

Disclaimer: This factsheet has not been subject to the full Eurofound evaluation, editorial and publication process.

Factsheet for case BE-2020-11/380

Extension of temporary unemployment for whitecollar workers due to force majeure

Factsheet generated on 24 April 2020, 18:23

| Country | Belgium, applies nationwide |
|--------------|---|
| Time period | Temporary, 13 March 2020 - 30 June 2020 |
| Туре | Legislation or other statutory regulation |
| Category | Income support to workers and those laid off — Income support for people in employment |
| Case created | 08 April 2020 (updated 24 April 2020) |

Background Information

The measure was introduced due to the strong increase in requests for temporary unemployment (which normally can only be implemented under certain conditions).

The measure alleviates pressure on the institutions that are tasked with organizing and distributing unemployment benefits, both the National Employment Office (NEO) and the trade unions (that also play an important role in paying out the unemployment benefits).

The use of temporary unemployment means that the employers no longer have to pay the wages of their employees (the cost is transferred to the government through the unemployment benefit), thereby enabling them to reduce their costs and enhances their ability to better cope with the period of inactivity of the business.

The measures makes the procedure shorter and more simplified for employees in order to make sure that they receive their unemployment benefit as fast as possible.

Content of measure

From 13 March 2020, the notion of temporary unemployment due to force majeure will be flexibly applied by the NEO. All situations of temporary unemployment due to the corona virus can be considered as temporary unemployment due to force majeure, even if, for example, it is still possible to work on certain days.

For the duration of the restrictive measures (currently until 31/05/2020), the employer is no longer obliged to

send notices of temporary unemployment for reasons of force majeure to the competent unemployment office of the NEO. The period may be extended until 30/06/2020 if the public health measures are extended or strengthened by the government.

The employee may use a simplified form to submit the application for benefits to the designated payment institution.

From 01/02/2020 until 30/06/2020, the employee receives a benefit equal to 70% of his average capped salary (capped at EUR 2,754.76 per month).

The employee who is made temporarily unemployed due to force majeure (reason "coronavirus") will receive a supplement of EUR 5.63 per day on top of the unemployment benefit, from the NEO. A withholding tax on professional income of 26.75% is deducted from the benefit.

Use of measure

Approximately 1,2 million employees currently make use of the system of temporary unemployment out of an active population of less than 4 million.

Actors, target groups and funding

| Actors | Target groups | Funding |
|---|----------------------------|----------------|
| National government Trade unions | employees All companies | National funds |
| Employers' organisations Company / Companies Public support service providers | • | |

Social partners

| Role of social partners | Agreed (outcome) |
|-------------------------|---|
| Form of involvement | Bi-or tripartite social dialogue bodies |

The National Labour Council provides advice and CA's 147 has been signed which formalizes the measure until the 30th of June.

Apart from this agreement and advise there are discussions going on between trade unions and employers. Trade unions claim that some employers abuse temporary unemployment and place sick employees (with

sicknesses that have no connection to Corona) within the temporary unemployment sickness system to reduce costs, while in practice this is forbidden and they have to continue to continue to provide guaranteed salary to those employees. Many of these companies that abuse this situation are in fact even still functioning properly despite the Corona measures. (PLEASE REFERRENCE THIS FINDING)

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 18 March 2020: National Labour Council (www.cnt-nar.be)
- 20 March 2020: National Employment Office (<u>www.rva.be</u>)
- 23 March 2020: Federal Office for Employment, Labour and Social Dialogue (werk.belgie.be)
- 08 April 2020: De Tijd: Coronacrisis kost Belgische economie dit jaar 45 miljard euro' (www.tijd.be)