

The evolution of the social situation and social protection **in Belgium**

Monitoring the social situation in Belgium and the progress
towards the social objectives and the priorities of the National
Reform Programme and the National Social Report



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Key Messages of the analysis of the EU social indicators

In general terms, the **main messages** of the analysis of the social indicators are:

- From an EU perspective the **overall social situation remained rather stable** in Belgium over the last years. The negative impact of the crisis on employment and unemployment rates remained limited and lower than on average in the EU. Gross household disposable income and median equivalent household income also remained more or less at the same level. These results must be seen in a socially more diverged EU.
- As regards the Europe 2020 target on the reduction of the number of people in poverty or social exclusion, there is a standstill since the start of the strategy. This implies that the trend of the **Europe 2020 social target remains off-track** compared with the targeted objective.
- Divergent trends can be observed for different population categories. The **poverty risks of the elderly have decreased**. However, the positive evolution among the elderly population is offset by increasing poverty risks in specific segments of the active population. **Poverty risks substantially increased for persons with a low educational attainment**.
- The **adequacy of social protection slightly decreases for the population at active age**. The poverty risk of persons in a very low work intensity household are higher than on average in the EU and increased from 50% in 2004 to 60% in 2013. The share of 'pre-transfer poor' whose income rises above the poverty threshold due to the social transfers decreases slightly among the active population and increases slightly among the elderly.
- The percentage of **persons living in a very low work intensity household (14% in 2013) remains high** compared to other countries. It is among the highest in the EU. Following a slight decrease from 2005 to 2008, it increased again since then.
- **The increase in the poverty risk among the active population is situated exclusively among tenants**. This finding points further to a growing divide between different social categories. It also points to a growing number of people that is confronted with a combination of inadequate income and relatively high housing costs.
- The major challenges regarding the **child poverty and active inclusion priorities** are related to the structural challenges for the working age population, but inequalities in access to services, education and health(care) are also important factors. Persons with a **migrant background, people in quasi-jobless households and single parents** are categories that are in particular risk of poverty or social exclusion

Introduction

This note summarizes the evolution of the social situation, in view of the objectives of the Europe 2020 strategy¹. This analysis is mainly based on European social indicators, completed with a number of national data and studies. This analysis is the basis for the follow-up of the objective for the reduction of poverty or social exclusion in the National Reform Program and for the determination of the challenges in the context of the National Social Report.

The social indicators are mainly based on data derived from surveys of a population sample. The EU-SILC survey is one of the main data sources for all the indicators for income, poverty and deprivation. When interpreting these data, a statistical error rate should be taken into account. This means that when the value of an indicator is interpreted for a specific moment in time, an error rate should be considered and it should also be considered that the variations in time and space that are found in the sample cannot always be extrapolated to the entire population. For indicators calculated on the basis of smaller subpopulations, the error rate is higher.

Some population groups are not included in the sample frame. Hence, the situation of these groups is not reflected in the indicators. These groups mainly include persons in collective households, homeless people and people who do not have a valid residence permit. In the SILC-CUT survey (Schockaert et al., 2012), the combined size of these groups is estimated at 2% to 3% of the population. Some of these groups live in extreme poverty. The authors therefore estimate that the EU-SILC poverty rate (AROP) may understate the true rate by 0.6 pp. to 1.7pp.²

The analysis is based on the indicators that are available on the Eurostat website and on complementary national data, such as the detailed indicators and the breakdowns on the basis of the EU-SILC and the Labour Force Survey, made available by the Directorate General Statistics of the Federal Public Service Economy.

Due to some uncertainties concerning the regional breakdowns of the social indicators, Statistics Belgium does not supply indicators on the Regional level since 2014. On this, the 2014 National Reform Programme indicated that a working group has been set up under the Higher Council for Statistics. The work of this group, on an urgent and structural reinforcement of EU-SILC, is of utmost importance for the monitoring of the social situation in Belgium and its Regions. In view of the importance of the regional level in a country with increasingly devolved social competencies, this note presents some indicators that were published before the current statistical policy. It should be noted that the authorities from all the three Regions regularly produce very detailed monitoring reports on poverty and social exclusion for their region³.

1 The monitoring of the social situation in the context of the aforementioned European reports is coordinated by the Federal Public Service (FPS) Social Security, with the support of the NRP/NSR Social Indicator working group, which consists of experts in the field of social indicators from the federal and regional administrations, universities, research centres and stakeholder organisations (cf. annex 4 for an overview of the persons who contributed to this note). However, the responsibility for the content of this note lies with the FPS Social Security. This note further builds on preparatory work of OSE and HIVA on updating the 2013 analysis of the social indicators. Contact : rudi.vandam@minsoc.fed.be or sebastien.bastais@minsoc.fed.be

2 Schockaert, I., Morissens, A., Cincinato, S., Nicaise, I., *Armoede tussen de plooien. Aanvullingen en correcties op de EU-SILC voor verborgen groepen armen*, Leuven: HIVA, 2012, 225p

3 Regional reports:

1 | The Economic and European context

1.1 Economic context

The analysis of the social situation accompanying the 2013 National Social Report⁴ indicated that the economic impact of the crisis in Belgium had been less than on average in the EU. Belgium indeed experienced a slight but consistent better (or less bad) growth rate than on average in the EU, while budget deficits were somewhat less than the EU-average. The Winter 2015 economic forecasts of the European Commission however seem to indicate that from 2014 on these trends could be reversed, with Belgium performing slightly worse than the EU-average (European Commission, 2015). Prospects for economic recovery thus seem to be even slightly weaker than the already weak prospects for the EU⁵. During the crisis, public debt has again moved to over 100% of GDP and is forecast to increase further during the next years⁶.

Table 1.1: Evolution of some economic indicators and forecasts 2014- 2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GDP growth rate										
BE	2.9	1.0	-2.8	2.3	1.8	-0.1	0.2	1.0	1.1	1.4
EU28	3.2	0.4	-4.5	2.0	1.7	-0.4	0.1	1.3	1.7	2.1
Budget balance										
BE	0.0	-1.1	-5.5	-4.0	-3.9	-4.1	-2.9	-3.2	-2.6	-2.4
EU28	-	-	-	-6.4	-4.5	-4.2	-3.2	-3.0	-2.6	-2.2
Gross Public Debt (% of GDP)										
BE	86.9	92.2	99.3	99.6	102.1	104.0	104.5	106.4	106.8	106.6
EU28	-	-	-	78.2	80.8	83.5	85.4	88.4	88.3	87.6
Inflation rate (yearly change percentage)										
BE	1.8	4.5	0.0	2.3	3.4	2.6	1.2	0.5	0.1	1.1
EU28	2.3	3.7	1.0	2.1	3.1	2.6	1.5	0.6	0.2	1.4

Source: 2007-2013 EUROSTAT; 2014-2016 forecasts : European Economic Forecast Winter 2015, European Commission

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- Observatoire de la santé et du social Bruxelles, Baromètre Social. Rapport Bruxellois sur l'état de la pauvreté 2014 (<http://www.observatbru.be/documents/publications/publications-pauvrete/barometre-social/2014-barometre-social.xml?lang=fr>)
 - Studiedienst van de Vlaamse Regering, Vlaamse Armoedemonitor 2014 (<http://www4.vlaanderen.be/sites/svr/Pages/2014-07-01-armoedemonitor2014.aspx>)
 - Les chiffres clés de la Wallonie n°13, décembre 2013, chapitre 6 "Revenus et conditions de vie", p.123-153, (http://www.iweps.be/sites/default/files/iweps_chiffres_cles_2013deg.pdf), L'indice de situation sociale (ISS) de la Wallonie (http://www.iweps.be/sites/default/files/iss_wallonie_avril_2014.pdf)

4 <http://www.socialsecurity.fgov.be/nl/nieuws-publicaties/sociale-bescherming-inclusie-rapporten/sociale-bescherming-inclusie-rapporten.htm>

5 Although the recent update in the Winter 2015 forecast is slightly more positive than the autumn forecast.

6 However, this increase is also partially due to some "requalification" by EUROSTAT of some debt from public organisms.

1.2 Social developments

The European Commission's Annual Growth Survey 2015 acknowledges that :

'Despite national and European efforts, recovery is weaker than expected one year ago. The momentum began to slow in spring 2014. The economic crisis triggered an ongoing social crisis and the slow recovery is hampering efforts to reduce the high levels of unemployment' (European Commission, 2014).

To monitor the social situation in the EU new tools have been developed during the previous years (see Box 1):

Box 1 : EU monitoring tools

- To reinforce the social dimension of the EMU, a **social scoreboard** was developed, with the primary objective of identifying major employment and social problems at an early stage ⁷. The social scoreboard is based on five employment and social indicators: the unemployment rate, the Youth unemployment rate together with the NEETs rate, the change in the gross household disposable income, the at-risk-of-poverty rate of the working age population and the S80/S20 ratio. The social scoreboard is reported annually in the Joint Employment Report (http://ec.europa.eu/europe2020/making-it-happen/annual-growth-surveys/index_en.htm)
- To reinforce the monitoring capacity of the Social Protection Committee in the context of the Europe 2020 strategy and the European Semester, the Committee developed a '**Social Protection Performance Monitor**' (SPPM). This tool consists of three elements: (1) a graph of the evolution towards the EU headline target on poverty or social exclusion, (2) a dashboard of key social indicators covering the domains 'inclusion', 'pensions' and 'health and long-term care' that should lead to identifying 'key social trends', (3) country profiles. The SPPM constitutes the backbone of the annual report of the SPC on the social situation in the EU (<http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7744&visible=0>)

The key finding coming from the first application of the social scoreboard in the 2014 Joint Employment Report was the growing social divergence between the member states. While in a number of member states the social impact of the crisis has been limited, other member states were severely affected over the range of scoreboard indicators. Among the countries that were severely affected are the Southern Member States like Greece, Spain, Portugal and Cyprus, but also Ireland and Estonia, although the latter seems to have recovered better. The finding that a social cleavage has emerged between groups of member states goes against the idea of upward convergence, one of the core objectives of the European Union.

The deterioration of the social situation in many member states is illustrated in more detail by the SPPM. More than half of the member states experienced a drop in their gross household disposable income since 2008. The number of people in poverty or social exclusion increased. On all the three indicators⁸ that constitute the Europe 2020 target, a considerable number of member states has

⁷ With the same objective of strengthening the social dimension of the EMU, social indicators, with an auxiliary status, were also introduced in the Macro-Economic Imbalance scoreboard

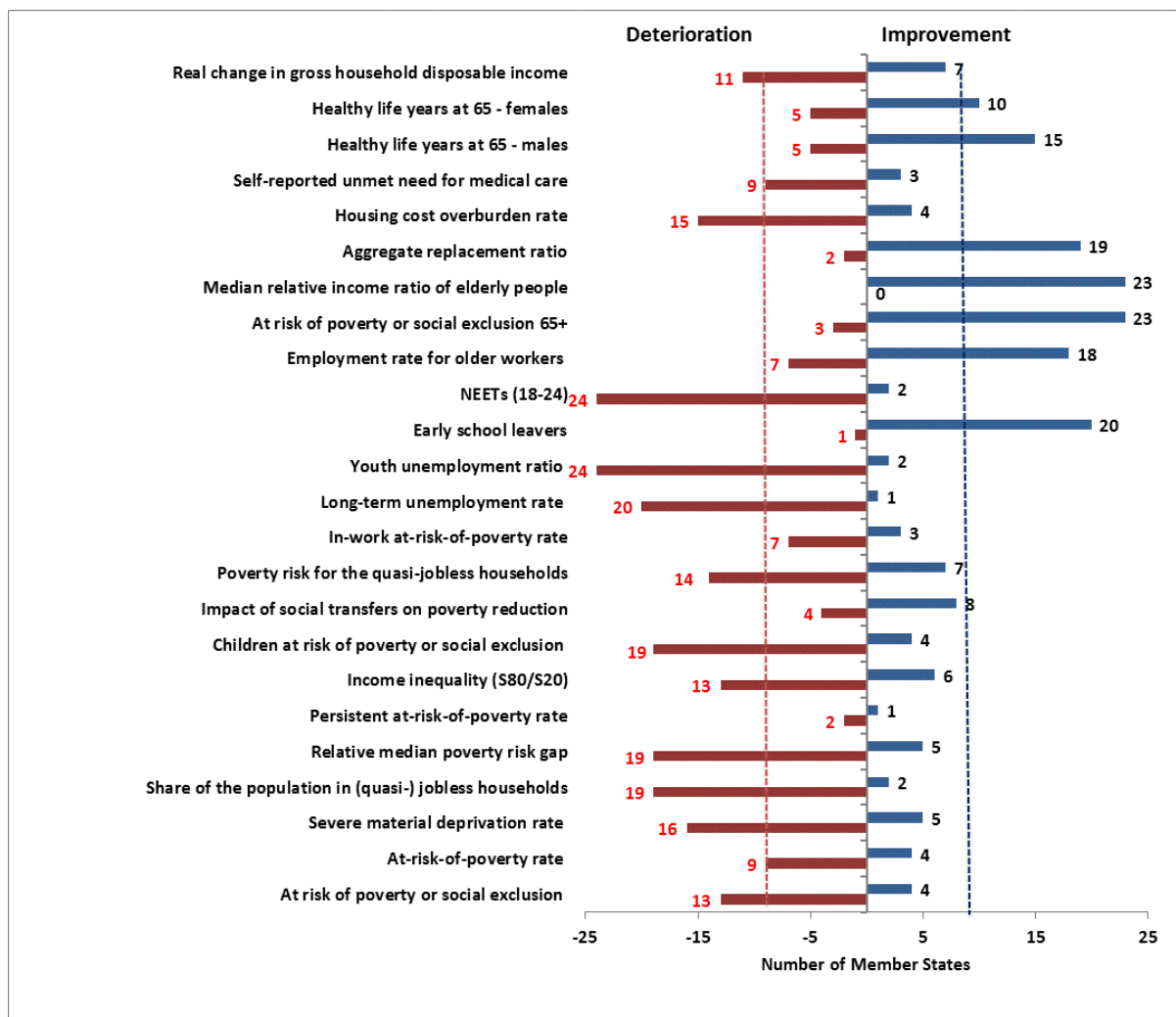
⁸ The number of persons below the at-risk-of-poverty threshold ; the number of persons in a situation of severe material deprivation ; the number of persons in a situation of very low work intensity (see footnote 9, 10 and 11 for definitions).

experienced significant deterioration. Also the poverty gap and inequality increased. Child poverty increased and youth indicators also show a significant negative evolution. Finally, a lot of member states are confronted with a significant increase of the housing cost overburden rate. On the other hand, there has been an important improvement of the employment rate of older workers in many member states. The income position of elderly has also improved in many member states. However, this will in many cases be a relative improvement, due to the deterioration of household incomes of the working age population (figure 1.1).

Although the incidence of significant negative evolutions over the EU member states is less outspoken between 2012 and 2013, the most recent data points, significant negative trends in one third or more of the member states can be found on the following indicators: real change in gross household disposable income, housing cost overburden rate, the median poverty risk gap, the share of the population in quasi-jobless households and the at-risk-of-poverty rate (figure 1.2).

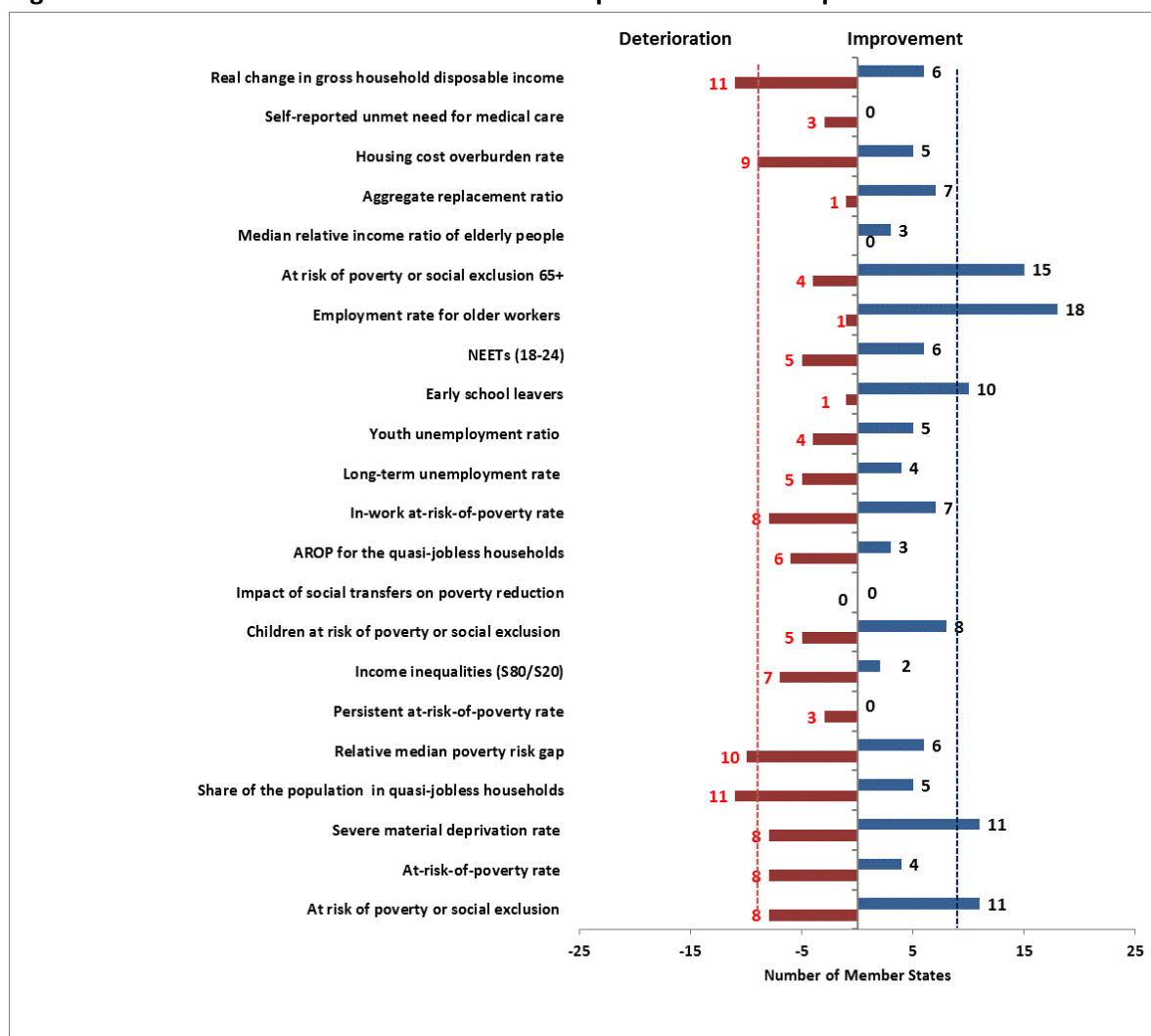
Comparing the levels on the 25 indicators in the SPPM dashboard of key social indicators, Belgium scores less good than the EU average on three indicators: the very low work intensity rate, the poverty risk of persons in very low work intensity and on the at-risk-of-poverty rate of elderly (see annex 1).

Figure 1.1: Social Trends to watch and areas of improvement for the period 2008-2013



Source: European Union (2015), Social Protection Performance Monitor

Figure 1.2: Social trends to watch and areas of improvement for the period 2012-2013



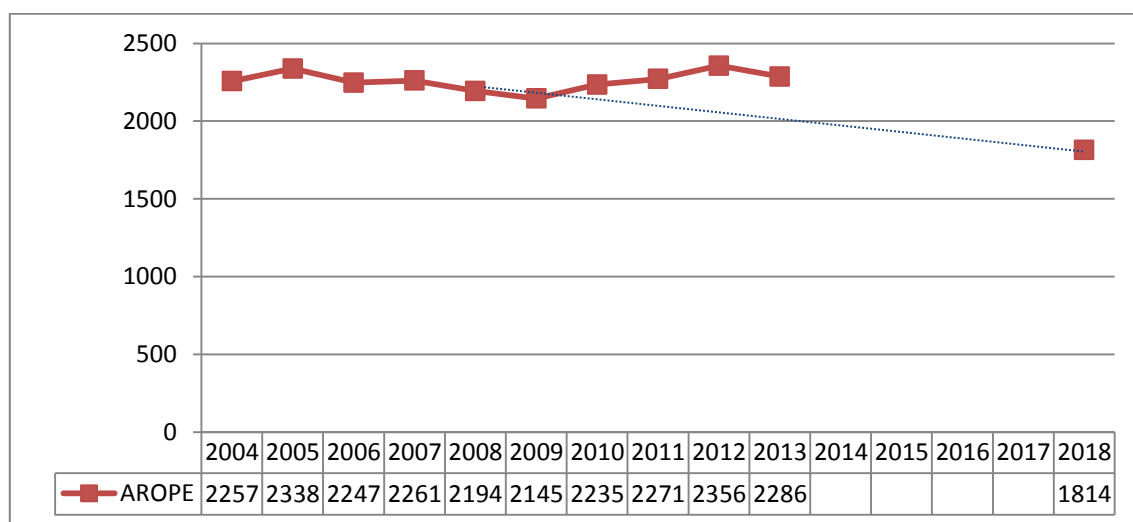
Source: European Union (2015), Social Protection Performance Monitor

2 | The Europe 2020 poverty or social exclusion target

The EU-target on the reduction of poverty or social exclusion is based on the combination of three indicators: the number of persons that is below the at-risk-of-poverty threshold⁹ or in a situation of severe material deprivation¹⁰ or in a situation of very low work intensity¹¹. Belgium set its Europe 2020 target on the same basis as the EU-wide target. It aims at reducing the number of persons at risk of poverty or social exclusion by 380.000 compared to the situation at the start of the strategy (2.194.000 persons based on EU-SILC 2008).

After a slight increase for 3 consecutive years (period 2009-2012), the evolution of the combined indicator 'poverty or social exclusion' (AROPE), based on the EU-SILC survey, shows a slight decrease in 2013 (figure 2.1). Based on the assessment in the Social Protection Performance Monitor, the 2008-2013 change is not statistically significant. However, the real trend remains off-track compared with the anticipated decrease. On the basis of EU-SILC 2013 (halfway the decade), the number of persons living in situation of poverty or social exclusion is estimated at 2,286,000 compared to 2,194,000 on the basis of EU-SILC 2008: a decrease by 472,000 persons is therefore necessary in the next five years to reach the target by 2020 (EU-SILC 2018).

Figure 2.1: Evolution of poverty or social exclusion in relation to the national Europe2020 target, Belgium (absolute number x1000)



Source: EU-SILC, EUROSTAT

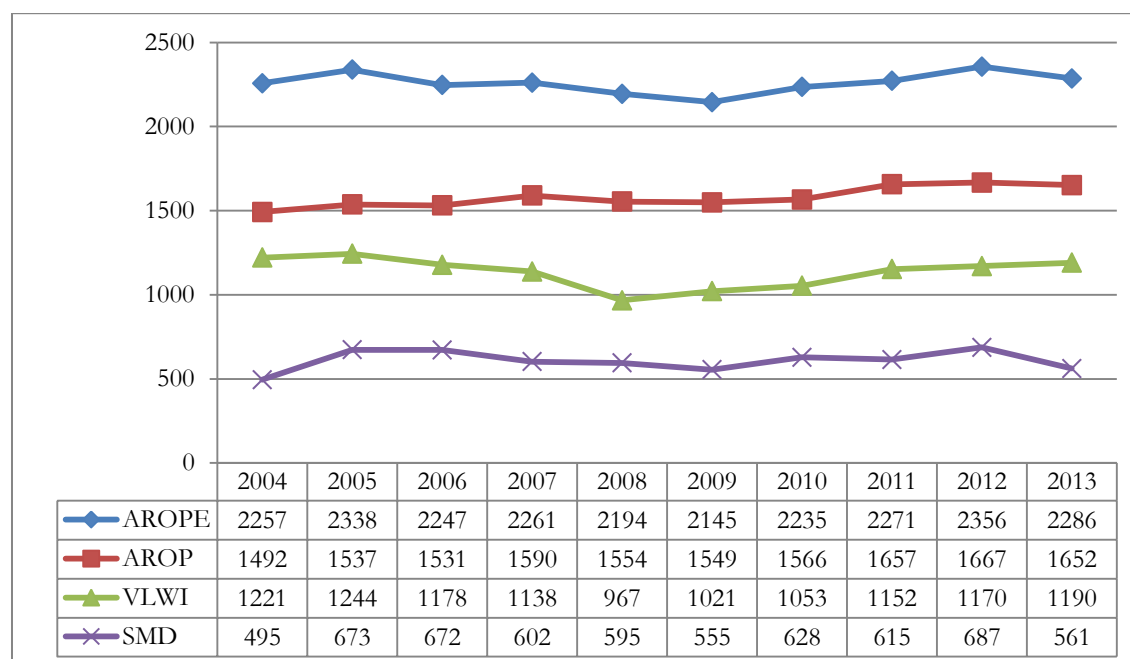
9 60% of the median disposable income

10 A person is considered to be in a situation of severe material deprivation if this person lives in a household that is confronted with at least 4 out of 9 problems: being confronted with arrears, not being able to afford 1 week annual holiday away from home, not being able to afford a meal with meat/fish/chicken every other day, not being able to make an unexpected expense with a value equal to the poverty threshold (1000 € in 2011), not being able to heat the dwelling adequately, not being able to afford a washing machine, a tv, a telephone, a car.

11 A person is living in a household with a very low work intensity if the actual number of months worked in the household is less than 20% of the possible maximum number of months that could be worked by all adult household members (excluding students).

After a decrease during the period 2005-2008, the number of people in a very low work intensity household increased gradually during the subsequent crisis period 2008-2011 and continued to rise in 2012 and 2013. Between 2009 and 2012 (incomes 2008-2011), the number of persons at risk of poverty increased slightly. There is no clear trend in the number of persons in a situation of severe material deprivation. (figure 2.2)¹².

Figure 2.2: At-risk of poverty or social exclusion, at-risk-of poverty, severe material deprivation and very low work intensity, Belgium (absolute number x1000)



Note: AROPE: at risk-of-poverty or social exclusion; AROP: at-risk-of-poverty; SMD: severe material deprivation; VLWI: very low work intensity

Source EU-SILC, EUROSTAT

12 Provisional 2014 figures for severe material deprivation indicate 650 (thousand) persons.

3 | Analysis of the evolution of poverty and social exclusion on the basis of the social indicators

3.1 The evolution of the overall social situation in Belgium: labour market participation and income distribution

Although poverty and social exclusion are key aspects of the social situation, the living standards of large parts of the population can be or are affected by both the crisis and structural labour market and demographic evolutions. Therefore, before analysing more in depth the evolution of poverty some indicators on the overall social situation are presented.

As for most people, the most important pathway for an adequate living standard is having a job, the employment situation is of key importance for the social situation. The employment rate, at 67,2% in 2013 remained in Belgium about 0,5-0,8 pp. below its pre-crisis level, with almost no changes in the most recent years (table 3.1). The EU employment rate dropped somewhat sharper and remains also stable in the most recent years. The unemployment rate increased, but significantly less than the increase at EU-level. Forecasts indicate a rather stable unemployment rate for Belgium in the current and next years, while in the EU as a whole, it would remain on a high, but slightly decreasing, level. In its report on the monitoring of the Federal reflation strategy of the former government, the Federal Planning Bureau notes that the Belgian employment level remained also relatively stable in comparison with the neighbouring countries¹³ More information on the employment situation of specific groups can be found below, in the section on the active inclusion priority.

Table 3.1. Employment rate and unemployment rate

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Employment rate (20-64)										
BE	67.7	68.0	67.1	67.6	67.3	67.2	67.2			
EU28	69.8	70.3	69.0	68.5	68.5	68.4	68.4			
Unemployment rate										
BE	7.5	7.0	7.9	8.3	7.2	7.6	8.4	8.5	8.4	8.2
EU28	7.2	7.0	8.9	9.6	9.6	10.5	10.8	10.3	10.0	9.5

Source: Eurostat; European Economic Forecast Winter 2015, European Commission

One way to look at distributional aspects of income is to look at Gross Household disposable income (GHD). GHD is based on the National Accounts and can roughly be described as the share of the

¹³ Federal Planning Bureau, Monitoring of the Federal reflation strategy. Progress Report, July 2014: “This way Belgian employment was during the first quarter of 2014 3.1% above the level of the end of 2007, which makes that Belgium scores better than the Eurozone (-3.2%) en the average of the neighbouring countries(2.4%). The positive figure for the neighbouring countries was exclusively due to the strong performance of Germany; in France and the Netherlands employment doesn’t reach its pre-crisis levels yet. Although the Belgian employment situation came through the crisis quite well, the employment rate remains low in European perspective’)

economy-wide income that goes to the household sector¹⁴. National Accounts provide a very valuable source of much timelier information on the evolution of aggregate household disposable income. The evolution of its components, which can illustrate the role of social transfers in the overall income, is an important complement to the GDP indicator, giving insight to the extent to which GDP growth benefits households. It's also an important aspect of the inclusive growth agenda which is at the heart of the Europe 2020 strategy.

The GHDI decreased slightly for Belgium since 2009, but remained rather stable during the most recent years. France shows the same evolution, while the decrease is somewhat more pronounced in The Netherlands. In Germany GHDI clearly increased since 2010. In Greece GHDI dropped dramatically (as in Cyprus-not shown in figure 3.1a), while it is also substantially under its pre-crisis level in Spain, Ireland and Portugal.

Changing the perspective from distribution between economic sectors to the distribution of income between households, the S80/S20 indicator compares the aggregate income of the 20% households with the highest incomes to the 20% households with the lowest incomes. The GINI coefficient measures the overall inequality of the income distribution. Both measures indicate that income inequality is rather low in Belgium compared to other EU-countries. On the S80/S20 ratio, 6 member states have a lower score than Belgium. Both measures of income inequality also indicate a stable level in Belgium (Figure 3.1c, GINI in annex 2, figure A2.14).

Still another perspective on the evolution of household incomes is offered by the at-risk-of-poverty threshold. The at-risk-of poverty threshold is defined as a percentage of the median equivalent household disposable income in a country. As such it shows how incomes in the middle of the income distribution evolve over time, which is both important from the perspective of average living standards, but also from the economic perspective of the evolution of internal demand. Figure 3.1b shows that median income, in real terms remained rather stable in Belgium throughout the crisis period. This is also the case in the neighboring countries, although The Netherlands show a slight drop in median incomes. In countries like Greece, Portugal, Ireland and Spain¹⁵ median incomes appear to have been seriously affected by the crisis.

Overall, the employment rate and both the share of household income in the economy and its distribution among households at the micro level have remained stable during the last years, in a context of stagnating growth and stagnating median household income.

14 Includes also non-profit household serving institutions. The definition of this indicator is as follows: GHDI= D1 Compensation of employees (received) + B2G-B3G Gross operating surplus and gross mixed income (received) + D4 Property income (received) - D4 Property income (paid) + D7 Other current transfers (received) - D7 Other current transfers (paid) + D62 Social benefits other than social transfers in kind (received) - D62 Social benefits other than social transfers in kind (paid) + D61 Social contributions (received) - D61 Social contributions (paid) - D5 Current taxes on income, wealth, etc. (paid)

15 For Spain there is a break in the series between 2012 and 2013

Figure 3.1: Indicators of the evolution of household income, Belgium and selection of countries

Figure 3.1a Real gross disposable household income

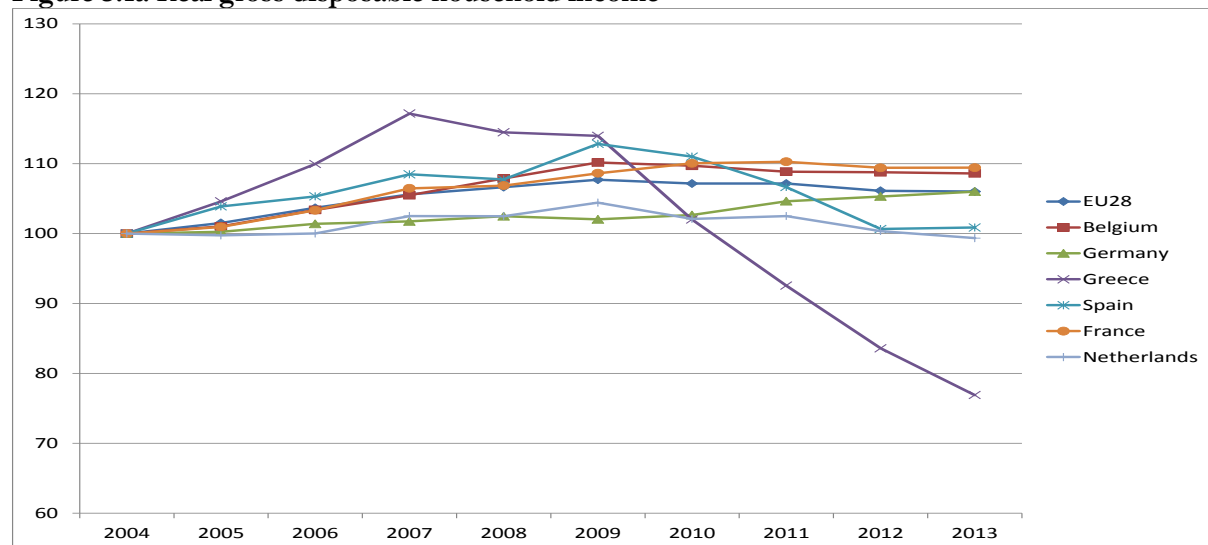


Figure 3.1b: Median equivalent household income

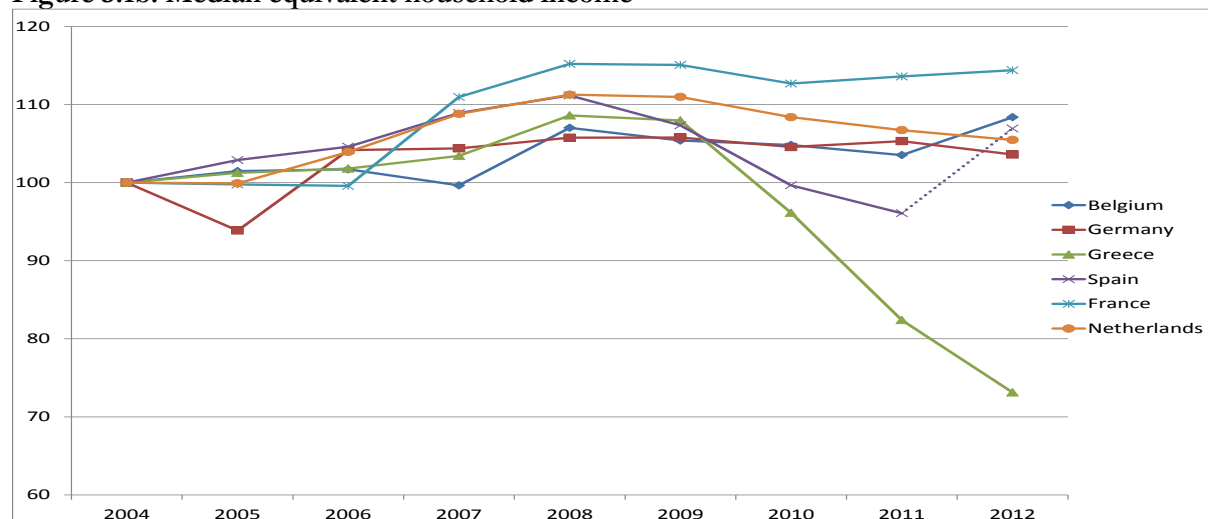
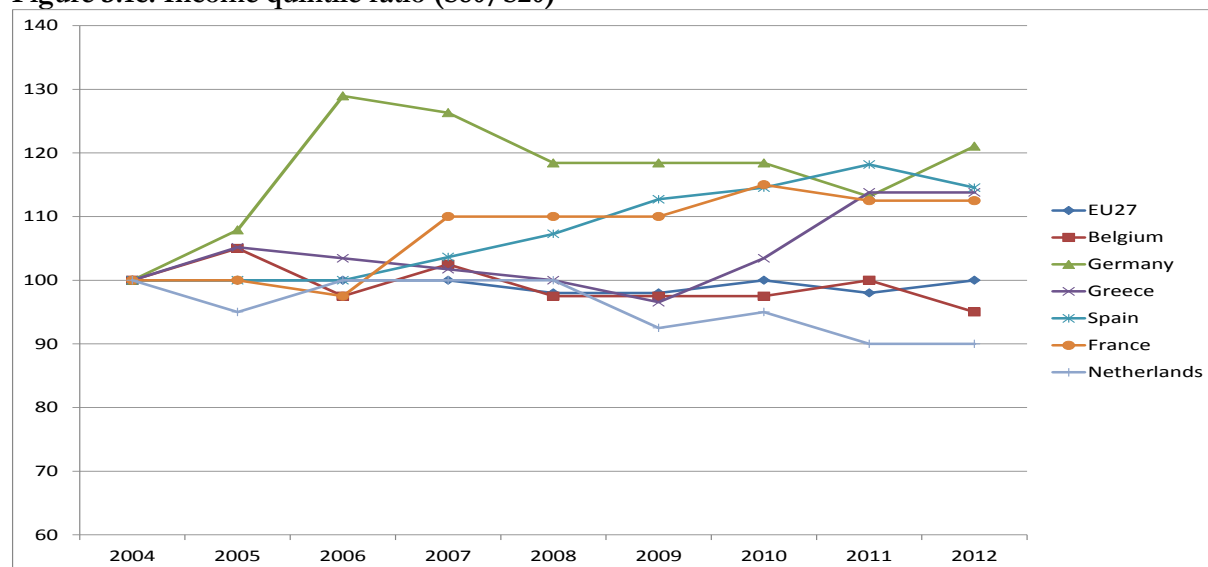


Figure 3.1c: Income quintile ratio (S80/S20)



Note figure 3.1b,c: break in series for Spain between 2011-2012. Data refer to income yearsSource: Eurostat, AMECO (own calculations)

3.2 Indicators on poverty and social exclusion

The EU-SILC 2013 (income 2012) survey shows for Belgium that 15.1% of the population (EU28: 16.6%) is at-risk-of poverty, 14% lives in a household with very low work intensity (EU28: 10,8%) and 5.1% is severely materially deprived (EU28: 9.6%). On the basis of the 'standard'¹⁶ material deprivation indicator 11,7% is materially deprived (EU28:19,6%). The evolution of the AROPE and its three sub-indicators in relative terms (see table 3.2.1.) is the same as in absolute terms.

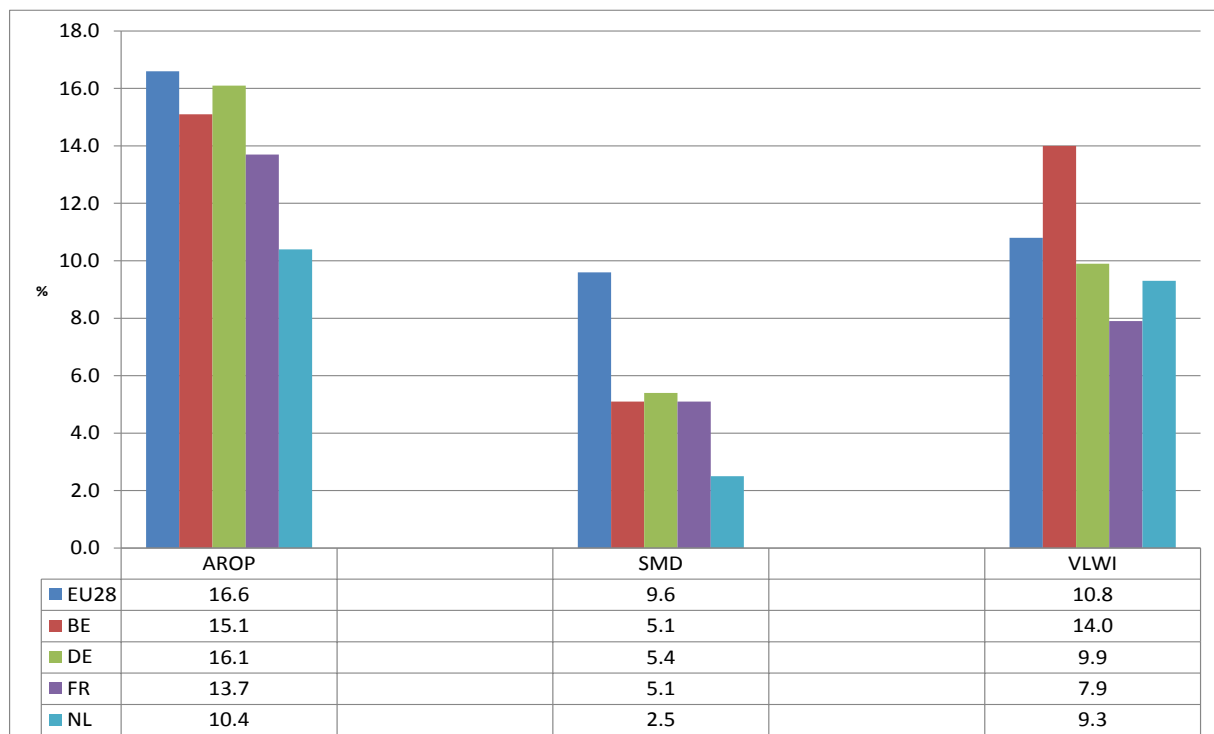
Table 3.2.1. At-risk of poverty or social exclusion rate (AROPE), at-risk-of-poverty rate (AROP), Severe Material Deprivation rate (SMD) and very low work intensity rate (VLWI)

%	2005	2006	2007	2008	2009	2010	2011	2012	2013
AROPE	22.6	21.5	21.6	20.8	20.2	20.8	21.0	21.6	20.8
AROP	14.8	14.7	15.2	14.7	14.6	14.6	15.3	15.3	15.1
SMD	6.5	6.4	5.7	5.6	5.2	5.9	5.7	6.3	5.1
VLWI	15.1	14.3	13.8	11.7	12.3	12.7	13.8	13.9	14.0

Source: EU-SILC

It can be observed that Belgium performs significantly better on the severe material deprivation indicator than the EU-average and on the same level as Germany and France. The at-risk-of poverty indicator is somewhat below the EU28-average. Ranking member states from low to high rates, Belgium scores 12th. The situation is different for the very low work intensity indicator with a significant higher Belgian proportion compared to the European average. Only four Member States show higher rates.

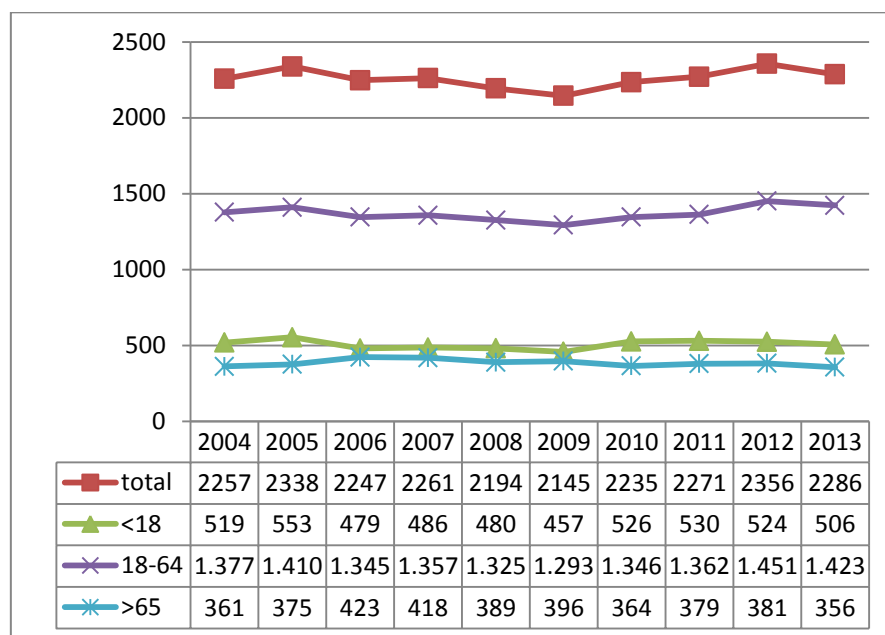
Figure 3.2.1 : Target indicators in Belgium, neighboring countries and EU28



16 Contrary to the "Severe" material deprivation indicator that imposes that the person is to be confronted with a least 4 out of 9 problems, this "standard" indicator imposes only 3 out of 9 problems...

The slight increase in AROPE since 2009 is mainly situated among the working age population. The initial increase among children seems to have stabilized during the last two years. Among the 65+ population there is a slight decrease of the number of people at-risk-of-poverty or social exclusion. In relative terms (percentages) this decrease is more pronounced (see part on pensions below). The slight downward evolution in the most recent 2012-2013 data is situated among all age categories (figure 3.2.2.).

Figure 3.2.2 : At-risk-of poverty or social exclusion, total and by age, Belgium (absolute number x1000)

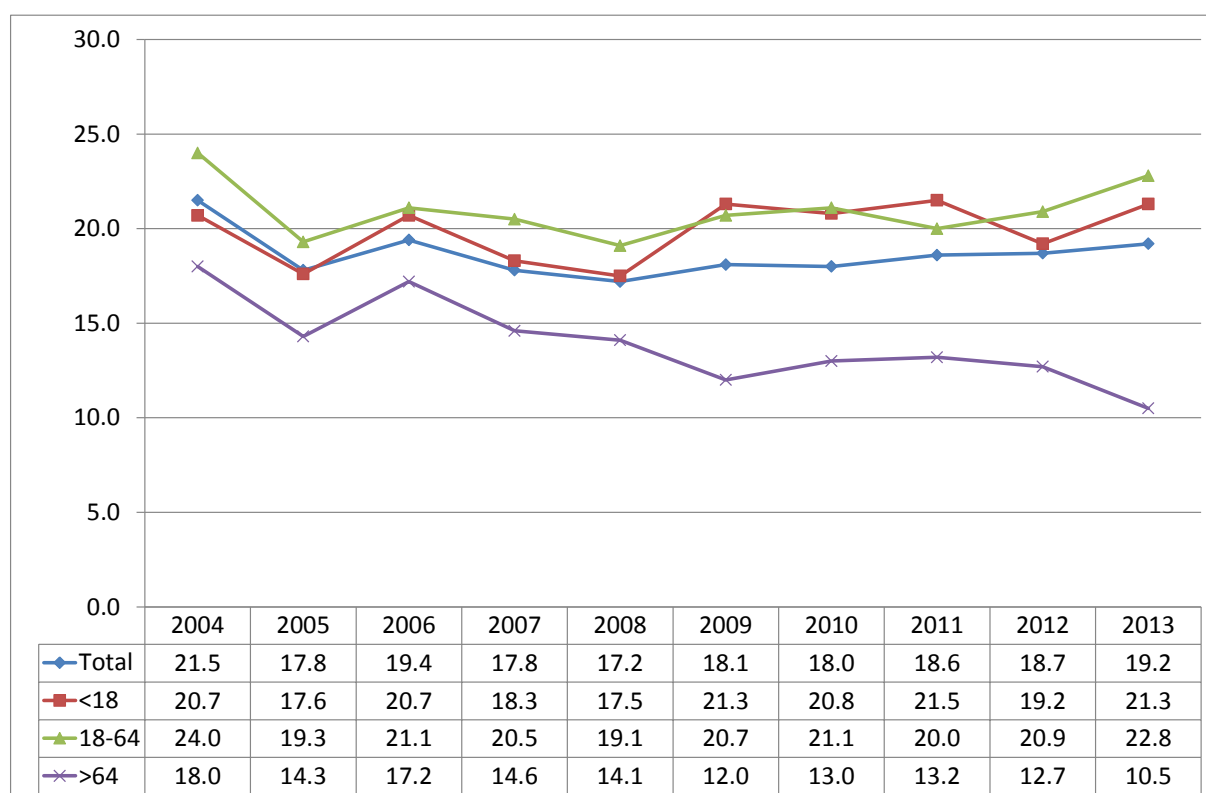


Source: EU-SILC, EUROSTAT

The median at-risk-of-poverty gap¹⁷, which indicates how far people at-risk-of-poverty are below the poverty line, has grown very slightly since 2008 (17.2% in 2008 and 19.2% in 2013). The poverty risk gap became larger among children and the population in the active age whereas the gap decreased significantly among the elderly to reach a minimum over the period 2004-2013 (Figure 3.2.3.).

¹⁷ The difference between the median income of persons having an income that is below the at-risk-of-poverty threshold and the at-risk-of-poverty threshold, as a percentage of the at-risk-of-poverty threshold.

Figure 3.2.3. : Relative median poverty risk gap, total and by age, Belgium (in %)

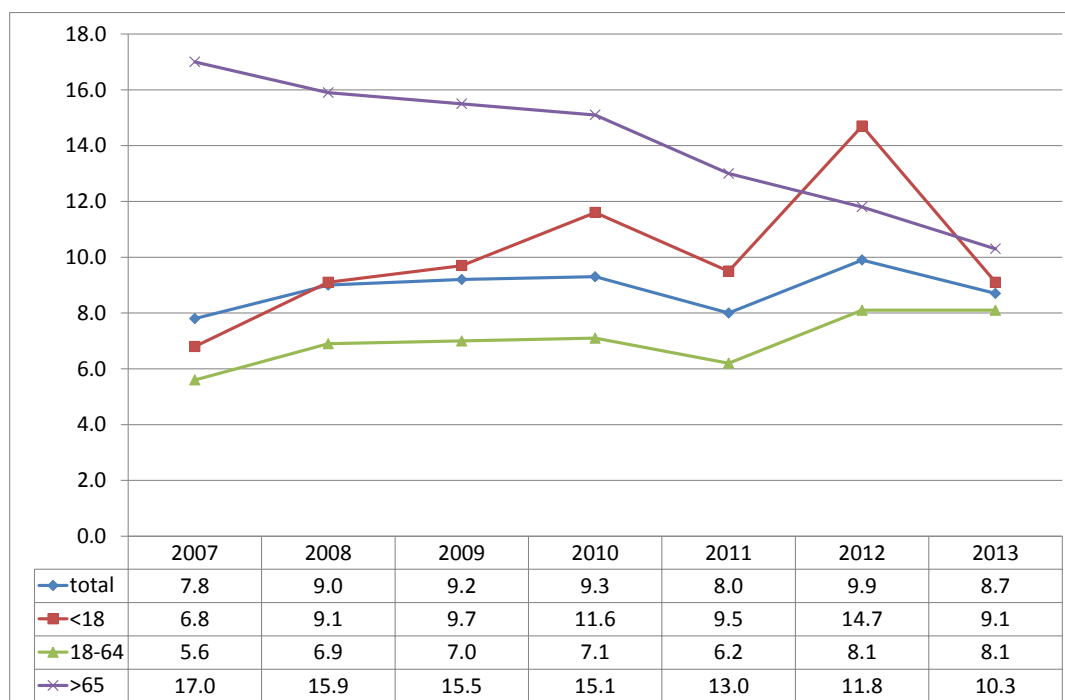


Source: EU-SILC, EUROSTAT

The percentage of persons with a persistent poverty risk¹⁸ was 8.7% in (figure 3.2.4). For the total population, this percentage has been more or less on the same level since 2007. slightly increasing from 7.8% in 2007 to 9.8% in 2012, with an exceptional decrease of the rate in 2011. The decrease in 2011 can be observed for the three broad age groups. The persistent poverty rate among the population in the active age followed a similar trend as the rate for the total population. However, behind the rates for the total population, a noticeable evolution is hidden: the risk of persistent poverty among the elderly is progressively decreasing since 2007 (from 17% to 10.3%). The opposite evolution can be found among the children with a rising trend between 2007 (6.8%) and 2012 (15.5%). The strong 2011-2012 increase is however remarkable and might need to be checked further.

¹⁸ Persistent poverty rate: the percentage of persons that is at-risk-of-poverty in the most recent year for which data are available (currently 2011) and in at least 2 of the 3 preceding years

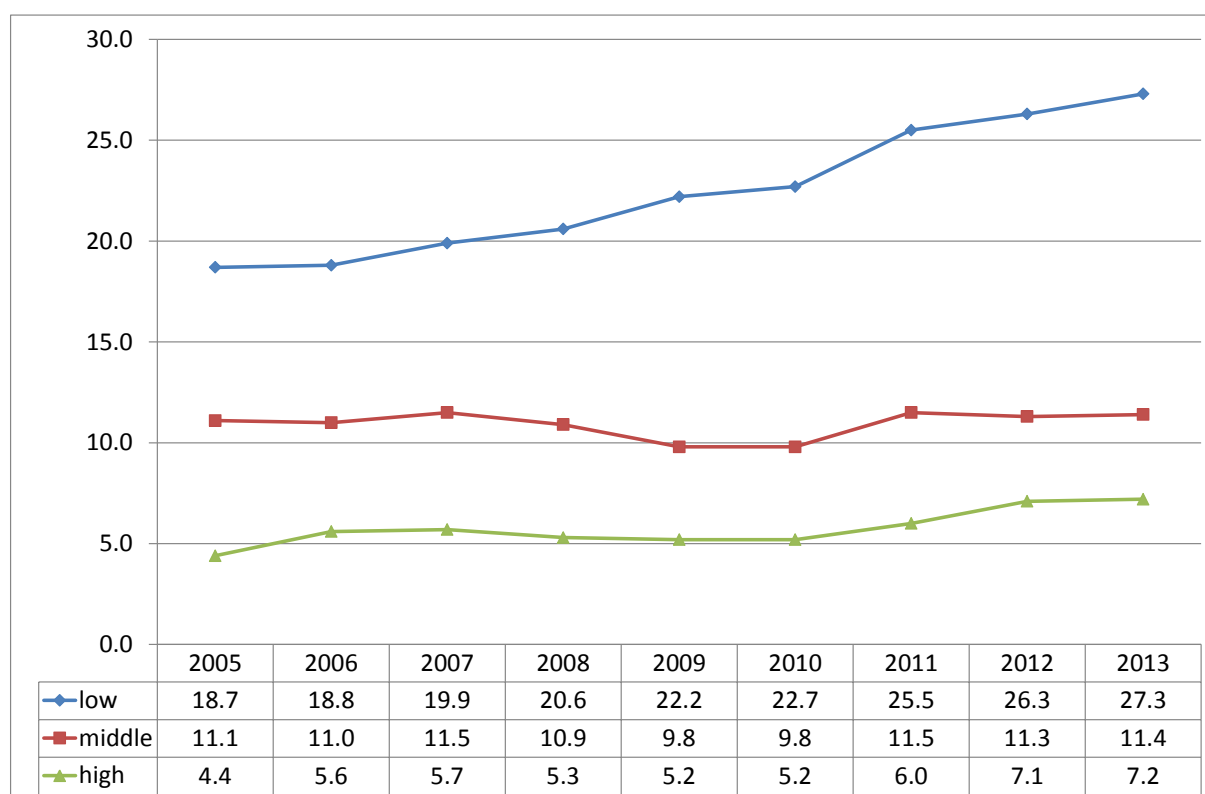
Figure 3.2.4. :Persistent poverty rate, total and by age, Belgium (in %)



Source: EU-SILC, EUROSTAT

The indicators above point to divergent poverty trends between the elderly population and younger age categories. However, divergent trends can also be found within the working age category. It is particularly worrying that poverty rates have increased specifically in categories that were already at higher risk of poverty. This is clearly illustrated by the evolution of the poverty risk by educational level (figure 3.2.5.). Differences in poverty risk between the educational level have increase sharply between 2005 and 2013. Poverty rates for persons with a low educational attainment increased from 18.7% in 2005 to 27.3% in 2013. The difference in poverty rates between persons with a low and a high educational attainment increased from 14 percentage points to 20 percentage points, pointing to a growing divide within the population at active age. Further in this note additional trends confirming this finding are presented.

Figure 3.2.5.: At-risk-of-poverty rate by level of education, (18-64) Belgium



Source: EU-SILC, Eurostat

The global percentages for Belgium as a whole hide important differences between the various regions and population categories. On the basis of EU-SILC 2011 the risk of poverty and/or social exclusion amounted to 40% in Brussels, 25% in Wallonia and 15% in Flanders¹⁹. Next to large differences in the levels of poverty or social exclusion, there are also differences in the composition of the population at risk, e.g. in Flanders the share of elderly is higher than in the other Regions, while in Wallonia the relative risk of younger age categories is higher. Notwithstanding these very marked differences, there are also similarities in the structural challenges in the three regions, as indicated in an analysis on child poverty by Vandenbroucke and Vinck (2013)²⁰. The 'administrative VLWI' indicator presented in this note points in the same direction (see box 6).

19 Due to the unavailability of 2012/2013 data on the Regional level when drafting this note, use is made of figures that were published earlier- see introduction. Although no official Regional figures are published by Statistics Belgium, the 2013 EU-SILC quality report indicates an AROPE-rate of 40% for Brussels (95% CI: 34,2-46,8), 15,4% in Flanders(95% CI:13,4-17,4) and 24,2% in Wallonia (95% CI: 20,9-27,5).(Statistics Belgium, 2014) : *The 2013 EU-SILC quality-report (http://statbel.fgov.be/nl/binaries/BE_QualityReport_SILC2013_tcm325-261626.pdf)

20 Vandenbroucke, F. & Vinck, J. (2013), 'Child Poverty Risks in Belgium, Wallonia, Flanders: Accounting for a Worrying Performance', in P. Maystadt, E. Cantillon, L. Denayer, P. Pestieau, B. Van der Linden, M. Cattelain (eds.), *Le modèle social belge : quel avenir ?* Presses interuniversitaires de Charleroi *'The Belgian welfare state is characterized by dual polarization. Looked at from a household perspective, the gap between the haves and the have not's is exceptionally large, both with regard to labour market participation and with regard to the consequences of labour market participation for poverty. On the one hand, many children live in households that are very work-poor; on the other hand, the financial poverty risk for children in very work-poor households is high. At first sight, one might think that this pattern reflects 'haves' in one region and 'have not's in another region; but the picture is more complicated, with a similar pattern of polarization within Wallonia, and high*

Table 3.2.2. Risk of poverty or social exclusion, at-risk-of-poverty rate, severe material deprivation rate and low work intensity rate, Belgium, Brussels, Flanders, Wallonia.

%	Risk of poverty or social exclusion		At-risk-of-poverty rate		Severe material deprivation rate		Very low work intensity rate	
	2008	2011	2008	2011	2008	2011	2008	2011
Belgium	20.2	21.0	14.7	15.3	5.6	5.7	11.3	13.7
Brussels	34.6	40.4	26.3	33.7	16.2	16.1	21.3	27.1
Flanders	14.6	15.0	10.1	9.8	2.7	2.9	7.7	8.5
Wallonia	26.6	25.4	19.5	19.2	7.6	7.4	15.7	18.3

Source: EU-SILC, Statistics Belgium

Figure 3.2.6. shows the risk of poverty or social exclusion for a number of population categories, on the basis of the three indicators of the Europe 2020 target.

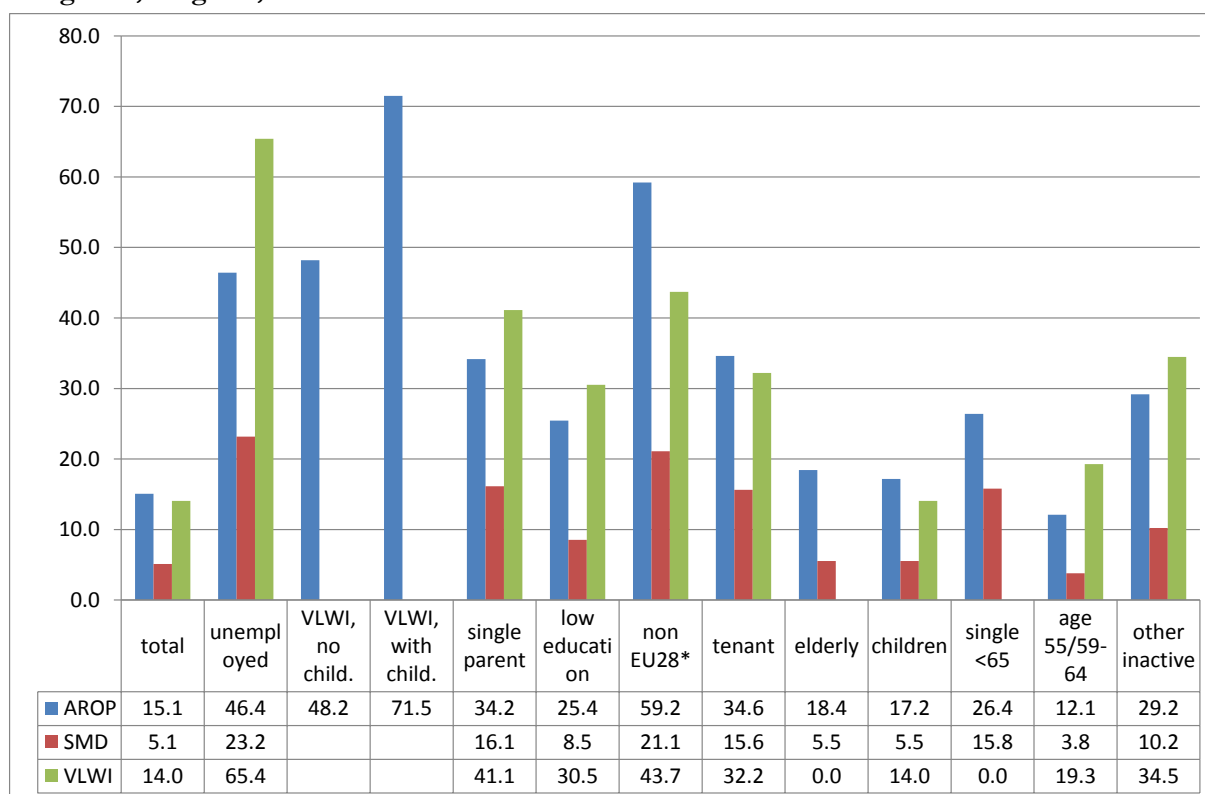
Most of these categories have high scores for the three indicators. However, certain categories do not score consistently high. The elderly have a relatively high poverty risk, but an average risk of severe material deprivation. Persons with a low education level have a high risk of poverty and very low work intensity, but a low risk of severe material deprivation²¹. Persons in the active age but close to the retirement age have a high risk of very low work intensity, but they score better than average for the two other indicators. Children score worse than average for the three indicators to a limited extent. The categories with the highest risk of poverty or social exclusion are: persons living in households with very low work intensity, especially those with children, and persons with nationalities from outside the EU27. A Eurostat analysis finds that Belgium is among the EU Member states with the largest difference in poverty risk between non-EU citizens and nationals (Eurostat, 2014). Unemployed persons, single parent families and tenants also have a very high risk. All these categories score consistently high for the different indicators.

Looking at gender differences in poverty or social exclusion risks remains difficult because all three main indicators are defined as household, and not person, characteristics. So no intra-household differences are observed, the only gender differences in poverty levels are due to differences between single man and single woman. Looking at the latter, no clear and systematic gender differences can be observed on the three indicators. On the at-risk-of-poverty rate, woman had a higher risk in 2008, but the difference decreased over the following years, and even inversed in the most recent data. Single man have higher risks to be severely materially deprived than single woman and the risk to live in a very low work intensity household has been at about the same level for man and woman over the last years (see annex A2.13). It should however be noted that this partial analysis may give a biased view on gender differences in risks of poverty or social exclusion.

financial poverty risks for households with very low work intensity in Flanders (notably when compared to Nordic countries)'

21 This may be influenced by an age effect.

Figure 3.2.6. : Incidence of poverty or social exclusion by high risk and policy relevant social categories, Belgium, 2013



Source: EU-SILC, Eurostat

4 | Follow-up of the policy priorities in the context of the National Reform Programme and the National Social Report

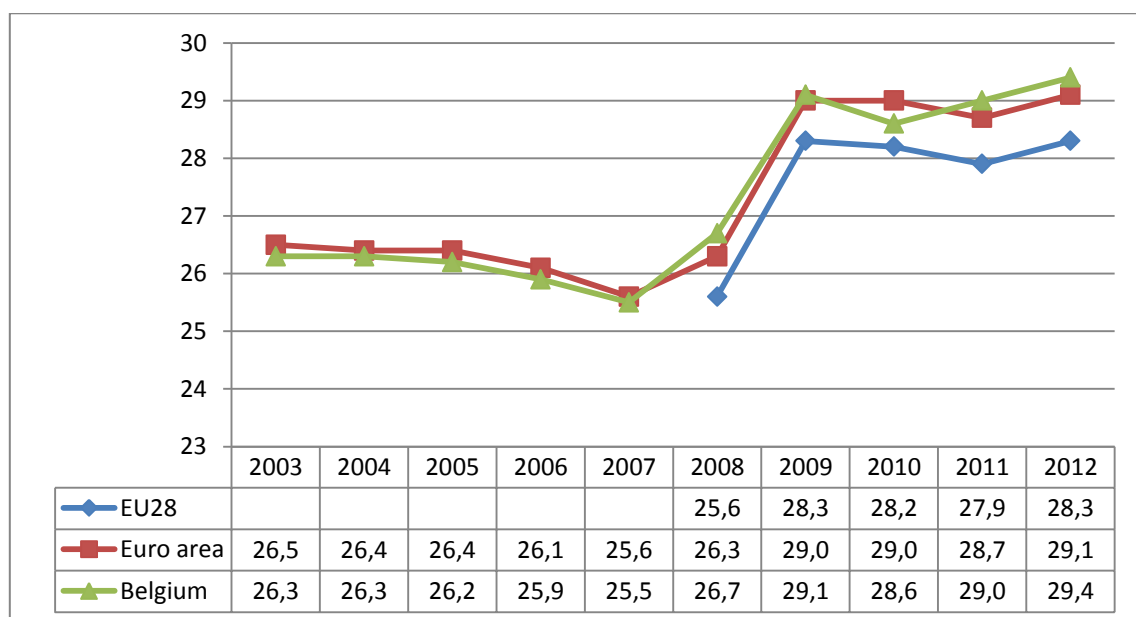
4.1 Social Protection

The number of people with an unemployment allowance decreased during the previous years. The number of persons with an invalidity allowance on the other hand increased steadily during the last decade. This increase can be partially explained by demographic and labour market evolutions: an ageing population and the increased female labour market participation in combination with the increased pensionable age for woman. Furthermore there are increases in specific diseases that play a role, in particular mental disorders. The number of social assistance beneficiaries also increased steadily over the last decade, with relatively strong increases in 2009 and 2010 and again in 2014 (see figure in A2.10 in annex 2). The number of social assistance beneficiaries increased stronger among young people (SPP Intégration Sociale, 2015).

In 2012, social protection expenditure amounted in Belgium to 29.4% of GDP, which is about 1 percent above the EU28-average (28.3%) and slightly higher than the average for the Euro area.

The evolution of social benefits expenditure kept in line with the European evolution, with a steep increase of the expenditure level in percentage of GDP as from 2007, due to the increase of the volume of benefits and the lesser or negative growth of GDP. Over the period 2008-2012, the expenditure level in percentage of GDP remained above the EU28 average and was very similar to the expenditure rate of the Euro area (figure 4.1.1.)

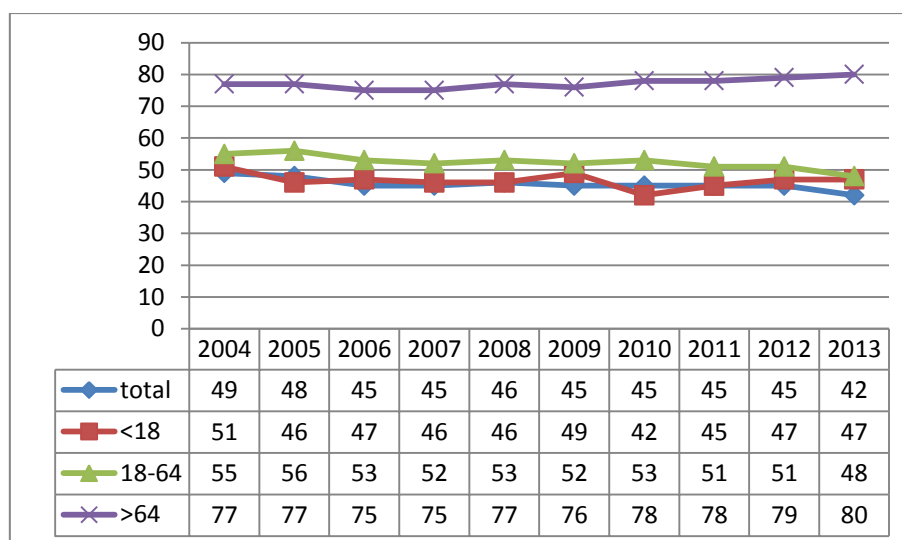
Figure 4.1.1 Social benefits expenditure as % of GDP



Source: ESSPROS, Eurostat

The effectiveness of social transfers can be measured by analyzing their impact on the poverty risk²². In 2013, the social benefits reduced the at-risk-of-poverty rate from 26.3% to 15.1%, i.e. a reduction by 42% (EU28: 35%). Between 2004 and 2013 the effectiveness of the social transfers for the total population shows a slightly decreasing trend from 49% to 42%. Whereas the effectiveness of social protection decreased for the population in the active age and for children in the same period, it increased slightly for the elderly (figure 4.1.2.).

Figure 4.1.2 Effectiveness of social protection by age: % reduction of pre-transfer poverty rate due to social transfers, Belgium



Note: social transfers without pensions for age categories 'total', '<18' and '18-64', pensions inclusive for age category '>64'

Source: EU-SILC, EUROSTAT

The effectiveness of social protection can also be measured by means of the poverty risk of persons in households with very low work intensity. Most of these persons indeed do have to rely on social protection in order to be able to maintain a minimum standard of living. The poverty risk of this group is very high: 48.2 % for persons in households with no children and 71.5% for persons in households with children in 2013 (figures 4.1.3.). While the poverty risk for the category with children in Belgium is higher than the EU28 average (estimated 63.5%), it is at the same level as the EU28 rate (48.7%) for the category without children. Together with the finding that the very low work intensity rate is high in EU-context, this finding, which is rather constant over different EU-SILC waves, is crucial in the assessment of the social situation and the adequacy of social protection in Belgium. It shows that, in general, social protection is too low to supply people who have to rely solely on it with an adequate income, and that the adequacy has rather decreased than increased. As this analysis is based on rather small subgroups of the EU-SILC survey these conclusions would require some caution. However, the findings are consistent with the results of other types of analysis.

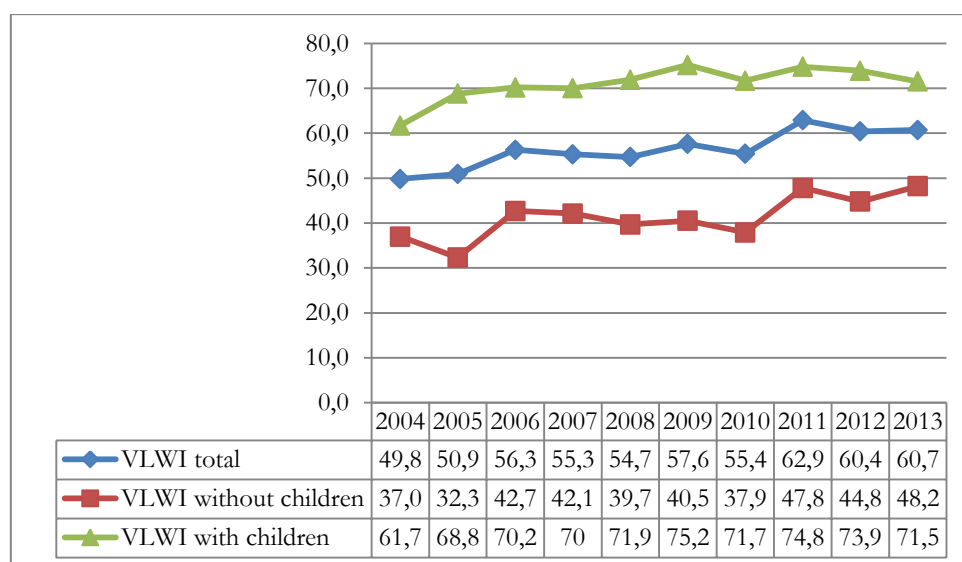
An analysis of the level of the minima (social security and social integration income) shows that, especially for couples with children, the minimum benefits are below the at-risk-of-poverty threshold

²² Of course, apart from securing a minimum income level, social benefits should also be evaluated on the extend they secure the living standard. However, the latter is more complex to measure. For pensions this aspect is covered via the 'theoretical replacement rates' (see section 5).

(annex 2, table A2.1). Invalidity benefits and full pensions for single persons are above the at-risk-of-poverty threshold. Some minima, such as the minimum pensions for self-employed persons and the income guarantee for the elderly have been increased significantly during the last years.

Academic research, on the basis of typical cases, also supports the conclusion on the decreasing adequacy of social protection for low work intensity households, consistent with the results from survey based indicators (see box 2).

Figure 4.1.3 At-risk-of-poverty rate for population in very low work intensity households, total, with and without children, Belgium (in %)



Source: EU-SILC, EUROSTAT

Box 2 :

The Glass Ceiling of the Active Welfare State

Cantillon, et. al. (2014) analyse on the basis of a set of typical cases the evolution of minimum wage, median household income and a set of social benefits and the interaction between these different aspects of the Belgian welfare state. They start their analysis with the findings that (1) gross minimum wages are, especially for families with several children, insufficient as sole income in the family, and (2) gross minimum wages didn't keep up with the increase of median household income, especially in the years before the crisis. As the evolution of social benefits is necessarily bound to the level of the minimum wage, the same applies for these benefits. The policy efforts required to bring incomes of low wage households or households depending on benefits up to the level of the at-risk-of-poverty threshold, thus substantially increased in the pre-crisis years. In a following step they show that the lagging behind of gross minimum wages didn't result in the same situation for the net disposable income of households living on a minimum wage, due to selective reductions of taxes and selective increases in child allowances. The net disposable income of work-poor households however did lag behind overall income developments in a number of cases, and policy failed in lifting the income of poor unemployed people up to the at-risk-of-poverty threshold. At the same time the gains of taking up a job, coming from unemployment, remained in most cases at about the same level. Compensating for necessary costs (eg. Housing, utilities, education, transport) was another type of policy that was used. Together with tax reductions, increases in child allowances and specific selective increases of some benefits, these policy measures enabled low work/low income households to make spending capabilities (unlike their disposable income) more or less keep pace with work rich/higher income households. However, one of the conclusions of the researchers is that the gap hasn't been bridged completely and that a 'prowling, though clear'

dualisation process is visible between the income of work poor households depending on unemployment allowances and work rich households. Structural pressures on low schooled, low productivity labour are key drivers of this evolution, with far reaching implications for social policies.

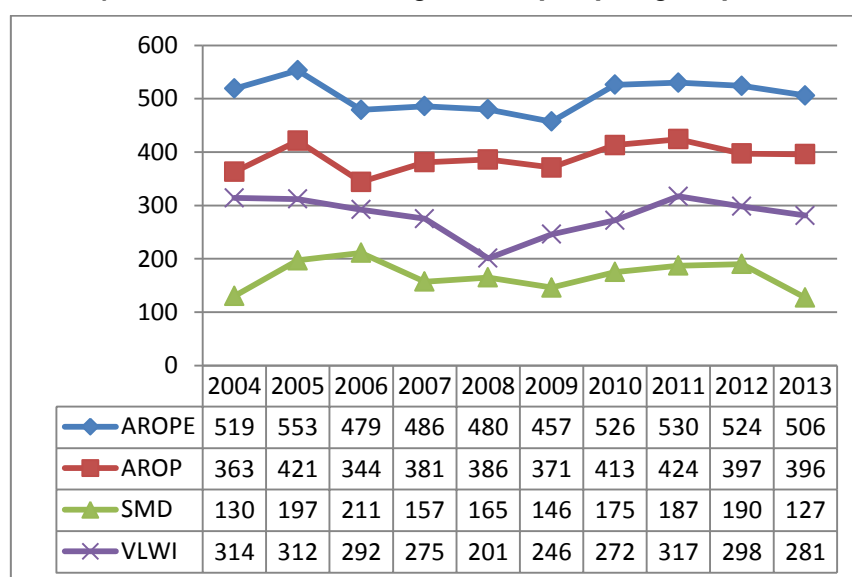
Biannual report on social protection and poverty

The Combat poverty, insecurity and social exclusion service has published in December 2013 a report about social protection and poverty (Combat Poverty Agency, 2013). The report has been drawn up in collaboration with a wide range of actors: people living in poverty and their own organisations, support providers from both public and private services, representatives of the social partners, health insurance funds, administrations, public social security institutions... There were specific meetings about the social protection for the unemployed, for the ill and disabled, for pensioners, and for children and their families. In order to compensate for the potential disadvantages of this thematic and thus fragmented approach, some 30 interviews with people living in poverty or insecurity were conducted. The interviews clearly indicate that in general, these people tend to be confronted with multiple problems simultaneously; that poorly functioning social protection in a given area weakens protective mechanisms in other areas; that periods of changeover from one status to another are times at which the social protection may be threatened.

4.2 Child poverty

We already pointed out that the number of children living in situations of poverty or social exclusion seems to have stabilized and even decreased somewhat over the most recent years, after earlier increases. Figure 4.2.1. shows that this decrease occurred on all three dimensions of the Europe 2020 target: poverty risk, severe material deprivation and very low work intensity. The decrease of the number of children in households with low work intensity is most noticeable, given that the indicator still increased by more than half between 2008 and 2011. Another remarkable evolution is the significant decrease (-33%) of the children living in households facing severe material deprivation between 2012 and 2013, which might need further research.

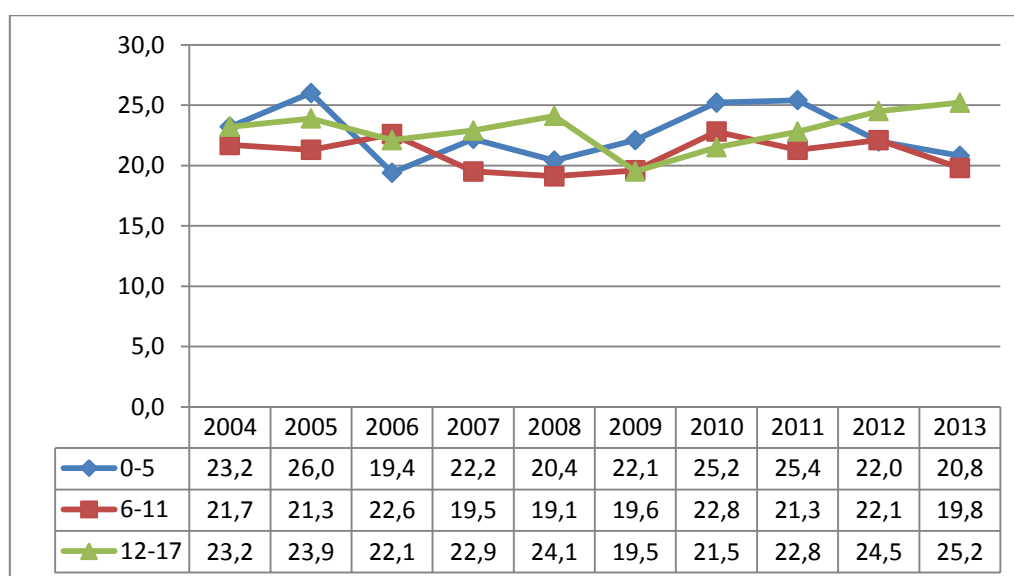
Figure 4.2.1 Poverty or social exclusion among children (0-17), Belgium (absolute number x 1000)



Source: EU-SILC, EUROSTAT

Depending on the age category, about 20-25% of all children are at risk of poverty or social exclusion²³. The risk of poverty or social exclusion is the highest in the age category 12-17 (25.2%). This is remarkable given the fact that in 2009 this age category still had the lowest risk of poverty or social exclusion. Whereas the AROPE rate of the oldest age category continued to rise since 2009, the other age groups experienced a decrease of the risk on poverty or social exclusion during the last year(s). In the youngest age category (0-5), the risk in 2013 was 20.8% compared to 19.8% for the age category 6-11 (figure 4.2.2. The risk for all three age categories is below the EU27 level.

Figure 4.2.2 Poverty or social exclusion of children by age, Belgium (in %)



Source : EU-SILC, EUROSTAT

In figures 3.2.3 and 3.2.4, it was shown that the poverty gap as well as the risk of persistent poverty has increased for children between 2012 and 2013 (2011/2012 for persistent poverty). Despite the recent increase, the median poverty gap remained relatively constant between 2009 (21.3%) and 2013 (21.3%). The poverty gap for children in 2013 was wider than the poverty gap for the elderly (10.5%) but slightly smaller than the poverty gap for the population in the active age (22.8%). The persistent poverty rate among children increased significantly between 2011 (9.5%) and 2012 (15.5%). This increase resulted in the highest persistent poverty rate compared with the population in the active age (8.2%) and the elderly (11.3%). Further research into the cause of the sharp increase might be useful (see Box 3).

Box 3 : Putting Child poverty higher on the agenda. An overview of figures.

Guio et al. (2014) give in their overview of child poverty in Belgium a number of regional figures based on EU-SILC 2011. As for poverty in general, the differences in poverty levels between the regions are substantial. About one in four children in Wallonia live below the poverty threshold, four in ten in Brussels and one in ten in Flanders. Both in Flanders and Wallonia child poverty is characterized by high poverty risks for low work intensity households with children and low poverty risks for households with high work intensity compared with the EU level. Wallonia has however a substantial higher level of low work intensity than Flanders.

Looking at Material Deprivation the researchers find that 39% of the children in Brussels lacks at least three out of nine items, 22% in Wallonia and 12% in Flanders.

²³ Due to relatively small sample sizes for breakdowns by child age groups, some caution is needed in the interpretation of the relative levels and the evolution.

The percentage of early school leavers slightly decreased from 12.3% in 2011 over 12% in 2012 to 11% in 2013. This indicator depicts the number of young people (age 18-24) with a weak labour market position, but is also informative for the performance of the education system. Belgium scores somewhat better than the EU28 average (11,9%), but 17 countries do better. The percentage of young people (18-24) not in employment or education (NEET) was 16,0% in 2013, which is also somewhat below the EU28 number (17,0%). The figures increased however by 1 pp. compared to 2012 and by 2,7 pp. compared to 2008. The different evolution of both indicators can be explained by the increased youth unemployment rate.

The PISA 2012 results (with a focus on mathematical literacy) confirm earlier results on the educational performance of Belgium and the different Regions (De Meyer et. al., 2014) . Like in the previous studies, Belgium is one of the few countries that combine a high general performance level of fifteen-year olds with high coherence between the performance and the social-economic status of the pupils, and consequently with a high degree of social inequality. The study further again confirms that Belgium is one of the weakest performers regarding pupils with a migrant background. Even after controlling for differences in the socio-economic profile of the population of migrant pupils, Belgium, and a fortiori Flanders, remain among the worst performers. Recently, the OECD in its 2015 Economic Survey for Belgium, also puts a focus on the Belgian education system's performance regarding children of a migrant background (see box 4).

Box 4 : OECD Economic Survey For Belgium 2015

As mentioned in the recent (February 2015) OECD Economic survey for Belgium, the school achievements (as mirrored in the PISA results) show that, despite some improvement over the past decade, **compared to their peers without a migration background, the children of immigrants tend to underperform by a wide margin, and by more than in many other countries.** The OECD report mentioned at least **5 facts** that **can explain this important lower level of achievements** for children of immigrants tend :

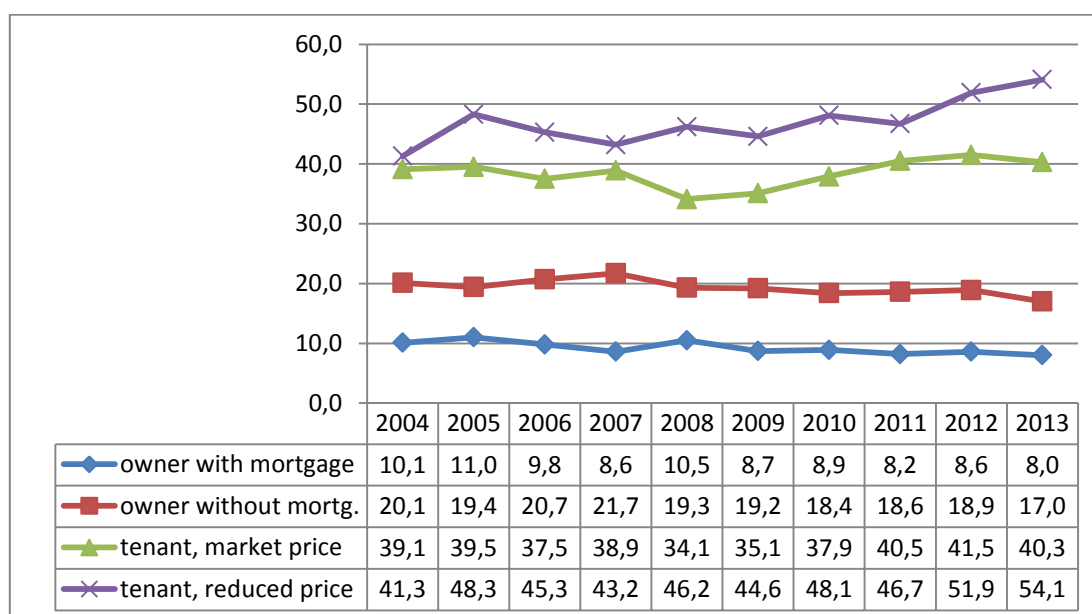
- Despite recent efforts to promote social diversity in schools, as well in Flanders than in the French community, school segregation in Belgium stays high, so that **disadvantaged students tend to be highly concentrated**, which hampers their learning. **The children of immigrants are hit hard, both because they are over-represented in disadvantaged schools and because the effect of school disadvantage on learning outcomes tends to be larger than for students with no immigrant background ;**
- **Early tracking is also a source of the problem.** Often, pupils are de facto first selected at the outset of secondary education – when they are 12, an internationally low age – and those perceived as weaker are assigned to a lower, pre-vocational stream. Early selection generally harms students in lower tracks (despite recent attempt to upgrade vocational studies), and in Belgium also reinforces school segregation, since schools often offer just one track. **Unsurprisingly, children of immigrants are over-represented in vocational streams**, especially in Flanders.
- **Belgium stands out for widespread retention practices** (36% of 15-year-olds taking part in PISA 2012 reported to have already repeated a grade, the highest proportion in the OECD). **In the case of students with an immigrant background, the share rises to 53%. These grade repetitions reinforce inequities and downgrading to lower streams.**
- **Many students with an immigrant background, don't speak the language of instruction at home. It is an important barrier to educational achievement.** Belgium stands out as one of the few countries where this barrier affects native-born students with foreign-born parents almost as much as foreign-born students.
- A recent Flemish survey shows (but with data limitations) that **only 34% of mothers with foreign citizenship are regular users of early childhood education and care services (that tends to pave the way for successful school attainment at later ages), against 73% of Belgian mothers.**

After a gradual decrease of the infant mortality rate over the period 2001-2011 (from 4.6‰ to 3.4‰), the rate increased to 3.8‰ in 2012, bringing it at the EU28 level and somewhat above the rate in the neighboring countries.

4.3 Housing

Earlier it was indicated that the-slight- increase in the AROPE rate was mainly situated among the active population. In section 2 it was indicated that an increase of the AROP rate can be found among persons with low educational attainment and very low work intensity households. A breakdown of the evolution of the number of persons living in situations of poverty or social exclusion according to the housing situation further shows that the increase occurred only among persons renting their home. Especially among the tenants who rent at reduced prices, the number of persons living in situations of poverty or social exclusion has recently increased from 46.7% in 2011 to 54.1% in 2013. Among owners, with or without mortgage, the number of persons living in poverty or social exclusion remains stable (or even decreases slightly)²⁴ (figure 4.3.1). Further analysis of the indicators shows that the increase of AROPE among tenants is due to an increase of the at-risk of poverty and very low work intensity rate among the working age population. There is no increase among elderly tenants. As it is known that tenants have a weaker social profile than owners, the indicators point to the fact that poverty risks appeared to have increased in very specific population categories, already confronted with higher poverty risks.

Figure 4.3.1 Risk of poverty or social exclusion by housing tenure, Belgium (in %)



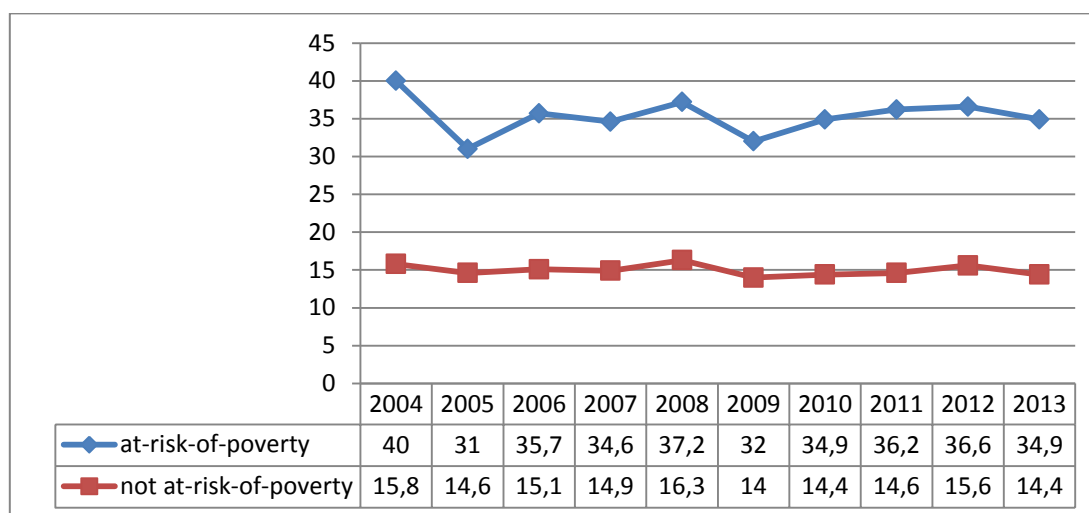
Source: EU-SILC, EUROSTAT

Furthermore, it is relevant to monitor the evolution of the share of the housing costs in the household budget (figure 4.3.2) by poverty status. For persons below the poverty threshold, this share remains relatively constant around 35% (34.9% in 2013), while it is close to 15% for persons above the poverty threshold (14.4% in 2013).

²⁴ The higher risk of poverty or social exclusion for owners without mortgages compared to owners with mortgages is probably linked with the profile of these categories. Owners without mortgages are mostly elderly people with lower (pension) incomes.

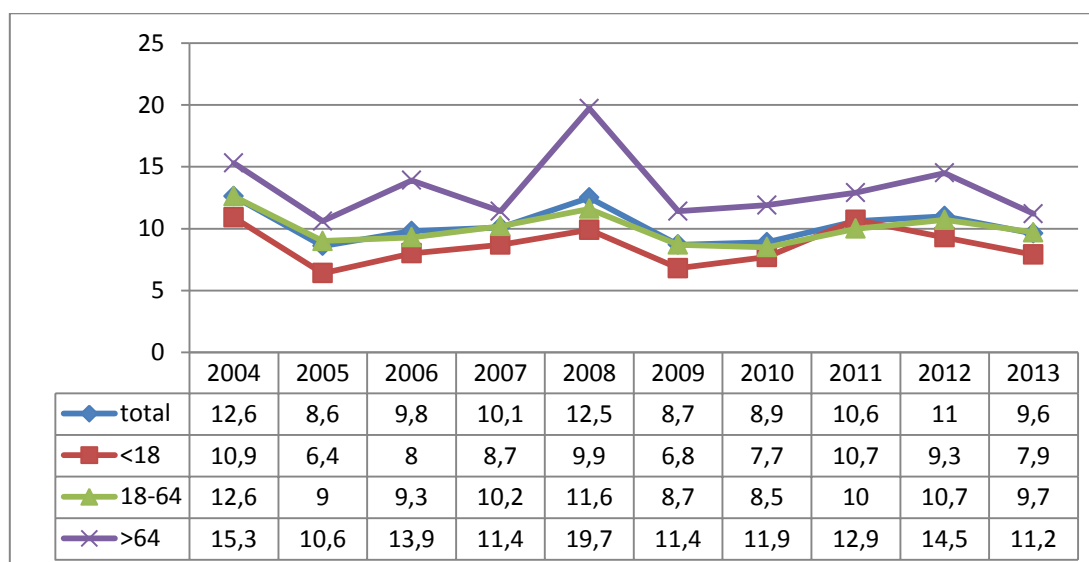
On the basis of EU-SILC 2013, it appears that 9.6% of the population is confronted with potentially problematic housing costs²⁵. Broken down by age category (figure 4.3.3.), it appears that this percentage is higher for the elderly (11.2%) than for children (7.9%) and persons in the active age (9.7%). Between 2012 and 2013 the housing cost overburden rate appears to have decreased for all age categories.

Figure 4.3.2 Median housing cost burden by poverty status (in % of household disposable income), Belgium



Source: EU-SILC, -EUROSTAT

Figure 4.3.3 Housing cost overburden rate by age: % of persons with housing cost over 40% of disposable household income, Belgium



Source: EU-SILC, EUROSTAT

²⁵ "Problematic housing costs": a situation in which the total housing costs (minus housing benefits) amount to 40% or more of the total disposable household income (minus housing benefits).

The number of social housing units for tenants slightly but steadily increased over the years. However, the population and certainly the number of private households grew faster. The number of social housing units as a percentage of the total private households thus decreased slightly from about 6,3% during the mid-00s to 6,1% in 2011²⁶. The number of persons on a waiting list for renting a dwelling at social rate has increased over the recent years²⁷ (see also OECD assessment in box 5).

Box 5

Great Housing research in Flanders recent results on the basis of the Flemish ‘Great Housing Research’ (Groot Woononderzoek), point to the fact that renting prices in the private rental sector have increased in real terms by 1% annually between 2005 and 2013 in Flanders (Heylen, 2015). Increases appear to have been stronger for small housing units (studio’s, rooms), and thus for more vulnerable categories: renters in the lowest income quintile, households with an unemployed, sick/disabled head of household, and the oldest and youngest age categories. Rents increased also in the social housing sector by 2% in real terms. Affordability problems increased strongly according when using the ‘housing quote’ method (% of households with housing costs >30% of household income) and remained constant according to the ‘rest income’ method (% of households whose remaining income, after housing costs, falls below a minimum threshold based on reference budgets). Vulnerable groups in terms of housing affordability are households with an unemployed, sick/disabled head of household, single parent households. In terms of age, the younger age groups have the highest affordability problems. Affordability has become more problematic for vulnerable categories between 2005 and 2013 according to the housing quote method, but not according to the rest-income method.

OECD Economic Survey For Belgium 2015

In its recent Economic Survey for Belgium the OECD also devotes a chapter on ‘maintaining an efficient and equitable housing market’. In this contribution the OECD points to the finding that ‘housing affordability is deteriorating, especially for vulnerable groups’. Especially for renters, housing affordability deteriorated. The study points to the fact that the size of the social housing market is small compared to other countries and that waiting lists for social housing lead to high demand in the lower end of the private rental sector, contributing to affordability problems for lower-income tenants.

Counting the number of homeless people in Brussels

On November 6th 2014, a an organisation of the Brussels authorities (Steunpunt thuislozenzorg Brussel-La Strada) organised a count of the number of homeless people in Brussels. It was the third time that such a count was organised, using a similar methodology. 160 volunteers participated in this count, which took place between 11 pm. and midnight. The results have recently become available. In total 2603 persons were counted as homeless. This is a substantial increase compared to the first count in 2010, when 1947 persons were counted.

26 Apart from social housing units for rent operated by social housing societies, municipalities and municipal welfare services can have housing can supply housing units at reduced prices. Furthermore, Flanders has a system of housing subsidies for households that have been on a waiting list for a certain time span. However, these additional housing support pathways are overall relatively marginal.

27 Due to differences in methods of collecting and updating lists, it remains difficult to give an exact figure of the number of persons on a waiting list over the regions. There could also be double counts of people registered in different regions. Furthermore, like the social housing society does, one could make a difference between people who are on a list but who live already in social housing and people who don’t. With all these remarks in mind, about 180.000 people were registered in 2013 as candidate for a social dwelling.

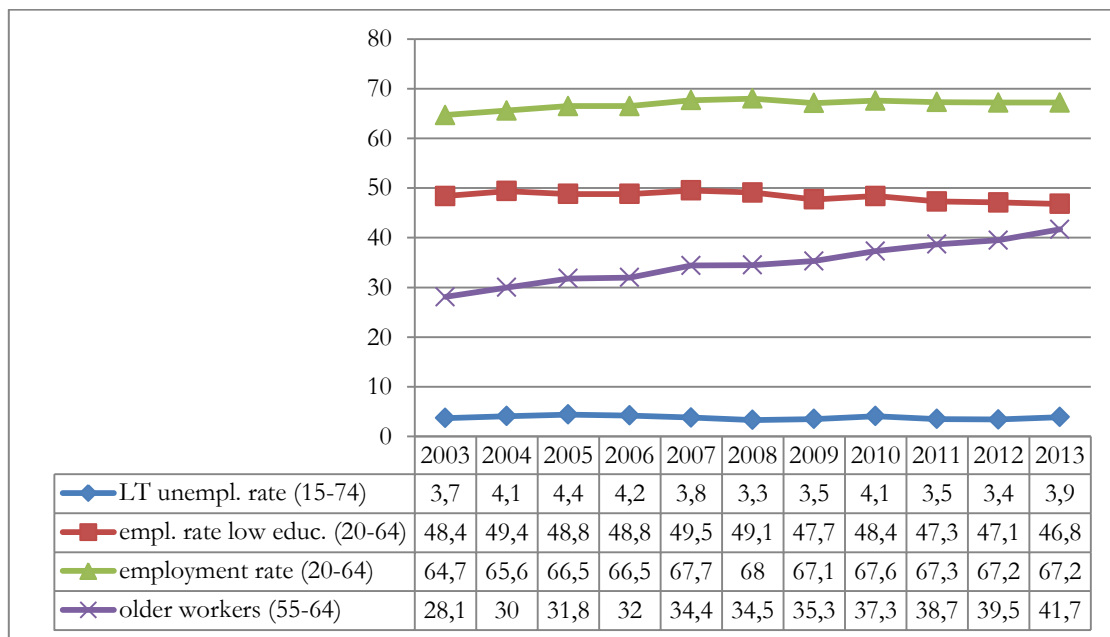
4.4 Active inclusion

The active inclusion strategy has three components: an adequate minimum income, inclusion into the labour market and access to high-quality services.

The best indicator for the extent to which a country succeeds in guaranteeing a minimum income is indeed the poverty risk. Offering (minimal) income protection in case a household has no primary income (due to social risks), is a key function of social protection systems and of an active inclusion policy. In that respect, it is relevant to examine the poverty risk in households with very low work intensity, as was done in section 4.1. It can be assumed that these households depend on benefits to a large extent. As already mentioned, households with very low work intensity are confronted with a very high poverty risk, especially when children are involved. It is important to note that the performance of Belgium on this indicator is worse than the EU-average.

As regards labour market participation (figure 4.4.1), it can be concluded that the general employment rate remained more or less stable in the period 2009-2013 with rates around 67% (67.2% in 2013). For the vulnerable target group of people with low education levels, it can be observed that their employment rate slightly decreased between 2007 (49.5%) and 2013 (46.8%), which widens the gap with the total active population. This widening gap in the employment rate between persons with low education level and the total population can be observed for both Flanders and Wallonia, but not in Brussels (see annex 2) The employment rate of older workers (55-64 years) moves in the opposite direction: their employment rate gradually increases from 28.1% in 2003 to 41.7% in 2013. The long-term unemployment rate decreased slightly just before the crisis impacted and increased again slightly since then (3.9% in 2013). Overall, it is noticeable that long-term unemployment, like very low work intensity, reacts only in a limited way on differing socio-economic conditions. However, looking at the evolution at the regional level shows that in Brussels and Wallonia there seems to be a stronger link to the economic cycle (annex 2, figure A2.9).

Figure 4.4.1 Employment rate (20-64), total and specific categories (low education, older workers) and long-term unemployment rate (15-74), Belgium (in %)

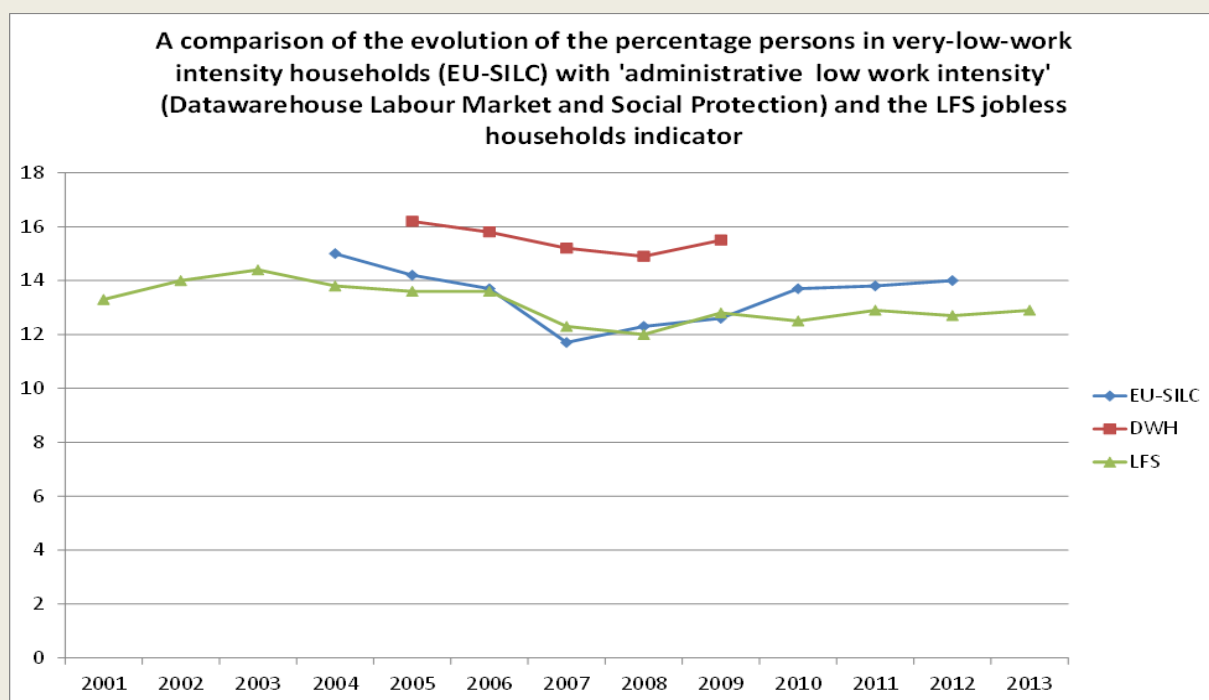


Source: Labour Force Survey, EUROSTAT

Box 6 : A closer look at persons living in quasi-jobless households on the basis of administrative data

Administrative data are a potential rich source of information to complement the EU-SILC based indicator on very low work intensity. A report of the European Social Observatory presents the results of an exploratory analysis of the recently constructed 'administrative VLWI-indicator' for the years 2005-2009²⁸²⁹. Although a substantial analysis would require some further developments of the data and the timeliness, some already interesting results are briefly reflected here.

The figure below shows the evolution of the percentage of persons in a very low work intensity household with similar concepts based on two other data-sources: the administrative data of the Datawarehouse Labour Market and Social Protection on the one hand and the Labour Force Survey on the other hand. Although there are some- rather slight- differences between the three series, the overall trend is the same for the administrative LWI³⁰ than for the two survey-based indicators: after a limited decrease before the crisis, the percentage slightly increases due to the crisis³¹.



28 Peña-Casas, R., (2014) ,A picture of low work intensity households in Belgium using the Datawarehouse Labour Market and Social protection, report on request of the Federal Public Service Social Security.

29 This indicator was constructed by HIVA and CeSO, both KULeuven based research centres, in the context of a project funded by the federal science policy, on behalf of the FPS Social Security and the Crossroads bank for Social Security. For complete information see : https://www.bcss.fgov.be/nl/dwh/dwh_page/content/websites/datawarehouse/others/LWI-indicator.html

30 The researchers developed two variants of an LWI indicator. The first variant tries to follow as close as possible the EU-SILC variable, the second variant tries to exploit as well as possible the possibilities of the administrative data to operationalize the LWI concept. For the results presented here, the first variant is used.

31 The differences between the three series are not surprising: although the three figures try to capture the same phenomenon, the concrete operationalization shows marked differences. The 'administrative VLWI' indicator still needs further refinements, especially the treatment of people living in Belgium, but working for international organisations and the treatment of cross-border workers has to be improved. Now these categories are considered as not working, leading to an overestimation of the incidence of 'administrative VLWI'. Survey results on the other hand can of course be influenced by sampling and measurement fluctuations.

Note: in EU-SILC the VLWI indicator is based on the calendar of activities of the year prior to the survey year (t-1). The EU-SILC results presented in the figure refer to the reference year (t-1). So 2012 data refer to EU-SILC 2013.

The administrative VLWI indicator shows that, in 2009, the vast majority (more than 80%) of the persons living in a household with a very low work intensity, in fact lived in a household with a work intensity of zero, so without any paid work. Differences between the regions are large³²: Brussels has the highest incidence (around 30%). The incidence in Wallonia is considerably lower, but still very high according to international standards (around 20%). In Flanders the level is still half of the Walloon level (around 10%), but even this is still relatively high compared with EU-SILC estimates for most other EU member states. Data on municipal level seem to indicate that the VLWI problem is more intense in larger cities. A quarter of the persons in VLWI are children. The highest incidence by age category is however in the category '55+'³³.

The incidence of low work intensity at Regional level based on Datawarehouse labour market and social protection

%	2005	2006	2007	2008	2009
Brussels	31.2	31.1	30.7	30.1	31.0
Wallonia	21.6	21.2	20.6	20.1	20.6
Flanders	10.5	9.9	9.3	9.1	9.7

About 70% of persons of VLWI households is born in Belgium and 90% is born inside the EU. The incidence is however much higher (43%) for persons born outside the EU, compared to persons born in the EU (14%). The incidence of VLWI for non EU born persons is much higher in Brussels (50%) and Wallonia (50%) than in Flanders (35%). However, in Flanders the relative incidence of non EU born persons is much higher than in the other regions: the incidence of non EU born persons is in Flanders almost four times as high as for EU born persons (9%) while in Brussels the incidence is less than double and in Wallonia the incidence is 2,5 times higher.

Looking at the household characteristics, the incidence of VLWI is significantly higher in the presence of children, notably for lone parents who have the highest incidence (34%). Overall Couples with children (32,2%) and single individuals (28,9%) are the most represented among VLWI households, followed by the lone parents (23,2). Looking at the regional level the same pattern is observed. However, as with breakdown by country of birth, the incidence of VLWI in the more vulnerable category (lone parents) is relative to the overall incidence of the region, higher in Flanders than in the other regions, although the difference is less pronounced than in the case of the country of birth breakdown.

Having a job is unfortunately not always sufficient to avoid poverty. The percentage of working persons at risk of poverty remained relatively stable at around 4.5% during the period 2004-2011. In 2013, the rate amounted to 4.4% compared to an average of 8.9% in the EU28. Notwithstanding the relatively low in-work poverty rate, in absolute terms this groups makes up a sizable share of the total number of persons at-risk-of-poverty.

Box 7 : The impact of increased degressivity in the Belgian Unemployment insurance scheme

In 2012 the Belgian unemployment insurance scheme was substantially reformed with the aim of making work more attractive and increase labour market participation. A key feature of the reform is the increased degressivity of the unemployment allowances. Nevejan and Van Camp (2014)³⁴ studied the impact of this feature on (1) financial unemployment traps and (2) the poverty risks of unemployed. The, ex ante, study was carried out on the basis of a

32 It should be noted that the treatment of cross-border work and work in international organisations may have a different impact in the different regions, so the exact relative levels of the regions should be seen as approximate estimates at this stage. Especially the results for Brussels can be affected by the presence of international organisations

33 It can be assumed that a (considerable) number of these persons in fact lives with a person above the target age category (0-59) for this indicator, eg the partner being in retirement.

34 Nevejan, H., Van Camp, G., (2014) De versterkte degressiviteit van de Belgische werkloosheidsuitkeringen: effecten op financiële vallen en armoederisico's in een notedop, in: Jaarboek Armoede 2014, ACCO

large sample of administrative data and using the microsimulation model MIMOSIS. It is important to note that the study does not take into account specific costs resulting from taking up a job (eg. child care).

The study concludes that the reform significantly increased the financial attractiveness of taking up a job for unemployed. The financial surplus of taking up a job increases more steeply with the duration of the unemployment spell in the new system than in the old system. The number of unemployed for whom the financial gain of taking up a job is below 20% of the unemployment allowance is lower under the new system (starting from 19 months of unemployment) than in the old system. The study notes however that, due to the limited insurance character of the Belgian unemployment scheme, already under the old system the financial incentives for finding and taking up a job were substantial.

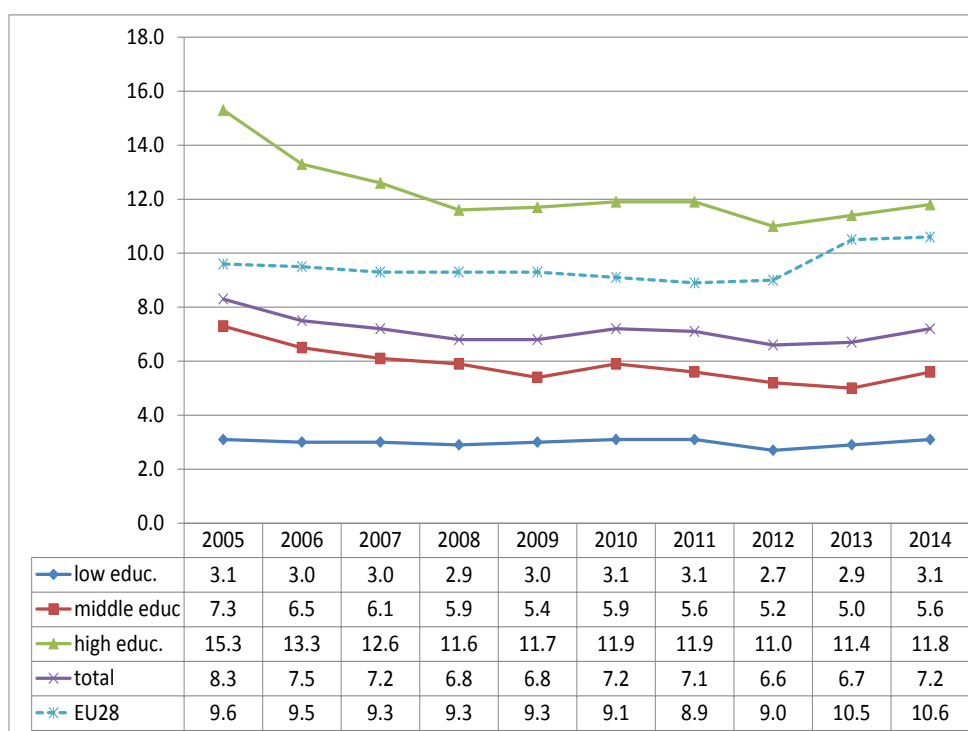
The comparison of the poverty risk before and after the reform shows the downside of the reform. Poverty risks for unemployed that don't take up a job are significantly higher in the new scheme. This finding goes for different family types, but the increase is most outspoken for single unemployed. Poverty risks of people taking up a part- or full-time job at the former wage level are considerably below those of full-time unemployed people.

The study notes that the complexity and non-transparency of the new system may hinder its effectiveness and that labour demand is also a crucial factor. The real employment and poverty impacts of the reform can thus only be evaluated ex post.

In a study of the Combat Poverty, Insecurity and Social Exclusion Service, these results are further analysed by Region (Service de lutte contre la pauvreté, la précarité et l'exclusion sociale, 2014). This analysis shows that the three Regions show the same evolution: as was the case before the reform, the poverty risk increases with the duration of the unemployment spell, but the increase is stronger after the reform. The Brussels Region has the highest initial poverty risk, but also the strongest increase. In the Walloon Region the increase in the poverty risk as a consequence of the reform starts slightly earlier than in Flanders and ends at 38,9% after 61 months.

Participation in life-long learning - by initial educational attainment - is one indicator for the accessibility of (high quality) services as a component of active inclusion (figure 4.4.2). The indicator for participation in education or training among the population aged 25 to 64 decreased significantly between 2004 (8.6%) and 2008 (6.8%), especially among persons with a high initial education level. Between 2008 and 2011, the participation remained relatively stable. From 2011 the gap with the EU28 average increased again, mainly due to a rather steep increase in the EU28 figure in 2013. The difference in participation rate between persons with a high and a low educational level remained at about 8 pp. during the last years (about 3% for low skilled and about 11% for high skilled).

Figure 4.4.2. Participation in life-long learning by educational attainment, Belgium, EU28 (population 25-64) (in %)



Source: Labour Force Survey, ADSEI EUROSTAT

4.5 Overindebtedness

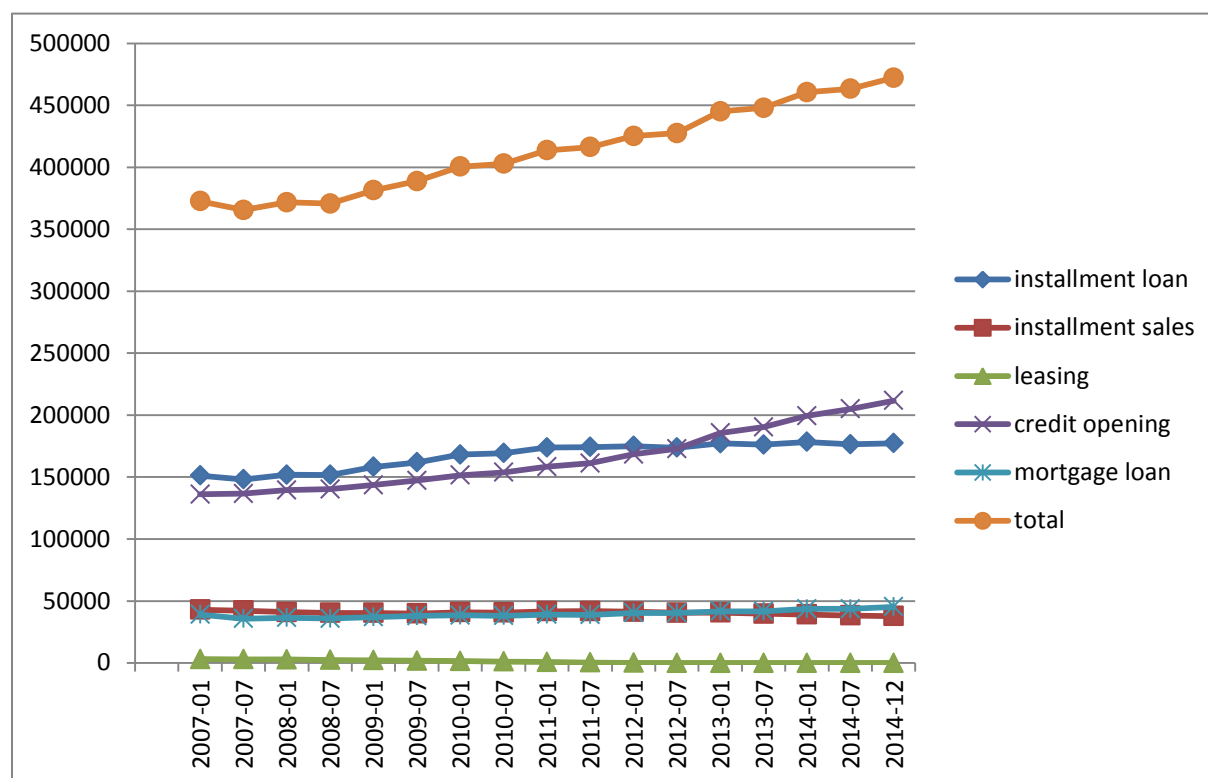
Since a number of years, the information of the Central Register of the National Bank (figure 4.5.1) shows **a continually increasing number of credit arrears**. However, in percentage, the level of credit arrears are relatively stable since 2007. In terms of number of credits, the percentage of credits with defaults (non-regularised) falls from 5,75% in 2007 to a minimum of 4,1% in the beginning of 2012 before to increase a little bit to 4,6% at the end of 2014. We can see more or less the same evolution in term of number of borrowers with arrears (from 6,1% in 2007 to 5,1% in 2012, to 5,6% now).

Broken down according to the type of credit, increasing numbers of arrears are especially found for credit openings that become the type of credit with the most defaults of payment. Also for mortgage credits, there is a (slighter) increase in the number arrears (+15% between January 2007 and December 2014). Although the amount of the arrears per person is in 60% of the cases below €5000, the average amount increased up to €13095 in 2014, which is an increase of 41% since the beginning of the crisis. This increase in the average amount is mainly situated among mortgage loans (NBB, 2015).

The Central Individual Credit Register does not collect any further details regarding the persons with arrears. Hence, it is not clear which social reality is hidden behind this increasing number of arrears. Regarding indicators around the problematic debts based on EU-SILC, the percentage of persons, whose disposable income falls (further) below the poverty threshold because they have to pay back consumer credits, remains stable around 5%. The percentage of persons who live in a household with

at least two arrears for basic necessities (water, gas, electricity, rent and mortgage) is also relatively stable 2007 (6.1% in 2007, 7.8% in 2011, 5,2% in 2013)

Figure 4.5.1 Number of borrowers with at least one overdue debt repayment, Belgium



Source: National Bank of Belgium

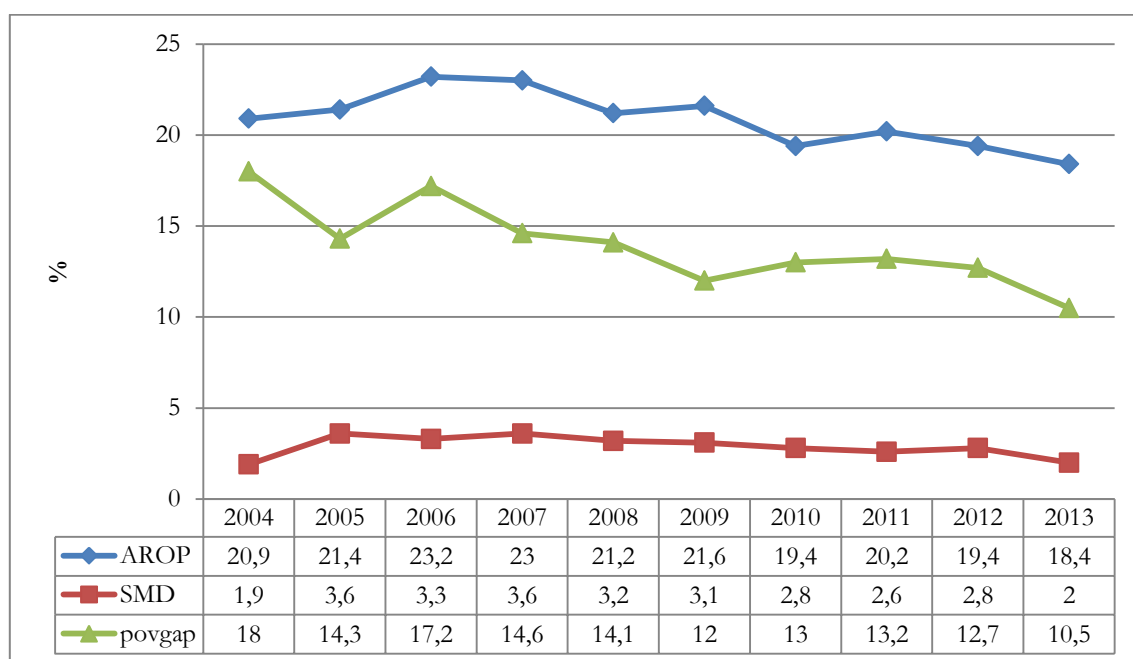
5 | Pensions

The poverty risk of the elderly (65+) decreased by 4.8%-points from 23.2% in 2006 to 18.4% in 2013 (figures 5.1.). However, when a another threshold, based on 70% of median equivalent income, is used the rate remains rather stable over the observation period (annex 2, figure A2.3). This implies that although a larger share of the elderly population is lifted above the standard (60%) poverty threshold, they are lifted 'only' to a limited extend above this threshold.

Despite the decline, the poverty of risk of the elderly in Belgium is still at a much higher level compared to the EU-28 (13.8%) and the neighbouring countries (FR: 8.7%; DE: 14.9%; NL: 5.5% and LU: 6.2%). The poverty risk of the elderly is also higher compared to the population aged below 65 (14.4%)

The median at-risk-of-poverty gap indicator³⁵ and the severe material deprivation indicator³⁶ also show a decrease for the elderly (65+) during the observed period.

Figure 5.1 Poverty risk, poverty gap and severe material deprivation among the elderly population (65+), Belgium, 2004-2013



* At risk of poverty rate: cut-off point: 60% of median equivalised income after social transfers; Relative poverty gap: cut-off point: 60% of median equivalised income.

Source: EU-SILC, Eurostat

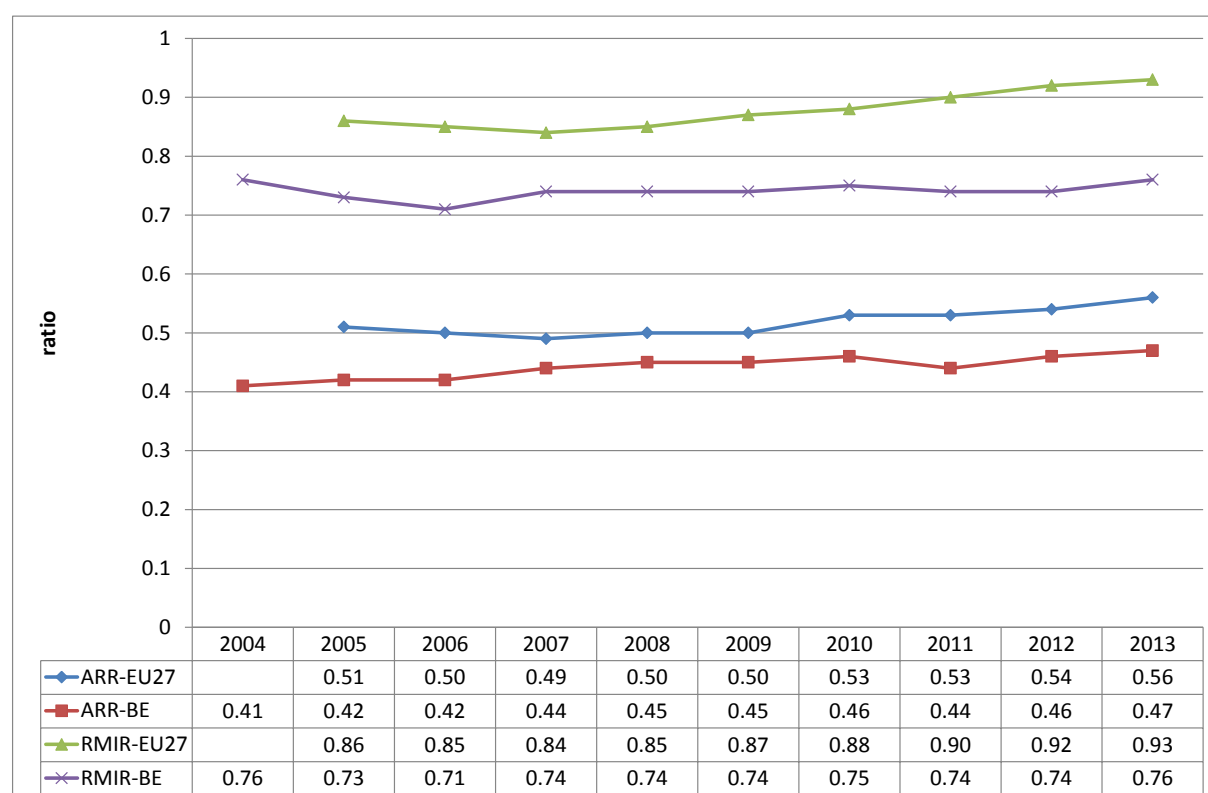
³⁵ 'The relative median at-risk-of-poverty gap is calculated as the difference between the median equivalised disposable income of people below the at-risk-of-poverty threshold and the at-risk-of-poverty threshold, expressed as a percentage of the at-risk-of-poverty threshold (cut-off point: 60 % of national median equivalised disposable income)' (Eurostat Glossary).

³⁶ 'The material deprivation rate is an indicator in EU-SILC that expresses the inability to afford some items considered by most people to be desirable or even necessary to lead an adequate life' (Eurostat Glossary).

The **aggregate replacement ratio** (= Ratio of income from pensions of persons aged between 65 and 74 years and income from work of persons aged between 50 and 59 years) in 2013 was 0.47 for Belgium compared to an average level for the EU-28 of 0.55 (figures 5.2.). Germany and the Netherlands (both 0.47) show a comparable ratio while France (0.64) and LU (0.78) show a much higher ratio. However, a positive aspect is that this ratio has increased in Belgium: from 0.41 in 2004 to 0.47 in 2013. The **relative median income ratio** (=ratio of median income of persons 65+ and median income of persons below 65) on the other hand remained more or less stable over the whole observed period, while the EU average steadily increased since 2007. The latter mainly reflects the weakened income position of younger age groups compared to the elderly's income. In Belgium the income position of elderly compared to the income position of younger age groups thus remained stable, and below the EU-average (figure 5.2).

So overall, while median relative income of the elderly remained stable, low incomes have increased, lifting a larger share of the elderly, to a limited extend, above the poverty threshold. Although identifying the drivers of this evolution goes beyond the scope of this note, it seems likely that both selective increases of minimum pensions over the last years, as well as cohort effects play a role here.

Figure 5.2 Aggregate replacement ratio (ARR) and Relative median income ratio (RMIR), Belgium and EU-27, 2004-2013



* Ratio of income from pensions of persons aged between 65 and 74 years and income from work of persons aged between 50 and 59 years

Source: EU- SILC, Eurostat

The prospective theoretical replacement rate for Belgium³⁷ shows that, with the current policy (situation January 2013) and taking into account a number of assumptions, the replacement rate for a person who retires in 2053 would change to a limited extent (Table 5.1.). For the basic type case (career of 40 years, average income) the net replacement rate (1st and 2nd pillar) in 2013 amounted to 78,6%. In 2053, it would amount to 74,7%. It would thus imply a small diminution, which is somewhat in contrast with a previous exercise which estimated the change in TRR between 2010 and 2050 to increase from 74 to 76%. This difference in outcomes between the current and the previous TRR exercise is essentially due to the abandoning of the “bonus pension”. Table 5.1. shows the results for a number of variants of this basic type case. The table shows e.g. that the current and the future replacement rate varies widely according to the income level during the professional career. For low incomes, the replacement rate amounts to 84,3% in 2053, for high incomes it amounts to 54,9% in 2053. The replacement rate after 10 years of retirement amounts to 66,7%. The effect of a career interruption in the context of child care does not influence the replacement rate. Career interruptions in other contexts have a slightly more significant influence.

Table 5.1: Current (2013) and prospective theoretical replacement rate

	Base-case: 40year career, average income level	Low income level	High income level	10 years after retirement	Female employee with 3 years career interruption for care of children	3 year career interruption due to unemployment	10 year absence of labour market
2013	78.6	_*	_*	_*	_*	_*	_*
2053	74.7	84.3	54.9	66.7	72.7	72.8	62.3

Source: Federal Public Service Social Security

For a correct assessment of the relative prosperity of the elderly, it is also important to take home ownership into account. However, a concerted European methodology for taking into account the impact of the so-called imputed rent (fictitious income of owners-occupiers) is not yet available. The annual report of the Study Committee on Ageing however presented the result of a calculation made by Statistics Belgium in the context of EU-SILC. The conclusion is that if account is taken of the imputed rent, the poverty risk for the elderly (11.7%) is at a lower level than the poverty risk for the population in the active age (14,1%)³⁸. However, these interpretations should be approached with caution. Figure 4.3.3 (cf. above) shows that the percentage of persons who are confronted with problematic housing costs is higher among the elderly than among other age groups. The median total housing costs as a percentage of the household income is also higher for the elderly (17,9%) than for the total population (16.4%). Moreover, the extent to which the own home can be used for fulfilling other needs is a complicated issue.

³⁷ The theoretical replacement rate is an indicator for the level of the pension compared to the wage earned before retiring. The calculation is based on a number of type cases. These type cases draw a picture of the functioning of the pension system, but they are not (necessarily) representative of the actual pensions the pensioners receive. For more information: cf. 'Pension Adequacy in the European Union. Report prepared Jointly by the Directorate General Employment, Social Affairs and Inclusion of the European Commission and the Social Protection Committee, May 2012' (<http://ec.europa.eu/social/main.jsp?langId=en&catId=758>)

* No Figures for 2013

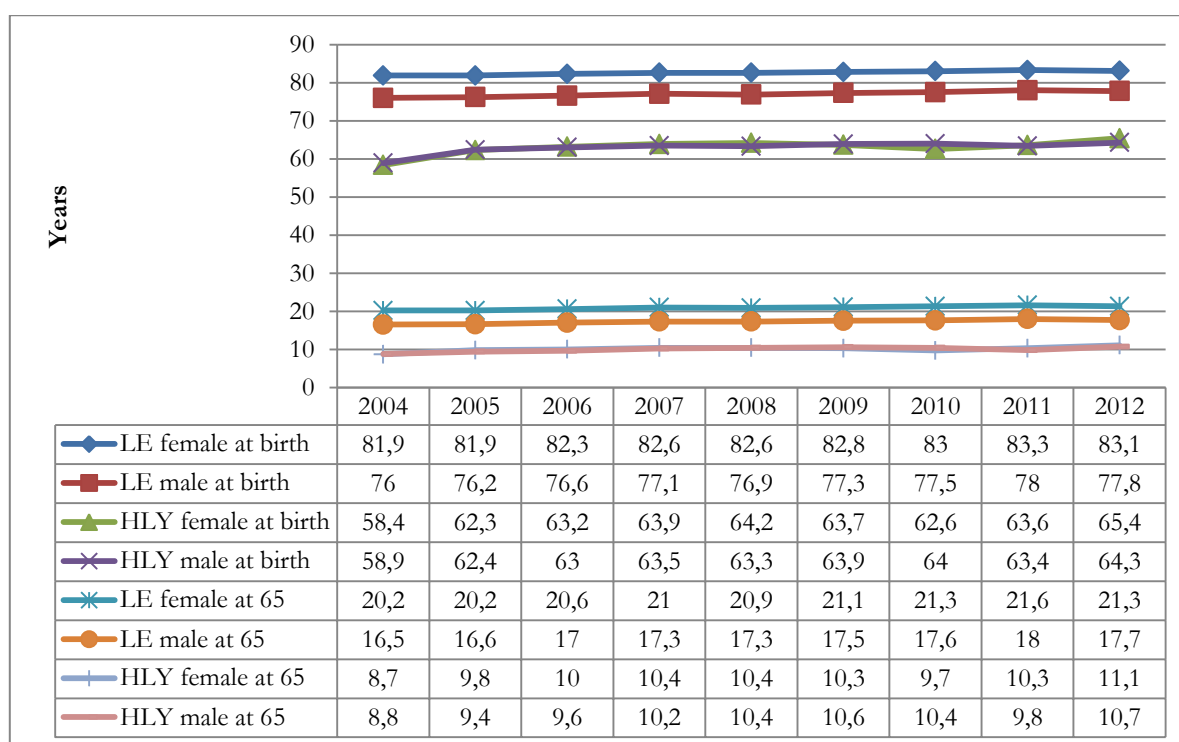
³⁸ Hoge Raad van Financiën, Studiecommissie voor de Vergrijzing, Jaarlijks Verslag, juli 2014

Finally, **as regards the budgetary sustainability of the pensions**, the Study Committee on Ageing (2014) estimates the additional pension costs at 0.6% of GDP for the period 2013-2019 and at 4.1% of GDP for the period 2013-2060. The general additional costs of ageing are estimated at 0.5% of GDP for the period 2013-2019 and at 4.2% of GDP for the period 2013-2060. Compared with previous estimates of the budgetary cost of ageing, the current estimates are lower by 0,6% of GDP. This is due to different factors. Two thirds of the difference can be attributed to methodological changes in estimating the health, and in particular long-term care, expenditure. Other factors contributing to the decrease are public pensions (higher estimated share of mixed pensions) and child allowances (calculation basis of welfare adaptations).

6| Health care and long-term care

Between 2004 and 2012, **life expectancy (LE)** at birth for women has increased from 81.9 to 83.1 years, for men it has increased from 76 to 77.8 years. For both, a small decrease has been observed compared to 2011. Especially the number of **healthy life years (HLY)** at birth show a strong increase within the observed period. Also the difference between men and women in number of healthy life years is much smaller compared to the difference in life expectancy. Between 2004 and 2012, life expectancy at age 65 increased from 20.2 to 21.3 years for women and from 16.5 to 17.7 years for men. Life expectancy in good health at age 65 was 11.1 years for women and 10.7 years for men in 2012. Again the difference between men and women in number of healthy life years at age 65 is much smaller compared the difference in life expectancy at age 65.

Figure 6.1 Life expectancy (LE) and Healthy Life Years (HLY) in years, Belgium, 2004-2012



Source Eurostat

Like in other member states, the health system in Belgium is characterised by a number of important social inequalities. The 2012 report regarding the Performance of the Belgian Health System gave a detailed overview of these inequalities³⁹.

An important structural fact in this context is the difference in life expectancy (in good health) according to social-economic status. A number of figures are shown in table 6.1. This shows significant differences for both sexes. For men, the difference between the extremes is 7.5 years, for women it is 5.9 years. Regarding life expectancy in good health, the differences are even

³⁹ <https://kce.fgov.be/publication/report/performance-of-the-belgian-health-system-report-2012> A new version of this "performance report" is in preparation

considerably bigger. Here, the difference between the extremes is 18.6 years for men and 18.2 years for women.

For example : the estimated life expectancy at age 65 for men with a low education level is 7.38 years and 11.28 years for men with a high education level. As regards women, these figures are 7.56 years and 12.57 years respectively (WIV, EU-SILC 2004).

Table 6.1: Life expectancy (2001) and healthy life expectancy (2004) at age 25, by sex and level of education, Belgium

	Life expectancy		Healthy life expectancy	
	male	female	male	female
Higher education	55	59.9	46.33	47.1
Higher secondary education	52.5	58.8	41.54	41.27
Lower secondary education	51.3	58.0	39.71	42.01
Primary education	49.3	56.2	36.65	36.27
No diploma	47.6	54.0	27.75	28.92

Source: Deboosere et. al., Van Oyen et. al. in de Performantie van het Belgische gezondheidssysteem. Rapport 2012.

Recently the first results of the new Belgian Health Interview Survey 2013 became available⁴⁰. Although a specific analysis of health inequalities by socio-economic status still is in preparation, a number of the already available analysis on Health status and well-being, health behaviour and life-styles confirm findings of earlier surveys. Important differences remain in health status and health behaviour according to the socio-economic position and sometimes even increase. For example, subjective health, chronic conditions and mental health vary in function of the education level and multi-morbidity is higher for people with a lower level of education. As regards health behaviour and life style, major differences are also registered, especially for smoking behaviour and obesity, as well as with regard to overweight, vegetable and fruit consumption and physical exercise.

Compared to other member states, Belgium scores well on accessibility of health care on the basis of the **‘unmet need’ indicator**. The number of persons who have to postpone medical consultations for financial reasons is among the lowest in the EU27. In 2013, 1.9% of the population was in such a situation. In the group with the 20% lowest incomes, this percentage is 5,2% and increased from 4.2% in 2011⁴¹. The health Interview Survey 2013 evaluates ‘unmet need’ on the basis of a larger set of medical services (medical care, dental care, prescribed drugs, glasses or lenses, mental health care). It was found that in the lowest income quintile, 19% of the respondents report a postponement of a contact with the health system, compared to 3% in the highest quintile. The overall percentage was 8% (22,6% in Brussels, 8,9% in Wallonia and 4,8% in Flanders).

⁴⁰ See website of the Scientific Institute of Public Health: <https://his.wiv-isp.be/nl/SitePages/Rapporten.aspx>

⁴¹ Source : EU-SILC.

Table 6.2: Unmet need for medical care, Belgium

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2103
1 st quintile	4,1	2,4	1,7	1,4	1,4	1,4	1,1	4,2(b)	4,8	5,5
total	1,3	0,7	0,5	0,3	0,5	0,6	0,4	1,5(b)	1,7	1,9

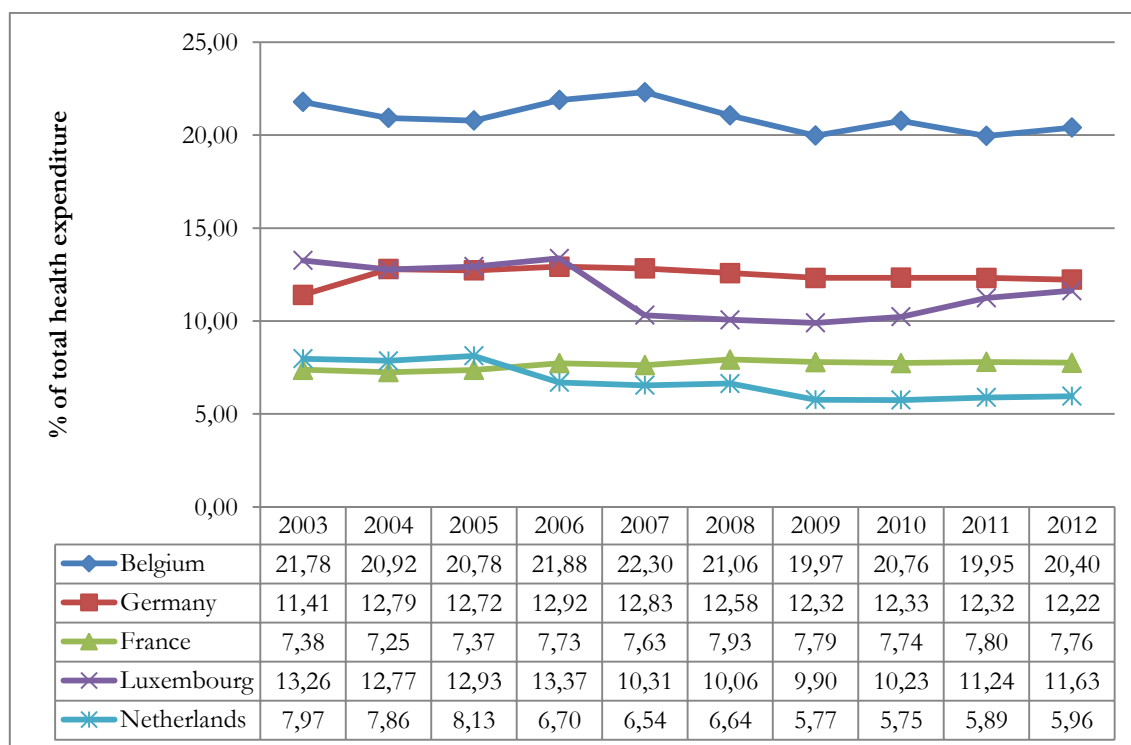
Source: EU-SILC, Eurostat

Improving the measurement of the financial accessibility of health care is a major challenge. Very little information is available however. In addition to the above-mentioned 'unmet need' indicator and on the basis of the System of Health Accounts, it can be examined at an aggregate level what patient themselves spend on health care. The absolute '**out-of-pocket payments**' increased from € 5.8 billion to 8.4 billion between 2003 and 2012. It implies an average expenditure per inhabitant of € 753 in 2012. However, the share of the 'out-of-pocket payments' in total health expenditure has remained stable during the same period. Nevertheless, this share of 'out-of-pocket payments' in Belgium (20.4% in 2012) is high compared to the neighbouring countries Germany (12.2%), France (7.8%), Luxembourg (11.6%) and the Netherlands (6.0%). Overall, due to comparability problems the results concerning accessibility remain rather inconclusive.

Table 6.3 Out-of-pocket expenditures, Belgium, 2003-2012

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Billon €	5.803	5.894	6.082	6.683	7.208	7.254	7.249	7.798	7.816	8.351
% expenditure on health	21.78	20.92	20.78	21.88	22.3	21.06	19.97	20.76	19.95	20.4
€ / capita	560.4	567.0	582.2	635.8	681.0	680.1	674.1	719.4	710.5	752.9

Source Eurostat

Figure 6.2 Out-of-pocket expenditures as share in total health expenditure, Belgium and neighbouring countries, 2003-2012

Source: System of Health Accounts

Finally, **as regards the budgetary sustainability of the health care and long-term care systems**, for the period 2013-2019, the Study Committee on Ageing (2014) estimates the budgetary costs of ageing as regards health care and long-term care at 0.3% of GDP. For the period 2013-2060, the estimated additional costs are estimated at 2,1% of GDP. As indicated above (section on pensions) the estimates for health, and specifically long term care were significantly revised downwards, due to methodological changes.

7 | Summary and conclusions

The evolution of the **social situation in the EU** has been characterised over the last few years by strong **social divergence**. In some Member States the social situation remained relatively stable, but in others living conditions seriously deteriorated. The evolution between the two most recent years seems to indicate a somewhat less pronounced divergence.

In Belgium the **economic situation** has remained relatively unaffected by the crisis. GDP growth has been somewhat better (or in some years, less bad) than the EU-wide performance. Budget deficits have been somewhat lower than the EU28 figure over the last years, but this is forecast to be reversed in the coming years. After decades of public debt reduction, the crisis has brought public debt levels back to over 100% of GDP. Social protection expenditure in percentage of GDP evolved around the euro-area-average, and is slightly above this average in the latest figures.

Belgium is among the member states in which also the **social impact of the crisis** has been relatively moderate. The employment rate is not far below the pre-crisis level. The unemployment rate increased by approximately one percentage point between 2007 and 2013, which is clearly below EU28 increase. Median household income and income inequality also remained stable. EU-SILC estimates point to slight increases of the number of people at-risk-of-poverty or social exclusion. These increases were mainly driven by an increase of the number of people in very-low-work-intensity households, but slight increases were also registered for at-risk-of-poverty and severe material deprivation. So far these changes have not been large enough to be statistically significant and can thus not be extrapolated to the whole population. Furthermore, the most recent 2012-2013 figures point to a slight decrease. Overall, the change in the number of people at-risk-of-poverty or social exclusion between 2008-2013 is not significant. Two important remarks need to be added to this picture of overall relative stability.

Firstly, at about halfway of the Europe 2020 strategy, and with data that go by now up to three years beyond the start of the strategy, **there is no trend towards reaching the Europe 2020 target**.

Secondly, behind the overall stability **divergent trends** can be identified for different social categories.

Several indicators point to **reduced poverty and social exclusion risks for elderly persons (65+)**. Both the at-risk-of-poverty rate and the severe material deprivation rate show a decreasing trend, beginning already before the crisis and persisting since then. Also the poverty gap decreased and the aggregate replacement rate increased. It should however be noted that the reduction of the poverty risk cannot be observed using a higher (70%) alternative threshold. The median relative income ratio remained at the same level. So overall, while median relative income of the elderly remained stable, low incomes have increased, lifting a larger share of the elderly, to a limited extent, above the poverty threshold. Although identifying the drivers of this evolution goes beyond the scope of this note, it seems likely that both selective increases of minimum pensions over the last years, as well as cohort effects play a role here.

Notwithstanding this positive evolution, it needs to be noted that the poverty rate of the elderly remains clearly above the population poverty rate. It needs to be noted further that the relative income position of the elderly still considerably lags behind average EU28 levels: elderly poverty rates are higher and both aggregate replacement rates and relative median income ratio are clearly lower than EU28 levels. Depending on a set of assumptions, the future replacement rate for a person with a 40 year career and average earnings is projected to decrease slightly by 2053.

On the other hand, **for the working age population (18-64), an increasing risk of poverty (or social exclusion)** can be observed within specific- already high-risk- subgroups of this age category. The increase is situated among low-skilled persons and exclusively among persons renting their home, a group with overall a weaker social profile in Belgium-certainly in the case of the social housing sector. **The number of persons in very low work intensity households increased, and at the same time the poverty risk of this group increased.** Furthermore, the employment rate of persons with a low educational level decreased. Although further research should substantiate this more⁴², taken together, these observations point to **a growing social divide within the working age population.**

The very high poverty risks of **single parents** and persons with a nationality from outside the EU are linked to this but might require a specific policy focus. After slight increases in the preceding years, the level of **child poverty** or social exclusion now seems more stable. However, the fact that child poverty is still higher than the overall poverty rate and the existence of persistent structural inequalities according to the social origin of children, e.g. in the field of education, health behaviour, etc., make that fighting child poverty also remains a key challenge in a more structural approach for tackling poverty and social exclusion. Regarding the socio-economic position of **persons with a migrant background**, Belgium is among the worst performing EU Member States.

As regards the **housing** situation, the indicators show that the number of persons living in situations of poverty or social exclusion increases only on the rental market. At the same time, the EU-SILC survey reveals high housing costs for persons with incomes below the at-risk-of-poverty threshold. As weaker income situations and higher necessary expenses for housing-related aspects coincide in the same population categories and among the same persons, this undoubtedly leads to difficult living situations.

There are strong **regional differences** in the levels of poverty or social exclusion (AROPE), with very high rates in Brussels (+40%), around 25% in Wallonia and around 15% in Flanders

Recent new results from the Health Interview Survey 2013 confirm the existence of **significant socio-economic differences in health status and health behaviour an life-style.** Based on existing evidence on the drivers of health inequalities, it is safe to assume that the growing social divergences among the active population also enforce health inequalities among the working age population. Belgium scores good as regards the accessibility of health care, but the small increase in the last years in the percentage of persons in the lowest income quintile needs to be monitored further. More and better comparable data to assess the performance on the accessibility of health care are much needed.

To conclude, the most important trends that were shown in this note concern the changes in the socio-economic position of the elderly and persons with a low educational attainment. These trends already started before the outset of the crisis in 2008. They can also be observed at EU-level. Certainly in the case of persons with a low educational attainment, they thus point to structural

⁴² On the basis of an analysis of the income evolution of a set of theoretical household types with incomes at different points in the income distribution Cantillon et al. come to similar conclusions (Cantillon et. al., 2014)

changes that weaken the position on the labour market of this group and which also put the adequacy of social protection for this category under pressure. In this regard, this analysis points to the key importance of the joint challenge of the high incidence of very low work intensity, which is relatively unaffected by the business cycle and changes in the employment rate, and the low- and decreasing- adequacy of social allowances for vulnerable working age categories.

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ANNEXES

ANNEX 1: SPPM SCOREBOARD FOR BELGIUM / SUMMARY TABLE OF MAIN SOCIAL TRENDS

	Indicator	BE								EU27		
		2008	2009	2010	2011	2012	2013	change 2012-2013 (*)	change 2008-2013 (*)	2013	change 2012-2013	change 2008-2013
Europe 2020	At risk of poverty or social exclusion (in %)	20.8	20.2	20.8	21.0	21.6	20.8	-0.8	~	24.4	~	~
	At-risk-of-poverty rate (in %)	14.7	14.6	14.6	15.3	15.3	15.1	-0.2	~	16.6	~	~
	At-risk-of-poverty threshold for a single person household (in pps)	10046	10501	10399	10895	11103	11865	6.9	18.1		n.a.	n.a.
	Severe material deprivation rate (in %)	5.6	5.2	5.9	5.7	6.3	5.1	-1.2	~	9.6	~	1.1
	Population living in very low work intensity households (in %)	11.7	12.3	12.7	13.8	13.9	14.0	~	2.3	10.6	~	1.5
Intensity of poverty risk	Relative median at-risk-of-poverty gap (in %)	17.2	18.1	18.0	18.6	18.7	19.2	~	2.0	23.8	~	2.0
Persistence of poverty risk	Persistent at-risk-of-poverty rate (in %)	9.0	9.2	9.3	8.0	9.9		~	~		~	~
Income inequalities	Income quintile ratio (S80/S20)	4.1	3.9	3.9	3.9	4.0	3.8	-5.0	-7.3	5	~	~
Child poverty and social exclusion	Children at risk of poverty or social exclusion of children (% of people aged 0-17)	21.3	20.5	23.2	23.3	22.8	21.9	-0.9	~	27.6	~	1.0
Effectiveness of social protection systems	Impact of social transfers (excl. pensions) on poverty reduction (%)	45.6	45.3	45.3	45.0	44.8	42.6	~	~	35.66	~	~
	Impact of social transfers (incl. pensions) on poverty reduction (%)	64.8	64.1	64.7	63.6	64.0	64.1	~	~	62.53	~	~
	At-risk-of-poverty rate for the population living in (quasi-) jobless households	54.7	57.6	55.4	62.9	60.4	60.7	~	6.0	56.5	~	~
Social consequences of labour market	In-work at-risk-of poverty rate (in %)	4.7	4.5	4.4	4.1	4.5	4.4	-0.1	~	9	~	~
	Long-term unemployment rate (in %)	3.3	3.5	4.1	3.5	3.4	3.9	~	~	5.1	~	2.5
Youth exclusion	Early school leavers (in %)	12.0	11.1	11.9	12.3	12.0	11.0	-1.0	-1.0	12	~	-2.8
	Youth unemployment ratio (15-24)	6.0	7.1	7.3	6.0	6.2	7.3	1.1	1.3	9.8	~	2.9
	NEETs (18-24)	13.3	14.5	14.3	14.8	15.0	16.0	1.0	2.7	16.9	~	3.0
Active ageing	Employment rate of older workers (55-64) in %	34.5	35.3	37.3	38.7	39.5	41.7	2.2	7.2	50.3	1.4	4.7
Pension adequacy	At risk of poverty or social exclusion for the elderly (65+) in %	22.9	23.1	21.0	21.6	21.2	19.5	-1.7	-3.4	18.2	~	-5.2
	Median relative income of elderly people	0.74	0.74	0.75	0.74	0.74	0.76	~	~	0.93	~	9.4
	Aggregate replacement ratio	0.45	0.45	0.46	0.44	0.46	0.47	~	~	0.56	~	12.0
Health	Self reported unmet need for medical care	0.5	0.6	0.4	1.5	1.7	1.9	~	n.a.	3.6	~	~
	Healthy life years at 65 - males	10.4	10.6	10.4	9.8	10.7			~		n.a.	n.a.
	Healthy life years at 65 - females	10.4	10.3	9.7	10.3	11.1			6.7		n.a.	n.a.
Access to decent housing	Housing cost overburden rate	12.5	8.7	8.9	10.6	11.0	9.6	-1.4	-2.9	11	~	~
Evolution in real household disposable income	Real change in gross household disposable income growth (in %)	2.18	2.15	-0.43	-0.72	-0.09	-0.19	n.a.	0.7	-0.19	n.a.	n.a.

(*) When no values for 2013 changes are between 2011-2012 and 2008-2012
 ~ no change or not statistically significant

Source: European Union, Annual Report Social Protection Committee

ANNEX 2 : TABLES AND FIGURES

Annex 2 contains, from p. 49 to 56, the following tables and figures :

- **Table A2.1** : Minimum social protection allowances in % of at-risk-of-poverty threshold
- **Table A2.2** : Time series of some indicators not included in figures

- **Figure A2.1** : At-risk-of-poverty rate for children by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)
- **Figure A2.2** : At-risk-of-poverty rate for working age population by different at-risk-of-poverty threshold levels
- **Figure A2.3** : At-risk-of-poverty rate for elderly population by different at-risk-of-poverty threshold levels
- **Figure A2.4** : AROPE by age in percentage, Belgium
- **Figure A2.5** : Infant mortality rate, EU28, Belgium and neighbouring countries
- **Figure A2.6** : Employment rate Brussels region, total and persons with low education
- **Figure A2.7** : Employment rate Flanders, total and persons with low education
- **Figure A2.8** : Employment rate Wallonia, total and persons with low education
- **Figure A2.9** : Long term unemployment rate, Belgium and Regions
- **Figure A2.10** : Trends in take-up of selected benefits
- **Figure A2.11** : Trends in material deprivation items, Belgium
- **Figure A2.12** : Intersections between three basic indicators
- **Figure A2.13** : Gender differences in poverty risk
- **Figure A2.14** : Evolution of income dispersion measures (S80/S20 and GINI), Belgium and neighbouring countries

Table A2.1: minimum social protection allowances in % of at-risk-of-poverty threshold (60% of median)

	2004	2005	2006	2007	2008	2009	2010	Sep-11	Nov-12	Oct-13	Oct-14
social assistance for the elderly											
single person	76	79	79	91	92	92	92	95	93	93	92
couple	68	70	71	81	82	82	82	84	83	82	82
allowance replacing income for persons with a disability											
single person	72	73	72	73	76	74	75	77	75	75	75
couple with two children	66	67	66	67	68	66	67	68	67	66	66
social assistance											
single person	72	74	72	73	76	74	75	77	75	75	75
couple with two children	63	64	63	64	66	64	64	66	64	64	63
single parent with two children	83	85	83	84	86	83	84	86	85	83	83
old age pension (full career)											
single person	106	107	105	106	107	106	108	106	104	103	103
couple	88	90	88	88	88	87	88	88	87	86	85
unemployment allowance (after 6 months)											
single person	88	89	87	87	89	86	87	90	88	87	87
couple with two children	70	71	70	70	71	69	69	71	70	69	69
single parent with two children	88	89	88	88	89	86	87	89	87	86	86
invalidity allowance											
single person	96	98	96	101	102	101	103	106	104	103	103
couple with two children	80	81	80	82	83	82	83	84	83	81	81
minimum wage											
single person	130	127	125	128	130	130	128	127	125	122	122
couple with two children	90	88	87	88	89	88	88	88	87	84	85

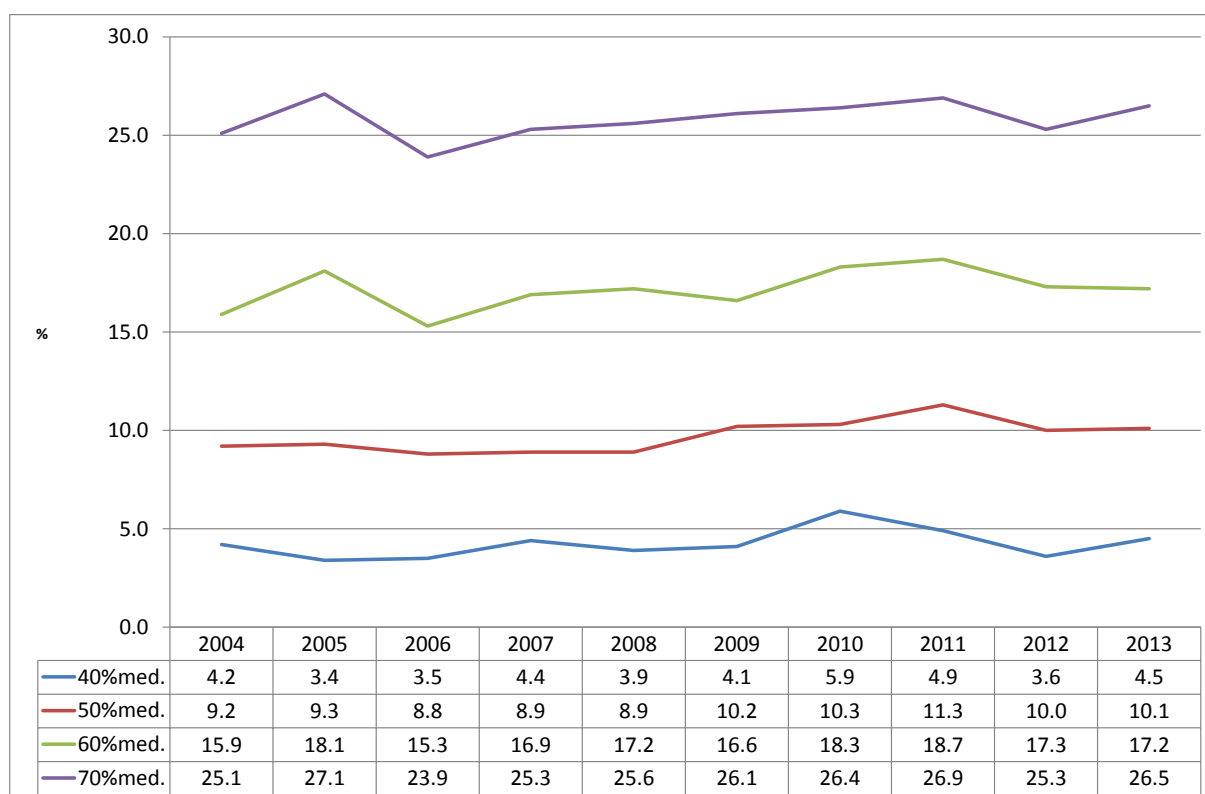
Source FPS Social Security

Table A2.2: Time series of some indicators not included in figures

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
S80/S20	3.9	4.0	4.2	3.9	4.1	3.9	3.9	3.86	4.0	3.8
Gini	26.1	27.9	27.8	26.3	27.5	26.4	26.6	26.3	26.5	25.9
poverty threshold (nominal annual amounts in €)	9405	9942	10316	10540	10791	11588	11678	12005	12168	12890
AROP 40% threshold (%)	4.3	2.7	3.3	3.7	3.2	3.5	4.1	3.6	3.8	3.9
AROP 50% threshold (%)	8.5	7.7	8.2	8.0	7.5	7.9	7.9	8.3	8.3	8.3
AROP 60% threshold (%)	14.3	14.8	14.7	15.2	14.7	14.6	14.6	15.3	15.3	15.1
AROP 70% threshold (%)	23.0	24.1	23.5	23.4	23.8	23.5	23.8	24.1	24.3	24.3
in-work poverty BE (%)	4.0	3.9	4.1	4.3	4.8	4.5	4.4	4.1	4.5	4.4

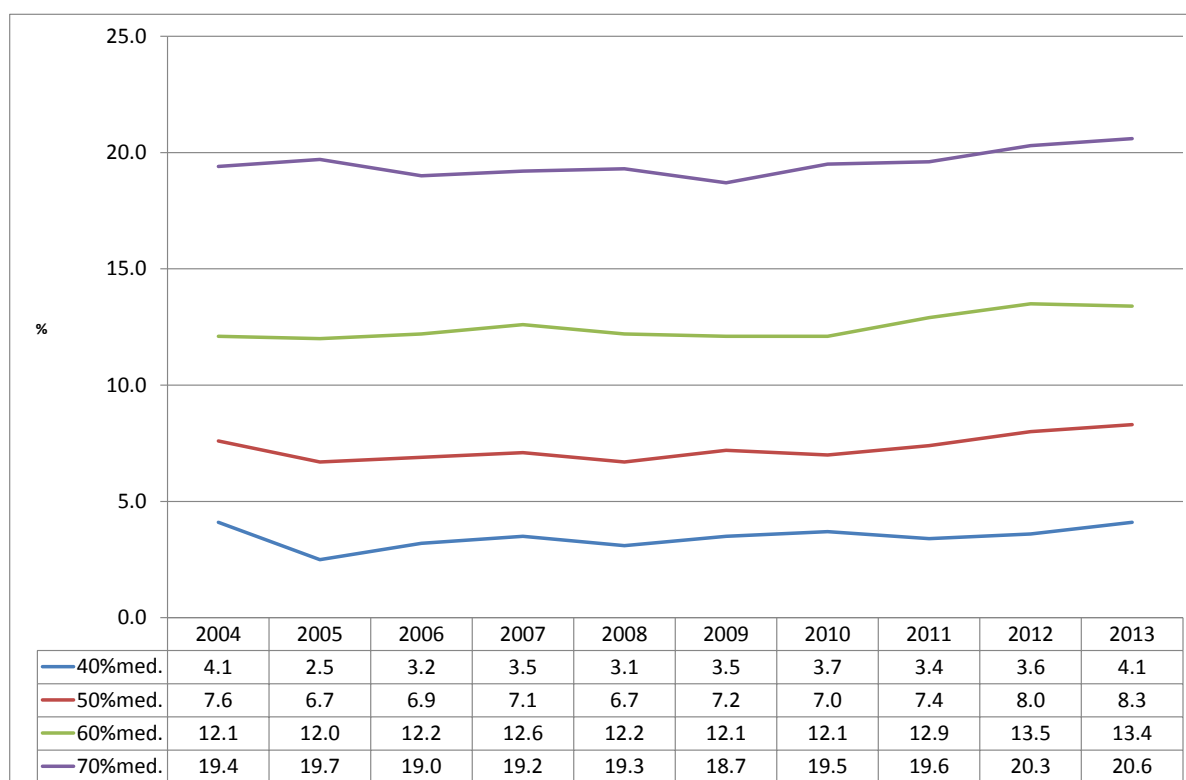
Source: EU-SILC, ADSEI

Figure A2.1: At-risk-of-poverty rate for children (-18) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)



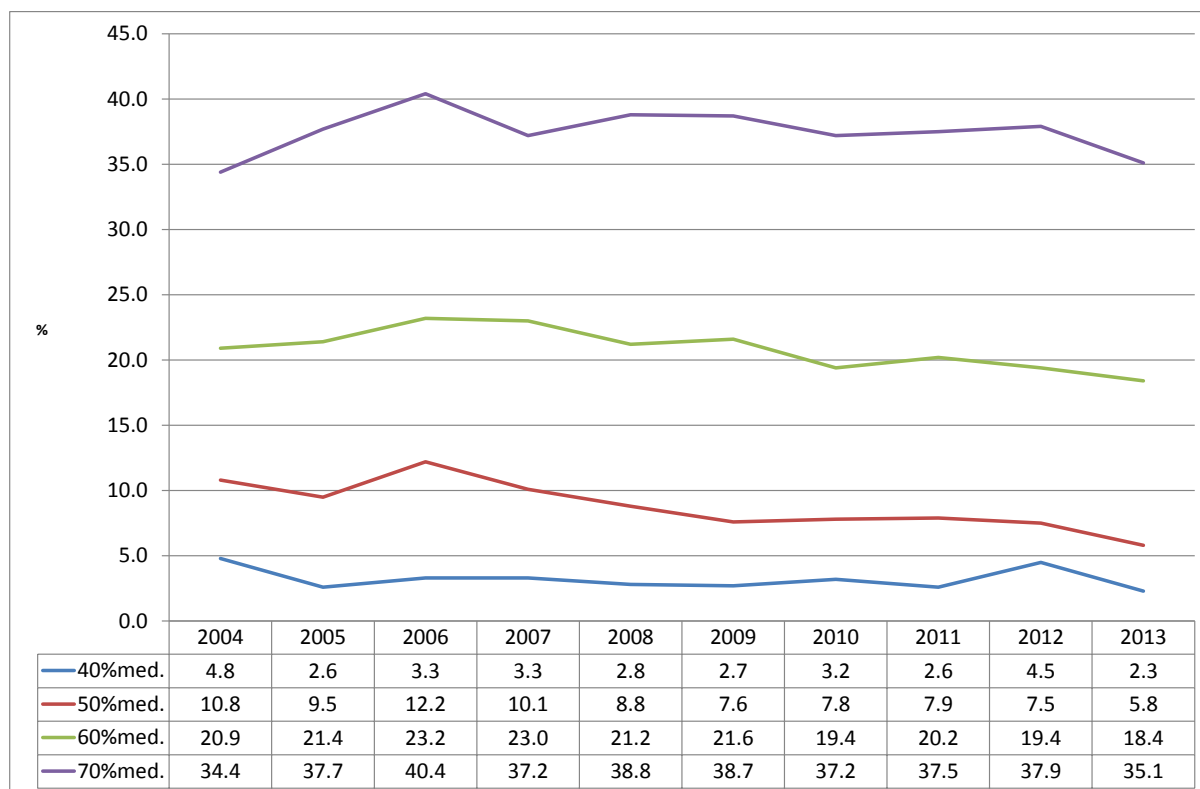
Source: EU-SILC-Eurostat

Figure A2.2: At-risk-of-poverty rate for working age population (18-64) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)



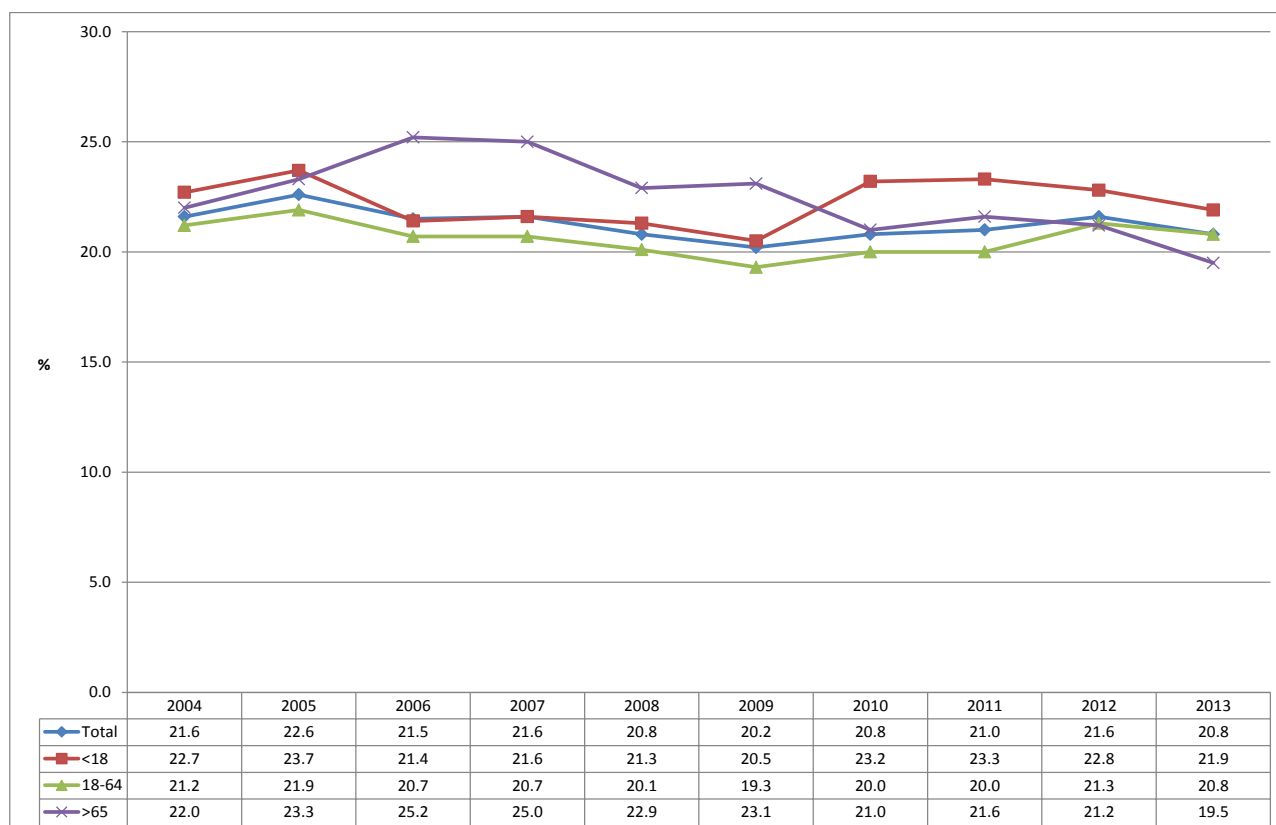
Source: EU-SILC, Eurostat

Figure A2.3: At-risk-of-poverty rate for elderly population (65+) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)



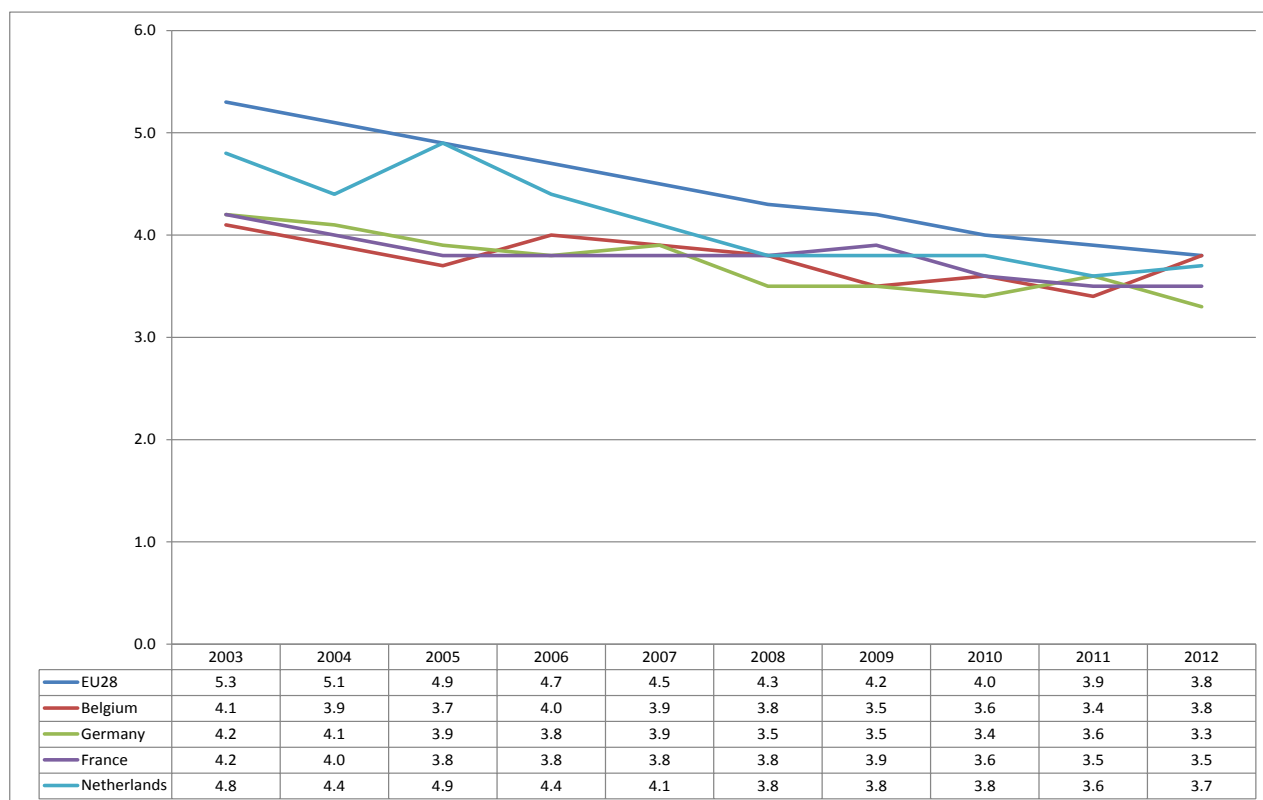
Source: EU-SILC, Eurostat

Figure A2.4: AROPE by age in percentage, Belgium



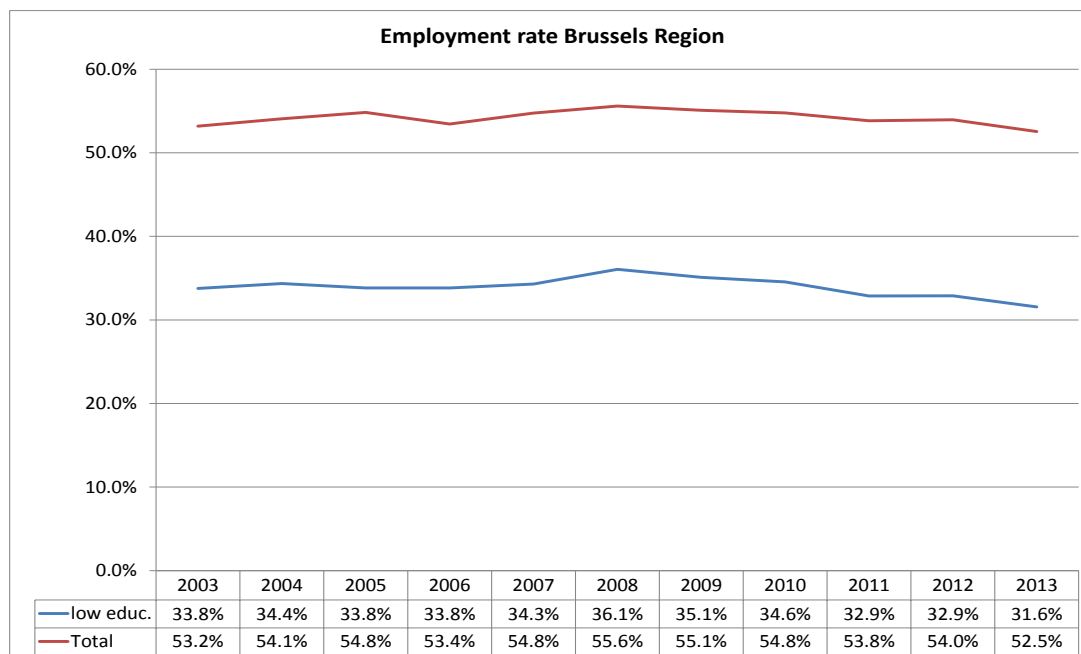
Source: EU-SILC, Eurostat

Figure A2.5: Infant mortality rate (per 1000 live births), EU28, Belgium and neighbouring countries



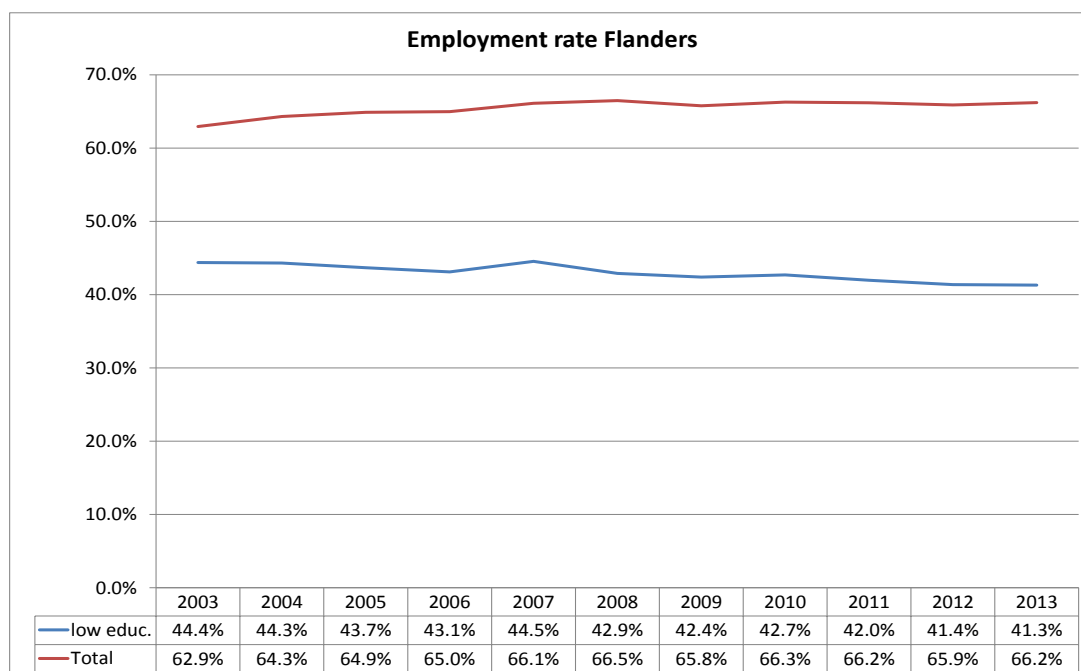
Source: EU-SILC, Eurostat

Figure A2.6: Employment rate Brussels region, total and persons with low education



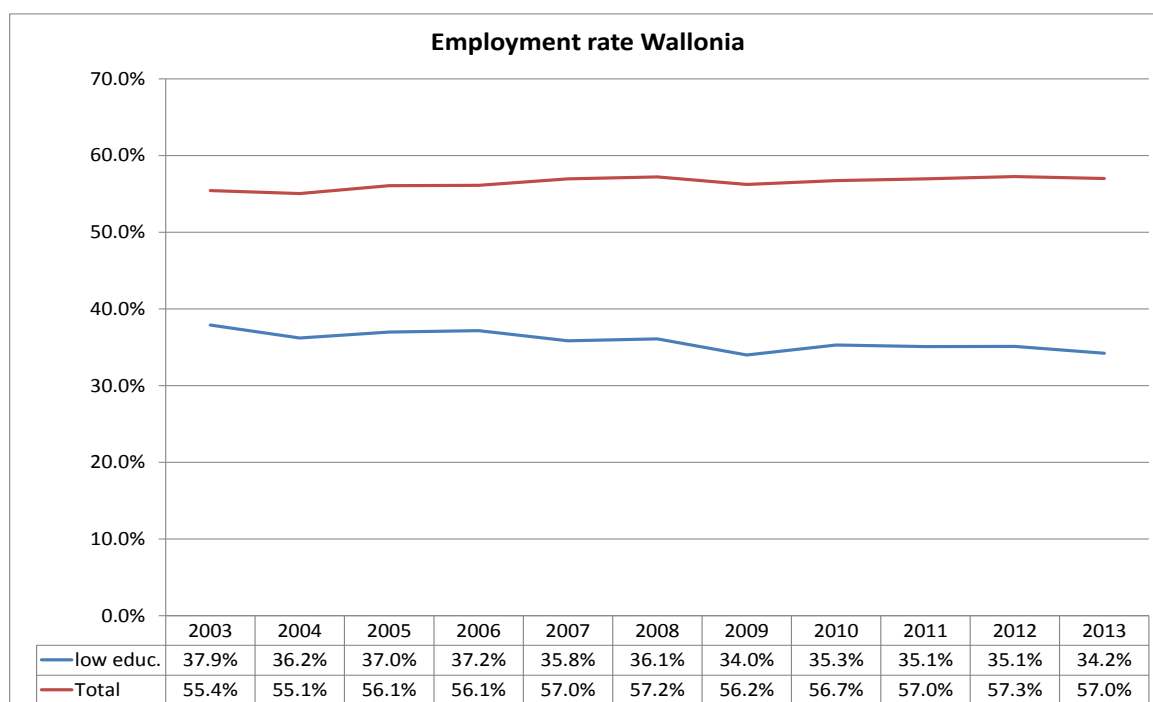
Source: Labour Force Survey, Statistics Belgium

Figure A2.7: Employment rate Flanders, total and persons with low education



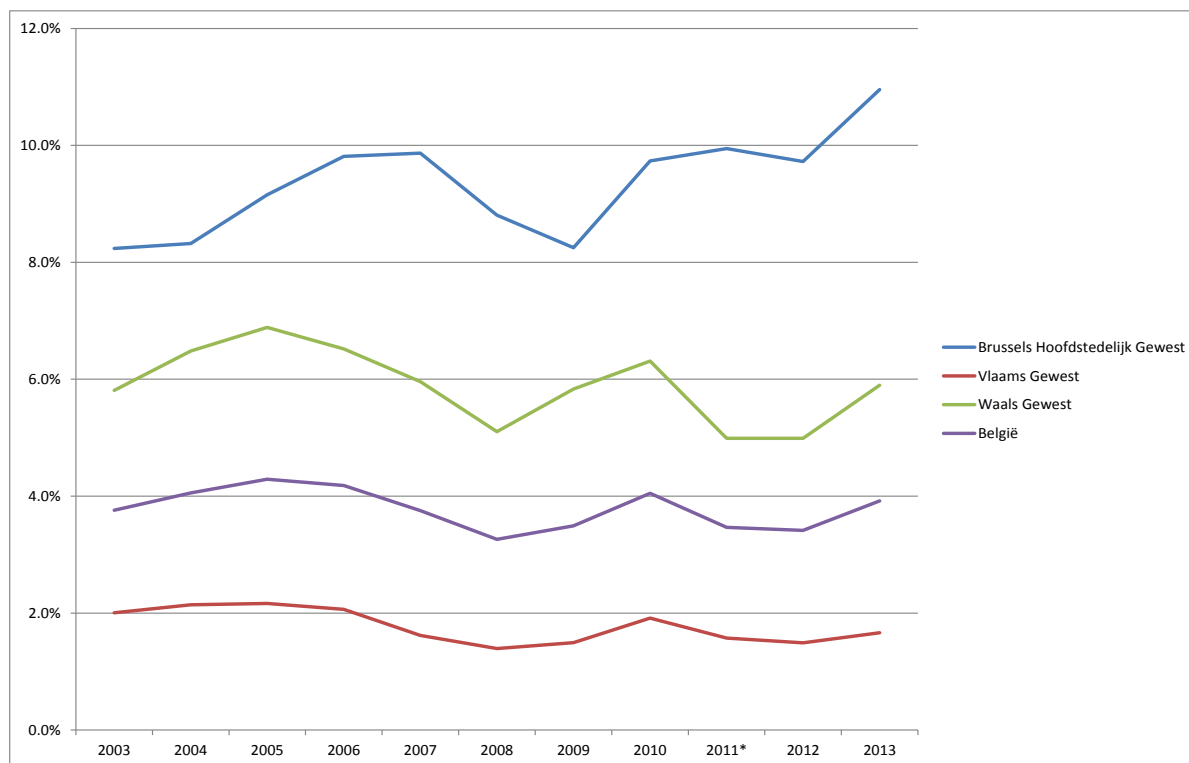
Source: Labour Force Survey, Statistics Belgium

Figure A2.8: Employment rate Wallonia, total and persons with low education



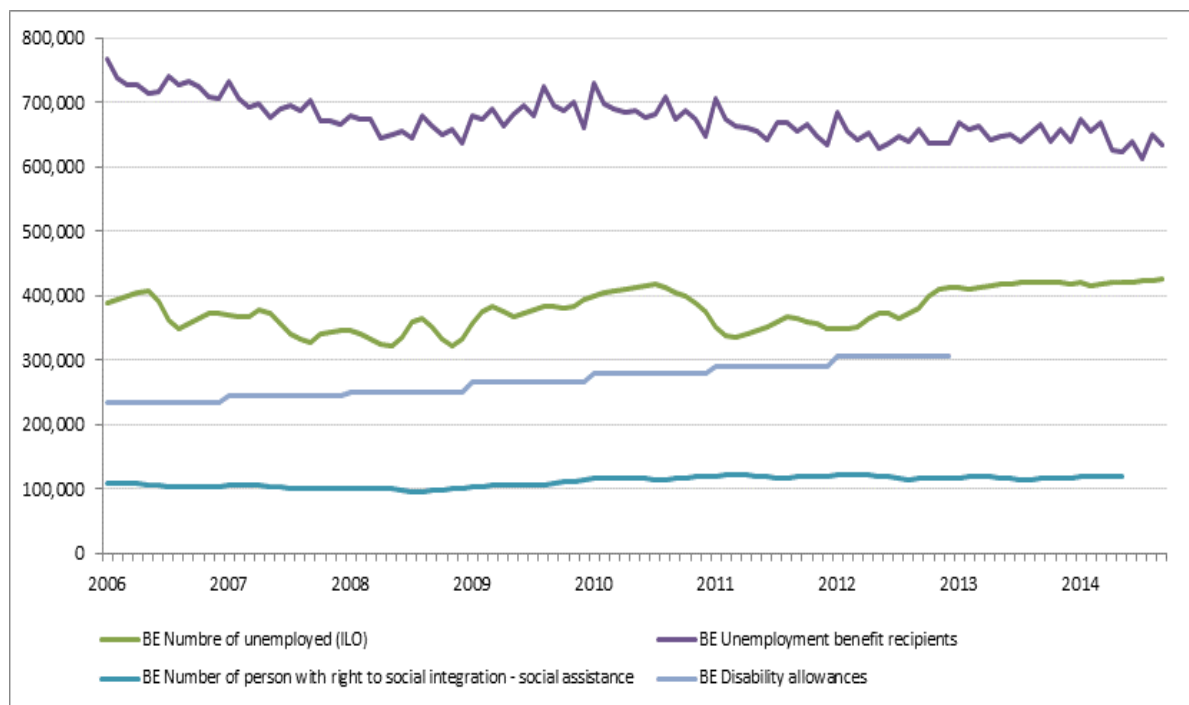
Source: Labour Force Survey, Statistics Belgium

Figure A2.9: Long term unemployment rate, Belgium and Regions



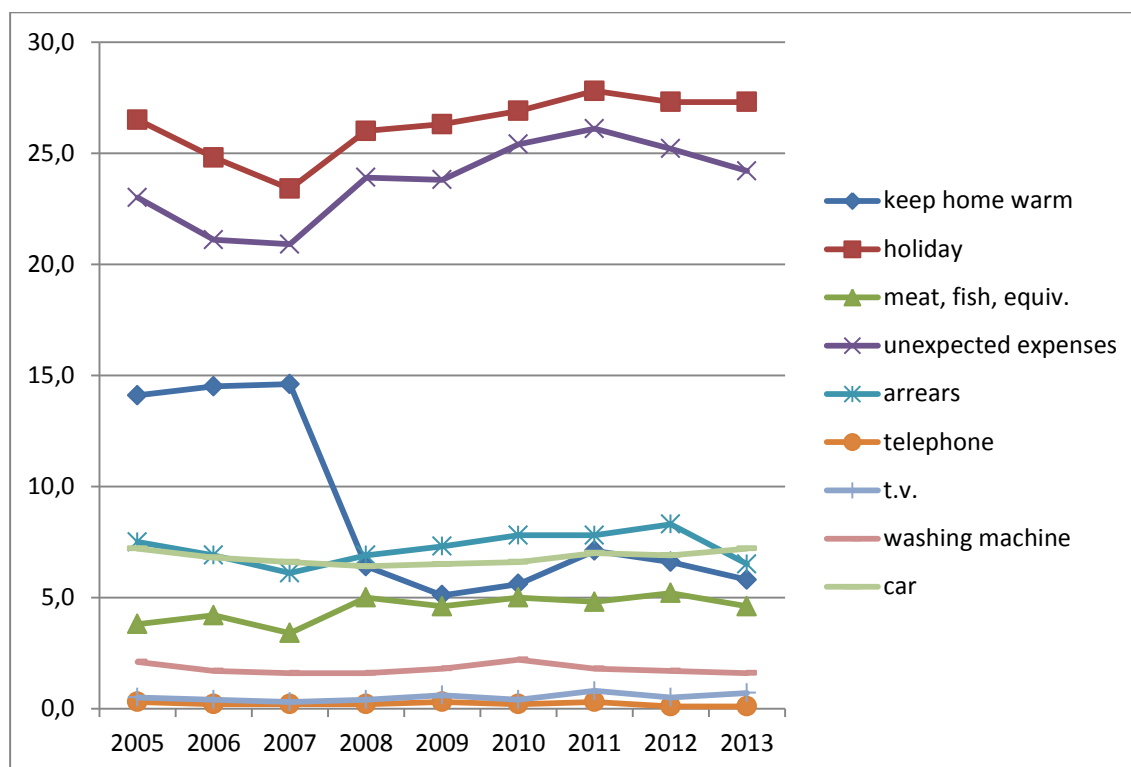
Source: Labour Force Survey, Statistics Belgium

Figure A2.10: Trends in take-up of selected benefits (number of persons)



Source: Social protection Committee, Annual Report 2015

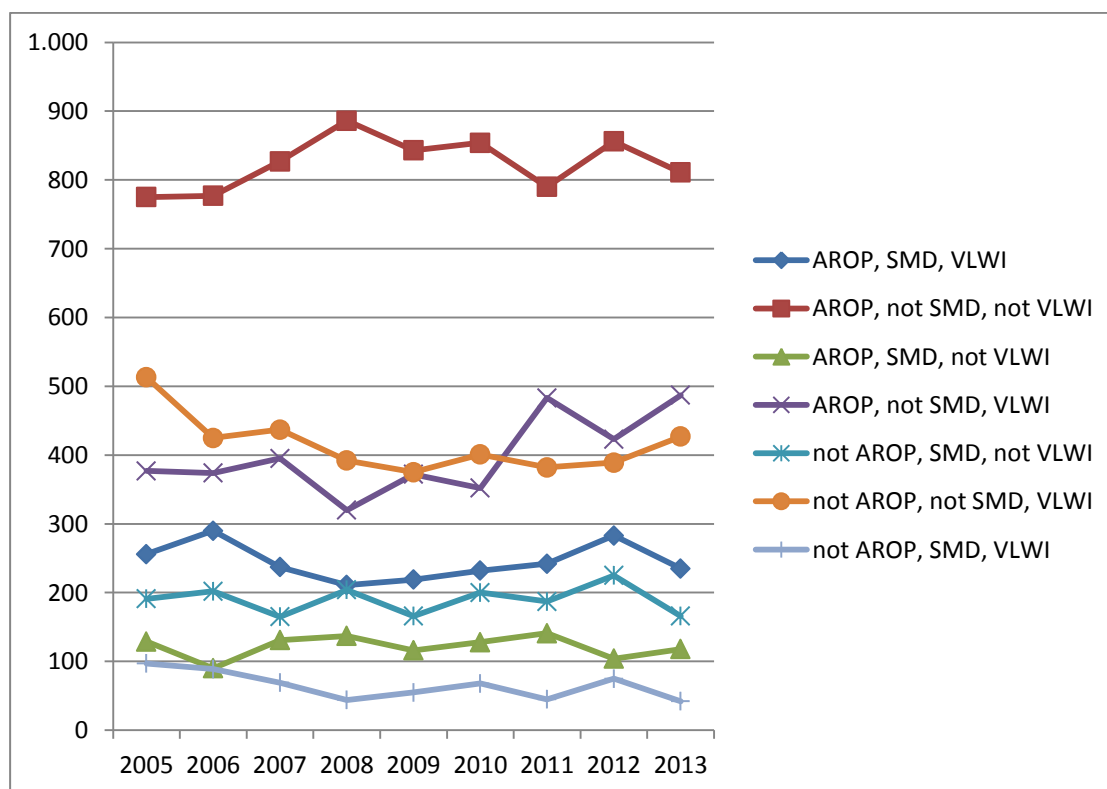
Figure A2.11: Trends in material deprivation items, Belgium (in %)



* Drop for the item "keep home warm" between 2007 en 2008 is due to modification in the survey's question.

Source: EU-SILC, Eurostat

Figure A2.12: Intersections between three basic indicators (in 1000 of persons)



Source: EU-SILC, Eurostat

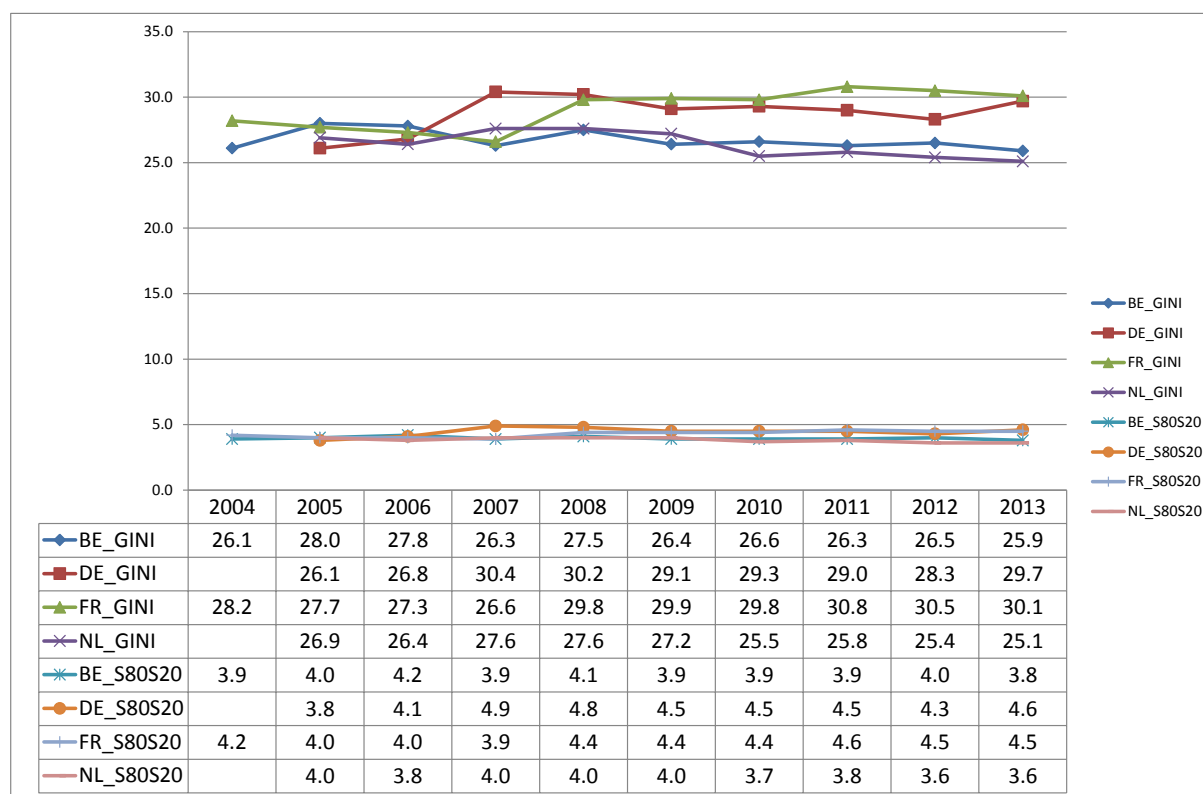
Figure A2. 13: Gender differences in poverty risk (in %)

	2008	2009	2010	2011	2012	2013	2014
AROP							
Single M	19.2	18.8	18.1	20.4	19.7	25.2	
Single F	25.4	24.6	19.4	22.3	20.7	23.9	
SMD							
Single M	9.3	10.5	12.6	11.8	12.2	15.5	12.2
Single F	10.1	9.2	9.5	9.0	8.4	8.0	8.7
VLWI							
Male*	10.3	11.1	11.9	13.2	13.4	14.0	
Female*	13.2	13.6	13.5	14.4	14.3	14.0	
AROP 65+							
Single M	20.9	21.1	20.8	19.0	17.8	18.4	
Single F	27.0	25.2	21.2	20.6	18.3	22.3	

*all M/F, ESTAT website does not allow distinction between single Male, Single Female

Source: EU-SILC, Eurostat

Figure A2. 14: Evolution of income dispersion measures (S80/S20 and GINI), Belgium and neighbouring countries



Source: EU-SILC, Eurostat

ANNEX 3: PARTICIPANTS IN THE MEETING OF THE WORKING GROUP ON SOCIAL INDICATORS (8/1/2015 AND 27/3/2015) AND PERSONS GIVING INPUT TO ANALYSIS

Jean-Maurice Frère (FPB), Ariane Rober (Steunpunt Werk en Sociale Economie), Guy Van Camp (FOD SZ), Sarah Luyten, Marion Englert (Observatoire de la santé et du sociale Bruxelles), Essin Fehmieva, Marie Castaigne, Genieviève Geenens (Statistics Belgium), Didier Noël (Observatoire du Crédit et de l'endettement), Jill Coene (OASES-UA), Ides Nicaise, Wouter Schepers, Frédéric de Wispelaere (HIVA-KULeuven), Henk Van Hootegem (Steunpunt armoedebestrijding), Sebastien Bastaits, Peter Lelie, Dirk Moens, Rudi Van Dam (FOD SZ), Tim Goedemé (CSB-UA), Christine Ruyters, Sile O'Dorchai (IWEPS), Anne-Cathérine Guio (CEPS-Instead), Jo Locquet (POD MI), Jo Noppe (Studiedienst Vlaamse Regering), Ramon Peña-Casas (Observatoire Sociale Européen), Ricardo Cherenti (Union des Villes et Communes de Wallonie)

ANNEX 4: NEDERLANDSTALIGE SAMENVATTING

Deze nota werpt een blik op de evolutie van de sociale situatie in het licht van de doelstellingen van de Europa 2020-strategie⁴³. Deze analyse is voornamelijk gebaseerd op Europese sociale indicatoren, aangevuld met een aantal nationale gegevens en enquêtes.

De **sociale en economische situatie** in België is tijdens de crisis vrij stabiel gebleven. De groei van het BBP was iets gunstiger (of in bepaalde jaren minder ongunstig) dan het gemiddelde resultaat in de EU. Het begrotingstekort lag de voorbije jaren iets lager dan het EU28-cijfer, maar volgens voorspellingen zou dit de komende jaren andersom kunnen zijn. Nadat ons land er de voorbije decennia in geslaagd was de overheidsschuld af te bouwen, bedraagt deze door de crisis opnieuw 100% van het BNP. Het procentueel aandeel van de socialezekerheidsuitgaven in het BNP lag rond het gemiddelde van de Eurozone, en ligt volgens de meest recente cijfers net boven dit gemiddelde.

België is een van de lidstaten waar de **crisis** een eerder **matige sociale impact** heeft gehad. De werkzaamheidsgraad ligt niet veel lager dan voor de crisis. Het werkloosheidscijfer steeg tussen 2007 en 2013 met ongeveer één procent, wat beduidend minder is dan de EU28-toename. Volgens EU-SILC-schattingen nam het aantal personen met risico op armoede en sociale uitsluiting de afgelopen jaren licht toe. Deze stijging was voornamelijk te wijten aan de toename van het aantal mensen in gezinnen met een zeer lage werkintensiteit, maar ook voor armoederisico en ernstige materiële deprivatie werden lichte stijgingen waargenomen. Tot nu toe waren deze veranderingen niet belangrijk genoeg om statistisch relevant te zijn. De recentste cijfers voor 2012-2013 vertonen overigens een lichte afname. Globaal gezien zijn de wijzigingen van het aantal personen met risico op armoede of sociale uitsluiting tussen 2008-2013 echter niet significant.

Bij dit beeld van algemene relatieve stabiliteit moeten echter twee belangrijke opmerkingen worden gemaakt.

Ten eerste zien we halfweg de Europa 2020-strategie, en met cijfers tot inmiddels drie jaar na het begin van de strategie, **geen tendens in de richting van de Europa 2020-doelstelling inzake de vermindering van het aantal personen in een situatie van armoede of sociale uitsluiting**.

Ten tweede nemen we achter de globale stabiliteit **uiteenlopende tendensen** waar voor verschillende sociale categorieën.

Verschillende indicatoren wijzen op een **verminderd risico op armoede en sociale uitsluiting bij 65-plussers**. Zowel het armoederisico-cijfer als het cijfer voor ernstige materiële deprivatie tonen een neerwaartse trend die reeds voor de crisis werd ingezet en blijft duren. Daarnaast werd de armoedekloof kleiner en nam de geaggregeerde vervangingsratio toe. Bij deze positieve evolutie

⁴³ De monitoring van de sociale situatie in het kader van de voornoemde Europese rapporten wordt gecoördineerd door de Federale Overheidsdienst (FOD) Sociale Zekerheid, met de ondersteuning van de Werkgroep sociale indicatoren NRP/NSR, die bestaat uit deskundigen op het gebied van sociale indicatoren van de federale en gewestelijke administraties, universiteiten, onderzoekscentra en stakeholder-organisaties (cf. bijlage 4 van het rapport voor een overzicht van de mensen die aan deze nota hebben meegewerkt). Voor de inhoud van deze nota is evenwel uitsluitend de FOD Sociale Zekerheid verantwoordelijk. Deze nota bouwt verder op voorbereidend werk van het OSE en het HIVA met betrekking tot de actualisering van de analyse van de sociale indicatoren van 2013. Contact: rudi.vandam@minsoc.fed.be of sebastien.bastaits@minsoc.fed.be.

kunnen wel enkele verdere kanttekeningen worden gemaakt. De ratio van het mediaan (equivalent) inkomen van ouderen en het mediaan equivalent inkomen van de personen onder 65 jaar bleef quasi stabiel, hetgeen lijkt te impliceren dat in het bijzonder de situatie van ouderen met de laagste inkomens verbeterd is. Dit blijkt ook uit een toegenomen doelmatigheid van de sociale bescherming. Dit is mogelijks het gevolg van maatregelen sedert de tweede helft van de jaren 2000 om de laagste pensioenen te verhogen, maar ook cohorte-effecten kunnen hierbij een rol spelen.

Niettegenstaande deze gunstige evolutie dient te worden aangestipt dat het armoederisico bij ouderen duidelijk boven de armoederisico voor de globale bevolking blijft. Tevens moet worden benadrukt dat de relatieve inkomenspositie van de ouderen nog steeds aanzienlijk achterop hinkt ten opzichte van gemiddelde EU28-niveaus: de armoedecijfers bij ouderen zijn hoger en zowel de geaggregeerde vervangingsratio als het relatieve mediaaninkomen zijn uitgesproken lager dan de EU28-niveaus. Afhankelijk van een aantal vooronderstellingen wordt verwacht dat de toekomstige vervangingsratio voor personen met een loopbaan van 40 jaar en een gemiddeld inkomen tegen 2053 licht zal dalen.

Anderzijds stellen we bij **de bevolking op actieve leeftijd (18-64) een lichte toename van het risico op armoede en sociale uitsluiting** vast. Deze toename blijkt zich echter te situeren binnen specifieke subgroepen binnen deze leeftijdscategorie die reeds met een verhoogd risico kampen. Zo wordt een substantiële toename vastgesteld van het armoederisico onder personen met een laag opleidingsniveau sinds de eerste helft van de jaren '00. De toename doet zich ook uitsluitend voor bij personen die hun woning huren, een groep met een globaal zwakker sociaal profiel in België. Het aantal personen in gezinnen met een zeer lage werkintensiteit nam toe, en tegelijk steeg het armoederisico bij deze groep. Verder nam het tewerkstellingspercentage bij laaggeschoolden af. Hoewel verder onderzoek noodzakelijk is, lijken deze vaststellingen te wijzen op een **toenemende dualisering onder de actieve bevolking**.

Het zeer hoge armoederisico bij **alleenstaande ouders** en **onderdanen van niet-EU-lidstaten** houdt verband met de hiervoor vermelde ontwikkelingen, maar vereisen wellicht ook specifieke beleidsklemtonen. Na lichte stijgingen de voorbije jaren lijkt het niveau inzake **kinderarmoede** en sociale uitsluiting momenteel eerder stabiel. Toch ligt het kinderarmoedeniveau nog steeds hoger dan de algemene armoedecijfers en blijven er grote structurele ongelijkheden naar gelang de sociale herkomst van kinderen bestaan, bv. op vlak van scholing en gezondheidsgedrag. De bestrijding van kinderarmoede blijft dan ook een cruciale uitdaging binnen een meer structurele aanpak van armoede en sociale uitsluiting. Kijken we naar de sociaaleconomische positie van **mensen met een migratieachtergrond**, dan blijkt België een van de minst performante EU-lidstaten te zijn.

Wat de situatie op vlak van **huisvesting** betreft, blijkt uit de indicatoren dat het aantal mensen in armoede of sociale uitsluiting enkel toeneemt op de huurmarkt. Tegelijk wijst de EU-SILC-enquête op hoge huisvestingskosten bij personen met een inkomen onder de armoederisicodrempel. Aangezien een zwakkere inkomenssituatie bij een en dezelfde bevolkingsgroep optreedt in combinatie met hogere noodzakelijke uitgaven voor huisvestingsgebonden aspecten, brengt dit ongetwijfeld moeilijke levensomstandigheden met zich mee.

Het niveau van armoede en sociale uitsluiting is **sterk verschillend tussen de deelgebieden (AROE)**, met zeer hoge cijfers in Brussel (+40%), ongeveer 25% in Wallonië en rond de 15% in Vlaanderen⁴⁴.

44 Zie ook rapporten bij de deelgebieden:

- Observatoire de la santé et du social Bruxelles, Baromètre Social. Rapport Bruxellois sur l'état de la pauvreté 2014 (<http://www.observatbru.be/documents/publications/publications-pauvrete/barometre-social/2014-barometre-social.xml?lang=fr>)

Nieuwe, recente gegevens van de *Health Interview Survey 2013* bevestigen dat er **significante sociaaleconomische verschillen** zijn in **gezondheidsstatus en gezondheidsgedrag en levensstijl**. Op basis van de beschikbare aanwijzingen over de oorzaken van gezondheidsongelijkheden mogen we veronderstellen dat de toenemende sociaal-economische verschillen bij de actieve bevolking de gezondheidsongelijkheid binnen de bevolking op beroepsactieve leeftijd versterken. België scoort goed wat betreft de toegankelijkheid van geneeskundige verzorging, maar er zijn meer en beter vergelijkbare gegevens nodig om de performantie van landen op dit vlak beter te meten.

De wijzigingen in de sociaal-economische positie van ouderen en laaggeschoolden zijn wellicht de belangrijkste trends die uit de analyse van de indicatoren naar voor komen. Het is, tot slot, belangrijk om aan te stippen dat deze trends zich reeds vóór de aanvang van de crisis in 2008 begonnen af te tekenen. Bovendien kunnen zij ook op Europees niveau worden vastgesteld. Vooral wat betreft laaggeschoolden lijkt het bijgevolg te gaan om structurele veranderingen. Voor laaggeschoolden verzwakken deze ontwikkelingen de arbeidsmarktpositie en tegelijkertijd zetten zij de sociale bescherming van deze groep onder druk. Beleidsmatig is het van belang om oog te hebben voor deze structurele aspecten. In dit opzicht is de gezamenlijke uitdaging van de hoge aantal 'jobless households', dat slechts in beperkte mate wordt beïnvloed door de economische cyclus en veranderingen in de werkzaamheidsgraad, en de lage en dalende toereikendheid van de sociale uitkeringen voor specifieke groepen onder de actieve bevolking, daarbij een belangrijk gegeven.

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- Studiedienst van de Vlaamse Regering, Vlaamse Armoedemonitor 2014 (<http://www4.vlaanderen.be/sites/svr/Pages/2014-07-01-armoedemonitor2014.aspx>)
 - Les chiffres clés de la Wallonie n°13, décembre 2013, chapitre 6 "Revenus et conditions de vie", p.123-153, (http://www.iweps.be/sites/default/files/iweps_chiffres_cles_2013deg.pdf), L'indice de situation sociale (ISS) de la Wallonie (http://www.iweps.be/sites/default/files/iss_wallonie_avril_2014.pdf)

ANNEX 5: RESUME FRANÇAIS

La présente note synthétise l'évolution de la situation sociale par rapport aux objectifs de la stratégie Europe 2020⁴⁵. Cette analyse repose principalement sur des indicateurs sociaux européens, complétés par certaines données et études nationales.

L'évolution de la situation sociale au sein de l'Union Européenne a été caractérisée ces dernières années par de fortes divergences sociales. Dans certains Etats Membres, la situation sociale est restée relativement stable, mais dans d'autres les conditions de vie se sont sérieusement détériorées. L'évolution basée sur les 2 dernières années semble indiquer une divergence légèrement moins prononcée.

La **situation économique** en Belgique n'a de façon générale pas été affectée par la crise. La croissance du PIB a été quelque peu meilleure (ou certaines années, moins mauvaise) que celle de l'ensemble de l'UE. Les déficits budgétaires ont été légèrement inférieurs à ceux de l'EU-28 au cours des dernières années, mais on s'attend à ce que cette tendance s'inverse dans les années à venir. Après des décennies de réduction de la dette publique, la crise a eu pour effet de ramener les niveaux de la dette publique à des taux supérieurs à 100% du PIB. Les dépenses de protection sociale, exprimées en pourcentage du PIB, ont fluctué autour de la moyenne de la zone euro, et sont légèrement supérieures à cette moyenne selon les derniers chiffres.

La Belgique figure parmi les Etats membres ayant subi un **impact social relativement modéré de la crise**. Le taux d'emploi n'est pas très inférieur à celui d'avant la crise. Le taux de chômage a augmenté d'environ un point de pourcentage entre 2007 et 2013, ce qui représente un chiffre clairement inférieur à l'augmentation de l'EU28. Le revenu médian des ménages et l'inégalité des revenus sont également restés stables. Les estimations de l'enquête EU-SILC laissent prévoir une légère augmentation du nombre de personnes exposées au risque de pauvreté et à l'exclusion sociale. Cette augmentation est principalement induite par une augmentation du nombre de personnes vivant dans des ménages à très faible intensité de travail, mais de légères augmentations sont également enregistrées concernant l'exposition au risque de pauvreté monétaire et la privation matérielle grave. Jusqu'ici, ces changements n'ont pas été suffisamment importants pour être statistiquement significatifs et ils ne peuvent donc pas être extrapolés à l'ensemble de la population avec toute la sécurité voulue. Bien que les chiffres les plus récents concernant 2012-2013 laissent entrevoir de légères baisses, de façon générale, l'évolution du nombre de personnes en risque de pauvreté ou d'exclusion sociale de 2008 à 2013 n'est pas significative. Deux remarques importantes doivent être formulées par rapport à cette image de relative stabilité générale.

Premièrement, à mi-chemin de la stratégie Europe 2020, et sur la base de données portant sur à présent trois ans depuis le lancement de celle-ci, **il n'y a aucune évolution perceptible dans le sens de la réalisation de l'objectif Europe 2020**.

Deuxièmement, derrière cette image de stabilité générale se profilent des **tendances divergentes** pour différentes catégories sociales.

Plusieurs indicateurs révèlent **une réduction des risques de pauvreté et d'exclusion sociale chez les personnes de plus de 65 ans**. Le taux de risque de pauvreté monétaire et le taux de privation

45 Le suivi de la situation sociale dans le contexte des rapports européens précités est coordonné par le Service public fédéral (SPF) Sécurité sociale, assisté par le groupe de travail Indicateurs sociaux PNR/RSN, qui est composé d'experts dans le domaine des indicateurs sociaux, issus d'administrations fédérales et régionales, d'universités, de centres de recherche et d'organisations de parties prenantes (cf. annexe 4 pour une liste des personnes qui ont participé à la rédaction de la présente note). Toutefois, la responsabilité du contenu de celle-ci incombe au SPF Sécurité sociale. Cette note s'inspire du travail préparatoire de l'OSE et de l'HIVA concernant l'actualisation de l'analyse 2013 des indicateurs sociaux. Pour tout contact : rudi.vandam@minsoc.fed.be ou sebastien.bastais@minsoc.fed.be.

matérielle grave affichent une tendance à la baisse, qui date déjà d'avant la crise et persiste depuis lors. De même, l'écart de pauvreté a diminué et le taux de remplacement global a augmenté. En outre, le revenu médian des personnes âgées est resté stable en comparaison avec le revenu médian de la population active. Il convient cependant de noter que ce double constat s'explique par le fait que ce sont surtout les bas revenus qui ont augmenté, faisant passer une partie des âgés « juste » au-dessus du revenu médian (qui lui est resté stable). Cette caractéristique a également comme conséquence que la baisse du taux de pauvreté ne s'observe plus lorsqu'on considère un seuil alternatif de 70% du revenu disponible médian. Même si l'identification des "facteurs" expliquant l'évolution n'est pas le "scope" de cette note, il est probable que la hausse de certaines pensions minimales et des effets "cohorts" jouent un rôle dans ces évolutions. De plus, il convient également de faire remarquer que le taux de pauvreté des personnes âgées demeure nettement supérieur au taux de pauvreté de la population. Enfin, il importe également de signaler que la situation relative des revenus des personnes âgées accuse encore un retard considérable par rapport aux niveaux de l'EU28 : les taux de pauvreté des personnes âgées sont supérieurs, et à la fois les taux de remplacement globaux et le ratio du revenu médian relatif sont nettement inférieurs aux niveaux de l'EU28. En fonction d'un ensemble d'hypothèses, le futur taux de remplacement pour une personne ayant 40 ans de carrière et des revenus moyens devrait diminuer légèrement d'ici 2053.

Par ailleurs, **en ce qui concerne la population d'âge actif (18-64), une légère augmentation du risque de pauvreté et de l'exclusion sociale** peut être observée. Toutefois, cette augmentation semble concerner des sous-groupes spécifiques - déjà à haut risque - de cette catégorie d'âge. Cette augmentation est décelée parmi les personnes les moins qualifiées et exclusivement parmi les personnes qui louent leur habitation, un groupe de population dont le profil social est en général plus faible en Belgique – certainement en ce qui concerne le logement social. On a enregistré une augmentation du nombre de personnes vivant dans des ménages à très faible intensité de travail, et simultanément une augmentation du risque de pauvreté de ce groupe. En outre, le taux d'emploi de personnes ayant un faible niveau d'instruction a diminué. De nouvelles recherches devraient étayer cela davantage⁴⁶, mais dans l'ensemble, ces observations semblent indiquer des **divergences sociales accrues dans la population d'âge actif**.

Les risques très élevés de pauvreté auxquels sont exposés les **parents isolés** et les ressortissants de pays hors UE y sont liés et exigent une politique spécifique. Après avoir légèrement augmenté au cours des années précédentes, le niveau de **pauvreté infantile** et d'exclusion sociale semble à présent stable. Toutefois, étant donné le niveau plus élevé du taux de pauvreté infantile par rapport au taux global de pauvreté et la persistance d'inégalités structurelles en fonction de l'origine sociale des enfants (par exemple en matière d'enseignement, de comportement lié à la santé, etc.) la lutte contre la pauvreté infantile reste également un défi majeur dans le cadre d'une approche plus structurelle de la lutte contre la pauvreté et l'exclusion sociale. En ce qui concerne la situation socio-économique de **personnes issues de l'immigration**, la Belgique figure parmi les Etats membres les moins performants de l'UE.

Concernant la situation en matière de **logement**, les indicateurs montrent que le nombre de personnes vivant dans la pauvreté ou l'exclusion sociale n'augmente que sur le marché locatif. Simultanément, l'enquête EU-SILC révèle des coûts de logement élevés pour les personnes dont les revenus se situent en deçà du seuil de risque de pauvreté. La concomitance de situations de revenus

46 En se basant sur une analyse de l'évolution des revenus d'un ensemble de types théoriques de ménages ayant des revenus à différents points dans la répartition des revenus, Cantillon et al. Arrivent à des conclusions semblables (Cantillon et al., 2014)

plus faibles et de la nécessité de dépenses de logement plus élevées dans les mêmes catégories de population et chez les mêmes personnes entraîne indiscutablement des conditions de vie pénibles.

Dans les niveaux de pauvreté et d'exclusion sociale (AROPE), il existe de fortes **différences régionales** (AROPE) : on enregistre un taux très élevé à Bruxelles (+40%), environ 25% en Wallonie et environ 15% en Flandre.

Des résultats récents issus de l'Enquête de Santé Nationale (Health Interview Survey 2013) confirment l'existence de **différences socio-économiques significatives au niveau de l'état de santé, du comportement lié à la santé et du mode de vie**. En se basant sur des éléments probants actuels concernant les facteurs de l'inégalité en matière de santé, on peut raisonnablement penser que les divergences croissantes parmi la population active engendrent également des inégalités en matière de santé au sein de la population d'âge actif. Concernant l'accessibilité des soins de santé, la Belgique a de bons résultats, mais davantage de données comparables de meilleure qualité sont requises pour évaluer les performances des pays.

Les évolutions dans les positions socio-économiques des âgés et des personnes avec un faible niveau d'éducation sont probablement les tendances les plus importantes qui ressortent de l'analyse des indicateurs. Il est, de plus, important de préciser que ces tendances se dégagent déjà avant la crise en 2008. De même, on peut affirmer que celles-ci se constatent également au niveau européen. Cela démontre, surtout en ce qui concerne l'affaiblissement sur le marché du travail de la position des personnes avec un faible niveau d'éducation, qu'il s'agit de changements structurels. Ces derniers mettent l'adéquation des systèmes de protection sociale sous pression. Il est important que les politiques tiennent compte du caractère structurel de ces évolutions. A cet égard, cette analyse met en lumière l'importance majeure du défi commun que représente la forte incidence de la très faible intensité de travail, qui n'est pratiquement pas affectée par le cycle conjoncturel et les variations du taux d'emploi, et la faiblesse de l'adéquation - en diminution - des prestations sociales pour certains groupes spécifiques de la population d'âge active.



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