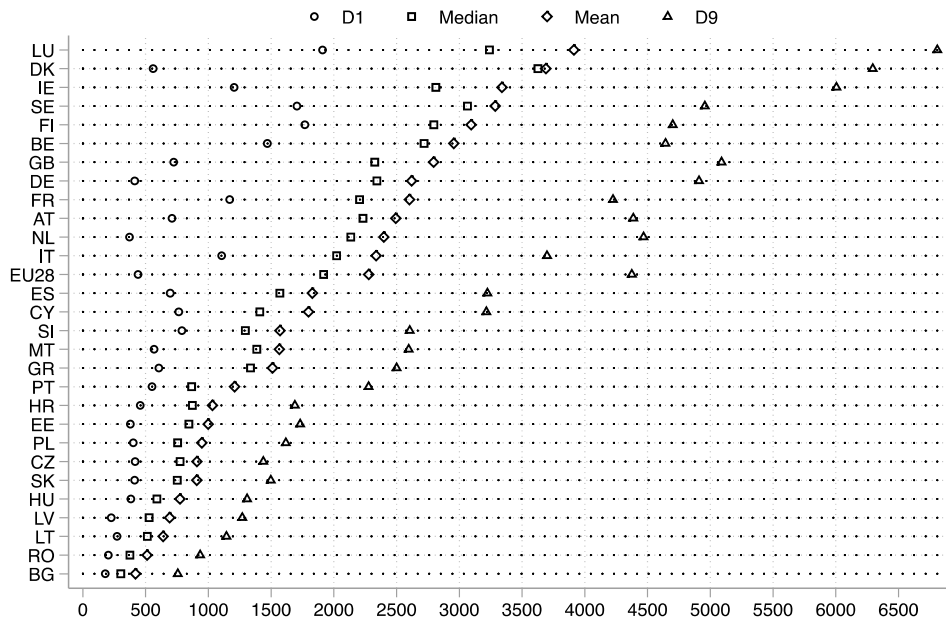
Note: In 2015 the guaranteed average monthly income was EUR 1 501.82.

Figure A.1. Minimum wages in Europe in 2019



Source: Eurostat

Figure A.2. Main parameters of the wage distribution in the EU Member States in 2014



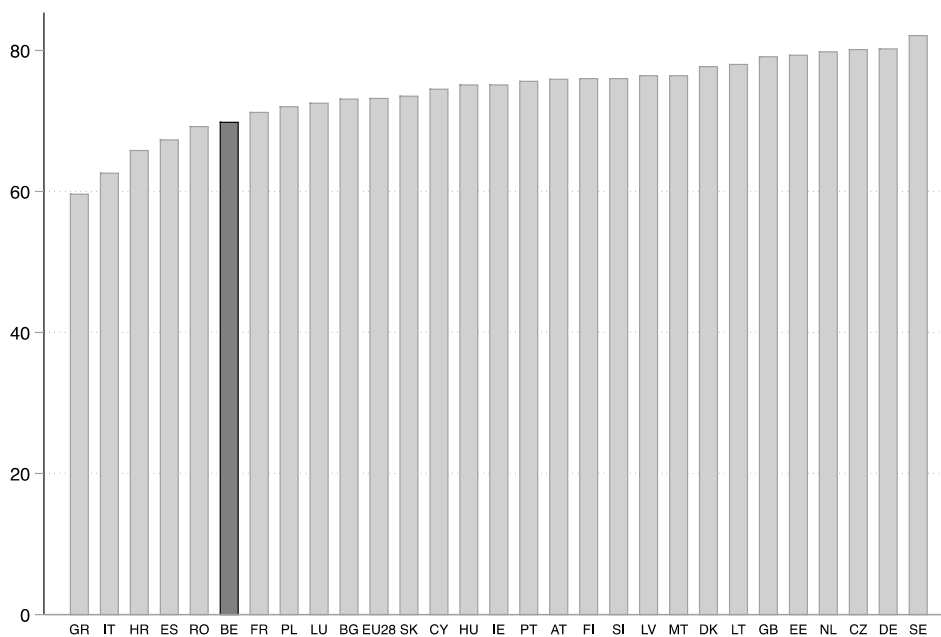
Source: EU Structure of Earnings Survey

Figure A.3. Inequality trends in Belgium, 1996-2015



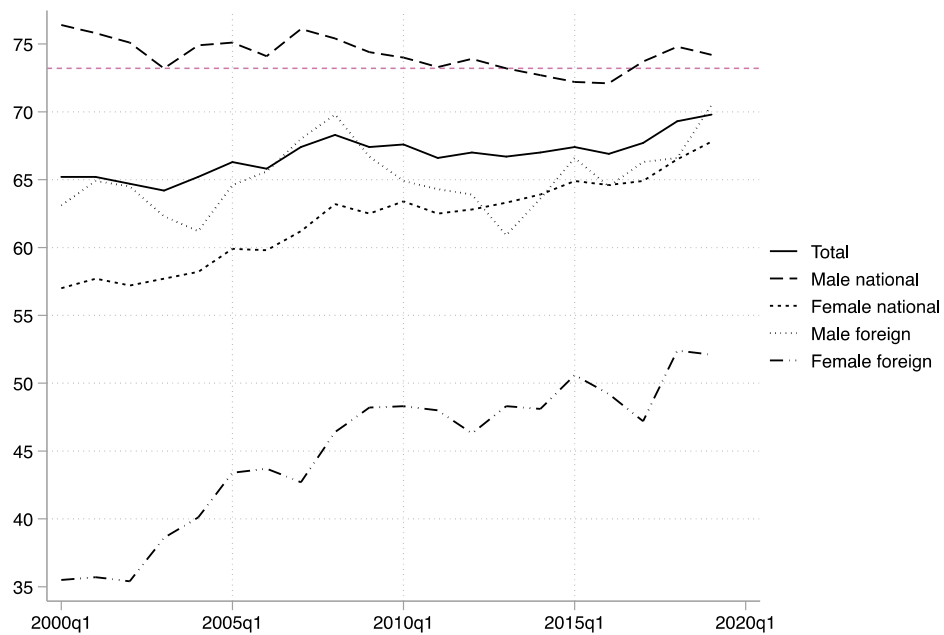
Source: National Social Security Office, own calculations

Figure A.4. Employment rates for 20-64 year olds in Europe in 2019



Source: EU Labour Force Survey

Figure A.5. Employment trends in Belgium, 2000-2019, first quarter



Source: EU Labour Force Survey

