

Belgium

Exchange rate: U.S.\$1.00 equals 1.12 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1900 (old age) and 1944 (disability).

Current laws: 1967, 1990, and 1996 (old-age pensions for employees); 1963 (disability); and 2001 (means-tested allowance for the aged).

Type of program: Social insurance system.

Coverage

Employed persons (special provision for miners and seamen).

Special systems for self-employed persons and public employees.

Coverage for disability pensions is provided through Sickness and Maternity.

Source of Funds

Insured person: 7.5% of earnings. Pensioners contribute 0.5% to 2% of pensions or pre-pensions.

Employer: 8.86% of payroll.

Government: Annual subsidies.

Disability pensions and funeral grants are financed through sickness and maternity insurance.

Contribution rates are applied to 100% of earnings (payroll) for white-collar workers and to 108% of earnings (payroll) for blue-collar workers.

Qualifying Conditions

Old-age pension: Age 65 with 45 years of coverage for both men and women, to be phased in by 2009. In the interim, the retirement age for women is age 62 (2002), rising to age 63 (2003), age 64 (2006), and age 65 (2009).

Full benefit is based on the following number of years of coverage for women: 42 years in 2002, rising to 43 years in 2003, 44 years in 2006, and 45 years in 2009.

Early retirement: Age 60 (men and women) with 30 years of covered employment.

Disability pension: Loss of 2/3 of earning capacity in usual occupation. Six months of insurance, including 120 days of actual or credited work and insurance coverage during the last quarter.

Survivor pension: Widow or widower aged 45 (any age if disabled or if caring for a child). Married for at least 1 year at the time of death of the insured. These conditions are waived if a child was born from the marriage or in cases of accidental death.

Old-Age Benefits

Old-age pension: The full pension is 60% of average lifetime earnings (75% for a married couple) up to a maximum of •38,678.50. To compute the pension, past earnings are adjusted to reflect wage and price changes.

Reduced pension (incomplete qualifying period): A percentage of the full pension corresponding to the portion of the qualifying period completed.

Special old-age pension to a divorced husband or wife at age 60: The special pension is 37.5% of the former spouse's earnings during the period of the marriage, less any pension earned in own right during the same years.

Minimum pension: •9,253.11 a year for a single person insured during the full qualifying period; •11,562.55 a year for a married couple. For workers with at least 2/3 of insurance required for the full pension, the minimum pension is proportionately reduced.

Vacation allowance: An annual payment of •475.94; •594.94 (paid for a couple).

Means-tested allowance: •7,022.70 a year for a person living alone; •4,681.80 a year for a person cohabiting.

Benefit adjustment: Automatic periodic adjustment of pensions for retail price changes.

Permanent Disability Benefits

Disability pension: Equal to 65% of lost wages subject to a ceiling of •95.38 for an employee with dependents, 40% if there are no dependents, and 45% if there are no dependents but the claimant is living with others who have no income. The pension is payable after 1 year of incapacity (the first year is paid under sickness benefit).

Minimum pension: •25.11 a day if there are no dependents; •28.01 a day for a person living alone; •35.08 a day with dependents.

Maximum pension: •39.69 a day if there are no dependents; •59.54 a day with dependents.

Benefit adjustment: Automatic periodic adjustment of benefits for retail price changes.

Survivor Benefits

Survivor pension: Equal to 80% of the old-age pension of the deceased insured.

Minimum pension: •9,102.11 a year if the worker was fully insured for the full qualifying period for the old-age pension. For survivors of workers with at least 2/3 of the full qualifying period, the minimum pension is reduced proportionately.

The survivor's pension plus the widow or widower's own pension entitlements may not exceed 110% of own pension. A widow or widower who is eligible for another pension receives the survivor pension for 12 months.

Vacation allowance: An annual payment of •475.94.

Funeral grant: A lump sum is payable under sickness insurance.

Means-tested allowances: Allowances are payable to needy survivors.

Benefit adjustment: Automatic periodic adjustment of benefits (except for the funeral grant) for retail price changes.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office is responsible for the collection of contributions and their distribution to national offices administering benefits.

National Pensions Office provides the administrative management of old-age and survivor pensions and the financial management of the program.

National Insurance Institute for Sickness and Disability provides the general administration of disability pensions.

Sickness and Maternity

Regulatory Framework

First law: 1894 (mutual benefit societies).

Current law: 1994.

Type of program: Social insurance system.

Coverage

Employed persons must be a member of a mutual benefit society or with the public auxiliary fund. Pensioners and other social security beneficiaries are also covered for medical benefits.

Special systems operate for self-employed persons (basic protection only) and seamen.

Voluntary affiliation is possible for persons not covered under compulsory coverage.

Source of Funds

Insured person: Medical benefits, 3.55% of earnings. Cash benefits and disability pensions, 1.15% of earnings. Pensioner, 3.55% of old-age and survivor pension (low-income pensioners are exempt from contribution).

Employer: Medical benefits, 3.8% of payroll. Cash benefits and disability pensions, 2.2% of payroll plus 0.15% to finance maternity benefits.

Government: Subsidy for the management of the social security system. Proceeds from a surcharge on automobile insurance and on hospitalization insurance premiums, and a tax on the profit made on reimbursable drugs.

Qualifying Conditions

Sickness and medical benefits: Six months of insurance, including 120 days of actual or credited work.

Maternity benefits: Six months of insurance preceding the expected date of childbirth.

Sickness and Maternity Benefits

Cash sickness benefit: 60% of average lifetime earnings (the basis salary taken into account for the calculation of sickness and disability benefits has a ceiling of •95.38 a day). After the 31st day of incapacity the entitlement is 55%; 60% if there are dependents or if the insured is the sole breadwinner. In general, benefits are not payable if the employer provides a guaranteed salary.

Cash maternity benefit: Benefit is payable for a maximum of 15 weeks (17 weeks in the case of multiple births), including a maximum of 7 weeks (9 weeks in the case of multiple births) before the expected date of childbirth (of which at least 1 week is compulsory), and a minimum of 8 weeks after childbirth. During the first 30 days, maternity benefits for active workers are 82% of the basis salary (no ceiling); for the unemployed or the disabled, 79.5% of the basis salary up to a maximum of •95.38 a day. Benefit from the 31st day to the end of the 15th week (17th week in the case of multiple births) equals 75% of the basis salary up to a maximum of •95.38 a day. Benefit after this date equals 60% of the basis salary up to a maximum of •95.38 a day.

Workers' Medical Benefits

The benefits provided include general and specialist care, surgery, hospitalization, medicines, laboratory services, maternity care, dental care, nursing, rehabilitation, transportation, and appliances. The insured person pays varying copayments depending on income and status. There is no limit to duration.

Dependents' Medical Benefits

Same as for the insured worker, above.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office collects contributions.

National Sickness and Invalidity Insurance Institute coordinates the program together with various management committees for cash and medical benefits.

Local agencies pay benefits, including about 78 approved mutual benefit societies, federated into five national unions, and a separate fund for railway employees. Benefits are paid by district offices of the public auxiliary fund for persons not belonging to a mutual society.

Work Injury

Regulatory Framework

First laws: 1903 (work accidents) and 1927 (occupational diseases).

Current laws: 1963 (occupational diseases) and 1971 (work accidents).

Type of program: Social insurance system.

Coverage

Employed persons, including casual labor. Special systems for public employees.

Source of Funds

Insured person: None.

Employer: Occupational injuries, 0.3% of payroll plus an insurance premium varying according to the assessed degree of risk. Occupational diseases, 1.10% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

90% of base earnings, payable until recovery or until permanent disability is established. Daily basis earnings equal 1/365 of the full-year earnings for the year preceding the accident. The full-year earnings taken into account must be between •4,977.75 and •24,888.75. The basis salary is adjusted annually.

Partial temporary disability: Equal to the difference between earnings prior to injury and current earnings (after partial take-up of work).

In cases of occupational diseases, temporary disability benefit (for total or partial disability) is not payable unless the disability lasts at least 15 days.

Benefit adjustment: Periodic adjustment of benefits for retail price changes in cases where benefit has been paid for 3 months.

Permanent Disability Benefits

Permanent disability pension: 100% of earnings if totally disabled.

Constant-attendance supplement: The level of the supplement depends on the degree of need of assistance based on the average minimum monthly salary required for a full-time worker (not paid from the 91st day of hospitalization).

Partial disability: Percentage of base earnings corresponding to the degree of permanent disability except where the

assessed degree of disability is less than 10% (reduced to half between 0% and 5% and to a quarter between 5% and 10%).

Benefit adjustment: Automatic periodic adjustment of benefits for retail price changes (except those for a disability of less than 16%).

Workers' Medical Benefits

Medical treatment, surgery, dental treatment, hospitalization, medicines, appliances, and transportation; full reimbursement according to schedule.

Survivor Benefits

Survivor pension: 30% of earnings of the deceased up to a maximum. The pension is payable to a widow or widower and to a divorced spouse who is receiving alimony. No payment to a cohabitant.

Orphan's pension: 15% of covered earnings of the deceased per orphan (20% if a full orphan) under age 18 (or older if entitled to family allowance).

Maximum orphan's pensions: 45% of covered earnings; 60% for a full orphan.

If no dependent children, other eligible survivors who were dependent on the deceased: Parent, grandchild, and brother or sister under age 18.

Maximum survivor pension: 75% of the earnings of the deceased.

Funeral grant: A lump sum of 30 days' earnings; the minimum is equivalent to the sickness benefit.

Transport costs: Includes administrative costs and the cost of transporting the body to the place of burial (even if abroad).

Benefit adjustment: Periodic adjustment of benefits for retail price changes.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

Work injury: Work Injury Fund, a public interest organization, administers the program and is responsible for controlling the benefits paid by private companies.

Occupational diseases: Occupational Diseases Fund, a public interest organization, operates under the joint administration of employers and employees and is responsible for the compensation of injured workers.

Unemployment

Regulatory Framework

First law: 1920.

Current law: 1991.

Type of program: Social insurance system.

Coverage

Employed persons. Coverage is extended to stage performers, temporary workers, home workers, disabled workers, and professional sportsmen and sportswomen.

Source of Funds

Insured person: 0.87% of earnings.

Employer: 1.46% of earnings. Financing of additional unemployment benefits is in the framework of prepension collective agreements.

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: Less than 36 years old with 312 days of insured employment or deemed employment in the last 18 months; between ages 36 and 50 with 468 days in the last 27 months; over 50 years old with 624 days in the last 36 months. Registered at an unemployment office. The person must be capable, willing, and available for work. Unemployment not due to voluntary leaving, discharge for misconduct, or unjustified refusal of suitable offer (disqualification for 8 weeks to 52 weeks; exclusion from readmission if deliberate intent).

Prepension supplement: Age 58 with 25 years of employment.

Unemployment Benefits

Based on the mean salary up to a ceiling of •58.83. Benefit depends on the category of insured and the period of unemployment. For the household head, benefit is 60% of basis salary during the entire period of unemployment; for a single person living alone, 60% during the first year and 44% thereafter; for a single person living with other people, 55% during the first year and 35% during a second period (the duration of which depends on the person's professional career record); thereafter a flat-rate daily benefit of •13.21.

Aged unemployment supplement: An unemployed person aged 50 or older with 20 years of employment and unemployed for 12 months can receive a monthly supplement set according to the level of lost earnings. Single persons aged 55 or older are guaranteed 60% of their previous salary level.

Job search benefit: A variable amount depending on age and family status awarded to unemployed persons under age 30 without a sufficient record of previous employment.

Prepension supplement: 50% of the difference between the monthly benefit and net earnings. The supplement is payable until the age of retirement.

Supplementary subsistence benefit: Benefits are payable to specified occupational groups to ensure minimum income. Benefit levels are set under collective agreement.

Benefit adjustment: Periodic adjustment of benefits for price changes.

Administrative Organization

Ministry of Employment and Labor provides general supervision.

National Social Security Office collects contributions.

National Employment Office makes decision on claims, supervises the paying agencies, and oversees employment policies through 30 regional offices.

Public payment offices, or trade unions for their own members, pay benefits at the local level.

Family Allowances

Regulatory Framework

First law: 1930.

Current laws: 1967, 1969, and 1971 (means-tested allowances).

Type of program: Employment-related system.

Coverage

Gainfully occupied persons or social insurance beneficiaries with one or more children.

Special systems for public employees and self-employed persons.

Families not covered above are eligible for means-tested allowances.

Source of Funds

Insured person: None.

Employer: 7% of payroll.

Government: Subsidies to employee and self-employed programs to cover any deficits.

Qualifying Conditions

Family allowances: Child must be under age 18 (age 21 if disabled or age 25 if a full-time student or seeking employment). Eligible children may include dependent grandchildren, brothers, sisters, stepchildren, and other dependent minors.

Income limit for means-tested allowances: •3,203.45 a quarter with one child, increasing by 20% for each additional child.

Family Allowance Benefits

Family allowances: •71.18 a month for the first child, plus a conditional supplement of •36.24 for a child of an old-age pensioner or of a person unemployed for at least 6 months (•77.97 for the child of a disabled person); •131.71 for the second child, plus a conditional supplement of •22.46 for the child of an old-age pensioner, a person unemployed for at least 6 months, or a disabled person; •196.66 for the third and each

subsequent child, plus a conditional supplement of •3.94 for the child of an old-age pensioner, a person unemployed for at least 6 months, or a disabled person.

Age supplement: •12.40 for the first child between ages 6 and 12, •18.88 for a child between ages 13 and 18, and •21.77 for a child older than age 18. For each subsequent child between ages 6 and 12, •24.73; between ages 12 and 18, •37.79; or older than age 18, •48.05.

Disabled child supplement: For a disabled child under age 21, a minimum of •320.25 a month (increased according to degree of disability).

Birth grant: •964.40 for the first birth, •725.60 for the second and subsequent births.

Means-tested allowance: Allowances are payable to families not eligible for regular allowances.

Benefit adjustment: Periodic adjustment of benefits for wage and price changes and other economic factors. Contributions under family allowances also are used to finance child care centers.

Administrative Organization

Ministry of Social Affairs, Public Health, and the Environment provides general supervision.

National Social Security Office collects contributions.

National Family Allowances Office distributes contributions among individual funds.

Family allowances are paid by about 32 approved private occupational, regional, and specialist funds and by two public administrations.