

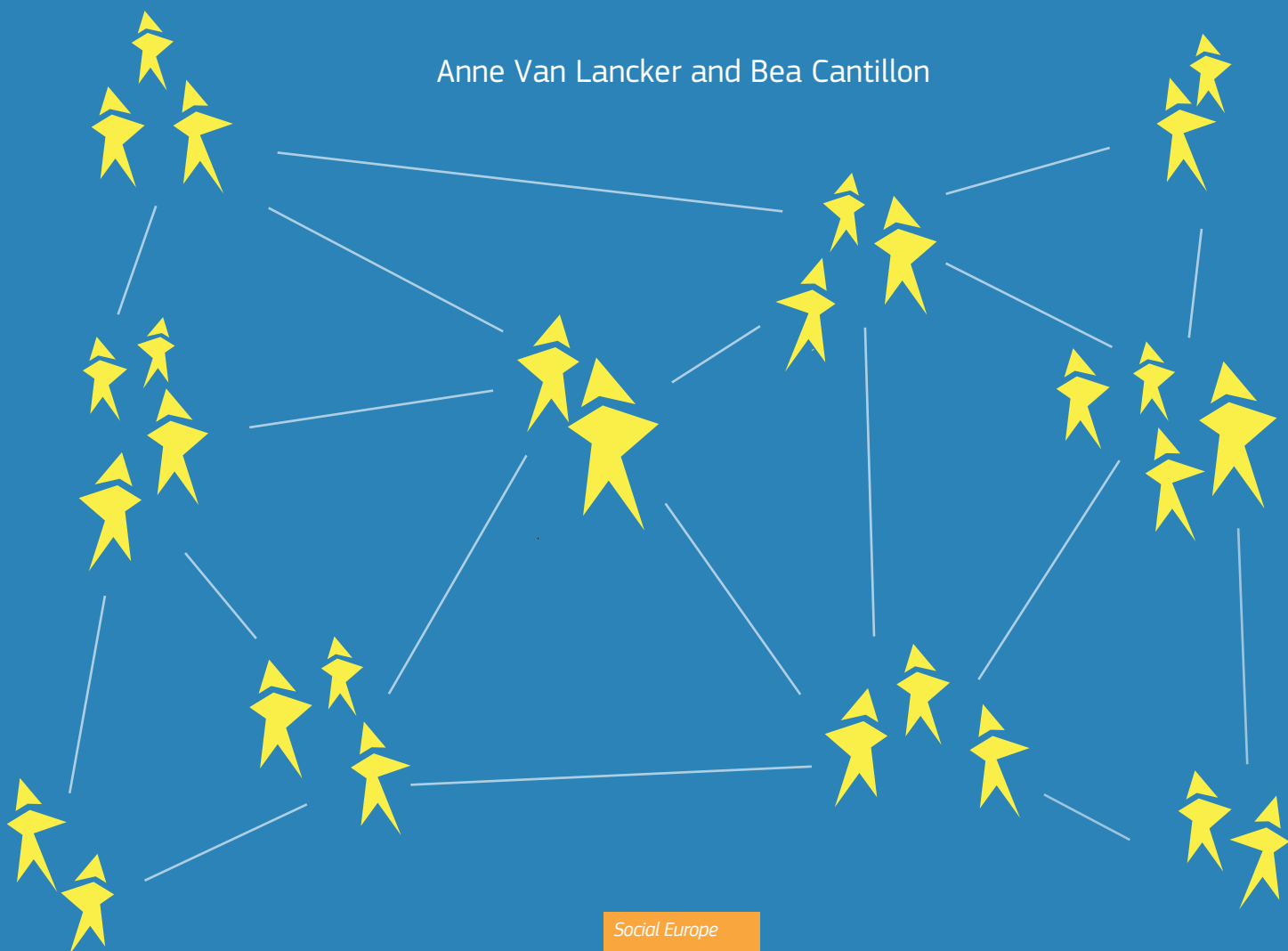


EUROPEAN SOCIAL POLICY NETWORK (ESPN)

Social protection and inclusion policy responses to the COVID-19 crisis

Belgium

Anne Van Lancker and Bea Cantillon



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion
Directorate D — Social Rights and Inclusion
Unit D.2 — Social Protection

Contact: Giulia Pagliani

E-mail: Giulia.PAGLIANI@ec.europa.eu

European Commission
B-1049 Brussels

European Social Policy Network (ESPN)

**ESPN Thematic Report:
Social protection and inclusion
policy responses to the
COVID-19 crisis**

Belgium

2021

Anne Van Lancker & Bea Cantillon

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see:

<http://ec.europa.eu/socialmain.jsp?catId=1135&langId=en>

LEGAL NOTICE

The information and views set out in this document are those of the authors and do not necessarily reflect the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein. More information on the European Union is available on the Internet (<http://www.europa.eu>).

Manuscript completed in July 2021

The European Commission is not liable for any consequence stemming from the reuse of this publication. Luxembourg: Publications Office of the European Union, 2021

© European Union, 2021



The reuse policy of European Commission documents is implemented by the Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders.

CONTENTS

SUMMARY	7
1 TRENDS OF THE PANDEMIC AND SOCIAL AND ECONOMIC IMPACT	8
1.1 Epidemiological situation	8
1.2 Economic and (un)employment situation	13
1.3 Poverty, inequality and social exclusion situation	20
2 SOCIAL PROTECTION AND INCLUSION MEASURES IN RESPONSE TO THE PANDEMIC	22
2.1 Measures related to unemployment benefits	22
2.1.1 Temporary suspension of gradual reduction of benefits over time	22
2.1.2 Temporary suspension of job-search obligation (Flanders, Brussels and Wallonia)	23
2.1.3 Extension of the duration of <i>inschakelingsuitkeringen/allocations d'activation</i> (activation benefits for young unemployed people)	23
2.1.4 Inclusion of artists in the unemployment benefit scheme	23
2.2 Measures of job protection provided through support to employers, employees and the self-employed.....	24
2.2.1 Temporary unemployment schemes for employees	24
2.2.2 Bridging right for self-employed people	28
2.2.3 Social security contributions and corporate taxes for self-employed people	31
2.3 Measures related to sickness benefits and sick pay	32
2.3.1 COVID-19 recognised as occupational disease.....	32
2.3.2 Extra crisis sickness benefit for self-employed people.....	32
2.3.3 Increased sickness benefits for employees.....	33
2.4 Measures related to health insurance	34
2.5 Measures related to minimum-income schemes and other forms of social assistance	34
2.5.1 Extra benefit for beneficiaries of minimum income, guaranteed income for pensioners and minimum disability benefits	34
2.5.2 Child benefit supplement for the temporarily unemployed in Flanders	35
2.5.3 Child benefit supplement for low-income families in Brussels Capital Region ..	35
2.5.4 Energy and water subsidies: new one-off subsidies.....	36
2.5.5 Extension of status of protected client (social tariff for energy).....	37
2.5.6 Suspension of disconnection from gas, electricity and water.....	38
2.6 Measures related to housing support.....	38
2.6.1 Suspension of eviction.....	38
2.6.2 Suspension of repayment of housing credit	38
2.6.3 Rent support.....	39
2.6.4 Reception of and support to homeless people.....	40
2.7 Leave for parents whose children are unable to attend school or a pre-school service by reason of COVID-19	40
2.7.1 Corona parental leave for salaried workers	40
2.7.2 Corona parental leave for self-employed people	41
3 SOCIAL PROTECTION AND INCLUSION RESPONSES TO THE CRISIS: OVERALL ASSESSMENT AND POSSIBLE GAPS	42
3.1 Expected cost of social protection and inclusion measures	42
3.2 Impact on the social protection system and on social inclusion policies.....	43
3.3 Remaining gaps in the social protection system and social inclusion policies	44

- 3.3.1 Strengths of the crisis measures 44
- 3.3.2 Gaps in coverage..... 45
- 3.3.3 Gaps in adequacy of benefits 45
- 3.3.4 Impact on poverty 46
- 3.4 Debates and recommendations 47
 - 3.4.1 Debates 47
 - 3.4.2 Recommendations 48
- REFERENCES 49
- ANNEX: ADDITIONAL POLICY MEASURES 51

SUMMARY

Between Monday 3 February 2020 and Sunday 18 April 2021, the total number of confirmed COVID-19 cases per 100,000 people was 6,740 for the EU-27 as a whole; in Belgium, it was 8,408. The total number of deaths per 100,000 people was 151 for the EU-27, versus 207 in Belgium.

The COVID-19 crisis has heavily affected the population in Belgium in terms of the demographic, social and economic situation. The negative consequences of the pandemic have been countered through policy measures to cushion people's income loss or increased expenses. The temporary unemployment scheme for employees, which has been made more generous and applies more flexibly, and a special bridging right in case of force majeure for self-employed people who have to interrupt their activity, partially compensate their wage losses. Measures to help people living on a low income to make ends meet include: extra benefits for social assistance beneficiaries; energy and water subsidies; extra child benefits; and housing support. Unemployment benefits have been extended to cover artists; and the reduction of benefits and obligatory job search have been temporarily suspended. Special efforts for the reception and support of homeless people were taken during the lockdown. Workers who have to take care of their children because of sickness or school closure can get access to specific parental leave schemes.

Recent estimates of the cost of COVID-19 social protection measures total €10.8 billion; the biggest parts are extra expenditure on temporary unemployment (€4 billion, covering around 1.38 million employees in 2020), and the bridging right for self-employed people (€3.3 billion, covering around 430,000 people in 2020). Both schemes mitigate the income shock substantially. With the extension of the system, the previous bridging right has become a sort of unemployment system for self-employed people.

However, the COVID-19 crisis has revealed important gaps in the existing social protection system, in terms of both coverage and adequacy. Employees in the lowest income quintile who are temporarily unemployed, including low-skilled or part-time employees, have still suffered considerable income loss, especially when the temporary unemployment period is longer, whereas many of them do not dispose of a financial buffer through savings prior to the crisis. For many, benefits are only sufficient to cover non-deferrable expenses. The report also recommends tackling the question of lack of incentives of the temporary unemployment scheme to retrain or redirect activities.

In terms of coverage, during the crisis certain groups who had no access to emergency support measures (such as artists and technicians in the cultural and event sector, and certain temporary agency workers) have been granted access to the emergency measures. But others, such as flex workers, platform workers, most sex workers and many interim workers, who do not qualify as regular employees or self-employed, still fall through the system. The report recommends tackling these issues on a more structural basis within the framework of the national plan to implement the EU Recommendation on access to social protection. In addition, very vulnerable groups such as homeless people, migrants without legal residence and asylum-seekers are not covered by the current social protection system. Questions are raised also about the capacity of public centres of social welfare to support the most vulnerable. The report further recommends that extra support measures should be granted to people on basis of their (low) income, instead of on their social status.

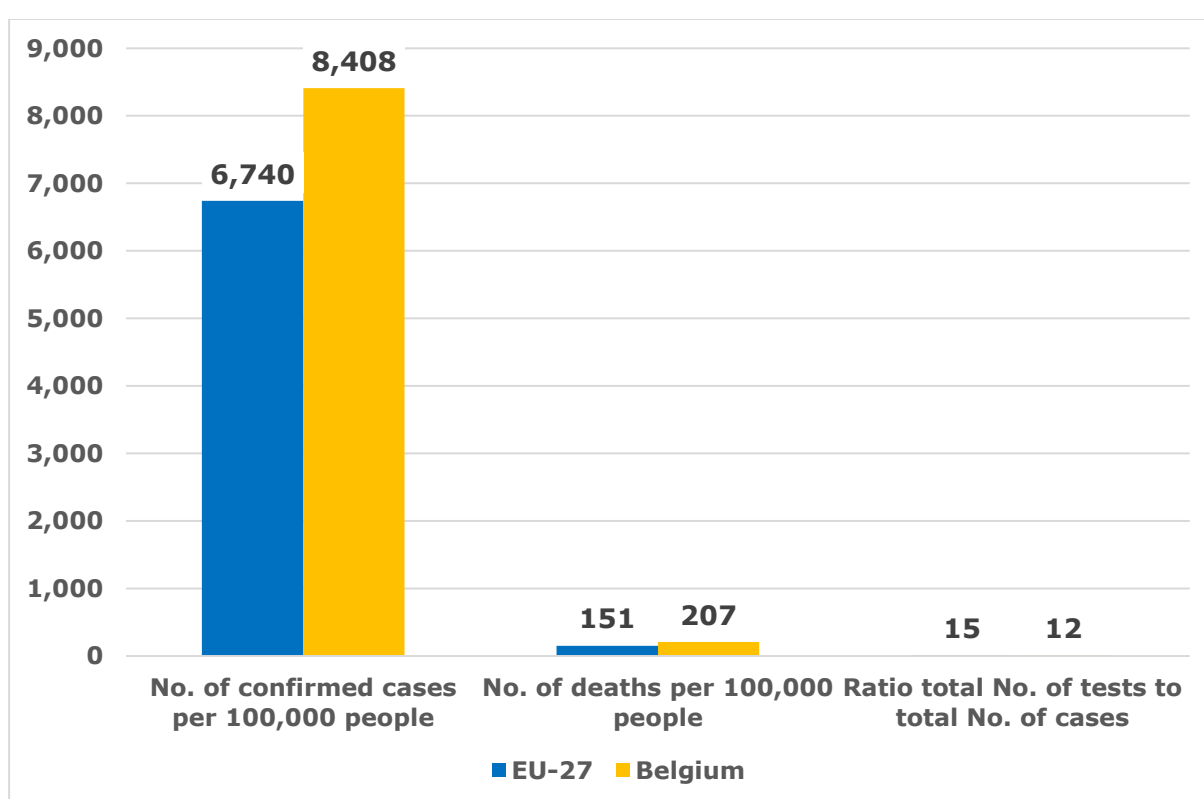
Experts expect increased pressure on the contributory social protection system due to sharp increases in expenses and a fall in revenue. Regarding its impact on poverty, the Belgian social security system has proved to be weaker at protecting people than during the previous crisis in 2008, especially at the lower end of the labour market. Due to a dual transformation, consisting of a retrenchment of earning-related benefits and expansion of so-called new social risks, those families most affected by unemployment, sickness and loss of economic activity have been less resilient to bear the consequences of the crisis than in 2008. This is fuelling the debate on the adequacy of benefits, especially the social minima.

1 TRENDS OF THE PANDEMIC AND SOCIAL AND ECONOMIC IMPACT¹

1.1 Epidemiological situation

During the 63 weeks considered for these three indicators (from Monday 3 February 2020 to Sunday 18 April 2021), the total number of confirmed COVID-19 cases per 100,000 people was 6,740 for the EU-27 as a whole; in Belgium, it was 8,408. The total number of deaths per 100,000 people was 151 for the EU-27 versus 207 in Belgium. The ratio of the total number of COVID-19 tests conducted to the total number of confirmed cases was 15.3 for the EU-27 and 12.3 for Belgium.

Figure 1: Total number of COVID-19 cases and deaths per 100,000 people & ratio of total number of COVID-19 tests to total number of cases, 3 February 2020 to 18 April 2021 (EU-27 and Belgium)

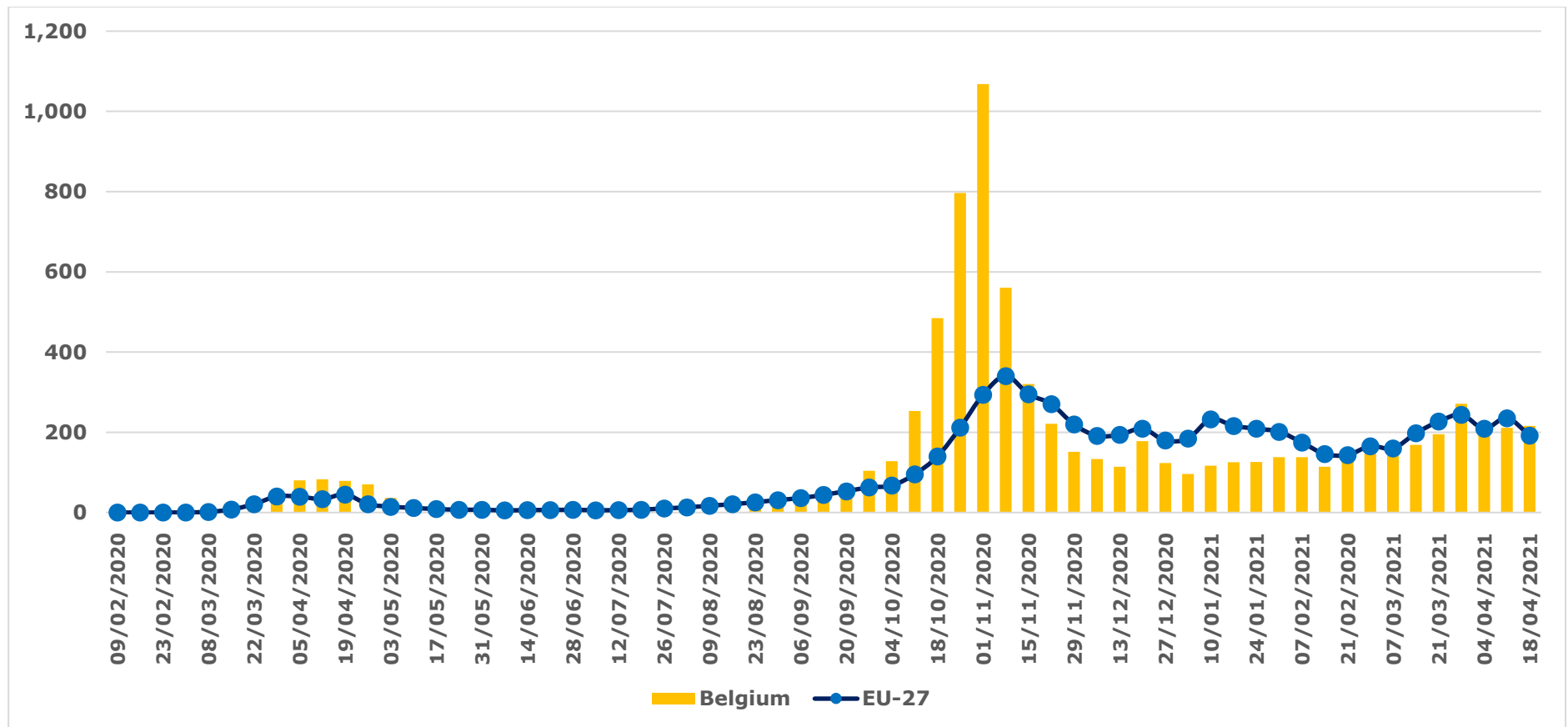


Source: Our World in Data (OWID) online database on COVID-19 - downloaded 26 April 2021

¹ Except if otherwise specified, the indicators presented in Sections 1.1 and 1.2 were calculated by the ESPN Network Core Team on the basis of data coming from two data sources: Our World in Data (OWID: <https://ourworldindata.org/coronavirus-source-data>) and the statistical office of the European Union (Eurostat: <https://ec.europa.eu/eurostat>). These indicators were calculated for all the 35 ESPN countries for which data were available. All of them are presented in Annex B of the following report: Isabel Baptista, Eric Marlier, Slavina Spasova, Ramón Peña-Casas, Boris Fronteddu, Dalila Ghailani, Sebastiano Sabato and Pietro Regazzoni (2021), *Social protection and inclusion policy responses to the COVID-19 crisis. An analysis of policies in 35 countries*, European Social Policy Network (ESPN), Luxembourg: Publications Office of the European Union. This report also provides additional explanations on the data sources used and the calculation of the indicators. In addition, Annex B of the report provides the country results related to all ESPN countries included in the two international data sources used (see Tables B1.1, B2.1 and B3.1 for Figure 1, Table B1.2 for Figure 2, Table B2.2 for Figure 3, Table B3.2 for Figure 4, Tables B4.1, B4.2 and B4.3 for Figure 5, Table B5 for Figure 6, Tables B6.1-3 for Figures 7a-c, and Tables B7.1-3 for Figures 8a-c). The full report and its various annexes can be downloaded [here](#).

In the last week of observations (from Monday 12 April 2021 to Sunday 18 April 2021), the number of confirmed COVID-19 cases per 100,000 people reached 191.8 for the EU-27. In Belgium, it was 216.1.

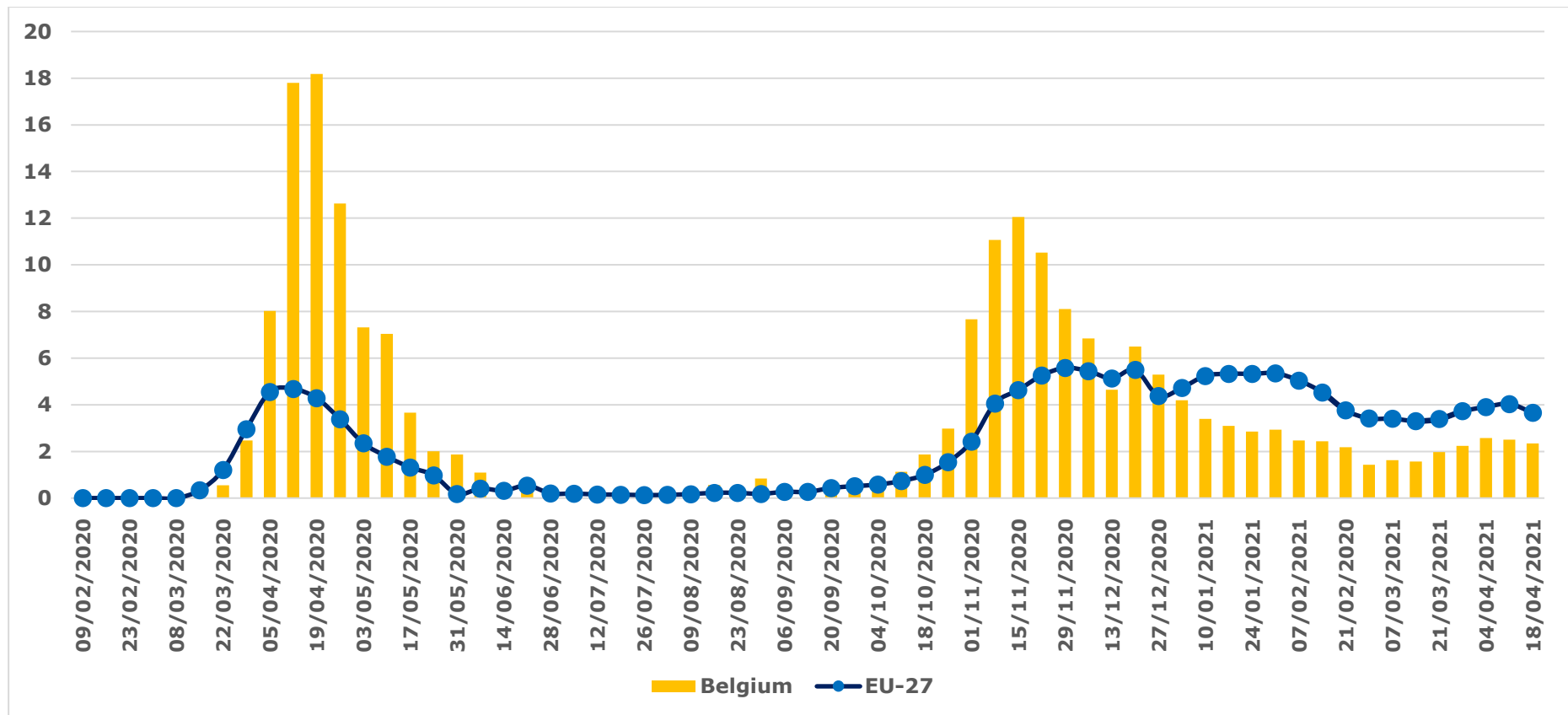
Figure 2: Weekly evolution - Number of confirmed COVID-19 cases per 100,000 people from 3 February 2020 to 18 April 2021 (EU-27 and Belgium)



Source: Our World in Data (OWID) online database on COVID-19 - downloaded 26 April 2021.

In the last week of observations (from Monday 12 April 2021 to Sunday 18 April 2021), the number of COVID-19 deaths per 100,000 people reached 3.66 for the EU-27 as a whole. In Belgium, it was 2.35.

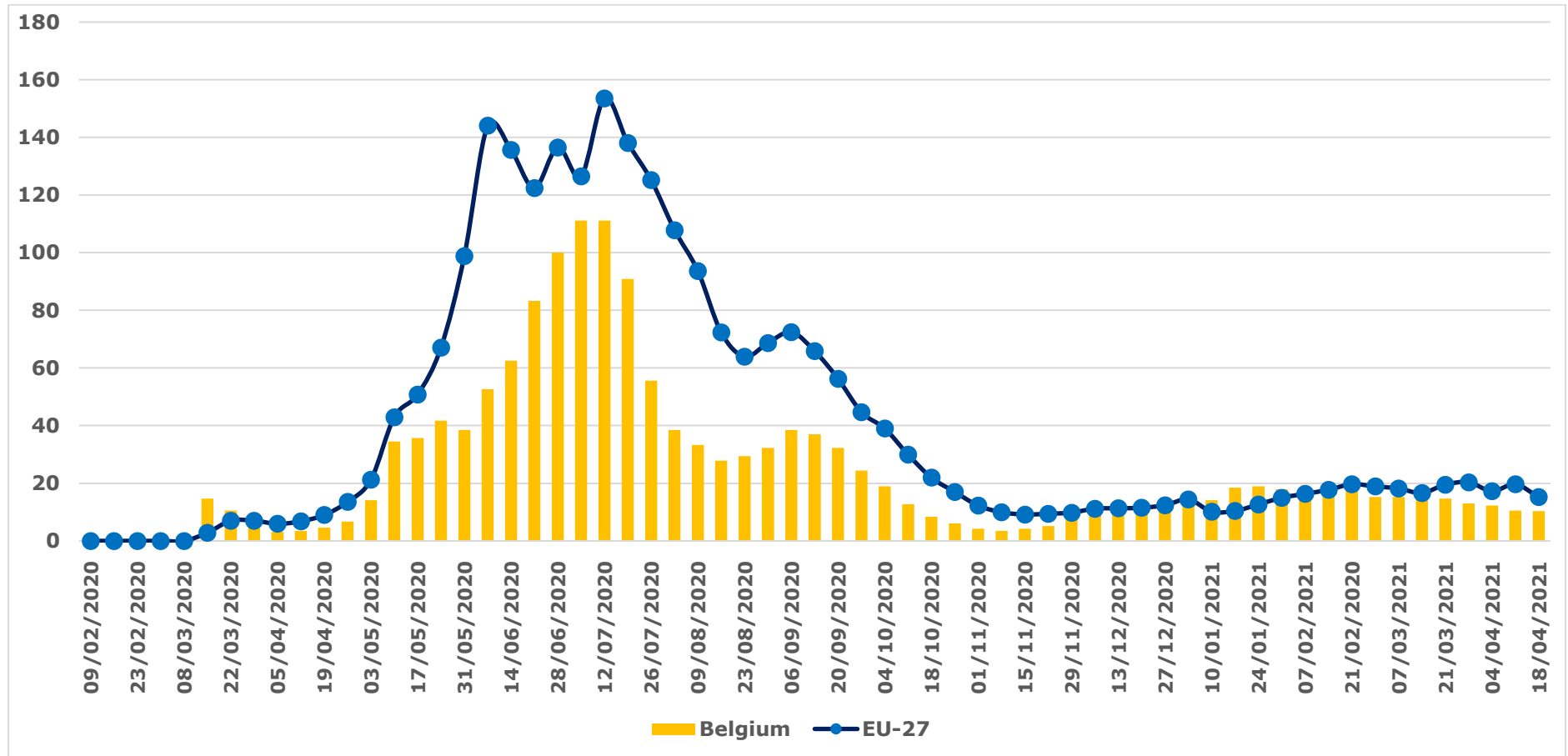
Figure 3: Weekly evolution - Number of COVID-19 deaths per 100,000 people, 3 February 2020 to 18 April 2021 (EU-27 and Belgium)



Source: Our World in Data (OWID) online database on COVID-19 - downloaded 26 April 2021.

In the last week of observations (from Monday 12 April 2021 to Sunday 18 April 2021), the number of COVID-19 tests per new confirmed COVID-19 cases was 15.2 for the EU-27. In Belgium, it was 10.3.

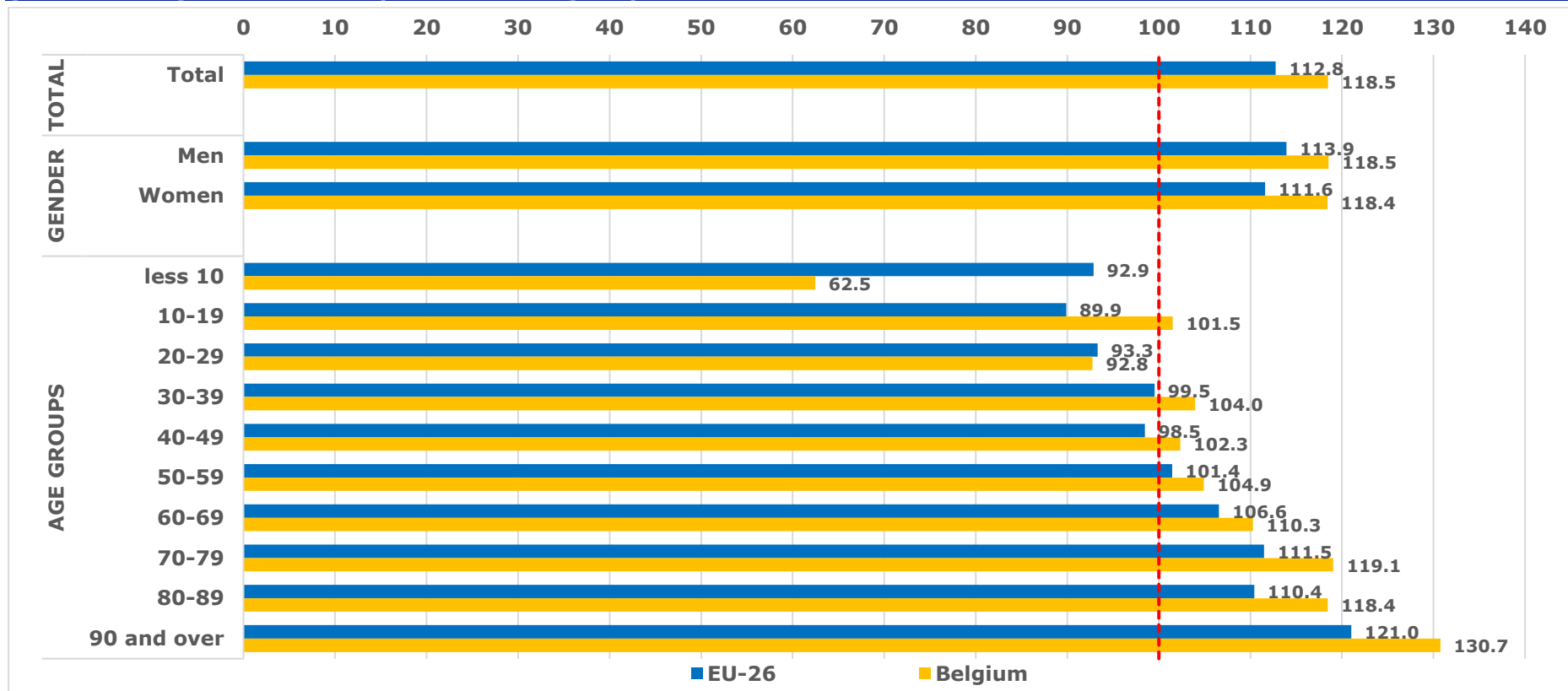
Figure 4: Weekly evolution - Number of COVID-19 tests per new confirmed COVID-19 case, 3 February 2020 to 18 April 2021 (EU-27 and Belgium)



Source: Our World in Data (OWID) online database on COVID-19 - downloaded 26 April 2021. Full quote for these testing data: Hasell, J., Mathieu, E., Beltekian, D. et al. (2020). "A cross-country database of COVID-19 testing". *Sci Data* 7, 345 (2020) (<https://www.nature.com/articles/s41597-020-00688-8>).

The excess mortality ratio for 2020 is the total number of deaths (without distinction of causes) in the year 2020 expressed as a percentage of the previous 4-year (2016-2019) annual average of the total number of deaths. For the EU-26 average (no data for Ireland), the ratio of the total population is 112.8% while it is 118.5% in Belgium. For the EU-26, it is 113.9% for men and 111.6% for women. In Belgium, these gendered ratios are 118.5% and 118.4% respectively. Excess mortality is higher among older age groups. For those aged 90 years and more it reaches 121.0% for EU-26 and 130.7% for Belgium.

Figure 5: Excess mortality - Total number of all deaths in 2020 as percentage of the 2016-2019 annual average (including gender and age breakdowns (EU-26 and Belgium))

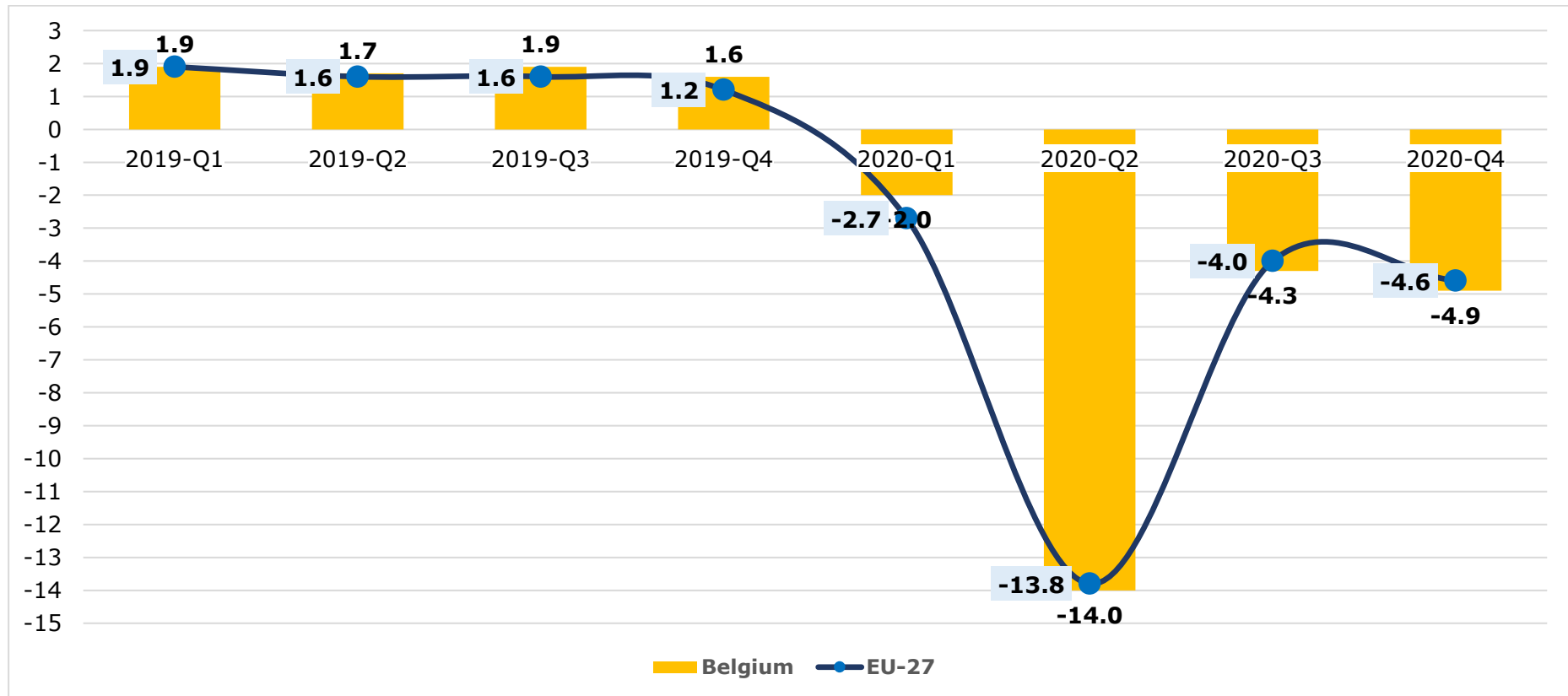


Source: Eurostat - indicator [DEMO_R_MWK_10__custom_560457] Deaths by week, sex and 10-year age groups - downloaded 26 April 2021. For Bosnia and Herzegovina: Agency for statistics of Bosnia and Herzegovina (data received upon request on 19 April 2021).

1.2 Economic and (un)employment situation

In the EU-27, GDP in the fourth quarter (2020-Q4) of 2020 fell by 4.6% compared to the fourth quarter of 2019 (2019-Q4). In Belgium, the decrease was 4.9% for the same period.

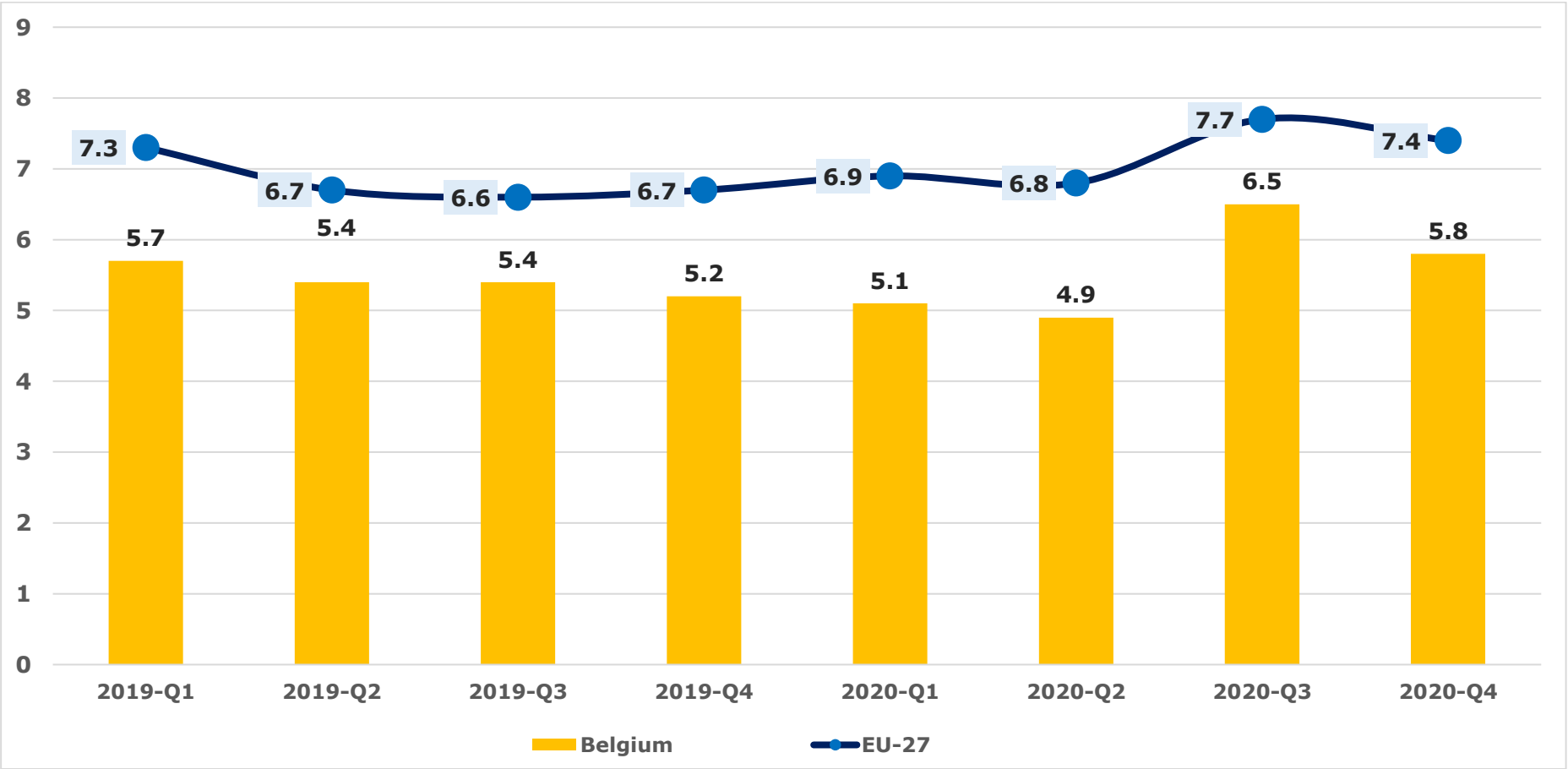
Figure 6: Gross domestic product at market prices, chain-linked volumes prices adjusted, percentage changes in quarter compared with same quarter in previous year (2019-2020, EU-27 and Belgium, %)



Source: Eurostat -GDP and main components (output, expenditure and income) - indicator [NAMQ_10_GDP__custom_507806] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the unemployment rate in the EU-27 for people aged 15-64 years is 7.4%. In Belgium, it is 5.8%.

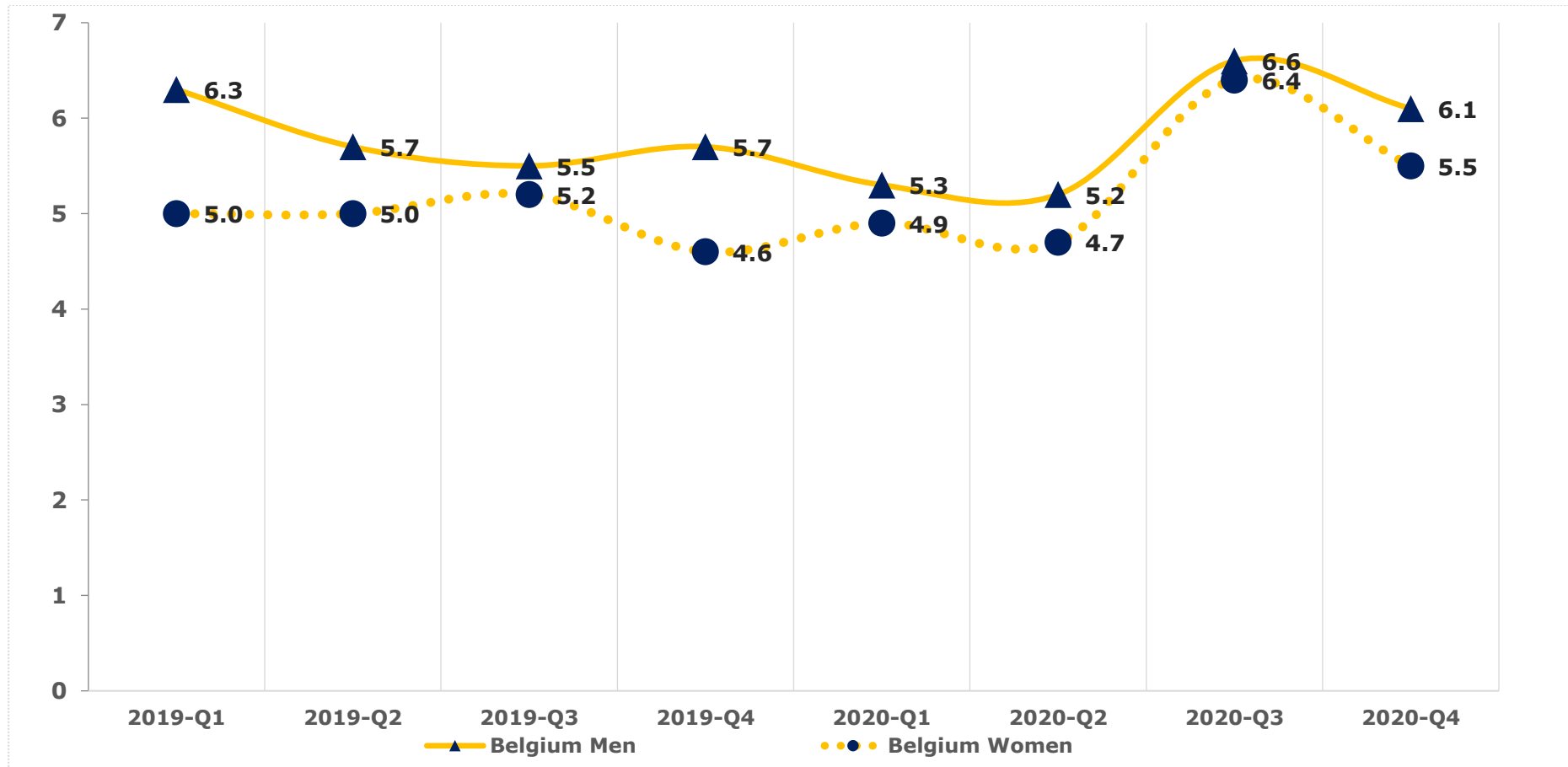
Figure 7a: Seasonally-adjusted unemployment rate, quarterly data, total population aged 15-64 (2019-2020, EU-27 and Belgium, %)



Source: Eurostat LFS - indicator [lfsq_urgan] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the unemployment rate in the EU-27 for people aged 15-64 years is 7.1% for men and 7.7% for women. In Belgium, these figures are 6.1% and 5.5% respectively.

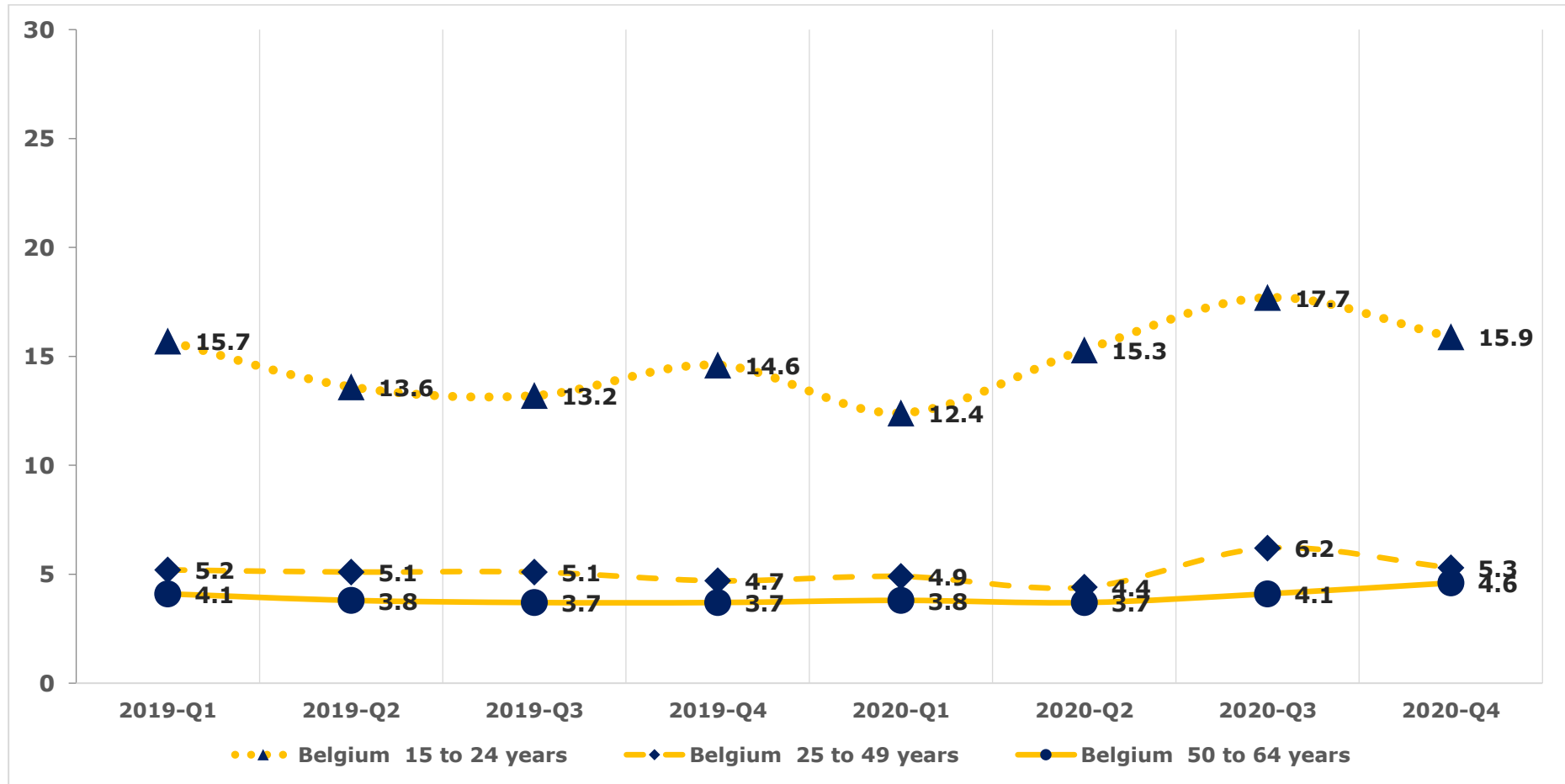
Figure 7b: Seasonally-adjusted unemployment rate, quarterly data, total population aged 15-64 – by gender (2019-2020, Belgium, %)



Source: Eurostat LFS - indicator [lfsq_urgan] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the unemployment rate in the EU-27 is 16.9% for the 15-24 age group. In Belgium, it is 15.9%.

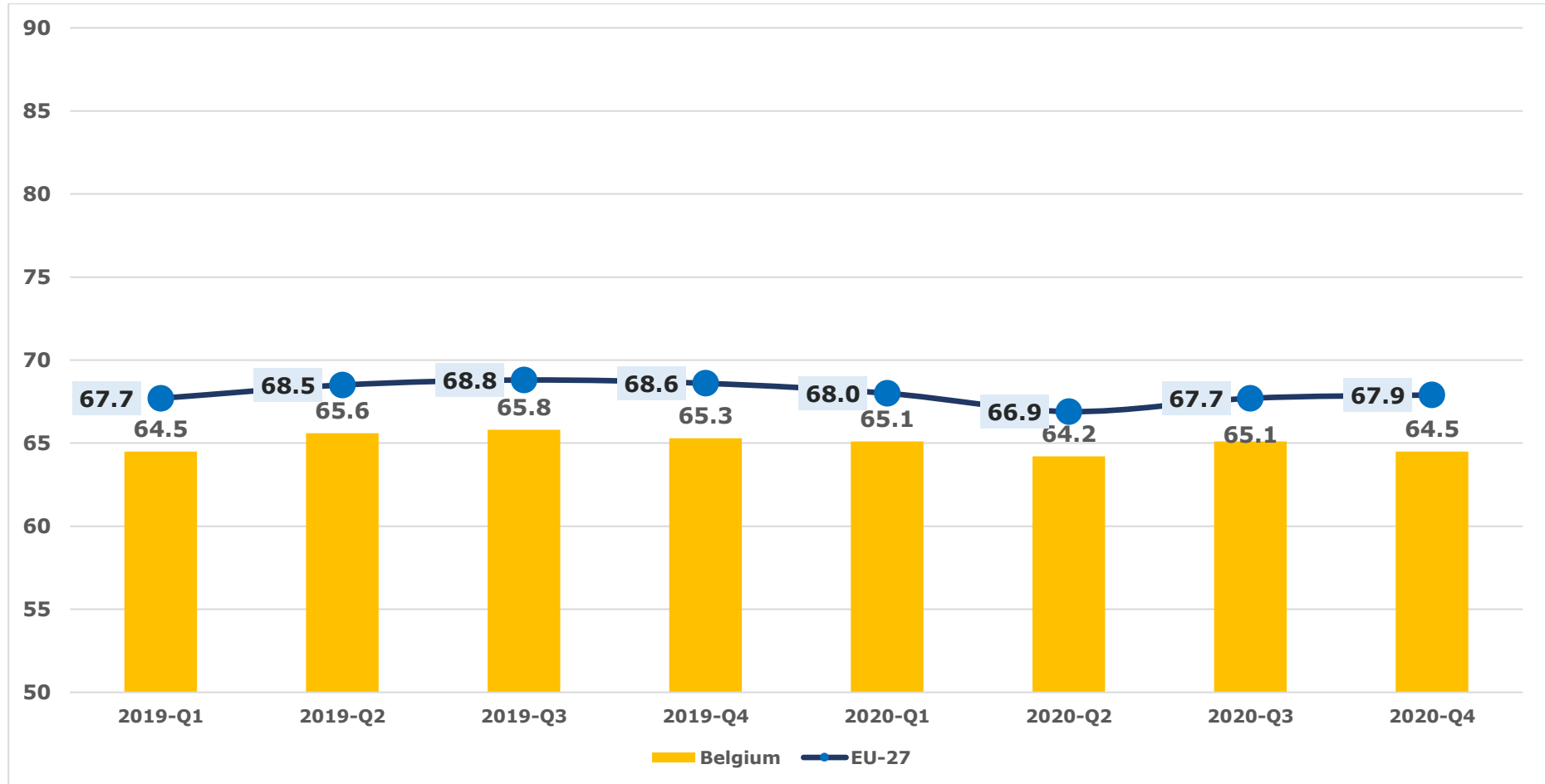
Figure 7c: Seasonally-adjusted unemployment rate, quarterly data, total population aged 15-64 – by age group (2019-2020, Belgium, %)



Source: Eurostat LFS - indicator [lfsq_urgan] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the employment rate for people aged 15-64 in the EU-27 is 67.9%. In Belgium, it is 64.5%.

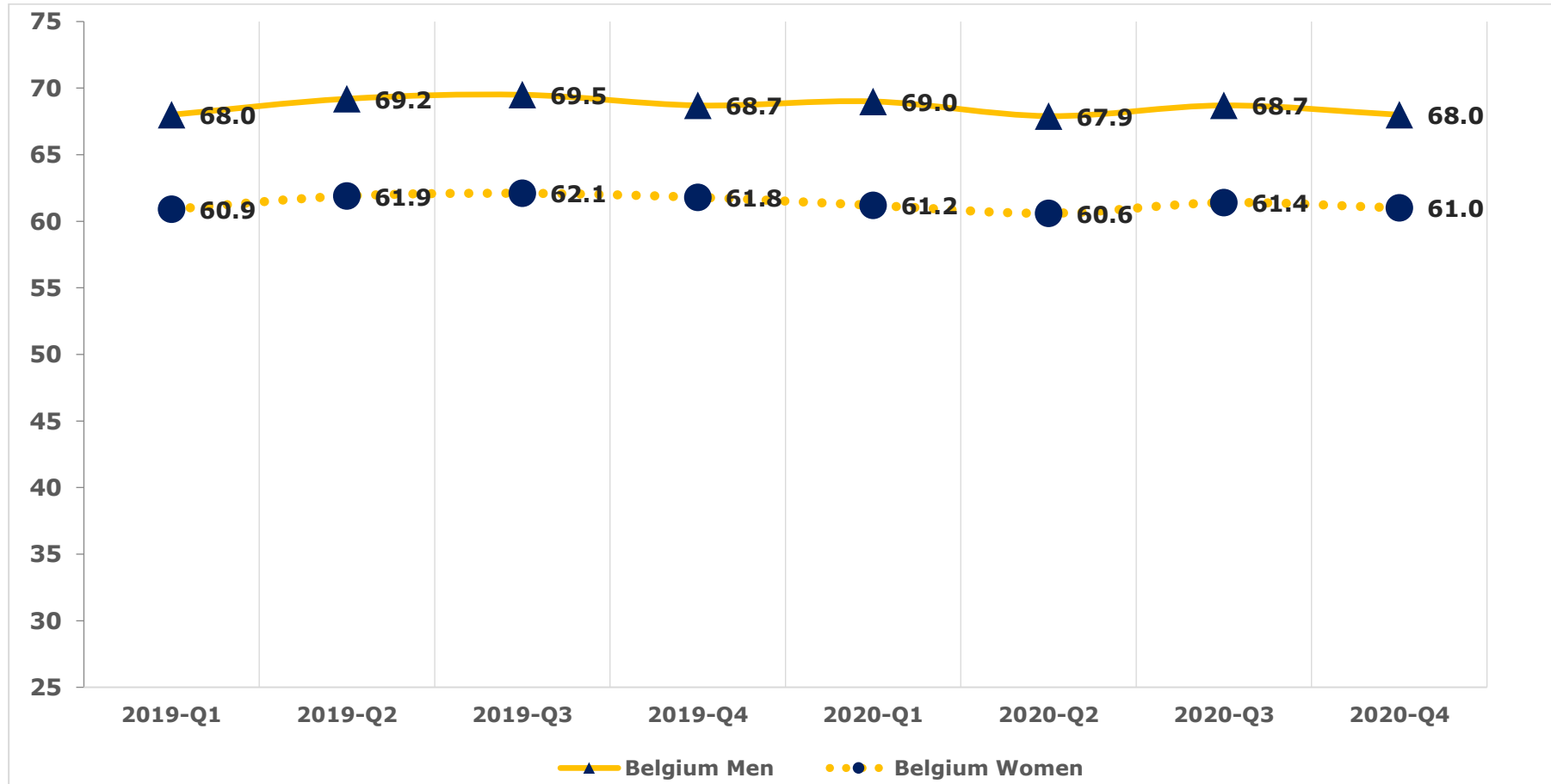
Figure 8a: Seasonally-adjusted employment rate, quarterly data, total population aged 15-64 (2019-2020, EU-27 and Belgium, %)



Source: Eurostat LFS - indicator [lfsq_ergan] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the employment rate in the EU-27 is 73.0% for men and 62.8% for women. In Belgium, these figures are 68.0% and 61.0% respectively.

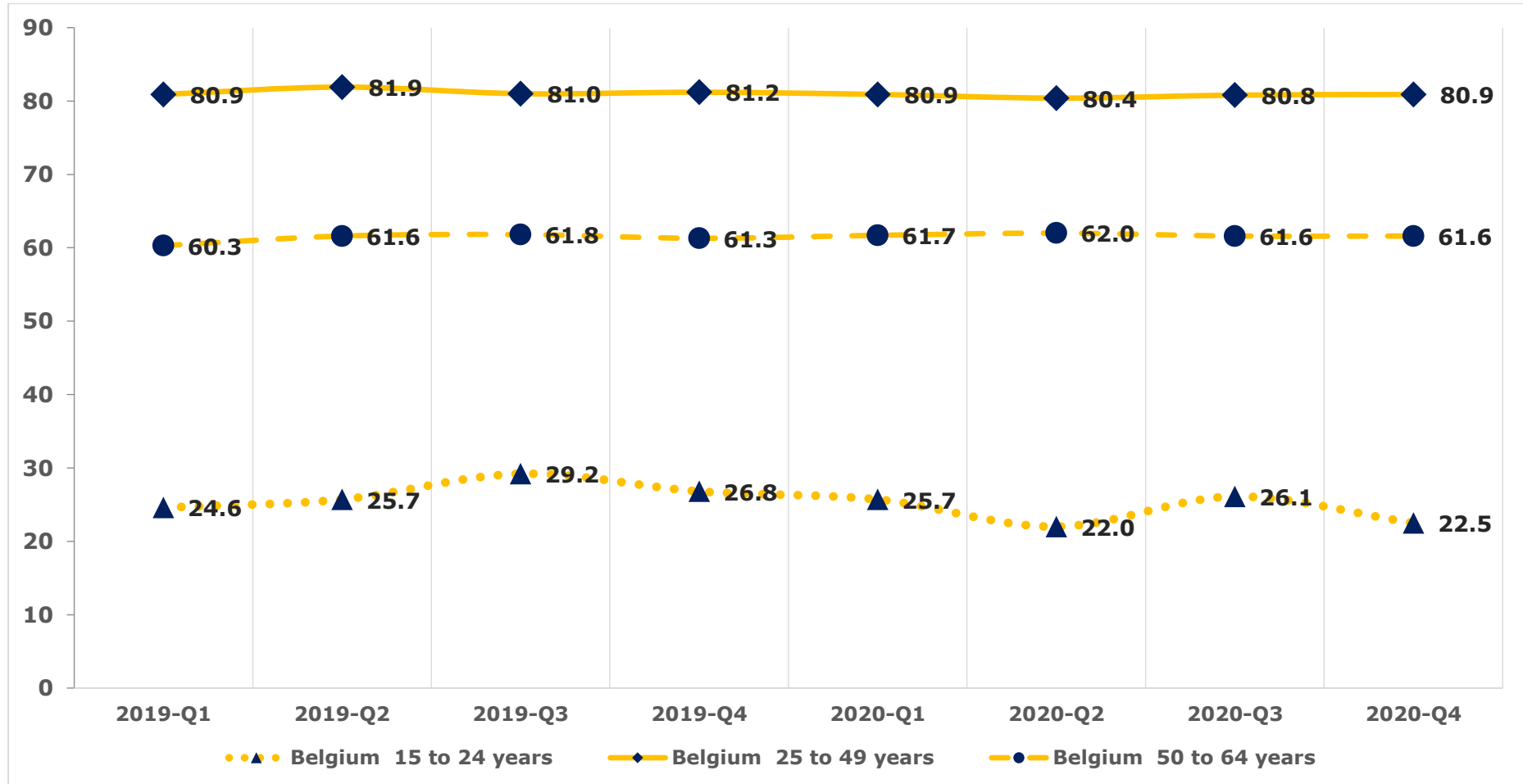
Figure 8b: Seasonally-adjusted employment rate, quarterly data, total population aged 15-64 – by gender (2019-2020, Belgium, %)



Source: Eurostat LFS - indicator [lfsq_ergan] - downloaded 26 April 2021.

In the fourth quarter of 2020 (2020-Q4), the employment rate in the EU-27 is 31.1% for the 15-24 age group. In Belgium, it is 22.5%.

Figure 8c: Seasonally-adjusted employment rate, quarterly data, total population aged 15-64 – by age group (2019-2020, Belgium, %)

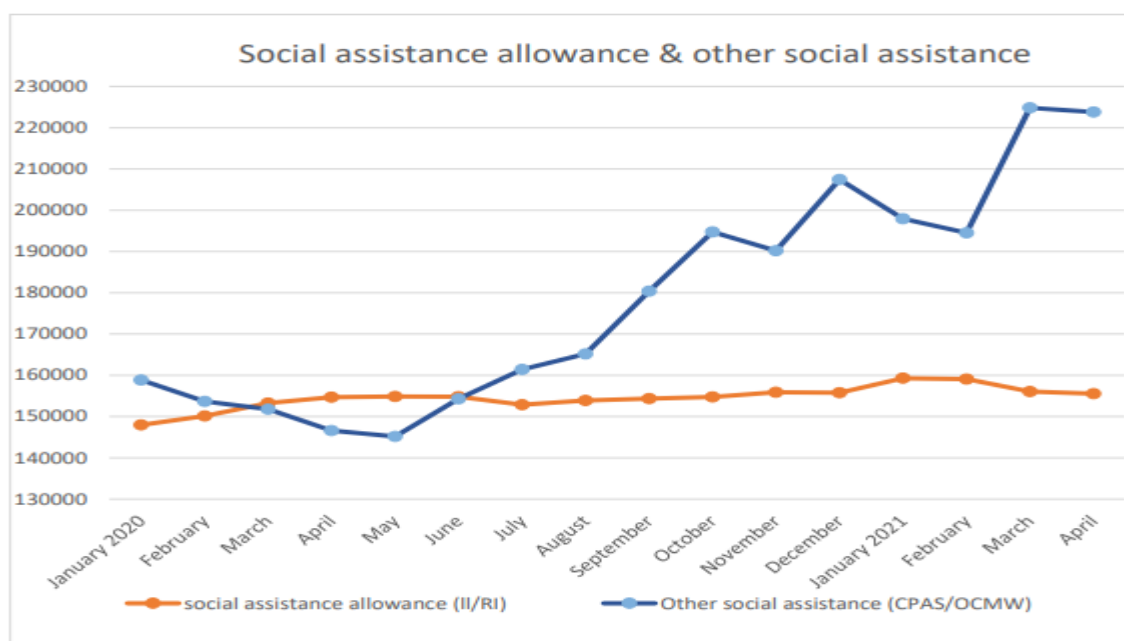


Source: Eurostat LFS - indicator [lfsq_ergan] - downloaded 26 April 2021.

1.3 Poverty, inequality and social exclusion situation

Experience from the 2008 shows that the impact of a crisis, in terms of increasing numbers of applications for social assistance, only manifests itself after a certain time. In the light of the COVID-19 crisis, the Federal Public Service for Social Integration has organised regular surveys of the public centres for social work (PCSWs). These show that applications for minimum-income benefits (called social assistance allowance in Figure 9) increased during the first months of the crisis, fell during summer 2020, increased again in September and fell after January 2021 (Figure 9).

Figure 9: Evolution of the number of social assistance allowance beneficiaries and other social assistance beneficiaries in 2020 (Belgium)



Note: CPAS/OCMW are Public Centres for Social Welfare.

Social assistance allowance is minimum-income benefits; other social assistance means financial support (other than minimum income), medical and psychological assistance, food support and debt mediation.

Source: Federal Public Service Social Integration (provisional data).

Mobility in and out of minimum income has been significantly lower than usual during the crisis, probably due to reduced accessibility of services. Requests for additional social assistance (called other social assistance in Figure 9) has followed the opposite trend: they fell in the first months, and have increased almost continually since summer 2020. PCSWs see new clients who apply for additional social assistance: an increasing number of people, whether unemployed or in work, have faced difficulties in making ends meet. In particular there have been increases in requests for non-urgent medical assistance, food support and debt mediation services.

Based on data for 2020, the Federal Public Service for Social Integration estimates that the yearly increase (between January 2020 and January 2021) of minimum-income beneficiaries will amount to 6.9%, compared with an expected 3.4%².

² https://socialsecurity.belgium.be/sites/default/files/content/docs/nl/sociaal-beleid-vorm-geven/monitoring_covid_20201127_2.pdf; <https://www.mi-is.be/nl/studies-publicaties-statistieken/monitoring-van-de-ocmws-derde-rapport-sociale-impact-covid-19>, accessed in May 2021.

Between December 2019 and December 2020, the total number of long-term unemployed people (i.e. unemployed for at least two years) increased by 2.3% (by 3,436 to 154,904)³. Given that 49.4% of unemployed people, especially the long-term unemployed, are at risk of poverty⁴, financial poverty is also likely to increase accordingly. The situation will deteriorate once measures such as temporary unemployment and bridging right, which considerably buffer the increase of unemployment, are terminated.

Financial distress in the lowest income quartile increased considerably during the crisis to 40.8% in 2020 Q3 (compared with 35.5% in 2019 Q3)⁵. Employment income loss affected low-paid workers disproportionately, thus exacerbating existing labour market inequalities (and income loss of 8%, compared with 5% for medium- and high-paid workers) (Eurostat, 2020).

³ <https://www.rva.be/nl/documentatie/statistieken/statistische-publicaties/federale-cijfers-van-de-vergoede-werklozen/federale-cijfers-2020/de-federale-cijfers-van-de-vergoede-werklozen-december-2020>

⁴ <https://statbel.fgov.be/nl/nieuws/eenoudergezinnen-werklozen-en-huurders-meest-kwetsbaar-voor-armoede>

⁵ EC Business & Consumers Survey in ESDE quarterly review December 2020.

2 SOCIAL PROTECTION AND INCLUSION MEASURES IN RESPONSE TO THE PANDEMIC⁶

This section provides a brief description of the main measures related to social protection and social inclusion that have been put in place to help mitigate the financial and social distress produced by the economic downturn caused by the pandemic. It is based on readily available data and evidence. For each measure, it provides the following information.

- a) Short description of the measure.
- b) Category: Is it a flat benefit, a conditional benefit, both a flat and a conditional benefit, or neither a flat nor a conditional benefit?
- c) Timing: When did the measure start/end? Has it been extended?
- d) Depending on the category:
 - amount and duration (for flat measures); and
 - range (minimum-maximum), duration and conditionality (thresholds) (for conditional measures).

If the measure is neither flat nor conditional, this is indicated by "Not applicable".

- e) Targeted population: what is/are the target(s) of the measure? – that is to say, which parts of the population or of the labour force. Where data and evidence are readily available, estimated number of people targeted and/or applicants.
- f) Beneficiaries: What is the number of recipients of the measure (if relevant and available)?
- g) Novelty: Was the measure new or an already existing one that was adjusted?

2.1 Measures related to unemployment benefits

2.1.1 Temporary suspension of gradual reduction of benefits over time

- a) Short description of the measure: Usually unemployment benefits are gradually reduced: after three months 65% of (capped) gross wages, three months at 60%, and six months at 60% of a lower capped wage, benefits start to be gradually reduced to reach a flat-rate minimum benefit, just slightly above the level of the minimum income.
From 1 April 2020 until June 2021, the above "degression" was suspended. Unemployment benefits were temporarily frozen at the level of 1 April 2020. Unemployed people thus did not see their unemployment benefits fall during this period⁷.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: From 1 April 2020 to end of June 2021.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: The degression of unemployment benefits applies to all full-time unemployed people, irrespective of their family status; it does not apply to the

⁶ Disclaimer: Most, if not all, crisis measures implied new calculations, new procedures etc. Most of the figures on impacts (numbers of beneficiaries, costs, etc.) presented in this report are not published, nor validated. They are not official figures. They should be considered as indicative and provisional with the purpose to allow an initial assessment. All use of these figures should take due account of these limitations. Also, the temporary measures mentioned in this report refer to the situation as of 15 April 2021. Their duration may have been extended since then.

⁷ <https://www.mi-is.be/nl/wetgeving/kb-van-131220-tot-wijziging-van-art-7-van-het-kb-van-230420-tot-het-tijdelijk-versoepelen>

unemployed who have worked for at least 25 years, are over age 55 or are partially (at least 33%) disabled.

- f) Beneficiaries: In total, the suspension of the reduction of unemployment benefits was granted to 236,554 people (44% of all unemployed people for whom the reduction was applicable).
- g) Novelty: These were temporary adjustments to the existing system.

2.1.2 Temporary suspension of job-search obligation (Flanders, Brussels and Wallonia)

- a) Short description of the measure: Job search is a condition for receiving unemployment benefits in all regions. Given the economic situation and the difficulties during the COVID-19 crisis of looking for work, this obligation was temporarily suspended⁸.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: From March 2020 until May 2020.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: All unemployed people.
- f) Beneficiaries: All unemployed people.
- g) Novelty: Temporary adjustment of an existing measure.

2.1.3 Extension of the duration of *inschakelingsuitkeringen* /allocations d'activation (activation benefits for young unemployed people)

- a) Short description of the measure: The period of the crisis is excluded from the calculation of the duration of the unemployment benefit scheme for young people who are unemployed, the so-called activation benefits, which normally have a duration of three years.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: The extension of activation benefits will continue until 30 June 2021⁹.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: Young unemployed people, under 25 years, one year after having finished their education – 57,947 people.
- f) Beneficiaries: From the 57,947 people who benefited from this allowance, 52,248 (90%) could benefit from the extension.
- g) Novelty: Temporary suspension of existing measure.

2.1.4 Inclusion of artists in the unemployment benefit scheme

- a) Short description of the measure: In July 2020, parliament approved a law to allow artists and technicians in the cultural sector to apply for unemployment benefits until 31 March 2021, without reduction of their unemployment benefit in case of cumulation with any copyright income they received during this period. The law freezes the reference period for access to unemployment benefits (from 1 April 2020 to 30 June 2021) and opens the right to access benefits to a broad professional group in the sector.

⁸ <https://www.vdab.be/richtlijnen-werkzoekend> accessed in January 2021;
https://www.leforem.be/MungoBlobs/1391488573050/201203_FAQ_controle.pdf

⁹ http://www.ejustice.just.fgov.be/cqi_loi/change_lg.pl?language=nl&la=N&table_name=wet&cn=2021021211

On 6 November 2020, the federal government also eased access to unemployment benefits for artists and technicians who could prove they had expected 10 artistic or technical performances, or 20 working days, between 13 March 2019 and 13 March 2020¹⁰.

- b) Category: Neither flat nor conditional benefit.
- c) Timing: From 1 April 2020 to 30 June 2021.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: Artists and technical personnel.
- f) Beneficiaries: Over 2020 162 artists and 68 technicians could enter the regular unemployment scheme due to the more flexible accessibility conditions. 346 artists could enter the temporary unemployment scheme due to the more flexible conditions.
- g) Novelty: Existing measures are temporarily made more easily accessible to a broader group and under less stringent conditions.

2.2 Measures of job protection provided through support to employers, employees and the self-employed

2.2.1 Temporary unemployment schemes for employees

- a) Short description of the measure: Since the COVID-19 crisis, the temporary unemployment scheme, called "temporary unemployment for economic reasons and in case of force majeure" has been considerably extended, in terms of both benefit amounts and beneficiaries. From the start of the lockdown at the beginning of March 2020 until the end of July 2020, a simplified application procedure for temporary unemployment was introduced for all companies that had to (partially or temporarily) close down their activities due to the COVID-19 crisis. Administrative formalities were reduced, and the burden of proof that the company had been exceptionally hit by the crisis was suspended. From August to September 2020, the simplified systems only applied to companies that could prove 20% of temporary unemployment during the period of April to June, and for companies that belonged to the sectors whose activities were restricted due to a decision of the National Security Council. Other companies that could prove a reduction in their turnover of at least 10% in comparison with the corresponding semester of previous year, could apply for a simplified system of temporary unemployment for economic reasons, where the maximum period of unemployment was prolonged and the benefits were increased compared with the previously existing system. From October 2020 on, the simplified procedure to apply for the temporary unemployment scheme under force majeure has been reintroduced for all companies, in the sense that companies do not have to prove they have suffered considerably as a result of the crisis. Temporary unemployment schemes under force majeure as well as temporary unemployment for economic reasons can be "partial": this means that certain employees remain at work while others are on temporary unemployment. It can also mean that employees are under temporary unemployment for some days of the week but are working on other days. It does not automatically mean that the company has to close down completely.
- b) Category: Conditional benefit.
- c) Timing: The measure will apply until 30 June 2021, with the possibility of extension.

¹⁰

<https://www.dekamer.be/kvvcr/showpage.cfm?section=flwb&language=nl&cfm=flwbn.cfm?lang=N&dossierID=1154&legislat=55;>
http://www.ejustice.just.fgov.be/cgi_loi/change_lg.pl?language=nl&la=N&table_name=wet&cn=2020122234

- d) Range, duration and conditionality: Where employees normally receive 65% of their (capped at €2,754.76) gross monthly wage, during the COVID-19 crisis salaried workers under the temporary unemployment scheme have received 70% of their capped wage. This implies a maximum allowance of €1,928.30/month; the minimum allowance is €1,455.70/month. In addition, in case of force majeure, they receive an extra allowance of €5.63 per day of temporary unemployment (€146.38/month). In the case of economic reasons, employees can receive a supplement from the employer of €2/day (€52/month). The National Employment Office (NEO) pays a supplement to the year-end bonus for workers who have been on temporary unemployment for at least 52 days. They receive €10 for every extra day of temporary unemployment beyond these 52 days, with a minimum of €150. Except for the months August and September 2020, there has been a flexible application of the force majeure type, and all COVID-19-related temporary unemployment has been considered to have a force majeure cause. During this period, there have been no accessibility criteria. Employees for whom the employer requests temporary unemployment can get access to the temporary unemployment allowance.

Actual replacement rates have been calculated for different wage levels, family and employment types. For full-time employees in single-person households going to full-time temporary unemployment, the annual income-replacement rate varies from 50% for high wages to 80% for low wages¹¹. For employees in full-time temporary unemployment in a two-person household and two children, the replacement rate varies from 49% for high wages to 81% for low wages. (Table 1)

Table 1: Replacement rates of the temporary unemployment allowance (%)

	€1,625.72 (minimum wage)	€2,541.31 (67% of average gross wage)	€3,793 (average gross wage)	€6,334.31 (167% of average gross wage)
	Single person			
Full-time employee on full-time temporary unemployment	83.9	87.2	72.5	50.4
	Married person with two children			
Full-time employee on full-time temporary unemployment	80.8	83.5	70.1	49.1

Source: Federal Public Service Employment, Labour and Social Dialogue.

- e) Targeted population: Employees working for companies that either cannot continue their activities or suffer a considerable loss of clients or demand because of the crisis, or working for businesses that had to close down because of a decision of the government, or working in companies where telework is not possible and social distancing cannot be respected. In addition, employees who have to observe a quarantine. In cases of partial temporary unemployment, temporary workers also receive the benefits (but only those who were employed on the basis of successive weekly contracts at the start of the temporary unemployment period and will stay under contract after the temporary unemployment). Moreover, only (the very few) sex workers who are registered as workers can benefit. Not applicable to students and trainees, except in case of work/study apprenticeship.

¹¹ High wages = 167% of average gross monthly wages; low wages = 67% of average gross monthly wages.

The measure in principle targets all employees in the private sector in Belgium. In the third trimester, the number of possible recipients was 3,980,000. From March 2020 to March 2021 the number of private sector employees varied between 3,945,000 and 4,093,000. In the case of temporary unemployment it is not straightforward to assess the number of applicants, as the procedure starts with a request from the employer to the NEO to put (part of) their employees in temporary unemployment, not with the individual applicant/employee. There are as yet no data available on possible refusals but, in principle, the procedure has been applied in a very flexible way. Table 2 shows an approximation of the number of employees for which an application for temporary unemployment has been made by the employer.

Table 2: Applications for temporary unemployment on behalf of employees (March 2020 to April 2021)

	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	Sept. 2020	October 2020	Nov. 2020	Dec. 2020	Jan. 2021	Feb. 2021	March 2021	April 2021 (prov.)
	1,033,294	1,232,841	985,866	615,305	409,688	364,226	304,388	457,715	529,455	432,726	469,310	501,439	496,074	375,402
Perc.*	25.2	30.6	24.6	15.3	10.3	9.2	7.5	11.2	13.0	10.6	11.6	12.2	12.2	9.2

Note: "prov" = provisional.

* As percentage of total number of employees in private sector.

Source: NEO.

f) Beneficiaries: Table 3 shows the number of people actually receiving a temporary unemployment allowance in the period March-December 2020. The share of private sector employees receiving a temporary unemployment allowance was 28.5% in April (share of workforce in third quarter), it gradually dropped to 6.1% in September and increased again to 11.6% in November. As a rough approximation, 1,383,410 employees received a temporary unemployment allowance, which is about 34% of the private sector workforce.

Table 3: Number of people in receipt of a temporary unemployment allowance (March 2020 to April 2021)

March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	Sept. 2020	October 2020	Nov. 2020	Dec. 2020	March 2021	April 2021	May 2021	April 2021
929,714	1,145,571	916,569	560,765	339,898	310,214	246,707	376,354	465,107	352,803	378,850	384,349	347,657	NA

Source: NEO.

g) Novelty: Originally, temporary unemployment could be granted to workers for economic reasons (temporary lack of work), in case of technical failure, company holidays, bad weather conditions (construction sector) and force majeure. Since the crisis, temporary unemployment due to the pandemic has been considered as force majeure. Before the crisis, the benefits were at 65% of capped wages, but during the COVID-19 pandemic this has been 70%.

2.2.2 Bridging right for self-employed people

Bridging right in case of crisis/emergency and at restart

a) Short description of the measure: Self-employed people who had to stop their activity due to the crisis had the right to bridging benefit for the months of March to June 2020; and those who have still not been able to restart, or have been obliged to interrupt their activities again, the benefit has been available for the period from July 2020 to June 2021. The bridging right is also accessible to sex workers who are registered as self-employed. Since June 2020, many self-employed people have been able to restart their business. Self-employed people who had been obliged by federal measures to interrupt their activities during previous months, and decided to restart their activities, could apply for a bridging right at restart if they could prove a loss in turnover of at least 10% compared with the same period in the previous year. The measure ran from June to December 2020. The monthly benefits were the same as those of the bridging right in case of emergency. Some categories of self-employed people could obtain a partial bridging right (e.g. some people for whom self-employment is a complementary job). The amounts for the latter were half the amounts mentioned above.

Those self-employed people who have not been able to restart yet, can continue to apply for the emergency bridging benefits, but under more strict conditions in the case where interruption is not caused by a decision of the federal government to close down activities: self-employed people have to prove that closing the business is caused by the COVID-19 crisis and that their turnover or revenue is considerably reduced.

Self-employed people who, during the second lockdown period from October to December 2020, could not restart their activity because of closure measures imposed by the federal government, received a double benefit.

On 22 December 2020, a new draft law was approved that regulates the bridging right. As a first pillar, the double bridging right for self-employed people who have to close down was continued after 1 March 2021. As a second pillar, in force from 1 January 2021, self-employed people who face considerable income loss due to the crisis, whose turnover falls by 40% compared with the same month in the reference year 2019 and who have paid social security contributions for at least four out of 16 calendar months (or at least two for first time self-employed people) prior to their application, will be able to receive temporary support. This measure is due to support liberal professions that did not have to interrupt their activities (around 360,000 self-employed people)¹².

b) Category: Both flat and conditional benefit.

c) Timing: Emergency bridging right from March to June 2020 and for the period from July 2020 to June 2021; restart bridging right from June to December 2020. A double bridging right for self-employed people obliged to close down by a governmental decision was applicable from October 2020 and has been continued beyond March 2021 by the new law. The bridging right under the second pillar for self-employed people facing considerable loss of turnover has been in force since 1 January 2021.

d)

- Amount and duration of the flat element: The monthly benefit for self-employed people who have to stop their activity, and for those who restart their business but face a loss of at least 10% of their turnover is €1,291.69 for single people and €1,614.10 for self-employed people with dependants. The benefit can be cumulated with allowances from the regional authorities. Self-employed people who had to close due to a decision of the government during the second lockdown between October and December 2020 could apply for double bridging

¹² <https://www.vlaio.be/nl/subsidies-financiering/subsidi databank/overbruggingsrecht-voor-zelfstandigen-coronavirus#Crisis-overbruggingsrecht-quarantaine-zorg-kind>

rights. The monthly bridging right amounts to €2,583.38 for single people and €3,228.20 for dependants. The partial bridging right is then €1,291.69/month for a self-employed person with dependent family members and €1,614.10 for those without. The double bridging right initially applied until the end of February 2021, but has been continued due to the approval of the new law¹³. In the case of the second pillar, introduced by the new law in December 2020, the monthly amounts are €1,291.69 for self-employed people with dependent family members and €1,614.10 for those without.

- Range, duration and conditionality of the conditional element: Actual replacement rates (bridging right as a share of previous income) have also been calculated for different family types and income levels. Over all family types and the three income levels (67%, 100% and 167% of average gross income), the impacts on annual income of dependency on bridging rights remain small to relatively small if dependency remains limited to a couple of months. After three months, the replacement rate drops to 84% for high-income single people. For other family types and income levels the rate remains mostly above 90%. The loss obviously increases the longer dependency lasts¹⁴.
- e) Targeted population: Self-employed people in the main professions (including their assistants, co-operating spouses and first time self-employed people), who pay contributions as self-employed people, who have been obliged to interrupt their activity due to a decision to close businesses by the National Security Council of the federal government. The crisis bridging right is aimed at protecting self-employed people against the impact of the corona measures, especially those who are self-employed as their main job. In October, there were 1,183,919 self-employed people, of whom 773,116 (65%) were self-employed as their main job.
- f) Beneficiaries: Table 4 gives an overview of the number of self-employed people receiving one of the types of crisis bridging right between March 2020 and March 2021. The total number of recipients was highest in April 2020, at 413,915. The number fell to 84,735 in September, and then increased again due to the second lockdown period. In April 2020, more than 50% of those for whom self-employment is the main job received a bridging right. In September this was reduced to 7.3%. In total, over 2020, 429,483 individual self-employed people received a bridging right.

¹³ <https://www.rsvz.be/nl/news/moeilijkheden-door-het-coronavirus>, accessed in January 2021.

¹⁴ Working Group Social Impact COVID-19, <https://socialsecurity.belgium.be/nl/sociaal-beleid-mee-vorm-geven/sociale-impact-covid-19>.

Table 4: Number of self-employed people receiving a bridging right, by type of bridging right (March 2020 to March 2021)

	March 2020	April 2020	May 2020	June 2020	July 2020
Recovery				18,199	71,237
Voluntary	223,251	238,100	211,253	85,953	39,660
Mandatory	162,121	164,321	158,118	55,263	10,057
Partial	10,790	11,494	10,094	2,958	NA
Mandatory simple	NA	NA	NA	NA	NA
Mandatory double	NA	NA	NA	NA	NA
Mandatory partial	NA	NA	NA	NA	NA
Quarantine	NA	NA	NA	NA	NA
TOTAL	396,162	413,915	379,465	162,373	120,954
	August 2020	Sept. 2020	Oct. 2020	Nov. 2020	Dec. 2020
Recovery	72,277	71,199	23,405	7,894	14,236
Voluntary	36,668		NA	NA	NA
Mandatory	10,291	13,149	NA	NA	NA
Partial	NA	NA	NA	NA	NA
Mandatory simple	NA	NA	12,122	10,459	8,618
Mandatory double	NA	NA	76,461	139,737	106,835
Mandatory partial	NA	NA	1,555	3,097	2,348
Quarantine	NA	387	2909	2,296	894
TOTAL	119,236	84,735	116,452	163,483	132,931
	January 2021 prov.	February 2021 prov.	March 2021 prov.		
Recovery	NA	NA	NA		
Voluntary	NA	NA	NA		
Mandatory	NA	NA	NA		
Partial	NA	NA	NA		
simple	18,222	18,028	14,996		
Mandatory double	102,884	100,407	94,659		
Mandatory partial	1,765	1,618	1,322		
Quarantine or childcare	1,056	1,092	1,633		
TOTAL	123,926	121,145	112,610		

Source: RSVZ: INASTI, FOD Sociale Zekerheid, Sociale verzekeringskassen.
NA: Not available/not applicable.

- g) Novelty: The emergency bridging right is an extension of the existing bridging right, introduced in 1997, which grants a modest replacement income for self-employed people in four cases: bankruptcy, collective debt settlement, disaster, or imperative economic reasons. The amounts have been considerably increased. The bridging right at restart is completely new.

Bridging right in case of quarantine or closing down of schools or childcare facilities

- a) Short description of the measure: Self-employed people can apply for a special new bridging right in cases of the forced interruption of activities due to quarantine or care for children.
- b) Category: Flat-rate benefit, different levels depending on the duration of the interruption and on the family situation.
- c) Timing: From September 2020 on.
- d) Amount and duration: Not applicable.
- e) Targeted population: Self-employed people who have to interrupt their activities due to quarantine that obliges them to stop working during at least seven calendar days. Those who work from home do not qualify for the measure. Self-employed people who have to interrupt their activities because they have to take care of their children due to the closing of schools and childcare can also apply for the benefit¹⁵.
- f) Beneficiaries: See Table 4 under “quarantine or childcare”.
- g) Novelty: New measure.

2.2.3 Social security contributions and corporate taxes for self-employed people

- a) Short description of the measure: Self-employed people who face financial difficulties due to the crisis can request postponement of payment of their social security contributions for one year, or remission of payment of social security contributions for 2020¹⁶. Payment plans can be agreed. They can also request payment of reduced social security contributions, according to specific legal income thresholds (different amount for gross yearly income levels from €14,942.57 to €56,170.30). Payment of corporate taxes was postponed until the end of December 2020 for the 2019 year of assessment¹⁷.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: For the year 2020 and 2021.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: All self-employed people.
- f) Beneficiaries: On 6 May 2021, 177,412 self-employed people received approval for postponement of social security contributions (23% of self-employed people in the main professions). 129,510 requests were recorded for exemption from social contributions (16.7% of self-employed people in the main professions).

¹⁵ <https://www.rva.be/nl/documentatie/infoblad/t2> accessed in January 2021;

<https://www.vlaio.be/nl/subsidies-financiering/subsidi databank/tijdelijke-werkloosheid-wegens-overmacht-coronavirus>

¹⁶ <https://www.rsvz.be/nl/news/moeilijkheden-door-het-coronavirus>

¹⁷ <https://financien.belgium.be/nl/Actueel/18-03-2020-coronavirus-bijkomende-steunmaatregelen>;
<https://www.rsvz.be/nl/news/moeilijkheden-door-het-coronavirus>

- g) Novelty: Postponement or remission of existing obligation to pay contributions.

2.3 Measures related to sickness benefits and sick pay

2.3.1 COVID-19 recognised as occupational disease

- a) Short description of the measure: COVID-19 is recognised as an occupational disease for employees working in the health sector who incur an increased risk of contamination with COVID-19, and for employees working in essential sectors who were infected with the virus between 18 March 2020 and 17 May 2020 (lockdown period), due to their professional activities¹⁸.
- b) Category: Conditional benefit.
- c) Timing: Health sector – from 18 March 2020; essential sectors – contaminations between 18 March 2020 and 17 May 2020.
- d) Range, duration and conditionality: Only for people working in the health sector and in essential sectors, who were contaminated with COVID-19 during the lockdown period. Occupational diseases that lead to temporary incapacity for work are compensated at 90% of the average gross yearly wage. In cases of permanent incapacity for work, the financial compensation is calculated on the basis of the wage and the estimated percentage of incapacity for work.
- e) Targeted population: Employees of the medical and paramedical staff and of the logistic and cleaning services, working in hospitals and in care institutions. Staff performing certain logistic services, such as: transport, triage or examination of patients; laboratory technicians taking clinical samples for the diagnosis; and cleaning services. Employees working in essential sectors and professions who can demonstrate that they were contaminated with the virus due to their professional activities.
- f) Beneficiaries: Not available.
- g) Novelty: Temporary extension of definitions of professional diseases.

2.3.2 Extra crisis sickness benefit for self-employed people

- a) Short description of the measure: From 1 March 2020, in cases of incapacity for work for at least eight days, self-employed people have received an extra crisis benefit on top of the normal sickness benefit, to ensure that their replacement income equals the level of the monthly emergency bridging right for self-employed people (see under Section 2.2.2)¹⁹.
- b) Category: Conditional benefit.
- c) Timing: From 1 March 2020 on.
- d) Range, duration and conditionality: The supplement can be received in the period 1 March 2020 to 30 June 2021. Self-employed workers with a labour incapacity due to sickness can receive a supplement in two situations, as follows.
- First situation: The labour incapacity started no later than 1 March 2020, and: (i) the duration of the incapacity has been at least eight days; (ii) the self-employed activity is the main occupation; and (iii) the family situation is “cohabitating” (i.e. neither being a head of household or single person).

¹⁸ <https://fedris.be/nl/FAQ-Covid-19>

¹⁹ <https://www.riziv.fgov.be/nl/covid19/Paginas/aanvullende-crisisuitkering-sommige-arbeidsongeschikte-zelfstandigen-covid19.aspx>

- Second situation: The self-employed person was already acknowledged as having a labour incapacity but still executed an allowed activity, which had to be stopped after 1 March 2020 and: (i) the allowed activity has been stopped for at least seven days; and (ii) the family status is "cohabitating".

Depending on the situation, the daily supplement amounts to €11.58 (€301.08/month) or €7.08 (€184.08/month).

- e) Targeted population: All self-employed people in case of sickness. Table 5 shows the number of acknowledged new labour incapacities for self-employed people between January 2020 to March 2021. These can be considered as the theoretical maximum of people who could receive the supplement.

Table 5: Number of self-employed people with acknowledged new labour incapacities (January 2020 to March 2021)

Jan. 2020	Feb. 2020	March 2020	April 2020	May 2020	June 2020	July 2020	Aug. 2020	Sept 2020	Oct. 2020	Nov. 2020	Dec. 2020
3,269	2,628	5,052	1,547	1,732	2,345	2,445	2,291	2,785	4,250	2,376	2,406
Jan. 2021	Feb. 2021	March 2021									
2,709	2,465	1,850									

Source: RIZIV/INAMI-IMA.

- f) Beneficiaries: Due to the rather complex method for determining the level of the supplement, there have been delays in the implementation of the measure. The first payments for self-employed people only started in December 2020. Detailed data are provided by the insurance institutions on a quarterly basis, with a delay of one quarter. As a result, the first figures on the number of workers with a supplement will only be available later in 2021.
- g) Novelty: Extra benefit on top of existing sickness benefits.

2.3.3 Increased sickness benefits for employees

- a) Short description of the measure: Sickness benefits for employees have been increased to equal the benefits for temporary unemployment.
- b) Category: Conditional benefit.
- c) Timing: From 1 March 2020 on.
- d) Range, duration and conditionality: The target population is employees who are acknowledged as incapacitated to work due to sickness during the COVID-19-period. Conditions for obtaining the increased amount of sickness allowance: (i) the incapacity should be established during the period 1 March 2020 to 30 June 2021; (ii) there is a labour contract; and (iii) the daily gross wage is below €133 (€3,457.97/month). The daily "corona" supplement (on top of the normal sickness benefit) is defined as 10% of the daily gross wage plus €5.63. Maximum: the sum of the normal sickness benefit and the supplement is limited to €79.80/day (€2,074.80/month). The sum of the normal sickness benefit and the supplement will be a minimum of €61.22/day (€1,591.72/month). However, as from 1 January 2021, if the sum is higher than the gross wage, the total allowance will be reduced to the level of the gross wage.

- e) Targeted population: Employees in cases of incapacity for work for less than a year. Table 6 shows the total number of new acknowledged labour incapacities (employees) between January 2020 to March 2021. These contain the theoretical maximum number of people who could receive the supplement.

Table 6 Number of employees with acknowledged new labour incapacities – (January 2020 to March 2021)

Jan. 2020	Feb. 2020	March 2020	April 2020	May 2020	June 2020	July 2020	Aug. 2020	Sept 2020	Oct. 2020	Nov. 2020	Dec. 2020
59,622	50,264	102,148	28,120	31,692	43,169	33,529	41,519	52,549	55,202	37,567	30,542
Jan. 2021	Feb. 2021	March 2021									
52,165	45,673	36,401									

Source: RIZIV/INAMI-IMA.

- f) Beneficiaries: Due to the rather complex method for determining the level of the supplement, there have been delays in the implementation of the measure. The first payments for employees only started in October 2020. Detailed data are provided by the insurance institutions on a quarterly basis, with a delay of one quarter. As a result, the first figures on the number of employees with a supplement will only be available later in 2021.
- g) Novelty: Extra benefit on top of existing sickness benefits²⁰.

2.4 Measures related to health insurance

None.

2.5 Measures related to minimum-income schemes and other forms of social assistance

2.5.1 Extra benefit for beneficiaries of minimum income, guaranteed income for pensioners and minimum disability benefits

- a) Short description of the measure: By Royal Decree 47 of 26 June 2020, the federal government decided to grant an extra allowance to social assistance beneficiaries.
- b) Category: Flat benefit.
- c) Timing: The allowance is granted during 12 months, from 1 July 2020 until 30 June 2021²¹.
- d) Amount and duration: This measure tops up all social assistance benefits by €50.

²⁰ <https://www.riziv.fgov.be/nl/covid19/Paginas/aanvullende-uitkering-arbeidsongeschikt-tijdens-periode-covid19.aspx>

²¹ https://www.mis.be/sites/default/files/documents/wet_20_december_2020_houdende_tijdelijke_ondersteuningsmaatregelen_artikel_21_verlenging_premie_50euro.pdf

- e) Targeted population: Beneficiaries of the minimum-income benefit, the guaranteed income for pensioners and the income-replacing or integration benefit for disabled people. Estimations show that 476,000 people are eligible: 193,150 beneficiaries of the guaranteed income for pensioners, 105,841 disabled people and 168,348 beneficiaries of the minimum income. The supplement is paid jointly with the social assistance allowance.
- f) Beneficiaries: All social assistance beneficiaries are expected to receive the supplement²².
- g) Novelty: Top-up of existing benefits.

2.5.2 Child benefit supplement for the temporarily unemployed in Flanders

- a) Short description of the measure: The Flemish government introduced a one-off COVID-19-related supplement to child benefit for families with low income. This was later converted to a one-off subsidy to a broader range of families with low income²³.
- b) Category: Flat benefit.
- c) Amount and duration: One-off benefit of €35.
- d) Targeted population: Families who faced an income loss of at least 10% (in March, April or June 2020, compared with January or February 2020) due to the crisis and had an income below €2,213.30 gross per month. Assessments of fulfilment of the conditions were made by the payment institutions²⁴. This measure was converted into a one-off subsidy, granted in December 2020 to all families who receive child benefits and have a gross yearly income below €31,605.89, the income threshold used to determine the beneficiaries of the social bonus in the child benefit system, granted to vulnerable families²⁵. The measure potentially covered 356,385 children²⁶.
- e) Timing: Payment by December 2020 or at the latest one month after final determination of the right.
- f) Beneficiaries: By February 2021, the child benefit supplement had been paid to 23,730 children (6.7% of potential beneficiaries).
- g) Novelty: One-off subsidy on top of existing child benefits.

2.5.3 Child benefit supplement for low-income families in Brussels Capital Region

- a) Short description of the measure: To mitigate financial problems at the start of schooling, the Brussels Capital Region government decided in July 2020 to grant a child benefit supplement.
- b) Category: Flat benefit.
- c) Timing: Decision of 22 July 2020.
- d) Amount and duration: One-off supplement of €100.

²² <https://www.mi-is.be/nl/tools-ocmw/instructies-vanaf-02112020#13> accessed in January 2021.

²³ <https://beslissingenvlaamseregering.vlaanderen.be/document-view/5FBF72DB20B6670008000367>

²⁴ <https://www.groeipakket.be/nl/COVID19> accessed in January 2021.

²⁵ <https://www.groeipakket.be/nl/coronatoeslag-van-35-euro-per-kind-betaald-op-15-december>, accessed in January 2021.

²⁶ <https://www.groeipakket.be/nl/coronatoeslag-van-35-euro-per-kind-betaald-op-15-december>, accessed in January 2021.

- e) Targeted population: Low-income families with a gross yearly income below €45,000²⁷. It was initially envisaged that the benefit would cover 105,000 families²⁸.
- f) Beneficiaries: In total, 119,539 children received the child benefit supplement in 2020.
- g) Novelty: One-off subsidy on top of existing child benefit.

2.5.4 Energy and water subsidies: new one-off subsidies

Flanders:

- a) Short description of the measure: Special one-off subsidy for energy and water.
- b) Category: Flat benefit.
- c) Timing: Decision of 2 December 2020.
- d) Amount and duration: The subsidy amounted to €202.68, corresponding to the average monthly expenditure on water and energy (€30.77 for water, €95.05 for heating and €76.86 for electricity)²⁹.
- e) Targeted population: Employees who had been in temporary unemployment for at least one day in the period between 20 March 2020 and 17 July 2020³⁰. There are as yet no data available on the number of eligible people. Expressing the take-up in terms of the average number of temporarily unemployed people from March to July in Flanders results in 160%. Although this is a very rough indication of the take-up, one can assume that take-up has been quite substantial.
- f) Beneficiaries: During 2020, 833,000 employees received the subsidy.
- g) Novelty: New one-off subsidy.

Wallonia (energy subsidy)

- a) Short description of the measure: Extra financial support for energy.
- b) Category: Flat benefit.
- c) Timing: 11 June 2020 to 31 March 2021.
- d) Amount and duration: €100 for budget meters for electricity and €75 for budget meters for gas between 11 June and 31 October 2020, €50 for budget meters for electricity and €150 for budget meters for gas between 26 November 2020 and 31 March 2021.
- e) Targeted population: People with budget meters.
- f) Beneficiaries: No data available.
- g) Novelty: New temporary subsidy.

Wallonia (water subsidy)

- a) Short description of the measure: One-off subsidy for water.
- b) Category: Flat benefit.

²⁷ <https://famiris.brussels/nl/faq/de-coronapremie>

²⁸ <https://famiris.brussels/nl/faq/de-coronapremie>

²⁹ <https://www.vlaanderen.be/vlaamse-maatregelen-tijdens-de-coronacrisis/vlaamse-coronamaatregelen-rond-wonen-en-energie>

³⁰ <https://www.vlaanderen.be/vlaamse-maatregelen-tijdens-de-coronacrisis/vlaamse-coronamaatregelen-rond-wonen-en-energie>

- c) Timing: Between 1 November 2020 and 30 May 2021³¹.
- d) Amount and duration: €40.
- e) Targeted population: People on temporary unemployment because of COVID-19;
- f) Beneficiaries: No data available.
- g) Novelty: One-off new subsidy.

2.5.5 Extension of status of protected client (social tariff for energy)

- a) Short description of the measure: *Wallonia and Brussels* – temporary extension of the status of protected client eligible for the lower social tariff. *Federal state* – extension of the status of “residential protected client”. Protected clients benefit from a much lower social tariff for energy. This status is extended to all people who are beneficiaries of the “increased reimbursement of healthcare costs”, people who pay considerably less in personal contributions for healthcare. Previously, this status of protected client eligible for the social tariff was only granted to people on minimum-income benefits, but is now extended to cover all households under a certain low-income threshold (€19,957.16 gross yearly plus €3,694.61 per dependant).
- b) Category: Neither flat nor conditional benefit.
- c) Amount and duration/range, duration and conditionality: Not applicable.
- d) Timing: *Wallonia and Brussels* – from 10 October 2020 onwards; *federal* – granted automatically as from 1 February 2021 for one year.
- e) Targeted population: *Wallonia* – full-time unemployed people; people in a temporary unemployment scheme for at least 14 days; self-employed people on the bridging right; people who have the right to increased reimbursement of health costs; and people who are granted the status of protected client by the PCSW due to payment problems³². *Brussels* – extension of the status of protected client (eligible for the social tariff) to employees in temporary unemployment and self-employed people with a bridging right for at least 14 days between 1 February 2020 and 31 December 2020³³. *Federal* – to all people who are beneficiaries of the “increased reimbursement of healthcare costs” (people with low income, independent of their social status; gross yearly income threshold of €19,957.16 plus €3,694.61 per dependant). Around one million people in total (instead of 450,000 people for electricity and 270,000 people for gas previously).
- f) Beneficiaries: No data available yet.
- g) Novelty: The decision of the federal government doubled the number of beneficiaries of the social tariff, which had previously been granted only to people who were beneficiaries of minimum income, guaranteed income for pensioners or income-replacing benefits or integration benefits for people with disabilities. All households with an income beneath a certain low-income threshold (see above) now benefit from the social tariff.

³¹ <https://www.energieinfowallonie.be/fr/actualites/mesures-covid-19-vous-avez-un-compteur-budget-actif-tout-ce-qui-faut-savoir-pour-eviter>; <https://gouvernement.wallonie.be/files/%255BCP%255D%20-%20Gouvernement%20de%20Wallonie%20-%2026.11.2020.pdf>;
<https://www.energieinfowallonie.be/fr/actualites/coronavirus-coupures-interdites-decouvrez-les-mesures-exceptionnelles-prises-par-le>

³² <https://energie.wallonie.be/fr/14-10-2020-new-le-client-protege-conjoncturel-en-electricite-et-gaz.html?IDC=8187&IDD=144544>

³³ https://www.brugel.brussels/nl_BE/page/client-protege-covid-19

2.5.6 Suspension of disconnection from gas, electricity and water

Suspension of disconnection from electricity and gas (*Flanders* – during the so-called civil emergency period from 31 October 2020 to 27 February 2021; *Brussels* – from 31 March 2020 to 31 March 2021³⁴; *Wallonia* – from 18 March to 30 July 2020 and from 26 November 2020 to 31 March 2021). Suspension of disconnection from water (*Flanders* – during the period of civil emergency, from 20 March 2020 to 17 July 2020; *Wallonia* – from April 2020 for one year³⁵; *Brussels* – as long as health measures apply.

2.6 Measures related to housing support

2.6.1 Suspension of eviction

- a) Short description of the measure: Flanders, Brussels, Wallonia and the German-speaking community³⁶ have suspended all housing evictions.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: Brussels, Wallonia and the German-speaking community – for as long as crisis lasts³⁷. Flanders – only until 17 July 2020³⁸.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: People facing eviction.
- f) Beneficiaries: Information not applicable/available.
- g) Novelty: Suspension of existing measure.

2.6.2 Suspension of repayment of housing credit

- a) Short description of the measure: Federal government, and the housing funds of Flanders, Wallonia and Brussels, have taken measures to suspend repayment of housing credits.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: Federal – from 1 April 2020 until 31 October 2020³⁹; housing funds of Flanders and Wallonia – suspension for six months⁴⁰; Brussels – suspension on request.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: People with mortgage loans who lost income due to COVID-19.
- f) Beneficiaries: Information not applicable/available.

³⁴ <https://www.sibelqa.be/nl/bescherming-klanten/statuut-winterklant/wat-is-winterklant>

³⁵ <https://tellier.wallonie.be/home/presse--actualites/publications/covid-19--de-nouvelles-mesures-daide-pour-garantir-lacces-a-leau-pour-tous.publicationfull.html?fbclid=IwAR1xHag9uJl0Oq6dseWMRn7KPFzUVxjFMPYq7BW0IONgNlrPZr-mX5qACFk>

³⁶ Competences on housing have been transferred as of 1 January 2020 from the Walloon Region to the German-speaking community.

³⁷ <https://www.wallonie.be/fr/covid19/mesures-relatives-au-logement>; Ministère de la Communauté germanophone, 6 avril 2020, Décret de crise 2020, publié 2020-4-14, Numac 2020201879.
http://www.ejustice.just.fgov.be/mopdf/2021/01/15_1.pdf#Page141

³⁸ <https://www.vlaanderen.be/vlaamse-maatregelen-tijdens-de-coronacrisis/vlaamse-coronamaatregelen-rond-wonen-en-energie>; circular letter of the Flemish government of 7 April 2020 to local authorities and actors social housing

³⁹ http://www.ejustice.just.fgov.be/cgi/article_body.pl?language=nl&pub_date=2020-04-24&caller=list&numac=2020030708

⁴⁰ <https://vlaamswoningfonds.be/nieuws/coronamaatregelen>; <https://www.flw.be/coronavirus-retrouvez-ici-toutes-les-informations>

g) Novelty: Suspension of existing obligation.

2.6.3 Rent support

Reduction of rent for social housing

- a) Short description of the measure: In all regions, measures have been taken to reduce the burden of rent for social housing on people who face payment difficulties due to the crisis. The reduction has to be negotiated with the housing companies. In Flanders, rent for social housing has been reduced, and calculated on the basis of actual income from temporary unemployment benefits. In Wallonia, a rent revision could be requested from the housing fund⁴¹.
- b) Category: Conditional benefit.
- c) Timing: Flanders from April 2020, ongoing; Wallonia from 5 May 2020 until 31 December 2020.
- d) Amount and duration: Not applicable.
- e) Range, duration and conditionality: Flanders – proof of income loss due to COVID-19 measures, sickness or (temporary) unemployment, reduced rent for six months (eventually extra three months); Wallonia – income loss due to COVID-19, annual income less than €53,900 (€5,000 per dependant), savings less than €25,000; Brussels – not specified.
- f) Targeted population: People who lost income due to the crisis and face difficulties in paying the rent. Brussels: if income fell by at least 20%.
- g) Beneficiaries: No data available.

Rent subsidy

- a) Short description of the measure: In Brussels financial support through a rent subsidy could be granted to people with low income facing problems in paying their rent on the private housing market⁴². Wallonia has introduced an exceptional temporary zero-percentage loan, covering a maximum of six months rent, to be paid back within a maximum of 36 months⁴³.
- b) Category: Flat benefit.
- c) Timing: Both measures, in Brussels and Wallonia, are one-off, applying until 30 December 2020 for Brussels and 31 June 2021 for Wallonia.
- d) Amount and duration: Flat-rate premium of €214.68.
- e) Targeted population: People who rent on the private housing market and who suffered income loss in the COVID-19 crisis between 16 March and 3 May 2020 (lockdown period)⁴⁴.
- f) Beneficiaries: No data available.
- g) Novelty: Exceptional and temporary measure.

⁴¹ <https://www.swcs.be/pret-a-taux-zero-pour-aider-les-locataires-en-difficulte-2/>

⁴² <https://fiscaliteit.brussels/huurpremie-aanvraag>

⁴³ <http://luttepauvrete.wallonie.be/actualites/covid-19-le-locapr%C3%AAt-un-pr%C3%AAt-%C3%A0-taux-z%C3%A9ro-pour-aider-les-locataires-en-difficult%C3%A9>

⁴⁴ <https://fiscaliteit.brussels/20-158-n270-toekenning-steunpremie-aan-huurders-van-prive-woningen-covid-19.pdf>

2.6.4 Reception of and support to homeless people

- a) Short description of the measure: The federal government provided extra funding, to ensure continuity in the reception places in Brussels beyond the normal end date.
- b) Category: Neither flat nor conditional benefit.
- c) Timing: Continuous, since March 2020.
- d) Amount and duration/range, duration and conditionality: Not applicable.
- e) Targeted population: On average 250 homeless people stay in the reception centre, as well during daytime as at night.
- f) Beneficiaries: Information not applicable/available.
- g) Novelty: The federal government invests each year in a central reception centre for homeless people during the winter in Brussels (each year from end-November until end-March). In 2020, through the extra budget, the centre was open the whole year.

2.7 Leave for parents whose children are unable to attend school or a pre-school service by reason of COVID-19

2.7.1 Corona parental leave for salaried workers

- a) Short description of the measure: Conditional on their employer's consent, employees could apply for special "corona" paid parental leave (either half-time or for one day per week; full time for parents with a child with disabilities and single parents since 1 July 2020).
- b) Category: Flat-rate benefit, with different amounts.
- c) Timing: 1 May to 30 September 2020. The measure was not extended after this date⁴⁵. It has now been replaced by the emergency temporary unemployment system.
- d) Range, duration and conditionality: There are different situations, and presented here are the amounts for two of the most common situations.
 - Complete leave (only for single parents and employees with a child with a disability): basic gross amount paid per month was €1,277.36 (€1,148.00 net); higher amount for single parents was €2,100.01 (€1,887.28 net).
 - Partial leave: basic monthly gross amount was €532.24 (€440.97 net); higher amount for single parents was €638.68 (€529.15 net).
- e) Targeted population: Employees working full time or at least 75%, and working (full time or part time, permanent or for a fixed term) for their employer for at least one month, who are the parent of at least one child under 12 or one child with disabilities under 21. Temporary agency workers could also apply if they had been employed by the temporary agency for at least one month. Not applicable in the federal public service. Regional and local authorities could also decide to apply the corona parental leave to civil servants working for them.
- f) Beneficiaries: Table 7 presents an overview of the number of people making use of corona parental leave during May to September (and a small part of October). The numbers per month varied between 36,000 and 69,000. In total 96,054 people made use of the system. This represented 2.4% of the (October) private sector workforce. In addition, 32 people made use of the corona time credit.

⁴⁵ <https://werk.belgie.be/nl/nieuws/corona-ouderschapsverlof> accessed in January 2021.

Table 7: Number of salaried workers taking corona parental leave (2020)

	May	June	July	August	Sept.	Oct.
Absolute number	36,678	68,992	44,136	59,211	55,458	2,343

Source: NEO.

- g) Novelty: Corona parental leave was granted as extra leave on top of the normal right to parental leave and could be combined with normal parental leave. The benefits were 25% higher than normal leave benefits and the application procedure was more flexible.

2.7.2 Corona parental leave for self-employed people

- a) Short description of the measure: Self-employed people who continue or restart their activity, but who have to reduce their activity to take care of children below 12 (or below 21 for children with disabilities), temporarily have a right to a parental leave benefit. This benefit cannot be cumulated with other income-replacing benefits for self-employed people.
- b) Category: Flat-rate benefit, with different amounts.
- c) Timing: From September 2020 until June 2021.
- d) Amount and duration: Between May and September 2020 self-employed people could take up corona parental leave. The leave was supported by an allowance, which amounted to €532.24 per month as a general rule, €638.69 in case of children with disabilities and €875.00 for single parents. The latter was increased to €1,050 as from July and extended to self-employed people with a child with a disability.
- e) Targeted population: Self-employed people who are paying social contributions, with self-employment as either the main or complementary occupation, and have to reduce their activity to take care of their children.
- f) Beneficiaries: Over the period from May to September in total 43,072 self-employed people made use of the parental leave and received the allowance. This amounted to 5.6% of the self-employed people for whom self-employment was the main job.
- g) Novelty: New measure.

(See also Section 2.2.2: Bridging right for self-employed people in case of quarantine or closure of schools or childcare facilities⁴⁶.)

⁴⁶ <https://www.rsvz.be/nl/news/moeilijkheden-door-het-coronavirus> accessed in January 2021.

3 SOCIAL PROTECTION AND INCLUSION RESPONSES TO THE CRISIS: OVERALL ASSESSMENT AND POSSIBLE GAPS

This third section briefly considers three aspects: the expected cost of the social protection and inclusion measures put in place by the country (Section 3.1), the impact of these measures on the social protection system and on social inclusion policies (Section 3.2), and the possible remaining gaps in the social protection system and in social inclusion policies (Section 3.3). It concludes with Section 3.4 on debates and recommendations.

3.1 Expected cost of social protection and inclusion measures

A Belgian Court of Audit study of the impact of the COVID-19 health crisis on social security income and expenditure (Rekenhof, 2020) contains data up to August 2020. The loss of receipts is estimated at €6.2 billion, while surplus expenditure was estimated at €7.8 billion, a total budgetary impact of €14 billion⁴⁷. This estimate includes: the delaying of social contributions; bridging right and parental leave for self-employed people; temporary unemployment corona parental leave for employees; sickness benefits; healthcare; and annual holiday pay.

Table 8 presents the most recent estimates of the most important COVID-19 social protection measures. Total expenditure can be estimated at €10.8 billion. Due care should be taken when referencing this amount because it is based on a number of choices: for example, it reflects only measures at the federal level (which contain the vast majority of social measures). It also includes the costs of delaying or cancelling social contributions for the self-employed. This expenditure represents roughly 10% of the social protection budget. In terms of the 2019 GDP this amounts to 2.3%⁴⁸.

Table 8: Estimate of (federal) COVID-19 support measures by domain and as % of 2019 GDP

	2020		2021	
	€m	% GDP (2019)	€m	% GDP (2019)
Unemployment				
- Temporary unemployment	3,949	0.83	1,063	0.22
- Postponement of degression	66	0.01	158	0.03
- Extension of activation benefit to young people	8	0.002	17	0.004
- Corona parental leave	71	0.02	0	0.00
- Temporary unemployment end-of-year premium	140	0.03	33	0.01
Self-employment				
- Bridging right	3,317	0.70	2,219	0.47
- Exemption social contrib.	125	0.03	76	0.02
- Corona parental leave	33	0.01	0	0.00
Sickness allowances				
- Corona supplement	200	0.042	172	0.036
Professional diseases	3	0.001	14	0.003
Healthcare measures	952	0.20	1,141	0.24
Social assistance*	144	0.03	NA	

Source: FPS Social Security, May 2021.

⁴⁷ In 2019, total revenue for social security was €103.38 billion; total expenses were €102.32 billion.

⁴⁸ Rekenhof (2020), p.131-142.

Looking at some more recent (partial) data on expenditure on temporary unemployment and the bridging right, these prove to be by far the most important measures, in terms of impact, number of people involved and budgets. The most recent estimated cost of the temporary unemployment scheme over 2020 is almost €4 billion. The cost over 2021 is currently estimated at about €1 billion. The total cost of the bridging right over 2020 is €3.3 billion and is currently estimated at €2.2 billion for 2021.

Some more recent figures on the cost of measures related to unemployment are as follows.

- Suspension of reduction of unemployment benefits: €66 million.
- Extension of activation benefits for young people: €8 million in 2020 and €17 million in 2021.
- Corona parental leave: €70.9 million. However, it can be assumed that many people would have made use of the regular parental leave system in the absence of COVID-19, so this is not entirely a real supplementary cost.

According to the Commission on Ageing, the social expenditure and budgetary costs of ageing between 2019 and 2040 will increase by 5 percentage points of GDP. More than half of this increase will take place between 2019 and 2025, a period that will be strongly influenced by the COVID-19 crisis. The additional cost of ageing due to the crisis is estimated at 1.7 percentage points of GDP. The main reason is the mathematical effect of the decrease of GDP due to the crisis, which increases the weight of social expenditure.⁴⁹

Cost of some other measures

- a) Extension of the status of protected client for energy: the estimated budgetary cost is €176 million.
- b) Energy and water subsidy in case of temporary unemployment in Flanders: a budget of €20 million was envisaged for every 100,000 employees in temporary unemployment schemes.
- c) Reception of homeless people: the federal government has budgeted an extra €652,000 on top of the usual €1.3 million. To support the efforts of local authorities, the cities of Antwerp, Ghent, Liège and Charleroi received €200,000 each from the federal government to host homeless people who are ill⁵⁰. *Wallonia* granted extra financial support to local reception centres for homeless people and to hire extra personnel for the teams that support homeless people⁵¹. *Brussels* provided €4 million extra to support homeless people with extra reception facilities, food aid and medical care⁵².
- d) Child benefit supplement in cases of temporary unemployment in Flanders: the total budget for this measure is €15 million.
- e) Child benefit support for low-income families in Brussels: €20 million was budgeted.

3.2 Impact on the social protection system and on social inclusion policies

COVID-19 measures have a temporary nature. Most of them were valid until 31 March 2021, but prolongation of certain measures can be expected.

⁴⁹ Hoge Raad voor Financiën, Studiecommissie vergrijzing, jaarlijks verslag juli 2020.

⁵⁰ <https://www.nathaliemuylle.be/nieuws/extra-middelen-zodat-voedselbanken-over-voldoende-basisproducten-kunnen-beschikken>

⁵¹ <https://morreale.wallonie.be/home/presse--actualites/publications/la-wallonie-active-un--plan-grand-froid--adapte-a-la-situation-sanitaire.publicationfull.html>

⁵² <https://www.ama.be/coronavirus-etat-des-lieux-du-secteur-sans-abri-2>; https://coronavirus.brussels/wp-content/uploads/2020/04/20200419_Web_mesuresSans-abri.pdf

At this stage there is no discussion concerning tackling these issues on a more structural basis. However, it can be expected that these issues will be further discussed, in view of the government agreement regarding the modernisation of social protection as well as in the context of the action plan to implement the EU Council Recommendation on access to social protection.

It is difficult to foresee how social protection will evolve in the coming months and years. The contribution-based system will come under great pressure because of the sharp increase in expenditure and the fall in income (and therefore in contributions and taxes). Once the recovery is underway, it might be expected that the focus will be on activating people who have lost their jobs. The issue of unemployment traps will return to the top of the political agenda. Depending on the evolution of wages and employment, this will to a greater or lesser extent put pressure on social protection for the active population.

Importantly, however, the government which was installed in October 2020 decided to increase the minimum pensions, social assistance and some other social minima. Although this decision is certainly linked to the composition of the government (with the socialist and green parties for whom raising the social minima to the European poverty line is traditionally an important issue), it might also be associated with the improvements in social protection in response to the COVID-19 crisis and the uncertainties for the future. For most minima, this is a considerable improvement, raising some of them, in particular minimum pensions, above the European poverty line (Van Lancker, 2021).

3.3 Remaining gaps in the social protection system and social inclusion policies

3.3.1 Strengths of the crisis measures

The system of temporary unemployment and the bridging right for self-employed people were remarkably successful in cushioning the effects of the crisis on workers' income. Without the measures, the shock would have predominantly affected employees with low wages. In the lowest wage quintile, 40% of employees were affected by temporary unemployment, but only 17% of in the highest quintile. Self-employed people were more equally affected throughout the income distribution

The tax and benefit system mitigated the income shock substantially: after taking account of the temporary unemployment benefit and mechanical falls in social insurance contributions and the withholding tax, the disposable incomes of affected employees fell on average by 17% (€382/month) (Marchal et al., 2021).

The tax-benefit system worked especially well for employees in the second and third pre-COVID-19 wage quintile. They benefited from the relatively generous replacement rate in the temporary unemployment scheme for wages under the wage ceiling, while they also ended up in lower withholding tax bands. Affected employees in the lowest pre-COVID-19 wage quintile already benefited from the lowest withholding tax band. When they were affected by temporary unemployment, they did not benefit from a reduced withholding tax liability. In contrast, due to the fixed-rate withholding tax applied to the temporary unemployment benefit, they could no longer benefit from fiscal reductions that are awarded on a monthly basis when in work. The relative impact on disposable household incomes among households with an affected employee or self-employed person was higher for households in lower household income quintiles. As affected households in the lower income quintiles are more often one-earner households, the impact of the lockdown was only buffered through policies, and not through the presence of additional incomes in the household (Marchal et al., 2020).

The existing bridging right has proved to be a strong protective instrument for self-employed people who had to close down business. Moreover, self-employed people can fall back upon the unemployment insurance for employees if they had a prior insurance record built up as wage earner (before they started a self-employed activity). The flat-rate

sickness income-replacement benefits are at the same level as the guaranteed minimum benefits in the scheme for employees.

3.3.2 Gaps in coverage

At the start of the COVID-19 crisis and the activation of the main measures of the temporary unemployment scheme and the bridging right, it became apparent that some groups who were particularly hit by the containment measures did not have access to these emergency support measures, and also that their access to the normal social security measures was problematic. In response, additional measures were taken to extend access to both the crisis measures and the regular unemployment system. Among these categories were: artists and technicians working in the cultural or event sector; sex workers working as employees or self-employed; and certain temporary agency workers who were employed by a user company, under condition that they stayed under contract with the same employer after the force majeure.

However, these additional measures have not tackled all problematic situations. People who do not have access to the temporary unemployment scheme or bridging right, because they do not qualify as regular employees or as self-employed, were the hardest hit amongst workers in the crisis: amongst them are many temporary agency workers who did not fulfil the necessary conditions to be eligible, flex workers and platform workers with non-standard contracts.

The very vulnerable groups that were not covered under current social protection systems, even after the special COVID-19 measures, include the homeless, migrants without legal residence, asylum-seekers and students. It can be assumed that the first period of the crisis, during the lockdown, was particularly difficult for these groups. For people without a right of residence, third-country nationals who lost their jobs and asylum-seekers who had exhausted all legal remedies, returning to their country of origin was often not possible at that time due to the travel restrictions. Submitting asylum or residence applications was moreover difficult because the services that could provide the necessary documentary evidence were not, or not fully, operational. The right to assistance is in any case limited for these groups. The assistance for people without legal right of residence is in principle limited to urgent medical assistance. Third-country nationals with a right of residence are often bound by the condition of not imposing an unreasonable burden on the country's assistance system. Signals from the work field show that foreign nationals who have lost their jobs often do not dare to appeal to the PCSWs. Asylum-seekers who have exhausted all legal rights can apply for an extension of material help, but the procedures involved and the limited availability of social workers and lawyers makes this far from easy. Asylum-seekers who have not exhausted all legal remedies are also experiencing the effects of the current crisis due to limited access to flexible jobs (Working Group Social Impact Corona Crisis, 2021).

3.3.3 Gaps in adequacy of benefits

In overall terms, social security, in particular the temporary unemployment scheme, absorbs the most immediate consequences for full-time employees. Nevertheless, four important gaps need to be stressed. First, for the lower paid, the immediate fall in monthly income, even if it is later smoothed out through taxation, can still have a significant negative impact on the degree to which these households can make ends meet in the months in question, certainly in the absence of a financial buffer (which is important because temporary unemployment was more common in the lower wage categories) (Cantillon et al., 2020). This might be evidenced by the fact that the PCSWs have received more requests for an advance on benefits for the temporarily unemployed (Working Group Social Impact Corona Crisis, 2021). This situation further worsened when some of the payment institutions responsible for temporary unemployment benefits were not able to cope with the steep increase in files, causing long waiting periods for applicants. Second, temporary unemployment absorbs a significant part of the loss of income, but part-time

workers very often start from a lower income. The replacement ratio for a half-time employee at the minimum wage amounts on a monthly basis to 70%, but, depending on the family situation, the fall for a part-time worker might increase their risk of poverty. Third, the impact of the longer duration of temporary unemployment in terms of disposable income remains uncertain. Finally, looking ahead to the period that will follow the strict health measures, for families, dependent on regular unemployment or disability benefits and social assistance, the loss of employment prospects may be problematic in the short and medium term given the structural inadequacy of several of these benefits (Cantillon et al., 2020).

A COVIVAT⁵³ study suggests that minimum wages and minimum benefits in the case of temporary unemployment are just sufficient to cover necessary and urgent expenditure during the lockdown period (necessary expenses and expenses that can be postponed for only a few weeks). For those who were hit by a risk not directly related to COVID-19, the regular lowest unemployment benefits and the living wages for one-parent families are only sufficient to cover “non-deferrable expenses”. For single people, the living wage is even insufficient to cover all “unavoidable expenses” for food, housing and personal care (Cantillon et al., 2020).

3.3.4 Impact on poverty

In Belgium, the impact of social protection on poverty is generally considered to be substantial (Cantillon et al., 2014; FOD Sociale Zekerheid, 2019). However, over the last five years, the protective capacity of social transfers has decreased, especially among the working-age population. If one assesses the distributional capacity of social transfers by comparing at-risk-of-poverty rates before and after transfers, we see that social transfers (excluding pensions) accounted for a reduction in poverty rates of 45-46% between 2006 and 2012, 43-44% between 2013 and 2015, and then down to 42%, 40% and only 35% for 2016, 2017 and 2018 respectively⁵⁴. Before the crisis, poverty among workless families was rising sharply. In 2018, the poverty rate among workless households reached a record high of over 70%. There are many factors that explain this significant weakening of social protection systems, including changes in the profile of social beneficiaries. However, an important explanation lies in the reduction of the generosity and eligibility of social protection for the active population, especially in the case of long-term unemployment (Hermans et al., 2021).

Since the 2000s, continental welfare states have witnessed a dual transformation, which retrenched earnings-related benefits for long-term unemployed people and atypically employed people and expanded social security to “new social risks” (Bonoli, 1997) and “enabling” policies (Hemerijck, 2012). Work- and family-related spending – such as in-work benefits and parental leave – has increased, while the generosity of traditional “passive” income support for the unemployed has declined. This dual transformation (Bleses & Seeleib-Kaiser 2004) of the welfare state has included processes of “dualisation” (Emmenegger et al., 2012), which continued to protect core workers at the expense of labour market outsiders, and may be at the root of the paradoxical increase in poverty among jobless households and the simultaneous further increase in social expenditure in recent decades (Cantillon, 2011).

So conceived, on the eve of the COVID-19 pandemic, the Belgian social security system was weaker than at the time of the previous crisis in 2008, especially for people at the bottom end of the labour market who lost their jobs. Families, especially the lower skilled, were less resilient to bear the consequences of the COVID-19 crisis. These families were also those most affected by unemployment, sickness and loss of economic activity during

⁵³ COVIVAT is a research consortium on income distribution and the social effects of the COVID-19 crisis.

⁵⁴ In 2019, the reduction in poverty rose to 42%. However, in 2019 there was a major break in time series (household income is now collected through registers and no longer through surveys) which means that the 2019 and future poverty estimates may then not be comparable with those of previous years.

confinement. The measures taken should therefore not only be seen as an economic imperative for major supportive intervention but also as a necessary response to the weakening of the protective capacity of social security systems in recent decades. However, the increase in benefits for temporary unemployment periods, the temporary suspension of the reduction of the regular unemployment benefits and the granting of one-off premiums, are not always sufficient to maintain the income of affected low-income families at an acceptable level. Especially for families with children, unemployment benefits, child benefits and tax expenditures for minimum-wage earners remain insufficient to guarantee a decent life. Compared with reference budgets, minimum benefits in cases of temporary unemployment were just sufficient to cover unavoidable and non-deferrable expenses that were possible during lockdown (Cantillon, et al., 2020).

The question must also be asked why only the people in temporary unemployment schemes were supported with certain one-off premiums, while families who are dependent on regular unemployment or welfare benefits were also struggling with a structural income shortfall and had to deal with rising expenses due to the crisis. The temporary ad hoc premium of €50 for welfare recipients was a welcome addition for low-income families, but even with this additional support the amount was insufficient to lift the income of families who have to rent on the private housing market out of poverty.

3.4 Debates and recommendations

3.4.1 Debates

COVID-19-related risks were better protected than regular unemployment and sickness risks and social assistance, although the gradual reduction in benefits for the long-term unemployed was (temporarily) suspended and a temporary ad hoc premium of €50 was granted to welfare recipients. As a consequence, the policy responses reinforced the dual transformation of social protection that has taken place in recent decades, with retrenched earnings-related benefits for long-term unemployed people and atypically employed people on the one hand and expanded social security to “new social risks” on the other (Cantillon et al., 2021). This issue surfaced again with the government's planned increase in the social minima (see supra). Trade unions raised the issue that unemployment and sickness benefits will increase less than social assistance, pensions and some other benefits (which inter alia will bring these benefits below the level of social assistance) (Van Lancker, 2021). This is a problem given the fact that in the future attention will have to be paid to those families who are at risk of becoming (or remaining) unemployed or incapacitated. It is likely that many people, after the end of the temporary unemployment period, will have to appeal to inadequate unemployment benefits or to social assistance while the job prospects for sick people and the unemployed will look bleak. In the context of the planned increase in social minimum benefits, an old debate has also resurfaced concerning the individualisation of social rights.

In the aftermath of the financial crisis of 2008, there was no discussion about using the instrument of temporary unemployment, which was also hailed by international organisations as a very effective economic and social stabiliser. This time, because of the long duration of the crisis, questions are raised about the functioning of the system, especially with a view to strengthening the incentives for the unemployed to retrain and for companies to redirect their activities. It is estimated that during the crisis in 2020 only 2.9% of employees in temporary unemployment had received training. The hoped-for breakthrough of digital training has failed to materialise, despite many good initiatives. At the same time, the Belgian labour market is struggling with a large mismatch between supply and demand (OECD, 2020). Some employer organisations in particular point at the system of wage subsidies, which is considered a more flexible form of support for firms giving them more scope to manage their hours freely without reporting requirements. They also provide stronger incentives for firms to keep hours worked up and to increase them quickly when conditions improve.

A third debate, which does not make the headlines but is present in the circles concerned, relates to the extra support for the PCSWs (see annex, especially the extra subsidies of €130 million to PCSWs, to allow them to support beneficiaries of the minimum income and new applicants who lose their job and face difficulties paying their rent, energy bills, school expenses for children, and insurance costs). Questions have arisen about the capacity of the PCSWs to use these ad hoc funds adequately. PCSWs proved to have particular difficulty in identifying new groups of needy people to whom additional assistance should be offered⁵⁵. Many NGOs and civic associations have, however, been at the forefront of initiatives supporting the most vulnerable. They provided direct support (e.g. tablets to poor children who could otherwise not access online teaching) and played a strong advocacy role. It is noteworthy that the federal and regional governments have taken explicit measures to support NGOs and civic associations.

3.4.2 Recommendations

- The measures to extend the systems of temporary unemployment and bridging right to categories of workers that were previously not covered (such as certain interim workers, artists and technicians in the cultural and events sector, and sex workers) has proven to be effective in cushioning the negative effects of job loss during the pandemic. Even with these enlarged groups of beneficiaries, certain workers in non-standard employment did not have access to social protection and suffered serious income loss. It is recommended that consideration be given to structurally include all workers in some form of basic social protection, in the Belgian action plan to follow up on the EU Council Recommendation on access to social protection.
- Although the instrument of temporary unemployment is seen as a very effective economic and social stabiliser, the system has little effect on future work prospects. With a view to strengthen the incentives for the unemployed to retain their work and for employers to redirect their activities, and to remedy the mismatch between supply and demand, the system of temporary unemployment could be reviewed to ensure a better link with training efforts for workers.
- The negative social consequences of the crisis have proven to be hard for workless families, living on inadequate social assistance, unemployment or disability benefits. Their income, which was already insufficient to live on before the crisis, fell short of what was needed to pay for rising expenses during the crisis. This raises the fundamental problem of the adequacy of social benefits, especially of social minima, which has to be addressed on a structural basis. Moreover, they did not qualify for certain premiums as a complement to their income, in contrast to people who saw their income reduced due to the crisis. In line with widely acknowledged guidelines for fair and effective anti-poverty policies, it is recommended that, in times of crisis, additional income support be granted on basis of income levels, instead of social status.

⁵⁵ See M. Dewilde in <https://www.ucsia.org/home-en/themes/u-turn/solidarity-versus-poverty>).

REFERENCES

- Baptista I., Marlier, E., Spasova, S., Peña-Casas, R., Fronteddu, B., Ghailani, D., Sabato, S. & Regazzoni, R. (2021), *Social Protection and Inclusion Policy Responses to the COVID-19 Crisis: An analysis of policies in 35 countries*, European Social Policy Network (ESPN), Luxembourg: Publications Office of the European Union. Available at: <https://ec.europa.eu/social/main.jsp?langId=en&catId=1135>.
- Bleses, P. & Seeleib-Kaiser, M. (2004), *The Dual transformation of the German Welfare State*, Basingstoke, New York: Palgrave/Macmillan.
- Bonoli, G. (1997), Classifying Welfare States: a Two-dimension Approach, *Journal of Social Policy*, 26(3): 351-72.
- Cantillon, B. (2011), The paradox of the social investment state: growth, employment and poverty in the Lisbon era, *Journal of European Social Policy*, 21: 432.
- Cantillon, B., Van Mechelen, N., Pintelon, O. & Van den Heede, A. (2014), Social Redistribution, Poverty and the Adequacy of Social Protection, in Cantillon, B. & Vandenbroucke, F., *Reconciling Work and Poverty Reduction*, Oxford University Press, 2014.
- Cantillon, B., Marchal, S., Peeters, N., Penne, T., & Storms, B. (2020), *Huishoudbudgetten en sociale minima in lockdown*, COVIVAT Beleidsnota 2, in samenwerking met CEBUD, 8 mei 2020, Leuven/Antwerpen.
- Cantillon, B., Seeleib-Kaiser, M. & Van der Veen, R. (2021), The COVID-19 Crisis and Policy Responses by Continental European Welfare States, *Social Policy & Administration*, forthcoming.
- De Wilde, M., Hermans, K. & Cantillon, B. (2020), *Meer vragen om hulp bij OCMW's en voedselbanken: eerste resultaten van een grootschalige bevraging*, COVIVAT Beleidsnota 1, 7 mei 2020, Leuven/Antwerpen.
- Emmenegger, P., Häusermann, S., Palier, B. & Seeleib-Kaiser, M. (2012), *The Age of Dualization*, New York/Oxford: Oxford University Press.
- European Social Policy Network (ESPN) (2021), *COVID-19 impact on social protection and social inclusion policies – Statistical annex*, Brussels: European Commission.
- Eurostat (2020), *Impact of COVID-19 on employment income – advanced estimates*, *Statistics explained*. Available at: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Impact_of_COVID-19_on_employment_income_-_advanced_estimates&stable=1.
- FOD Sociale Zekerheid (2019), The evolution of the social situation and social protection in Belgium 2019. "Slowly falling behind".
- Hemerijck, A. (2012), *Changing Welfare States*, Oxford, England: Oxford University Press.
- Hermans, K., Cantillon, B., Delanghe, H., Horemans, J., Marx, I. & Neelen, W. (2021), De stijgende armoede bij quasi-jobloze huishoudens: in hoeverre is de sociale zekerheid verantwoordelijk? *CSB-Berichten*, Centrum voor Sociaal beleid Herman Deleeck, Universiteit Antwerpen.
- Horemans, J., Kuypers, S., Marchal, S. & Marx, I. (2020), *De kwetsbare werkende. Een profielschets van armoede en financiële bestaanszekerheid bij werkende Belgen*, COVIVAT Beleidsnota 4, juni 2020, Leuven/Antwerpen.
- Lens, D., Marx, I. & Mussche, N. (2020), *De initiële effecten van de COVID-19 pandemie op de Belgische arbeidsmarkt – opkomende ongelijkheden*, COVIVAT Beleidsnota 6, december 2020, Leuven/Antwerpen.
- Marchal, S., Penne, T. & Storms, B. (2020), *De doeltreffendheid van ons sociaal vangnet in corona tijden*, COVIVAT Beleidsnota 5, 22 juni 2020, Leuven/Antwerpen.

- Marchal, S., Vanderkelen, J., Cantillon, B., Decancq, K., Decoster, A., Kuypers, S., Marx, I., Spinnewijn, J., Van Lancker, W., Van Meensel, L. & Verbist, G. (2021), *The Distributional Impact of the COVID-19 Shock on Household Incomes in Belgium*, COVIVAT Working Paper 2, 7 Januari 2021, Leuven/Antwerpen.
- OECD (2020), *The Future for Low-Educated Workers in Belgium*, Paris: OECD Publishing.
- POD Maatschappelijke Integratie, Armoedebestrijding, Sociale Economie en Grootstedenbeleid (2020), *Enquête Sociale Impact Covid-19*, Oktober 2020.
- Rekenhof (2020), *Verslag van het Rekenhof aan de Kamer van Volksvertegenwoordigers, 177° Boek, deel II, Boek 2020 over de sociale zekerheid*, Brussel September 2020.
- Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitsluiting (2021), *Overzicht van COVID-19 maatregelen, ter ondersteuning in situaties van armoede en bestaansonzekerheid*, 29 januari 2021. Available at: <https://www.armoedebestrijding.be/wp-content/uploads/2021/01/210129-overzicht-covid-19-NL.pdf>.
- Van Lancker, A. (2021), *New Belgian government adopts multi-annual plan to lift social minima above the income poverty threshold*, ESPN Flash Report 2021/11, January 2021.
- Working Group Social Impact Corona Crisis (2021), *Monitoring van de gevolgen van COVID-19 op de werkgelegenheid en de sociale bescherming in België*, 29 januari 2021. Available at: https://socialsecurity.belgium.be/sites/default/files/content/docs/nl/sociaal-beleid-vorm-geven/monitoring_covid_20210126_nl_fr.pdf.

ANNEX: ADDITIONAL POLICY MEASURES

Extra support for Public Centres for Social Welfare

Although this report deals with benefits and measures supporting individuals directly, it is important to mention measures where the federal as well as regional governments have chosen to support PCSWs with extra funding to allow them to better deal with emergency situations for their citizens. These subsidies serve two purposes: income support for new beneficiaries of other social assistance than minimum-income allowances, as well as additional income support for actual beneficiaries of social assistance benefits.

The COVID-19 crisis in Belgium has shown a remarkable tendency to decentralise responsibilities for social services to the public, including extra financial support. This is a learning process that is important to assess and evaluate, since this may become a practice that could be continued even after the crisis.

The measures consist of the following.

- a) Extra compensation for PCSW expenses on minimum income (normally 79%, now up by 15 percentage points to 94%) is paid for by the *federal state*.
- b) The federal government also decided to grant extra subsidies totalling €130 million to PCSWs, to allow them to support beneficiaries of minimum income and new applicants who had lost their job and faced difficulties paying their rent, energy bills, school expenses for children, insurance costs etc. This subsidy was introduced at the request of the taskforce for vulnerable people that advises the federal government on measures to support people in precarious situations during the COVID-19 crisis. €10 million extra was granted to the PCSWs to cover extra overhead costs⁵⁶.
- c) *In Flanders*: an extra €45 million in support for PCSWs, to cover urgent social needs, supplements to the child benefits and consumption vouchers for vulnerable households⁵⁷.
- d) *Wallonia*: an extra €5 million support for PCSWs. €1 million extra for the social water fund to support people in need (see Section 2.5.5)⁵⁸.
- e) *Brussels capital region*: an extra €30 million support for PCSWs⁵⁹.

In many cases, no specific justification was required, or only general reports are expected. Although local authorities have a better view of the needs of the public, especially the people they already accompanied before the crisis, but also the new applicants who need help because of the crisis, it is not always easy to control where the extra funds went and if the money was well spent. There are actually no data available on how these ad hoc subsidies have been used by the PCSWs.

⁵⁶ <https://www.mi-is.be/nl/tools-ocmw/wetgeving-met-betrekking-tot-subsidies-covid-19> accessed in January 2021.

⁵⁷ <https://www.vvsg.be/nieuws/30-miljoen-voor-armoedebestrijding-lokale-besturen> accessed in January 2021.

⁵⁸ https://www.wallonie.be/sites/default/files/2020-04/cp_-qw_22_avril.pdf

⁵⁹ <https://www.brulocalis.brussels/nl/subsidies/maatregelen-covid-19.html>

Getting in touch with the EU

In person

All over the European Union there are hundreds of Europe Direct Information Centres. You can find the address of the centre nearest you at: <http://europa.eu/contact>

On the phone or by e-mail

Europe Direct is a service that answers your questions about the European Union. You can contact this service

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696 or
- by electronic mail via: <http://europa.eu/contact>

Finding information about the EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: <http://europa.eu>

EU Publications

You can download or order free and priced EU publications from EU Bookshop at: <http://bookshop.europa.eu>. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see <http://europa.eu/contact>)

EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex at: <http://eur-lex.europa.eu>

Open data from the EU

The EU Open Data Portal (<http://data.europa.eu/euodp/en/data>) provides access to datasets from the EU. Data can be downloaded and reused for free, both for commercial and non-commercial purposes.

