

## Belgium: Industrial relations profile

### Facts and figures

Area: 30,528 square kilometres

Population: 10.9 million (2011)

Languages: Dutch, French and German

Capital: Brussels

Currency: Euro

### Economic background

<b>GDP per capita</b> (in purchasing power standards, index: EU27=100)	116 (2008) 118 (2009) 119 (2010)
<b>Real GDP growth (% change on previous year)</b>	-2.8% (2009) 2.2% (2010) 1.9% (2011)
<b>Inflation rate</b>	0.0% (2009) 2.3% (2010) 3.5% (2011)
<b>Average monthly labour costs, in € (2008)</b>	€4.311,5
<b>Average labour productivity (% change on previous year)</b>	-2.6% (2009) 1.4% (2010) 0.5% (2011)
<b>Gross annual earnings, in € (2010)</b>	n.a.
<b>Gender pay gap</b>	9.0% (2008) 8.8% (2009) 8.6% (2010)
<b>Employment rate (15–64 years)</b>	61.6% (2009) 62.0% (2010) 61.9% (2011)
<b>Female employment rate (15–64 years)</b>	56.0% (2009) 56.5% (2010) 56.7% (2011)
<b>Unemployment rate (15–64 years)</b>	7.9% (2009) 8.3% (2010) 7.2% (2011)
<b>Monthly minimum wage</b>	see 'Pay and working time developments', below.

Source: Eurostat

## Industrial relations characteristics, pay and working time

<b>Trade union density (%) (2009)</b> (Trade union members as a percentage of all employees in dependent employment)	52.0%
<b>Employer organisation density (%) (2009)</b> (Percentage of employees employed by companies that are members of an employer organisation)	76.0%
<b>Collective bargaining coverage (%) (2009)</b> (Percentage of employees covered by collective agreements)	96.0%
<b>Number of working days lost through industrial action per 1,000 employees</b>	n.a.
<b>Collectively agreed pay increase (%)</b> (annual average 2010–2011)	1.75%
<b>Actual pay increase (%)</b> (annual average 2010–2011))	1.65%
<b>Collectively agreed weekly working hours</b>	37.6
<b>Actual weekly working hours (2010)</b>	36.8

Source: [Banque Nationale de Belgique \(BNB\)](#)

## Background

### Political and economic context

The political and economic situation in Belgium during 2011 can only be explained in the light of the elections of 13 June 2010, because the political context in 2011 was characterised by the ongoing negotiations between parties to try to set up a federal government. This finally happened after 540 days of discussion. In the economic context, the situation in 2011 was dominated by the global economic crisis, which also made the political discussions on socioeconomic issues for the formation of the new government more difficult.

The socioeconomic part of the agreement concluded by the new government contains a large number of measures on working conditions.

### Main industrial relations trends

The year 2011 was very interesting for Belgian industrial relations. It is possible to define three phases with different kinds of action. The first one was in springtime with the ‘no-signature’ of the cross-sectoral agreement and its application by the interim government. In response to this, unions showed their dissatisfaction through strikes (sectoral and cross-sectoral). The second phase began in summer with the sectoral bargaining round. This phase was quieter in terms of industrial action, but this does not mean that agreements were easily reached. The third and last period began with the installation of the new government and its measures at the end of the year.

This provoked considerable protest from the unions. Indeed, there was a general strike at the end of December 2011.

## **Main actors**

### **Trade unions**

#### *Main trade union organisations*

Trade unions are national organisations. The three main trade union organisations are:

- Confederation of Christian Trade Unions (Confédération des Syndicats Chrétiens/Algemeen Christelijk Vakverbond, [CSC/ACV](#)) (1.7 million members) ;  
Belgian General Federation of Labour (Fédération Générale du Travail de Belgique/Algemeen Belgisch Vakverbond, [FGTB/ABVV](#)) (1.3 million members) ;  
Federation of Liberal Trade Unions of Belgium (Centrale Générale des Syndicats Libéraux de Belgique/Algemene Centrale der Liberale Vakbonden van België, [CGSLB/ACLVB](#)) (250,000 members).

#### *Main trade union developments*

Although trade union membership is decreasing in Europe as a whole, in Belgium the trend is still positive. Indeed, trade union density is quite stable in Belgium with a rate of 51.8% in 2008, which was slightly more than the previous year.

Another way to assess the power balance between the different trade unions representing the labour force relates to the results of the nationwide social elections for the two legal bodies of workplace representation – works councils (Conseil d’entreprise/Ondernemingsraad, CE/OR) and workplace health and safety committees (Comité pour la prévention et protection au travail/Comité voor preventie en bescherming op het werk, CPPT/CPBW) – that are organised every four years. The results of the social elections are generally stable. The last social elections were held in 2008 and did not result in any fundamental changes in the balance of power between the three main trade union organisations.

The participation in the 2008 social elections, at 72.5%, was slightly lower than the 76.5% in 2004. For the CE/OR, ACV-CSC obtained 57.4% of the seats, ABVV-FGTB 34.5% and ACLVB-CGSLB 6.5%. The 2008 social elections for the CPBW-CPPT resulted in 59.5% of the seats for ACV-CSC, 34.3% for ABVV-FGTB and 6.2% for ACLVB-CGSLB.

### **Employer organisations**

The employer organisation density rate amounts to 76% in Belgium. Most of the country’s companies are members of an employer organisation, in particular larger companies employing a significant number of workers.

The Belgian Federation of Employers (Fédération des Entreprises de Belgique/Verbond van Belgische Ondernemingen, FEB/VBO) is the main national employer organisation in Belgium. FEB/VBO represents 33 sectoral employer federations. In total, it represents 30,000 companies including 25,000 small and medium-sized enterprises (SMEs). FEB/VBO also represents employers across 150 different federal, European and international committees.

Other employer organisations are the Federation of Belgian Farmers (Fédération des Agriculteurs Belges/Belgische Boerenbond, [BB](#)), the Flemish Organisation of the Self-Employed (Unie van

Zelfstandige Ondernemers, [UNIZO](#)) and the French-speaking Union of Self-Employed (Union des Classes Moyennes, [UCM](#)).

Since 1994, the Confederation of Social Profit Enterprises ([UNISOC](#), formerly CENM-CSPO), the organisation representing employers in the not-for-profit sector, has had the status of ‘associate member’ of CNT/NAR ([Conseil National du Travail/Nationale Arbeidsraad](#)) and CCE/CRB ([Conseil Central de l’Economie/ Central Raad voor het Bedrijfsleven](#)), which meant that the organisation could participate in the meetings and express views without the right to vote. As of the beginning of 2010, UNISOC became a full member with one seat in both the CNT/NAR and the CCE/CRB. UNISOC integrates 46 federations and is complemented at the regional level by two regional confederations – the Association of Social Profit Enterprises ([VERSO](#)) in Flanders and the French-speaking Federation of Social Profit Enterprises ([UNIPSO](#)).

## Industrial relations

### Collective bargaining

#### Levels of collective bargaining

	National level (Intersectoral)	Sectoral level	Company level
Principal or dominant level	X	X	
Important but not dominant level			X

Every two years, an intersectoral collective agreement is negotiated between the main organisations representing employees and employers at the national level, this is called interprofessional agreement (IPA). This agreement establishes the main developments in terms of wages and working conditions that will be further discussed in the following two years within the joint committees at sectoral level. The joint committees are established within the Federal Public Service Employment, Labour and Social Dialogue ([SPF Emploi, Travail et Concertation Sociale/FOD Werkgelegenheid, Arbeid en Sociaal Overleg](#)).

Pay and working time are covered by collective agreements negotiated within the sectoral joint committees (Paritaire comités/Commissions paritaires). Collective agreements affect almost the entire workforce, with a coverage rate of 96%.

Sectoral joint committees are composed of the three main trade unions and representatives of the employers active in the sector concerned. Many collective agreements, including issues such as pay and working conditions, are negotiated in these sectoral committees.

#### *Legal parameters*

Collective agreements are also binding for employers, and their workers, who are not members of signatory organisations but who are covered by the sectoral joint committee within which the agreement has been concluded. Employers are legally bound by the agreement unless they have individual employment contracts that include clauses negating the collective agreements. In other words, only employers who are not members of a signatory organisation can deviate from a collective agreement, and only by individual employment contract.

### *Extension of collective agreements*

The obligatory nature of a collective agreement can be extended by Royal Decree. In this case, the agreement will be binding for all employers covered by the bipartite structure within which the deal has been concluded, without the possibility to include opposite provisions in individual employment contracts. This procedure is initiated on request by the sectoral joint committee or by one organisation represented in the committee; this option of extending a collective agreement is used relatively often by the signatory parties.

### *Trend towards decentralisation*

Although Belgium is a federal country divided in several administrative entities – regions and communities – the national labour law and social dialogue remain the centralised competence in implementing and shaping employment conditions in the country. The main trade union and employer organisations cover the entire country.

### **Other issues in collective agreements**

Belgium is one of the few countries in Western Europe that still has an extensive ‘automatic’ index-linking in the wage-setting. This means that pay and social security benefits are linked to the consumer price index. Each (sector) collective agreement normally has its own particular way of implementing this ‘indexation’ mechanism in the wage-setting system. As a result, the indexation has developed into a rather complex system that prevents downward tendencies in the Belgian real wages in terms of purchasing power. The state tries to balance this ‘automatic’ indexation of wages with a tight law on monitoring and intervention in the wage-setting system. The forecast weighted growth of foreign hourly labour costs in national currency (to be understood as a weighted average for France, Germany and the Netherlands) now acts as an upper limit for wage negotiations at all levels (macro; sector; firm), the lower limit remaining, as before, the automatic price indexation of wages, plus wage drift. In practice, the law has mainly worked in a preventive way as a kind of ‘big stick’.

However, employers’ organisations consider that ‘automatic indexation’ is a disadvantage for the country and its competitiveness in Europe.

### **Industrial disputes**

			<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011*</b>
Blue-collar workers	Men	Days	7,448.2	124,722.7	94,547.9	70,147.1	130,395.7
		FTE	1,116.2	1,868.8	1,436.0	1,055.6	1,987.6
	Women	Days	10,744.6	25,292.7	9,451.5	12,522.6	25,285.1
		FTE	144.4	332.8	132.2	163.8	333.5
White-collar workers	Men	Days	13,715.7	37,012.3	16,575.1	24,441.9	31,134.0
		FTE	201.0	542.7	241.7	322.7	459.5
	Women	Days	11,771.9	35,139.4	11,363.8	36,597.2	33,900.5
		FTE	150.7	445.3	146.1	385.2	431.7
Public	Men	Days	12,643.0	33,898.1	25,510.8	15,992.4	14,012.2

sector workers		FTE	180.5	497.0	367.1	233.2	200.5
	Women	Days	4,085.5	7,613.6	4,395.0	2,728.0	4,153.3
		FTE	52.6	105.1	58.2	38.0	54.4
	Total	Days	127,441.8	263,678.6	161,844.1	162,429.2	238,880.7
		FTE	1,694.5	3,346.5	2,235.2	1,813.3	3,035.5

\* = Only first and second quarters

Source: National office for Social Security: ONSS-RSZ (office national de la sécurité sociale – Rijksdienst voor sociale zekerheid)

Statistics from the [Federal Public Service of Economy, SMEs, Self-employed workers and Energy, available in a press release \(in French, 224Kb PDF\)](#), reflect the bankruptcy situation for all types of companies. Differences can be seen between sectors and between Belgium's linguistic areas. The sectoral breakdown of the statistics for 2011 is not yet available, but it seems likely that the overall figure will be similar to that for 2010 (9,570 bankruptcies). Most of the strike actions were subsequent to announcements of restructuring process or plant closures (mainly in the manufacturing sector). The significant increase in strike action could therefore be related to the global economical crisis and the rise in redundancies.

### Tripartite concertation

In the Belgian industrial relations system, national tripartite policy concertation takes place in two bodies – the CNT/NAR and the Central Economic Council (Conseil Central de l'Économie/Centrale raad voor het bedrijfsleven, CCE/CRB).

The CNT/NAR is not only a bipartite body in charge of concluding collective agreements, but it also plays a consultative role towards the government. Government members can consult the CNT/NAR on any issues concerning labour law, employment relationships and social security.

The CCE/CRB is composed of an equal number of representatives from the workers' and employers' sides. It has a consultative role towards the government on all economic and social issues.

### Workplace representation

#### Main channels of employee representation

	Works council type (WC)	Trade union (TU)	Committee for the Prevention and Protection at the Workplace
<b>1 Most important body</b>	X	X	X
<b>2 Alternative body</b>			

The Works Council (Conseil d'entreprise/ Ondernemingsraad, CE/OR) is composed of employee representatives elected at the social elections and employer representatives. It has to be summoned at least once a month by the employer on the company's premises. The CE/OR members are informed by the employer about the company's financial situation, its productivity,

future developments in terms of employment and future objectives. The CE/OR has also the right to be consulted by the employer in the case of substantial modifications in the organisation of staff, such as restructuring, a plant closure, a merger or the introduction of a night shift, but also relating to training measures. A CE/OR is compulsory in any enterprise or plant employing more than 100 workers.

The Committee for Prevention and Protection at the Workplace (Comité pour la prévention et protection au travail/Comité voor preventie en bescherming op het werk, CPPT/CPBW) comprises employee representatives elected at the social elections, prevention counsellors and members of the company management who are responsible for health and safety at the workplace. The committee is in charge of any issue relating to workers' health, the working environment and working conditions. A CPPT/CPBW has to be established in any company or plant employing more than 50 workers.

A trade union delegation (délégation syndicale/vakbondsafvaardiging) has the right to be present in any company (the minimum number of workers employed in the company is defined by sectoral collective agreement). The members of the delegation are nominated by their trade unions or elected by staff. The trade union delegation, in contrast to the two other bodies, represents only unionised workers of the company and not the entire staff. The trade union delegation can negotiate collective agreements in the company and intervene in any conflict the staff might have with the employer. Furthermore, the trade union delegation has the right to be informed about any changes in working conditions. When neither a CE/OR nor CPPT/CPBW are present in the company, the trade union delegation is able to fulfil the role of these two bodies.

In order to transpose [Council Directive 2002/14/EC](#) establishing a general framework for informing and consulting employees in the European Community, the national collective agreement No. 9 on the functioning of works councils was amended in 2008. Accordingly, the CPPT/CPBW were granted a residual right to employment and business information in companies or establishments employing 50–100 workers, while in the past this right was only granted to works councils in companies with more than 100 employees. In addition, in companies or establishments where only a trade union delegation is present and with no other information and consultation body, such as a CE/OR or CPPT/CPBW, management must supply this delegation with annual information concerning business turnover, profits, employment and labour costs, as well as about all decisions which could result in considerable changes in the work organisation or employment relationship ([BE0802039I](#)).

## Employee rights

Employees' individual labour rights can be enforced in labour courts. The labour courts are composed of one professional judge who is assisted by assessors from the trade union and employer organisations. The labour courts have the competence to resolve conflicts between employers and employees, and conflicts in the field of social security and social assistance. On the other hand, labour courts are not competent in the area of collective labour rights. Conciliation and mediation procedures are organised in the sectoral joint committees.

A labour inspectorate department exists within the department of labour law control (Contrôle des lois sociales/Toezicht op de Sociale Wetten) which is part of the General Department on Monitoring Welfare at Work (Contrôle du bien être au travail/Toezicht op het Welzijn op Werk) of the Federal Public Service Employment, Labour and Social Dialogue ([SPF Emploi, Travail et Concertation Sociale/FOD Werkgelegenheid, Arbeid en Sociaal Overleg](#)).

A specific unit has been established to control the organisation of companies (Cellule organisations professionnelles/Cel bedrijfsorganisatie). Its mission is to ensure the implementation of labour law in companies, such as the establishing of a works council.

The tasks of the labour inspectorate services are to:

- inform and advise employers and employees on legal provisions;
- control adherence to the law at the workplace;
- inform the national authorities on non-compliance with the law.

## Pay and working time developments

### Minimum wage

In Belgium, a minimum wage is set by collective agreement negotiated within the joint committee for each sector. The minimum wage is different according to the economic sector, the professional activity, as well as length of service and qualifications of the worker.

According to the Federal Public Service Employment, Labour and Social Dialogue, the average gross minimum wage in May 2011 stood at:

- €1,472.50 for workers aged over 21 years;
- €1,511.48 for workers aged over 21 years with at least six months of service;
- €1,528.84 for workers aged over 22 years with at least 12 months of service.

For workers under 21 the minimum wage ranged from €1,030.68 (16-year-olds) to €1,384.06 (20-year-olds).

### Pay developments

The wage increase is set every two years in the Inter-professional agreement (IPA). Its calculation is based on the movement in the consumer goods index, but also limited by an estimate of the wage increase in the three adjacent countries: the Netherlands, Germany and France. The 2009–2010 IPA set the wage increase at 5.1%.

### Working time

The statutory working time is on average 38 hours a week, while the actual weekly working time amounts on average to 36.8 hours. The statutory weekly working time is set by law, but sectoral collective agreements can depart from the fixed weekly working time.

## Bibliography and links

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