



## **Annual National Report 2009**

# **Pensions, Health and Long-term Care**

**Belgium**  
May 2009

**Author: Steven Segaert**

Disclaimer: This report reflects the views of its authors and these are not necessarily those of either the European Commission or the Member States.



On behalf of the  
**European Commission**  
DG Employment, Social Affairs and  
Equal Opportunities

Gesellschaft für  
Versicherungswissenschaft  
und -gestaltung e.V.



## Table of Contents

1	Executive Summary.....	3
2	Current Status, Reforms and the Political and Scientific Discourse during the Previous Year .....	4
2.1	Old-age pensions .....	9
2.1.1	Old-age pensions: system characteristics and reforms.....	9
2.1.2	Old-age pensions: debates and political discourse.....	12
2.1.3	Old-age pensions: overview of published impact assessments.....	13
2.1.4	Old-age pensions: critical assessment of reforms, discussions and carried out research .....	16
2.2	Health care.....	18
2.2.1	Health care: system characteristics and reforms.....	18
2.2.2	Health care: debates and political discourse.....	20
2.2.3	Health care: overview of published impact assessments.....	21
2.2.4	Health care: critical assessment of reforms, discussions and carried out research .....	23
2.3	Long-term care .....	23
2.3.1	Long-term care: system characteristics and reforms .....	23
2.3.2	Long-term care: debates and political discourse .....	25
2.3.3	Long-term care: overview of published impact assessments .....	25
2.3.4	Long-term care: critical assessment of reforms, discussions and carried out research .....	26
3	Impact of the Financial and Economic Crisis on Social Protection .....	26
	References .....	31
4	Abstracts of Relevant Publications on Social Protection .....	36
5.	List of Important Institutions.....	39

## 1 Executive Summary

2008 has not brought much in the way of exciting developments in the field of social policy in Belgium, but all the more where the political situation is concerned. Indeed, the ongoing political situation has impeded many necessary reforms. Change is in a sense limited to ongoing activities, and a continuation of policy that was set before the elections of June 2007, which have crippled the ability of governments to initiate and implement new initiatives.

This report reviews the evolution concerning pensions, health care and long term care in Belgium, within the time frame January 2008 to April 2009. It outlines the impact of the economic crisis, which is important, as the policy emphasis in Belgium in the past years has remained largely budgetary.

In the field of pensions, the policy debate has largely focused on the budgetary impact of the crisis and the financing of pensions. The “National Conference on Pensions” was launched on 27 November 2008, with the aim to formulate policy advice on the future pension system. The mission of the National Conference is two-fold: to reform and enforce the pension system, and to initiate reflection on how pensions are calculated. The proclaimed time-frame within which conclusions should be reached is one year. Regarding the sustainability of the pension system, the *Zilverfonds* (Silver Fund) remains a problematic issue. This Fund is created to build a financial reserve to supplement the repartition system and to ensure that pension obligations are met. A separate debate concerns the restrictions on the combination of a pension and professional activity. Beyond the age of 65, the possibility to work while receiving a pension remains limited and subject to a maximum amount. The coalition agreement from March 2008 which is currently in force inscribed an increase of the limits by 25%.

In the field of health care, recent reforms in the system focus on introducing further safeguards against the risk of impoverishment through needing health care, the emergence of a concise strategy concerning quality assessment, and mechanisms that ensure budgetary restraint, in order to ensure viability of the system. From 1 January 2008, coverage of self-employed persons has been extended to the level of employees. This also implies that higher contributions are to be paid. The base percentage of the contribution rises from 19,65% to 22%. A much debated initiative in 2008 was the National Cancer Plan, a multi-annual plan containing 32 concrete initiatives. Regarding impact assessment, much attention is devoted to access to the system and the quality of services, as the system is further improved and refined. The assessment of health care initiatives and of the system as a whole will be made easier by the introduction of the “Permanent Sample”, organised in 2007. This initiative takes advantage of the modernisation and automation efforts in the Belgian social security administration as a whole.

As for long-term care, the access has improved through extension and diversification of supply and through the development of better conditions for reimbursement. Quality is safeguarded on different levels. Concerning the quality of medical long-term care, the same standards apply as exist in health care. The communities further develop and enforce their own quality standards through subsidies and accreditation.

To cope with the impact of the financial and economic crisis, the different governments in Belgium are rolling out stimulus plans. Measures in this aspect include topical increases in the amount of social security and social assistance benefits. In summary, immediate action in an attempt to stimulate the economy is taken, at the cost of budgetary austerity and debt reduction.

## 2 Current Status, Reforms and the Political and Scientific Discourse during the Previous Year

2008 has been the year in which political crisis continued and economic and financial turmoil has come to the surface. Still, when looking at what happened in social protection policy only, one is tempted to conclude that this has been a quiet year. This impression is not illogic.

Reform is not in the cards in Belgium today. Policy initiatives and developments in the past years have carried, and still carry, an emphasis that is essentially budgetary. Thus, the evolutions described in this report are incremental tweaks and changes, which leave the fundamentals of the system essentially untouched.

In chapter three of this report, we argue that this position can not be maintained, given the economic and financial crisis and its damaging effect on the state budget, and particularly on government debt. In the same chapter, we point to the stimulus plan (*relanceplan*) of the federal government, the “social chapter” of which is mainly<sup>1</sup> formed by the 2009-2010 Inter-Professional Agreement.

While other evolutions can be readily placed within the respective chapters concerning pensions, health care and long-term care, the Inter-Professional Agreement is easier discussed as a separate topic.

### The Inter-professional Agreement 2009-2010

#### *Background*

Inter-professional agreements between the representative worker and employer organisations are an important element in Belgian social policy setting, and crucial to understand historic developments and certain peculiarities of the social protection system. The agreements are concluded for a period of two years, with the first one dating from as early as 1960. There were no agreements between 1976 and 1986, as the government at that time did not invite the social partners to conclude one - a result of the severe economic crisis of the seventies, and linked to the hike in oil prices at that time. Under this system, issues concerning wages and working conditions, and concerning certain aspects of social security, are left to the social partners to discuss and agree upon. When no agreement can be reached (which happened in 1996 and 2005), the Government takes the final decisions. This set-up ensures acceptance of necessary reforms and a more balanced policy, and avoids social agitation. Its importance, role and tradition are deeply rooted in history.

Since 1996, negotiations between the social partners are no longer entirely free. From that

---

<sup>1</sup> “Mainly”, as there are still some measures taken that are part of the stimulus plan, but do not feature in the Inter-Professional Agreement.

(a) Measures in case of restructuring of firms: more information and support to companies and affected employees; compulsory outplacement-type intervention by the Government in the form of “employment cells” (“tewerkstellingscellen”), in case of collective redundancy or bankruptcy.

(b) An important increase of benefits for “economic unemployment” - a system whereby an employer can send employees home for a limited period of time, because there is a lack of work, and whereby the employee receives an unemployment benefit for these missed days. The system only exists for blue-collar workers. At present though, there is rather fierce debate and a strong desire to extend the system to white collar workers.

(c) Measures that improve the situation of temporary workers, employed through the system of “uitzendarbeid”. As these employees are employed by the agency that sends them out, not by the company that puts them to work, they are not covered by some protective measures of which the normal employees of the company benefit (such as temporary or economic unemployment). This is now remedied.

year onwards, the Government decided to impose the "wage norm" (*loonnorm*), in order to protect the competitive position of Belgium in comparison to the surrounding countries. In essence, the "wage norm" is meant to prevent that wage costs rise faster than that of the most important trade partners (The Netherlands, Germany and France). To assess just how much room there is for discussion, a "Central Economic Council" (*Centrale Raad voor het Bedrijfsleven; Conseil Central de l'Économie*<sup>2</sup>) keeps track of the evolution of wage costs in these countries, and submits a technical report that contains the margins within which wage costs can rise in Belgium. This then is the same margin within which the social partners have to reach an agreement<sup>3</sup>.

The Inter-Professional Agreement for 2009-2010 was concluded on December 22<sup>nd</sup>, 2008<sup>4</sup>, and is a rather remarkable edition as the margin for wage raises is very limited and has been defined as fixed sums, rather than (as is traditional) as percentages.

### Content

The main points of the agreement are described hereafter. Accompanying the description, where relevant, are assessing and analysing side-notes, necessary to understand the current state of affairs.

#### *Social contributions*

The partners to the Inter-Professional Agreement agreed to simplify the existing system of contribution-reductions for certain target groups. At present, the contributions that need to be paid by employers are reduced in a myriad of cases, mainly when it concerns hiring employees who are deemed to be in a vulnerable group. This is done to make labour costs for those groups cheaper and hiring them more attractive.

Many of these "social tax breaks" will be abolished<sup>5</sup> in order to simplify the system, and will be replaced by a higher linear reduction, in effect raising wage costs for some and lowering them for most when compared to the current wage cost level.

An admirable cause at first glance, this part of the IPA has received severe criticism from the Flemish Regional government level, which counts certain aspects of labour market policy amongst its competencies<sup>6</sup>. The dispute revolves mainly around measures aimed at older workers, a group of which there are many in Flanders, and towards whom the Flemish government has implemented several measures to increase participation in the labour market. Abolishing specific measures that aim to lessen the wage cost for this target group, so goes the argument, belies and undermines these Flemish Regional efforts, and is in direct conflict with targeted subsidies offered on the Flemish level.

This debate comes at a sensitive time and touches a nerve in the gaping wound of Belgian

---

<sup>2</sup> The "Central Economic Council" is an advisory organism, composed of representatives of worker organisations and employer organisations. More information can be found on <http://www.ccecrb.fgov.be/> (in Dutch or French). The "wage norm" which was the guidance for the IPA 2009-2010 is based on the technical report found here: <http://www.ccecrb.fgov.be/txt/nl/doc08-1400.pdf> (Dutch) or <http://www.ccecrb.fgov.be/txt/fr/doc08-1400.pdf> (French).

<sup>3</sup> Note that the margin, a percentage, also has to include the indexation and other automatic adaptations that have an influence on wage costs.

<sup>4</sup> The text of the agreement is accessible via <http://www.cnt-nar.be/DOC-DIVERS/IPA-AIP/IPA%202009-2010-fr.pdf> (French) or <http://www.cnt-nar.be/DOC-DIVERS/IPA-AIP/IPA%202009-2010-NL.pdf> (Dutch).

<sup>5</sup> The simplification was meant to be implemented in April 2009, with a transition period for those who currently benefit from the target-specific reduced contribution rates (until the end of 2010).

<sup>6</sup> Note that, unlike in the French Community of Belgium, the competences of the Flemish Community have been unified with those of the Flemish Region and are exercised by one directly elected Flemish Parliament based in Brussels, and by its executive branch, the Flemish Government.

politics after the elections of June 2007. Much of the political difficulties after these elections are attributed to tensions between the different visions of the different parts of the country on how the division of competencies in the Belgian Federal state structure should evolve.

Not disputing the sensibility of administrative and factual simplification, one can not fail to notice a discrepancy between the planned abolishing of measures targeted at reducing the wage cost of older workers and the established policy goal of raising the work-participation rate of this specific group<sup>7</sup>.

Furthermore (concerning social contributions) the Inter-Professional Agreement contains measures to make working in shifts, during the night, and performing overtime cheaper.

*Purchasing power preserving measures – wages<sup>8</sup>*

In Belgium, the adaptation of wages to price evolution is achieved through a system of indexation, agreed upon by the social partners on a *sectoral* level. In execution of previous Inter-Professional Agreements, wage increases were implemented next to this indexation, as long as the sum of the two remained within the aforementioned “wage norm”.

The present Agreement changes this approach, taking into account the current economic situation. The indexation of wages remains, but there is no scope for wage increases on top of this preserving measure. In other words, no wage increases will be implemented on the level of sectoral collective agreements for the next two years. Instead, a fixed envelope is agreed within which additional wage benefits may be rewarded - EUR 125 in 2009, and EUR 250 in 2010<sup>9</sup>.

This amount can be spent on any combination of agreed measures:

- (a) The adaptation of sectoral minimum wages, to be in accordance with the European Directive of November 27<sup>th</sup>, 2000, establishing a general framework for equal treatment in employment and occupation<sup>10</sup>.
- (b) Awarding “eco-cheques” to employees, coupons that can be spent on listed environmentally-friendly purchases, and that are not considered as wage for social security purposes (which in turn also means that no contributions need to be paid on the advantage).

---

<sup>7</sup> The 2005 “Generation Pact” Act (see further, pensions) had just introduced a new target group social contribution reduction for workers above 50 years old. This now seems to disappear again. A televised report on the matter is here: <http://www.deredactie.be/cm/vrtnieuws/archief/2.1222/politiek/1.473537>.

<sup>8</sup> The buying power preserving measures discussed under this header are only for employed persons, and therefore less relevant for the scope of a report dealing with social protection. However, the approach discussed has relevance as to the response to the economic and financial crisis.

<sup>9</sup> These figures are “per employee”, but is not applied in a strictly linear fashion. How this money is utilised is to be determined via sectoral collective agreements. In practice, the total number of employees in a sector of industry will be multiplied by 125 or 250, resulting in the financial room for manoeuvring in that sector. One employee may therefore benefit more than the other.

<sup>10</sup> In this respect, the “wage gap reports” by the Federal Public Institute for the Equality of Women and Men (IGVM - <http://igvm-iefh.belgium.be/>) are interesting. Based on 2006 data, the IGVM reports an overall difference in hourly wages of 11%, with sector-specific gaps of as high as 27% of real earnings. When taking into account gross wages, the differences are even larger, with gaps of as much as 40%. With reference to the Inter-Professional Agreement, in some sectors, reducing this gap will therefore consume most, if not all, of the available financial envelope.

The IGVM also notes that part-time work can only account for part of the difference – in more than half of the cases, the difference is simply the result of different wages for the same work. The 2009 report is available in Dutch and French via this link: [http://igvm-iefh.belgium.be/nl/publicaties/de\\_loonkloof\\_tussen\\_vrouwen\\_en\\_mannen\\_in\\_belgi\\_-\\_rapport\\_2009.jsp?referer=tcm:336-44071-64](http://igvm-iefh.belgium.be/nl/publicaties/de_loonkloof_tussen_vrouwen_en_mannen_in_belgi_-_rapport_2009.jsp?referer=tcm:336-44071-64).



(c) Lowering the amount an employee has to contribute in “meal coupons”, by increasing the amount the employer is allowed to contribute<sup>11</sup>.

(and 5.) The possibility to increase compensation for transportation between the home and the workplace (implemented through two separate measures, which are not detailed here).

The Inter-Professional Agreement thus sets the menu from which the negotiators in the different sectors of industry can pick their choice, and determines how much they can spend. This offers much less scope for negotiation than under previous Inter-Professional Agreements. Moreover, each of the items on the menu has the potential to deplete the available envelope of funds, rendering agreement even more challenging.

In summary, maintaining purchasing power of employees is guaranteed through indexation, while further wage cost increases are kept in check<sup>12</sup>.

#### *Purchasing power preserving measures – social security benefits*

Since 2006<sup>13</sup>, a structural mechanism is put in place to ensure that social security benefits (both in the employee and self-employed system) keep track of the evolution of wages. This mechanism is called the “prosperity bonus” (welvaartsbonus). It creates the obligation for the Government to decide every second year on a budget for adapting benefits. The act contains a minimum amount for this budget, but does not determine how the money should be split over the different benefits in social security. That is for the Government to decide, taking into account the advice of the social partners - who in other words decide on the priorities on which the Government should focus. The mechanism was used for the first time in 2006, to decide upon adaptations for 2007 and 2008<sup>14</sup>.

The Inter-Professional Agreement contains new adaptations, to enter into force on 1 September 2009 and 1 September 2010. Other adaptations have been implemented as from 1 January 2009 onwards<sup>15</sup>.

#### *Implementation*

The importance of the Inter-Professional Agreement is that it translates directly into concrete legislative action. Legally speaking, however, the agreement is not executable as such, but requires implementation by way of several other legal instruments.

The Government has made a start with the implementation of the agreement through the so-called “stimulus plan” (“relanceplan”), a set of measures that are meant to stimulate the economy and ease the exit out of the economic crisis. However, with respect to the

---

<sup>11</sup> Meal coupons are also free of social contributions. In effect, they represent a net wage element for the employee. To limit the extent of this advantage, regulation surrounding meal coupons determines that only one coupon per working day can be awarded, and that the employee has to contribute a minimum amount, while the employer can contribute a maximum amount of the price. The minimum amount for the employee is EUR 1,09 while the maximum amount for the employer can now be raised from EUR 4,91 to EUR 5,91. In the sectors where this change will be implemented, the coupons will therefore raise in value, from EUR 6 to EUR 7.

<sup>12</sup> One reason why the financial envelope for wage raises is kept so small, is that the social partners had taken into account an index change of +5.1% over the next two years. The Federal Planning Bureau, however, forecasts a year-inflation of 1% in 2009 (compared to 4.49% in 2008 and 1.82% in 2007).

<sup>13</sup> By virtue of the 2005 “Generation Pact” Act (discussed further – pensions).

<sup>14</sup> A detailed overview of what has been decided prior to 2009 can be found on <http://www.riziv.fgov.be/information/nl/studies/study33/pdf/study33.pdf>.

<sup>15</sup> The list of adaptations is long and technical. For a more detailed overview, see DAUPHIN, Myriam and VAN DEN BERGH, Piet, “Het Interprofessioneel akkoord voor 2009-2010”, in *Sociale Wegwijzer*, 2009/3, February 2009.

implementation of the Inter-Professional Agreement, not all went as planned.

As noted above, certain aspects of the simplification of contribution reductions have received harsh criticism, notably from the level of the Flemish Region. As this level of decision-making is not involved in forming the Inter-Professional Agreement, the Agreement could continue despite this debate. As soon as the Government had to submit the necessary legislation to the federal parliament, however, the opportunity was there – and it was taken – to translate the criticism into political resistance by declaring a “Conflict Of Interest” (*Belangenconflict*).

Described in short, the Flemish parliament called in a constitutional provision that prevents one part of the federal state structure to take measures that impede policy efforts in the other part. In this case, a conflict between federal policy (social security) and regional policy (labour policy)<sup>16</sup>. The procedure forces the entity which has initiated the disputed piece of legislation to halt its proceedings and reconsider. When no compromise is reached, the matter is taken further to dedicated constitutional institutions (in this case, first the Senate).

As a result, and to get out of this quagmire, the federal government has lifted the disputed issues out of the law that contains the provisions that are to implement the Inter-Professional Agreement, which in return prompted criticism from the social partners<sup>17</sup>. The situation is rendered especially painful as the Flemish Parliamentary majority holds the same political parties as those who have promoted the disputed measure in the Federal Government, which also lies uneasy with the French-speaking partners in the Federal Government.

Further, the representatives of employers and workers, on the national level and on the level of the different economic sectors, also need to take measures to implement the framework IPA agreement. Regarding the national level, a set of five legally binding collective industrial agreements was concluded on 20 February 2009<sup>18</sup>.

On a sectoral level, agreements are concluded that are binding for the employers and the employees alike. This is organised through different negotiating and bargaining organisms<sup>19</sup>. The first *sector* in which a collective agreement for the implementation of the IPA was

---

<sup>16</sup> To understand this mechanism, it is necessary to know that in the Belgian federal state structure, the regional and community level are not subordinate to the federal level. The constitution, together with so-called “constitutional laws”, outline which level is competent for what. Following this division of competences, the legal instruments deployed by all levels have the same place in the legal hierarchy. The present situation concerning this aspect of the Inter-Professional Agreement illustrates the debate that is at the core of tensions between the different parts of the countries, being the imperfect and inhomogeneous nature of the division of competencies (a classic example being that one entity is competent for labour policy and job mediation, while the other governs social security provisions and policy including unemployment). For the text of the motion, see <http://jisp.vlaamsparlament.be/docs/stukken/2008-2009/g2109-1.pdf>.

<sup>17</sup> The final (and adopted) text of the law is published in the Belgian State Gazette (*Belgisch Staatsblad*) on Tuesday, April 7<sup>th</sup>. Economische Herstelwet van 27 maart 2009, B.S. 7 april 2009, 25986 (see [http://www.ejustice.just.fgov.be/mopdf/2009/04/07\\_1.pdf](http://www.ejustice.just.fgov.be/mopdf/2009/04/07_1.pdf)).

The faith of the deleted provisions is as of yet unclear. As there is no longer a formal text that contains the provisions, a new project of law will have to be submitted to the federal parliament, which can then be the subject of a new Flemish motion concerning a Conflict Of Interest. However, with regional elections forthcoming on 7 June 2009, such a tension-raising move seems unproductive, and it is more likely that this issue will be laid to rest until after that time.

<sup>18</sup> All national collective agreements are accessible on the website of the National Labour Council (<http://www.cnt-nar.be/E11.htm>). The agreements are not available in any other languages than Dutch or French.

<sup>19</sup> Collective bargaining in Belgium is deeply entrenched and organised. A more detailed description of the system (with a possibility for the reader to compare it to a system that is more familiar) can be found on this website of the European Trade Union Institute: [http://www.worker-participation.eu/national\\_industrial\\_relations/countries/belgium](http://www.worker-participation.eu/national_industrial_relations/countries/belgium).



reached, was that of the chemical industry<sup>20</sup>.

## 2.1 Old-age pensions

### 2.1.1 Old-age pensions: system characteristics and reforms

The first pillar<sup>21</sup> of the Belgian pension system consists of a statutory system, providing for a retirement pension for insured persons who have attained a certain age and who have stopped working. The retirement age is 65 for men and women (from 2009 onwards, raised from being 60 in 1997).

The pension benefit for employees is calculated as a percentage of the average wage of that employee over the period between 20 years of age and the normal pension age (75% for retired employees who have dependents without other income; 60% for all other employees).

The benefit for self-employed people is determined differently, on the basis of a low, flat-rate business income per year (for the years prior to 1984), or of the (capped) business income.

Civil servants benefit from yet another set of statutory provisions, in which the benefit is calculated not on the whole career, but on the last years of service. Conceptually, pensions for civil servants are seen as a form of “delayed wages”, rather than insurance-based benefits.

The statutory pension system in Belgium contains several mechanisms to ensure that the amount of the pension reaches a certain level.

An important mechanism to ensure adequate levels of pensions is the minimum right per year of career. As pensions are calculated as a percentage of previously earned (capped and revalued) wages, low wages can lead to low pension rights. The mechanism compares the revalued wage in a particular year with the minimum wage, and takes into account the highest amount. The mechanism of minimum right per year of career was introduced in 1996. The notional minimum was raised by 17% in the framework of the Generation Pact (2005). Both the original setup and the increase logically should benefit women, due to generally lower wage levels.

A minimum pension is granted to persons who have worked at least 30 years (at least half

---

<sup>20</sup> The agreement applies to employers and employees in the chemical industry and connected industries, such as the pharmaceutical, synthetics and petrochemical industry. As such, it concerns around 50.000 blue collar workers (white collar workers in these sectors are represented, together with other white collar workers, in a different collective organ and will fall under a different collective agreement). See also *ACV Visie*, April 17<sup>th</sup>, 2009, 14 ([http://www.acv-online.be/Images/visienr12\\_1704\\_tcm9-197873.pdf](http://www.acv-online.be/Images/visienr12_1704_tcm9-197873.pdf)).

<sup>21</sup> The fundamental difference between first, second and third pillar social security provisions is adequately reflected in this definition of social security: “Social security is a collection of redistributive arrangements intended to reach a situation of optimum protection against collectively recognised human damage. The first pillar consists of those regulations in which redistributive flows of finance are controlled by public institutions (defined by the OECD as “general government” and encompassing central government, local governments and social security institutions). The second and third pillars consist of social security regulations in which the redistributive flows of finance are controlled by private institutions. The second pillar is distinguished from the third pillar by its work-related character. This is expressed through the fact that such schemes are developed within an enterprise or an industrial sector, or within a professional category or group. Every individual, however, regardless of his professional status, is free to take part in the third pillar.” Source: *Onzichtbare pensioenen in België : een onderzoek naar de aard, de omvang en de verdeling van de tweede en derde pensioenpijler (eindrapport)*, GIESELINK, Gerhard, PEETERS, Hans, VAN GESTEL, Veerle et al, Gent, Academia Press, 2003. A summary of this report (in English) is available here as an ISSA paper: <http://www.issa.int/pdf/anvers03/topic4/2peeters.pdf>.

time). Before the Generation Pact of 2005, the minimum pension was only granted to those with a minimum of 30 years of career with a full-time contract. The adaptation in the mechanism of minimum pensions are also said to benefit women, as the percentage of women working part time is significantly higher than that of men (40,6% versus 7,5% in 2007<sup>22</sup>).

Once the right to a minimum pension is established, the amount is then calculated on the basis of the career. This calculation is complex, and can lead to different amounts depending on the exact composition and placement of career fragments. When the pension rights are not sufficient, a person has the right to a means-tested *Guaranteed Income for the Elderly (IGO)*. This IGO, paid on top of whatever pension right is acquired, has been raised to bring it to the level of the official poverty lines. Furthermore, conditions for pensioners who live together with other family members (for example, their children) are changed favourably, meaning that the income of these other family members is no longer taken into account when the level of the IGO is determined.

Under the second pillar, we acknowledge (for *employed* persons):

- “group company pensions” (financed through group insurance or a pension fund);
- “individual company pensions” (benefiting an individual employee, and subject to strict conditions to make sure it is only awarded occasionally, rather than systematically<sup>23</sup>);

(both set up on the basis of a unilateral decision by the employer)

“sectoral pensions” (created on the basis of a collective agreement within a joint committee or sub-committee, obliging the employer in these sectors of industry to take out pensions for all employees who fall within the scope of the collective agreement).

For *self-employed* persons, the provisions of the second pillar contain:

- the free supplementary pension for the self-employed, which operates as an individual life insurance policy and is accessible to all self-employed;
- the supplementary pension for certain liberal professions (an opportunity given to members of certain professions through recognised pension funds, set up by the group of professionals concerned<sup>24</sup>);

the supplementary pension for self-employed managers (some self-employed managers can participate in a group company scheme or benefit from an individual company pension).

---

<sup>22</sup> Eurostat  
<http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=1&init=1&pcode=tps00159&language=en>.

<sup>23</sup> Individual company pensions are only permissible when awarded in rare cases. This restriction is put in place to avoid an obvious “work-around” in order not to have to establish group company pensions. Even if the employer is free as to which categories of staff to include in group company pensions, unlawful distinctions can not be made.

<sup>24</sup> The Provident Fund for Doctors, Dentists and Pharmacists (Dutch: Voorzorgskas voor Geneesheren, Tandartsen en Apothekers - VKG), the Provident Fund for Pharmacists (Dutch: Voorzorgskas voor Apothekers - VKA), the Supplementary Pension Fund for Notaries (Dutch: aanvullend pensioenfonds voor het Notariaat) and the Provident Fund for Lawyers and Process Servers (Dutch: Voorzorgskas voor Advocaten en Gerechtsdeurwaarders).

The second pillar pension system is regulated by the 2003 Act on Supplementary Pensions<sup>25</sup>, which creates socio-economic protection for supplementary pensions that are agreed on the level of the company or the sector of industry, and determines the rules under which a second pillar system can be constituted. It further introduces fiscal measures to encourage take-up of the second pillar system, from the observation that second pillar systems were until then almost only joined by high wage earners – those for who the replacement rate of the statutory system is the lowest<sup>26</sup>.

The third pillar of the pension system includes different saving schemes with different fiscal treatment. In this respect, individual life insurance is to be distinguished from saving-based pension schemes. While the concept is very similar, tax treatment of both set-ups is quite different.

Within this three-pillar framework, policy evolution and reform in Belgium is characterised by an incremental approach, rather than by big changes. The emphasis is on evolution, not revolution, and on budget measures rather than on a re-thinking of the fundamental underlying principles of the system. Hence, no mayor reform initiatives have been taken in 2008.

The system has further evolved, however, mainly through the continuation of changes set in motion through earlier measures. Four important initiatives need to be explained in this respect, as they set the agenda and contain the information necessary for assessing current evolution.

A first important text is the 1996 Act on the sustainability of pensions<sup>27</sup>, which introduced

- a) the equalisation of the pension age of men and women (by gradually raising the pension age for women from 60 to 65, by 2009),
- b) the introduction of changes in the calculation of pension amounts that benefit women in particular, and

an increase in the replacement rate by linking the capped wage that is taken into account for the pension calculation to the evolution of wages, and through a re-evaluation of the minimum pension and the residual social assistance scheme (guaranteed income for the elderly).

Secondly, the 2001 Act on the institution of the “Silver Fund” (*Zilverfonds*)<sup>28</sup> requires mentioning. This Fund was created to build financial reserves that can be used to finance the extra obligations of the legal pension system when the “baby boom generation” will reach the legal pension age (between 2010 and 2030), and is financed by surpluses on the State budget, investments, non-fiscal income and – primarily – savings made through reducing the public

---

<sup>25</sup> Wet van 28 april 2003 betreffende de aanvullende pensioenen en het belastingstelsel van die pensioenen en van sommige aanvullende voordelen inzake sociale zekerheid, *Belgisch Staatsblad*, 15 May 2003.

<sup>26</sup> Figures on participation illustrate this point: in 1999, a maximum of 30% of employees participated in a group company pension or a sector pension. Fiscal data for the same year shows that 80% of the total volume of benefits paid went out to 20% of the recipients. For a more detailed analysis of data prior to 2003, see GIESELINK, PEETERS, VAN GESTEL e.a., 2003.

The current percentage of participation amongst workers is estimated to be around 48% (Report of the Study Committee on Ageing, 2007). More recent figures, offered by insurer Swiss Life on the bases of a poll amongst 8600 participants, indicate a participation level of 54% (<http://www.trends.be/nl/economie/finance/4-231-47270/tweede-pensioenpijler-wint-aan-belang-in-belgie.html>).

<sup>27</sup> Wet van 26 juli 1996 tot modernisering van de sociale zekerheid en tot vrijwaring van de leefbaarheid van de wettelijke pensioenstelsels, *Belgisch Staatsblad*, 1 August 1996.

<sup>28</sup> Wet van 5 September 2001 tot waarborging van een voortdurende vermindering van de overheidsschuld en tot oprichting van een Zilverfonds, *Belgisch Staatsblad*, 14 September 2001 (Law of 5 September 2001, guaranteeing the continuing reduction of public debt and the creation of an Ageing Fund).

debt.

By the same Act, a “Study Committee on Ageing” (*Studiecommissie vergrijzing*) was created and commissioned to deliver yearly reports on the long-term budgetary impact of ageing where it concerns social security and social assistance (not limited to pensions). These yearly findings are important, as they form the basis on which the High Council of Finance<sup>29</sup> (an organism within the Federal Public Service Finance) formulates its own recommendations. The two reports together then form the basis for an appendix to the budget (the “Silver Note” or *Zilvernota*), in which the Government outlines the policy concerning the challenges encountered. The activities of the Study Committee on Ageing are thus institutionalised.

Third, the 2003 Act on Supplementary Pensions, which regulates the second pillar pension system (see above).

Lastly, the 2005 “Generation Pact”<sup>30</sup> contains measures to activate older workers (stricter rules for the system of “bridging pensions” and the emergence of a “pension bonus”), and changes made to the level of the benefits (the so-called “prosperity bonus” or *welvaartsbonus*).

These four policy initiatives and their implementation today constitute the scope of pension reforms in Belgium and are reflected in the policy goals and overall ambitions expressed in the National Strategy Report.

Concerning early retirement (from the age of 60 onwards), the “Generation Pact” of 2005 raised the minimum career requirement from 30 years to 35 years. It should be noted that the income one can receive on top of an early retirement pension is much more restricted than it is for those who wish to work after the legal pension age.

### 2.1.2 Old-age pensions: debates and political discourse

In 2008, policy debate has largely focused on the economic and financial situation, and on its overall budgetary impact, which includes the financing of pensions. One development stands out: the uneasy start of the “National Conference for Pensions”.

This round-table exercise was launched on 27 November 2008, with the aim to formulate policy advice on the future of the pension system, which can then be taken into account by Government in order to reform the system. The proclaimed time-frame within which conclusions should be reached is one year. The mission of the National Conference is two-fold: to reform and enforce the pension system, and to initiate reflection on how pensions are calculated (with attention to problems connected to mobility between the different systems), and how it stands up to new challenges concerning ageing and to the specific situation of certain categories of employees (such as part-time workers and non-civil servants working in government service)<sup>31</sup>.

---

<sup>29</sup> See <http://docufin.fgov.be/intersalgen/hrfcsf/onzedienst/Onzedienst.htm>.

<sup>30</sup> Wet van 23 December 2005 betreffende het generatiepact, *Belgisch Staatsblad*, December 30, 2005. For a detailed overview of all the measures contained in this law, see [http://www.sd.be/site/NR/rdonlyres/DCCB3D2D-0991-4F8B-BDD1-6E2A854C6F32/0/GPwetoverzichtsartikel\\_NL\\_060131.pdf](http://www.sd.be/site/NR/rdonlyres/DCCB3D2D-0991-4F8B-BDD1-6E2A854C6F32/0/GPwetoverzichtsartikel_NL_060131.pdf).

<sup>31</sup> The political basis for the “National Conference for Pensions” is found in the coalition agreement of March 18, 2008, 13-15. The full text of the coalition agreement can be consulted here: [http://www.fedweb.belgium.be/fr/a\\_propos\\_de\\_l\\_organisation/administration\\_federale/politique/accord\\_de\\_gouvernement/index.jsp](http://www.fedweb.belgium.be/fr/a_propos_de_l_organisation/administration_federale/politique/accord_de_gouvernement/index.jsp) (French) and [http://www.fedweb.belgium.be/nl/over\\_de\\_organisatie/over\\_de\\_federale\\_overheid/Beleid/regeerakkoord/index.jsp](http://www.fedweb.belgium.be/nl/over_de_organisatie/over_de_federale_overheid/Beleid/regeerakkoord/index.jsp) (Dutch).

However, the debate seems limited from the start. This is apparent both through the effective (non-)involvement of specialised interest groups for the elderly (as discussed further, point 2.1.4), and through statements made by the two key persons who spearhead the National Conference – the Minister of Pensions, Mrs. Marie Arena, and the head of the Conference, Mr. Michel Jadot (who previously lead the Federal Public Service Employment). For example, a raise in the retirement age, as had been intensively debated in other countries such as Germany, is explicitly not on the table. Neither is a system of punitive measures for those who stop working earlier, or the enforcement of the importance of third-pillar pension systems (which seem to be largely ignored in the debate)<sup>32</sup>.

No results of the proceedings of the National Conference for Pensions have yet been published.

A separate debate concerns the restrictions on the combination of a pension and professional activity. Beyond the age of 65, the possibility to work while receiving a pension remains however limited<sup>33</sup> and subject to a maximum amount. No concise figures on activity beyond the legal pension age are available. However, such figures should in any case be treated with comprehension: apart from the possibility to take up employment, there is also the possibility to continue work in the framework of a private firm – something which may well be more popular, as it partly avoids the combination issue<sup>34</sup>.

Political and societal discourse now crystallises towards an easement of these restrictions, with an increase of the limits by 25% inscribed in the coalition agreement from March 2008, which is currently in force. Further easing of the restrictions could allow pensioners in the future to earn unlimited supplementary income without losing the pension benefit<sup>35</sup>.

### 2.1.3 Old-age pensions: overview of published impact assessments

Of all measures taken, those introduced by the 2005 “Generation Pact” have received the most attention through analysis and impact assessments. While the measures are relatively young and their impact is largely unknown, some available studies allow formulating preliminary conclusions.

#### *Making it financially more interesting to work longer*

---

<sup>32</sup> “Minister van Pensioenen geeft fout signaal”, Trends, March 30, 2009 (<http://www.trends.be/nl/economie/beleid/4-1408-52764/-minister-van-pensioenen-geeft-fout-signaal-.html>); “Michel Jadot : mijnheer Werk wordt mijnheer Pensioen”, Trends, December 8, 2008 (<http://www.trends.be/nl/economie/mensen/4-239-50865/michel-jadot--mijnheer-werk-wordt-mijnheer-pensioen.html#topPage>); GREGORIUS, Peter, “Pensioenconferentie”, in COC Brandpunt, February 2009 ([http://www.coc.be/publicaties\\_brandpunt\\_inhoud.php?id=559&subnav=2](http://www.coc.be/publicaties_brandpunt_inhoud.php?id=559&subnav=2)); Marie Arena: 'Desnoods fiscaal voordeel pensioensparen herbekijken', Het Nieuwsblad, 27 November 2008 (<http://www.nieuwsblad.be/Article/Detail.aspx?articleID=cp23cend>).

<sup>33</sup> The activity needs to be reported beforehand to the pension institution, which brings forth an important burden. This reporting requirement has been eased with the introduction of a modernised administration of social security administration, which meant that the link between employers and employees is known through an electronic declaration made by the employer. For all those who are not captured by that system, the requirement however persists.

The maximum amounts (expressed as gross income, before contributions and taxes) can be consulted on [http://www.rvponp.fgov.be/onprvp2004/NL/I/IH/IH\\_09\\_01.asp#a](http://www.rvponp.fgov.be/onprvp2004/NL/I/IH/IH_09_01.asp#a).

<sup>34</sup> The income gained in this way is only taken into account when it is extracted from the company.

<sup>35</sup> This is apparent from the programmes of several political parties. For further information on the debate, see also X, “Recht op arbeid, 10 jaar na het algemeen verslag over de armoede”, Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitsluiting, 2005



The “Generation Pact” introduced a “pension bonus” (*pensioenbonus*) in the first-pillar old-age pension system for private sector employees and in that of the self-employed, granting them an additional pension benefit of EUR 2 per working day that they continue to work after reaching the age of 62 (or after having reached 44 years of career)<sup>36</sup>. The minimum benefit itself is not increased by the bonus.

A similar system was created for civil servants willing to work beyond the age of 60 – the “age supplement” (*leeftijdssupplement*).

The measures apply to pensions that start at the earliest on 1 January 2007, and will be re-evaluated on its usefulness and impact by the year 2012. There is no bonus for those who continue to work after the age of 65, at which age workers in Belgium are expected to retire.

A simulation from November 2006<sup>37</sup> concludes that the introduction of the pension bonus might effectively decrease the implicit tax on working longer, but also notes that there are important differences between the impact for different types of workers; the typical female white-collar worker benefiting the most, and the male white-collar worker the least.

A research report dated June 2008, examining the impact on the retirement age and the redistributive effects of the mechanisms, places the real impact at a very low level: the pension bonus is said to increase retirement age with 0.2 – 0.4 years only<sup>38</sup>. The final assessment of the measures in 2012 will be instrumental to decide whether or not to continue them.

#### *Privately managed pension provisions*

Next to the statutory pension system, employees can build up a pension on the level of the company or sector of industry they work. For self-employed, a system (the “Free Supplementary Pension for the Self-Employed”) was created to offer a similar possibility. The third pillar scheme is based on individual initiative. Government supports, through tax incentives, long-term saving schemes and insurance set-ups.

The 2005 National Strategic Report on Pensions contains figures on the participation in *second pillar pension schemes* by employed people (blue collar and white collar workers)<sup>39</sup>, concluding that the overall participation rate is around 48%. For self-employed, the participation rate is estimated by the Study Committee on Ageing to be around 20%. Not citing new figures, the Study Committee on Ageing, in its 2008 report, repeats the assessment that participation has not increased after 2003.

Concerning the effect of second pillar pensions, the same report contains data (based on

---

<sup>36</sup> Information and examples on how the “pension bonus” works is available (in Dutch and French) on [http://www.rvponp.fgov.be/ONPRVP2004/NL/I/IK/IK\\_00.asp](http://www.rvponp.fgov.be/ONPRVP2004/NL/I/IK/IK_00.asp).

<sup>37</sup> DEKKERS, Gijs, “De pensioenbonus in de werknemersregeling: simulatie met het model MEP”, Federaal planbureau, November 2006 (<http://www.plan.be/admin/uploaded/200612071502530.wp0611nl.pdf>). An English summary is found in a press release announcing the report: [http://www.plan.be/publications/articles\\_det.php?lang=fr&TM=63&IS=93&KeyPub=513](http://www.plan.be/publications/articles_det.php?lang=fr&TM=63&IS=93&KeyPub=513).

<sup>38</sup> MAES, Marjan, “Redistributive impact of reforming the old-age pension system in Belgium”, Hogeschool-Universiteit Brussel, HUB research paper 2008/19, June 2008.

<sup>39</sup> NSR 2005, Annex 6, 51. The participation rates are estimates, as there are various reasons to conclude that many employees are counted twice in the available figures. See also the 2007 Report of the Study Committee on Ageing (Studiecommissie voor de vergrijzing, jaarlijks rapport 2007), for an assessment of the figures. The Study Committee concludes that there has been no real increase in participation after 2003.



persons who retire in 2004<sup>40</sup>) which suggest that the second pillar schemes provide mainly for an addition for those who have a statutory pension that is already high pensions, rather than for those with a low statutory pension. Moreover, there is an important gender imbalance: of the employees entering retirement in 2004, 42% of men and only 15% of women enjoy a supplementary pension. The amount of the supplement is also significantly higher for men than for women (on average, monthly, EUR 626 versus EUR 260).

Access to the second pillar schemes also seems to be unequal. However, as the 2004 figures concern pensioners entering in retirement at that time, and as data on differences when it comes to the working population which participates in the various schemes today is not available, actual inequality in access cannot be fully confirmed.

Concerning the third pillar scheme, a detailed analysis was published by the National Bank of Belgium, based on tax filings<sup>41</sup>. The report points to a participation level of 40% in 2003 (compared to 29% in 1993). It further concludes that the system is being taken up by people with a lower income than was seen before, pointing to a democratisation of the system.

Neither the second nor third pillar pension schemes are at this point an efficient instrument in the fight against poverty, however, nor has the 2003 Act on Supplementary Pensions lead to a notable increase in participation.

#### *Minimum pensions*

The amount of minimum pensions and IGO (income guarantee for the elderly) has been adapted in recent years (most recently, by a EUR 20 increase of the minimum pension for self-employed, effective from May 2009). However, the Study Committee on ageing concedes that the level of the minimum pension is not sufficient, and that the amounts (except for that of a single person with a full career) are below the poverty line<sup>42</sup>.

#### *The Open Method of coordination and the involvement of stakeholders*

Concerning the involvement of societal stakeholders in the processes surrounding the Open Method of Coordination, an interesting report highlights the evolution in this field and concludes that the situation is now structurally much better than it was at the start of these activities<sup>43</sup>.

---

<sup>40</sup> Information is used from the “pensioenkadaster”, an information system administered by the National Office for Pensions (RVP) and the National Office for Sickness and Invalidity Insurance (RIZIV), and which contains data on all first and second pillar pensions that are paid out from 1 October 1980 onwards. A digest of the figures (containing more information than is cited in the report of the Study Committee on Ageing) can be accessed as a powerpoint file on

<http://soc.kuleuven.be/ceso/pensioenbeleid/PPT%20SWISS%20LIFE%202%20oktober.ppt>.

There are also regular surveys by insurance companies and pension funds, however, the information taken from the „pensioenkadaster“ is the only objective source as it measures participation at the time the pension is paid out.

<sup>41</sup> STINGLHAMBER, P, ZACHARY, M.-D., WUYTS, G and VALENDUC, CH., “De determinanten van het sparen in de derde pensioenpijler”, Economisch tijdschrift, December 2007 ([http://www.nbb.be/doc/TS/Publications/EconomicReview/2007/ecotijdIII2007N\\_H6.pdf](http://www.nbb.be/doc/TS/Publications/EconomicReview/2007/ecotijdIII2007N_H6.pdf)).

<sup>42</sup> Study Committee on Ageing, report 2008, 13. See also the analysis published by the Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitsluiting ([http://www.armoedebestrijding.be/cijfers\\_leefloon.htm](http://www.armoedebestrijding.be/cijfers_leefloon.htm)).

<sup>43</sup> HAMEL, Marie-Pierre and VANHERCKE, Bart, “‘Harde’ nationale politiek en ‘zachte’ Europese samenwerking. Heeft open coördinatie (dan toch) tanden gekregen?”, BTSZ (Belgian Review of Social Security), 01/2008, 75-114. The full issue is available online: [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz\\_01\\_2008\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz_01_2008_nl.pdf).

#### 2.1.4 Old-age pensions: critical assessment of reforms, discussions and carried out research

##### *More people in work and working longer*

The level of activity amongst people over 50 years old in Belgium is rising<sup>44</sup>, but remains low in view of a sustainable social protection system. The Government has taken different measures to remedy this.

An important evolution in this respect, introduced by the 2005 “Generation Pact”, is the tightening of conditions for the system known as “bridging pension” (*brugpensioen or pre-pension*). Not a pension as such, it is an unemployment benefit granted to older workers who get fired and to which an additional benefit is added by the employer. These workers are then no longer expected to take up new employment. This system is meant to “bridge the gap” between the last employment and retirement.

The system is complicated<sup>45</sup>, and has been used in different sectors to soften the effect of big lay-offs whilst maintaining social peace. It is an expensive and often criticised system. However, pressure from mainly trade unions has prevented the system from being abolished altogether.

The 2005 “Generation Pact” seeks to limit the use of the system by gradually introducing stricter rules, effective from 2008 onwards. Still, the system of “bridging pension” will remain to offer possibilities for an early exit from the labour market from the age of 50 onwards<sup>46</sup>.

The 2009-2010 Inter-Professional Agreement brings no changes, as existing collective agreements on the matter are explicitly kept in place. It can therefore be expected to continue to have an important negative effect on labour market participation for older workers, as employees benefiting from the system are not required nor motivated to take up new employment<sup>47</sup>.

##### *Information and transparency*

The quality of the administration of social security in general has benefited to a great extent from a move towards the electronic collection of data and electronic information exchange between different institutions, leading not only to efficiency and effectiveness, but also to better policy through better information<sup>48</sup>, and a possibility to deliver pro-active services. One of these pro-active services is the automated communication of a tentative pension calculation, sent to employees (as from 2006) and self-employed (as from July 2007) from the age of 55. The importance and relevance of this service cannot be denied. Other initiatives include accelerated proceedings when an application is entered for the Guaranteed Income for the Elderly.

Concerning the involvement of stakeholders in the pension debate, the previously mentioned “National Conference on pensions” deserves further attention, as it was meant as an instrument to bring together societal stakeholders on the issue of pensions. While a promising

---

<sup>44</sup> The average age at which workers exit active employment has risen from 59.4 in 2004 to 61.6 in 2007 (see [http://www.statbel.fgov.be/figures/d31\\_nl.asp#2](http://www.statbel.fgov.be/figures/d31_nl.asp#2) for a detailed overview).

<sup>45</sup> For an overview of what is possible after 2008 and of how the conditions will change over the years, see <http://www.conventioneelbrugpensioen.be/overzichtstabel.html>.

<sup>46</sup> The “normal” age for the system is brought to 60 years, but several “special” systems remain in existence.

<sup>47</sup> The employer benefit added to the unemployment benefit is exactly meant to compensate for the loss of income.

<sup>48</sup> An immediate declaration of employment (Dimona) for example allows real-time information on employees entering and leaving jobs.

development, interest groups had raised concerns that this Conference would only involve the political level, the administration and the social partners (employer and employee organisations) and not the interest groups of pensioners themselves.

This concern is now confirmed. Representatives of the elderly are not invited to participate in the main organ of the “National Conference for Pensions”, the “Task Force”, and are only invited to one of the “Preparatory Working Groups” – the Working Group Societal Participation, which will not discuss federal affairs, but rather topics that are then sent to the Communities<sup>49</sup>. They take no part in two other important Preparatory Working Groups, on statutory pensions and on second pillar pensions.

In other words, it is clear that the federal government, when it comes to shaping and discussing the social security aspect of the pension issue, wishes to deal with the established social partners only, rather than directly with interest groups.

Future assessment will determine if the “National Conference” can yield tangible results amidst other decision-making and policy-setting organisms such as the National Committee on Ageing, or if it will prove an irrelevant exercise. With respect to the desire to have a larger societal debate, so far, the latter seems to be the case.

#### *Financial sustainability of the pension system*

One should note that the *Zilverfonds* (Silver Fund), which is created to build a financial reserve to supplement the repartition system and to ensure that pension obligations are met, remains a problematic issue.

The forecasts for the Fund mainly rely on a structural surplus on the overall State budget from 2007 onwards, and on a rapid diminishing State debt (and accompanying savings in interest payments). This link between the Fund and a good government budget is at the same time a strength and a weakness, as recent budgets have failed to reach the set goals. For 2007, for example, no payment has been made into the fund in 2007, due to the fact that no surplus has been realised. For 2008, the budget showed a deficit of 0.9%, and prospects for 2009 include a deficit of 3.4%, at a minimum.

The “Silver Note” attached to the 2009 Federal budget<sup>50</sup> still uses data and prognoses that were already known to be too optimistic at the time (November 2008)<sup>51</sup>. Amongst others, a slight deficit for 2008, a break-even for 2009, and the further reduction of government debt were projected. Still, the budget was voted, accompanied by the promise to revise it in February 2009. We now know that the budget deficit for 2008 was 0.9%, that the projected

---

<sup>49</sup> See the parliamentary question submitted by Members of Parliament Wouter De Vriendt, Sonja Becq and Maggie De Block to the relevant minister, Ms. Marie Arena (Parl. St., Beknopt verslag Commissie voor de Sociale Zaken, March 3, 2009, CRABV 52 COM 471, 7-11 – accessible online: <http://www.dekamer.be/doc/CCRA/pdf/52/ac471.pdf>). See also this communication of the Fédération des Préretraités et Retraités - Federatie Bruggepensioneerden en Gepensioneerden (FPR - FBG), <http://www.fpr-fbg.be/Berichten.htm>.

The “list of partners” on the website of the Conference itself features only the National Office for Pensions, the Federal Office responsible for the pension system (<http://www.pensioenconferentie.be/>).

<sup>50</sup> See [http://www.begroting.be/portal/page/portal/INTERNET\\_pagegroup/Begroting%20Online%202009%20initieel/Expose2009.pdf](http://www.begroting.be/portal/page/portal/INTERNET_pagegroup/Begroting%20Online%202009%20initieel/Expose2009.pdf).

<sup>51</sup> The 2008 year report of the Study Committee on Ageing, published in November 2008 ([http://www.plan.be/admin/uploaded/200807021045120.rapport2008\\_nl.pdf](http://www.plan.be/admin/uploaded/200807021045120.rapport2008_nl.pdf)), is historically interesting, but somewhat less relevant for the current debate than the previous reports were. No new policy measures are discussed, and prognosis concerning sustainability are based on outdated figures and prognoses concerning the economic situation.

deficit for the budget of 2009 will be no less than 3.4%, and that government debt will be allowed to rise into uncharted territory, as discussed in chapter 3 of this report.

The overall conclusion for the sustainability of the pension system is that provision through the mechanism of the Silver Fund is failing. In the foreseeable future, there will be no budget surplus, nor a decrease of government debt. In fact, the official line is that the budget is allowed to de-rail, as this is necessary to provide sufficient stimulus to the economy<sup>52</sup>. The February budget review did not bring a solution of the problem in sight.

The Silver Fund has not been raided, and its assets are untouched<sup>53</sup>. However, no new investments are made, which will inevitably lead to the need for higher contributions and lower benefits, or a more thorough overhauling of the system. It remains to be seen if, and how, this situation can be resolved.

## 2.2 Health care

### 2.2.1 Health care: system characteristics and reforms

Health care benefits in Belgium are a federal competency, while responsibility concerning supply and public health is shared between the federal level and the regions.

The health care system offers compulsory insurance and coverage of the dependants of insured persons. Through this setup, the health care system provides benefits not only for the beneficiary (the insured employee, self-employed person or civil servant), but also for the persons who are dependent upon him or her, such as the spouses and children.

Insured persons pay for medical services themselves and receive a certificate stating that help was given. This certificate is then handed over to his or her sickness fund, upon which reimbursement is arranged, minus a personal own contribution (*remgeld*)<sup>54</sup>. Reimbursement is determined on the basis of the amount that can be charged for the medical service, and which complies to set official scales of tariffs (in some cases, the real amount paid may be higher than the official amount taken into account)<sup>55</sup>. These official scales consist of a list of treatments and prices agreed between the government services (via the mutual funds), representatives of health care workers, and the social partners.

In a certain number of cases (for example in case of hospital care), the patient is not required to advance the bill, but only pays the personal contribution (*derde-betaler stee*).

---

<sup>52</sup> See, amongst others, "Regering nog te optimistisch", De Standaard, February 21, 2009 (<http://www.standaard.be/Artikel/Detail.aspx?artikelId=3A26P6JJ&kanaalid=643>).

<sup>53</sup> The assets of the Silver Fund are estimated to reach around EUR 17 billion in 2009. This estimate remains realistic, as the majority of investments is made in stable government bonds (hence the often-heard criticism that the value of the Silver Fund is nothing more than a hidden government debt, because it consists of nothing more than government bonds bought by government itself).

<sup>54</sup> From a practical and administrative point of view, the existence of these sickness funds, or "mutual funds", with a network of offices and agents, means that access to information, administration and further advice is straightforward. Mutual funds arrange payments through the system and offer further services that are widely taken up, including voluntary additional insurance.

<sup>55</sup> The personal fee (or "patient fee") depends on the specific service, according to a set nomenclatura (for medical dispensations) or list of pharmaceutical specialities. Typically, the fee amounts to 25%. For more detailed information, see X, "Everything you have always wanted to know about social security", Belgian Federal Public Service Social Security, 2008, 31-36.

It must be noted that many people enjoy the benefit of additional private insurance<sup>56</sup> which covers health care expenditures that are not covered by the system, and that reimburse the personal contributions made in case of serious health problems necessitating hospitalisation. The market for this type of additional insurance is highly developed and take-up is high<sup>57</sup>, which makes insurance premiums more affordable. Additional insurance however typically does not cover health care expenditures outside of hospital care.

Patients have the right to choose their family doctor freely, and have direct access to specialised medical care. Health care workers are remunerated mainly per treatment.

Recent reforms in the system focus on introducing further safeguards against the risk of impoverishment through needing health care (for which several initiatives are taken or enforced), the emergence of a concise strategy concerning quality assessment, and mechanisms that ensure budgetary restraint, in order to ensure viability of the system.

Adequate access to health care is ensured by the wide personal scope of the system, cost-controlling protection for certain vulnerable groups, maintaining high-quality and high-quantity supply, and by combating inequality through measures aimed at prevention.

Coverage through the statutory system has been improved, and is now nearly universal at 99.6%. An important development in this respect was the extension of compulsory cover for self-employed persons from January 2008 onwards.

Before this change, the compulsory health insurance for self-employed persons only covered what was known as “major risks”. Other health care services (the “minor risks”<sup>58</sup>) were not covered, but a self-employed person could purchase additional coverage on the insurance market. The distinction between these categories of risks is now abolished, meaning that self-employed persons are, under the compulsory scheme, covered for the same risks as civil servants or employed persons. This of course also means that the contribution to the health care system to be made by self-employed persons is increased.

Other policy initiatives have focused on increased financial protection, to make sure health-care remains affordable to everyone. The personal contribution mentioned earlier is meant to deter patients from consuming too much and to avoid excess use, but could easily become a impediment to taking up medical care, and therefore foul equal access. To avoid this, important measures have been introduced to limit the total amount someone actually has to pay.

The “Maximum Billing System” (*maximumfactuur*), introduced in 2002, sets a maximum amount of patient fees to be paid. Once that amount is reached, health care is reimbursed fully. The maximum billing system (MBS) is taken into effect per family (not per individual). The maximum amounts<sup>59</sup>, the composition of the family taken into account, and the specific rules depend on what type of maximum billing system applies – the social MBS, the income-based

---

<sup>56</sup> The Act of 20 July 2007, introduces more guarantees for the insured, preventing adverse selection by insurers. See X, “De wet van 20 July 2007 voor een betere toegankelijkheid en continuïteit van de private ziekteverzekering”, Assurinfo, November 2007, <http://www.assuralia.be/nl/pdf/to%20the%20point%20DE%20WET%20VAN%2020%20JULI%202007.pdf>.

<sup>57</sup> In the 2001 National Health Survey, 61% of adult respondents indicated that they have such insurance.

<sup>58</sup> Minor risks included family doctor interventions, dental care, small surgical interventions (such as stitches, punctions, etc.), ambulant nursery care, orthopaedic aids, many common laboratory tests, prescription medicine, etc.

<sup>59</sup> The limits for 2008 range between EUR 450 (for a family income up till EUR 15,420.19 and for the social MBS, including Omnio) and EUR 1,800 (for a family income over EUR 39,931.40). Personal contributions that exceed this amount are reimbursed automatically.



MBS or the MBS based on personal entitlement. Although this system is fairly complicated, it bears no difficulty for the patient, as it is applied automatically without the need for applying.

With respect to the extended coverage of self-employed persons, it can be noted that they now fully benefit from the MBS. Previously, only the “major risks” were reimbursed fully when the limits were reached.

Specific categories of insured persons receive preferential treatment and are required to pay lower patient fees (before application of the Maximum Billing System). Originally, the system of preferential treatment was restricted to persons with a specific social status (pensioners, widow(er)s, persons with disabilities and orphans), for which the gross taxable income of the family did not exceed a yearly-adapted limit. In 1997 and 1998, the benefit of the preferential tariff system was extended to certain groups<sup>60</sup>, still conditional on the income limit.

Since 2007, the system is further extended. The newly introduced OMNIO-status, which has to be applied for, guarantees preferential treatment to all households below a certain income level<sup>61</sup>.

### 2.2.2 Health care: debates and political discourse

A much debated initiative in 2008 was the National Cancer Plan, announced on 22 February by the Minister of Public Health. The plan contains 32 concrete initiatives that cover all aspects of the problem, such as assistance for persons who stop smoking, better information gathering on pathologies, psychological support and the institution of a reference centre for cancer<sup>62</sup>. In launching this plan, Belgium is not alone – many EU countries have taken or announced similar initiatives<sup>63</sup>.

The plan is debated in two ways. From a political point of view, the preventive measures that form a part of the plan are in fact not a federal competency, but are instead devolved to the Communities. This difficult exercise will probably lead to delays in the implementation of the preventive measures of this multi-year plan<sup>64</sup>.

A second debate revolves around the resistance expressed by general practitioners concerning one of the preventive measures, a three-yearly obligatory check-up. The medical community

<sup>60</sup> (Controlled) long term unemployed, aged 50 and older with at least one year of full unemployment (according to the definition of the employment regulations), and persons entitled to one of the following allowances: Integration allowance for handicapped persons, Income replacement allowance for handicapped persons, Allowance for assistance for the elderly, Income guarantee for the elderly, Subsistence level income (*leefloon; revenu d'intégration*), Support from the public municipal welfare centres (OCMW, CPAS).

<sup>61</sup> For an application filed in 2008, the yearly gross family income in 2007 must be lower than EUR 13,543.71 increased with EUR 2,507.30 per family member other than the applicant. The Omnio statute also allows to claim for derived rights, such as reduced public transport fees, and a reduction in the contribution for the Flemish Care Insurance (see further). See also “Het nieuwe Omnio-statuuat en de hervorming van de verhoogde tegemoetkoming”, RIZIV, 2008 (<http://www.riziv.fgov.be/information/nl/studies/study39/pdf/study39.pdf>).

<sup>62</sup> An evaluation of the state of affairs concerning the different measures can be consulted in this report, published by the Cabinet of the Minister of Public Health: Nationaal Kankerplan, Stand van zaken, March 3, 2009, [http://www.laurette-onkelinx.be/articles\\_docs/090304\\_-\\_DOS\\_-\\_evaluatie\\_1\\_jaar\\_kankerplan.pdf](http://www.laurette-onkelinx.be/articles_docs/090304_-_DOS_-_evaluatie_1_jaar_kankerplan.pdf)

<sup>63</sup> See the overview from the European Cancer Patient Coalition, <http://www.ecpc-online.org/health-in-eu/cancer-plans.html>.

<sup>64</sup> Het Nieuwsblad, Kankerplan werk van lange adem, March 11, 2008, <http://www.nieuwsblad.be/Article/Detail.aspx?articleID=ic1p5k40>. See also this report of the Senate Commission for Social Affairs (session 2008-2009, Wetgevingsstuk nr. 4-719/1) - <http://www.senatoren.be/www/?MIval=/Registers/ViewReg&COLL=S&POS=1&PUID=67110713&TID=67113239&LANG=nl>.



feels that this measure is too general, and supports closer follow-up of specific marker information in the patient file<sup>65</sup>.

### 2.2.3 Health care: overview of published impact assessments

From 1 January 2008 onwards, coverage of self-employed persons has been extended. Since that day, self-employed are offered benefits for the same services and at the same levels as employees. Naturally, this also implies that higher contributions are to be paid.

A comparison that allows to assess whether the cost for a self-employed person will increase or decrease is difficult, as the contribution to the statutory scheme is expressed as a percentage of taxable professional income (i.e. after various tax deductions are applied) and as a self-employed person only receives his or her concrete calculation two years after the period of activity (which is after all tax declarations are processed).

The base percentage of the contribution rises from 19.65% to 22%. On the taxable income higher than EUR 48,131 (adapted to consumer prices), the percentage remains 14,16%. The maximum contribution rises, from EUR 3,300 (only “major risks”) to EUR 3,600 (“major” and “minor” risks). The premium for a voluntary insurance for „minor risks“ differed according to age, family situation and insurer (not according to income), but typically amounted up to about EUR 500 per year on average<sup>66</sup>.

Another report from 2008 assesses the impact of the Maximum Billing System on consumption and financial access to health care<sup>67</sup>. The reports concludes that there is no evidence of patients changing behaviour (i.e. using more services once they no longer need to pay personal contributions). However, some evidence exists that there is a change in the behaviour of the doctors as a result of the system (i.e. charging more when confident that the patient has reached the ceiling and the burden is therefore for the system instead of the patient). Furthermore, some indicators are identified that point to under-consumption amongst those who have to pay the normal (non-preferential) rates but have a low income, and proof is cited that out-of-pocket payments (other than the patient fee) constitute an impediment to access.

Concerning affordability, a worry exists that the existence of supplements (largely speaking, costs which are not covered by the statutory health insurance system) are impeding equal access to health care. However, a recent report concludes that not enough data is available to draw definite conclusions<sup>68</sup>.

Concerning physical access to health care, three studies are relevant.

---

<sup>65</sup> Concerns were voiced through an “open letter”, the content of which can be read via [Medinews.be](http://www.medinews.be) (huisartsen in opstand tegen nationaal kankerplan) - [http://www.medinews.be/full\\_article/detail.asp?aid=14335](http://www.medinews.be/full_article/detail.asp?aid=14335).

<sup>66</sup> See [http://www.tijd.be/geld\\_beleggen/verzekeringen/artikel/%27Kleine\\_risico%27s%27\\_verplicht\\_voor\\_zelfstandigen.6027484](http://www.tijd.be/geld_beleggen/verzekeringen/artikel/%27Kleine_risico%27s%27_verplicht_voor_zelfstandigen.6027484) for examples.

<sup>67</sup> SCHOKKAERT, E., GUILLAUME, J., LECLUYSE, A., AVALOSSE, H., CORNELIS, K., DE GRAEVE, D., DEVRIESE, S., VANOVERLOOP, J. and VAN DE VOORDE, C., “Effects of the Maximum Billing system on health care consumption and financial access to health care”, Belgian Health Care Knowledge Centre (KCE), Study nr. 2005-23, 2008. ([http://www.kce.fgov.be/index\\_en.aspx?SGREF=5217&CREF=11404](http://www.kce.fgov.be/index_en.aspx?SGREF=5217&CREF=11404)).

<sup>68</sup> De Graeve D, Lecluyse A, Schokkaert E, Van Ourti T and Van de Voorde C, “Eigen betalingen in de Belgische gezondheidszorg. De impact van supplementen.”, Belgian Health Care Knowledge Centre (KCE), Study nr. 2004-21, 2006 ([http://www.kce.fgov.be/index\\_nl.aspx?SGREF=5266&CREF=8688](http://www.kce.fgov.be/index_nl.aspx?SGREF=5266&CREF=8688)).

A first report looks at the physician workforce supply in Belgium<sup>69</sup>, and concludes that – at the moment – there is no problem. The report does however call for a re-assessment of the current policy, and for better information to serve as a basis for such reevaluation. One further conclusion of the report is that the phenomenon of “supplier induced demand” (where doctors book unnecessary appointments in order to gain more income) is not apparent in the first-line health care, but does exist when it comes to specialist care.

Two other reports assess social inequality in the access to health care<sup>70</sup>. This issue has long since been acknowledged by health care policy, and has given rise to many policy initiatives. This issue, while important, is however not to be exaggerated. Access to high-quality health care is available to almost anyone, and no recourse to “extra” payments or private hospitals is needed.

Policy concerning quality in the health care system in Belgium has received increased attention. A good recent overview of the situation in different countries can be found in the publications of the European Observatory on Health Systems and Policies ([www.euro.who.int](http://www.euro.who.int))<sup>71</sup>. A comprehensive report on the quality of health care, specifically in Belgium, is under way, to be published in 2009.

The assessment of health care initiatives and of the system as a whole will be made easier by the introduction of the “Permanent Sample”, organised in 2007. This initiative takes advantage of the modernisation and automation efforts in the Belgian social security administration as a whole.

It is an anonymous and representative sample, composed of data available through the mutual funds. This encompasses demographic data, information concerning health care provided (via billing information), and information concerning drugs and pharmaceuticals (via Farmanet, which gathers data about pharmaceuticals for which the social security system compensates, and which allows to track use connected to the insured person)<sup>72</sup>.

The system allows to compose a picture by looking at health care consumption on the level of individuals. As a proportion of the sample consists of the same people, followed over time, a more refined analysis is possible than would be the case when the sample group would be composed differently each time (hence the adjective “permanent”).

Currently available data from this permanent sample covers the period 2002 to 2006, with closer and yearly follow-ups planned. The information, as it is anonymised, will be available to research institutions.

---

<sup>69</sup> For an analysis of the amount of physicians, geographical distribution and the evolution thereof, see ROBERFROID, D., STORDEUR, S., CAMBERLIN, C., VAN DE VOORDE, C., VRIJENS, F. and LÉONARD, C., “Het aanbod van artsen in België. Huidige toestand en toekomstige uitdagingen”, Belgian Health Care Knowledge Centre (KCE), Study nr. 2006-27-2, 2008.

<sup>70</sup> See DE BOYSER, Katrien, LEVECQUE Katia and Vranken, Jan, “Sociale ongelijkheid inzake gezondheidszorg: een historiek van federale en Vlaamse beleidsantwoorden”, and LEFEVRE, Eva, “De niet-verzekerden tegen ziekte en invaliditeit”, both in Belgisch Tijdschrift Sociale Zekerheid, 3/2007 (accessible online in Dutch - [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz\\_03\\_2007\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz_03_2007_nl.pdf) - and French [http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz\\_03\\_2007.pdf](http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz_03_2007.pdf)).

<sup>71</sup> LEGIDO-QUIGLEY, Helena, McKEE, Martin, Nolte, Ellen and GLINOS, Irene, “Assuring the quality of health care in the European Union - A case for action”, World Health organisation, 2008.

<sup>72</sup> For a description of what is contained in the sample data, see the yearly report of the Technical Committee which governs the permanent sample: <http://www.riziv.fgov.be/information/nl/sampling/annuel-report.htm> Farmanet data is available here: <http://www.riziv.fgov.be/drug/nl/statistics-scientific-information/pharmanet/introduction/index.htm>.

## 2.2.4 Health care: critical assessment of reforms, discussions and carried out research

Much attention is devoted to access to the system and the quality of the services, as the system is further improved and refined. There is however another issue related to this, which goes to the question of the sustainability of the health care system.

Health care spending in Belgium is said by the OECD to be 10.4% of GDP in 2006<sup>73</sup>. The Belgian Government places health care spending in % of GDP at a current 7%, which can be explained by the fact that the OECD also takes into account private spending on health care. Projections by the Study Committee on Ageing set forth an increase of public spending of 3.4% of GDP by 2050.

To tackle this increased spending, the emphasis is on containment of costs and strict budgeting. Firstly, a norm has been set within which health care expenditures are allowed to rise – 4.5% per year until 2030, plus inflation. Moreover, similar to the “Silver Fund” in the sphere of pensions, a “Future Fund” has been created to build a reserve in the health care system which can be used from 2012 onwards. This “Future Fund” is financed by surpluses within the health care budget. Contrary to the “Silver Fund”, it does not seem to issue reports on its status, and interviews with officials have added little further understanding of the workings and status of the system.

Concerning sustainability of the system, the growth norm sits rather comfortably with the health care niche of Belgian social security – the 4.5% growth norm (plus inflation) is more than the overall growth of the economy. The 2008 budget was actually perceived to be too generous<sup>74</sup>. This is of course not a problem for the sector, but does lead to an increased share on health care in overall social security spending<sup>75</sup>.

## 2.3 Long-term care

### 2.3.1 Long-term care: system characteristics and reforms

Long-term care is part of an integrated system of health care. As such, the same observations can be made as for (acute) health care. Moreover, the landscape of long-term care is fragmented because of a division of competencies between the federal government (which provides mainly for medical care) and the communities (which provide primarily for non-medical care).

For a good understanding, it is useful to sketch the division of competencies and its meaning for what exists in the field of long-term care<sup>76</sup>.

Concerning long-term care there are four major health services: home care, centres for day care, residential homes and rest and nursing homes.

---

<sup>73</sup> “OECD Health Data 2008: Statistics and Indicators for 30 Countries”, 6 June 2008.

<sup>74</sup> See CROMMELYNCK, Anja, “Het budget voor gezondheidszorg in 2008. Vooruitzien in tijden van voorlopigheid”, [http://www.cm.be/cm-tridion/nl/100/Resources/Magazine%20CM-Info%20231\\_Budget%20gezondheidszorg\\_tcm24-44776.pdf](http://www.cm.be/cm-tridion/nl/100/Resources/Magazine%20CM-Info%20231_Budget%20gezondheidszorg_tcm24-44776.pdf).

<sup>75</sup> A worry expressed in this presentation made by the Itinera Institute: [http://www.itinerainstitute.org/upl/1/default/doc/Presentation\\_Breaking%20the%20budgetary%20deadlock\\_MDV+BVD.pdf](http://www.itinerainstitute.org/upl/1/default/doc/Presentation_Breaking%20the%20budgetary%20deadlock_MDV+BVD.pdf). The figure used to reach the conclusions offered could however not be verified.

<sup>76</sup> CORENS, Dirk, “Belgium. Health system review”, Health Systems in Transition, Vol. 9 no. 2 2007, World Health Organisation, 2007; DE LEPELEIRE, J., FALEZ, F., YLIEFF, M., FONTAINE, O., PAQUAY, L., BUNTINX, F., “The evolution of the organisation of homecare in Flanders, Wallonia and Brussels”, Arch Public Health, 2004, 62, 197-208.

Home care is a service aimed to keep patients at home while they receive care. It can include preventive, curative, palliative or informal care. Home care in Belgium is regulated and organised by the communities. In the Flemish community, it is coordinated by “Cooperation Initiatives in Home Care” (*SamenwerkingsInitiatieven Thuiszorg* or *SITs*), 26 of which were officially recognised and subsidised by the Flemish Government (2006). In the French community, home care is coordinated by the “Coordination Centres for Home Care and Services” (*Centres de Coordination de Soins et Services a Domicile* or *CSSDs*). Their main task is to guarantee the quality of care and the cooperation between care workers involved in home care, including GPs, home nurses, accredited services for family aid, aid for the elderly and social work, etc. The support and coordination of care are in the first place geared towards keeping people, who are in serious need of care, at home as long as possible.

In 2002, the federal Government introduced the “Integrated Home Care Services” (*Geïntegreerde Diensten Thuiszorg (GDT)/Service Intégré de Soins à Domicile(SISD)*), which are financed by the statutory health insurance system. This structure coordinates all disciplines involved in the care for patients for a described geographical area<sup>77</sup>.

In centres for day care, the elderly can be taken care of during the day, but spend the night at home. This is meant for people who do not need intensive medical care, but need care or supervision and aid in the activities of daily living. A fixed daily compensation is paid by the compulsory health insurance.

A residential home is a home-replacing environment, where the medical responsibility rests with a general practitioner. The cost of stay is paid by the occupant, while medical costs and the cost of care are taken by the compulsory health insurance scheme (based on an objectively assessed degree of care needed).

The elderly who are strongly dependent on care but who do not need permanent hospital treatment, are admitted in a rest and nursing home (*Rust- en verzorgingstehuis* or *RVT*). Each RVT must have a coordinating and advisory physician who is responsible for the coordination of pharmaceutical care, wound care and physiotherapy. Each rest and nursing home must always have a functional link with a hospital. They must cooperate with the geriatric service of the hospital and a specialised service of palliative care. While residents must finance the cost of stay themselves, care is reimbursed by the compulsory health insurance.

In 2004, 5.1% of people aged 60 years and older stayed in a residential home or a rest and nursing home (an increase of 11.6% between 1998 and 2004). The number of people receiving home care increased by 18.8% in the same period (to 5.9% of the people aged 60 and older in 2004)<sup>78</sup>.

As policy is aimed at providing home care where possible, measures concentrate on the one hand on enforcing access to and quality of home care, and on enabling “out of home” care to cater for those who genuinely require it.

An important system in existence in Flanders is the Flemish Care Insurance (*Zorgverzekering*), introduced in 1999 and covering the costs of non-medical help and services borne by people with reduced self-sufficiency. The benefit is intended to meet costs for care at home, or care received in a specialised facility. Contributions range from EUR 10

---

<sup>77</sup> To stimulate multidisciplinary cooperation instead of competition, each geographical area can only have one GDT-SISD, with the exception of the Brussels region where both the Flemish and the French communities can accredit GDT-SISDs. The GDT-SISDs main task is to oversee the practical organisation and to support care providers and their activities within the framework of home care.

<sup>78</sup> Detailed statistics for Flanders are available on the website of the Flemish Agency for Care and Health (<http://www.zorg-en-gezondheid.be/topPage.aspx?id=5040>).

to EUR 25 per year, with benefits ranging between EUR 95 and EUR 125 per month<sup>79</sup>. The system is organised as a residency-based insurance-type scheme: every person residing in Flanders is obligatorily covered; persons residing in Brussels are allowed, but not obliged, to join. Note that the *zorgverzekering* only provides financial benefits. Long-term care *services* are therefore a separate matter.

The Flemish care insurance has been fiercely contested within the Belgian context, and has come under scrutiny in the context of EU coordination of social security schemes, as far as the rights and obligations of migrant workers are concerned<sup>80</sup>.

### 2.3.2 Long-term care: debates and political discourse

Concerning long-term care, no further debate could be noted, apart from what also applies to the health care system in general.

### 2.3.3 Long-term care: overview of published impact assessments

Specifically for long-term care, access has improved through extension and diversification of supply and through the development of better conditions for reimbursement. Furthermore, specific benefits are created for patients requiring long term care (e.g. reimbursement of travel costs for cancer patients).

Quality is safeguarded on different levels. Concerning the quality of *medical* long-term care, the same standards apply and are enforced as exist in (acute) health care, with specific measures when applicable. The communities further develop and enforce their own quality standards, through subsidies and accreditation.

The above-mentioned structures concerning Home care (*thuiszorg*) guarantee sufficient quality and oversight in that specific field.

Regional differences are bound to exist in both quality and availability of long-term care, as much of the services are a competency of the regional governments. Because of the multitude of services and their integration with “normal” health care services, these differences are at this point not objectively mapped.

---

<sup>79</sup> The socialist mutual fund (socialistische mutualiteit) estimates the yearly cost for care, for a patient treated at home, at EUR 3,445 to EUR 5,060 – see <http://www.socmut.be/SocMut/Publicaties/Flits/Archief/2006/Flits+december+2006/tussenkomstzorgverzekeringtekleinvoorchronischzorgbehoevenden.htm>.

In 2007, 111,297 persons benefitted from the Care Insurance.

<sup>80</sup> See ECJ April 1, 2008, case C-212/06 – <http://www.curia.europa.eu>. While strictly speaking only relevant for situations in which citizens move from one country to another, the cases raises interesting questions on the emergence of differentiated social security systems within Belgium, and the lack of coordination of such systems.

The case, and an article by Mr. Verschueren, outlines the debate (VERSCHUEREN, Herwig, “De regionalisering van de sociale zekerheid in België in het licht van het arrest van het Europese Hof van Justitie inzake de Vlaamse zorgverzekering”, *Belgisch Tijdschrift voor Sociale Zekerheid*, 02/2008, 177-230. Available online: [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz\\_02\\_2008\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz_02_2008_nl.pdf).



### 2.3.4 Long-term care: critical assessment of reforms, discussions and carried out research

A critical assessment of the evolution of the system must, again, point at its financial sustainability. This sustainability seems assured, and follows in broad lines what has been reported for health care in general.

To contrast the budgetary worries of the federal level with those of the Flemish Regional level, the reserve fund for the Flemish care insurance (set up to compensate for the effects of ageing) is projected to run out in 2033. Still worrying perhaps, as original projections pointed to 2037. However, the financial situation in this sector is much less dramatic than is the case concerning the pension system<sup>81</sup>.

## 3 Impact of the Financial and Economic Crisis on Social Protection

Analysing economic circumstances and events, and formulating conclusions on their importance, is best left to economists. However, it is useful to narrate how the non-economist in general perceives the economic and financial crisis, to be able to identify the impact on social security in the broad sense.

### *Fortis*

Belgium's wake-up call was a serious one: the collapse of Fortis Bank. It offered a stern warning to everyone that Belgium could not just pass through international events unscathed – something that is felt by everyone in this export-oriented country, but that had now been exemplified. Belgians own banking crisis raised fears over a general banking collapse, doubts about the effectiveness of an otherwise ineffective government, and concerns about private saving, as the value of the shares of Fortis – a share that was previously thought to be a must-have for the prudent investor – evaporated.

The Fortis story is a long and complicated one, explained better and in more detail by others<sup>82</sup>. In short, it started with the acquisition of the Dutch bank ABN Amro for EUR 71.1 billion on a symbolic Friday the 13 April 2007. This price proved to be much too high to be able to avoid solvency problems. What follows is some 16 months of struggling to raise the necessary capital for the acquisition, a period during which the value of the share gradually tumbles, from around EUR 30 to a little over EUR 5. Finally, on Sunday September 28, 2008, the governments of Belgium, The Netherlands and Luxembourg stepped in to rescue the holding through partial nationalisation. A week later, the banking and insurance activities in Belgium are sold to the French bank BNP Paribas, leaving the Fortis shareholders effectively with a worthless asset and a subsequent sharp decline in personal savings. This in turn has sparked legal action by the minority shareholders, and has led to dramatic scenes at shareholders'

---

<sup>81</sup> “Reservefondsen zorgverzekering in 2033 uitgeput”, De Tijd, March 12, 2009

([http://www.tijd.be/nieuws/binnenland/Reservefondsen\\_zorgverzekering\\_in\\_2033\\_uitgeput.8155852-438.art](http://www.tijd.be/nieuws/binnenland/Reservefondsen_zorgverzekering_in_2033_uitgeput.8155852-438.art)).

<sup>82</sup> Read, for example, ALGOED, Koen, “De Fortis saga: een commentaar”, VIVES Vlaams Instituut Voor Economie en Samenleving, Leuven, 2 November 2008 (available online: <http://www.econ.kuleuven.be/vives/PUBLICATIES/BP/BP2008/Vivesbeleidspaper2.pdf>). This paper further offers an interesting analysis of the bail-out on the Belgian economy and the state budget. For a timeline account of the developments surrounding Fortis, see this overview on the website of the newspaper “De Tijd” - [http://static.tijd.be/upload/Tijdlijn\\_val\\_Fortis-31537.swf](http://static.tijd.be/upload/Tijdlijn_val_Fortis-31537.swf).



meetings.

The legal action has been resolved, but allegations concerning political influence on the judges in the proceedings has led to the collapse of the Government under Prime Minister Yves Leterme (December 19<sup>th</sup>, 2008), a government which had only just been formed after very long and difficult negotiations and political turmoil. The saga continues, including controversy surrounding a – according to some sabotaged – parliamentary enquiry and the responsibility of certain political actors, and has not yet been completely resolved.

From that moment on, Belgian account holders had a gloomy choice. To worry about the next collapse and about being too late to do withdraw funds, or to be confident that banks would be rescued anyway, simply because the economic consequences of collapse would be too big. The fact is that not too many account holders had reacted by withdrawing funds. Whether this is a result of the actions of the Belgian Government, or rather of the raising of the guaranteed amount of deposits (a EU action in the midsts of the crisis) remains a question.

Other banks in turn collapsed and were saved subsequently, but the Fortis story remains the most important, for two reasons. It sounded the alarm for economic and financial difficulties in Belgium, and profoundly affected political affairs and, therefore, the ability to reach consensus and decision-making.

#### *The crisis and its consequences*

Trying to make sense of current economic and financial data is not in the scope of this report. Some indicators however allow to gain an idea how profound, or superficial in comparison to some other countries, the impact is on the Belgian economy.

The most recent data (April 29, 2009) confirms the news that Belgium is now officially in a state of economic recession, defined by two quarters of continuous negative growth. Where the total of economic growth in 2008 was still 1%, growth in the last quarter of 2008 and first quarter of 2009 were negative, with 1.7% and 1.6% respectively. Combined with the insight that growth in the third quarter of 2008 was 0%, this indicates that the crisis has been apparent in Belgium from the second half of 2008 onwards, and has been deepening ever since<sup>83</sup>.

One set of statistics that make the economic recession apparent is that of newly founded companies versus bankruptcies. Individual bankruptcies and start-ups are published in the Belgian Official Journal. On the basis of these announcements, Graydon, a commercial firm providing financial information on private firms, publishes a handy overview and provides publicly available analysis of the data<sup>84</sup>. Consolidated information shows 1007 bankruptcies in Belgium in the course of March 2009, which is an increase of 39% in comparison with one year earlier. These numbers are said to be record-breaking. Analysis shows that, where the Flemish region was previously rather stable and seemed more recession-proof, this turned around in the beginning of 2009. Worryingly, most bankruptcies were of larger firms, which means that they translate into a higher loss of employment.

The figures concerning bankruptcies of course have a profound effect on the unemployment

---

<sup>83</sup> National Bank of Belgium, “National accounts – First estimate of the annual accounts (2008)”, April 29, 2009 (<http://www.nbb.be/doc/DQ/N/DQ3/HISTO/NNDA08.PDF>). Cited in “Belgische economie officieel in recessie”, De Tijd, April 29, 2009 ([http://www.tijd.be/nieuws/economie-financien/Belgische\\_economie\\_officieel\\_in\\_recessie.8176884-600.art](http://www.tijd.be/nieuws/economie-financien/Belgische_economie_officieel_in_recessie.8176884-600.art)).

<sup>84</sup> Graydon (<http://www.graydon.be>) provides detailed reports that allow to draw conclusions concerning the evolution in specific sectors of industry and in specific regions. The company also couples data about job-loss to these figures. As job-loss does not always translate into unemployment, these figures are less relevant to this yearly report. The Graydon publication on which this paragraph is based can be found via [http://www.graydon.be/publicnew/Default.aspx?i=64&artikels\\_id=369,394](http://www.graydon.be/publicnew/Default.aspx?i=64&artikels_id=369,394).

rate. Data from the different regions diverges, with the added complexity that some data takes into account persons actively looking for work, while other datasets look at persons receiving an unemployment benefit<sup>85</sup>. All data however points to an important increase of the percentage of unemployment, with figures from the National Employment Office (administering the unemployment benefits) reporting a 2.4% increase in job seekers over the course of 2008<sup>86</sup>.

The pension funds (second pillar pension) in Belgium have noted a loss of 20% in 2008. This, however, is in itself not problematic. Less than 10% of investments are made in stock as opposed to bonds, and the fact that ongoing payments are larger than the pension obligations of the funds, ensures that no Belgian pension fund at present has problems paying out benefits<sup>87</sup>. However, an important number of pension funds has failed to maintain the legally specified minimum reserves, and are now subject to supervision<sup>88</sup>.

Concerning private wealth of the citizen, the National Bank of Belgium concluded in April 2009 that the collective wealth of families (the sum of savings accounts and investments), had dropped by EUR 90 billion over the course of 2008<sup>89</sup>. These figures offer an indication as to the impact of the global crisis on personal savings, which include privately-made provisions for old age (the “fourth pillar pension”).

*Response (or the lack thereof)*

Unlike what is the case in some other countries, where important measures are on the agenda to ensure the survival of social protection, the reaction in Belgium is largely fragmented and understated. The Belgian Government indeed seems rather intent on “riding it out”.

It would be easy to, again, point at the already-discussed political situation as a source of this understated response. Surely, the prospect of upcoming elections and the fragile state of the current coalitions is a factor. However, more considerations play a role, the main one being the sentiment that there is not so much an export-oriented, Euro-zone country such as Belgium can do. With no obvious solution in sight, and no appetite for reforms that have a deeper impact, the current point of view seems to be that existing policies and developments previously set in motion will take their course, while the bill is picked up through a state deficit (and subsequent raise of the national debt).

Continuous editorials and opinion pieces in various media echo the conclusion: Belgium is

---

<sup>85</sup> Job mediation in Belgium is a Regional competency, while unemployment benefit is part of the Federal social security system.

<sup>86</sup> [http://www.rva.be/frames/frameset.aspx?Path=D\\_stat/&Items=1&Language=NL](http://www.rva.be/frames/frameset.aspx?Path=D_stat/&Items=1&Language=NL). A striking statistic is that of employed persons who also receive unemployment benefit, because their contract has been temporarily suspended due to causes including lack of work. This figure has risen from 356.042 in March 2008 to 490.653 in March 2009 (an increase of almost 38%). This indicates that, while the number of people becoming completely unemployed remains limited, the number of blue collar workers having to reduce activity is growing rapidly.

<sup>87</sup> The figures are derived from the Banking, Finance and Insurance Commission, the single Belgian authority in charge of supervising most financial institutions and financial services offered to the public (<http://www.cbfa.be/>).

<sup>88</sup> See also “Eén op drie pensioenfondsen met tekorten”, De Tijd, April 8, 2009; “Belgische pensioenfondsen lijden grootste verlies ooit”, De Standaard, February 3, 2009; and the Belgian Association of Pension Institutions (<http://www.pensionfunds.be/>).

<sup>89</sup> National Bank of Belgium, “Financial accounts of Belgium”, April 24, 2009 (available online: <http://www.nbb.be/doc/DQ/E/DQ3/HISTO/CEF08IV.PDF>). See also the article “Belgische gezinnen 102 miljard armer door beurscrisis”, De Standaard, April 25, 2009 ([http://www.standaard.be/Artikel/Detail.aspx?artikelId=DM20090425\\_003](http://www.standaard.be/Artikel/Detail.aspx?artikelId=DM20090425_003)).

not acting<sup>90</sup>, or hardly in a sufficient way.

The conclusion that nothing at all is done, however, would be wrong. Several initiatives have been taking, or are being rolled out.

The different governments in Belgium are, or are in the process of, rolling out so-called “relaunch plans” (stimulus plans). On the federal level, a plan was formulated at the end of 2008, containing a myriad of measures meant to crank up the economy<sup>91</sup>.

The measures included are (amongst others) a pledge for Government to pay its debts to companies within a shorter time frame, selective VAT reductions, enlarging fiscal stimuli for energy-saving investments and higher income tax returns. The “social chapter” of the federal stimulus plan is mainly formed by the previously discussed Inter-Professional Agreement. Measures in this aspect include topical increases in the amount of social security and social assistance benefits, with the goal of letting said benefits keep pace with the evolution of buying power. The measures constitute corrections that can be seen as a continuance of previously set policy.

The regional and communal governments are financially in a much better position, thanks to important incomes from taxation and stricter budgetary policies. In Flanders, for instance, employees have been given a cash bonus of up to EUR 300 (“Jobkorting”) in February 2009, and this benefit is poised to be repeated. Also in Wallonia and Brussels, stimulus initiatives are in place<sup>92</sup>.

#### *Why reform is imminent*

All these measures are thought to have a stimulating effect on economic activity, spending and the availability of cash on the market. This, of course, remains to be assessed. What is certain, however, is that they have a stimulating effect on government spending, and affect the budgets and the financial position of the governments that roll them out. Concerning pensions, health care and long term care, the impact on the budget of the *federal* level is most important.

Nobody denies that the bail-out of the banks was needed to prevent catastrophic damage, and much can be said in support for the need for stimulus plans. However, these actions belie the long-stated goal of reducing government debt, and therefore carry an obvious risk for the future.

With a budget deficit of 0.9% in 2008 and a projected 3.4% of GDP in 2009, Belgium is not

---

<sup>90</sup> A related question is whether or not the Belgian Government *should* act, or if not acting is the right approach. Paul DE GRAUWE (economics professor at the University of Leuven), for example, regularly supports the latter position in interviews and opinion pieces (see, for example, “België op weg om record staatsschuld te breken”, *De Morgen*, February 2<sup>nd</sup>, 2009 (<http://www.demorgen.be/dm/nl/989/Binnenland/article/detail/708450/2009/02/19/Belgie-op-weg-om-record-begrotingstekort-te-breken.dhtml>)).

Supporters of this idea point at the competitive position of Belgium and the fact that inflation is low and stable (at 0,62 % in March and 0,60% in April - <http://www.trends.be/nl/economie/financien/4-231-53272/inflatie-blijft-stabiel---.html>) and [http://www.standaard.be/Artikel/Detail.aspx?artikelId=DMF20022009\\_001&ref=nieuwsoverzicht](http://www.standaard.be/Artikel/Detail.aspx?artikelId=DMF20022009_001&ref=nieuwsoverzicht)).

<sup>91</sup> An overview of the social measures contained in the stimulus plan is accessible via a press file published by the Minister of Work and Equal Opportunities – see <http://www.milquet.belgium.be/files/docs/Relanceplan.pdf>.

<sup>92</sup> Questions have risen as to the reality of the Walloon stimulus plan (containing measures worth EUR 1.5 billion), seeing that the 2009 budget only foresees an actual amount of EUR 50 million. See “Waalse begroting 2009 voorziet 50 miljoen voor relanceplan”, *Het Laatste Nieuws*, 15 December 2008 (<http://www.hln.be/hln/nl/957/Belgie/article/detail/553464/2008/12/15/Waalse-begroting-2009-voorziet-50-miljoen-voor-relanceplan.dhtml>).

the only country in the Eurozone in such predicament, and not even the worst performer (the average budget deficit in the Eurozone is estimated by the European Commission to amount up to 4%). However, Belgium spurs an important national debt, which had been reduced during the previous years, but which now is expected to rise further and to break the 1993 record of 137% of GDP<sup>93</sup>.

### Summary

In summary, immediate action in an attempt to stimulate the economy is taken, at the cost of budgetary austerity and debt reduction. This obviously puts the burden on future generations, but more immediately and directly, it holds an impact on the contingency plans concerning social security and ageing. The whole idea had been that savings would be made during “good times”, to be able to pay for the same lifestyle in the “bad times” (between 2010 and 2030, when the “baby boom” generation reaches the pensionable age). As it turns out, the “good times” have not lead to sufficient savings<sup>94</sup>. Moreover, they seem to have lasted a few years less than expected. On top of this, the current policy is leading to a massive increase in debt, demolishing one of the cornerstones of the proclaimed plan.

This course of action, past and present, spells “game over” for the savings track that was planned as a guarantee for the sustainability of the Belgian pension system as it exists today. The story of the “Silver Fund” – saving up for future costs and thus ensuring that the current level of protection can be maintained – has, quite simply, become unrealistic. While this can not be expected to be expressed clearly in sight of important elections, a sustainable system will have to be a changed system. Far-reaching reforms *will* be necessary and can be expected in the years to come.

This is also recognised in a report by the High Council of Finances<sup>95</sup>, made to support decision-making concerning the yet-to-be-drafted stability programme 2009-2014. While rather technical, in essence, the report explains that the budgetary situation will not stabilise in the years to come, and will not by itself get back to the previous state of surplus. Deep spending cuts (not specified in this report) will be needed – minus 4.2% of spending over a period of four years, to reach a balance by 2014. As the data taken into account is still rather optimistic, it is clear that structural, rather than purely budgetary, measures will have to be taken.

---

<sup>93</sup> See also “*België op weg om record begrotingstekort te breken*”, De Morgen, 19 February 2009 (<http://www.demorgen.be/dm/nl/989/Binnenland/article/detail/708450/2009/02/19/Belgie-op-weg-om-record-begrotingstekort-te-breken.dhtml>). There is some debate whether or not this is a bad thing, the reasoning being that, in times where everyone hoards cash and tries to reduce debt, Government is required to counteract by doing the opposite.

<sup>94</sup> See also ALGOED, Koen and PERSYN, Damiaan, “Gezocht: structurele in plaats van conjuncturele maatregelen”, VIVES policy paper 3, February 2009 (<http://www.econ.kuleuven.be/vives/PUBLICATIES/BP/BP2009/Vivesbeleidspaper3.pdf>).

<sup>95</sup> “Advies over de begrotingsvooruitzichten voorafgaand aan het stabiliteitsprogramma 2009-2014”, Hoge Raad van Financiën, March 2009, 72p ([http://docuфин.gov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009\\_03.pdf](http://docuфин.gov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009_03.pdf)).

## References

- ALGOED, Koen and PERSYN, Damiaan, Gezocht: structurele in plaats van conjuncturele maatregelen, VIVES policy paper 3, February 2009, <http://www.econ.kuleuven.be/vives/PUBLICATIES/BP/BP2009/Vivesbeleidspaper3.pdf>
- ALGOED, Koen, “De Fortis saga: een commentaar”, VIVES Vlaams Instituut Voor Economie en Samenleving, Leuven, November 2, 2008, <http://www.econ.kuleuven.be/vives/PUBLICATIES/BP/BP2008/Vivesbeleidspaper2.pdf>
- Assurinfo, De wet van 20 juli 2007 voor een betere toegankelijkheid en continuïteit van de private ziekteverzekering, November 2007, <http://www.assuralia.be/nl/pdf/to%20the%20point%20DE%20WET%20VAN%2020%20JULI%202007.pdf>
- BAEYENS, Ingrid and WILLOCKX, Sarah, Tussenkost zorgverzekering te klein voor chronisch zorgbehoevenden, Socialistische mutualiteiten, Flits December 2006, <http://www.socmut.be/socmut/publicaties/flits/archief/2006/flits%20december%202006/tus-senkomstzorgverzekeringtekleinvoorchronischzorgbehoevenden.htm>
- BERGHMAN, Jos, Het Marcus-effect in de tweede pensioenpijler, October 2, 2007, <http://soc.kuleuven.be/ceso/pensioenbeleid/PPT%20SWISS%20LIFE%202%20oktober.ppt>
- Centrale Raad voor het Bedrijfsleven, Technisch verslag van het secretariaat over de maximale beschikbare marges voor de loonkostenontwikkeling, November 4, 2008, <http://www.ccecrb.fgov.be/txt/nl/doc08-1400.pdf> (Dutch), <http://www.ccecrb.fgov.be/txt/fr/doc08-1400.pdf> (French)
- Conseil National du Travail, Accord Interprofessionnel 2009-2010, <http://www.cnt-nar.be/DOC-DIVERS/IPA-AIP/IPA%202009-2010-fr.pdf> (French), <http://www.cnt-nar.be/DOC-DIVERS/IPA-AIP/IPA%202009-2010-NL.pdf> (Dutch)
- CORENS, Dirk, Belgium - Health system review, Health Systems in Transition, Vol. 9 no. 2 2007, World Health Organisation, 2007, <http://www.euro.who.int/document/e90059.pdf>
- CROMMELYNCK, Anja, Het budget voor gezondheidszorg in 2008. Vooruitzien in tijden van voorlopigheid, [http://www.cm.be/cm-tridion/nl/100/Resources/Magazine%20CM-Info%20231\\_Budget%20gezondheidszorg\\_tcm24-44776.pdf](http://www.cm.be/cm-tridion/nl/100/Resources/Magazine%20CM-Info%20231_Budget%20gezondheidszorg_tcm24-44776.pdf)
- DAUPHIN, Myriam and VAN DEN BERGH, Piet, “Het Interprofessioneel akkoord voor 2009-2010”, in Sociale Wegwijzer, 2009/3, February 2009.
- DE BOYSER, Katrien, LEVECQUE Katia and Vranken, Jan, Sociale ongelijkheid inzake gezondheidszorg: een historiek van federale en Vlaamse beleidsantwoorden, Belgisch Tijdschrift Sociale Zekerheid, 3/2007, [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz\\_03\\_2007\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz_03_2007_nl.pdf) (Dutch), [http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz\\_03\\_2007.pdf](http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz_03_2007.pdf) (French)
- De Graeve D, Lecluyse A, Schokkaert E, Van Ourti T and Van de Voorde C, Eigen betalingen in de Belgische gezondheidszorg. De impact van supplementen., Belgian Health Care Knowledge Centre (KCE), Study nr. 2004-21, 2006, [http://www.kce.fgov.be/index\\_nl.aspx?SGREF=5266&CREF=8688](http://www.kce.fgov.be/index_nl.aspx?SGREF=5266&CREF=8688)
- DE LEPELEIRE, J., FALEZ, F., YLIEFF, M., FONTAINE, O., PAQUAY, L., BUNTINX, F., The evolution of the organisation of homecare in Flanders, Wallonia and Brussels, Arch Public Health, 2004, 62, 197-208, [http://www.iph.fgov.be/aph/pdf/aphfull62\\_157\\_172.pdf](http://www.iph.fgov.be/aph/pdf/aphfull62_157_172.pdf)



- De Morgen, België op weg om record staatsschuld te breken, 2 February 2009,  
<http://www.demorgen.be/dm/nl/989/Binnenland/article/detail/708450/2009/02/19/Belgie-op-weg-om-record-begrotingstekort-te-breken.dhtml>
- De Standaard, “Regering nog te optimistisch”, 21 February 2009,  
<http://www.standaard.be/Artikel/Detail.aspx?artikelId=3A26P6IJ&kanaalid=643>
- De Standaard, Belgische gezinnen 102 miljard armer door beurscrisis, 25 April 2009,  
[http://www.standaard.be/Artikel/Detail.aspx?artikelId=DM20090425\\_003](http://www.standaard.be/Artikel/Detail.aspx?artikelId=DM20090425_003)
- De Standaard, Belgische pensioenfondsen lijden grootste verlies ooit, 3 February 2009,  
[http://www.standaard.be/Artikel/Detail.aspx?artikelId=DMF03022009\\_003&ref=nieuwsoverzicht](http://www.standaard.be/Artikel/Detail.aspx?artikelId=DMF03022009_003&ref=nieuwsoverzicht)
- De Tijd, Belgische economie officieel in recessie, 29 April 2009,  
[http://www.tijd.be/nieuws/economie-financien/Belgische\\_economie\\_officieel\\_in\\_recessie.8176884-600.art](http://www.tijd.be/nieuws/economie-financien/Belgische_economie_officieel_in_recessie.8176884-600.art)
- De Tijd, Eén op drie pensioenfondsen met tekorten, 8 April 2009,  
[http://www.tijd.be/nieuws/economie-financien/Een\\_op\\_drie\\_pensioenfondsen\\_met\\_tekorten.8167855-600.art](http://www.tijd.be/nieuws/economie-financien/Een_op_drie_pensioenfondsen_met_tekorten.8167855-600.art)
- De Tijd, 'Kleine risico's' verplicht voor zelfstandigen, December 24, 2007,  
[http://www.tijd.be/geld\\_beleggen/verzekeringen/artikel/%27Kleine\\_risico%27s%27\\_verplicht\\_voor\\_zelfstandigen.6027484](http://www.tijd.be/geld_beleggen/verzekeringen/artikel/%27Kleine_risico%27s%27_verplicht_voor_zelfstandigen.6027484)
- De Tijd, Reservefonds zorgverzekering in 2033 uitgeput, 12 March 2009,  
[http://www.tijd.be/nieuws/binnenland/Reservefonds\\_zorgverzekering\\_in\\_2033\\_uitgeput.8155852-438.art](http://www.tijd.be/nieuws/binnenland/Reservefonds_zorgverzekering_in_2033_uitgeput.8155852-438.art)
- DE VOS, Marc, Breaking the Budgetary deadlock in health care, 27 March 2009,  
[http://www.itinerainstitute.org/upl/1/default/doc/Presentation\\_Breaking%20the%20budgetary%20deadlock\\_MDV+BVD.pdf](http://www.itinerainstitute.org/upl/1/default/doc/Presentation_Breaking%20the%20budgetary%20deadlock_MDV+BVD.pdf)
- DEKKERS, Gijs, „De pensioenbonus in de werknemersregeling: simulatie met het model MEP”, Federaal planbureau, November 2006,  
<http://www.plan.be/admin/uploaded/200612071502530.wp0611nl.pdf> ,  
[http://www.plan.be/publications/articles\\_det.php?lang=fr&TM=63&IS=93&KeyPub=513](http://www.plan.be/publications/articles_det.php?lang=fr&TM=63&IS=93&KeyPub=513)  
(summary)
- Economische Herstelwet van 27 maart 2009, Belgisch Staatsblad, 7 April 2009, 25986,  
[http://www.ejustice.just.fgov.be/mopdf/2009/04/07\\_1.pdf](http://www.ejustice.just.fgov.be/mopdf/2009/04/07_1.pdf)
- European Commission, Country fiche Belgium,  
[http://ec.europa.eu/employment\\_social/spsi/docs/social\\_inclusion/2009/cf\\_belgium\\_final\\_nl.pdf](http://ec.europa.eu/employment_social/spsi/docs/social_inclusion/2009/cf_belgium_final_nl.pdf)
- European Trade Union Institute, Belgium – Country Meta Data, [http://www.worker-participation.eu/national\\_industrial\\_relations/countries/belgium](http://www.worker-participation.eu/national_industrial_relations/countries/belgium)
- Federal Public Service Social Security, Everything you have always wanted to know about social security, 2008,  
[http://www.socialsecurity.fgov.be/docs/en/belgian\\_social\\_security\\_2007.pdf](http://www.socialsecurity.fgov.be/docs/en/belgian_social_security_2007.pdf)
- GIESELINK, Gerhard, PEETERS, Hans, VAN GESTEL, Veerle et al, Onzichtbare pensioenen in België : een onderzoek naar de aard, de omvang en de verdeling van de tweede en derde pensioenpijler (eindrapport), Gent, Academia Press, 2003,  
<http://www.issa.int/pdf/anvers03/topic4/2peeters.pdf> (summary)



- GREGORIUS, Peter, Pensioenconferentie, COC Brandpunt, February 2009, [http://www.coc.be/publicaties\\_brandpunt\\_inhoud.php?id=559&subnav=2](http://www.coc.be/publicaties_brandpunt_inhoud.php?id=559&subnav=2)
- HAMEL, Marie-Pierre and VANHERCKE, Bart, “‘Harde’ nationale politiek en ‘zachte’ Europese samenwerking. Heeft open coördinatie (dan toch) tanden gekregen?”, BTSZ (Belgian Review of Social Security), 01/2008, 75-114, [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz\\_01\\_2008\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz_01_2008_nl.pdf) (full issue)
- HEIRMAN, Peter, Chemiesector bereikt als eerste sectoraal akkoord, ACV Visie, 17 April 2009, 14, [http://www.acv-online.be/Images/visienr12\\_1704\\_tcm9-197873.pdf](http://www.acv-online.be/Images/visienr12_1704_tcm9-197873.pdf)
- Het Laatste Nieuws, Waalse begroting 2009 voorziet 50 miljoen voor relanceplan, December 15, 2008, <http://www.hln.be/hln/nl/957/Belgie/article/detail/553464/2008/12/15/Waalse-begroting-2009-voorziet-50-miljoen-voor-relanceplan.dhtml>
- Het Nieuwsblad, Marie Arena: 'Desnoods fiscaal voordeel pensioensparen herbekijken', November 27, 2008, <http://www.nieuwsblad.be/Article/Detail.aspx?articleID=cp23cend>
- Het Nieuwsblad, Kankerplan werk van lange adem, 11 March 2008, <http://www.nieuwsblad.be/Article/Detail.aspx?articleID=ic1p5k40>
- Hoge Raad van Financiën, Advies over de begrotingsvooruitzichten voorafgaand aan het stabiliteitsprogramma 2009-2014, March 2009, 72p, [http://docufin.fgov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009\\_03.pdf](http://docufin.fgov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009_03.pdf)
- LANNOO, Benoit and ROSSION, Emilie, Persdossier – Een relanceplan gericht op de werkgelegenheid, Cabinet of the Minister of Work and Equal Opportunities, December 11, 2008, <http://www.milquet.belgium.be/files/docs/Relanceplan.pdf>
- LEFEVRE, Eva, De niet-verzekerden tegen ziekte en invaliditeit, Belgisch Tijdschrift Sociale Zekerheid, 3/2007, [http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz\\_03\\_2007\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2007/btsz_03_2007_nl.pdf) (Dutch), [http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz\\_03\\_2007.pdf](http://socialsecurity.fgov.be/docs/fr/publicaties/btsz/2007/btsz_03_2007.pdf) (French)
- LEGIDO-QUIGLEY, Helena, McKEE, Martin, Nolte, Ellen and GLINOS, Irene, Assuring the quality of health care in the European Union - A case for action, World Health organisation, 2008, <http://apps.who.int/bookorders/anglais/detart1.jsp?sesslan=1&codlan=1&codcol=34&codch=76>
- MAES, Marjan, “Redistributive impact of reforming the old-age pension system in Belgium”, Hogeschool-Universiteit Brussel, HUB research paper 2008/19, June 2008, <http://www.hub Brussel.be/Documenten/Internet/PDF/HUB%20research%20paper%20reeks/HRP2008/HRP19.pdf> (extended abstract)
- Medinews.be, huisartsen in opstand tegen nationaal kankerplan, November 6, 2008, [http://www.medinews.be/full\\_article/detail.asp?aid=14335](http://www.medinews.be/full_article/detail.asp?aid=14335)
- National Bank of Belgium, “Financial accounts of Belgium”, 24 April 2009, <http://www.nbb.be/doc/DQ/E/DQ3/HISTO/CEF08IV.PDF>
- National Bank of Belgium, National accounts – First estimate of the annual accounts (2008), 29 April 2009, <http://www.nbb.be/doc/DQ/N/DQ3/HISTO/NNDA08.PDF>

- OECD, Health Data 2008: Statistics and Indicators for 30 Countries, June 6, 2008, [http://www.oecd.org/document/30/0,3343,en\\_2649\\_34631\\_12968734\\_1\\_1\\_1\\_37407,00.html](http://www.oecd.org/document/30/0,3343,en_2649_34631_12968734_1_1_1_37407,00.html)
- Regeerakkoord, 18 March 2008, [http://www.fedweb.belgium.be/fr/a\\_propos\\_de\\_l\\_organisation/administration\\_federale/politique/accord\\_de\\_gouvernement/index.jsp](http://www.fedweb.belgium.be/fr/a_propos_de_l_organisation/administration_federale/politique/accord_de_gouvernement/index.jsp) (French), [http://www.fedweb.belgium.be/nl/over\\_de\\_organisatie/over\\_de\\_federale\\_overheid/Beleid/regeerakkoord/index.jsp](http://www.fedweb.belgium.be/nl/over_de_organisatie/over_de_federale_overheid/Beleid/regeerakkoord/index.jsp) (Dutch)
- Rijksdienst voor Pensioenen, Toegelaten arbeid - Beroepsactiviteit als werknemer en de uitoefening van een mandaat, ambt of post, [http://www.rvponp.fgov.be/onprvp2004/NL/I/IH/IH\\_09\\_01.asp#a](http://www.rvponp.fgov.be/onprvp2004/NL/I/IH/IH_09_01.asp#a)
- RIZIV, De invloed van het Generatiepact op de uitkeringsverzekering, 2008, <http://www.riziv.fgov.be/information/nl/studies/study33/pdf/study33.pdf>
- RIZIV, Het nieuwe Omnio-statuuat en de hervorming van de verhoogde tegemoetkoming, 2008, <http://www.riziv.fgov.be/information/nl/studies/study39/pdf/study39.pdf>
- RIZIV, Voorstelling van Farmanet, 2007, <http://www.riziv.fgov.be/drug/nl/statistics-scientific-information/pharmanet/introduction/index.htm>
- ROBERFROID, D., STORDEUR, S., CAMBERLIN, C., VAN DE VOORDE, C., VRIJENS, F. and LÉONARD, C., Het aanbod van artsen in België. Huidige toestand en toekomstige uitdagingen, Belgian Health Care Knowledge Centre (KCE), Study nr. 2006-27-2, 2008, [http://www.kce.fgov.be/index\\_nl.aspx?SGREF=5272&CREF=10547](http://www.kce.fgov.be/index_nl.aspx?SGREF=5272&CREF=10547)
- SCHOKKAERT, E., GUILLAUME, J., LECLUYSE, A., AVALOSSE, H., CORNELIS, K., DE GRAEVE, D., DEVRIESE, S., VANOVERLOOP, J. and VAN DE VOORDE, C., Effects of the Maximum Billing system on health care consumption and financial access to health care, Belgian Health Care Knowledge Centre (KCE), Study nr. 2005-23, 2008, [http://www.kce.fgov.be/index\\_en.aspx?SGREF=5217&CREF=11404](http://www.kce.fgov.be/index_en.aspx?SGREF=5217&CREF=11404)
- SD Worx, Juridisch Kenniscentrum, Generatiepactwet gepubliceerd: een overzicht van de relevante maatregelen, [http://www.sd.be/site/NR/rdonlyres/DCCB3D2D-0991-4F8B-BDD1-6E2A854C6F32/0/GPwetoverzichtsartikel\\_NL\\_060131.pdf](http://www.sd.be/site/NR/rdonlyres/DCCB3D2D-0991-4F8B-BDD1-6E2A854C6F32/0/GPwetoverzichtsartikel_NL_060131.pdf)
- STINGLHAMBER, P, ZACHARY, M.-D., WUYTS, G and VALENDUC, CH., “De determinanten van het sparen in de derde pensioenpijler”, Economisch tijdschrift, December 2007, [http://www.nbb.be/doc/TS/Publications/EconomicReview/2007/ecotijdIII2007N\\_H6.pdf](http://www.nbb.be/doc/TS/Publications/EconomicReview/2007/ecotijdIII2007N_H6.pdf)
- Studiecommissie voor de vergijzing, jaarlijks verslag, 2007, [http://www.plan.be/publications/Publication\\_det.php?lang=nl&TM=65&IS=63&KeyPub=572](http://www.plan.be/publications/Publication_det.php?lang=nl&TM=65&IS=63&KeyPub=572)
- Studiecommissie voor de vergijzing, jaarlijks verslag, 2008, [http://www.plan.be/publications/Publication\\_det.php?lang=nl&TM=65&IS=63&KeyPub=664](http://www.plan.be/publications/Publication_det.php?lang=nl&TM=65&IS=63&KeyPub=664)
- Technische commissie van de permanente steekproef (CTPS), Permanente steekproef (gezondheidszorg) - Verslag van de werkzaamheden, December 12, 2008, <http://www.riziv.fgov.be/information/nl/sampling/annuel-report.htm>

- Trends, Michel Jadot : mijnheer Werk wordt mijnheer Pensioen, December 8, 2008  
<http://www.trends.be/nl/economie/mensen/4-239-50865/michel-jadot---mijnheer-werk-wordt-mijnheer-pensioen.html#topPage>
- Trends, Minister van Pensioenen geeft fout signaal, 30 March 2009,  
<http://www.trends.be/nl/economie/beleid/4-1408-52764/-minister-van-pensioenen-geeft-fout-signaal-.html>
- Trends, Tweede pensioenpijler wint aan belang in België, 3 April 2008,  
<http://www.trends.be/nl/economie/finance/4-231-47270/tweede-pensioenpijler-wint-aan-belang-in-belgie.html>
- VERSCHUEREN, Herwig, “De regionalisering van de sociale zekerheid in België in het licht van het arrest van het Europese Hof van Justitie inzake de Vlaamse zorgverzekering”, Belgisch Tijdschrift voor Sociale Zekerheid, 02/2008, 177-230,  
[http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz\\_02\\_2008\\_nl.pdf](http://socialsecurity.fgov.be/docs/nl/publicaties/btsz/2008/btsz_02_2008_nl.pdf)
- Vlaams Parlement, Motie betreffende een belangenconflict, 18 February 2009,  
<http://jsp.vlaamsparlement.be/docs/stukken/2008-2009/g2109-1.pdf>
- VRT nieuws, Vlaams Parlement roept belangenconflict in (televised report), 18 February 2009, <http://www.deredactie.be/cm/vrtnieuws/archief/2.1222/politiek/1.473537>
- Wet van 23 December 2005 betreffende het generatiepact, Belgisch Staatsblad, 30 December 2005.
- Wet van 26 July 1996 tot modernisering van de sociale zekerheid en tot vrijwaring van de leefbaarheid van de wettelijke pensioenstelsels, Belgisch Staatsblad, August 1, 1996.
- Wet van 28 April 2003 betreffende de aanvullende pensioenen en het belastingstelsel van die pensioenen en van sommige aanvullende voordelen inzake sociale zekerheid, Belgisch Staatsblad, 15 May 2003.
- Wet van 5 September 2001 tot waarborging van een voortdurende vermindering van de overheidsschuld en tot oprichting van een Zilverfonds, Belgisch Staatsblad, September 14, 2001.
- X, “Recht op arbeid, 10 jaar na het algemeen verslag over de armoede”, Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitsluiting, 2005

## 4 Abstracts of Relevant Publications on Social Protection

[R] Pensions

[R1] General trends: demographic and financial forecasts

[R2] General organisation: pillars, financing, calculation methods or pension formula

[R3] Retirement age: legal age, early retirement, etc.

[R4] Older workers activity: active measures on labour market, unemployment benefit policies, etc.

[R5] Income and income conditions for senior workers and retired people: level of pensions, accumulation of pensions with earnings from work, etc.

[R5] CANTILLON, Bea, VAN DEN BOSCH, Karel and LEFEBURE, Stijn (2009), “Ouderen in Vlaanderen en Europa. Tussen vermogen en afhankelijkheid”, Leuven, ACCO, 2009, 232 p. “Elderly in Flanders and Europe. Between wealth and dependence”

*In this CoViVE publication, the situation in Flanders is compared to that in European countries concerning income, wealth, consumption, health, health-policy and societal participation of elderly people. While the overall comparison is generally positive for Flanders, serious problems are identified concerning income protection and institutional care. Concerning the level of pensions, Belgium is amongst the worse performers.*

[H4], [L], [R2] DELEECK, Herman and CANTILLON, Bea (ed.), “De architectuur van de welvaartsstaat opnieuw bekeken”, Leuven, Acco, 2008, 551p.

“The architecture of the welfare state reviewed.”

The work offers insight in the fundamentals and dynamics of the welfare state, without ignoring the problems and whilst suggesting solutions. This book is a revised and updated edition of the 1992 work, situating Belgian social protection in a larger economic, political and historical context. The 2008 edition contains new statistical data and updated footnotes.

[H1], [R1] FASQUELLE, Nicole, FESTJENS, Marie-Jeanne, SAINTRAIN, Michel, SCHOLTUS, Bertrand and WEEMAES, Saskia, “Le financement à long terme de la sécurité sociale et ses conséquences sur les finances du pouvoir fédéral”, Bureau fédéral du Plan, Working Paper 24-08, December 2008, 32p.

Available online: [http://www.plan.be/admin/uploaded/200901271000490.wp200824\\_fr.pdf](http://www.plan.be/admin/uploaded/200901271000490.wp200824_fr.pdf)

“The long-term financing of social security and its consequences for the federal state accounts”

[H1], [R1] X, “Advies over de begrotingsvooruitzichten voorafgaand aan het stabiliteitsprogramma 2009-2014”, Hoge Raad van Financiën, March 2009, 72p.

Available online: [http://docu.fin.fgov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009\\_03.pdf](http://docu.fin.fgov.be/intersalgnl/hrfcsf/adviezen/PDF/ltnl2009_03.pdf)

“Advice concerning the budgetary prospects preceding the stability programme 2009-2014”

*This document outlines the prospect for the state budget and government debt for the following years, in three different scenarios – one where policy remains as present, and two where important measures are taken to turn the tide. One important conclusion is that, with unchanged policy, the budget deficit would settle at or above 4.5% after 2010. The report makes crystal-clear that serious cost cutting needs to occur, in order to regain somewhat healthy state finances. Regional differences are an important aspect of the study, showing (and explaining) much different levels of organisation and care in Brussels, Wallonia and Flanders.*

[H] Health

- [H1] Health expenditures: financing, macroeconomic impact, forecasting, etc.
- [H2] Public health policies, anti-addiction measures, prevention, etc.
- [H3] Health inequalities and access to health care: public insurance coverage, spatial inequalities, etc.
- [H4] Governance of the health system: institutional reforms, transfer to local authorities, etc.
- [H5] Management of the health system: HMO, payments system (capitation, reimbursement, etc.)
- [H6] Regulation of the pharmaceutical market
- [H7] Handicap

[H1] DE VOS, Marc and VAN DAMME, Briec, “Breaking the deadlock of budgetary autism: what paradigms for future health care organisation in Belgium?”, Itinera Institute Memo, March 2009, 14p.

Available online:

[http://www.itinerainstitute.org/upl/1/default/doc/MEMO08\\_Breaking%20the%20deadlock\\_MDV+BVD.pdf](http://www.itinerainstitute.org/upl/1/default/doc/MEMO08_Breaking%20the%20deadlock_MDV+BVD.pdf)

*This paper offers a critical analysis of health care expenditures in Belgium. It is a must-read that allows to understand why certain estimates are realistic, and others are not. The paper also offers conclusions and recommendations, but is most interesting for its sharp analysis of the state of affairs.*

[H1], [R1] FASQUELLE, Nicole, FESTJENS, Marie-Jeanne, SAINTRAIN, Michel, SCHOLTUS, Bertrand and WEEMAES, Saskia, “Le financement à long terme de la sécurité sociale et ses conséquences sur les finances du pouvoir fédéral”, Bureau fédéral du Plan, Working Paper 24-08, December 2008, 32p.

Available online: [http://www.plan.be/admin/uploaded/200901271000490.wp200824\\_fr.pdf](http://www.plan.be/admin/uploaded/200901271000490.wp200824_fr.pdf)

“The long-term financing of social security and its consequences for the federal state accounts”

*This working paper describes two policy scenarios possible to deal with the ageing of the population, and how it affects the financing of social security and of the Belgian federal level as a whole. The working paper is particularly interesting, as it focuses on the two mechanisms meant to provide for the ageing problem: the “Silver Fund” (concerning pensions) and the “Future Fund” (concerning the health care system). Two scenarios are described – one in which nothing in particular is done, and one in which the 2008-2011 Stability Programme is executed as planned. These scenarios, neither of which takes into account the current economic and financial crisis, do not offer a bright outlook.*

[L] [H3] PACOLET, Jozef, MERCKX, Sigrid and PEETERMANS, Annick, “Is de thuiszorg onerontwikkeld in Vlaanderen en België?”, HIVA-K.U.Leuven en VFDT, Leuven en Brussel, 2007, 309p.

“Is home-care underdeveloped in Flanders and Belgium?”

*This comprehensive study looks at the broader picture of home-care arrangements. It contains interesting conclusions concerning unmet needs, the differences in different parts of the country, the influence on the occurrence of intra-mural care, and the cost within the health-insurance system.*

*While dated 2007, the study was only officially presented on October 31, 2008. A summary of the report is available online: [http://www.hiva.be/docs/rapport/S1210\\_sv.pdf](http://www.hiva.be/docs/rapport/S1210_sv.pdf)*



[H1], [R1] X, “Advies over de begrotingsvooruitzichten voorafgaand aan het stabiliteitsprogramma 2009-2014”, Hoge Raad van Financiën, March 2009, 72p.

Available online: [http://docufin.fgov.be/interalsgnl/hrfcsf/adviezen/PDF/ltnl2009\\_03.pdf](http://docufin.fgov.be/interalsgnl/hrfcsf/adviezen/PDF/ltnl2009_03.pdf)

“Advice concerning the budgetary prospects preceding the stability programme 2009-2014”

*This document outlines the prospect for the state budget and government debt for the following years, in three different scenarios – one where policy remains as present, and two where important measures are taken to turn the tide. One important conclusion is that, with unchanged policy, the budget deficit would settle at or above 4.5% after 2010. The report makes crystal-clear that serious cost cutting needs to occur, in order to regain somewhat healthy state finances. Regional differences are an important aspect of the study, showing (and explaining) much different levels of organisation and care in Brussels, Wallonia and Flanders.*

[L] Long-term care

[L] FUJISAWA, Rie and COLOMBO, Francesca, “The long-term care workforce: overview and strategies to adapt supply to a growing demand”, OECD, Directorate for Employment, Labour and Social Affairs, Health Working Papers (44), 17 March 2009 ([http://www.oilis.oecd.org/oilis/2009doc.nsf/LinkTo/NT00000F0A/\\$FILE/JT03261422.PDF](http://www.oilis.oecd.org/oilis/2009doc.nsf/LinkTo/NT00000F0A/$FILE/JT03261422.PDF)).

*Spending on long-term care as a share of GDP rises with the share of the population that is over 80 years old, which is expected to triple from 4% to 11-12% between 2005 and 2050. According to the OECD, this and other factors will add pressures not only on the long-term nursing care expenditures (in Belgium among the highest of the OECD) but also on the workforce of this highly labour-intensive sector. The working paper advances different solutions to manage a growing demand for long term care workers.*

[L] [H3] PACOLET, Jozef, MERCKX, Sigrid and PEETERMANS, Annick, “Is de thuiszorg onerontwikkeld in Vlaanderen en België?”, HIVA-K.U.Leuven en VFDT, Leuven en Brussel, 2007, 309p.

“Is home-care underdeveloped in Flanders and Belgium?”

*This comprehensive study looks at the broader picture of home-care arrangements. It contains interesting conclusions concerning unmet needs, the differences in different parts of the country, the influence on the occurrence of intra-mural care, and the cost within the health-insurance system.*

*While dated 2007, the study was only officially presented on October 31, 2008. A summary of the report is available online ([http://www.hiva.be/docs/rapport/S1210\\_sv.pdf](http://www.hiva.be/docs/rapport/S1210_sv.pdf)).*

[H4], [L], [R2] DELEECK, Herman and CANTILLON, Bea (ed.), “De architectuur van de welvaartsstaat opnieuw bekeken”, Leuven, Acco, 2008, 551p.

“The architecture of the welfare state reviewed.”

*The work offers insight in the fundamentals and dynamics of the welfare state, without ignoring the problems and whilst suggesting solutions. This book is a revised and updated edition of the 1992 work, situating Belgian social protection in a larger economic, political and historical context. The 2008 edition contains new statistical data and updated footnotes.*

## 5. List of Important Institutions

**Centrum voor Sociaal Beleid Herman Deleeck (CSB) – Centre for Social Policy Herman Deleeck, (Dr. Bea Cantillon)**

Address: Sint-Jacobstraat 2, 4de verd., 2000 Antwerpen,

Webpage: <http://www.centrumvoorsociaalbeleid.be/>

*The Centre for Social Policy Herman Deleeck (CSB) is a research unit within the University of Antwerp. It has been studying social inequality and wealth distribution in the welfare state for over 30 years. The research is empirical and multidisciplinary in nature, and is based largely on survey data. Herman Deleeck, who founded the Centre in 1972, fulfilled a pioneering role in developing social indicators for Flanders and Belgium. The Centre's research activities belong to the tradition of social policy analysis that makes use of sociological, economic and legal paradigms.*

*The CSB spearheads several research activities, and publishes useful indicators, amongst which the yearly updated Standard Social Security MicroSimulation Model, which makes it possible to simulate the impact of policy initiatives on the different branches of the social security system.*

**CoViVE, Consortium Vergrijzing in Vlaanderen en Europa – Consortium Ageing in Flanders and Europe, (Dr. Bea Cantillon)**

Address: Jacobstraat 2, 4de verd., 2000 Antwerpen,

*CoViVE is an inter-university consortium researching the socio-economic impact of ageing in Flanders and in Europe. Focal points are the spread of economic burden caused by an ageing population between and inside generations, the quality, affordability and accessibility of care, and the participation of older persons in employment and in social life. As a cooperation between the Flemish administration and universities, CoViVE is coordinated by the Centre for Social Policy Herman Deleeck (University of Antwerp) and is financed by the Institute for Encouragement of Innovation through Science and Technology in Flanders (IWT).*

*CoViVE is active through study days, reports, papers and publications in periodicals.*

**Federaal Kenniscentrum voor de Gezondheidszorg – Belgian Health Care Knowledge Center, Mvr. Gudrun Biat**

Address: Administratief Centrum Kruidtuin, Doorbuilding (10e verdieping), Kruidtuinlaan 55, 1000 Brussel,

Webpage: <http://www.kce.fgov.be/>

*Created in 2003, the KCE is a semi-governmental institution which produces analyses and studies in four different research domains in which decisions must be taken; collecting and disseminating objective information from registered data, literature and current practice; and developing high level scientific expertise in these research domains. The four research domains mentioned are the analysis of clinical practices and the development of practical guidelines on this topic (“Good Clinical Practice”); “Health Technology Assessment”; “Health Services Research”, which points to everything that has to do with the organisation and financing of health care; and “Equity and Patient Behaviour”, which denotes access to quality care for everybody. The KCE publishes regular reports on these different aspects. It is important to note that, whilst created by government, the KCE is not directly involved in policy setting, or in the execution of policy. As such, it holds an independent position.*

**Federale Overheidsdienst Volksgezondheid, Veiligheid van de Voedselketen en Leefmilieu – Federal Public Service Health, Food Chain Safety and Environment**

Address: EUROSTATION, bloc 2, Place Victor Horta 40 boîte 10, 1060 Bruxelles

Webpage: <https://portal.health.fgov.be>

*The Federal Public Service (FPS) Health, Food Chain Safety and Environment was set up in 2001. Its competencies were transferred from the former Ministry of Social Affairs, Health and Environment and the regionalised Ministry of Agriculture. The following scientific establishments are linked to the FPS and carry out research into policy-supporting matters or issue advisory reports: VAR, Veterinary and Agrochemical Research Centre IPH, Scientific Institute of Public Health, SHC, Superior Health Council. The Federal Agency for Food Chain Security is responsible for all verifications with regard to food safety. The aims of the FPS are developing a transparent, dynamic and scientifically-based policy that takes care of people's health, provides a safe food chain and a better environment for everyone, both today and in the future.*

**Federale Overheidsdienst Werkgelegenheid, Arbeid en Sociaal Overleg – Federal Public Service Employment, Labour and Social Dialogue**

Address: Ernest Blerotstreet 1, 1070 Brussels

Webpage: <http://www.employment.belgium.be>

*The Federal Public Service Employment, Labour and Social Dialogue (FPS) is a public agency and was found in 2003. The tasks of the FPS among others are the preparation, promotion and implementation of policies of collective labour relations, supervision of social dialogue, prevention and reconciliation in social conflicts and the preparation, promotion and implementation of policies on employment, labour market regulation and unemployment plus of policies on equality and of policy on welfare at work. The FPS oversees the abidance of the implemented laws and prosecutes violation of law.*

**Federaal Planbureau – Federal Planning Bureau**

Address: Avenue des Arts, 47-49, 1000, Brussels

Webpage: <http://www.plan.be/>

*The Federal Planning Bureau (FPB) is a public agency. The FPB makes studies and projections on economic, social and environmental policy issues and on their integration within the context of sustainable development. For that purpose, the FPB collects and analyses data, explores plausible evolutions, identifies alternatives, evaluates the impact of policy measures and formulates proposals. Government, parliament, social partners and national and international institutions appeal to the FPB's scientific expertise. The FPB provides a large diffusion of its activities. The public is informed of the results of its research activities, which contributes to the democratic debate.*

*Most of the FPB's activities are legally defined. Other studies are made at the request of the Government, social partners and parliament. The FPB can also undertake projects at its own initiative or within the framework of research contracts with third parties. All the FPB's studies are published, presented publicly, and widely distributed, via their website. Of particular interest are the planning and forecast documents.*

**Graydon Belgium**

Webpage: <http://www.graydon.be/>

*Graydon is an international research firm which provides financial, credit and solvability assessments of firms and organisations. While a commercial firm who's business model it is to sell company-specific commercial information, Graydon keeps an eye on company*

*bankruptcies and publishes analysis of economic activity in Belgium, offering detailed information on regional differences and connected employment issues.*

**HIVA (Hoger Instituut voor de Arbeid)** – Higher Institute of Labour Studies, (Dr. Jozef Pacolet)

Address: Parkstraat 47, B-3000 Leuven

Webpage: <http://www.hiva.be/Openingspagina/Home.php>

*The higher Institute of Labour Studies is an inter-faculty research institute, attached to the K.U.Leuven. HIVA conducts policy-oriented inter-disciplinary research into social problems of relevance to workers, underprivileged groups, social organisations and movements.*

*Its core activity is research and the dissemination of research results, conducted in an academic and policy-oriented manner.*

**Hoge Raad van Financien** – High Council of Finance,

Webpage: <http://docufin.fgov.be/intersalgnl/hrfcsf/onzedienst/onzedienst.htm>

*The members of the High Council of Finance are high level experts, who analyse and study fundamental budgetary, financial and fiscal issues, and suggest adaptations and reforms. They can act on their own initiative or at the request of the Federal Minister of Finance or the Minister of Budget.*

*The High Council of Finance publishes two yearly reports, one (in March) containing an assessment of the implementation of the stability program in Belgium during the previous year, and one annual report (in June), which analyses the borrowing requirement of each of the local governments as well as the budgetary policy to be adopted.*

*Moreover, it publishes opinions formulated on its own initiative or upon request of the federal Minister of Finance, as to the advisability of restricting the borrowing requirement of one or more authorities.*

**Instituut voor de gelijkheid van mannen en vrouwen** – Institute for the equality of women and men (IGVM), (Dhr. Michel Pasteel)

Address: Ernest Blerotstraat 1, 1070 Brussel

Webpage: <http://igvm-iefh.belgium.be/>

*The mission of the Institute for the equality for women and men, a Federal Public Institution created in December 2002, is to guarantee and promote the equality of women and men and to fight against any form of discrimination and inequality based on gender in all aspects of life through the development and implementation of an adequate legal framework, appropriate structures, strategies, instruments and actions.*

*The institute brings together data on the labour market, and publishes topical reports, its own yearly reports, and a periodic report concerning the wage gap between men and women.*

**International Center for Pension Reform**, (José Piñera)

Webpage: <http://www.pensionreform.org/>

*The International Center for Pension Reform offers a set of policy documents, speeches, articles and analysis on pension reforms in different parts in the world. It is inspired by the Chilean economist José Piñera, one of the world's foremost advocates of privatising public pension systems, and the architect of the Chilean reform. The Center offers interesting – if biased – analysis of the crisis in pension systems throughout Europe.*

**Itinera Institute**, (Dr. Marc De Vos)

Address: Boulevard Leopold II Laan 184d, B-1080 Brussels,

Webpage: <http://www.itinerainstitute.org/>

*The Itinera Institute is an independent and non-partisan think-tank and do-tank that identifies and promotes roads for policy reform towards sustained economic growth and social protection, for Belgium and its regions. The institute publishes reports and opinions on different subjects, including ageing and pensions, poverty and inequality, employment and health care.*

**Nationale Bank van België – National Bank of Belgium**

Address: de Berlaimontlaan 14, 1000 Brussel

Webpage. <http://www.nbb.be/>

*The National Bank of Belgium is Belgium's central bank since 1850. The NBB publishes year reports, but also weekly economic indicators, economic reviews, and economic and financial background papers.*

*Detailed statistical information is offered through the Belgostat service (<http://www.belgostat.be/>), which makes the National Bank a prime source to access underlying statistical and analytic data on economics and finances.*

**Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitsluiting –**

Service for the fight against poverty, insecurity, and social exclusion, (Mrs. Françoise De Boe)

Webpage: <http://www.armoedebestrijding.be/>

*The Service was formed in 1999 on the basis of a recommendation of the 1994 General Report on Poverty, which itself brought together organisations in which the poorest had their say along with local public welfare agencies, social workers from the social assistance and special juvenile assistance sectors, teachers, doctors, employers and labor unions, ... The Report requested that a structural tool would be developed for fighting poverty.*

*The Service is a partnership between the Federal State, the Communities, and the Regions, on the Continuation of the Policy on Poverty. It publishes statistics, notes and background papers concerning poverty. In addition, the organisation publishes bi-annual reports on poverty.*

**Studiecommissie voor de Vergrijzing – Study Committee on Ageing**

Address: Avenue des Arts, 47-49, 1000, Brussels

Webpage. <http://www.plan.be/>

*The Law of 5 September 2001 guaranteeing a continuous reduction in the public debt and the setting up of the Ageing Fund also provided for the creation of the Study Committee on Ageing within the High Council of Finance. This Committee publishes an annual report in which the financial consequences of the population's evolution for the different statutory pension schemes, social security schemes for salaried workers and self-employed workers and the scheme of guaranteed income for the elderly are assessed (see theme 'Population'). The Study Committee can undertake, on its own initiative or at the request of the Government, specific studies related to ageing (poverty, 'second pillar' pension schemes, etc.). The Law entrusts the FPB with the secretariat of the Committee. The FPB thus plays an important role in the drawing up of the necessary assessments and the preparation of the annual report of the Committee.*

*The department 'Borrowing Requirements of the Public Sector' within the High Council of Finance uses the report of the Study Committee to make recommendations for budgetary policy. On the basis of the work of the Study Committee on Ageing, the federal government draws up a memorandum on population ageing. The document contains an assessment of the*



*additional costs in the social security schemes, describes the general policy in order to meet the consequences of ageing, gives an account overview for the Ageing Fund and describes the evolution of supplementary old-age pensions and of poverty amongst the elderly.*

**VIVES - Vlaams Instituut voor Economie en Samenleving – Research Centre for Regional Economics, (Dr. Koen Algoed)**

Address: Naamsestraat 61 (bus 3510), B-3000 Leuven

Webpage: <http://www.econ.kuleuven.be/vives/>

*VIVES is an independent think-tank which aims to contribute to the debate on the economical and social development of regions, with a focus on Flanders. The Centre is integrated both scientifically and legally within the K.U.Leuven as an inter-faculty research centre.*

*VIVES cooperates extensively with Research Fellows from other universities, organises symposia and publishes discussion papers, policy papers and press reports.*

This publication is financed by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme was established to support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields. The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA and EU candidate and pre-candidate countries. The Programme has six general objectives.

These are:

- (1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
- (2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;
- (3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
- (4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
- (5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
- (6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see:

[http://ec.europa.eu/employment\\_social/progress/index\\_en.html](http://ec.europa.eu/employment_social/progress/index_en.html)