

Belgium

Exchange rate: US\$1.00 equals 0.80 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 elderly).

Type of program: Social insurance system.

Coverage

Employed persons; special provisions for miners and seamen.

Coverage for disability is provided under the Sickness and Maternity program.

Special systems for self-employed persons and civil servants.

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.

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

Disability pensions and funeral grants are financed under the Sickness and Maternity program.

If the insured person and employer are affiliated with all branches of social security, a global contribution is paid and split according to each branch's needs. (See source of funds under Family Allowances.)

Qualifying Conditions

Old-age pension: Age 65 with 45 years of coverage for men and women. (To be phased in for women by 2009.)

In 2004, the retirement age for women is age 63, rising to age 64 (2006) and age 65 (2009). The full benefit for women is based on 43 years of coverage, rising to 44 years (2006) and 45 years (2009).

Partial pension: Paid for an incomplete qualifying period.

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

Special old-age pension: Paid to a divorced husband or wife at age 60.

Disability pension: A loss of 2/3 of earning capacity in the usual occupation with 6 months of insurance, including

120 days of actual or credited work and insurance coverage during the last quarter.

Survivor pension: A widow(er) aged 45 (any age if disabled or caring for a child) and married for at least 1 year at the time of the insured's death; conditions are waived if a child was born during the marriage or in the case of an accidental death. The benefit ceases on remarriage.

Old-Age Benefits

Old-age pension: The full pension is 60% of average lifetime earnings (75% for a married couple).

The maximum annual earnings for benefit purposes are €9,367.70. Past earnings are adjusted to reflect wage and price changes.

Partial pension: A percentage of the full pension corresponding to the portion of the qualifying period completed.

Special old-age pension: The special pension is 37.5% of the former spouse's earnings during the period of the marriage, less any pension earned by the divorced person in his or her own right during the same years.

The minimum pension is €991.63 a year for a single person insured during the full qualifying period; €2,485.63 a year for a married couple. For workers with at least 2/3 of the insurance coverage required for the full pension, the minimum pension is proportionately reduced.

Vacation allowance: An annual payment of €75.94 for a single person; €94.94 for a couple (in 2002).

Means-tested allowance: €7,022.70 a year for a person living alone; €4,681.80 a year for a person cohabiting (in 2002).

Benefit adjustment: Benefits are adjusted periodically for retail price changes.

Permanent Disability Benefits

Disability pension: Equal to 65% of lost earnings (subject to a ceiling) for an insured person with dependents; 40% if there are no dependents; 50% 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.)

The ceiling applied to the basis salary (earnings) is €101.21 a day.

The minimum pension for regular workers is €27.18 a day if there are no dependents; €30.62 a day for a person living alone; €37.97 a day with dependents. If the insured does not meet the legal requirements for a regular worker, the minimum pension is €23.05 a day with no dependents; €30.73 a day with dependents.

The maximum pension is €40.48 a day with no dependents; €60.72 a day with dependents.

Benefit adjustment: Benefits are adjusted periodically for retail price changes.

Survivor Benefits

Survivor pension: Equal to 80% of the pension paid or accrued to the deceased.

The minimum pension is €9,834.53 a year if the worker was 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(er)'s own pension entitlements must not exceed 110% of his or her own pension entitlement. A widow(er) who is not eligible for a survivor pension receives the survivor pension for a limited period of 12 months.

Vacation allowance: An annual payment of €475.94 (in 2002).

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

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

Benefit adjustment: Benefits are adjusted periodically for retail price changes (except for the funeral grant).

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

The employee must be a member of a mutual benefit society or the public auxiliary fund.

Pensioners and other social security beneficiaries are covered for medical benefits.

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

Special systems operate for self-employed persons (health care only) and seamen.

Source of Funds

Insured person: 3.55% of earnings (medical benefits) and 1.15% of earnings (cash benefits and disability pensions). Pensioners contribute 3.55% of the old-age or survivor pension (low-income pensioners are exempt from contributions).

Employer: 3.8% of payroll (medical benefits), 2.2% of payroll (cash benefits and disability pensions), and 0.15% (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 earnings, subject to a ceiling. 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.

The ceiling applied to the basis salary (earnings) is €101.21 a day.

Cash maternity benefit: The 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, the maternity benefit for active workers is 82% of the basis salary (no ceiling); for the unemployed or other eligible persons, 79.5% of the basis salary (subject to a ceiling). The benefit from the 31st day to the end of the 15th week (17th week in the case of multiple births) is 75% of the basis salary (subject to a ceiling) for all types of eligible persons.

The ceiling applied to the basis salary (earnings) is €101.21 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

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.

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. District offices of the public auxiliary fund pay benefits 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 system for public-sector employees.

Source of Funds

Insured person: None.

Employer

Work injury: 0.3% of payroll, plus an insurance premium varying according to the assessed degree of risk.

Occupational disease: 1.1% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

90% of base earnings are payable until recovery or until permanent disability is established.

Daily base earnings equal 1/365 of the full-year earnings for the year before the accident or the cessation of work because of an occupational disease. The full-year earnings taken into account must be between €5,282.14 and €26,470.73. Base earnings are adjusted annually.

Partial temporary disability: Equal to the difference between earnings before the onset of disability and current earnings (after starting part-time work).

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

Benefit adjustment: Benefits are adjusted periodically for retail price changes in cases in which benefits have been paid for at least 3 months.

Permanent Disability Benefits

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

Base earnings used for calculating the benefit are total earnings of the year before the accident or the cessation of work because of an occupational disease, up to a ceiling of €26,470.73.

Constant-attendance supplement: The level of the supplement depends on the assessed degree of need of assistance, up to a maximum of 12 times the average monthly guaranteed income for a full-time worker. The supplement is terminated on the 91st day of hospitalization.

Partial disability: A percentage of base earnings corresponding to the assessed degree of permanent disability, except where the assessed degree of disability is less than 10% (the percentage amount paid is reduced by half for an assessed disability of between 0% and 5% and by a quarter if between 5% and 10%).

Benefit adjustment: Benefits are adjusted periodically for retail price changes (except benefits for an assessed disability of less than 16%).

Workers' Medical Benefits

Benefits include medical treatment, surgery, dental treatment, hospitalization, medicines, appliances, and transportation. There is full reimbursement of costs according to the schedule in law.

Survivor Benefits

Survivor pension: 30% of the deceased's earnings, up to a maximum. The pension is payable to a widow(er) and to a divorced spouse receiving alimony. No pension is payable to a cohabiting partner. Remarriage has no influence on continuing entitlement.

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

The total orphans' pension is 45% of the deceased's covered earnings; 60% for full orphans.

Other eligible survivors (in the absence of dependent children): Parents, grandchildren, and brothers or sisters under age 18.

The total survivor pension must not exceed 75% of the deceased's earnings.

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 (including abroad).

Benefit adjustment: Benefits are adjusted periodically 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 disease: 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, including stage performers, temporary workers, home workers, disabled workers, and professional athletes.

Source of Funds

Insured person: 0.87% of earnings.

Employer: 1.46% of earnings.

Government: Covers any deficit.

Qualifying Conditions

Unemployment benefit: Under age 36 with 312 days of insured employment or deemed employment in the 18 months preceding the date of application for benefit; between ages 36

and 50 with 468 days in the 27 months preceding the date of application for benefit; or over age 50 with 624 days in the 36 months preceding the date of application for benefit. The insured must be registered at an unemployment office and capable and available for work. Unemployment must be involuntary; otherwise, disqualification for 8 to 52 weeks or the loss of eligibility to benefit.

Prepension supplement: Age 58 with 25 years of employment.

Aged unemployed person's supplement: Aged 50 or older with 20 years of employment and unemployed for 12 months.

Job search benefit: Under age 30 and does not meet the requirement for previous insured employment.

Supplementary subsistence benefit: Payable to specified occupational groups to ensure minimum income.

Unemployment Benefits

Based on the last mean daily salary, up to a ceiling of €64.46. The benefit depends on the insured's family status and the period of unemployment. For the household head, the benefit is 60% of the basis salary during the entire period of unemployment; for a single person living alone, 60% of the basis salary during the first year and 50% thereafter; for a single person living with other persons who have an income source, 55% of the basis salary during the first year and 40% during a second period (the minimum duration of that period is 3 months, and the total duration depends on the person's professional career record); thereafter, a flat-rate monthly benefit of €381.68.

The employer may pay a complementary unemployment benefit under collective agreement.

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

Aged unemployed person's supplement: A monthly supplement set according to age and family status. 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.

Supplementary subsistence benefit: Benefit levels are set under collective agreement.

Benefit adjustment: Benefits are adjusted periodically for retail price changes.

Administrative Organization

Ministry of Employment and Labor provides general supervision.

National Social Security Office collects contributions.

National Employment Office adjudicates 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: 1939 (salaried workers), 1965 (civil servants), 1971 (guaranteed family allowances), and 1976 (self-employed).

Type of program: Social insurance and social assistance (guaranteed family allowances) system.

Coverage

Salaried workers scheme: Eligible children of salaried workers (including active, unemployed, retired, disabled, or deceased workers).

Guaranteed family allowances scheme (means-tested): Eligible children not covered under any other statutory scheme.

Special systems for civil servants and the self-employed.

Source of Funds

Insured person: None.

Employer: 7% of payroll (included in the contribution for Old Age, Disability, and Survivors, above). The social security management board sets the share of the global contribution allocated to family allowances annually.

Government: None.

Qualifying Conditions

Family allowances: Awarded without conditions until the last day of August of the calendar year in which the child reaches age 18 (age 21 if disabled; age 25 if a student, an apprentice, or a jobseeker registered for less than 270 days).

Eligible children are those of the insured or the insured's partner, dependent brothers and sisters, and any other children in the insured's household.

Family Allowance Benefits

Basis family allowance: €74.06 a month for the first child; €137.03 for the second child; €204.60 for the third and each subsequent child. €84.50 a month for each orphan.

Social supplement: €37.70 for the first child of a pensioner or of a person unemployed for longer than 6 months; €31.12 for the first child of a disabled worker. €23.34 for the second and each subsequent child of a pensioner, a person unemployed for longer than 6 months, or a disabled worker.

Age supplement (children born before January 1, 1991): For a healthy first child born between January 1, 1985, and December 31, 1990, the supplement is €25.73 if the child is

younger than age 18; otherwise, €27.63. For children born between January 1, 1981, and December 31, 1984, the supplement is €41.22. For children born before January 1, 1981, the supplement is €43.38. For other children, or any sick child, the supplement is €25.73 if between ages 6 and 12; €39.31 if older than age 12 but younger than age 18; and €49.99 if older than age 18.

Age supplement (children born after December 31, 1990): For a healthy first child, the supplement is €12.90 a month if between ages 6 and 12; €19.65 if older than age 12 but younger than age 18; and €22.64 if older than age 18. For other children, or for any sick child, the supplement is €25.73 a month if between ages 6 and 12; €39.31 if older than age 12 but younger than age 18; and €49.99 if older than age 18.

Sick or disabled child supplement (old system): For a disabled child born before January 2, 1996, with an assessed degree of incapacity of at least 66%, supplements vary between €33.17 and €389.87. The child's autonomy is calculated according to a 0–9 point schedule.

Sick or disabled child supplement (new system implemented May 1, 2003): For a disabled child born after January 2, 1996, supplements are awarded according to the impact of the illness on the physical and mental capacity of the child, the activity and participation capacity of the child, and the implications for the child's surroundings. Supplements vary between €64.94 and €432.96.

Birth grant: €1,003.33 for the first birth (or per child for multiple births); €754.89 for the second and each subsequent birth.

Benefit adjustment: Benefits are adjusted periodically for wage and price changes and other economic factors.

Administrative Organization

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

National Social Security Office collects contributions and distributes them among individual funds.

Family allowances are paid by about 26 approved private occupational, regional, and specialist funds and by two public organizations.

National Family Allowances Office supervises private funds and administers allowances to families not covered by a private fund.