The evolution of the social situation and social protection in Belgium 2017

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

July 2017

Federale Overheidsdienst
Sociale Zekerheid

.be

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Contact : rudi.vandam@minsoc.fed.be or sebastien.bastaits@minsoc.fed.be

Summary and Key Messages of the analysis of the EU social indicators

The key findings of the analysis of the EU social indicators and the resulting social challenges are in line with previous years' reporting : **a stable level of the number of people at-risk-of-poverty or social exclusion, which implies that the distance to the Europe 2020 objective of reducing the number of people in poverty or social exclusion remains about as high as at the beginning of the strategy**. **Below relatively stable social indicators for the Belgian population at large, there have been significant diverging trends for different categories, especially between the high skilled and the rest of the working age population. The at-risk-of-poverty rate increased for the working age population, and remained stable for the elderly, after significant decreases in the preceding years. Among the working age population, the poverty risk significantly increases for persons with a low educational attainment and, noteworthy, also for persons with a 'medium' educational attainment. Median incomes of these two categories also lag behind median incomes of persons with a high educational attainment. Some specific groups show higher poverty rates than the EU-average (persons in quasi jobless households with children, people with a non EU28 background, people with limitations in daily activities). The low work intensity rate increases and remains among the highest in the EU. Social inequalities in educational outcomes remain high compared to other countries. The level of unmet needs for medical care is also high in the lowest income quintile compared to other EU Member States and has been rising over the last years. The adequacy of social protection transfers increased for the elderly, but decreased for the working age population.**

Europe 2020 Target

- The combined indicator on the risk of poverty and/or social exclusion, which is the bases for the Europe 2020 target, shows no systematic up- or downward trend between 2012 and 2016, after slight increases between 2008 and 2012. So, while the Europe2020 strategy is slowly approaching its final stage, the effort to reach the target on the reduction of poverty or social exclusion remains about as big as at the beginning of the strategy. Projections at unchanged policy, based on data available mid-2016, indicate that the number of people in poverty or social exclusion will remain at about the same level at the end of the Europe 2020 strategy (Frère, 2016).

Inequality and poverty or social exclusion

- Income inequality remained stable at a low level in comparison with other EU countries. Since the beginning of the measurement on the basis of EU-SILC in 2004, equivalent disposable income increased proportionally equally over the different income deciles and percentiles. The increase is however mainly situated in the period until 2010 (incomes 2009). Between 2010 and 2015 (incomes 2009-2014) incomes more or less stagnated in real terms. In the most recent figures, based on EU-SILC 2015-2016 (incomes 2014-2015) incomes in the lowest decile stayed behind slightly, compared to the rest of the income distribution.

- The overall image that emerges from this analysis for the period 2009-2014, is one of a stable income distribution in terms of inequality and income levels. Notwithstanding this apparent stability, changes have occurred at the bottom of the distribution, where elderly and low (and increasingly medium) skilled working age persons have changed places. Low income elderly have moved up to some extent, while low skilled active persons moved down. These opposite movements explain also the stable poverty rate. They also point to a polarizing trend among the working age population.

- After a continuously decreasing trend over the past decade, the poverty risk of the elderly stabilised at the same level as the overall population between EU-SILC 2015-2016 (15.4%). The improvement of the situation for the elderly was situated mainly among the lower incomes and among woman (due to cohort effects and improvement of minimum pension). The median income of the elderly increased only slightly in relation to the median income of the non-elderly population.

- Median equivalent household income of low skilled persons has been lagging considerably behind household incomes of medium skilled and high skilled persons. The poverty risk of low skilled working age people increased further significantly between EU-SILC 2015-2016, and is now situated at nearly 31% (coming from18.8% in 2006). Recent figures from the Labour Force Survey for 2016 point to a further increase of the employment gap between the low skilled and the rest of the working age population. After a decrease in the employment rate, it remained stable between the two most recent available years 2015-2016 for the low-skilled, while for the higher skilled, the employment rate increased slightly between these two years. The accessibility of the labour market for more vulnerable categories remains a very persistent and severe problem, notwithstanding various policy measures over the years. A longitudinal study on a large sample of social assistance beneficiaries showed that only 12% had exited benefit dependency via a stable job (Carpentier, 2016).

  The share of the low-skilled working age persons in the population decreased significantly over the past decade, resulting in a smaller but more vulnerable population category. This more vulnerable position can be considered as a robust finding as it is documented by different indicators: the at-risk-of-poverty rate, the severe material deprivation rate, the very low work intensity rate and the employment rate all point to increased risks and a polarization between different population categories.

- At least as significant as the increase in the poverty rate of the low skilled is the since 2010 continuously increasing poverty risk of persons with a medium educational level among the working age population, from 9.8% in 2010 to 14.6% in 2016. Median equivalent household income of medium skilled persons slightly lagged behind median household income of high skilled persons over the last three years. It is probably the increase in the poverty risk of de medium skilled that drives the increase in the overall poverty risk of the working age population at large.

- The social situation of some specific categories is cause for worry. For persons with a migrant background the employment rate is very low and the poverty and social exclusion rate is the highest in the EU. The risk of poverty or social exclusion among people with some to severe limitations in daily activities is also among the highest in the EU.

- The number of children at-risk of poverty or social exclusion has increased since 2008. This evolution was mainly driven by the number of children in quasi-jobless households. The number of children at-risk-of-poverty has remained quasi stable. The latest figures on the basis

of EU-SILC 2015-2016 show a slight decrease in the number of children at risk-of-poverty or social exclusion.

- PISA 2015 results on educational outcomes point to high, but somewhat decreasing, overall performance, but high inequalities according to socio-economic background. The, in OECD context, highly unequal outcomes are a very persistent finding over different PISA waves. Inequalities by migration status are also consistently high, but seem to have decreased somewhat in the new figures. There are significant differences in performance levels between the Regions, with Flanders performing better.

- There remain large differences in levels of poverty or social exclusion between the Regions, with significant lower levels in Flanders than in Wallonia and Brussels having the highest rate. On the other hand, both Flanders and Wallonia show similar trends regarding the evolutions among the elderly and low skilled working age persons.

Adequacy and sustainability of social protection

- The analysis of the effectiveness of social protection shows a mixed picture. Overall, the effectiveness of social transfers is relatively high in Belgium. In EU-SILC 2015, pre-transfer poverty was reduced by 44% due to social transfers[1], where the EU28 average was 33%, with a large number of MS at around the same level as Belgium. The figures show a slight decrease of the effectiveness since 2005, which is caused by a decrease among the working age population, while it increased among the elderly. Between EU-SILC 2015-2016 effectiveness decreases further for the working age population. It is also relevant to stress that, while the overall poverty rate in Belgium is somewhat below the EU28 average, the rate is higher than the EU average for a number of vulnerable categories: people with a migrant background, people with some to severe limitations in daily activities, people with a low work intensity and children. This finding points to a lack of adequate income protection via access to labour income and also to inadequacy of social security transfers for persons for whom this is the main or only income source.

- The number of people having to postpone medical care increased since 2011 in the lowest income quintile. The most recent data (EU-SILC 2016) show a slight further increase. The percentage of people who have to postpone medical care in the lowest income quintile is among the higher in EU context. It is not clear what caused the increase in the unmet need rate since 2011 and the relatively high level, as Belgium has a quite elaborate system of preventing excessive medical costs. Non-take up and/or deteriorated income situations could be possible causes.

- While unemployment and the number of persons with an unemployment benefit decreased, the number of people with an invalidity benefit and the number of persons with a social assistance allowance kept increasing. Total social expenditure, based on EU-figures, increased very slightly from 30.1% to 30.3% of GDP2 between the two latest data points (2013-2014). Overall, the expenditure is among the higher levels in EU context (5th highest in 2014). However, apart from Denmark and France, whose level is around 33%, a number of EU Member States has an expenditure level around 30% of GDP, while the EU28 average is at

1 Social transfers excluding pensions

2 Including administrative costs. Without administrative costs, benefit expenditure was 29% in 2014

28.7%. The Study Committee on Ageing, estimates the cost of ageing in the period 2015-2060 at 2.3% of GDP (2016). In comparison with the 2015 estimates, the 2016 estimate is 0,4% higher. This higher estimate is due to lower assumed growth in the new projection caused by lower productivity growth and a stronger increase of the dependency rate.

Introduction

This report summarizes the evolution of the social situation, in view of the objectives of the Europe 2020 strategy[3]. This report builds on previous years' reportings[4]. It is mainly updated with new Labour Force Survey (LFS) 2016 and EU Study on Income and Living Conditions (EU-SILC) 2016 data that were available yet at the time of editing the report. The report incorporates as much as possible new data but for reasons of completeness it also reports, in some areas for which there are no new data, data already reported in previous reports. The main aim of this study is to support and contextualize the monitoring of the Europe 2020 target on the reduction of poverty and social inclusion in the context of the National Reform Programme.

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 on 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, for example Regions, the error rate is higher. Table A3.4. in annex 3 gives an overview of confidence intervals for some key indicators on a regional level.

Some population groups are not included in the sampling 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.[5]

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 2016, made available by the Directorate General Statistics of the Federal Public Service Economy.

It should be noted that there is a time-lag between the reference period of some data (the moment to which the collected information refers) and the moment that the data are collected. Currently, the most recent data on income are based on the EU-SILC 2016 survey. In this survey, income and data on low work intensity are collected for the year 2015[6]. This should be kept in mind when relating the results with policy measures.

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3 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 Observatoire Sociale Européen and Hoger Insitituut voor de Arbeid (§HIVA-KULeuven). Contact : rudi.vandam@minsoc.fed.be or sebastien.bastaits@minsoc.fed.be

4 See: https://socialsecurity.belgium.be/fr/publications

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

6 Work to bridge this time-lag and develop indicators is on-going by Eurostat and the National Statistical Institute

1 | The Economic and European context

1.1 Economic context

As already mentioned in our previous analysis, for the period 2008-2012, the economic impact of the crisis in Belgium has been less than on average in the EU.

The newest figures from Winter 2017 forecasts from the European Commission (see Table 1.1) confirm the trend that economic evolution in Belgium is somewhat below EU28 figures from 2013 (with a exception in 2014) with more significant differences in 2015 and 2016 (0,7% below EU28 level) and smaller expected differences in 2017 and 2018 (respectively 0,4% and 0,2% below EU28 level). Also, budget deficits are expected to be clearly larger than EU averages from 2015 to 2018 and, in the same period, inflation rate is expected to be higher than EU28 figures (but the difference would be reduced in 2017 and 2018).

In a more general way, the Winter 2017 forecasts show that the economic recovery in Europe is set to continue at a moderate pace but the forecast is surrounded by new uncertainty (geopolitical tensions, terrorist attacks , stressed banking sectors, UK's vote to leave EU…).

Table 1.1. Evolution of some economic indicators and forecasts 2016- 2018

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
	GDP growth rate											
BE	3.4	0.7	-2.3	2.7	1.8	0.1	-0.1	1.7	1,5	1.2	1.4	1.6
EU28	3.1	0.4	-4.4	2.1	1.7	-0.5	0.2	1.6	2.2	1.9	1.8	1.8
	Budget balance											
BE	0.1	-1.1	-5.4	-4.0	-4.1	-4.1	-3.0	-3.1	-2.5	-2.9	-2.2	-2.3
EU28	-0.9	-2.4	-6.6	-6.4	-4.6	-4.3	-3.3	-3.0	-2.4	-1.9	-1.7	-1.6
	Gross debt (% of GDP)											
BE	87	92.5	99.5	99.7	102.3	104.1	105.4	106.5	105.8	106.8	106.5	106.1
EU28	57.5	60.7	72.8	78.4	81.1	83.8	85.7	86.7	85	85.1	84.8	83.6
	Inflation rate (yearly change percentage)											
BE	1.8	4.5	0.0	2.3	3.4	2.6	1.2	0.5	0.6	1.8	2.0	1.8
EU28	2.4	3.7	1.0	2.1	3.1	2.6	1.5	0.5	0.0	0.3	1.8	1.7

Source: 2008-2015 EUROSTAT; 2016-2018 European Economic Forecast Winter 2017, European Commission

1.2 Social developments in the European Union

Different tools have been developed during the previous years to monitor the social situation in the EU :

- a *"social scoreboard"* was developed by the European commission with the primary objective of identifying major employment and social problems at an early stage. 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*" (JER) that is included in the "semester package" with the "Annual Growth Survey" and the "Alert Mechanisme Report".

- a 'Social Protection Performance Monitor' (SPPM) was developed by the Social Protection Committee to complete the monitoring of the social situation in Europe. This tool consists of three elements: (1) a graph of the evolution towards the EU headline target of the Eu Strategy 2020 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.

The Joint Employment Report (JER), accompanying the 2017 Annual Growth Survey, concludes that, if the employment and social situation is improving, with for example a significant improvement in most labour market indicators (in a context of moderate economic recovery), the high inequality levels can reduce the output of the economy and the potential for sustainable growth. Large and persistent inequalities do not only raise concerns in terms of fairness, as they usually reflect a high risk of poverty and social exclusion, but also in economic terms, as they lead to an under-utilisation of human capital. Inter-generational transmission of poverty compounds these negative impacts. Labour market, social security, and education institutions in some Member States do not sufficiently promote inclusion and investment in human capital to remedy unequal opportunities and tackle persistent and high income inequalities.

For the most recent period 2014-2015[7] (see Figure 1.1.), data provide clear signs of a general improvement in the social situation, with most social indicators flagging up a shift to positive change in many Member States. In particular, **strong positive developments** in the social situation **can be observed in the following areas:**

- rises in **real gross household disposable income** (in 19 MS) along with reductions in the **severe material deprivation rate** (in 15 MS). This reflects that household incomes and financial conditions of EU households have improved in the most recent period, benefitting from stronger economic activity and improved labour markets;

[7] Contrary to Belgium, 2016 data are not available at this time for all EU Member States.

- a reduction in **the risk of poverty or social exclusion for the overall population** (in 15 MS), driven by falls in **severe material deprivation** and the share of the population living in **(quasi) jobless households**. There are also associated reductions in the share of **children at risk of poverty or social exclusion** in many Member States (11);

- strong signs of **reductions in long term unemployment** (in 14 MS) and in **youth exclusion**, with falls in the NEET rate (in 16 MS) and the youth unemployment ratio (in 19 MS), reflecting improvements in the labour market;

- continued improvements in the **labour market participation of older workers** (as evidenced by increases in the employment rate for 55-64 year olds in 23 MS).

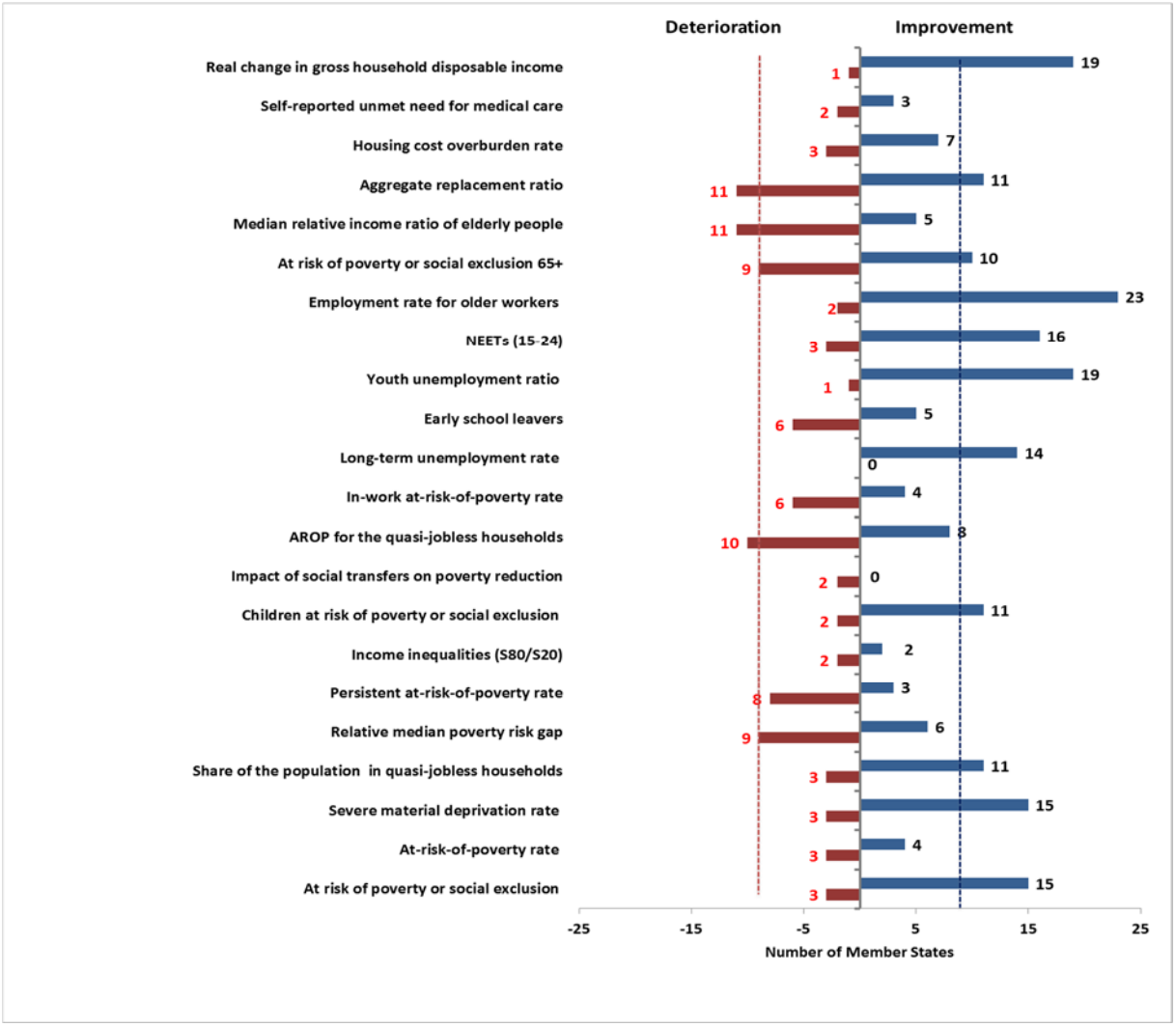
Nevertheless, for the EU as a whole **the following main negative trends**, or "trends to watch", **can still be identified :**

- Continued deterioration with regard to the **depth of poverty** (9 MS) and its **persistence** (8 MS)

- Rises in the **at-risk-of-poverty rates for people residing in (quasi-)jobless households** (10 MS), pointing to a reduction in the adequacy of social benefits in many countries.

At the same time, there are initial signs of a decline in the relative income and living conditions of the elderly, with rises in the at-risk-of-poverty-or-social-exclusion rate for those aged 65+ along with falls in the aggregate replacement rate and median relative income ratio of the elderly in around a third of Member States. This is a reversal of the general trend observed in previous years, but reflects to a large extent the evolution of the relative income situation of the working age population as the labour market situation and incomes from work have improved.

Figure 1.1. Social trends to watch and areas of improvement, 2014-2015



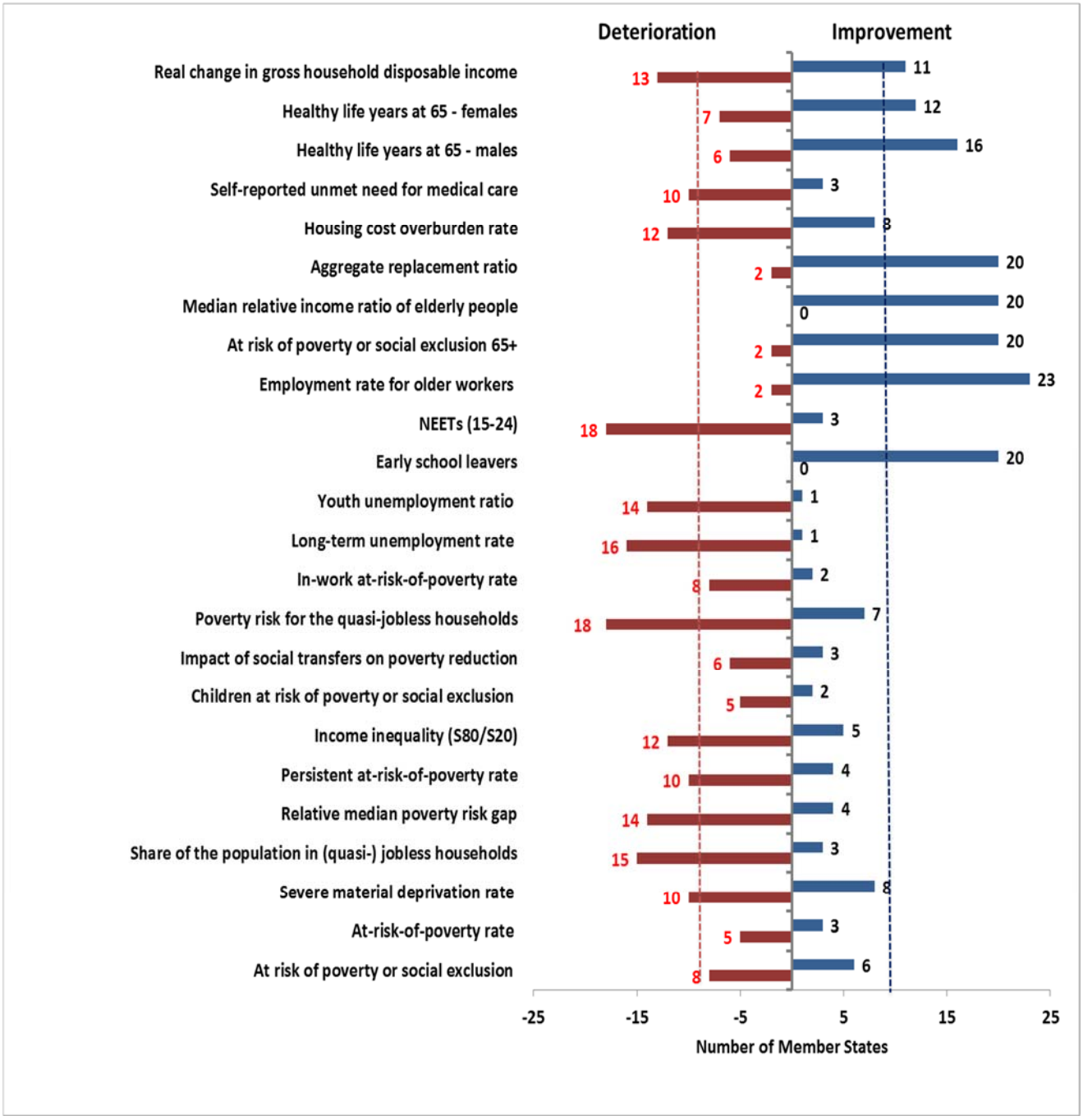
Source: Social Protection Committee

Looking at the longer-term developments since 2008 and the beginning of the Europe 2020 strategy, for most social areas the situation has worsened considerably as a result of the economic crisis, despite signs of recent improvement (Figure 1.2.). The areas with the most substantial deterioration **compared to 2008** are:

- **Increased share of the population living in (quasi-)jobless households** (in 15 MS) and **falls in living standards** (as evidenced by higher **severe material deprivation** rates in 10 MS), against a background of reduced **real gross household disposable income** in many countries (13 MS);
- **increased income inequality** (in 12 MS) and a rise in the **depth of poverty** (with the poverty gap up in 14 MS) and its **persistence** (in 10 MS);
- **increased (long-term) exclusion from the labour market** in general (with rises in the long-term unemployment rate and in the share of the population in (quasi-) jobless households in around two-thirds of MS), together with rises in the **poverty risk for people living in (quasi-) jobless households** in 18 MS;
- still strong signs of **youth exclusion** (with significantly higher NEET rates (in 18 MS) and youth unemployment ratios (in 14 MS);
- rises in the **housing cost overburden rate for households** (in 12 MS) and in **self-reported unmet need for medical care** (10 MS).

The dashboard indicators show there have also been a number of improvements, notably in the areas of increasing number of healthy life years and significant decreases in the number of early school leavers in Europe (in 20 MS). There have also been improvements in the relative situation of the older generation. The labour market situation of older workers has improved markedly, as evidenced by increases in the employment rate for the age group 55-64 in over three-quarters of Member States. Compared to 2008, the relative situation of the elderly aged 65 and over also shows clear signs of improvement in around three-quarters of Member States, with decreases in the number of elderly living at risk of poverty or social exclusion as well as an improvement in their income situation with respect to the rest of the population. However, this trend should be interpreted with great caution as it does not necessarily show an improvement in absolute terms. As pension income remained stable during the economic crisis while the working age population suffered from substantial income loss (wage decreases, job loss, decreases in benefit levels), the relative, but not necessarily the absolute, position of the elderly has improved, highlighting the important role of pension systems.

Figure 1.2. Social trends to watch and areas of improvement, 2008-2015



Source: Social Protection Committee

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 threshold[8] and/or in a situation of severe material deprivation[9] and/or in a situation of very low work intensity[10]. Belgium set its Europe2020 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, showed a slight decrease in 2013 (Figure 2.1) but sets out again slightly upward in 2014 and stayed quasi stable in 2015 and 2016[11]. Based on the assessment in the Social Protection Performance Monitor, the 2008-2015 change is not statistically significant. Thus, the real trend remains off-track compared with the anticipated decrease. On the basis of EU-SILC 2016, the number of persons living in situation of poverty or social exclusion is estimated at 2,335,000 compared to 2,194,000 on the basis of EU-SILC 2008: a decrease by 521,000 persons is therefore necessary in the next three years to reach the target by 2020 (EU-SILC 2018). With the Europe 2020 strategy reaching its final stage, the level of the AROPE composite indicator is still about as high as at the beginning of the Strategy, reaching the target becomes rather unlikely. This is also illustrated by projections at unchanged policy by the federal planning bureau, based on data available mid-2016. These projections indicate that the number of people in poverty or social exclusion will remain at about the same level at the end of the Europe 2020 strategy (Frère, 2016).

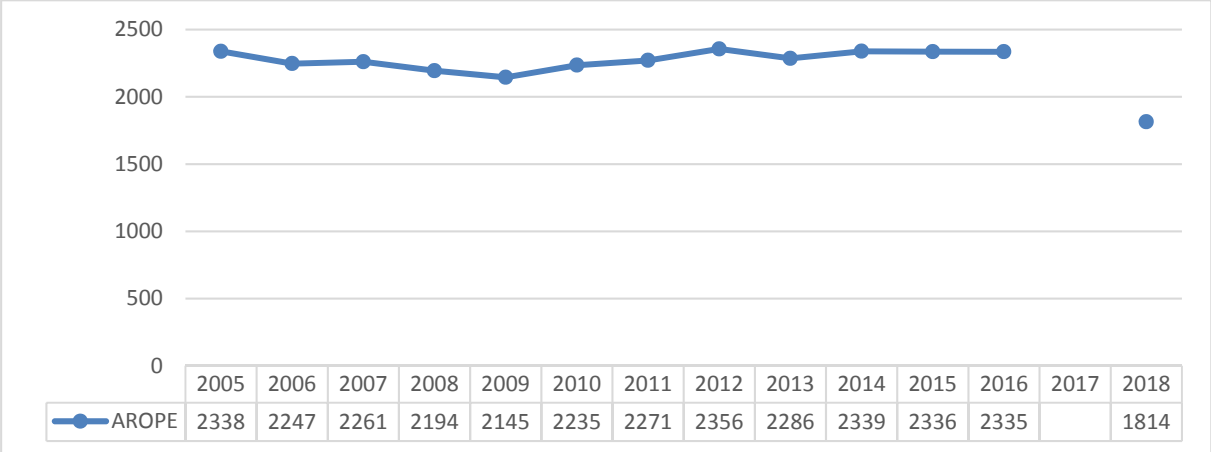
8 60% of the median disposable income

9 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.

10 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).

11 Statistical significance of 2015-2016 change not yet available at time of editing this report.

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

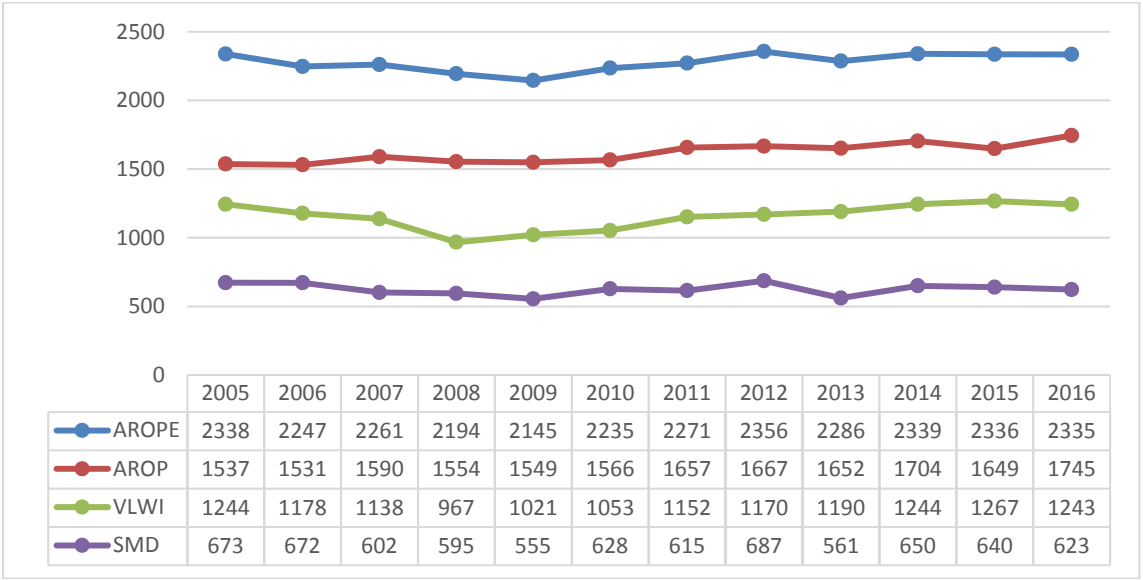


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
AROPE	2338	2247	2261	2194	2145	2235	2271	2356	2286	2339	2336	2335		1814

Source : EU-SILC, EUROSTAT, Statistics Belgium

Looking at the three different sub-indicators (Figure 2.2), it can be observed that 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 since then until 2015. Between 2015 and 2016 it remained quasi stable. The number of persons at-risk of poverty (AROP) also shows slight increases since 2010. This increase strengthened between 2015 and 2016. The number of persons in a situation of Severe Material deprivation (SMD) remained stable.

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)



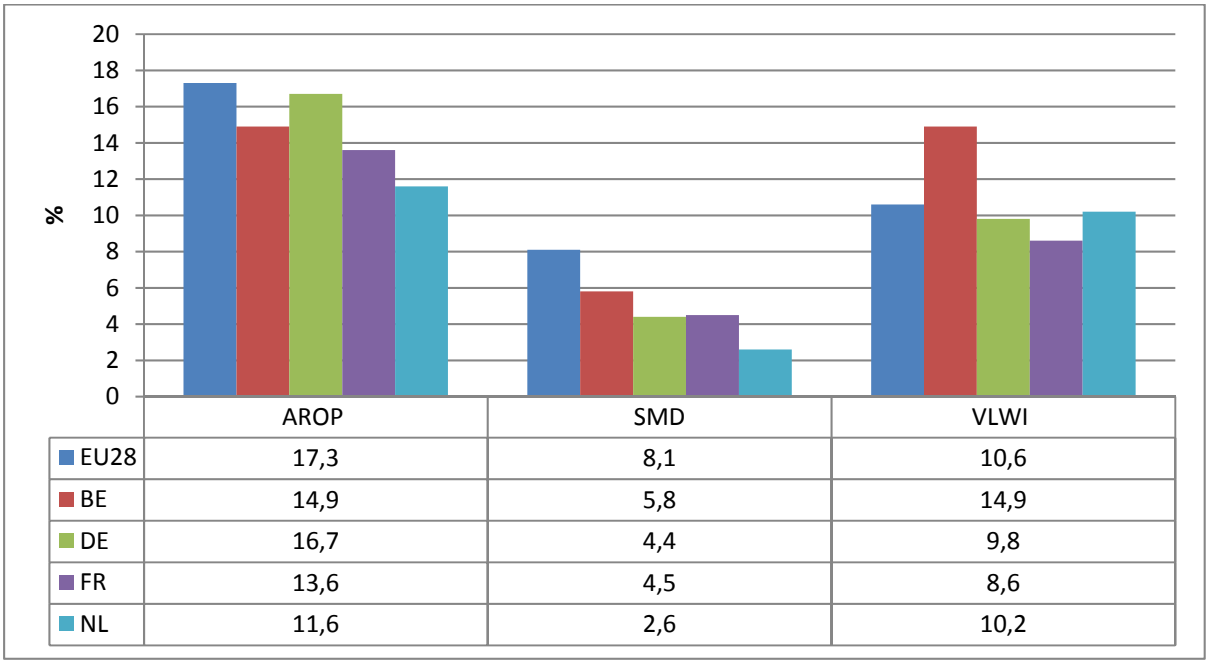
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROPE	2338	2247	2261	2194	2145	2235	2271	2356	2286	2339	2336	2335
AROP	1537	1531	1590	1554	1549	1566	1657	1667	1652	1704	1649	1745
VLWI	1244	1178	1138	967	1021	1053	1152	1170	1190	1244	1267	1243
SMD	673	672	602	595	555	628	615	687	561	650	640	623

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, Statistics Belgium

In Figure 2.3. it can be observed that Belgium performs significantly better on the severe material deprivation indicator than the EU-average. But In 2015 the level is slightly higher than in the neighboring countries though. The at-risk-of poverty indicator is somewhat below the EU28-average. The situation is different for the very low work intensity indicator with a significant higher Belgian proportion compared to the European average.

Figure 2.3. Target indicators in Belgium, neighboring countries and EU28, 2015[12]



	AROP	SMD	VLWI
EU28	17,3	8,1	10,6
BE	14,9	5,8	14,9
DE	16,7	4,4	9,8
FR	13,6	4,5	8,6
NL	11,6	2,6	10,2

Source : EU-SILC, EUROSTAT, Statistics Belgium

As already mentioned, the most recent figures on the "at-risk of poverty or social exclusion" indicator point to a stable level, indicating that it becomes unlikely that the 2020 EU-target on the reduction of poverty will be met. The Federal Planning Bureau made a projection of the population at risk of poverty or social exclusion at unchanged policy in Belgium until 2030 (see Box 1), which supports this assessment.

Box 1: Projection of the population at risk of poverty or social exclusion until 2030

In his recent study "*The population at risk of poverty or social exclusion in Belgium: projection until 2030*", the Federal Planning Bureau (Frère, J.M. – 2016) made a projection of the population at risk of poverty or social exclusion at unchanged policy in Belgium until 2030.

The projection results show a slight decline in the population at risk of poverty or social exclusion from 2.282 million people in 2016 to 2.232 million people in 2018, i.e. 418,000 people above the target laid down in the Europe 2020 Strategy (see above). In other words, the Belgian target will not be reached.

This also applies to the goal set out in the 2030 Agenda for Sustainable Development of the UN.

12 Based on EU-SILC 2015 as 2016 data are not yet available for Germany and The Netherland at the time of editing this report

(Belgium has also committed itself to at least halve the share of the population living in poverty by 2030, basing its measurement on the common national multidimensional definition of poverty). As such, the results point to a decline from 20.2% in 2016 to 16.1% in 2029, whereas Belgium should strive towards a maximum rate of 10.6% by 2029. The assumed decrease in the at-risk-of-poverty rate for pensioners, the drop in the unemployment rate and the demographic assumptions used can explain these projection results.

3 | Poverty and social exclusion : 2016 figures confirm overall stability as a result of divergent evolutions - with some nuances

The observation made in previous years on the overall stability of social indicators for the population at large, still holds. However, the most recent evolution based on EU-SILC 2015 and 2016 points a significant increase in divergent trends among the working age population, increasing the overall poverty rate for this category. This paragraph first illustrates this overall stability and then points to the differing evolutions in various population groups.

3.1 Overall stability…

3.1.1 Labour market participation and income evolution/distribution: moderate improvements

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 socio-economic situation are presented.

a) Labour market participation

As for most people, the most important pathway for an adequate living standard is work. Employment is of key importance for the social situation. The employment rate in Belgium was stable on population level during the period 2011-2015, but it increased in 2016 by 0.5 pp to 67.7% The level remains significantly below the EU average, which is 71.1 % for the EU-28 in 2016. see table 3.1a.).

Forecasts indicate a decrease in the unemployment rate for Belgium in 2016 (0.7 pp.) and a somewhat weaker decrease in 2018 (0.2 pp). This decrease would be a little bit weaker than on average in the EU28, so that, if the unemployment rate remains beneath the EU-level during the entire period, the difference tend to be very small in 2018.

Table 3.1a. Employment rate and unemployment rate

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Employment rate (20-64)											
BE	68.0	67.1	67.6	67.3	67.2	67.2	67.3	67.2	67,7		
EU28	70.3	69.0	68.6	68.6	68.4	68.4	69.2	70.1	71.1		
Unemployment rate											
BE	7.0	7.9	8.3	7.2	7.6	8.4	8.5	8.5	7.8	7.8	7.6
EU28	7.0	9.0	9.6	9.7	10.5	10.9	10.2	9.4	8,5	8.1	7.8

Source: Eurostat (LFS); European Economic Forecast Winter 2017, European Commission ; Statistics Belgium (BE 2016)

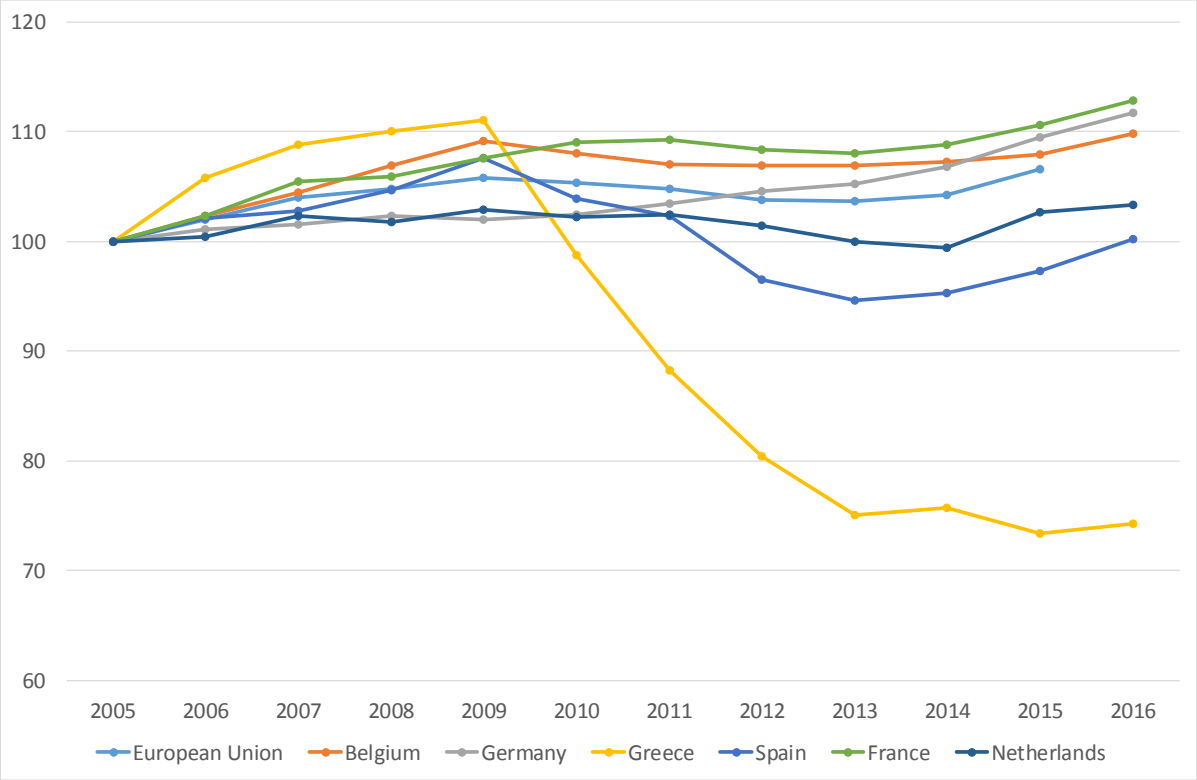
b) Income evolution and distribution

One way to look at distributional aspects of income is to look at Gross Household Disposable Income (GHDI). GHDI is based on the National Accounts and can roughly be described as the share of the economy-wide income that goes to the household sector[13]. 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.

Figure 3.1a. shows the evolution of the Gross Household Disposable income of Belgium and its neighboring countries together with a few countries which were hit hard by the crisis. For Belgium the figures show that the income of the household sector decreased between 2009 and 2011 and remained quasi stable in the period 2011-2015. Between 2015 and 2016 it increased again. Figure 3.1a. shows that the evolution was somewhat different in the neighboring countries in this period. While GHDI increased continuously in Germany from 2010, it steadily decreased in the Netherlands. In France it started increasing again as from 2013, as was also the case in Spain. The increase in the most recent period 2015-2016 seems to be general.

13 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)

Figure 3.1a. Real gross disposable household income

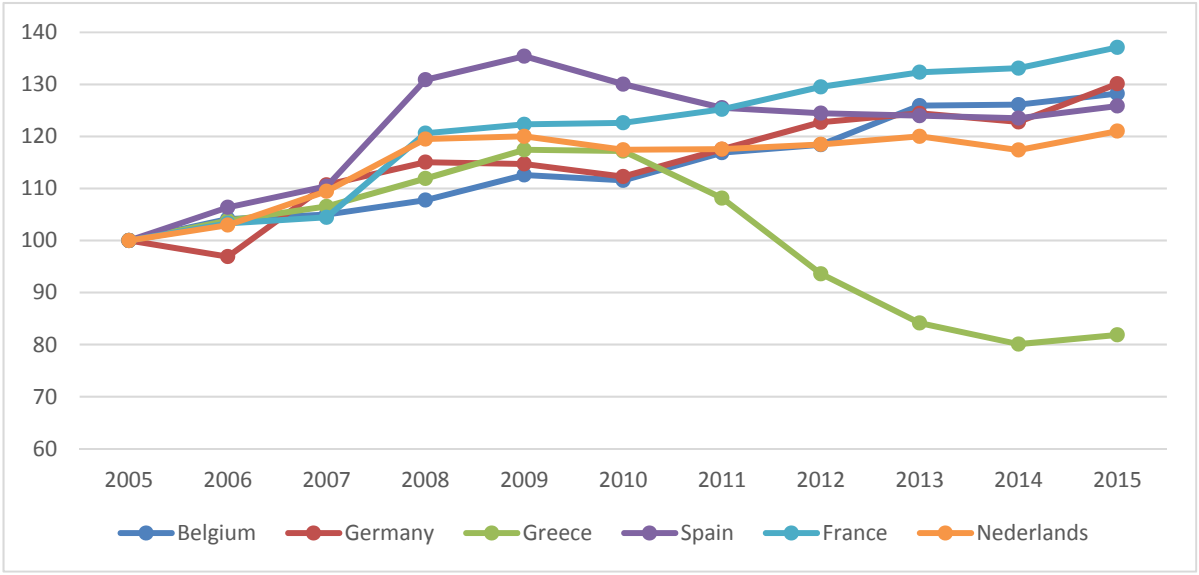


Source : AMECO Database, European Commission

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 domestic demand.

Figure 3.1b. shows that median income, in PPS continued to increase slowly in Belgium throughout the crisis period and until the most recent data-point. This is also the case in the neighboring countries, although The Netherlands show a more stable situation. In countries like Greece and Spain median incomes appear to have been seriously affected by the crisis, but stabilized between the most recent data-points.

Figure 3.1b. Median equivalent household income in PPS



Note : data per income reference year (not data-collection year)

Source : EU-SILC, EUROSTAT

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 more the ratio is different from 1, the more the distribution of income among these two groups is unequal. In Belgium, it remains relatively stable and at a low level.

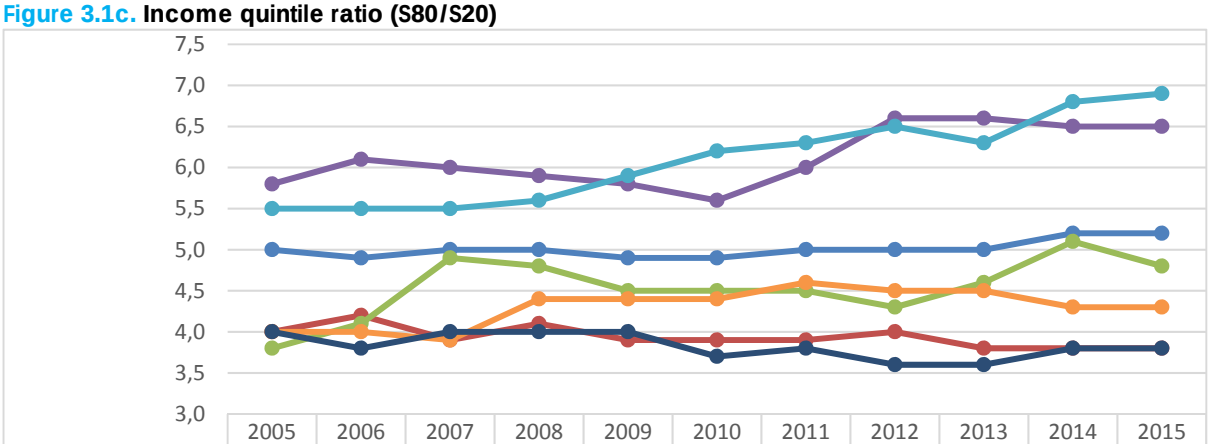
The Gini coefficient is a number between 0 and 100 that reflects the overall inequality of the income distribution within a country. Like the S80/S20 ratio, this coefficient is relatively stable. Compared to the years 2005-2006, we even notice some decrease in income inequality according to the GINI index. Both measures indicate that income inequality is rather low in Belgium compared to other EU-countries and both measures of income inequality also indicate a stable level in Belgium (See Table 3.1b., Figure 3.1d. and Figure A2.10 in annex 2).

Table 3.1b. Income inequality in Belgium

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
S80/S20	4	4.2	3.9	4.1	3.9	3.9	3.9	4	3.8	3.8	3.8	3.8
Gini	28	27.8	26.3	27.5	26.4	26.6	26.3	26.5	25.9	25.9	26.2	26.3

Source : EU-SILC, EUROSTAT, Statistics Belgium

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



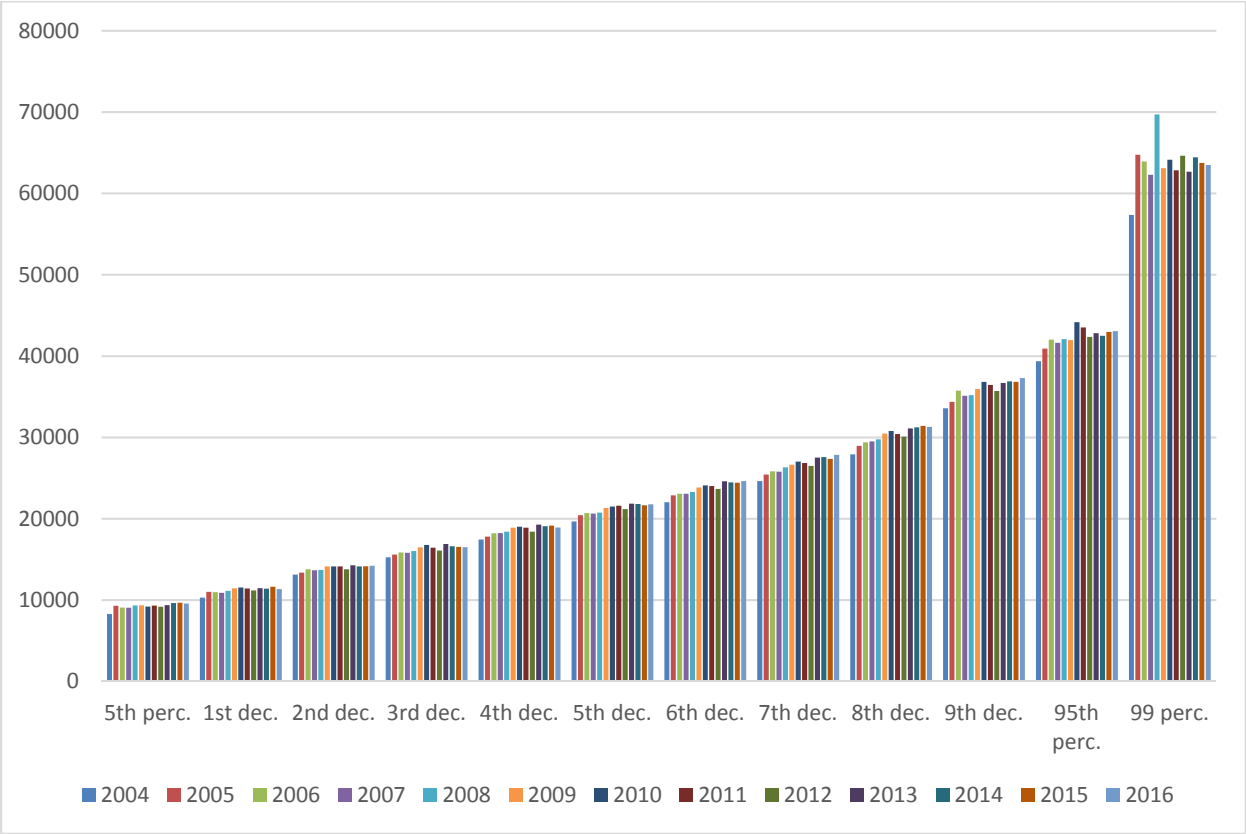
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EU27	5,0	4,9	5,0	5,0	4,9	4,9	5,0	5,0	5,0	5,2	5,2
Belgium	4,0	4,2	3,9	4,1	3,9	3,9	3,9	4,0	3,8	3,8	3,8
Germany	3,8	4,1	4,9	4,8	4,5	4,5	4,5	4,3	4,6	5,1	4,8
Greece	5,8	6,1	6,0	5,9	5,8	5,6	6,0	6,6	6,6	6,5	6,5
Spain	5,5	5,5	5,5	5,6	5,9	6,2	6,3	6,5	6,3	6,8	6,9
France	4,0	4,0	3,9	4,4	4,4	4,4	4,6	4,5	4,5	4,3	4,3
Netherlands	4,0	3,8	4,0	4,0	4,0	3,7	3,8	3,6	3,6	3,8	3,8

Source : EU-SILC, EUROSTAT, Statistics Belgium

Finally, Figure 3.1d. shows more concretely how the income distribution evolved since 2004 (incomes 2003). It appears that the income evolution was quite similar throughout the distribution.

Income inequality remained stable at a low level (in comparison with other EU countries). Since the beginning of the measurement on the basis of EU-SILC in 2004, equivalent disposable income increased proportionally equally over the different income deciles and percentiles. The increase is however mainly situated in the period until 2010 (incomes 2009). Between 2010 and 2015 (incomes 2009-2014) incomes more or less stagnated in real terms. In the most recent figures, based on EU-SILC 2015-2016 (incomes 2014-2015) incomes increased somewhat less in the lowest decile, compared to the rest of the income distribution.

Figure 3.1.d. Real evolution of decile and percentile top cut-off values of equivalent disposable household income, in euro's (2014 prizes)



Source: EU-SILC, Eurostat/Statistics Belgium

3.1.2 Indicators on poverty and social exclusion

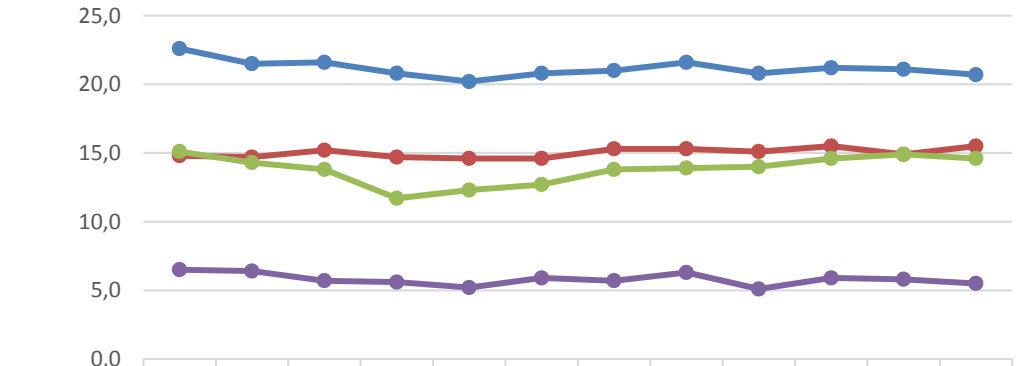
The EU-SILC 2016 (income 2015) survey shows for Belgium that 15.5% of the population (EU28 in SILC 2015[14]: 17.3%) is at-risk-of poverty, 14.6% lives in a household with very low work intensity (EU28: 10.6% - EU-SILC 2015) and 5.5% is severely materially deprived (EU28:7,8% - EU-SILC 2016). On the basis of the 'standard'[15] material deprivation indicator 12.6% is materially deprived (EU28:17% - EU-SILC2015).

In Point 2 on the follow-up of the Europe 2020 target it was already pointed out that the number of people at-risk-of-poverty or social exclusion didn't change significantly over the past decade (see Figure 2.2.). From the three constituent indicators the VLWI shows the most marked evolution. This can also be found when the evolution is expressed in percentages instead of absolute numbers. In relative terms the slight increase in the AROP, noted in absolute terms, becomes even less marked and the SMD remains stable in relative terms as well.

14 No EU averages are yet available for EU-SILC 2016 for all indicators at time of editing this report

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

Figure 3.1.2. Evolution AROPE, AROP, SMD and VLWI[16] in percentage



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROPE	22,6	21,5	21,6	20,8	20,2	20,8	21,0	21,6	20,8	21,2	21,1	20,7
AROP	14,8	14,7	15,2	14,7	14,6	14,6	15,3	15,3	15,1	15,5	14,9	15,5
VLWI	15,1	14,3	13,8	11,7	12,3	12,7	13,8	13,9	14,0	14,6	14,9	14,6
SMD	6,5	6,4	5,7	5,6	5,2	5,9	5,7	6,3	5,1	5,9	5,8	5,5

Source : EU-SILC, EUROSTAT, Statistics Belgium

Concluding on this overview of labour market, household income, distribution and poverty indicators for the population as a whole, one can still conclude that the social situation remained rather stable, except for the marked increase in the number of quasi-jobless households. However, it should be noted that there seems to be a slight upward trend in financial poverty. This is more marked in the absolute figures than in percentage.

3.2 … divergent trends

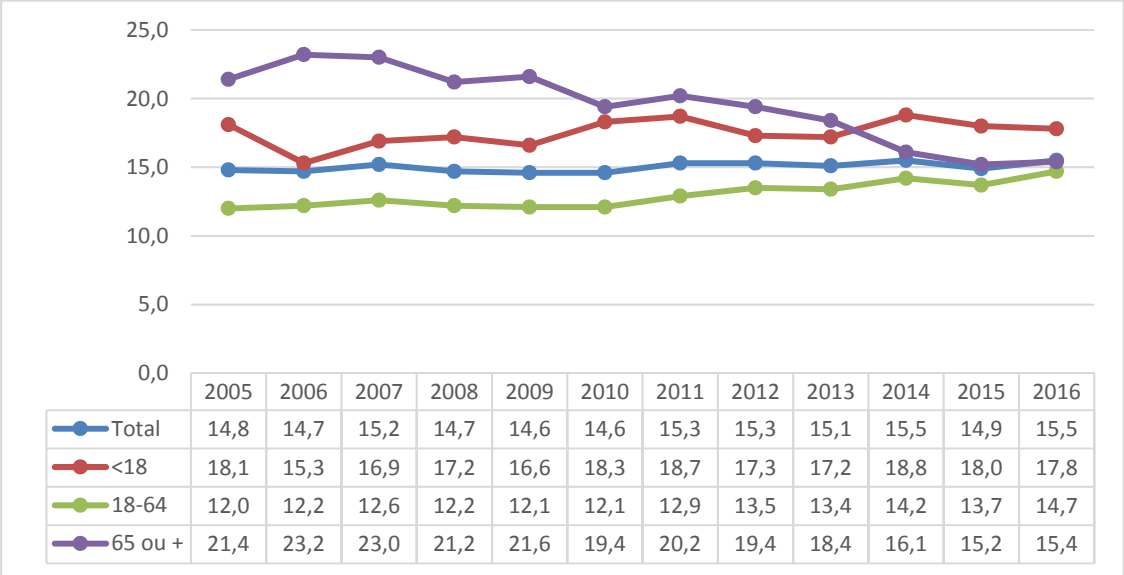
Turning from analyzing the evolution of the social indicators on a population level, we now analyze them for some major subgroups. First, by age groups, then by groups within the population at active age.

3.2.1 Decline in the poverty risk of the elderly

When the evolution of poverty is broken down in three age groups - children, persons at working age and persons from 65 and over, divergent trends become apparent. Most striking is the significant and continuing decline of the AROP for the elderly since 2006. Between 2006 and 2016, the risk of poverty among older people dropped from 23.2% to 15.4%.

16 En pourcentage de la population des 0-60 ans.

Figure 3.2.1. Evolution AROP in percentage



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	14,8	14,7	15,2	14,7	14,6	14,6	15,3	15,3	15,1	15,5	14,9	15,5
<18	18,1	15,3	16,9	17,2	16,6	18,3	18,7	17,3	17,2	18,8	18,0	17,8
18-64	12,0	12,2	12,6	12,2	12,1	12,1	12,9	13,5	13,4	14,2	13,7	14,7
65 ou +	21,4	23,2	23,0	21,2	21,6	19,4	20,2	19,4	18,4	16,1	15,2	15,4

Source : EU-SILC, EUROSTAT, Statistics Belgium

This decrease has reduced the risk of poverty among the elderly to the level of the general population (15,5%)[17]. Although the problem of poverty among older people is not solved yet, this evolution nevertheless represents a major upheaval. Historically, the risk of poverty for older people was significantly higher than for the overall population. With this drop, Belgium follows the trend observed in other European countries.

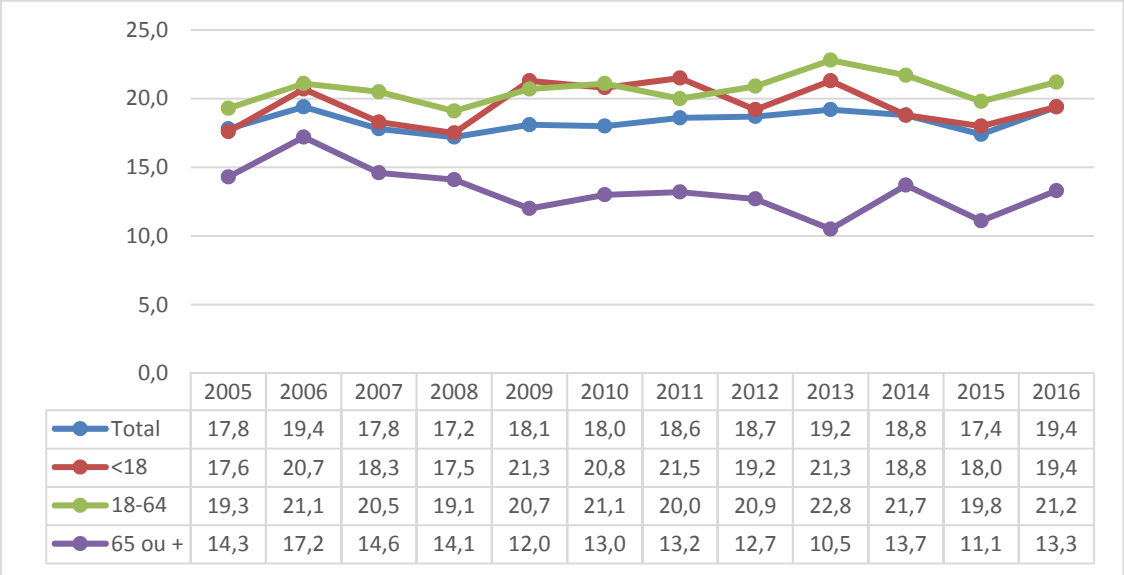
However, the decrease in the risk of poverty among older people does not mean that the entire sub-group "older people" has seen an improvement of its living conditions relative to other age groups. Other indicators (which compare the median income of the elderly with the median labour income of younger people or which compare the median pension with the median income of workers) remain fairly stable and show only a slight increase in recent years.

Firstly, the evolution of the median at-risk-of-poverty gap[18] (Figure 3.2.1.bis.), which indicates how far people at-risk-of-poverty are below the poverty line, show that this gap is lower for the elderly than it is for the other age groups, and that this difference has dropped slightly since the pre-crisis years.

17 Although this trend can be observed in the three Regions, the level of poverty for the elderly compared to the level of poverty for the active population is different in the different Regions (see section 3.2.2. c.)

18 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 3.2.1.bis. Relative median poverty risk gap, total and by age, Belgium (in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	17,8	19,4	17,8	17,2	18,1	18,0	18,6	18,7	19,2	18,8	17,4	19,4
<18	17,6	20,7	18,3	17,5	21,3	20,8	21,5	19,2	21,3	18,8	18,0	19,4
18-64	19,3	21,1	20,5	19,1	20,7	21,1	20,0	20,9	22,8	21,7	19,8	21,2
65 ou +	14,3	17,2	14,6	14,1	12,0	13,0	13,2	12,7	10,5	13,7	11,1	13,3

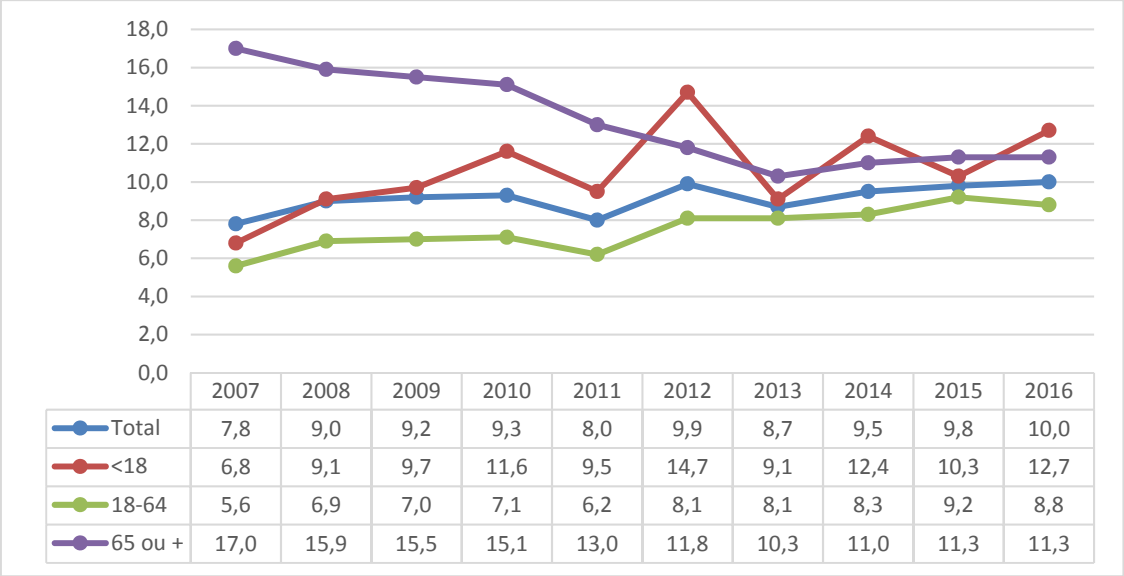
Source : EU-SILC, EUROSTAT, Statistics Belgium

Secondly, the percentage of persons with a persistent poverty risk[19] was 10% in 2016 (Figure 3.2.1.ter). For the total population, this percentage has been more or less on the same level since 2008. The persistent poverty rate among the working age population 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 was progressively decreasing since 2007 (from 17% to 10.3% in 2013) but increased slightly in 2014 and 2015 (11,3% as well in 2016).

We will also see in the chapter 5 concerning the pensions that the improvement of the situation for the elderly is situated mainly among the lower incomes and among woman (due to cohorts effects and improvement of minimum pension).

19 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 3.2.1.ter. Persistent poverty rate, total and by age, Belgium (in %)



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	7,8	9,0	9,2	9,3	8,0	9,9	8,7	9,5	9,8	10,0
<18	6,8	9,1	9,7	11,6	9,5	14,7	9,1	12,4	10,3	12,7
18-64	5,6	6,9	7,0	7,1	6,2	8,1	8,1	8,3	9,2	8,8
65 ou +	17,0	15,9	15,5	15,1	13,0	11,8	10,3	11,0	11,3	11,3

Source : EU-SILC, EUROSTAT, Statistics Belgium

Clearly, the changed poverty risks among the different age categories also results in a changed age composition of the population at-risk-of-poverty. The share of people aged 65 and over among the poor decreased from 23% in 2004 to 17,5% in 2015, notwithstanding their increased share in the total population. The share of people at active age increased from 53% to 57% (see more details in Annex A2.11.)

3.2.2 Differences between some sub-groups of the active population

a) Poverty risk for the working age population

The indicators above point to divergent poverty trends between the elderly population and younger age categories. However, contrary to the decreasing trend among the elderly, the poverty risk among the working age population has increased from 12.1% in 2010 to 14.7% in EU-SILC2016, with a clear 1% increase between the two most recent years (figure 3.2.1.). Poverty risks have increased exclusively in already vulnerable categories.

b) Poverty risk by educational level

This is clearly illustrated by the evolution of the poverty risk by educational level (figure 3.2.2.). Differences in poverty risk between the educational levels have increased sharply between 2005 and 2016.

Poverty rates for persons with a low educational attainment quasi continuously (with an exception in 2015) increased from 2005 (18.7%), to attain a maximum in 2016 with a level of 30.7%.

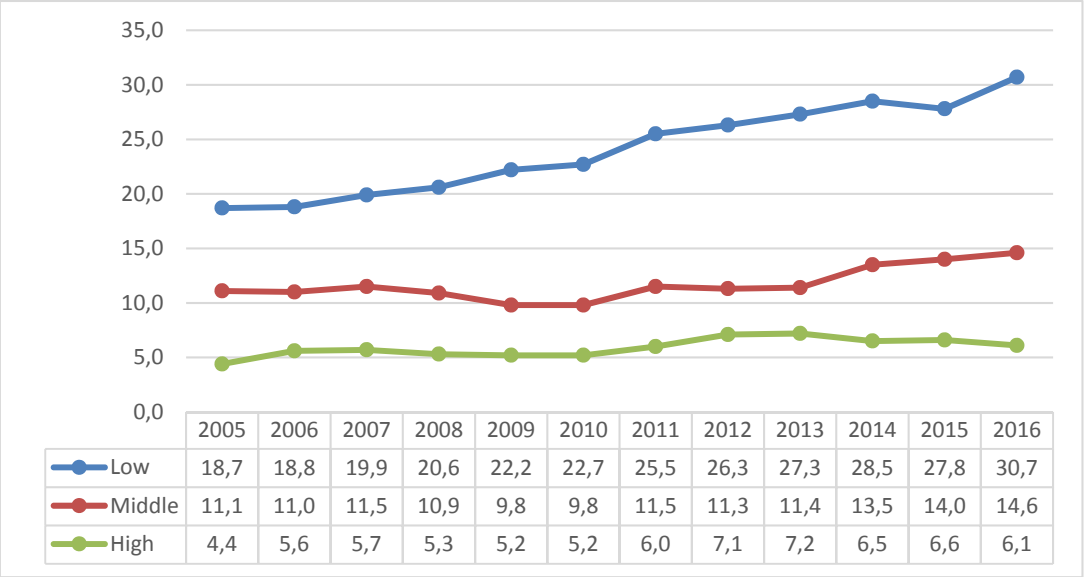
The difference in poverty rates between persons with a low and a high educational attainment increased from 14 pp. (in 2005) to 24 pp. (in 2016), pointing to a growing divide within the population at active age. Further in this note additional trends confirming this finding are presented. From figures 3.2.2.bis, it can be observed that not only poverty rates of low skilled persons increased, but also

median equivalent household income dropped, compared to the median household income of high and medium skilled persons.

It should however be noted that the share of low-skilled persons among the working age population is rapidly decreasing, e.g. by cohort effects. While in 2016 21.7% of the workforce is low-skilled, this was still 25.6% in 2011 (and 54% in 1986[20]). So the low skilled working age category is declining and becoming more vulnerable.

Therefore, at least as significant as the increase in the poverty rate of the low skilled is the since 2010 continuously increasing poverty risk of persons with a medium educational level, from 9.8% in 2010 to 14.6% in 2016. In view of the decreasing size of the low-skilled population, the overall increase in the poverty risk for the working age population can possibly be attributed mainly to the increase among this subgroup. This observation, which might be linked to the position of the middle class, requires further investigation of the drivers behind this evolution. In this regard it is also noteworthy that the median equivalent household income of the medium skilled started to drop in relation to the income of the high skilled as from EU-SILC 2013 (Figure 3.2.2.bis).

Figure 3.2.2. At-risk-of-poverty rate by level of education, (18-64) Belgium

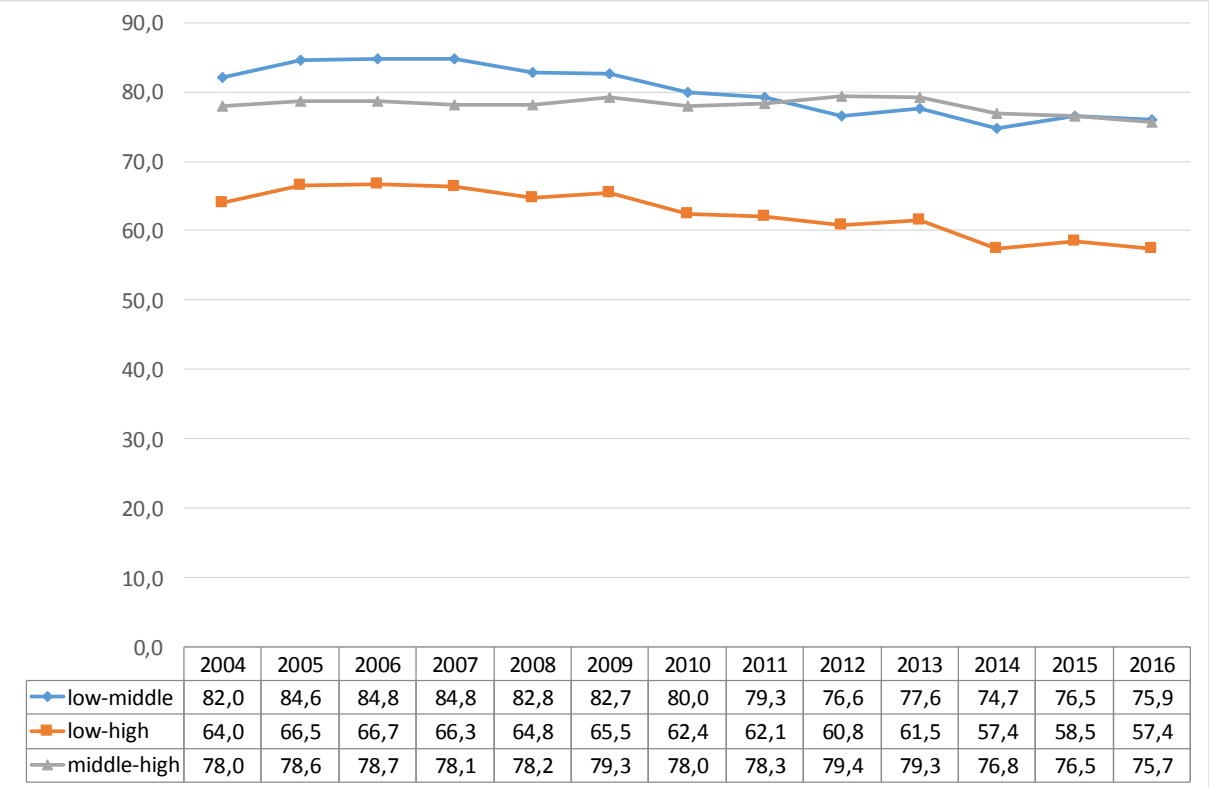


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low	18,7	18,8	19,9	20,6	22,2	22,7	25,5	26,3	27,3	28,5	27,8	30,7
Middle	11,1	11,0	11,5	10,9	9,8	9,8	11,5	11,3	11,4	13,5	14,0	14,6
High	4,4	5,6	5,7	5,3	5,2	5,2	6,0	7,1	7,2	6,5	6,6	6,1

Source : EU-SILC, EUROSTAT, Statistics Belgium

20 Statistics Belgium "Focus 82% van de hooggeschoolden aan het werk" (23 March 2017),

Figure 3.2.2.bis. Medium equivalent household income of low-skilled and middle skilled persons in percentage of median equivalent household income of high skilled persons, (18-64), Belgium

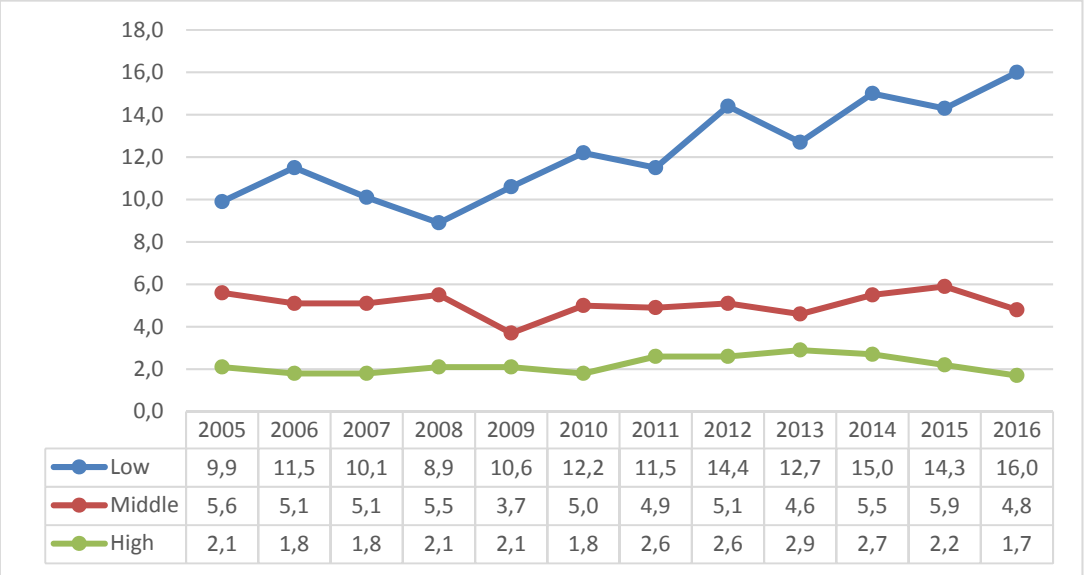


	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
low-middle	82,0	84,6	84,8	84,8	82,8	82,7	80,0	79,3	76,6	77,6	74,7	76,5	75,9
low-high	64,0	66,5	66,7	66,3	64,8	65,5	62,4	62,1	60,8	61,5	57,4	58,5	57,4
middle-high	78,0	78,6	78,7	78,1	78,2	79,3	78,0	78,3	79,4	79,3	76,8	76,5	75,7

Source : EU-SILC, EUROSTAT, Statistics Belgium

The same observations can be made when studying the material deprivation indicator (Figure 3.2.2.ter.). The number of people in severe material deprivation situation is increasing among less educated people, from 9.9% in 2005 to 16% in 2016. The level of severe material deprivation for higher levels of education remains roughly constant. Contrary to the low-skilled, the increasing poverty risk for the people with a medium educational level has not translated into an increased risk of severe material deprivation.

Figure 3.2.2.ter. SMD by level of education, (18-64) Belgium



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low	9,9	11,5	10,1	8,9	10,6	12,2	11,5	14,4	12,7	15,0	14,3	16,0
Middle	5,6	5,1	5,1	5,5	3,7	5,0	4,9	5,1	4,6	5,5	5,9	4,8
High	2,1	1,8	1,8	2,1	2,1	1,8	2,6	2,6	2,9	2,7	2,2	1,7

Source : EU-SILC, EUROSTAT, Statistics Belgium

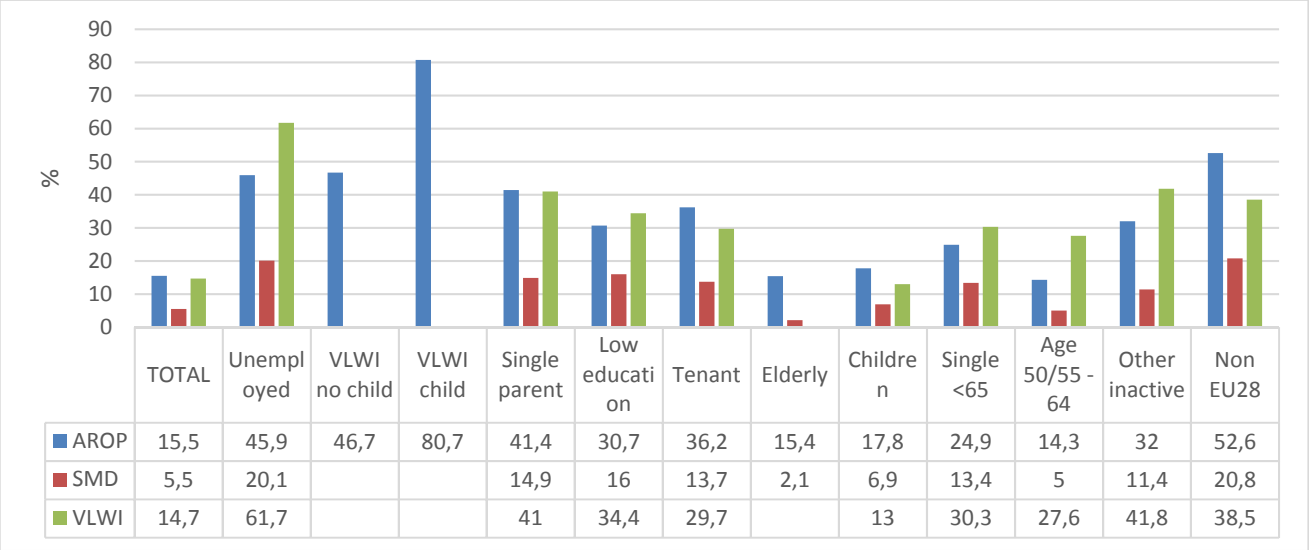
c) Poverty risk by some others categories

Figure 3.2.2.quater. shows the risk of poverty or social exclusion for a number of other 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 a low risk of severe material deprivation. Persons with a low education level have a high risk of poverty and a high level of very low work intensity. 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. 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 a non-EU28 nationality. 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, 2015). Unemployed persons, single parent families and tenants also have a very high risk (see also section 4.3. on “housing”). All these categories score consistently high for the different indicators.

As said for elderly, looking at gender differences in poverty or social exclusion risks remains difficult because all three main indicators are defined at household level. So all households members are assumed to have same at risk of poverty status, and, 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 A2.9). It should however be noted that this partial analysis may give a biased view on gender differences in risks of poverty or social exclusion.

Figure 3.2.2.quater. Incidence of poverty or social exclusion by high risk and policy relevant social categories, Belgium, 2016



	TOTAL	Unemployed	VLWI no child	VLWI child	Single parent	Low education	Tenant	Elderly	Children	Single <65	Age 50/55 - 64	Other inactive	Non EU28
AROP	15,5	45,9	46,7	80,7	41,4	30,7	36,2	15,4	17,8	24,9	14,3	32	52,6
SMD	5,5	20,1			14,9	16	13,7	2,1	6,9	13,4	5	11,4	20,8
VLWI	14,7	61,7			41	34,4	29,7		13	30,3	27,6	41,8	38,5

Source : EU-SILC, EUROSTAT, Statistics Belgium

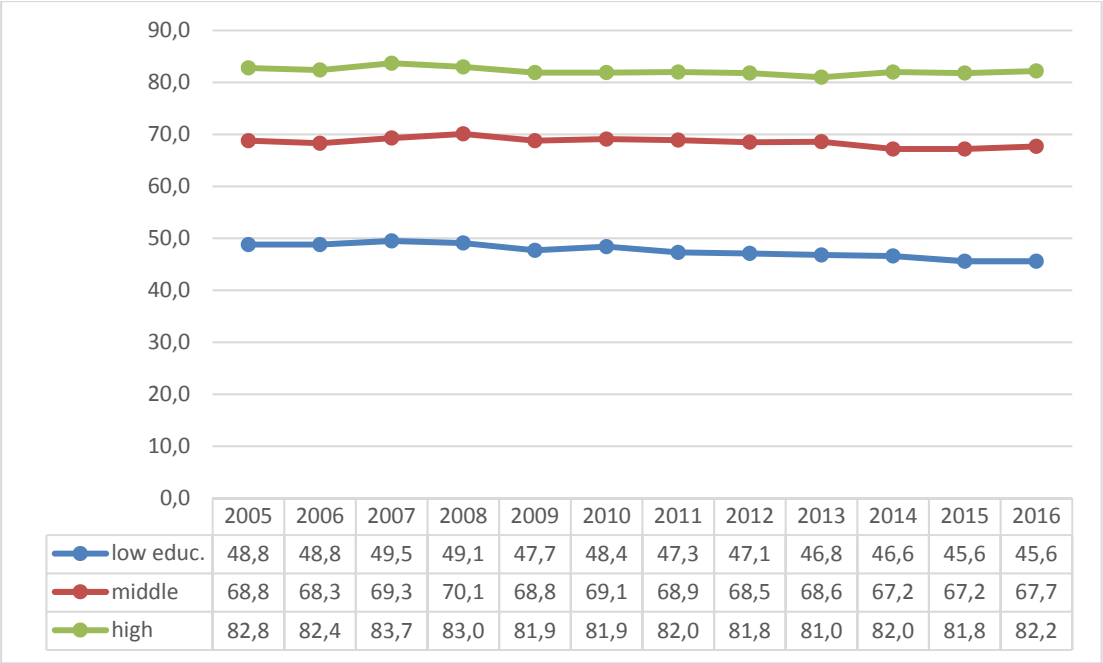
d) Labour market access and adequacy of social protection

The access to the labor market is obviously important for the acquisition of an adequate income. Figure 3.2.2.quinquies represents the evolution of employment rates by education level in Belgium for the period 2005-2016. The decrease[21] from 49% to 46% between 2008-2016 for low skilled workers should be considered as specifically significant because (1) the decrease contrasts with the evolution for other educational levels and (2) regarding the low-skilled workers' employment rate, Belgian performances were already below those of other European countries[22].

21 The series contains breaks in 2011 and 2014, so some care is needed in the interpretation of the evolution. However, it is safe to conclude that a decrease has occurred.

22 EU28 average is 52,6% in 2015, but it is considerably higher for example in Germany (58,5%) and in Netherlands (59,8%).

Figure 3.2.2.quinquies. Employment rate by level of education, (20-64) Belgium

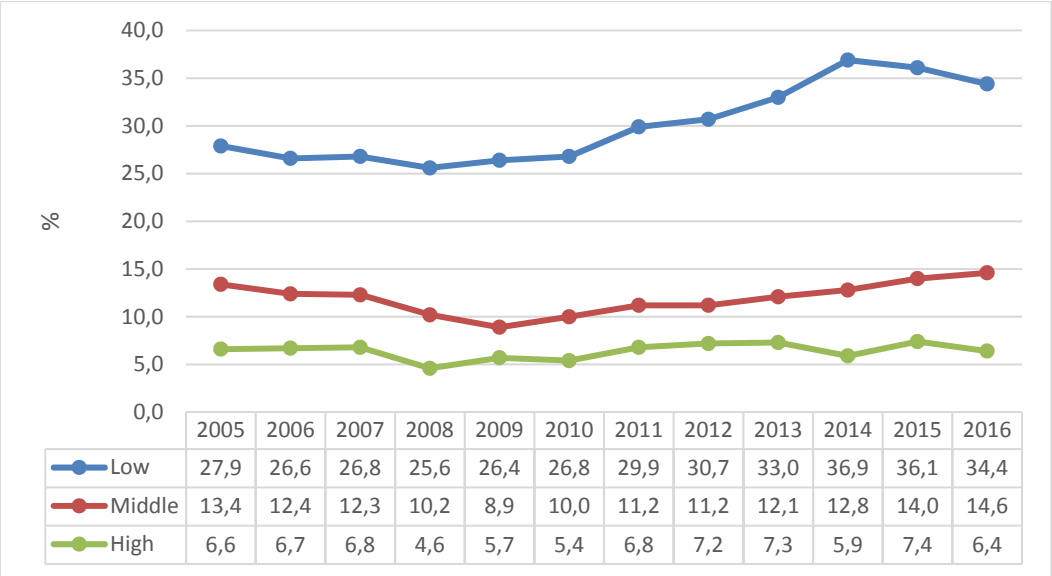


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
low educ.	48,8	48,8	49,5	49,1	47,7	48,4	47,3	47,1	46,8	46,6	45,6	45,6
middle	68,8	68,3	69,3	70,1	68,8	69,1	68,9	68,5	68,6	67,2	67,2	67,7
high	82,8	82,4	83,7	83,0	81,9	81,9	82,0	81,8	81,0	82,0	81,8	82,2

Source : Labour Force Survey (LFS), EUROSTAT, Statistic Belgium (2016)
Note : breaks in series in 2011 and 2014

Figure 3.2.2.sexies shows the evolution of the percentage of people living in a households with low work intensity by level of education. The evolution of the percentage of people living in households with very low work intensity by educational level shows a sharp increase for people with a low educational attainment. Between EU-SILC 2008 and EU-SILC 2014, the percentage of low-skilled workers with very low work intensity has increased by more than 10 points. In the most recent period (EU-SILC 2014-2016), the indicator decreased from 36.9% to 34.4% for the low skilled workers, whereas the percentage increased (from 12.8% to 14.6%) for the medium-level group (and stayed relatively stable for the highly educated).

Figure 3.2.2.sexies. VLWI by level of education, (18-59) Belgium



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low	27,9	26,6	26,8	25,6	26,4	26,8	29,9	30,7	33,0	36,9	36,1	34,4
Middle	13,4	12,4	12,3	10,2	8,9	10,0	11,2	11,2	12,1	12,8	14,0	14,6
High	6,6	6,7	6,8	4,6	5,7	5,4	6,8	7,2	7,3	5,9	7,4	6,4

Source : EU-SILC, EUROSTAT, Statistics Belgium

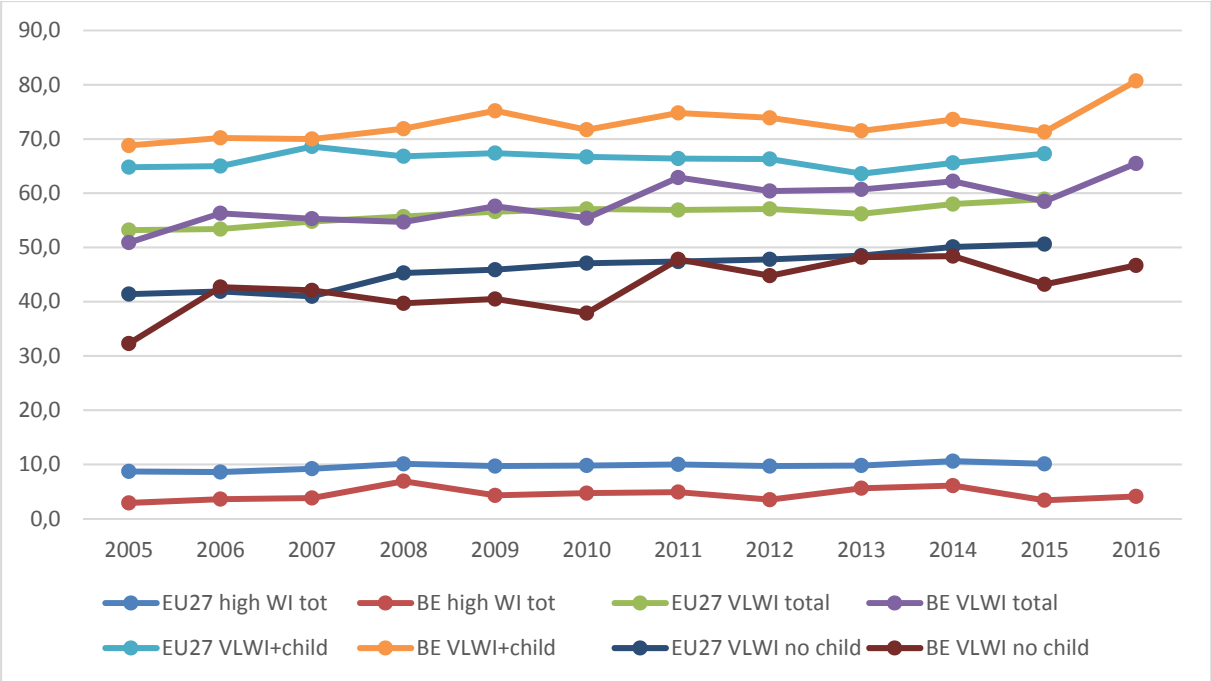
The risk of poverty is influenced by primary income, usually the salary earned, but also by the level of benefits received by those who do not have access to the labor market. We can judge the adequacy of social benefits by observing the risk of poverty among people from households with very low work intensity because one can assume that the main income of people living in such households comes from social security. Figure 3.2.2.septem shows the evolution of the poverty risk by work intensity. The main finding here is the steady increase of the poverty risk among persons with very low work intensity from 50.9% to 65.5% between EU-SILC 2005 and EU-SILC 2016. For households with a work intensity of more than 20%, the risk remains nearly constant (between 5.5% and 7.5% over the period EU-SILC 2005-2016 – not shown in figure).

While the overall poverty risk of the Belgian population is below the EU-average, the poverty risk of persons living in quasi-jobless households fluctuates around the EU-average. In 2015[23], the poverty risk is again slightly below the EU-average but it was higher in the previous years. It is important to note that the situation is different for quasi-jobless households with and without children. For the households with children the rate is consistently above the EU-average. Although some caution, is needed in drawing conclusions due to the relatively low sample sizes on which these findings are based, it seems justified to draw the attention to the precariousness of households depending (quasi-) solely on social benefits, especially in households with children. In many cases the latter will be single parent households.

It is also interesting to note that the poverty rate falls clearly below the EU-average when the household work intensity increases above 20% (not shown in Figures 3.2.2 septem), which points again to differences between labour market insiders and outsiders.

23 No figures available, at the time of editing the report, for EU27 for EU-SILC 2016

Figure 3.2.2.septem. At-risk-of-poverty rate by work intensity of the household



Note : VLWI =very low work intensity (0-0.2, below 20% of potential household work intensity) ; WI=work intensity (0.2-1: from 20 to 100% of the potential householdwork intensity)

Source : EU-SILC, EUROSTAT, Statistics Belgium

e) Gender and educational differences in employment and pay

Finally, it is important to note that the difference in poverty risk and social attainment in general, between persons with a low and a high educational attainment, is bigger for women than it is for man. In this sense, the "Institute for the Equality for the women and men" made, for 2014, the following observations :

- Only 30.1% of low skilled woman are employed, while this is, a still low, 43.7% for low skilled men. The difference in employment rate between low skilled and high skilled persons is higher among woman (almost 50 pp.) than among men (40pp.) (see table 3.2.2.). Although education has the largest effect on employment, the gender aspect substantially adds to these differences.

Table 3.2.2. Employment rate of woman and man, difference by educational attainment and by gender (in percentage points- 2014).

	Woman	Men	M-F
Low	30,1%	43,7%	13,6 p.p.
Middle	57,8%	69,3%	11,5 p.p.
High	80,0%	84,3%	4,3 p.p.
Total	57,9%	65,8%	7,9 p.p.
H-L	49,9 p.p.	40,6 p.p.	

Source : ADS, Enquête naar de Arbeidskrachten

- Next to a lower employment rate, low-skilled woman also have lower wages when they are at work. Table 3.2.2.bis shows the wages of woman and man by educational level. The average

gross hourly wages are based on full-time and part-time workers in the private sector, health care, education and the socio-cultural sector. The averages are consistently lower for woman than for man, although the differences become larger with educational level.

Table 3.2.2.bis. Average gross hourly wages of woman and man by educational level (in euro 2014)

	Woman	Man
low	15,16	16,56
middle	19,53	21,75
High	25,54	31,07

Source: ADS, Enquête naar de Structuur en de Verdeling van de Lonen

- In 2014 44% of female workers and 10% of male workers had a part-time job. For 15% of the part-time working woman and 13% of the men, the job is only offered as a part-time job. These situations are particularly prevalent in sectors with a relatively high share of low-skilled workers like cleaning, distribution and horeca. They contribute to the weakening position of low-skilled workers, with woman being still more vulnerable than low-skilled men

3.3 Regional and socio-geographical aspects

a) Regional aspect

Extensive analysis and monitoring on the evolution of the social situation is undertaken by Regional Authorities[24].

Here we briefly highlight regional differences on some key-indicators and check if similar trends as on the federal level can be found on the regional level (see annex 3).

As is the case on the federal level, the at-risk-of-poverty or social exclusion rate remains constant over the period 2008-2016 at the regional level. Although in Wallonia there is some decrease between 2008 and 2013, the 2014, 2015 and 2016 figures are again at 2008-level. There is however an important difference in the level of poverty or social exclusion between Flanders an Wallonia. In Flanders the rate is around 15%, in Wallonia it is much higher at around 25%. In Brussels the rate is even higher, at around 40% . The evolution of the at-risk-of-poverty rate shows a very similar picture. It remains constant in both Flanders and Wallonia during the observation period with large differences in level between both regions. The very low work intensity rate shows a continuing increase in both Flanders and Wallonia as from 2008 (From 7.7% to 9.5% in Flanders and 15.7% to 19.9% in 2016 in Wallonia). Severe material deprivation is very low in Flanders at 2.9% in 2016, while it was 7.8% in Wallonia. This indicator remained rather stable overall in both regions.

24 Cf.

- Studiedienst van de Vlaamse Regering, Vlaamse Armoedemonitor 2017(http://regionalestatistieken.vlaanderen.be/vlaamse-armoedemonitor-2017)
- Observatoire de la santé et du sociale Bruxelles, Baromètre social. Rapport Bruxellois sur l'état de la pauvreté, 2016h (http://www.observatbru.be/documents/publications/publications-pauvrete/barometre-social/2016-barometre-social-.xml?lang=enttp://www.observatbru.be/documents/publications/publications-pauvrete/barometre-social/2015-barometre-social.xml?lang=fr
- Institut Wallon de l'Evaluation de la Prospective et de la Statistique (IWEPS) : http://www.iweps.be/indicateurs-statistiques/?fwp_is_categories=niveaux-et-conditions-de-vie

Also labour market indicators show very different levels for both regions. Here some differences in the trend can be observed. While the employment rate remained stable in Flanders (at about 72% in the period 2010-2016) and in Wallonia (at about 62% for the same period), for Brussels, the figures from LFS show a more wider fluctuation, with a decreasing from 60,2% in 2008 to 56.8% in 2013, followed by an increasing to 59.8% in 2016 (see annex – fig A.3.2.1.).

Finally, concerning trends between subgroups, the reduction of the at-risk-of-poverty rate for the elderly can be observed in all regions (see Figure A3.3.1. in annex 3. The employment rate of persons with a low educational attainment shows a significant decrease in both Flanders and Wallonia over the period 2005-2016 (see A3.3.2, A3.3.2.bis and A3.3.2.ter in annex 3). In Brussels the employment rate of low-skilled persons also decreased between 2008 and 2013, but increased to some extend since then.

In conclusion, although there are important differences in levels between these two regions, these findings points to similar challenges.

b) Other socio-geographical aspects

In last year report[25], in the same section – p29-30- box 1, a reference was notably taken on board to analysis pointing to large socioeconomic differences between neighbourhoods especially in large cities. There are no data to monitor this on an annual basis, However, the concentration of precarity and socio-spatial segregation remains an important aspect of the analysis of the social situation.

25 http://socialsecurity.belgium.be/sites/default/files/analysis-social-situation-and-protection-belgium-2016-en.pdf

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

4.1 Social Protection

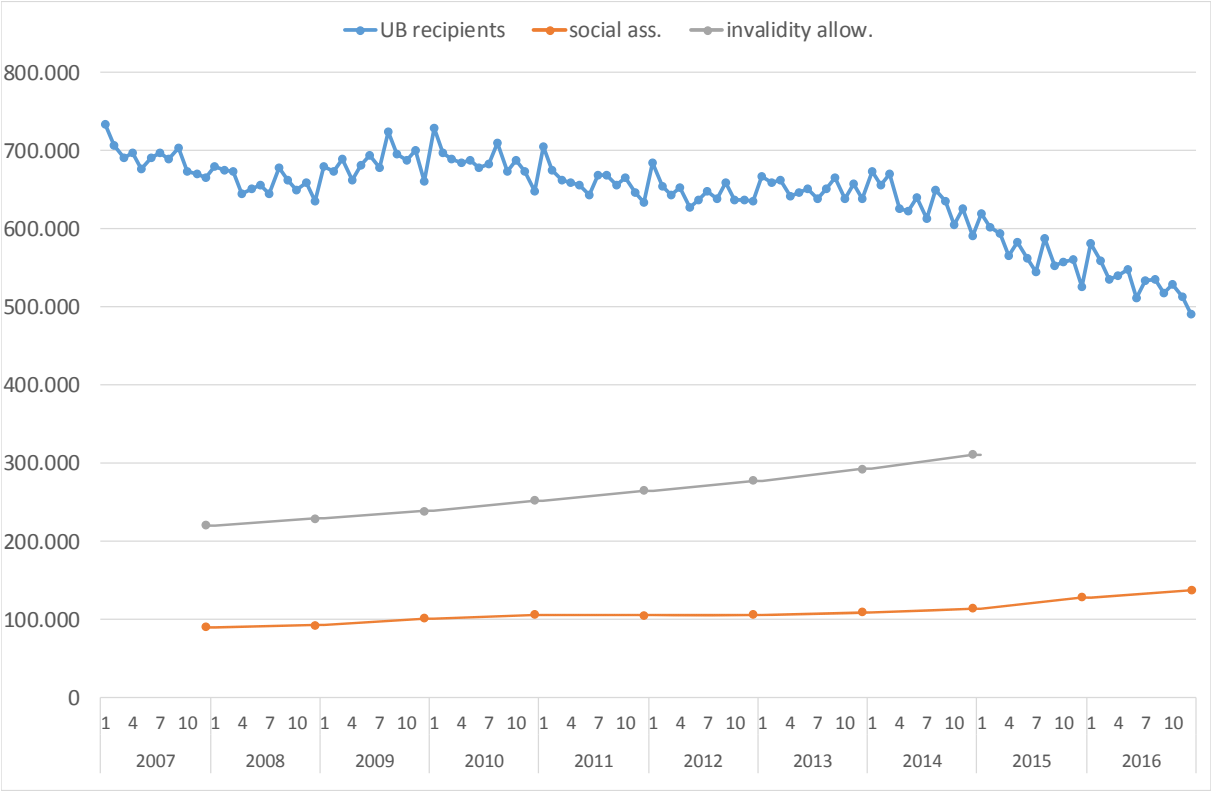
The number of people with an unemployment allowance decreased during the previous years. The number of full time unemployed with an unemployment allowance dropped significantly during 2015 and 2016. The Unemployment Administration (RVA/ONEM) points to three reasons for this decrease. First of all the moderate economic growth. Secondly, there is a demographic effect: the labour force and the working age population increased to a lesser extent than was the case in previous years, while at the same time there were more people retiring. Finally, there is the effect of policy reforms (especially the end of the 'integration allowances')[26].

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 4.1.1.). Next to cyclical effects, related to the business circle, the Federal administration for social integration points to a number of structural causes of this increase:

- The growing insecurity of vulnerable groups (low-skilled, lone parents, people with migrant background, …)
- The increase in the number of people who combine social assistance support with other means
- The shift of people towards the right on social integration due to their inclusion in the population register
- The increase in the number of people who make an appeal for social assistance following a sanction in the unemployment benefit
- Reforms in the unemployment insurance

26 Rijksdienst voor Arbeidsvoorziening (2017) Jaarverslag RVA 2016, maart 2017

Figure 4.1.1. Trends in take up of selected benefits (number of persons)



Note: (1) unemployment recipients: monthly number; (2) invalidity allowance: number of recipients at December 31st; (3) social assistance benefits (RMI): average annual number of recipients, 2016 only first 8 months

Source: Unemployment Office (ONEM/RVA); Federal Service for social integration (POD MI/SPP IS); Federal administration for sickness and invalidity insurance (INAMI/RIZIV)

In 2014, social protection expenditure amounted in Belgium to 30.3% of GDP, which is 1,6 percent above the EU28-average (28.7%) and slightly higher than the average for the Euro area (29.7%).

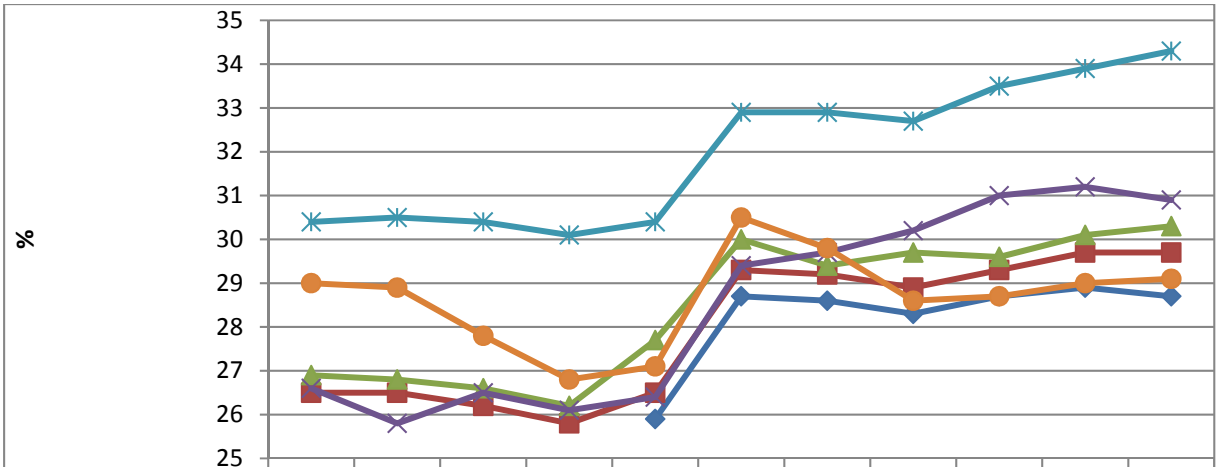
The evolution of social benefits expenditure[27] kept in line with the European and the neighboring countries evolutions (Figure 4.1.2.), with overall a steep increase of the expenditure level in percentage of GDP in 2008-2009, due to the increase of the volume of benefits and the lesser growth of GDP, and then a stabilization or a continuously light increase (more marked in France and Netherlands) between 2010 and 2014, with a particular situation in Germany where a significant reduction is observable in 2011/2012 (but the level stay higher than before the crisis of 2007).

Total social expenditure, based on EU-figures, increased very slightly from 30.1% to 30.3% of GDP28 between the two latest data points (2013-2014). Overall, the expenditure is among the higher levels in EU context (5th highest in 2014). However, apart from Denmark and France, whose level is around 33%, a number of EU Member States has an expenditure level around 30% of GDP, while the EU28 average is at 28.7%.

27 Including administration costs

28 Including administrative costs. Without administrative costs, benefit expenditure was 29% in 2014

Figure 4.1.2. Social benefits expenditure as % of GDP



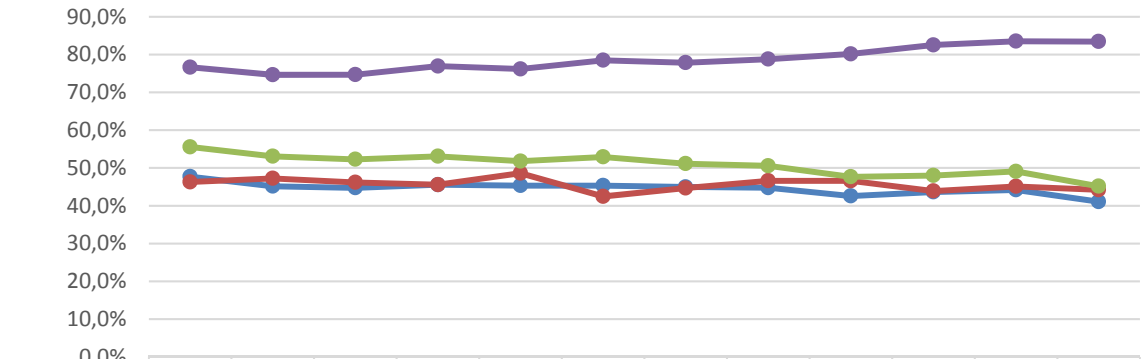
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28					25,9	28,7	28,6	28,3	28,7	28,9	28,7
Euro area	26,5	26,5	26,2	25,8	26,5	29,3	29,2	28,9	29,3	29,7	29,7
Belgium	26,9	26,8	26,6	26,2	27,7	30,0	29,4	29,7	29,6	30,1	30,3
Netherlands	26,6	25,8	26,5	26,1	26,4	29,4	29,7	30,2	31,0	31,2	30,9
France	30,4	30,5	30,4	30,1	30,4	32,9	32,9	32,7	33,5	33,9	34,3
Germany	29,0	28,9	27,8	26,8	27,1	30,5	29,8	28,6	28,7	29,0	29,1

Source : ESSPROS, EUROSTAT

The effectiveness of social transfers can be measured by analyzing their impact on the poverty risk[29]. In 2016, the social benefits reduced the at-risk-of-poverty rate from 26.3% to 15.5%, i.e. a reduction by 41.1% (EU28: 33% in 2015). Between 2005 and 2016 the effectiveness of the social transfers for the total population shows a slightly decreasing trend from 47.7% to 41.1%. The decrease in the latest figures is even more marked than in previous years. Whereas the effectiveness of social protection decreased principally for the population in the active age (and for children in to a lesser extend) in the same period, it increased for the elderly (Figure 4.1.3.).

29 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).

Figure 4.1.3. Effectiveness of social protection by age: % reduction of pre-transfer poverty rate due to social transfers, Belgium



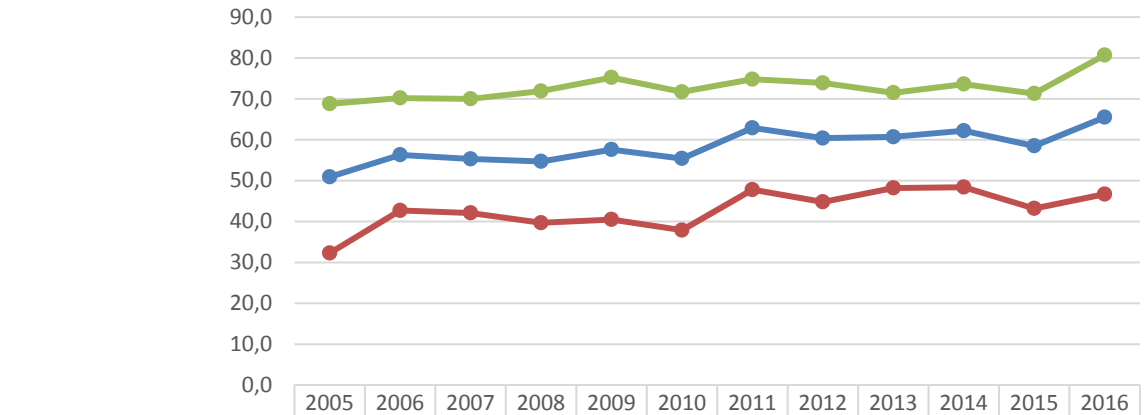
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	47,7%	45,1%	44,7%	45,6%	45,3%	45,3%	45,0%	44,8%	42,6%	43,6%	44,2%	41,1%
<18	46,3%	47,2%	46,2%	45,6%	48,6%	42,5%	44,7%	46,6%	46,6%	43,9%	45,1%	44,2%
18-64	55,6%	53,1%	52,3%	53,1%	51,8%	52,9%	51,1%	50,5%	47,7%	48,0%	49,1%	45,1%
65 ou +	76,6%	74,6%	74,7%	76,9%	76,2%	78,5%	77,9%	78,8%	80,2%	82,5%	83,5%	83,4%

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

Source : EU-SILC, EUROSTAT, Statistics Belgium

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: 46.7 % for persons in households with no children and 80.7% for persons in households with children in 2016 (Figures 4.1.4.). While the poverty risk for the category with children in Belgium is higher than the EU28 average (estimated 67.4% in 2015), it is lower than the EU28 rate (50.6% in 2015) 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.

Figure 4.1.4. At-risk-of-poverty rate for population in very low work intensity households, total, with and without children, Belgium (in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
VLWI total	50,9	56,3	55,3	54,7	57,6	55,4	62,9	60,4	60,7	62,2	58,5	65,5
VLWI without children	32,3	42,7	42,1	39,7	40,5	37,9	47,8	44,8	48,2	48,4	43,2	46,7
VLWI with children	68,8	70,2	70,0	71,9	75,2	71,7	74,8	73,9	71,5	73,6	71,3	80,7

Source : EU-SILC, EUROSTAT, Statistics Belgium

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 (table A21. in annex 2). 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.

The Federal Planning Bureau (FBP) analyzed recently the impact of an increase of the income guarantee for the elderly (IGE) and the income replacement allowance for handicapped persons (IRA) up to the poverty threshold (see Box 2 below).

Box 2 : Impact study of an increased income support for elderly and handicapped persons[30]

The simulations of the FPB were based on the most recent IGE and IRA tariffs (since September 2015) and the EU-SILC 2014 poverty threshold (13,023 euro per year):

- The IGE tariffs amount to 12,383 euro for singles and 8,255 euro for cohabitants.
- The IRA tariffs come to 6,673 euro for cohabitants (category 1), 10,009 euro for singles (category 2) and 13,346 euro for heads of household (category 3).

In both simulations, the tariffs for singles were raised to the poverty threshold level. This corresponded with a 5% rise for the IGE tariffs and a 30% rise for the IRA tariffs. In order to maintain the proportionality between the scales for different categories of beneficiaries, the scales of the other categories (cohabitant and head of household) were equally raised by 5% for IGE and 30% for IRA.

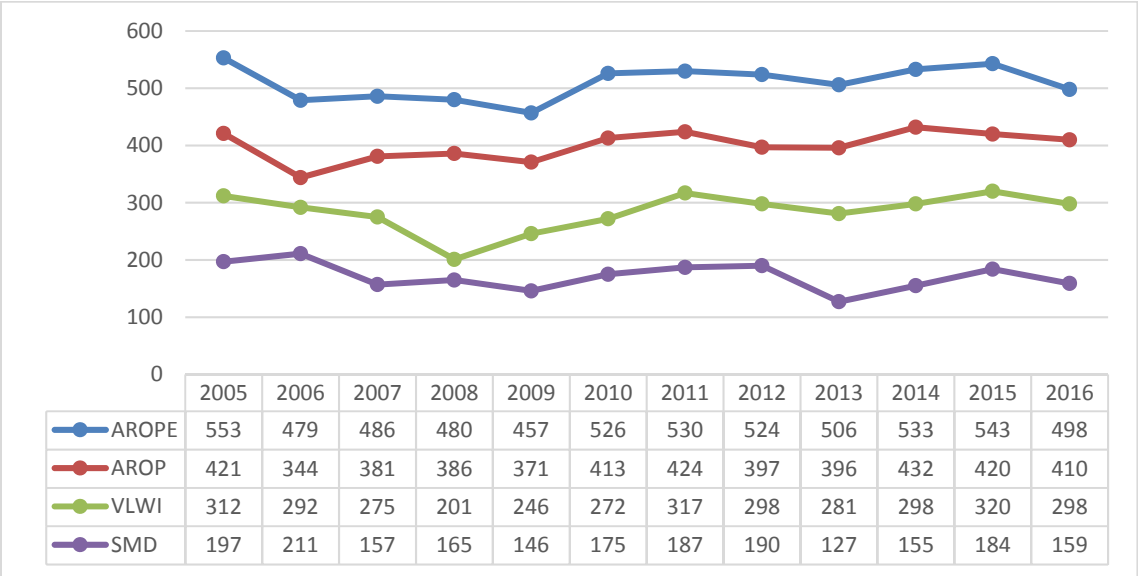
30 Federal Planning Bureau (2016), *Impactberekening van een hogere bijstandsuitkering: de inkomensvervangende tegemoetkoming (IVT) en de inkomensgarantie voor ouderen (IGO)*, Brussel: Federaal Planbureau, 14p.

The return of both measures for the public budget would be 30% in the short term and 35% on the medium term. However, the impact in absolute terms is higher for the IRA increase, taking into account that the initial IGE scales were already closer to the poverty threshold. The simulated increase of the IGE benefits had a limited impact on the poverty risk of the elderly population: As such, their poverty risk decreases by 0.75 percentage points.

4.2 Child poverty

We already pointed out that the number of children living in situations of poverty or social exclusion seemed to have stabilized (small decrease in 2016 after a slight increase in 2014 and 2015). Figure 4.2.1. shows that the same evolution occurred on all three dimensions (but the trends is less clear for AROP) of the Europe 2020 target: poverty risk, severe material deprivation and very low work intensity.

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



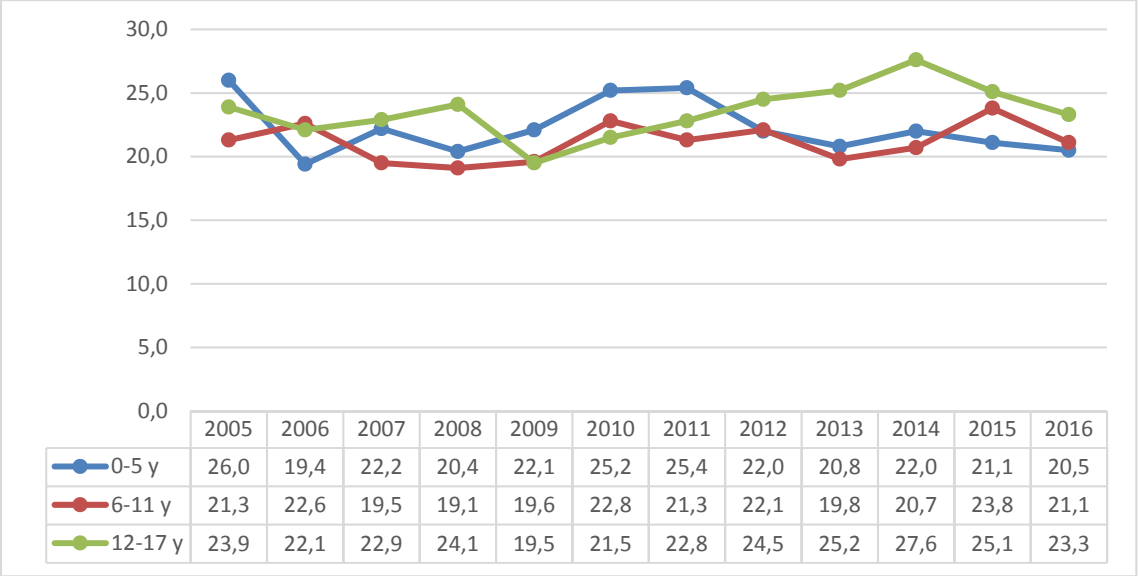
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROPE	553	479	486	480	457	526	530	524	506	533	543	498
AROP	421	344	381	386	371	413	424	397	396	432	420	410
VLWI	312	292	275	201	246	272	317	298	281	298	320	298
SMD	197	211	157	165	146	175	187	190	127	155	184	159

Source : EU-SILC, EUROSTAT, Statistics Belgium

Depending on the age category, about 20-25% of all children are at risk of poverty or social exclusion[31](Figure 4.2.2.). However, sample sizes are probably too small to draw strong conclusions on the differences between the age categories. The risk for all three age categories is below the EU28 level (0-5y: 24.7% / 6-11y: 26.5% / 12-17y: 29.7% in 2015).

31 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.

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



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
0-5 y	26,0	19,4	22,2	20,4	22,1	25,2	25,4	22,0	20,8	22,0	21,1	20,5
6-11 y	21,3	22,6	19,5	19,1	19,6	22,8	21,3	22,1	19,8	20,7	23,8	21,1
12-17 y	23,9	22,1	22,9	24,1	19,5	21,5	22,8	24,5	25,2	27,6	25,1	23,3

Source : EU-SILC, EUROSTAT, Statistics Belgium

In figures 3.2.1.bis and 3.2.1.ter, it was shown that the poverty gap for children in 2016 (19.4%) was wider than the poverty gap for the elderly (13.3%) but slightly smaller than the poverty gap for the population in the active age (21.2%).

It is relevant to repeat here the finding that the at-risk-of-poverty rate is very high and increasing for low work intensity households with children (see Figure 4.1.4).

The percentage of early school leavers decreased continuously since 2011 : from 12.3% in 2011 to 11% in 2013. After a break in series, it decreased further from 9.8% in 2014 to 8.8% in 2016. 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 better than the EU28 average (10.7% in 2016), but 15 countries do better. The percentage of young people (18-24) not in employment or education or training (NEET) improved between the two most recent data points 2015 and 2016, from 12.2% to 9.9%, after having been stable at around 12% for some years. The figure is now lower than the EU28 average (11.5%).

The PISA 2015 results (with a focus on science) confirm earlier results on the educational performance of Belgium and the different Regions. Like in the previous studies, Belgium is one of the few countries that combine an above average 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 remains among the worst performers. There are significant differences between the Regions, with Flanders showing both a high level of overall performance and a high level of inequality in educational outcomes, especially according to migrant background[32]. These findings are again confirmed by the PISA 2015 result on financial literacy which were released shortly before the finalisation of this report[33]

32 http://www.pisa.ugent.be/uploads/assets/140/1485507054477-Vlaams%20rapport%202015(2).pdf; http://www.oecd.org/pisa/

33 http://www.pisa.ugent.be/uploads/assets/144/1495611368087-Rapport%20financi%C3%ABle%20geletterdheid%20PISA2015.pdf

Finally, we recall that, after a gradual decrease of the infant mortality rate over the period 2001-2010 (from 4.6% to 3.6%), the rate stay stable around 3.5% (3,4% in 2014), remaining slightly beneath the EU28 level (3.7% in 2014).

The school of Public Health of the University of Brussels (ULB), with the support of the King Baudouin Foundation, published a study on child poverty in Brussels, with a focus on inequalities on perinatal health, based on a matching of different administrative data sources. Because this study allows to zoom in in more detail on (one aspect of) the poverty situation in Brussels, the results are presented in more detail in Box 3.

Box 3: Poverty and Migratory Paths in Brussels: Influence on Health Around Birth[34]

In addition to various socio-economic factors of vulnerability addressed by the study (including employment, education level of the parents and household composition), the parents' migration path also received special attention. The main findings emerging from the study are the following:

- 41,5% of children in Brussels are born in a household with a revenue below the poverty threshold, compared to the Belgian average of 18,8%.

- One in six children in Brussels is born in a single-parent family: 72% of those families live below the poverty threshold and a quarter of the families turn to the public social welfare centre ('CPAS') during the perinatal period.

- One in 10 mothers who have just given birth did not obtain a higher degree than primary school and two thirds of them live below the poverty threshold.

- Three quarters of young children living below the poverty threshold in Brussels have a mother of non-European origin. A mother of non-European origin triples the risk of being born in a household with a revenue below the poverty threshold.

- One point worthy of particular attention is that in the most disadvantaged groups of society[35], children of foreign origin are less vulnerable than children of Belgian origin in terms of perinatal health: for the same level of education and the same employment status of the parents, the risks of low birthweight and perinatal mortality are lower. This finding clearly shows that socio-economic factors, not nationality, influence perinatal health. Analysis of the data does not allow to clearly identify perinatal health protection factors among migrants, but studies carried out elsewhere (e.g. in France) suggest that these factors are related to "behaviours" and lifestyle habits such as nutrition and smoking during pregnancy (less common in certain communities), as well as cultural factors, such as the role of social and family circle that reduces workload, stress and anxiety.

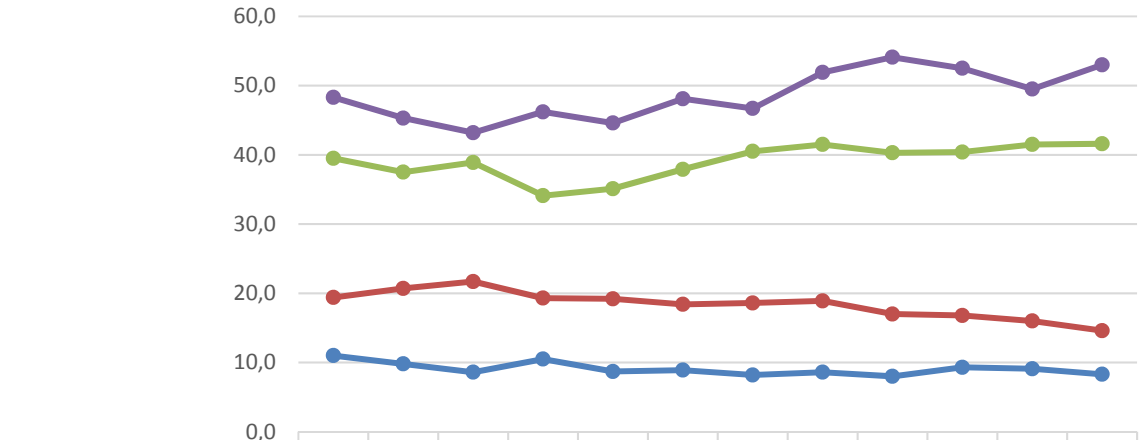
34 De Spiegelaere, M., Racape, J., Sow, M., Pauvreté et trajectoires migratoires : influence sur la santé autour de la naissance, Ecole de Santé Publique, ULB (2017), édition de la Fondation Roi Baudoin, 45p.

35 This finding does not apply to the most advantaged social groups.

4.3 Housing

Earlier it was indicated that the-slight- increase in the AROPE rate was mainly situated among the active population. A breakdown of the evolution according to the housing situation shows that the number of persons living in situations of poverty or social exclusion is not only higher among persons renting their home but that the increase is especially observable in this category. For example, for the tenants who rent at reduced prices, we observe an increase from 43.2% in 2007 to 53% in 2016 (after a decrease in 2014 and 2015). Among owners, with or without mortgage, the number of persons living in poverty or social exclusion remains stable or even decreases for the owners without mortgage)[36] (Figure 4.3.1). As it is known that tenants have a weaker social profile than owners[37], 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 %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Owner with mortgage	11,0	9,8	8,6	10,5	8,7	8,9	8,2	8,6	8,0	9,3	9,1	8,3
Owner without mortg.	19,4	20,7	21,7	19,3	19,2	18,4	18,6	18,9	17,0	16,8	16,0	14,6
Tenant, market price	39,5	37,5	38,9	34,1	35,1	37,9	40,5	41,5	40,3	40,4	41,5	41,6
Tenant, reduced price	48,3	45,3	43,2	46,2	44,6	48,1	46,7	51,9	54,1	52,5	49,5	53,0

Source : EU-SILC, EUROSTAT, Statistics Belgium

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%, while it is at around 13% for persons above the threshold, with a slightly decreasing trend since 2012.

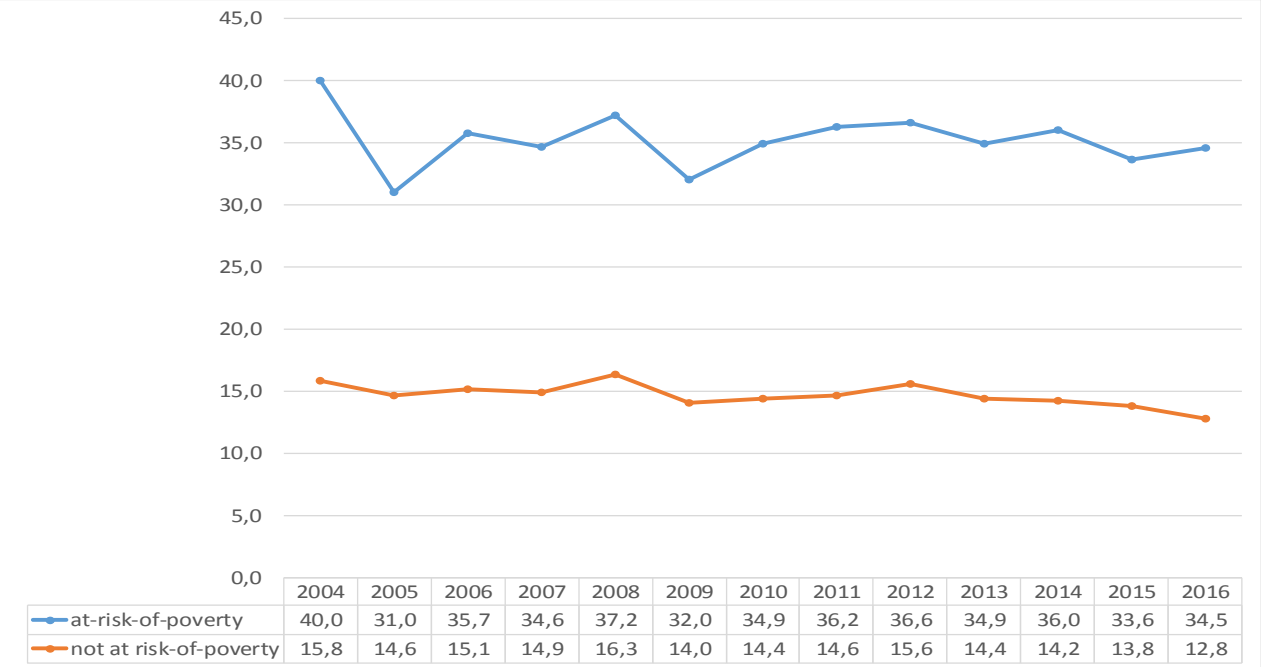
On the basis of EU-SILC 2016, it appears that 9.5% of the population is confronted with potentially problematic housing costs[38]. Broken down by age category (figure 4.3.3.), it can be observed that the percentage of elderly with potentially problematic housing costs is at the same level as the percentage for the active age population in EU-SILC 2016 (10%), while it was higher in previous years. The percentage of children living in a household with potentially problematic housing costs is at 7.4%.

36 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.

37 cf. Winters et. al. (2015), Wonen in Vlaanderen anno 2013 ; Steunpunt Wonen, Leuven, 97 p. grote woononderzoek 2013

38 "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).

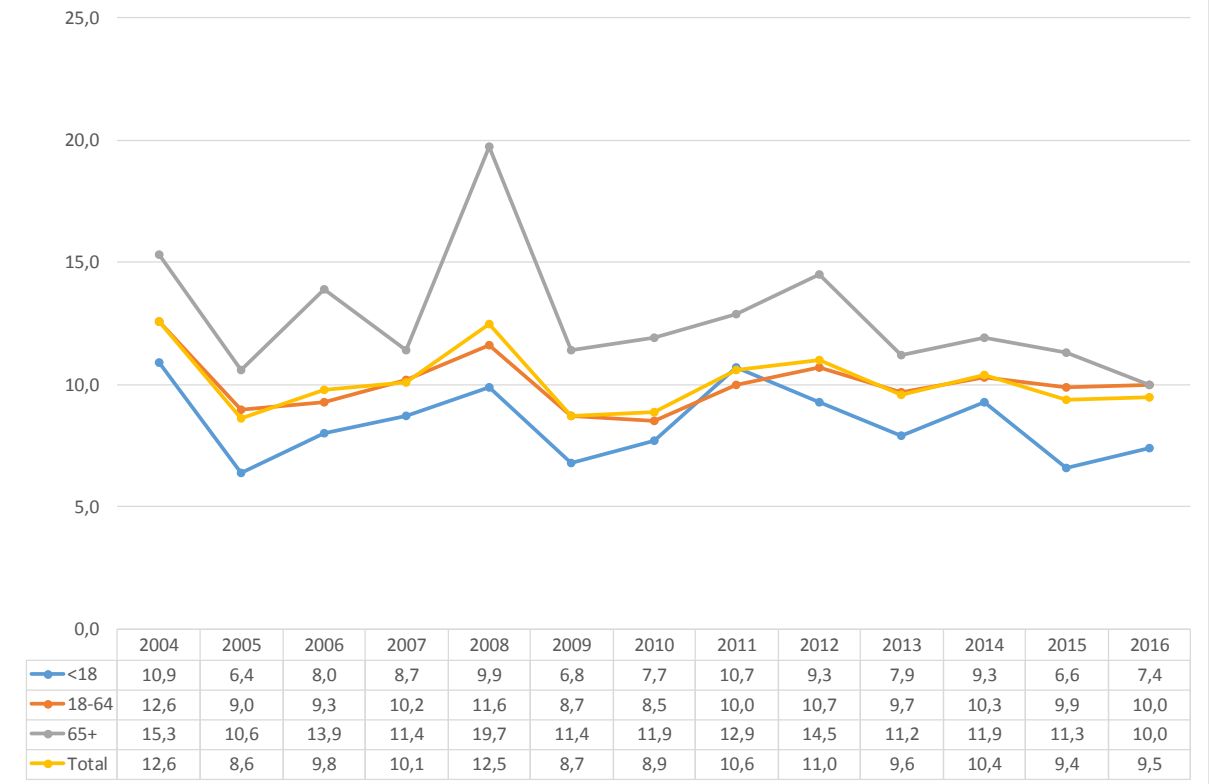
Figure 4.3.2. Median housing cost burden by poverty status (in % of household disposable income), Belgium



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
at-risk-of-poverty	40,0	31,0	35,7	34,6	37,2	32,0	34,9	36,2	36,6	34,9	36,0	33,6	34,5
not at risk-of-poverty	15,8	14,6	15,1	14,9	16,3	14,0	14,4	14,6	15,6	14,4	14,2	13,8	12,8

Source : EU-SILC, EUROSTAT, Statistics Belgium

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



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<18	10,9	6,4	8,0	8,7	9,9	6,8	7,7	10,7	9,3	7,9	9,3	6,6	7,4
18-64	12,6	9,0	9,3	10,2	11,6	8,7	8,5	10,0	10,7	9,7	10,3	9,9	10,0
65+	15,3	10,6	13,9	11,4	19,7	11,4	11,9	12,9	14,5	11,2	11,9	11,3	10,0
Total	12,6	8,6	9,8	10,1	12,5	8,7	8,9	10,6	11,0	9,6	10,4	9,4	9,5

Source : EU-SILC, EUROSTAT, Statistics Belgium

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% since 2011[39]. The number of persons on a waiting list for renting a dwelling at social rate has increased over the recent years[40].

There is no systematic data-collection on the number of homeless people. As there are no new data on homelessness, we refer here to data already mentioned in previous 2016 reporting : an organisation of the Brussels Authorities counted 2.603 persons as homeless in November 2014 ; in January-February 2014 in Flanders, 711 adults and 53 children were counted in winter accommodation while 3019 adults and 1675 children were counted in other accommodations for the homeless and 599 were under the thread of eviction.

Some data are also available for Wallonia. In the course of 2015, the emergency housing services gave shelter to 4638 persons. The large majority were males (81.4%). The age class 18-24 is the largest, even more clearly among females than among males with respectively 21% and 15.9%. A large majority of the beneficiaries are singles with no children (81.5%). 8.2% lives in a situation with one or more children. A large part of the population (44.5%) has no income53.4% has, as main source of income, social benefits : social assistance (25%), benefits for sickness (10.9%), unemployment benefit (8.9%), benefits for people with disabilities (5.4%) or pensions (3.2%).

One aspect of decent housing of particular policy relevance is the access to energy. As there is no systematic indicator to monitor this aspect, we refer to the Energy Poverty Barometer, which is an initiative of the Platform Against Energy Poverty, managed by the King Baudouin Foundation, based on research by Antwerp University and the Free University of Brussels (see box 4 below).

Box 4 : The Energy Poverty Barometer

The statistics show that 21.2% of the Belgian households were potentially affected by one or more types of energy poverty in 2014:

- **Measured energy poverty (MEP)**: In 2014, 14.6% of the Belgian households spent a too high share of their disposable income on energy expenditures. The regional distribution shows that the number of individuals with MEP in Wallonia is almost twice the Flemish rate.

- **Hidden energy poverty (HEP)**: In 2014, 4.2% of the Belgian households had a low energy expenditure due to the fact that they restricted their energy spending below what was necessary to meet their needs. HEP and MEP can occur simultaneously when a household spends a high percentage of its income on energy and still cannot meet its energy needs.

39 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.

40 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 195.000 people were registered in 2014 as candidate for a social dwelling.

- **Perceived energy poverty (PEP)**: In 2014, 5.3% of the Belgian households reported to experience financial difficulties in heating their house properly, not all of whom would be included in the above indicators.

Tenants, including tenants of social housing facilities, are more affected than owners. Almost 22% among them are experiencing MEP compared with only 11% of the owners. The HEP rate (8% vs. 2.5%) and PEP rate (11% vs. 2.5%) are also higher among tenants. Moreover, single-parent households and singles seem to be particularly vulnerable for the different types of energy poverty.

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 poverty risk of persons in a household with a very low work intensity increased significantly between EU-SILC 2015 and 2016 and that the performance of Belgium on this indicator is worse than the EU-average.

Data on the living standards of people from non-EU28 origin provide further evidence of the deprived position of this category relative to Belgian citizens. Based on the EU-SILC 2015 data[41] non EU28 nationals living in Belgium have the highest poverty rate (56%) in the EU, compared to non-EU28 citizens living in other EU countries, the EU-average being 37%[42] (see figure 4.4.1.). This finding is again confirmed on the basis of the Severe Material deprivation rate, which is in Belgium also among the highest for non-EU citizens (30,6% in 2015), see figure 4.4.2.

While no EU-SILC 2016 data are available yet at EU-level at the time of editing this report, Belgian EU-SILC 2016 data point to a poverty risk of 52.6% for non EU-28 citizens and 12.9% for Belgian citizens.

41 No EU_SILC 2016 data available for all Member States at the time of editing this report

42 It should be noted that due to the relatively low sample sizes on which these estimates are based, a margin of error should be taken into account. This may mean that the exact place in the country ranking might be different from the real situation, though this does not detract from the substance of the point that Belgium scores very bad on this issue.

Figure 4.4.1. At risk-of-poverty-rate for non EU-28 nationals, 2015

Source : EU-SILC, EUROSTAT, Statistics Belgium

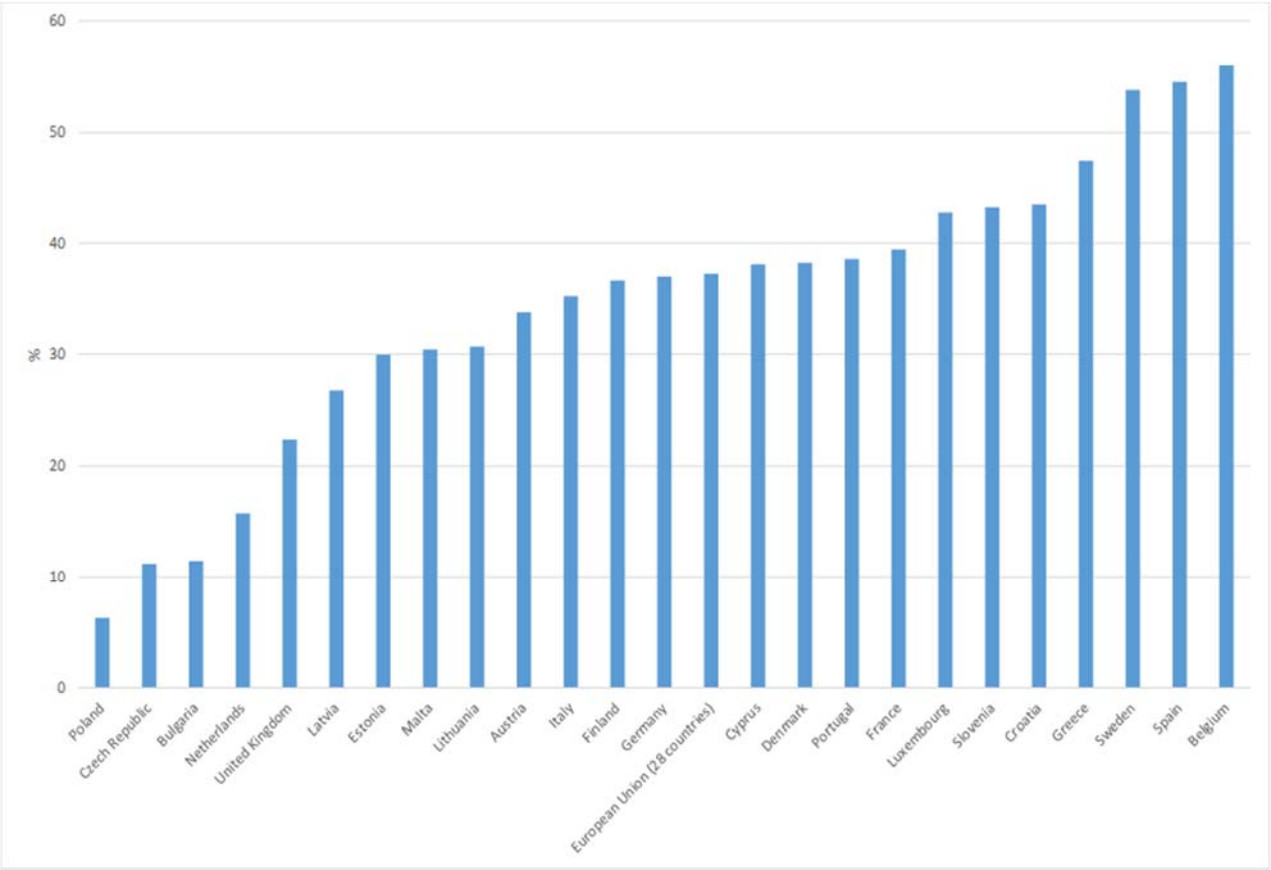
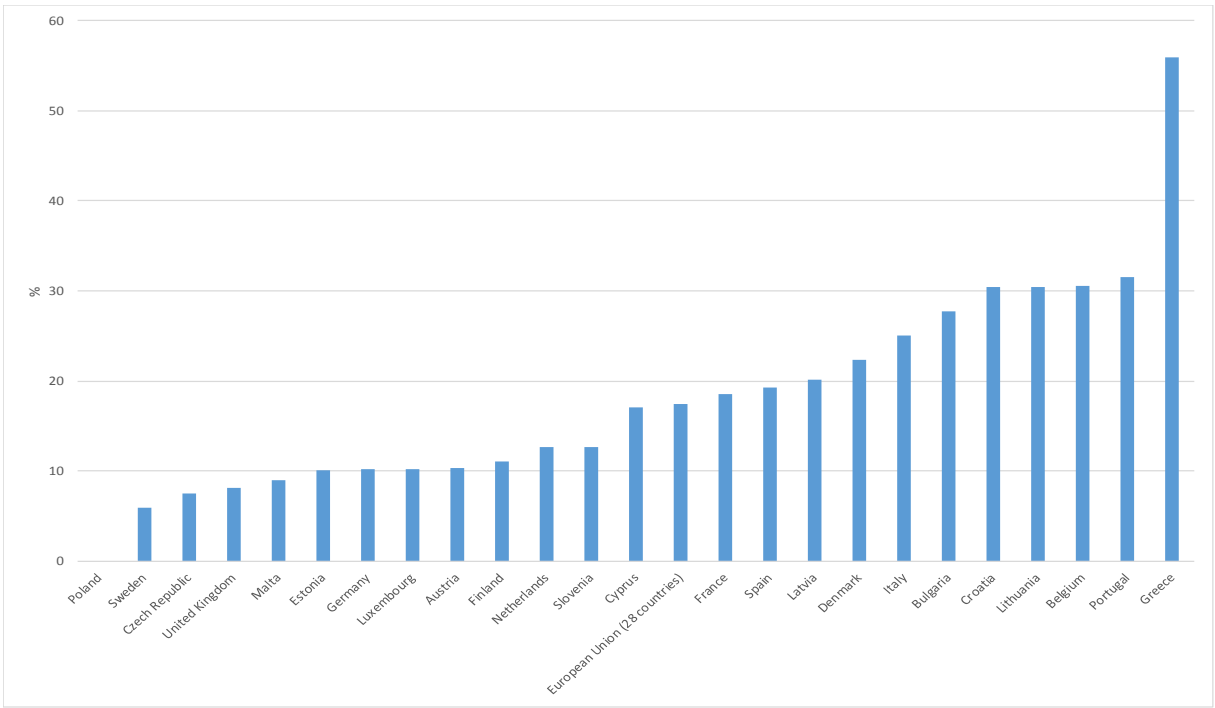


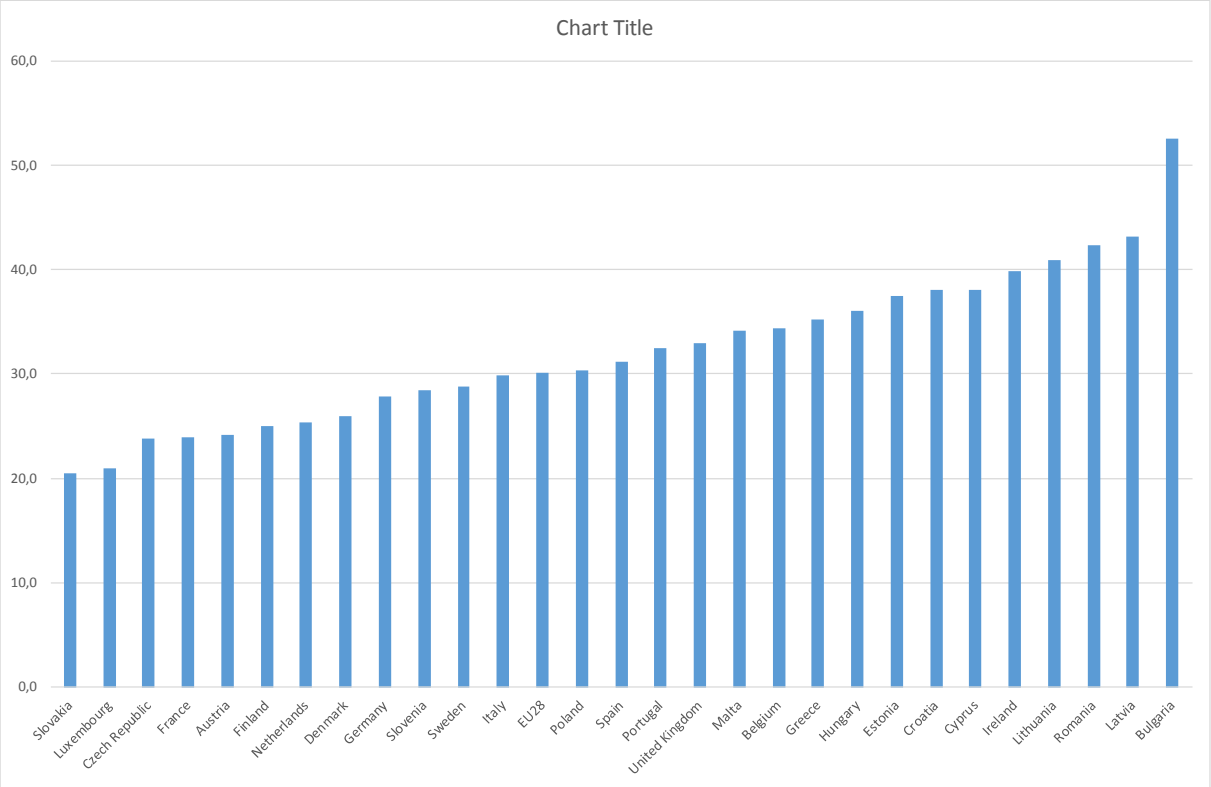
Figure 4.4.2. Severe Material Deprivation rate for non-EU28 nationals, 2015



Source : EU-SILC, EUROSTAT, Statistics Belgium

The rate of poverty or social exclusion for persons with some to severe limitations in daily activities is higher (34,4%) in Belgium than the EU28 figure (30,1%) for this category[43] (see Figure 4.4.3.). As a result, Belgium is one of the EU countries where the gap between the risk of poverty or social exclusion for people with some and severe limitation and the risk of poverty or social exclusion for people with no limitation is among the largest (17,3%). Only Latvia and Lithuania have a bigger gap. These figures show that the adequacy of social protection for people with a disability appears to be a challenge for Belgium.

Figure 4.4.3. At-risk-of-poverty or social exclusion rate for people with some to severe limitations in daily activities



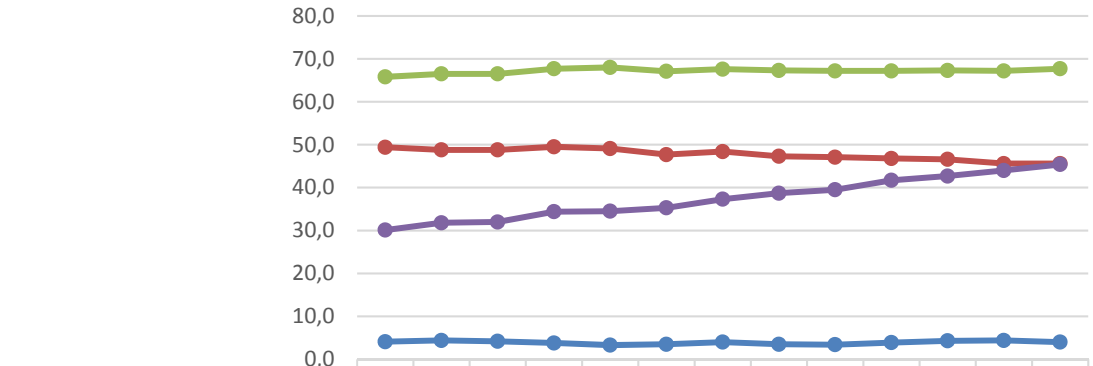
Source : EU-SILC, EUROSTAT, Statistics Belgium

Together with benefit adequacy, inclusion in the labour market is a key challenge. Belgium's relatively weak labour market performance is mainly situated among the category with a low educational attainment. As already pointed out before, this is again illustrated by the recently published LFS data for 2016 (see Figure 4.4.4.). While the total employment rate slightly increase in 2016 compared to 2015 at 67.7%, the employment rate for persons with a low educational attainment further decreased starting from 2010 from 48.4% to 45.6%, thus further increasing the employment gap by educational level. 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 3). 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 44.7% in 2015. The long-term unemployment rate decreased slightly just before the crisis impacted and increased again slightly since then (4% in 2016). 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

43 Figures based on EU_SILC 2015, EU_SILC 2016 not yet available at the time of editing this report

at the regional level shows that in Brussels and Wallonia there seems to be a stronger link to the economic cycle.

Figure 4.4.4. Employment rate (20-64), total and specific categories (low education, older workers) and long-term unemployment rate (15-74), Belgium (in %)



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
LT unempl. Rate (15-74)	4,1	4,4	4,2	3,8	3,3	3,5	4,0	3,5	3,4	3,9	4,3	4,4	4,0
Empl. Rate low educ. (20-64)	49,4	48,8	48,8	49,5	49,1	47,7	48,4	47,3	47,1	46,8	46,6	45,6	45,6
Employment rate (20-64)	65,8	66,5	66,5	67,7	68,0	67,1	67,6	67,3	67,2	67,2	67,3	67,2	67,7
Employment rate (55-64)	30,1	31,8	32,0	34,4	34,5	35,3	37,3	38,7	39,5	41,7	42,7	44,0	45,4

Source : Labour Force Survey, EUROSTAT, Statistics Belgium

As reported in previous year monitoring, the 2015 'Socio-economic monitoring – Labour market and Origin' report shows that the employment gap between people of foreign origin and the rest of the population in Belgium is the highest among all EU-countries: 73,3% of the people of Belgian origin were employed in 2012, compared to 42.7% of people of Maghreb origin and 45.0% of people originating from one of the EU candidate countries (especially Turkey) (FPS Employment, Labour and Social Dialogue and Interfederal Centre for Equal Opportunities, 2015). The most recent LFS based figures for 2016 show an employment rate of 69% for persons with Belgian nationality and 41.7% for persons with a non-EU28 citizenship. This employment gap appears to be extremely persistent.

Box 5 gives an overview of findings from some studies that provide further evidence on the severe difficulties to insert people furthest away from the labour market.

Box 5 : inserting people furthest away from the labour market

1) Report prepared for the Peer Review on 'Approaches to integrate long-term unemployed persons'

In this report, Struyven (2016) focuses on the long-term unemployment situation in Belgium.

In Belgium, the share of long-term unemployed (LTU) is high compared to the European average. The main reason is that the mandatory unemployment insurance is quite unique in that benefits last in principle for the full duration of unemployment. In addition, the Great Recession caused a steep increase of the LTU rate. The national LTU rate conceals important regional differences. Whereas the LTU rate reached 11% in 2015 in the Brussels-Capital Region and 6% in the Walloon Region, it amounted to barely 1.9% in the Flemish region. The regional disparity is also apparent with regard

to the share of LTU people among the population of unemployed people. In 2015, this share amounts to 64% in the Brussels-Capital Region, 57% in the Walloon region against 38% in the Flemish Region.

Long-term unemployment is correlated with low skills/education and age, but is also affected by the recent tightening of the unemployment insurance regulations with a view to activation. Very long-term unemployment is growing by 5% per annum in Flanders, particularly because the older jobseekers are required to remain available for the labour market. The figures for the Brussels-Capital Region indicate that lower educated people have a significantly higher risk of being long-term unemployed than those who are higher educated: 67.2% of all long-term unemployed in Brussels have not obtained a degree of higher secondary education.

2) The socio-economic trajectories of social assistance beneficiaries in Belgium

Carpentier (2016) studied the variation in socio-economic trajectories for persons who claimed a social assistance benefit in Belgium in the period 2004-2005 over the subsequent years.

The study shows that most persons receive social assistance benefit for a short time, although a group of beneficiaries becomes long-term benefit claimant. The median duration of the first period in social assistance is eight months. Four years after their entry into the social assistance scheme, 10% of the beneficiaries have never left social assistance and are still a social assistance claimant. Moreover, it is noteworthy that about one-third of the beneficiaries had more than one spell in social assistance over the four years.

Of all beneficiaries, 12% obtain a stable job within two years. This implies a period of employment of two years which may consist of active labour market participation, temporary work contracts, and other work contracts. Of those with first employment exits within the first two years, 31% obtains a long-term employment.

All these aspects of the trajectories are associated with individual characteristics, local socio-economic context and local social policies, with individual characteristics being the main determinants. Regarding the timing of exit (any type of exit), women have typically lower exit rates from social assistance relative to similar men. Persons with a migration background, and in particular non-European born persons, have substantially longer median durations of benefit receipt than Belgian-born persons with parents born in Belgium. Most groups of persons with a migration background also have (slightly) lower exit rates from social assistance when controlling for socio-demographic characteristics and benefit and work history.

3) Students relying on the guaranteed minimum income

In the 'Students and the Guaranteed Minimum Income' report, the FPS Social Integration focuses on the profile of young students (below the age of 25) receiving the guaranteed minimum income (GMI). During the first four months of 2016, 124,657 individuals received a guaranteed minimum income in Belgium. Among them, 33,362 (or 29.2%) were younger than 25. Slightly more than two out of five young GMI beneficiaries (40.8%) were students.
An in depth profile analysis of the subgroup of studying GMI beneficiaries shows that more than half of these students follow an individualised project for social integration: a kind of 'integration contract' which stipulates the best fitting pathway to integration (for example, through internship, education, social activation, etc.). The analysis furthermore shows that 57.7% of the studying GMI beneficiaries were women. Three out of four students who receive a GMI come from a low-income family.

One year after the loss of the student statute, 30.2% of the former students were employed (compared to 23.7% of their non-studying counterparts). Only 11.1% of the former students had the jobseeker statute after one year, compared to 22.1% of the non-students. 26.2% of the former students still received the GMI after one year (compared to 22.7% among the non-students). The main reason for this high percentage was that many former students' internships ended before they could receive unemployment benefits.

A breakdown by country of origin furthermore reveals a significant gap between youngsters of Belgian origin on the one hand and people of foreign origin on the other hand. In Belgium, the unemployment rate of youngsters born outside the EU28 fluctuated around 30/40% (depending of the age categories 15-24 ; 20-24 ; 25-29) for the period 2005-2016, compared to around 10/20% (for the same categories) for youngsters of Belgian origin (EUROSTAT – LFS).

Box 6 presents outcomes of some studies on immigration and asylum seekers.

Box 6 :

Immigrants, defined as those born abroad - whatever their nationality - account for a high and rising share of the Belgian population (16% in 2013). According to OECD statistics, the labour market integration of these immigrants remains poor as can be seen in the following table.

Employment rate, unemployment rate and long-term unemployment in Belgium (age 15-64, 2013)

	Native Belgians	Born abroad
Employment rate	64%	52%
Unemployment rate	6%	17%
Long-term unemployment	43%	51%

Source: OECD, 2015.

In international comparison, the employment rate of immigrants in Belgium is among the lowest, lagging behind the native-born by one of the widest gaps. Moreover, weak labour market integration extends to the native-born (grand)children of immigrants.

Immigrants are a heterogeneous group. The employment status of immigrants from EU origin is broadly comparable with that of natives, with men being more exposed to unemployment but less to inactivity. By contrast, the labour market performance of non-EU immigrants is much worse, with high unemployment and, among women, high inactivity rates as well (Westerveen & Thys, 2016).

Asylum seekers and refugees

In Belgium, no specific activation support is provided to asylum seekers, refugees or third country nationals. In all three cases, they benefit from the same measures as Belgians. However, some associations (like the CIRE) have concluded a partnership with regional Public Employment Services to support asylum seekers, refugees and third country nationals in the procedure of recognition of diplomas and qualifications acquired in another country.

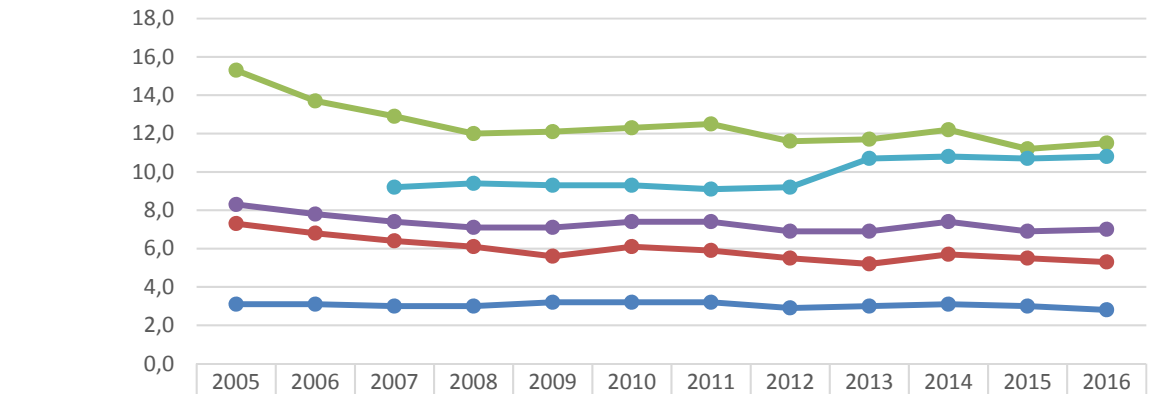
The language barrier is the main obstacle to the integration of refugees into society and the labour market. The validation of skills and qualifications acquired abroad is difficult and complex, not to mention the need for means of subsistence during their studies. (Plasman, 2016).

In Belgium, 9.9% of the young persons (15-24) were not in education, employment or training (NEETs) in 2016. This represent a consequent decrease in comparison with the previous year (around 12% the four latest years). Again, the Flemish proportion (9.57,5%) is below the national figure, whereas the Walloon and Brussels rates (respectively 12.2% and 15.2%) exceed the Belgian percentage. The national proportion of NEETs was the latest year very close to the European average (around 12/13%) but is now becoming lower as the EU average is 11.5% in 2016.

Having a job is unfortunately not always sufficient to avoid poverty. The percentage of working persons at risk of poverty remained relatively stable between 4 and 5% during the period 2004-2016. In 2016, the rate amounted to 7% compared to an average of 9.5% in 2015 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.

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 4.4.5). The indicator for participation in education or training among the population aged 25 to 64 decreased significantly between 2005 (8.3%) and 2008 (7.1%), 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 to 9 pp. during the last years (2.8%% for low skilled and 11.5% for high skilled in 2016).

Figure 4.4.5. Participation in life-long learning by educational attainment, Belgium, EU28 (population 25-64) (in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
low educ	3,1	3,1	3,0	3,0	3,2	3,2	3,2	2,9	3,0	3,1	3,0	2,8
middle educ	7,3	6,8	6,4	6,1	5,6	6,1	5,9	5,5	5,2	5,7	5,5	5,3
high educ	15,3	13,7	12,9	12,0	12,1	12,3	12,5	11,6	11,7	12,2	11,2	11,5
Total	8,3	7,8	7,4	7,1	7,1	7,4	7,4	6,9	6,9	7,4	6,9	7,0
EU28			9,2	9,4	9,3	9,3	9,1	9,2	10,7	10,8	10,7	10,8

Source : Labour Force Survey, EUROSTAT, Statistics Belgium.
Note: Breaks in series in 2006 and 2013.

4.5 Overindebtedness

On the one hand, overindebtedness and the deprivations resulting from it are most likely to generate situations of poverty or to worsen them. On the other hand, poverty may lead to overindebtedness, because the persons concerned put strategies in place (deferral of the payment of some bills or the rent, recourse to credit to finance necessities of daily life, etc.) in order to make up for a lack of income.

The Credit and Debt Observatory analyses every year the most recent data of the Central Individual Credit Register of the National Bank of Belgium. The last analysis reveals three positive evolutions as regards over-indebtedness situations in the last two years:

1) The number of borrowers in default, that had already declined in 2015, continued to decrease in 2016 for all types of credit (-1,99% for instalment loans, -5,45% for instalment sales and -2,26% for mortgage credit) except for the opening of credits (see below).

2) The decrease in the average arrears by borrower in default, already observed in 2015, continued in 2016 (-2,40%) ;

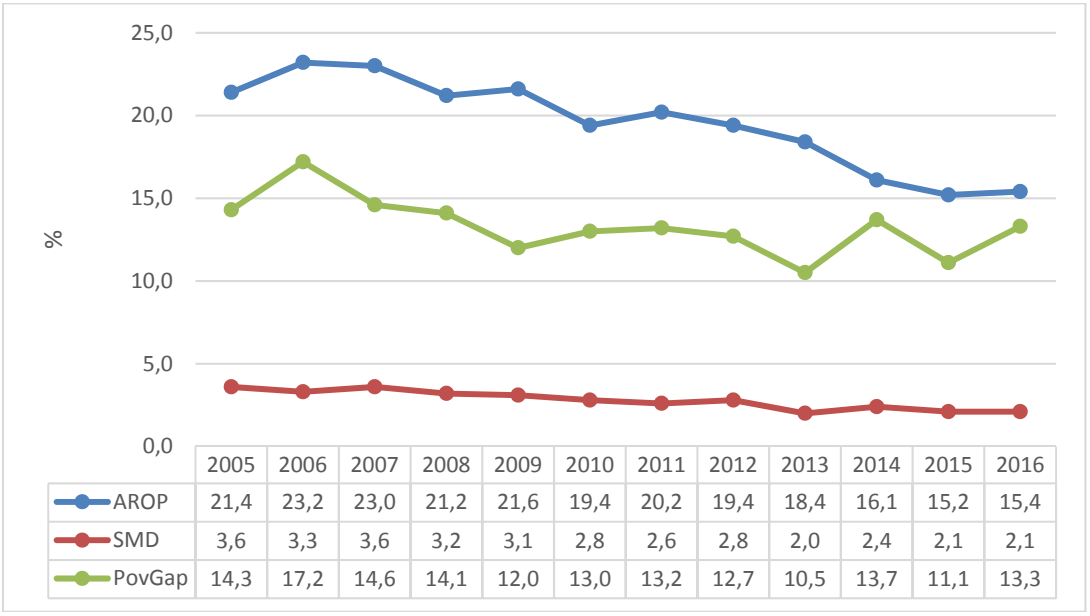
3) The registration rate of new collective debt settlement procedures decreased both in 2015 and 2016 (14.317 new procedures in 2016 compared to an annual average of 16.042 from 2007 to 2014).

Alongside these positive developments in the last 2 years, the Observatory recalls however that the number of people in financial difficulty remains high compared to the situation before the crisis, in 2007. Besides, problematic debt indicators related to the opening of credit continue to worsen, with e.g. a 4,97% rise in 2016 in the number of defaulters, while the number of defaulters decreases for the other types of contract.

5 | Pensions

As mentioned in the section 3.1., the poverty risk of the elderly (65+) decreased by 8%-points from 23.2% in 2006 to 15.4% in 2016. When other thresholds (based on 40%, 50% or 70% of median equivalent income) are used, the rate decreases also over the observation period (see figure A2.3 in annex 2). Between 2006 and 2013 the poverty gap shows a decreasing trend, but since then it fluctuates. The severe material deprivation indicator also showed a slightly deceasing trend between 2005 and 2013 and stabilized since then.

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



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROP	21,4	23,2	23,0	21,2	21,6	19,4	20,2	19,4	18,4	16,1	15,2	15,4
SMD	3,6	3,3	3,6	3,2	3,1	2,8	2,6	2,8	2,0	2,4	2,1	2,1
PovGap	14,3	17,2	14,6	14,1	12,0	13,0	13,2	12,7	10,5	13,7	11,1	13,3

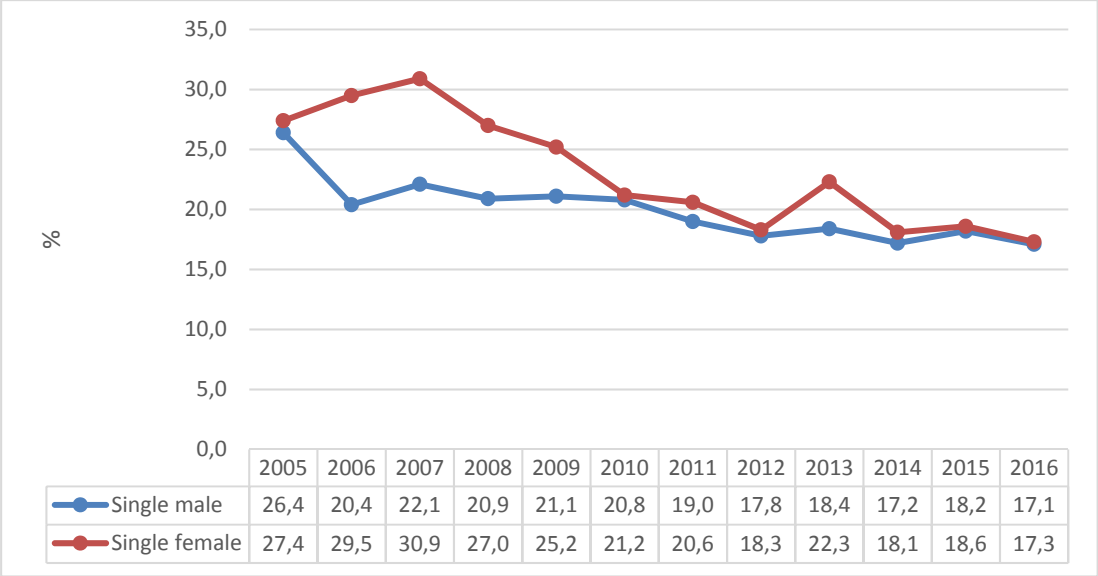
Source : EU-SILC, EUROSTAT, Statistics Belgium

It is interesting to note that the improvement of the AROP indicators for the elderly is essentially situated among women. In fact, the AROP rate for single man of 65 years or over stayed relatively stable[44] over the last 10 years (around 18 to 22% - however with a small decreasing trend during the last year) but the AROP rate for single woman of 65 years or over droped considerably (from 30% in 2006 to 17.3% in 2016). For details by year, see figure 5.2. and also Annex 2, figure A2.9.

It seems safe to assume that cohorts effects, woman with better pension rights entering pension, are the main explanation for this finding, although, the improvement of minimum pensions over the last years could also have had an impact on this positive evolution.

44 For reason of consistency, 2005 is taken as base year. It should be noted that for single man the value is exceptionally high in this year. In 2004, it was more in line with the other year (18.3%).

Figure 5.2. Poverty risk of single elderly (65+) man and woman, Belgium

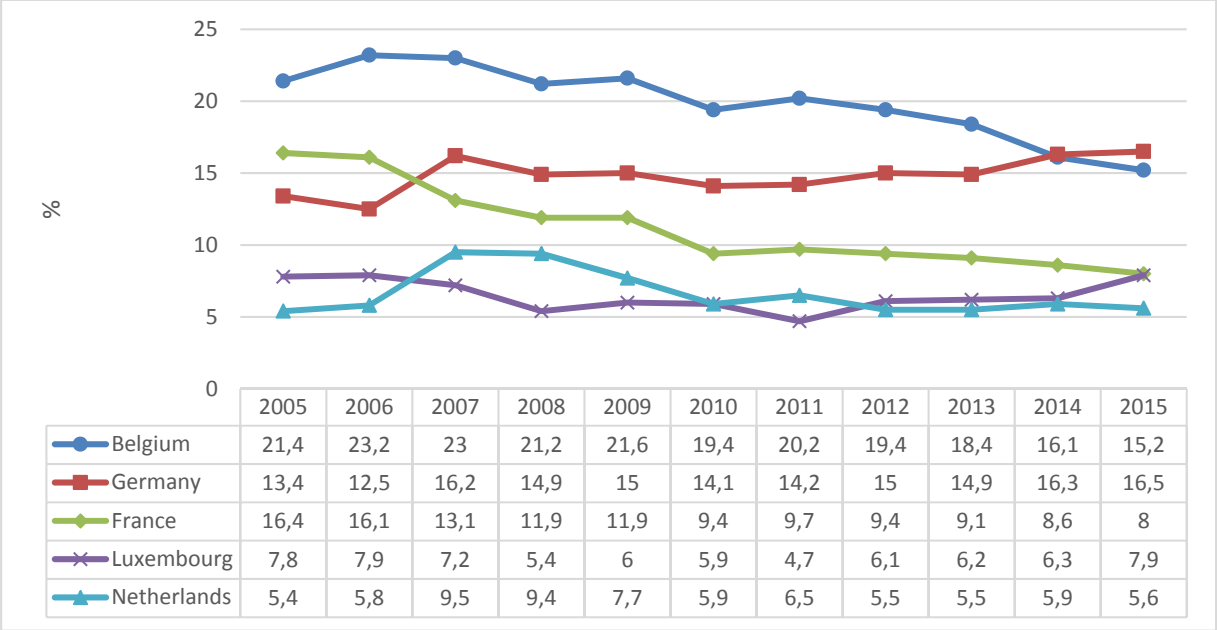


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Single male	26,4	20,4	22,1	20,9	21,1	20,8	19,0	17,8	18,4	17,2	18,2	17,1
Single female	27,4	29,5	30,9	27,0	25,2	21,2	20,6	18,3	22,3	18,1	18,6	17,3

Source: EU-SILC, EUROSTAT, Statistics Belgium

Despite the decline, the poverty risk among the elderly population remains at a high level in Belgium compared to the EU28 (13.8% in 2015)[45] and the neighboring countries. The poverty rate in the Netherlands remains constant at a lower level (5.6% in 2015). France shows a very similar decreasing trend as Belgium (but at a lower level – 8% in 2015) , while there seems to be some increase over the last years in Luxembourg (7.9% in 2015) and overall in Germany that achieve for a the first time a level higher than Belgium in 2015 (16.5%).

Figure 5.3. AROP of older people - Belgium and neighbouring countries



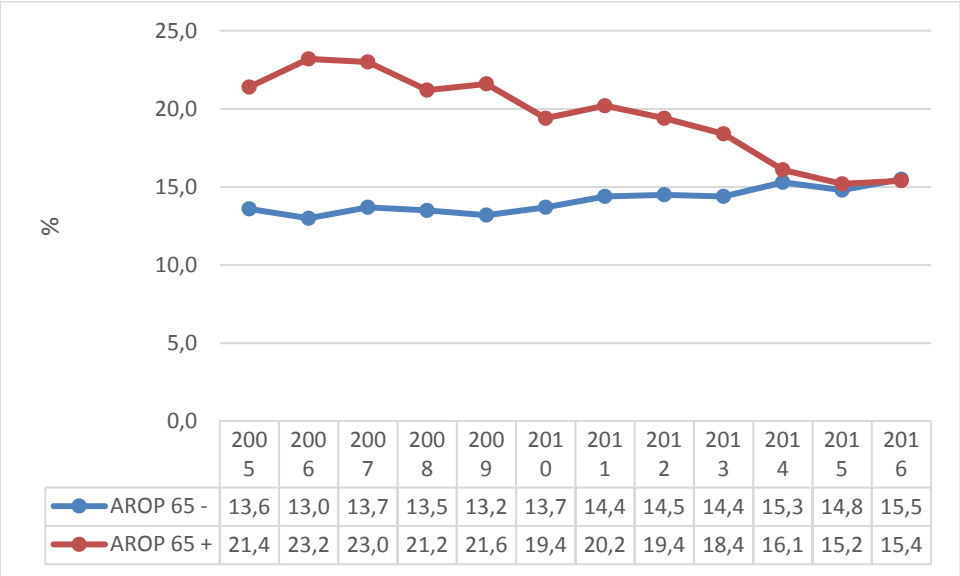
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Belgium	21,4	23,2	23	21,2	21,6	19,4	20,2	19,4	18,4	16,1	15,2
Germany	13,4	12,5	16,2	14,9	15	14,1	14,2	15	14,9	16,3	16,5
France	16,4	16,1	13,1	11,9	11,9	9,4	9,7	9,4	9,1	8,6	8
Luxembourg	7,8	7,9	7,2	5,4	6	5,9	4,7	6,1	6,2	6,3	7,9
Netherlands	5,4	5,8	9,5	9,4	7,7	5,9	6,5	5,5	5,5	5,9	5,6

Source : EU-SILC, EUROSTAT, Statistics Belgium

45 EU-SILC 2016 data on this topic, not yet available at the time of editing this report

As already mentioned, for the first time, in 2016, the poverty risk of the elderly is becoming equal to the poverty risk of the population aged below 65 (see Figure 5.4.).

Figure 5.4. AROP for the population aged above and below 65



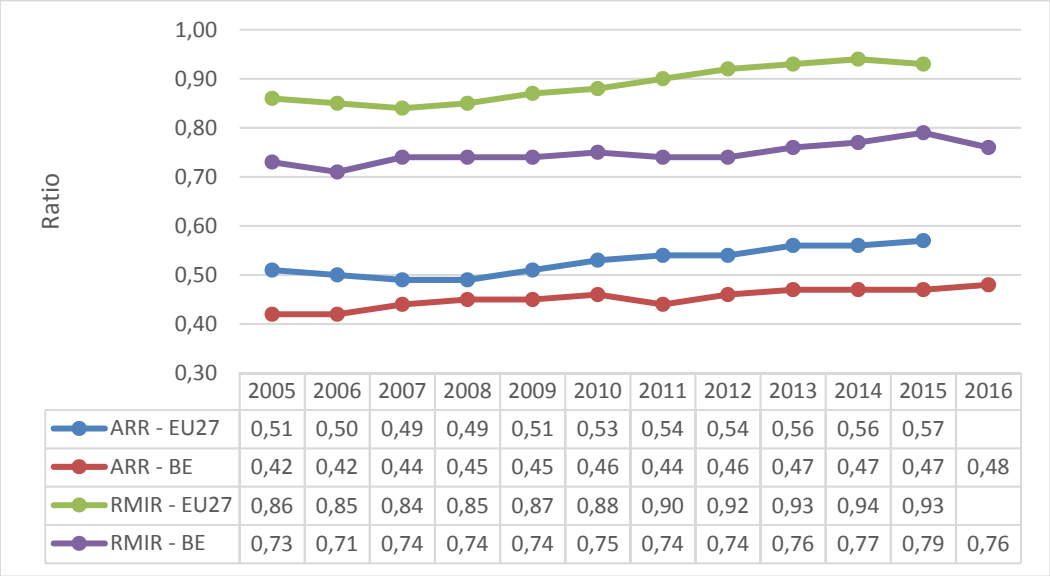
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROP 65 -	13,6	13,0	13,7	13,5	13,2	13,7	14,4	14,5	14,4	15,3	14,8	15,5
AROP 65 +	21,4	23,2	23,0	21,2	21,6	19,4	20,2	19,4	18,4	16,1	15,2	15,4

Source : EU-SILC, EUROSTAT, Statistics Belgium

The aggregate replacement ratio (ARR = ratio of income from pensions of persons aged from 65 to 74 years and income from work of persons aged from 50 to 59 years) increases very slightly from 0,47 to 0,48 between EU-SILC 2015 and 2016. After an increase from 0.41 in 2004, the ratio stabilized and remains quite at a same level since 2013. The ARR is quite low in Belgium compared to an average level for the EU27 of 0.57. Germany (0.45) and the Netherlands (0.50) show a comparable ratio while France (0.68) and LU (0.85) show a much higher ratio.

The relative median income ratio (= ratio of median income of persons 65+ and median income of persons below 65) remained more or less stable until 2012 (income 2011) but it shows slight increase between 2012 and 2015. Between 2015 and the latest EU-SILC 2016 figures, it drops from 0.79 to 0,76. The 2015 level was clearly below the EU average, which amounted to 0.93. Germany (0.87), France (1.04) and the Netherlands (0.89) all have considerable higher levels (based EU-SILC 2015). Over the whole period the figure for Belgium remains significantly below the EU average.

Figure 5.5. Aggregate Replacement Ratio (ARR) and Relative Median Income Ratio (RMIR), Belgium and EU-27, 2005-2016



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ARR - EU27	0,51	0,50	0,49	0,49	0,51	0,53	0,54	0,54	0,56	0,56	0,57	
ARR - BE	0,42	0,42	0,44	0,45	0,45	0,46	0,44	0,46	0,47	0,47	0,47	0,48
RMIR - EU27	0,86	0,85	0,84	0,85	0,87	0,88	0,90	0,92	0,93	0,94	0,93	
RMIR - BE	0,73	0,71	0,74	0,74	0,74	0,75	0,74	0,74	0,76	0,77	0,79	0,76

Source : EU-SILC, EUROSTAT, Statistics Belgium

The prospective theoretical replacement rate for Belgium[46] shows that, with the current policy (situation January 2013[47]) 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 decrease, 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 "pension bonus". 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.

46 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: SPC, European Commission Pension Adequacy Report 2015 (http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7828&visible=0&)

*No figures for 2013

47 The Pension Adequacy Report 2018 is currently in preparation (new figures second semester 2017, report foreseen during the first semester 2018)

Table 5.1. Current and prospective theoretical replacement rate: base case and variants

	Base-case: 40 year carreer, 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: Social protection Committee, European Commission, FPS 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 2015 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 (10% in 2012) is at a lower level than the poverty risk for the population in the active age. However, these interpretations should be approached with caution. The median total housing costs as a percentage of the household income is somewhat higher for the elderly (17.5%) than for the total population (16.2%). Moreover, the extent to which the own home can be used for fulfilling other needs is a complicated issue. The severe housing deprivation rate of the elderly is 0.2% while it is 0.9% for the total population.

According to the 2015 Pensions Adequacy Report, 77.6% of the elderly are owners (2013). If you look in relation to gender, it is observed that only 74.8% of the elderly women are owners while 81.2% of the elderly men owns a house.

Finally, **concerning the budgetary sustainability of the pensions**, the Study Committee on Ageing (SCA - 2016) estimates the additional pension costs at 2.3% of GDP for the period 2015-2040 but at zero for the period 2040-2060.

The general additional costs of ageing are estimated at 2.3% of GDP for the period 2015-2060 (the increase of 1,9 % for health and long term care[48] is neutralised by a decrease of 1,9% of other social expenditures – unemployment, family allowances, etc.). Compared with the previous estimates of the budgetary cost of ageing (2015), the current estimates are 0.4% of GDP higher. This is due, notably, to lower economic growth and greater increase of the dependency age coefficient.

The SCA also takes systematically the long term evolution of the poverty risk among pensioners into consideration (see box 7).

48 See also point c of the section 6.1.

BOX 7 : Belgium Ageing report and the long term evolution of the poverty risk among pensioners

In its annual report, the Study Committee on Ageing presents the very-long-term outlook of social protection expenditure (budgetary costs of ageing) and the evaluation of the poverty risk among pensioners. The poverty risk among the elderly decreased significantly over time.

The evolution of this poverty risk is strongly influenced by the adequacy of the minimum pensions and the income guarantee for the elderly (IGE). Over the period 2005-2013, the position of these minima substantially improved compared to the poverty threshold: Whereas the minimum pension for employees already exceeded the poverty threshold, the gap between the other minima and the IGE on the one hand and the (higher) threshold on the other hand narrowed considerably. Despite the decline of the poverty risk among the elderly, it remains higher than the EU-15 average (in 2013).

The Study Committee on Ageing report furthermore presents the results of a projection of the poverty risk of pensioners under a constant policy scenario. The assessment of the poverty risk of pensioners compared to the working population suggests that, due to the longer working careers of women and continued improvements in minimum benefits, the poverty risk could be further reduced. The projections also indicate a further decrease in the gender poverty gap by the mid-2050s. Moreover, the inequality among pensioners (measured by the Gini-index) is expected to decrease over the same period.

6| Health care and long-term care

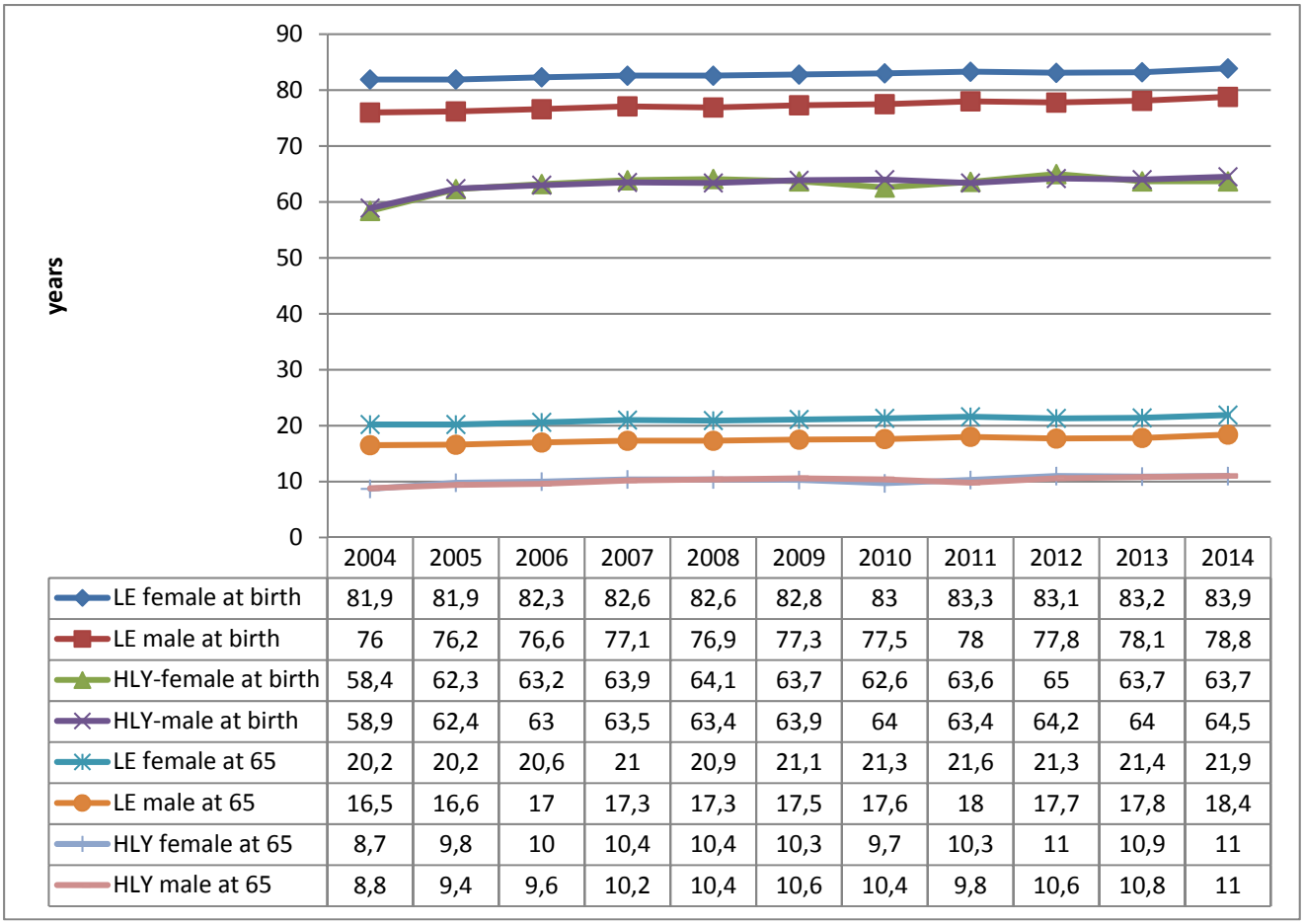
6.1 Key EU Health indicators

a) Life expectancy and healthy life years

Between 2004 and 2014, **life expectancy** (LE) at birth for women has increased from 81.9 to 83.9 years, for men it has increased from 76 to 78.8 years. For both, a small decrease has been observed in 2012 compared to 2011. Especially the number of **healthy life years** (HLY) at birth show a decrease between 2012 and 2013. 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 2014, **life expectancy at age 65** increased from 20.2 to 21.9 years for women and from 16.5 to 18.4 years for men. 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**. Life expectancy in good health at age 65** is equal for women and men in 2014 : 11 years. From this follows that woman experience a higher life expectancy, but also more years with limitations in daily activities, compared to man.

Figure 6.1. Life expectancy (LE) and Healthy Life Years (HLY) in years, Belgium, 2004-2014



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
LE female at birth	81,9	81,9	82,3	82,6	82,6	82,8	83	83,3	83,1	83,2	83,9
LE male at birth	76	76,2	76,6	77,1	76,9	77,3	77,5	78	77,8	78,1	78,8
HLY-female at birth	58,4	62,3	63,2	63,9	64,1	63,7	62,6	63,6	65	63,7	63,7
HLY-male at birth	58,9	62,4	63	63,5	63,4	63,9	64	63,4	64,2	64	64,5
LE female at 65	20,2	20,2	20,6	21	20,9	21,1	21,3	21,6	21,3	21,4	21,9
LE male at 65	16,5	16,6	17	17,3	17,3	17,5	17,6	18	17,7	17,8	18,4
HLY female at 65	8,7	9,8	10	10,4	10,4	10,3	9,7	10,3	11	10,9	11
HLY male at 65	8,8	9,4	9,6	10,2	10,4	10,6	10,4	9,8	10,6	10,8	11

Source : EUROSTAT, Statistics Belgium

Life expectancy (in good health) varies strongly according to social-economic status,. A number of figures are shown in table 6.1. These figures show significant differences for both sexes. For men, the difference between the extremes is 7.5 years, for woman it is 5.9 years. Regarding life expectancy in good health, the differences are even considerably bigger. Here, the difference between the extremes 18.6 years for men and 18.2 years for woman.

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

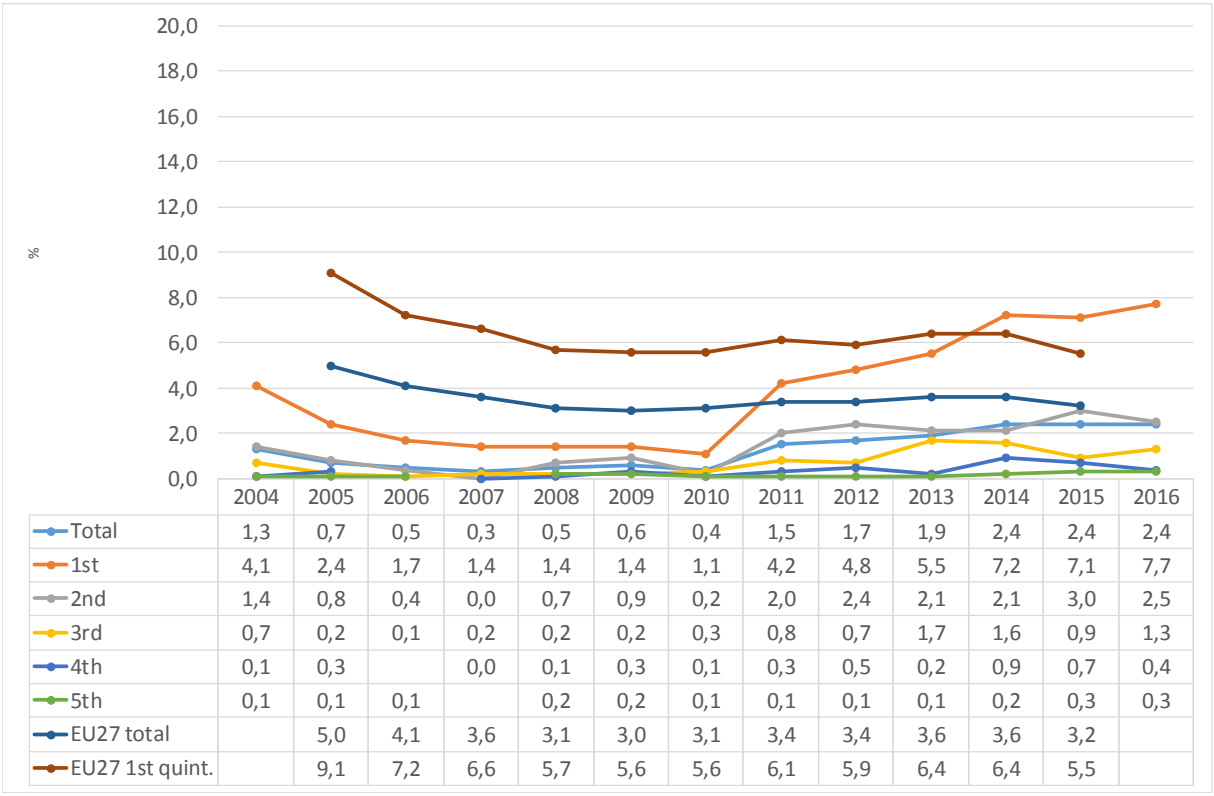
	Life expectancy		Healthy life expectancy	
	male	female	male	female
Higher education	55	59.9	46.33	47.1
Higher secondary education	52.5	58.8	41.54	41.27
Lower secondary education	51.3	58.0	39.71	42.01
Primary education	49.3	56.2	36.65	36.27
No diploma	47.6	54.0	27.75	28.92

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

b) Accessibility of the health care

Information on the accessibility of the health care system is scarce, as it is not easy to measure. The indicator that is mostly used is **the unmet need for medical care and the unmet need for dental care**. These indicators reflect the percentage of persons who had to postpone healthcare because of financial reasons, distance or waiting lists. Belgium traditionally performs well on these indicators, but it can be observed that these indicators show an upward trend during the last years. It is very noteworthy that this increase is mainly situated in the lowest income quintile. Although at this stage some care in drawing conclusions on this evolution is required because of relatively small sample sizes, this trend requires due attention.

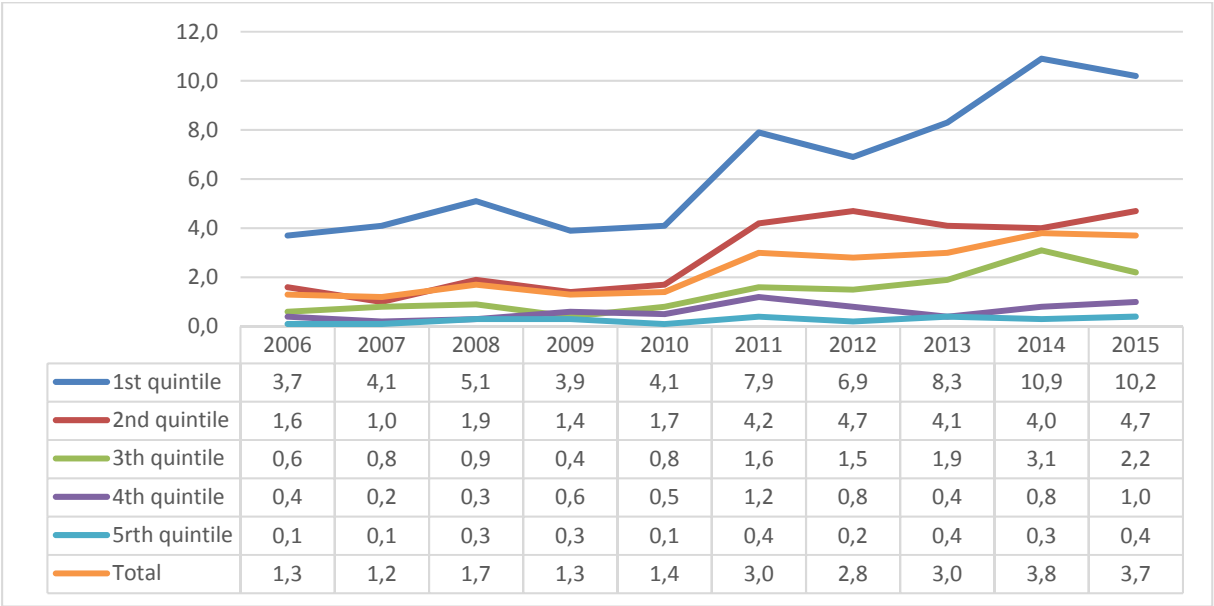
Figure 6.2. Unmet need[49] for medical examination by quintile of equivalent disposable household income



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	1,3	0,7	0,5	0,3	0,5	0,6	0,4	1,5	1,7	1,9	2,4	2,4	2,4
1st	4,1	2,4	1,7	1,4	1,4	1,4	1,1	4,2	4,8	5,5	7,2	7,1	7,7
2nd	1,4	0,8	0,4	0,0	0,7	0,9	0,2	2,0	2,4	2,1	2,1	3,0	2,5
3rd	0,7	0,2	0,1	0,2	0,2	0,2	0,3	0,8	0,7	1,7	1,6	0,9	1,3
4th	0,1	0,3		0,0	0,1	0,3	0,1	0,3	0,5	0,2	0,9	0,7	0,4
5th	0,1	0,1	0,1		0,2	0,2	0,1	0,1	0,1	0,1	0,2	0,3	0,3
EU27 total		5,0	4,1	3,6	3,1	3,0	3,1	3,4	3,4	3,6	3,6	3,2	
EU27 1st quint.		9,1	7,2	6,6	5,7	5,6	5,6	6,1	5,9	6,4	6,4	5,5	

Source: EU-SILC, Eurostat, Statistics Belgium

Figure 6.3. Unmet need[50] for dental examination by quintile of equivalent disposable household income, Belgium



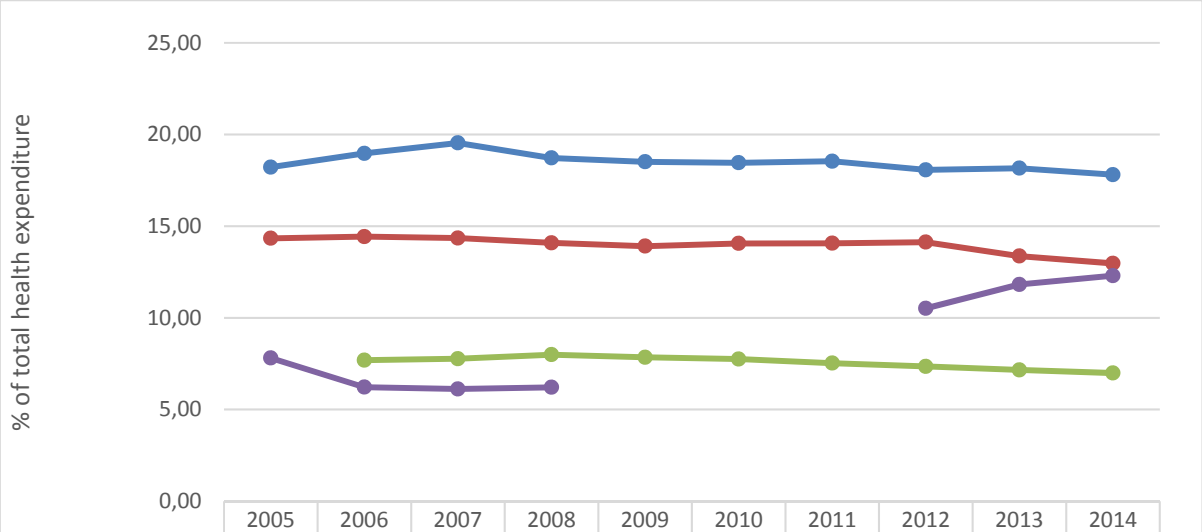
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1st quintile	3,7	4,1	5,1	3,9	4,1	7,9	6,9	8,3	10,9	10,2
2nd quintile	1,6	1,0	1,9	1,4	1,7	4,2	4,7	4,1	4,0	4,7
3th quintile	0,6	0,8	0,9	0,4	0,8	1,6	1,5	1,9	3,1	2,2
4th quintile	0,4	0,2	0,3	0,6	0,5	1,2	0,8	0,4	0,8	1,0
5rth quintile	0,1	0,1	0,3	0,3	0,1	0,4	0,2	0,4	0,3	0,4
Total	1,3	1,2	1,7	1,3	1,4	3,0	2,8	3,0	3,8	3,7

EU-SILC 2016 data not yet available at time of editing of this report
Source: EU-SILC, Eurostat, Statistics Belgium

49 There was a break in the series in 2011. 2016 data are provisional at the moment of editing this report.
50 There was a break in series in 2011. EU-SILC 2016 figures on unmet need for dental care were not yet available at the time of editing this report.

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 share of total health expenditure is not paid by the formal health system, and thus can be assumed to be paid 'out-of-pocket' by patients. The absolute '**out-of-pocket payments'** increased from € 5.1 billion to 7.4 billion between 2005 and 2014. It implies an average expenditure per inhabitant of € 662 in 2014. 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 (17.8% in 2014) is high compared to the neighbouring countries Germany (13%), Netherlands (12.3%) and France (6.7%). Overall, due to comparability problems these macro results concerning accessibility remain rather inconclusive[51].

Figure 6.4. Out-of-pocket expenditures as share in total health expenditure, Belgium and neighbouring countries, 2005-2014



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Belgium	18,22	18,97	19,54	18,72	18,51	18,46	18,54	18,07	18,16	17,81
Germany	14,34	14,43	14,35	14,09	13,91	14,06	14,07	14,13	13,37	12,97
France		7,69	7,77	7,99	7,85	7,75	7,53	7,35	7,16	6,99
Netherlands	7,81	6,22	6,12	6,21				10,52	11,82	12,3

Source : EUROSTAT – SHA

A recent OECD report presents some evidence on the accessibility of Long-term care, an issue which is largely undocumented (Box 8).

51 It is also to be noted that the figures have been reviewed again since last year for all the series (2005-2014). This revision lead to some significant differences for some countries (for example for Netherlands). This modification pursue a better measurement in term of health out of pocket expenditures.

BOX 8 : Accessability of long-term care

The OECD and the European Commission ordered comparisons of social protection for long-term care (LTC) in OECD and EU countries. The data refer to the year 2015. The results for Belgium show that the costs of care covered directly by the government (through the social health insurance system, subsidies to home care providers and subsidies and tax allowances for service vouchers) far outweigh the cash benefits that are conditional on dependency, paid by the federal and regional governments[52].

In all cases of home care, most of the total costs are borne by various public systems, from 72% for the "low need - high income" case to 100% for the "high need - low income" case. Generally, the coverage rate is proportional to severity of need and inversely proportional to income. The progressivity of the system through means-tested cash benefits and user contributions which increase with income seems to be so strong that in the case of high needs, the person with a high pension ends up with less disposable income (after contributions are paid and benefits are received) than those with low and medium pensions. However, this case is rather unrealistic, in that a very intensive use of costly home care was simulated. Persons with such severe needs will either have informal help (reducing strongly the number of hours of paid home care), or, most likely, will have moved to residential care.

For older people with severe needs the costs of residential care are mostly affordable, thanks to the allowance for the assistance to the elderly, and (if eligible) the Flemish care insurance. Older persons with moderate or low needs for long-term care and a low pension could experience problems to pay for residential care.

c) Sustainability of the health care

Regarding the budgetary sustainability of the health care and long-term care systems, the Study Committee on Ageing (2016) estimates the budgetary costs of ageing as regards health care and long-term care at 2,0% of GDP for the period 2015-2040 but is negative (-0,1%) for the period 2040-2060.

The age structure of Belgium is set to change: there will be an increase in the share of the persons aged 67 and older. One should understand that, to this increased number of elderly will correspond an increase in the need for long-term care service[53]. In 2013, 8.4% of the population aged 65+ received long-term care in home for the elderly or in nursing home. The percentage is higher in Brussels (10.1%) and Wallonia (9.1%) than in Flanders (7.8%). The percentage of the population aged 65 and more that received long-term nursing care at home is smaller (4.9% for Belgium) and in this case, the percentage is somewhat higher in Flanders (5.2%) than in Wallonia (4.7%) or Brussels (3.2).

6.2. **National reports on the health system**

In last years' report an elaborate synthesis was provided of two major health reporting exercises; the 2015 Health System Performance Report and the results of the 2013 Belgian Health Interview Survey

[52] Van den Bosch, K. (2016), Measuring social protection for older people with long-term care needs in Belgium. A report on the completion of an OECD data collection questionnaire, Brussels: Federaal Planbureau, 50p.

53 KCE, *Synthesis performance of the Belgian Health system report 2015* (draft version), page 31

(http://www.socialsecurity.belgium.be/sites/default/files/analyse-sociale-situatie-en-bescherming-belgie-2016-nl.pdf - see p. 69). We refer here to this synthesis, or to the original reports[54].

In general, the summary of the Health System Performance report is quite positive: 78% of the Belgian population consider themselves in good health. On the other hand however, 34 of the 106 indicators in the report signal a warning. Most dimensions of the health care system (workforce, efficiency, accessibility, quality, prevention, health and life style) present a mixed image, with both positive and negative points. While efficiency is improving, the assessment of health and lifestyle promotion and mental and psychiatric health care is overall more on the negative side. Also, the systems' capacity to meet future healthcare needs relating to population ageing is being questioned. For all dimensions important regional variations and socio-economic inequalities are observed. The latter is documented in detail on a number of dimensions in the reports on the Belgian Health interview survey.

54 Health System Performance Report 2015 (KCE): https://kce.fgov.be/publication/report/performance-of-the-belgian-health-system-report-2015, Belgian Health Interview Survey (WIV/ISP): https://his.wiv-isp.be/SitePages/Reports.aspx

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ANNEXES

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

		BE										EU27		
Group	Indicator	2008	2009	2010	2011	2012	2013	2014	2015	change 2013-2014 (2014-2015 for LFS-based figures)	change 2008-2014 (2008-2015 for LFS-bsed figures)	2014 (2015 for LFS-based figures)	latest year change	change 2008 to latest year
Europe 2020	At risk of poverty or social exclusion (in %)	20.8	20.2	20.8	21.0	21.6	20.8	21.2		0.4 pp	0.4 pp	24.4	-0.1 pp	0.7 pp
	At-risk-of-poverty rate (in %)	14.7	14.6	14.6	15.3	15.3	15.1	15.5		0.4 pp	0.8 pp	17.2	0.5 pp	0.7 pp
	At-risk-of-poverty threshold for a single person household (levels in pps, changes as real change in national currency in %)	10046	10501	10899	10895	11038	11738	11755		0.5 %	9.3 %	n.a.	n.a.	n.a.
	Severe material deprivation rate (in %)	5.6	5.2	5.9	5.7	6.3	5.1	5.9		0.8 pp	0.3 pp	8.9	-0.7 pp	0.4 pp
	Population living in (quasi-) jobless households (in %)	11.7	12.3	12.7	13.8	13.9	14.0	14.6		0.6 pp	2.9 pp	11.1	0.3 pp	1.9 pp
Intensity of poverty risk	Relative median at-risk-of-poverty gap (in %)	17.2	18.1	18.0	18.6	18.7	19.2	18.8		-0.4 pp	1.6 pp	24.6	0.8 pp	2.7 pp
Persistence of poverty risk	Persistent at-risk-of-poverty rate (in %)	9.0	9.2	9.3	8.0	9.9	8.7	9.5		0.8 pp	0.5 pp	10.3	0.3 pp	1.7 pp
Income inequalities	Income quintile ratio (S80/S20)	4.1	3.9	3.9	3.9	4.0	3.8	3.8		0.0 %	-7.3 %	5.2	4.0 %	4.0 %
Child poverty and social exclusion	At-risk-of poverty or social exclusion rate of children (% of people aged 0-17)	21.3	20.5	23.2	23.3	22.8	21.9	23.2		1.3 pp	1.9 pp	27.7	0.0 pp	1.3 pp
Effectiveness of social protection system	Impact of social transfers (excl. pensions) on poverty reduction (%)	45.6	45.3	45.3	45.0	44.8	42.6	43.6		1.0 pp	-1.9 pp	34.1	-1.4 pp	-0.7 pp
	Impact of social transfers (incl. pensions) on poverty reduction (%)	64.8	64.1	64.7	63.6	64.0	64.0	64.0		-0.0 pp	-0.7 pp	61.44	-1.0 pp	0.8 pp
	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	62.2		1.5 pp	7.5 pp	58.1	2.0 pp	2.4 pp
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	4.8		0.4 pp	0.1 pp	9.6	0.6 pp	1.1 pp
	Long-term unemployment rate (in %)	3.3	3.5	4.0	3.5	3.4	3.9	4.3	4.4	0.1 pp	1.1 pp	4.5	-0.5 pp	2.0 pp
Youth exclusion	Early school leavers (in %)	12.0	11.1	11.9	12.3	12.0	11.0	9.8	10.1	0.3 pp	-1.9 pp	11	-0.3 pp	-3.8 pp
	Youth unemployment ratio (15-24)	6.0	7.1	7.3	6.0	6.2	7.3	7.0	6.6	-0.4 pp	0.6 pp	8.4	-0.8 pp	1.5 pp
	NEETs (15-24)	10.1	11.1	10.9	11.8	12.3	12.7	12.0	12.2	0.2 pp	2.1 pp	12	-0.5 pp	1.1 pp
Active ageing	Employment rate of older workers (55-64) in %	34.5	35.3	37.3	38.7	39.5	41.7	42.7	44.0	1.3 pp	9.5 pp	53.4	1.5 pp	7.9 pp
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	17.3		-2.2 pp	-5.6 pp	17.7	-0.4 pp	-5.6 pp
	Median relative income of elderly people	0.74	0.74	0.75	0.74	0.74	0.76	0.77		1.3 %	4.1 %	0.94	1.1 %	10.6 %
	Aggregate replacement ratio	0.45	0.45	0.46	0.44	0.46	0.47	0.47		0.0 %	4.4 %	0.56	0.0 %	14.3 %
Health	Self reported unmet need for medical care	0.5	0.6	0.4	1.5	1.7	1.9	2.4		0.5 pp	n.a.	3.6	0.0 pp	0.5 pp
	Healthy life years at 65 - males	10.4	10.6	10.4	9.8	10.6	10.8	11.0		1.9 %	5.8 %	n.a.	n.a.	n.a.
	Healthy life years at 65 - females	10.4	10.3	9.7	10.3	11.0	10.9	11.0		0.9 %	5.8 %	n.a.	n.a.	n.a.
Access to decent housing	Housing cost overburden rate	12.5	8.7	8.9	10.6	11.0	9.6	10.4		0.8 pp	-2.1 pp	11.4	0.3 pp	0.9 pp
Evolution in real household disposable income	Real change in gross household disposable income (in %)	2.4	2.2	-1.0	-1.0	0.6	-0.6	0.5	n.a.	0.5 %	0.6 %	n.a.	n.a.	n.a.

Note: For the poverty threshold values, levels are shown in PPS but changes are shown as changes in national currency terms and accounting for inflation. For consistency with the main SPPM dashboard latest changes refer to 2013-2014 for EU-SILC based indicators and 2014-2015 for LFS-based indicators, while changes since 2008 refer to 2008-2014 and 2008-2015 respectively.

ANNEX 2 : TABLES AND FIGURES

Annex 2 contains, from p. 62 to 68, the following tables and figures :

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

	2010	2011	2012	2013	2014	2015	2016	2017
Social assistance for the elderly								
Single person	92	94	91	93	93	95	93	93
Couple	82	84	80	83	83	84	82	83
Allowance replacing income for persons with a disability								
Single person	74	76	73	75	76	77	75	77
Couple with two children	66	67	65	66	67	67	66	67
Social assistance								
Single person	74	76	73	75	75	77	76	77
Couple	66	68	65	67	67	68	68	68
Couple with two children	67	68	66	67	67	68	67	67
Single parent with two children	88	89	86	88	88	89	89	88
Minimum old-age pension (full carreer)								
Single person								
- Old-age Pension	107	105	101	104	104	105	103	104
- Survivers Pension	106	104	100	102	102	104	101	102
Couple	87	87	84	86	86	88	86	87
Minimum Unemployment allowance (after 6 months)								
Single person	86	89	85	88	88	89	87	89
Couple	68	70	68	70	70	71	69	71
Couple with two children	69	70	68	69	69	70	68	70
Single parent with two children	86	88	85	87	87	88	86	87
Minimum invalidity allowance								
Single person	102	105	101	104	104	105	101	102
Couple with two children	81	83	80	82	83	83	80	80
Minimum wage								
Single person	125	126	121	123	124	125	126	
Couple with two children	87	87	84	86	86	86	87	

Source : SPF Social Security

Methodology (2016-2017 data):

- The poverty threshold is based on EU-SILC 2016. As this threshold is based on the 2015 median equivalent household income, it was updated to 2016/2017 based on the HCPI (Eurostat) mean of monthly indexes

- Figures for 2016 apply on the amounts of October 2016. This means that all changes in the minima in 2016 have been taken into account (both changes due to indexation, and above indexation).

- The estimates for October 2017 are based on the level of the allowances 2016, an increase due to exceeding of the pivotal index figure (June) and the increases foreseen in the common

advise of the Social Partners in the National Labour Council and the Central Advisory board for the Economy (NAR/CRB – CNT/CCE):

  - An increase of the income guarantee for the elderly and social assistance for the non-elderly of 0.9% on September 1st 2017
  - An increase of the income replacement for disability of 2.9% on September 1st 2017
  - An increase of the minimum invalidity allowance and the guaranteed minimum pension for a full career of 1.7% based on the amount of October 2016
  - An increase of the minima in unemployment allowances of 3.5% for persons with dependent family members; 2% for single persons and 1% for others (co-habitants).

- Basis for the calculation is the net disposable household income of beneficiaries, including child allowances. This implies that personal taxation is included in the calculation (including the refundable tax credit for dependent children)

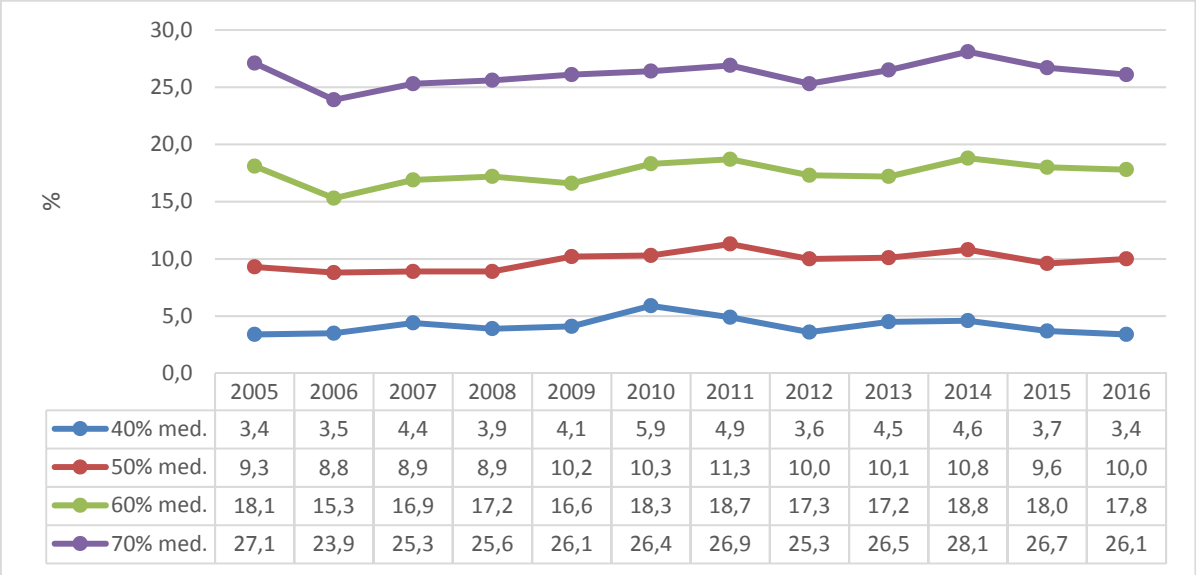
- For couples with children, the ages of the children are taken as a child between 0-6 years and a child of 6-12 years

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
S80/S20	4.0	4.2	3.9	4.1	3.9	3.9	3.9	4.0	3.8	3.8	3.8	3.8
Gini	28.0	27.8	26.3	27.5	26.4	26.6	26.3	26.5	25.9	25.9	26.2	26.3
Gini (before social transfers - pension exluded)	37.7	36.0	34.6	35.6	34.3	34.8	34.8	35.1	34.0	34.5	34.6	34.2
Gini (before social transfers - pension included)	50.6	48.7	46.7	48.0	46.6	46.5	47.1	47.7	47.1	47.6	48.0	48.8
Poverty treshold (60%) (nominal annual amounts in Euro)	9,947	10,328	10,540	10,791	11,588	11,678	12,005	12,168	12,890	13,023	12,993	13,377
AROP 40% treshold (%)	2.7	3.3	3.7	3.2	3.5	4.1	3.6	3.8	3.9	3.8	3.4	3.4
AROP 50% treshold (%)	7.7	8.2	8.0	7.5	7.9	7.9	8.3	8.3	8.3	8.6	7.8	8.6
AROP 60% treshold (%)	14.8	14.7	15.2	14.7	14.6	14.6	15.3	15.3	15.1	15.5	14.9	15.5
AROP 70% treshold (%)	24.1	23.5	23.4	23.8	23.5	23.8	24.1	24.3	24.3	24.9	23.8	24.6

Source : EU-SILC, ADSEI EUROSTAT

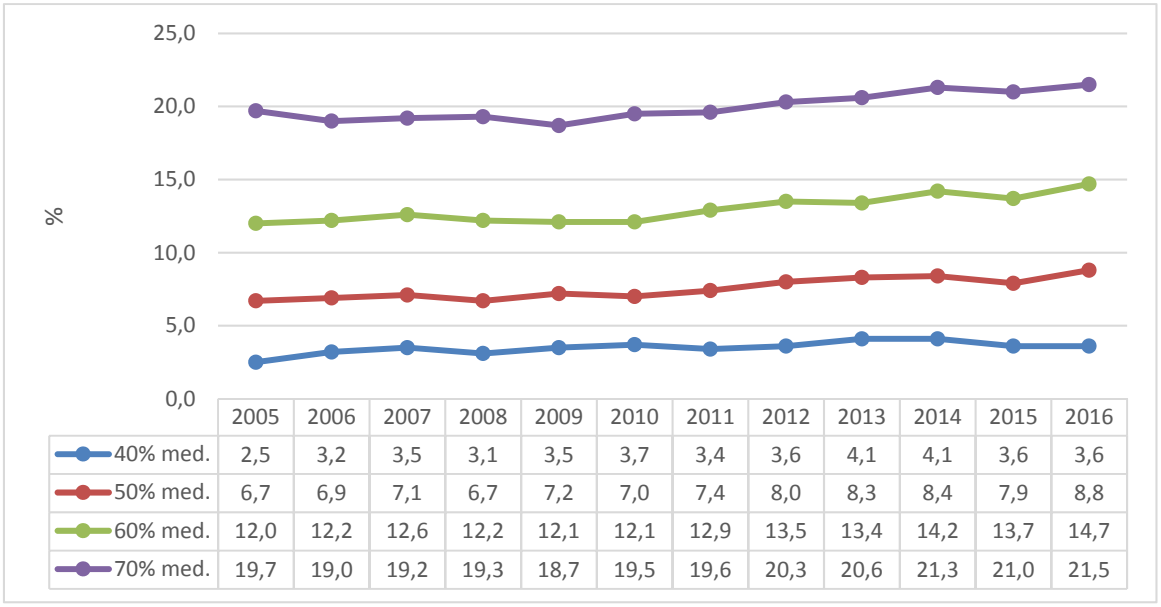
Figure A2.1. At-risk-of-poverty rate for children (-18) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
40% med.	3,4	3,5	4,4	3,9	4,1	5,9	4,9	3,6	4,5	4,6	3,7	3,4
50% med.	9,3	8,8	8,9	8,9	10,2	10,3	11,3	10,0	10,1	10,8	9,6	10,0
60% med.	18,1	15,3	16,9	17,2	16,6	18,3	18,7	17,3	17,2	18,8	18,0	17,8
70% med.	27,1	23,9	25,3	25,6	26,1	26,4	26,9	25,3	26,5	28,1	26,7	26,1

Source : EU-SILC, EUROSTAT, Statistics Belgium

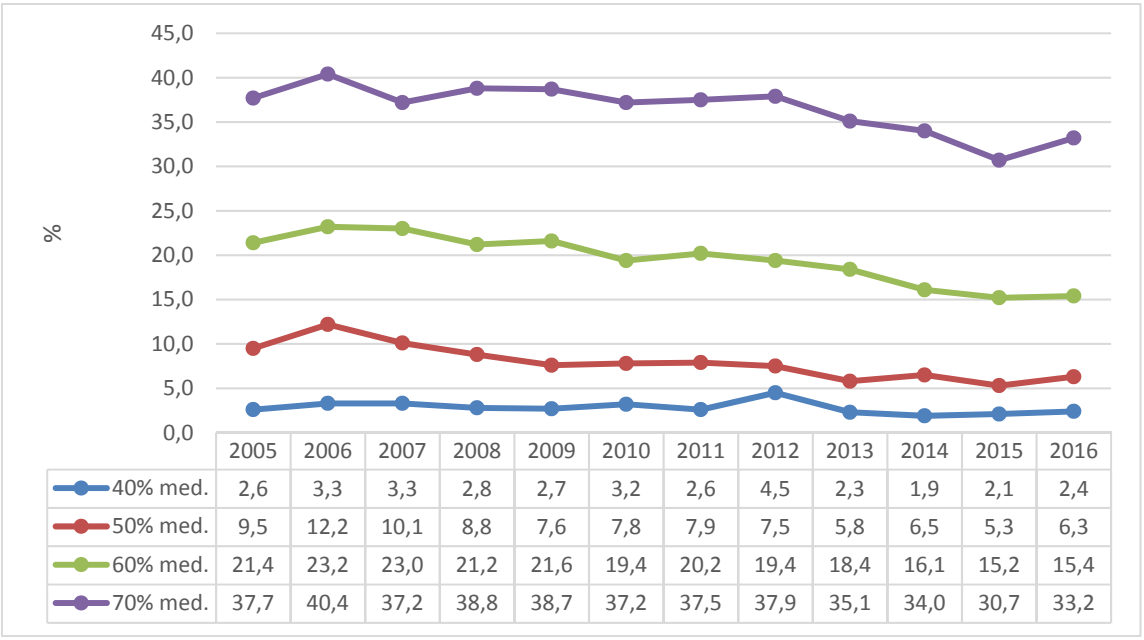
Figure A2.2. **At-risk-of-poverty rate for working age population (18-64) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)**



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
40% med.	2,5	3,2	3,5	3,1	3,5	3,7	3,4	3,6	4,1	4,1	3,6	3,6
50% med.	6,7	6,9	7,1	6,7	7,2	7,0	7,4	8,0	8,3	8,4	7,9	8,8
60% med.	12,0	12,2	12,6	12,2	12,1	12,1	12,9	13,5	13,4	14,2	13,7	14,7
70% med.	19,7	19,0	19,2	19,3	18,7	19,5	19,6	20,3	20,6	21,3	21,0	21,5

Source : EU-SILC, EUROSTAT Statistics Belgium

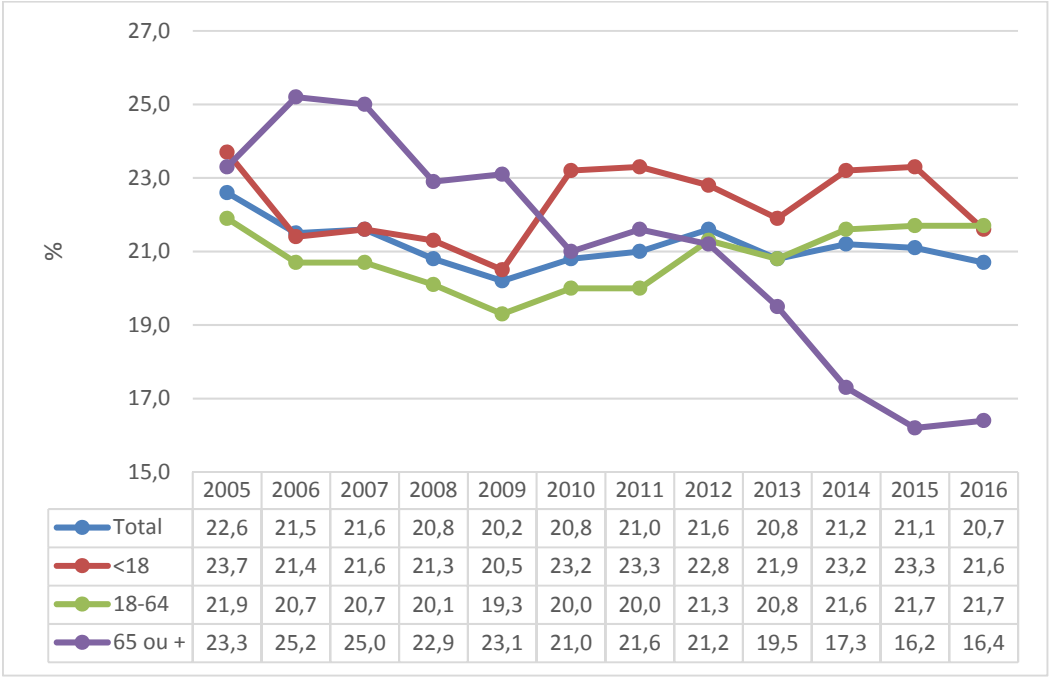
Figure A2.3. **At-risk-of-poverty rate for elderly population (65+) by different at-risk-of-poverty threshold levels (40%, 50%, 60%, 70% of median equivalent household income)**



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
40% med.	2,6	3,3	3,3	2,8	2,7	3,2	2,6	4,5	2,3	1,9	2,1	2,4
50% med.	9,5	12,2	10,1	8,8	7,6	7,8	7,9	7,5	5,8	6,5	5,3	6,3
60% med.	21,4	23,2	23,0	21,2	21,6	19,4	20,2	19,4	18,4	16,1	15,2	15,4
70% med.	37,7	40,4	37,2	38,8	38,7	37,2	37,5	37,9	35,1	34,0	30,7	33,2

Source : EU-SILC, EUROSTAT, Statistics Belgium

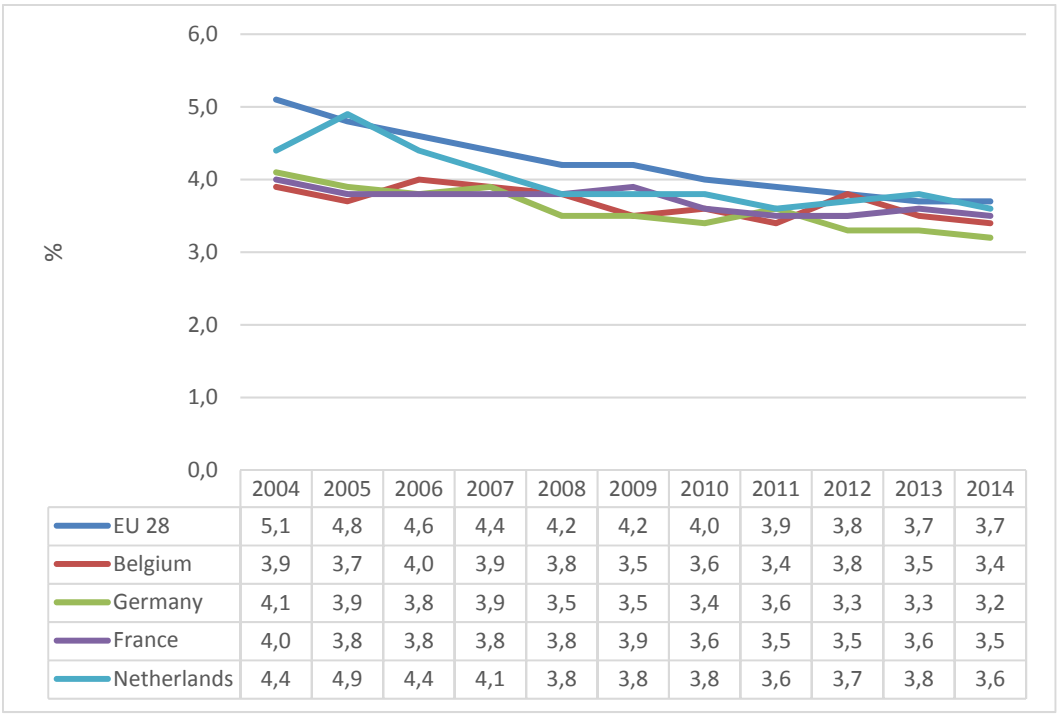
Figure A2.4. AROPE by age in percentage, Belgium



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total	22,6	21,5	21,6	20,8	20,2	20,8	21,0	21,6	20,8	21,2	21,1	20,7
<18	23,7	21,4	21,6	21,3	20,5	23,2	23,3	22,8	21,9	23,2	23,3	21,6
18-64	21,9	20,7	20,7	20,1	19,3	20,0	20,0	21,3	20,8	21,6	21,7	21,7
65 ou +	23,3	25,2	25,0	22,9	23,1	21,0	21,6	21,2	19,5	17,3	16,2	16,4

Source : EU-SILC, EUROSTAT, Statistics Belgium

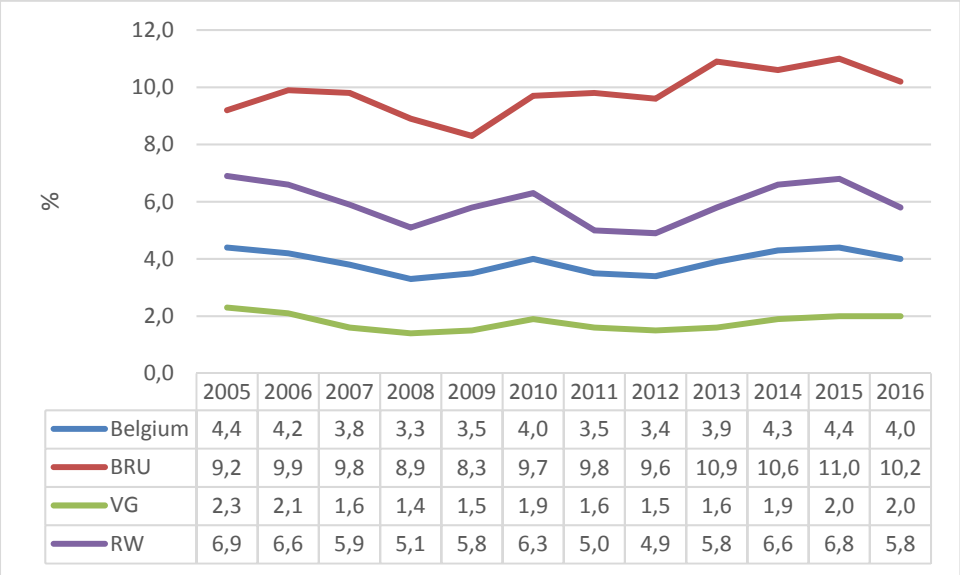
Figure A2.5. Infant mortality rate (per 1000 live births), EU28, Belgium and neighbouring countries



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EU 28	5,1	4,8	4,6	4,4	4,2	4,2	4,0	3,9	3,8	3,7	3,7
Belgium	3,9	3,7	4,0	3,9	3,8	3,5	3,6	3,4	3,8	3,5	3,4
Germany	4,1	3,9	3,8	3,9	3,5	3,5	3,4	3,6	3,3	3,3	3,2
France	4,0	3,8	3,8	3,8	3,8	3,9	3,6	3,5	3,5	3,6	3,5
Netherlands	4,4	4,9	4,4	4,1	3,8	3,8	3,8	3,6	3,7	3,8	3,6

Source : EU-SILC, EUROSTAT

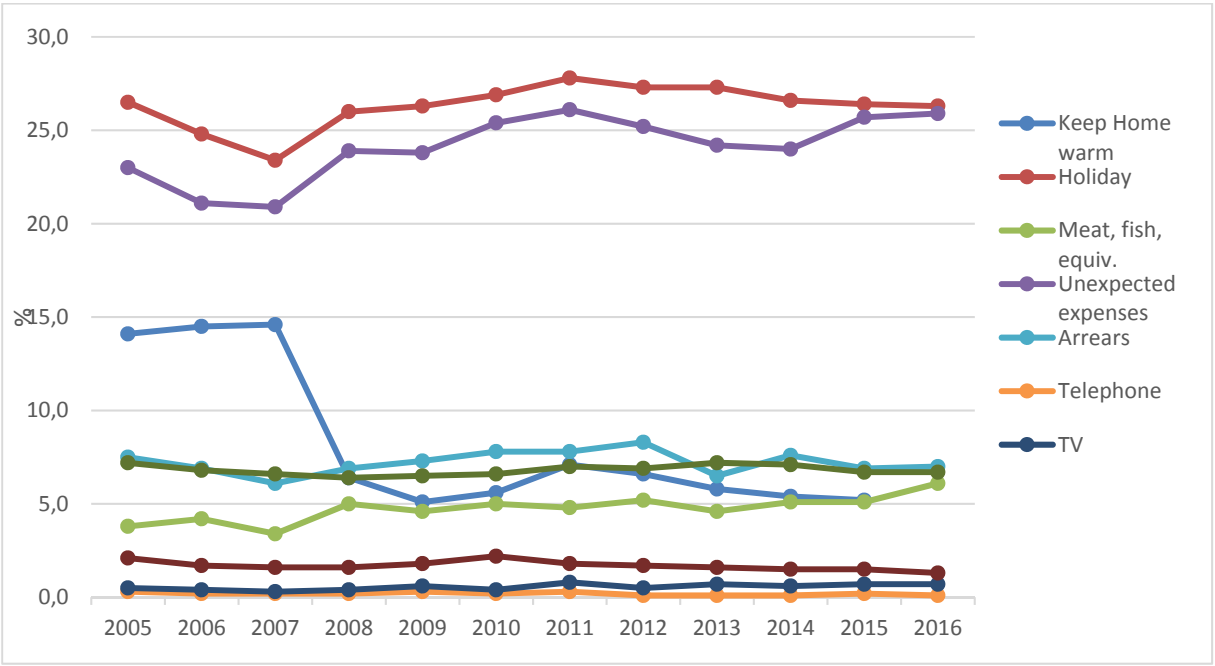
Figure A2.6. **Long term unemployment rate, Belgium and Regions**



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	4,4	4,2	3,8	3,3	3,5	4,0	3,5	3,4	3,9	4,3	4,4	4,0
BRU	9,2	9,9	9,8	8,9	8,3	9,7	9,8	9,6	10,9	10,6	11,0	10,2
VG	2,3	2,1	1,6	1,4	1,5	1,9	1,6	1,5	1,6	1,9	2,0	2,0
RW	6,9	6,6	5,9	5,1	5,8	6,3	5,0	4,9	5,8	6,6	6,8	5,8

Source : Labour Force Survey, Statistics Belgium

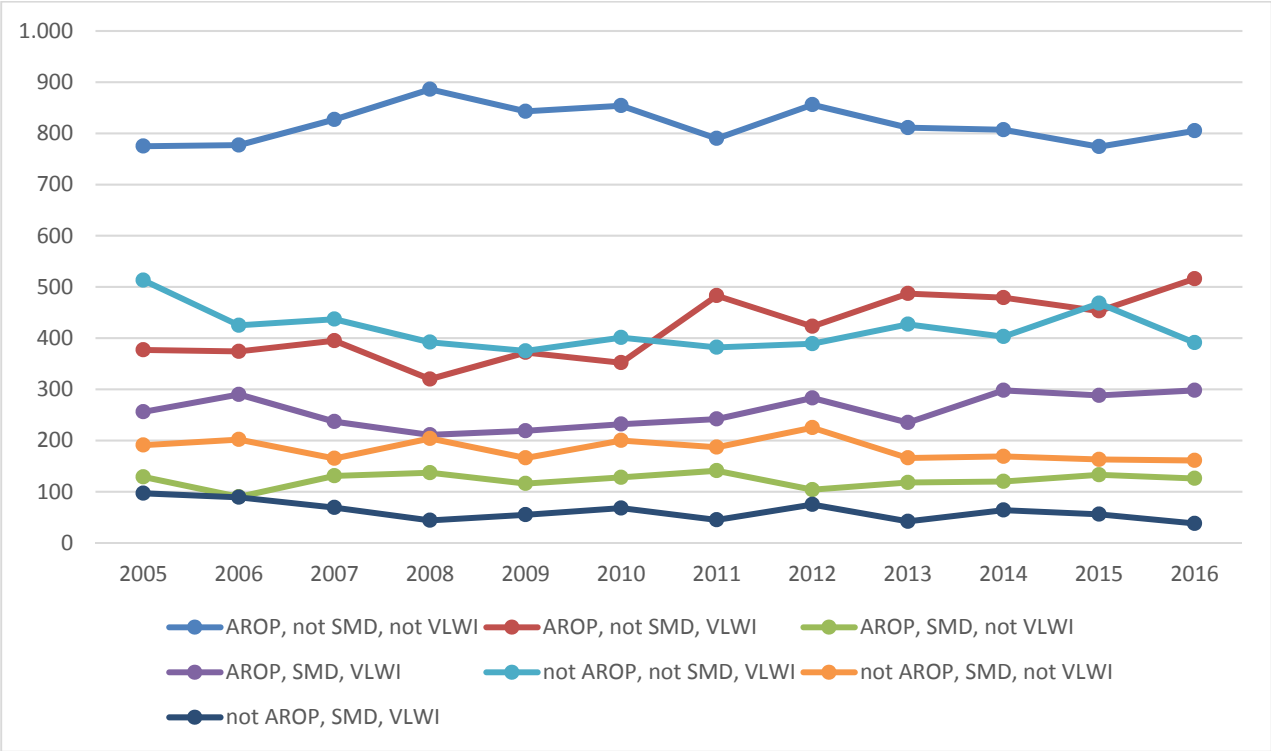
Figure A2.7. **Trends in material deprivation items, Belgium (in %)**



** 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 A2.8. **Intersections between three basic indicators (in 1000 of persons)**



Source : EU-SILC, EUROSTAT

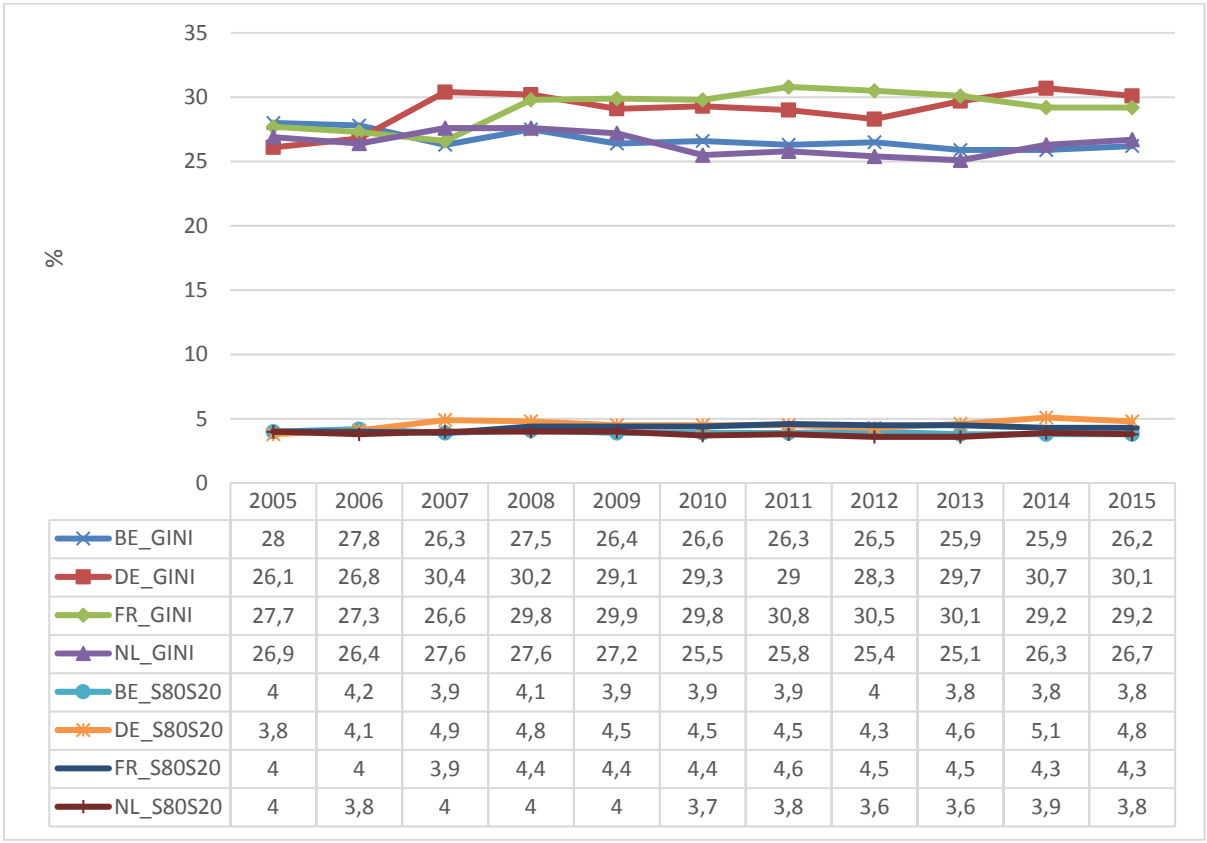
Figure A2.9. **Gender differences in poverty risk (in %)**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
AROP												
single M	19.9	18.3	22.5	19.2	18.8	18.1	20.4	19.7	25.2	21.9	20.4	22.0
single F	23.8	28.1	28.3	25.4	24.6	19.4	22.3	20.7	23.9	22.9	22.0	21.7
AROP 65+												
single M	26.4	20.4	22.1	20.9	21.1	20.8	19	17.8	18.4	17.2	18.2	17.1
single F	27.4	29.5	30.9	27	25.2	21.2	20.6	18.3	22.3	18.1	18.6	17.3
SMD												
single M	12.8	11.2	12	9.3	10.5	12.6	11.8	12.2	15.5	12.2	9.3	10.6
single F	11.1	10.5	11.1	10.1	9.2	9.5	9	8.4	8	8.7	8.6	8.0
VLWI*												
M	13.7	12.8	12.6	10.3	11.1	11.9	13.2	13.4	14	14.2	14.1	13.1
F	16.5	15.9	15	13.2	13.6	13.5	14.4	14.3	14	14.9	15.8	16.2

* These figures includes also couple for whom there is no distinction in VLWI status between male and female

Source : EU-SILC, EUROSTAT

Figure A2.10. Evolution of income dispersion measures (S80/S20 and GINI), Belgium and neighboring countries, 2015



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
BE_GINI	28	27,8	26,3	27,5	26,4	26,6	26,3	26,5	25,9	25,9	26,2
DE_GINI	26,1	26,8	30,4	30,2	29,1	29,3	29	28,3	29,7	30,7	30,1
FR_GINI	27,7	27,3	26,6	29,8	29,9	29,8	30,8	30,5	30,1	29,2	29,2
NL_GINI	26,9	26,4	27,6	27,6	27,2	25,5	25,8	25,4	25,1	26,3	26,7
BE_S80S20	4	4,2	3,9	4,1	3,9	3,9	3,9	4	3,8	3,8	3,8
DE_S80S20	3,8	4,1	4,9	4,8	4,5	4,5	4,5	4,3	4,6	5,1	4,8
FR_S80S20	4	4	3,9	4,4	4,4	4,4	4,6	4,5	4,5	4,3	4,3
NL_S80S20	4	3,8	4	4	4	3,7	3,8	3,6	3,6	3,9	3,8

Source : EU-SILC, EUROSTAT ; Statistics Belgium

Table A2.11. Repartition of poverty by age categories

	2004			2015		
	Population		Poor (AROP) Population % by age	Population		Poor (AROP) Population % by age
	Nombre	%		Nombre	%	
Age 0-17	2.169.933	20,77%	24,3%	2.285.581	20.28%	25.5%
Age 18-64	6.476.419	62,00%	52,7%	6.919.768	61.41%	57.1%
Age 65+	1.799.500	17,23%	23,0%	2.062.561	18.30%	17.5%
Totaal	10.445.852	100,00%	100,0%	11.267.910	100.00%	100.0%

Source – site INS et EUROSTAT (calcul FPS)

ANNEX 3 : TRENDS IN REGIONS

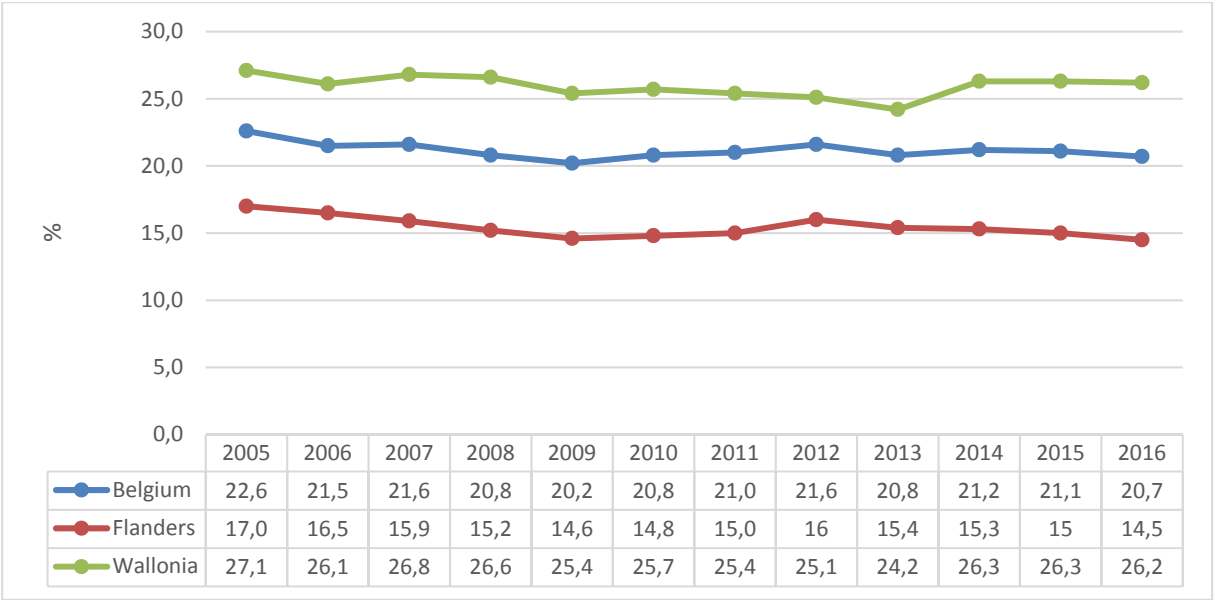
In this section, the evolution of the social situation in the Belgian regions (Flanders, Wallonia and the Brussels Capital Region) will be discussed. The analysis will mainly focus on the basic indicators relating to poverty and social exclusion. In addition, some key shifts regarding labour market integration will be discussed. The social indicators are mainly based on data derived from the EU-SILC survey combined with regional data from IWEPS (Institut wallon de l'évaluation, de la prospective et de la statistique) and SVR (Studiedienst Vlaamse Regering). Taking into account the small sample sizes for available data, the statistics relating to the Brussels Capital Region will be discussed only briefly (and not integrated into the tables).

Finally, we recall, as mentioned in the introduction, that for the Regions, as indicators are often calculated on the basis of smaller populations, the error rate is higher. Table A3.4. gives an overview of confidence intervals for some key indicators on a regional level.

A 3.1. **Indicators on poverty and social exclusion**

The regional distribution of the evolution of the combined indicator 'poverty and social exclusion', based on the EU-SILC survey, shows significant disparities between the Regions (Figure A3.1.1.) : Whereas the Flemish AROPE rate stagnates around 15% over the period 2005-2016, the indicator fluctuates around 25% in the Walloon region. The situation in the Brussels Capital Region is even more precarious with an average rate around 39%. In the most recent period (2012-2014), the AROPE rate seems to decrease in Flanders (from 16% in 2012 to 14.5% in 2016). The Walloon AROPE rate seems to follow the opposite trend (from 24% in 2012 to 26.3% in 2014 and 2015 and 26.2% in 2016).

Figure A3.1.1. At-risk-of poverty or social exclusion per Region (2005-2016, in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	22,6	21,5	21,6	20,8	20,2	20,8	21,0	21,6	20,8	21,2	21,1	20,7
Flanders	17,0	16,5	15,9	15,2	14,6	14,8	15,0	16	15,4	15,3	15	14,5
Wallonia	27,1	26,1	26,8	26,6	25,4	25,7	25,4	25,1	24,2	26,3	26,3	26,2

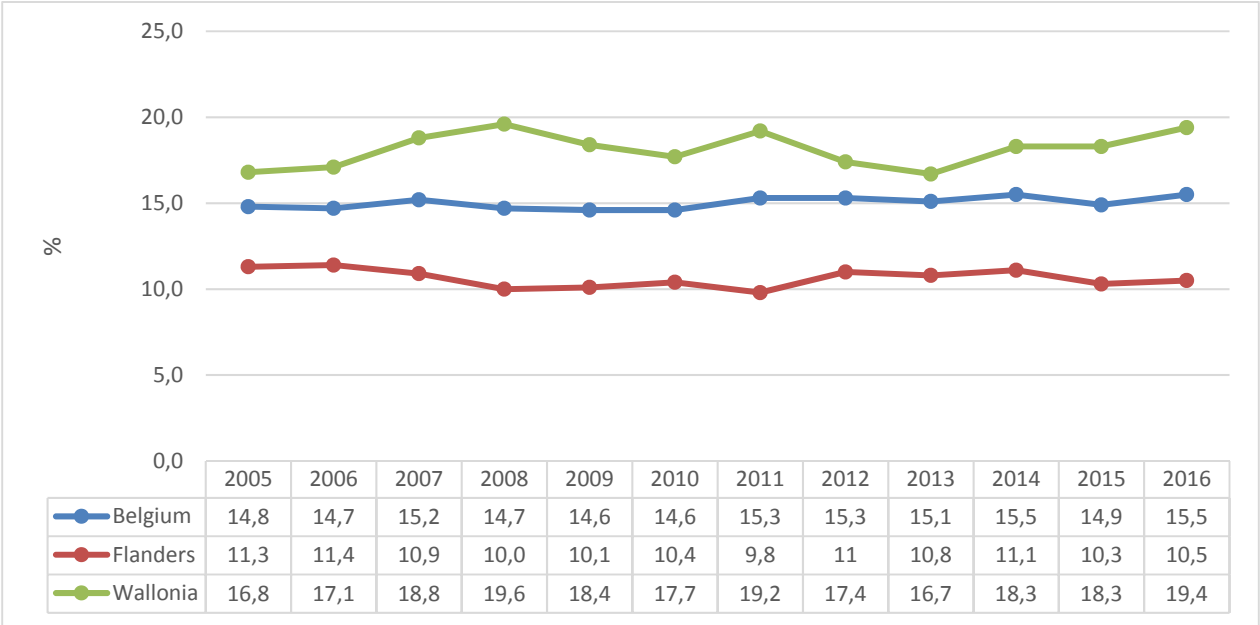
Source: EU-SILC, EUROSTAT, Statistics Belgium

A closer look at the regional AROPE rates by housing tenure status shows a precarious situation of tenants compared to owners in all Regions. However, significant differences can be observed between tenants in the different regions: Whereas the risk of poverty or social exclusion for tenants amounts to 52.2% in Wallonia in 2015, the Flemish rate reaches 'only' 24% in 2015.

In what follows, the combined AROPE indicator will be broken down into the at-risk-of poverty rate, the severe material deprivation indicator and the very low work intensity rate. For each indicator, the regional disparities will be discussed:

Figure A3.1.2. shows the regional evolution of the at-risk-of-poverty rate. Again, the Flemish rate is far below the Walloon level for the period 2005-2016: Whereas in Flanders approximately 10 or 11% of the population is at-risk-of-poverty, the Walloon average fluctuates around 18%. In the Brussels Capital Region, about 30% of the population is at-risk-of-poverty. Whereas the Walloon rate increase slightly between EU-SILC 2014 and EU-SILC 2016 (from 18.3% to 19.4%), the Flemish rate seems to decrease slightly over the same period (from 11.1% to 10.5%).

Figure A3.1.2. At-risk-of-poverty rate per Region (2005-2016, in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	14,8	14,7	15,2	14,7	14,6	14,6	15,3	15,3	15,1	15,5	14,9	15,5
Flanders	11,3	11,4	10,9	10,0	10,1	10,4	9,8	11	10,8	11,1	10,3	10,5
Wallonia	16,8	17,1	18,8	19,6	18,4	17,7	19,2	17,4	16,7	18,3	18,3	19,4

Source: EU-SILC, EUROSTAT Statistics Belgium

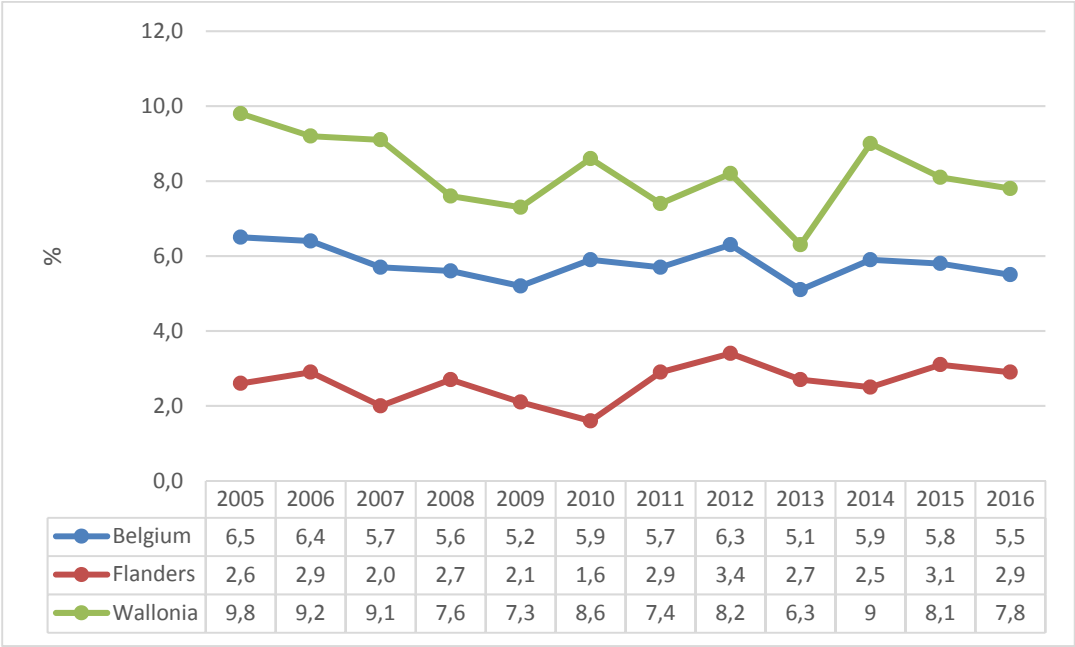
A breakdown of the at-risk-of-poverty rate by age (0-15/16-64/65+) shows an important regional variation: Whereas the poverty rate among elderly is higher than the corresponding rate for the population in the active age in Flanders (13.5% vs. 9.5%) in EU-SILC 2016, the situation is the opposite in the Brussels Capital Region (20.6% vs. 31.3%). In Wallonia, the poverty rate among elderly and the poverty rate of the population in the active age are relatively close to each other (17.8% vs. 19.4%).

As regards household composition, the situation of single parent households with one or more children remains precarious in all Regions. , though with significant regional disparities: The at-risk-of-poverty

rate for this household type amounted to 34% in Flanders, 45.9% in Wallonia and 51.8% in the Brussels Capital Region in EU-SILC 2016.

The regional evolution of the severe material deprivation indicator follows an irregular trend in the period 2013-15, though with similar regional disparities, as can be seen in Figure A3.1.3. : Between EU-SILC 2013 and EU-SILC 2014, the Walloon severe material deprivation rate sharply increases to decrease again in the most recent years (from 9% in EU-SILC 2014 to 8.1% in EU-SILC 2015 an 7.8% in EU-SILC 2016). After a continuous decline over the period EU-SILC 2012-2014, the Flemish rate increases between EU-SILC 2014 and EU-SILC 2015 (from 2.5% to 3.1%) but decrease again to 2.9% in EU-SILC 2016. Again, the level in the Brussels Capital Region (13.1% in EU-SILC 2016) is far above the Belgian average (around 5.5% to 6%).

Figure A3.1.3. Severe material deprivation per Region (2005-2016, in %)



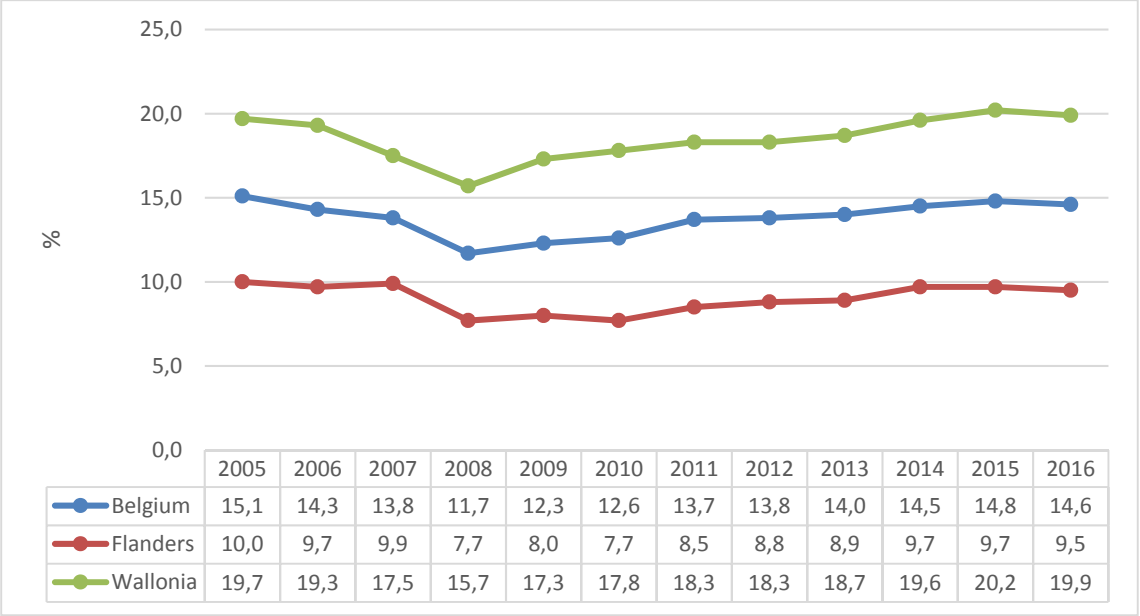
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	6,5	6,4	5,7	5,6	5,2	5,9	5,7	6,3	5,1	5,9	5,8	5,5
Flanders	2,6	2,9	2,0	2,7	2,1	1,6	2,9	3,4	2,7	2,5	3,1	2,9
Wallonia	9,8	9,2	9,1	7,6	7,3	8,6	7,4	8,2	6,3	9	8,1	7,8

Source: EU-SILC, EUROSTAT Statistics Belgium

Figure A3.1.4. gives an overview of the proportion of people living in a very low work intensity household. Again, it can be observed that the very low work intensity indicator is significantly higher in Wallonia (around 18%) compared to the Flemish rate (around 9%) over the period 2005-2016. For both regions, the proportion of people living in a very low work intensity household has been gradually increasing since 2008[55]: In Flanders, the VLWI indicator increased from 7.7% in 2008 to 9.5% in 2016, while the Walloon rate increased from 15.7% in 2008 to 19.9% in 2016. In the Brussels Capital Region, the VLWI indicator fluctuated around 25% over the period 2005-2016.

55 We observe however a slight decrease in Eu-SILC 2016.

Figure A3.1.4. Very low work intensity per Region (2005-2016, in %)



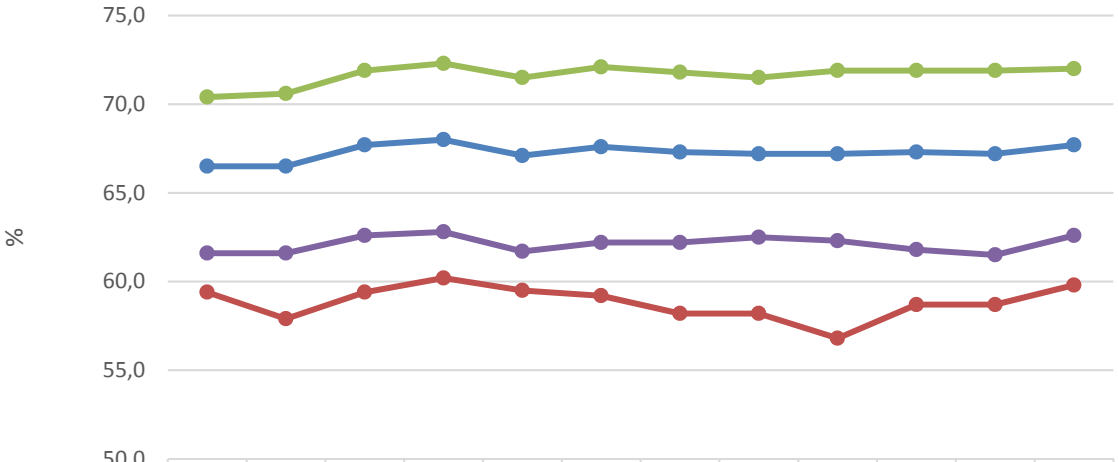
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	15,1	14,3	13,8	11,7	12,3	12,6	13,7	13,8	14,0	14,5	14,8	14,6
Flanders	10,0	9,7	9,9	7,7	8,0	7,7	8,5	8,8	8,9	9,7	9,7	9,5
Wallonia	19,7	19,3	17,5	15,7	17,3	17,8	18,3	18,3	18,7	19,6	20,2	19,9

Source: EU-SILC, EUROSTAT Statistics Belgium

A 3.2. **Labour market performance**

The Labour Force Survey is an important tool to monitor the labour market situation in the different Regions. Figure A3.2.1. shows the employment rate of the population in the active age (~~15~~-20-64) among the Belgian regions for the period 2005-2016. The breakdown by region shows that the observed stability of the Belgian employment rate hides important regional disparities: Whereas the Belgian employment rate hardly changes between 2010 and 2016 (from67.6% to 67.7%), the regional rates appear to fluctuate more: In Flanders, the employment rate decreases over the period 2010-2012 (from 72.1% to 71.5%) but increases again in the most recent years to reach 72 % again in 2016. In Wallonia and Brussels, the opposite trend can be observed, with an increase being followed by a decline and again an increase the last year (more marked in Brussels) to with a level of 62.6% in Wallonia and 59.8% in Brussels in 2016. It stay clearly lower than in Flanders.

Figure A3.2.1. Employment rate of the age group 20-64 per Region (2010-2016, in %)

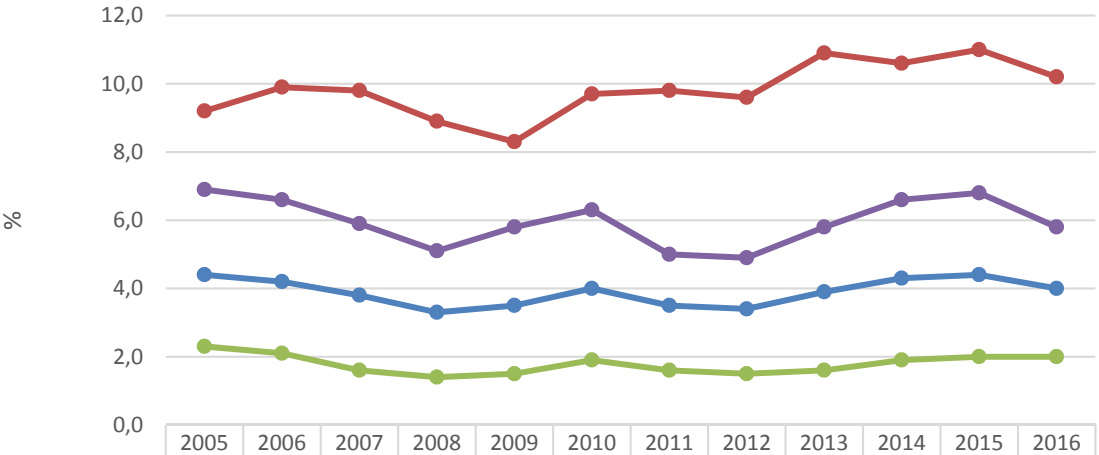


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	66,5	66,5	67,7	68,0	67,1	67,6	67,3	67,2	67,2	67,3	67,2	67,7
Brussels	59,4	57,9	59,4	60,2	59,5	59,2	58,2	58,2	56,8	58,7	58,7	59,8
Flanders	70,4	70,6	71,9	72,3	71,5	72,1	71,8	71,5	71,9	71,9	71,9	72,0
Wallonia	61,6	61,6	62,6	62,8	61,7	62,2	62,2	62,5	62,3	61,8	61,5	62,6

Source: Labour Force Survey, EUROSTAT Statistics Belgium (2016)

Another important labour market indicator is the long-term unemployment rate. Figure A3.2.2. depicts the long-term unemployment rate as the share of persons unemployed for 12 months or more in the total active population for the Regions. Whereas the Flemish long-term unemployment rate is relatively stable between 2005 and 2015 (around 2%), the Walloon rate seems to fluctuate more (f.i. from 6.9% in 2005 to 5.1% in 2008). In the most recent period (2012-2015), both regional rates seem to be gradually increasing. In the Brussels Capital Region, the long-term unemployment rate was 11% in 2015.

Figure A3.2.2. Long-term unemployment rate (12 months and more) per Region (2005-2016, in %)



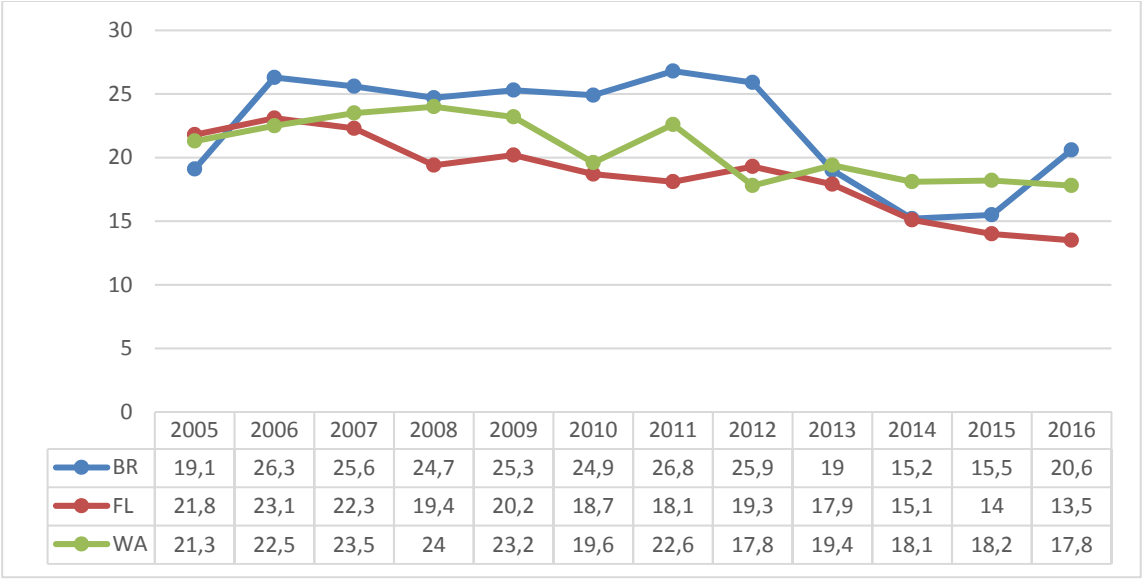
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Belgium	4,4	4,2	3,8	3,3	3,5	4,0	3,5	3,4	3,9	4,3	4,4	4,0
Brussels	9,2	9,9	9,8	8,9	8,3	9,7	9,8	9,6	10,9	10,6	11,0	10,2
Flanders	2,3	2,1	1,6	1,4	1,5	1,9	1,6	1,5	1,6	1,9	2,0	2,0
Wallonia	6,9	6,6	5,9	5,1	5,8	6,3	5,0	4,9	5,8	6,6	6,8	5,8

Source: Labour Force Survey, EUROSTAT

A 3.3. **Differences in trends between subgroups**

On the basis of the available data for drafting this analysis, a reduction of the at-risk-of-poverty rate for the elderly can be observed in all regions. Although the pattern differs somewhat between the regions (figure A3.3.1.).

Figure A3.3.1. At-risk-of-poverty rate for the elderly population (65+) by Region

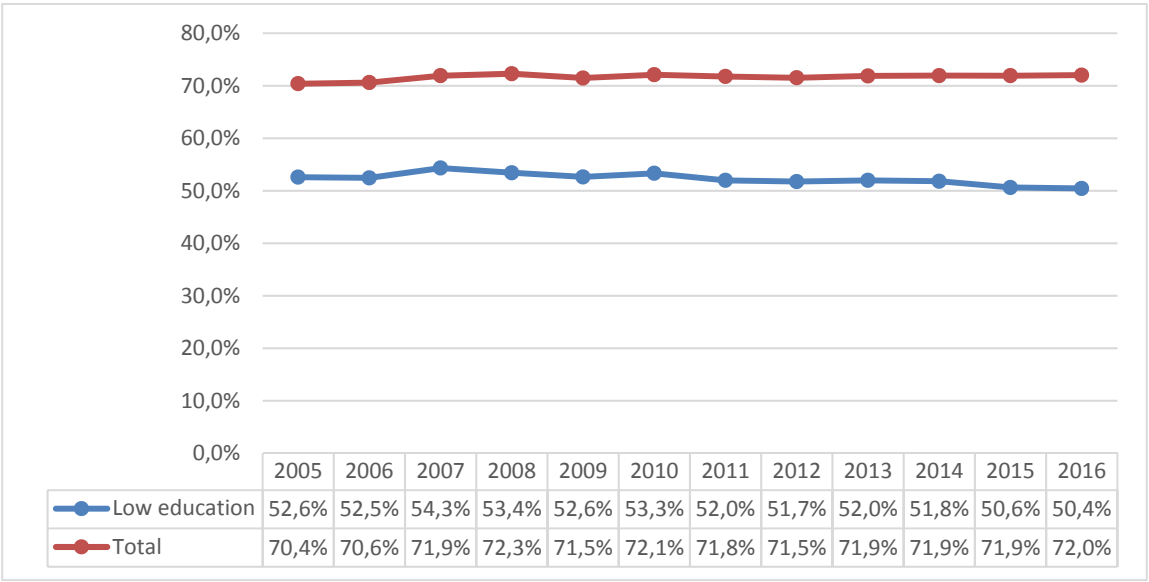


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
BR	19,1	26,3	25,6	24,7	25,3	24,9	26,8	25,9	19	15,2	15,5	20,6
FL	21,8	23,1	22,3	19,4	20,2	18,7	18,1	19,3	17,9	15,1	14	13,5
WA	21,3	22,5	23,5	24	23,2	19,6	22,6	17,8	19,4	18,1	18,2	17,8

Source: EU-SILC- SVR, IWEPS

Concerning the employment rate of persons with a low educational attainment, it shows a stronger decrease in both Flanders and Wallonia compared to other educational groups, over the period 2005-2016. The situation is more stable in Brussels.

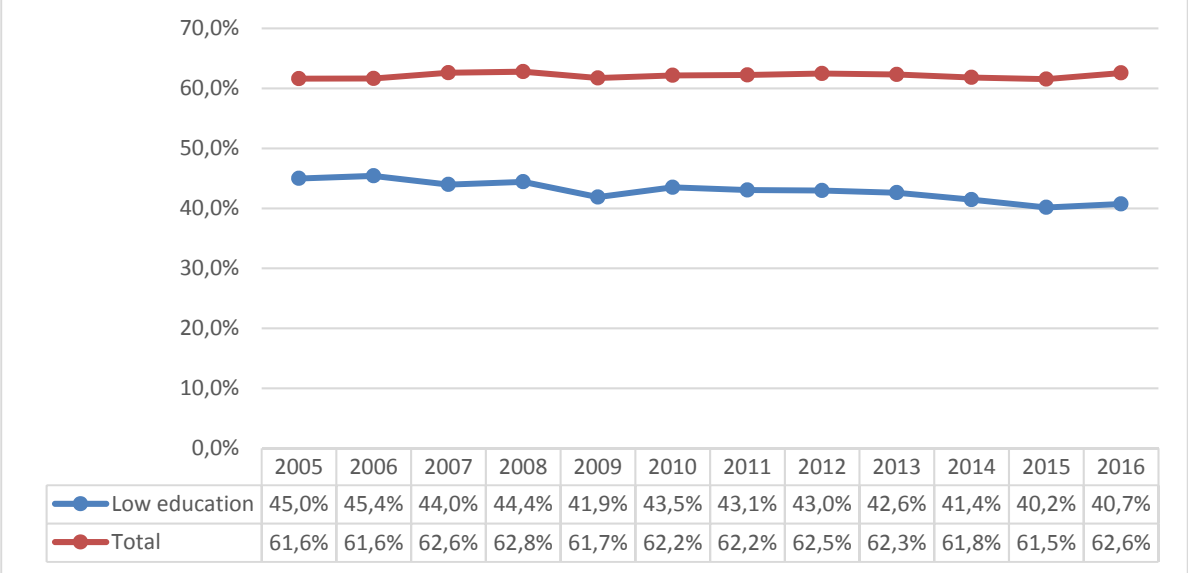
Figure A3.3.2. Employment rate by educational attainment level, Flanders (2005-2016, in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low education	52,6%	52,5%	54,3%	53,4%	52,6%	53,3%	52,0%	51,7%	52,0%	51,8%	50,6%	50,4%
Total	70,4%	70,6%	71,9%	72,3%	71,5%	72,1%	71,8%	71,5%	71,9%	71,9%	71,9%	72,0%

Source: Labour Force Survey, Statistics Belgium

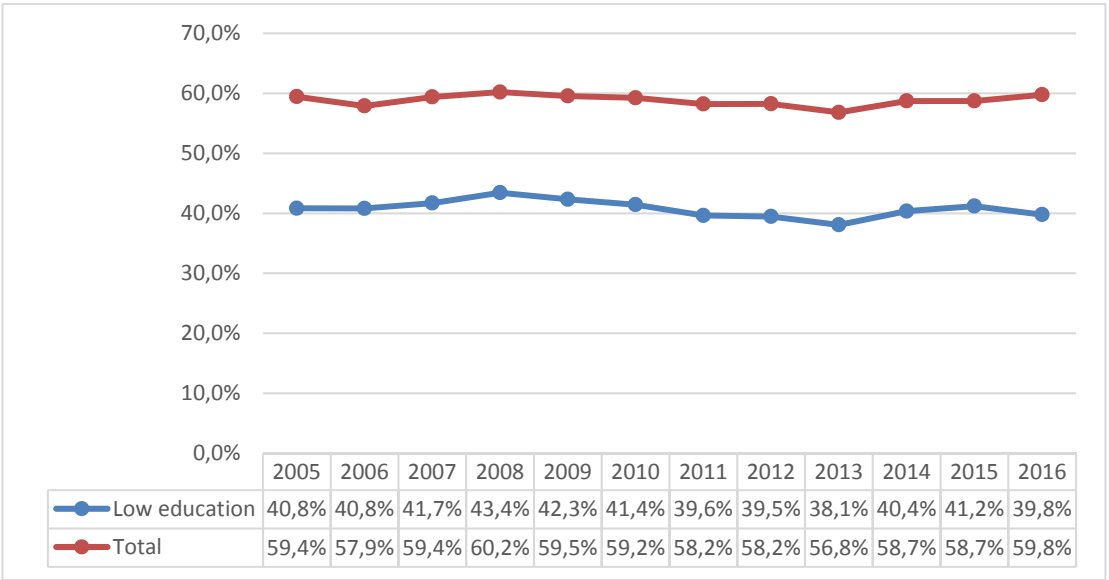
Figure A3.3.2bis. Employment rate by educational attainment level, Wallonia (2005-2016, in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low education	45,0%	45,4%	44,0%	44,4%	41,9%	43,5%	43,1%	43,0%	42,6%	41,4%	40,2%	40,7%
Total	61,6%	61,6%	62,6%	62,8%	61,7%	62,2%	62,2%	62,5%	62,3%	61,8%	61,5%	62,6%

Source: Labour Force Survey, Statistics Belgium

Figure A3.3.2ter. Employment rate by educational attainment level, Brussels (2005-2016, in %)



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Low education	40,8%	40,8%	41,7%	43,4%	42,3%	41,4%	39,6%	39,5%	38,1%	40,4%	41,2%	39,8%
Total	59,4%	57,9%	59,4%	60,2%	59,5%	59,2%	58,2%	58,2%	56,8%	58,7%	58,7%	59,8%

Source: Labour Force Survey, Statistics Belgium

A 3.4. **Confidence intervals**

As, for the Regions, indicators are often calculated on the basis of smaller populations, so that error rate are higher, we gives in the Table A3.4. an overview of confident intervals for some key indicators on a regional level from 2006 to 2016.

Table A3.4. Confidence intervals

	AROP	BI AROP		LWI	BI LWI	SMD	BI SMD	AROPE	BI AROPE
2006									
BE	14.7	12.9 – 16.5							
VL	11.4	9.5 – 13.3							
WA	17	14.3 – 19.7							
BRU	25.9	15.0 – 36.9							
2007									
BE	15.2	13.5 – 16.9							
VL	10.9	9.1 – 12.7							
WA	18.8	16.1 – 21.5							
BRU	28.2	16.3 – 40.1							
2008									
BE	14.7	13.3 – 16.1							
VL	10.1	8.3 – 11.9							
WA	19.5	15.7 – 23.3							
BRU	26.3	12.6 – 40.0							
2009									
BE	14.6	13.2 – 16							
VL	10.1	8.0 – 12.2							
WA	18.4	15.6 – 21.2							
BRU	27.8	22.6 – 33.0							
2010									
BE	14.6	13.4 – 15.8		12.7	11.3 – 14.1	5.9	5.1 – 6.7	20.8	19.4 – 22.2
VL	10.4	8.8 – 12.0		7.7	6.1 – 9.3	1.6	1.1 – 2.1	14.7	12.8 – 16.6
WA	17.7	15.5 – 19.9		17.9	15.5 – 20.3	8.6	6.5 – 10.7	25.6	22.8 – 28.4

BRU	28.3	22.4 – 34.2		23.3	16.8 – 29.8	21.7	18.2 – 25.2	40.2	34.6 – 46.8
	2011								
BE	15.3	12.2 – 18.4		13.8	12.1 – 15.5	5.7	4.9-6.5	21.0	19.0 – 23.0
VL	9.8	7.4 – 12.2		8.6	6.5 – 10.7	2.9	2.0 – 3.8	15.0	12.9 – 17.1
WA	19.2	13.3 – 25.1		18.4	15.2 – 21.6	7.4	5.7 – 9.1	25.4	21.5 – 29.3
BRU	33.7	27.1 – 40.3		27.5	21.0 – 34.0	16.1	12.2 – 20.0	40.4	34.1 – 46.7
	2012								
BE	15.3	14.1 – 16.5		13.9	12.5 – 15.3	6.3	5.3 – 7.3	21.6	20.4 – 22.8
VL	11.0	9.7 – 12.3		8.8	7.3 – 10.3	3.4	2.5 – 4.3	16.0	14.5 – 17.5
WA	17.4	14.5 – 20.3		18.4	15.7 – 21.1	8.2	6.3 – 10.1	25.1	22.2 – 28.0
BRU	32.7	26.4 – 39.0		26.6	21.3 – 31.9	16.5	11.3 – 21.7	42.0	35.5 – 48.5
	2013								
BE	15.1	12.9 – 17.3		14.0	12.5 – 15.5	5.1	4.3 – 5.9	20.8	19.2 – 22.4
VL	10.8	8.7 – 12.9		8.9	7.4 – 10.4	2.7	1.9 – 3.5	15.4	13.4 – 17.4
WA	16.7	13.2 – 20.2		18.8	15.3 – 22.3	6.3	4.6 – 8.0	24.2	20.9 – 27.5
BRU	33.5	26.6 – 40.4		26.5	22.9 – 30.1	14.9	11.8 – 18.0	40.5	34.2 – 46.8
	2014								
BE	15.5	14.2 – 16.8		14.6	13.0 – 16.2	5.9	4.8 – 7.0	21.2	19.7 – 22.7
VL	11.1	9.7 – 12.5		9.7	8.3 – 11.1	2.5	1.6 – 3.4	15.3	13.6 – 17.0
WA	18.3	15.0 – 21.6		19.6	15.5 – 23.7	9.3	6.2 – 11.8	26.3	22.7 – 29.9
BRU	30.9	26.7 – 35.1		19.6	15.5 – 23.7	15.1	11.5 – 18.7	26.3	22.7 – 29.9
	2015								
BE	14.9	13.6 – 16.2		14.9	13.5 – 16.3	5.8	4.9 – 6.7	21.1	19.9 – 22.3
VL	10.3	8.8 – 11.8		9.7	8.0 – 11.4	3.1	2.0 – 4.2	15.0	13.2 – 16.8
WA	18.3	15.3 – 21.3		20.2	17.6 – 22.8	8.1	6.3 – 9.9	26.3	23.8 – 28.8
BRU	29.7	24.5 – 34.9		25.4	21.7 – 29.1	13.6	10.4 – 16.8	38	32.9 – 43.1

	2016								
BE	15.5	14.2 – 16.8		14.6	13.1 – 16.1	5.5	4.4 – 6.6	20.7	19.2 – 22.2
VL	10.5	8.8 – 12.2		9.5	7.7 – 11.3	2.9	2.0 – 3.8	14.5	12.6 – 16.4
WA	19.4	16.3 – 22.5		19.9	16.9 – 22.9	7.8	4.8 – 10.8	26.2	22.6 – 29.8
BRU	30.9	26.8 – 35		25.1	20.6 – 29.6	13.1	9.8 – 16.4	37.9	34.4 – 41.4

ANNEX 4 : PARTICIPANTS IN THE MEETING OF THE WORKING GROUP ON SOCIAL INDICATORS (MEETING MARCH 2017)

Jean-Maurice Frère, Guy Van Camp (FPB), Sarah Luyten (Observatoire de la santé et du sociale Bruxelles), Annelies De Schrijver, Geneviève Geenens (Statistics Belgium), Romain Duvivier (Observatoire du Crédit et de l'endettement), Wouter Schepers (HIVA-KULeuven), Henk Van Hootegem (Steunpunt armoedebestrijding), Sebastien Bastaits, Peter Lelie, Rudi Van Dam, Natacha Van Mechelen (FPS Social Security), François Ghesquiere (IWEPS), Jo Locquet (FPS Social Integration), Ramon Peña-Casas (Observatoire Social Européen), Hildegard Van Hove (Instituut voor de Gelijkheid van Vrouwen en Mannen), Catherine Peters, Karen Van laethem (CNDE)

ANNEX 5 : NEDERLANDSTALIGE SAMENVATTING EN KERNBOODSCHAPPEN VAN DE ANALYSE VAN DE EU SOCIALE INDICATOREN

De belangrijkste conclusies en de daaruit volgende uitdagingen van deze analyse van de sociale indicatoren voor België liggen in de lijn van deze van de rapportering van vorige jaren. **Het aantal mensen in een situatie van armoede of sociale uitsluiting blijft stabiel. De afstand tot de Europa 2020 doelstelling inzake de reductie van het aantal personen in een situatie van armoede of sociale uitsluiting blijft dan ook quasi gelijk aan deze in het begin van de strategie. Onder relatief stabiele sociale indicatoren voor de gehele bevolking worden significante divergerende trends vastgesteld. Het armoederisico stijgt voor de bevolking op actieve leeftijd en blijft voor ouderen, na een sterke daling in de vorige jaren, stabiel in de nieuwste cijfers. Het armoederisico onder de bevolking op actieve leeftijd stijgt duidelijk verder voor personen met een laag en, opmerkelijk, ook onder personen met een middelmatig opleidingsniveau. De mediane inkomens van deze twee categorieën dalen ten opzichte van het mediaan inkomen van hooggeschoolden. Voor sommige specifieke sociale categorieën vertonen de indicatoren voor België een hoger armoederisico dan het EU-gemiddelde (personen in een huishouden zonder werk en met kinderen, personen met een niet EU-28 nationaliteit en personen met beperkingen in hun dagelijkse activiteiten). De graad van lage werkintensiteit is gestegen en blijft bij de hoogste in de EU. Onder de laagste inkomens (laagste quintiel) is het percentage personen dat aangeeft dat het gezondheidszorgen heeft moeten uitstellen hoog in EU-context. Bovendien stijgt dit percentage verder in de recente EU-SILC 2016 gegevens. Verder blijven de ongelijkheden in de onderwijsresultaten zeer persistent. De doelmatigheid van de sociale bescherming neemt toe voor ouderen, maar daalt voor de bevolking op actieve leeftijd.**

De Europa 2020 doelstelling inzake de reductie van armoede en sociale uitsluiting

De gecombineerde indicator inzake het risico op armoede en/of sociale uitsluiting, die de basis is voor de Europa 2020 doelstelling vertoont geen systematische op- of neerwaartse trend tussen 2012 en 2015, na lichte toenames tussen 2008 en 2012. Dit betekent dat, terwijl de Europa 2020 strategie stilaan in de eindfase komt, de inspanning om de doelstelling te halen even groot blijft als bij de aanvang van de strategie. Projecties, onder ongewijzigd beleid en gebaseerd op data beschikbaar mid-2016, wijzen er op dat het aantal personen in een situatie van armoede en/of sociale uitsluiting zich ongeveer op hetzelfde niveau zal bevinden bij het einde van de strategie (Frère, 2016).

Inkomensongelijkheid en armoede of sociale uitsluting

De inkomensongelijkheid bleef stabiel op een laag niveau in vergelijking met andere EU landen. Sinds het begin van de meting van deze indicator op basis van de EU-SILC enquête in 2004 steeg het equivalent beschikbaar inkomen proportioneel in gelijke mate over de inkomensdecielen. Deze toename is echter voornamelijk gesitueerd in de periode tot 2010 (inkomens 2009). Daarna, en tot de

laatste observatie in EU-SILC 2015 (inkomens 2014), stagneerden de inkomens in reële termen. De meest recente cijfers, gebaseerd op EU-SILC 2015-2016 (inkomens 2014-2015), wijzen op een iets kleinere stijging van inkomens in het laagste deciel in vergelijking met de rest van de inkomensverdeling.

Het algemene beeld dat naar voor komt van deze analyse is er één van een stabiele inkomensverdeling en inkomensniveaus. Niettegenstaande deze algemene stabiliteit hebben er zich veranderingen voorgedaan onderaan de inkomensverdeling, waar ouderen en laaggeschoolde actieven tot op zekere hoogte wisselde van plaats. Ouderen met een laag inkomen zijn iets gestegen op de inkomensladder, terwijl laaggeschoolden daalden. Deze tegengestelde bewegingen verklaren ook het stabiele armoedeniveau. Tegelijkertijd wijzen zij ook op een polariserende trend onder de actieve bevolking.

Na een continu dalende trend tijdens het afgelopen decennium, stabiliseerde het armoederisico voor ouderen zich op hetzelfde niveau als het armoederisico voor de totale bevolking tussen EU-SILC 2015-2016 (15,4%). De verbetering van de situatie van ouderen was vooral gesitueerd onder de lage inkomens en onder vrouwen, ten gevolge van cohort-effecten en tot op zekere hoogte een verbetering van minimum-pensioenen. Het mediaan inkomen van ouderen verbeterde slechts licht in verhouding tot het mediaan inkomen van de actieve bevolking.

Het mediaan equivalent huishoudinkomen van laaggeschoolden is duidelijk achtergebleven op het inkomen van hoog- en middengeschoolden. Het armoederisico van de laaggeschoolde bevolking op actieve leeftijd steeg duidelijk verder tussen EU-SILC 2015 en 2016, en situeert zich nu bijna op 31% (komende van 18,8% in 2006). Recente cijfers op basis van de Enquête naar de beroepsbevolking wijzen op een lichte verdere toename van de tewerkstellingskloof tussen laaggeschoolden en de rest van de bevolking op actieve leeftijd. Na een daling van de werkzaamheidsgraad voor laaggeschoolden, bleef deze stabiel tussen 2015 en 2016, terwijl de tewerkstelling licht steeg voor de ander groepen. De toegankelijkheid van de arbeidsmarkt voor zwakkere sociale groepen blijft een persistent en ernstig probleem, ondanks de maatregelen die over de jaren genomen werden. Een longitudinale studie op basis van een uitgebreide steekproef van leefloontrekkers toonde aan dat slechts 12% uitkeringsafhankelijkheid kon ontsnappen via een stabiele job (Carpentier,2016).

Het aandeel van laaggeschoolden op actieve leeftijd in de totale bevolking daalde aanzienlijk tijdens het voorbije decennium. Dit resulteert in een kleinere, maar meer kwetsbare bevolkingsgroep. Deze toename van de zwakkere positie is een zeer robuuste bevinding, die terugkomt in diverse indicatoren: het armoederisico, de zeer lage werk-intensiteitsgraad, de werkzaamheidsgraad wijzen allen op toegenomen risico's en een polariserende tendens onder de bevolking op actieve leefijd.

Minstens even significant als de verzwakking van de positie van laaggeschoolden is de vaststelling dat het armoederisico van personen met een 'midden' scholingsniveau sinds 2010 sterk toegenomen is (van 9,8% in 2010 tot 14,6% in 2016). Ook de zeer lage werkintensiteitsgraad nam toe voor deze categorie, terwijl de ernstige materiële deprivatie indicator stabiel bleef. Opmerkelijk is ook dat het mediaan equivalent beschikbaar inkomen van deze groep sinds EU-SILC 2013 licht achterbleef op het inkomen van hooggeschoolden. De stijging van het armoederisico voor de actieve bevolking als geheel is wellicht toe te schrijven aan de stijging in deze categorie 'midden'-geschoolden (ten hoogste diploma hoger secundair onderwijs).

De sociale situatie voor sommige specifieke groepen vereist aandacht. Voor personen in een huishouden zonder werk en met kinderen, personen met een migratie-achtergrond en personen met beperkingen in hun dagelijkse activiteiten ligt het armoederisico hoger dan het EU gemiddelde. Voor de laatste twee groepen is het zelfs bij de hoogste in de EU.

Het aantal kinderen in armoede of sociale uitsluiting is toegenomen sinds 2008. Deze toename komt vooral voort uit de toename van het aantal kinderen in huishoudens zonder werk. Het armoederisico bleef quasi stabiel.

De recente PISA2015 resultaten over de onderwijsresultaten van de Belgische 15 jarigen wijzen op een hoge algemene performantie, maar ook op hoge ongelijkheden naar sociaal economische achtergrond. Deze, in OESO context, hoge ongelijkheid in de onderwijsresultaten is een zeer persistente bevinding over de diverse PISA golven. Ongelijkheden worden ook vastgesteld naar migratiestatus, al blijken deze iets te zijn gedaald ten opzichte van vorige edities. Er zijn belangrijke verschillen in performantie tussen de regio's, waar Vlaanderen veel beter scoort dan de andere regio's.

Er blijven over het algemeen grote verschillen in het niveau van armoede of sociale uitsluiting tussen de regio's. Ten opzichte van de andere regio's is het niveau aanzienlijk lager in Vlaanderen. Alhoewel de niveau's sterk verschillen, zijn de evoluties onder bejaarden en laaggeschoolden, zoals hiervoor beschreven voor België als geheel, wel gelijkaardig in Vlaanderen en Wallonië.

De toereikendheid en houdbaarheid van de sociale bescherming

De analyse van de effectiviteit van de sociale bescherming levert een gemengd beeld op. Over het algemeen is de effectiviteit van de sociale transfers relatief hoog in België. De pre-transfer armoede , het -fictief- percentage armen wanneer de uitkeringen zouden worden afgetrokken van het inkomen, wordt met 44% verminderd door de sociale uitkeringen, terwijl het EU-gemiddelde 33% bedraagt. De effectiviteit is dus hoger in België. Anderzijds kan hier opnieuw gewezen worden op de vaststelling dat het algemene armoederisico in België onder het EU-gemiddelde ligt, maar dat deze hoger is voor specifieke groepen (cf. hoger). Deze bevinding wijst op een gebrek aan een adequate inkomensbescherming via toegang tot een arbeidsinkomen en aan adequate sociale uitkeringen voor personen voor wie dit de enige inkomensbron is.

Het aantal personen dat aangeeft dat medische zorg moest worden uitgesteld omwille van, vooral, financiële redenen, is over het algemeen laag in België, maar is sinds 2011 toegenomen in het laagste inkomensquitiel. Tussen de twee meest recent beschikbare jaren (EU-SILC 2015-2016) steeg het percentage verder van 7,1% naar 7,7% (2011: 4,2%). Het percentage personen in het laagste inkomensquintiel dat medische zorg moet uitstellen is onder de hogere in de EU. Het is niet duidelijk wat de oorzaak is van de toename sinds 2011 en dit relatief hoog niveau, omdat België over een uitgebreid systeem beschikt om te vermijden dat medische kosten een te hoge impact hebben op het gezinsbudget. Non-take up en/of verslechterde inkomenssituaties kunnen mogelijke oorzaken zijn.

Terwijl de werkloosheid en het aantal personen met een werkloosheidsuitkering gedaald zijn, is het aantal personen met een invaliditeitsuitkering en het aantal personen met een leefloon blijven toenemen. De totale sociale uitgaven, op basis van EU (ESSPROS) cijfers, stegen in zeer beperkte mate van 30.1%/BBP tot 30.3%/GDP tussen de twee laatst beschikbare datapunten (2013-2014). Over het

algemeen is het uitgavenniveau hiermee bij de hogere in de EU (5de hoogste in 2014). Naast Denemarken en Frankrijk die een uitgavenniveau hebben rond 33%/BBP, hebben een aantal lidstaten een uitgavenniveau rond 30%/BBP. Het EU gemiddelde is met 28.7% niet zo veel lager.

Het Vergrijzingsrapport 2016 schat de kostprijs van de veroudering in de periode 2015-2060 op 2.3% van het BBP. In vergelijking met de schattingen van 2015 is dit 0.4% hoger. Deze hogere schatting wordt verklaard door een lagere groei dan eerst verondersteld, ten gevolge van een lagere productiviteit en een hogere toename van de afhankelijkheidsgraad.

ANNEX 6 : RESUME ET MESSAGES CLES DE L'ANALYSE DES INDICATEURS SOCIAUX EUROPEENS :

Les messages clés sur la base de cette analyse de la situation sociale, et les défis sociaux qui en résultent, s'inscrivent dans le prolongement des rapports des années précédentes: **un niveau stable du nombre de personnes menacées de pauvreté ou d'exclusion sociale, signifiant que l'effort à réaliser pour atteindre l'objectif de réduction du nombre de personnes en situation de pauvreté ou d'exclusion sociale inscrit dans la stratégie Europe 2020 est toujours aussi grand qu'il ne l'était au début de la stratégie. A côté d'indicateurs sociaux relativement stables pour la population belge en général, des tendances divergentes significatives se dégagent cependant pour différentes catégories. Le risque de pauvreté a augmenté pour la population d'âge active, et s'est stabilisé selon les derniers chiffres pour les personnes âgées après des baisses significative ces dernières années. Au sein de la population d'âge active, la risque de pauvreté continue d'augmenter significativement pour les personnes avec un faible niveau d'éducation, et, élément remarquable, augmente aussi pour les personnes avec un niveau d'éducation « moyen ». Les revenus médians de ces deux catégories diminuent aussi en comparaison avec ceux des personnes ayant un niveau d'éducation supérieur. Certains groups spécifiques présentent des taux de pauvreté plus élevés que la moyenne de l'UE (personnes dans des ménages quasiment sans emploi avec enfants, personnes d'origine non UE28, personnes limitées dans leurs activités quotidiennes). Le pourcentage de personnes en situation de faible intensité de travail augmente et reste parmi les plus élevés de l'UE. Les inégalités sociales en terme de performances scolaires restent également élevées en comparaison d'autres pays. Le nombre de personnes, parmi le quintile de revenus le plus bas, postposant des soins médicaux est aussi particulièrement élevé par rapport aux autres Etats membres de l'UE et a augmenté ces dernières années. Enfin, l'adéquation des transfert de prestations sociales a augmenté pour les personnes âgées mais a diminué pour la population d'âge active.**

Objectif Europe 2020

- L'indicateur combiné sur le risque de pauvreté et/ou d'exclusion sociale, qui constitue la base de l'Objectif Europe 2020, ne présente pas de tendance systématique à la hausse ou à la baisse entre 2012 et 2016, après de légères hausses entre 2008 et 2012. Ainsi, alors que la Stratégie Europe 2020 approche lentement de sa phase finale, les efforts pour atteindre l'objectif sur la réduction de la pauvreté et de l'exclusion sociale restent presque aussi importants qu'au début de la stratégie. Les projections à politique inchangée basées sur les données disponibles mi-2016 indiquent que le nombre de personnes en situation de pauvreté ou d'exclusion sociale se maintiendra environ au même niveau à la fin de la Stratégie Europe 2020 (Frère, 2016).

Inégalité de revenus et pauvreté ou exclusion sociale

- L'inégalité des revenus est restée stable à un niveau peu élevé (par rapport à d'autres pays de l'UE). Depuis le début des mesures sur la base d'EU-SILC en 2004, le revenu disponible équivalent a augmenté proportionnellement de manière égale sur les différents déciles et percentiles de revenus. Néanmoins, la hausse se situe principalement sur la période jusqu'à 2010 (revenus 2009). Entre 2010 et 2015 (revenus 2009-2014), les revenus ont plus ou moins stagné en termes réels. Selon les chiffres les plus récents, basés sur l'enquête Eu-SILC 2015-2016 (revenus 2014-2015), les revenus augmentent un peu moins dans le quintile le plus bas, en comparaison au reste de la distribution des revenus.

- L'image générale qui ressort de cette analyse pour la période 2009-2014 est celle d'une distribution des revenus stable en termes d'inégalité et de niveaux de revenus. En dépit de cette stabilité apparente, des changements sont intervenus dans la tranche inférieure de la distribution, où les personnes âgées et les personnes en âge de travailler peu qualifiées (et dans une part croissante aussi partiellement pour les personnes moyennement qualifiées) ont échangé leurs places. Les personnes âgées à faibles revenus ont connu un mouvement ascendant dans une certaine mesure, alors que les personnes actives peu qualifiées ont connu un mouvement descendant. Ces mouvements contraires expliquent aussi la stabilité du taux de pauvreté. Ils révèlent également une tendance à la polarisation dans la population en âge de travailler.

- Après une tendance continue à la baisse durant la dernière décennie, les chiffres de l'enquête EU-SILC 2015-2016 montre que le risque de pauvreté des personnes âgées s'est maintenant stabilisé au niveau général de risque de pauvreté de la population belge. L'amélioration de la situation pour les personnes âgées se situait principalement chez les bas revenus et les femmes (en raison d'effets de cohorte et d'une amélioration de la pension minimum). Le revenu médian des personnes âgées n'a augmenté que légèrement par rapport au revenu médian de la population non âgée.

- Le revenu équivalent médian des ménages composés de personnes peu qualifiées évolue moins par rapport au revenu médian des ménages composés de personnes avec un niveau d'éducation moyen ou supérieur. Le risque de pauvreté des personnes en âge de travailler peu qualifiées, a augmenté encore plus fortement selon les chiffres de l'enquête EU-SILC 2015-2016, et s'élève maintenant à près de 31% (alors qu'il n'était encore que de 18,8% en 2006). Les chiffres récents de l'Enquête sur les forces de travail 2016 indiquent une poursuite de la réduction des disparités en matière d'emploi entre la main-d'œuvre peu qualifiée et le reste de la population en âge de travailler. Après une baisse, le taux d'emploi est resté stable entre les deux années disponibles les plus récentes 2015-2016 pour les travailleurs peu qualifiés, alors que pour les travailleurs plus qualifiés, le taux d'emploi a augmenté légèrement entre ces deux années. L'accessibilité du marché de l'emploi pour les catégories plus vulnérables reste un problème très persistant et grave, en dépit de différentes mesures politiques prises au cours des années. Une étude longitudinale menée sur un large échantillon de bénéficiaires de l'assistance sociale a montré qu'à peine 12% d'entre eux étaient sorti de la dépendance des allocations grâce à un emploi stable (Carpentier, 2016).

  La proportion de personnes en âge de travailler peu qualifiées dans la population totale a baissé significativement au cours des dix dernières années, avec pour résultat une catégorie de population plus petite, mais plus vulnérable. Cette position plus vulnérable peut être considérée comme une conclusion fiable, car elle est démontrées par différents indicateurs : le taux de risque de pauvreté, le taux de privation matérielle grave, le taux d'intensité de travail très faible et le taux d'emploi indiquent tous des risques accrus et une polarisation entre différentes catégories de population.

- Au sein de la population d'âge active, l'augmentation continue depuis 2010 du risque de pauvreté des personnes avec un niveau d'enseignement « moyen », passant de 9,8% en 2010 à 14,6% en 2016, est au moins aussi significative que l'augmentation du risque de pauvreté des personnes peu qualifiées. Le revenu équivalent médian des ménages composés de personnes avec un niveau d'éducation moyen commence, depuis 3 ans, aussi à évoluer moins par rapport au revenu médian des ménages avec un niveau d'éducation supérieur.

- La situation sociale de certaines catégories spécifiques est inquiétante. Pour les personnes issues de l'immigration, le taux d'emploi est très bas et le taux de pauvreté et d'exclusion

sociale est le plus élevé de l'UE. Le risque de pauvreté ou d'exclusion sociale des personnes ayant des limitations légères à graves dans les activités journalières est également l'un des plus élevés de l'UE.

- Le nombre d'enfants exposés à un risque de pauvreté ou d'exclusion sociale a augmenté depuis 2008. Cette évolution tenait surtout au nombre d'enfants dans des ménages quasiment sans emploi. Le nombre d'enfants exposés au risque de pauvreté est resté quasiment stable. Les chiffres récents de l'enquête EU-SILC 2015-2016 montre une légère diminution du nombre d'enfants en situation de pauvreté ou d'exclusion sociale.

- Les conclusions de PISA 2015 sur les résultats scolaires indiquent des performances générales élevées, bien qu'en légère baisse, mais de grandes inégalités en fonction du contexte socio-économique. Les résultats très inégaux dans un contexte OCDE sont une conclusion très persistante sur différentes vagues PISA. Les inégalités en fonction du statut migratoire sont aussi invariablement élevées, mais elles semblent s'être réduites quelque peu dans les nouveaux chiffres. Il existe des différences significatives de niveaux de performance entre les Régions, la Flandre obtenant de meilleurs résultats.

- Il subsiste de grandes différences dans les niveaux de pauvreté ou d'exclusion sociale entre les Régions : ces niveaux sont significativement moins élevés en Flandre qu'en Wallonie et Bruxelles connaît le taux le plus élevé. Par ailleurs, tant la Flandre que la Wallonie présentent des tendances similaires en ce qui concerne les évolutions parmi les personnes âgées et les personnes en âge de travailler peu qualifiées.

Adéquation et durabilité de la protection sociale

- L'analyse de l'efficacité de la protection sociale fournit un constat mitigé. D'une manière générale, l'efficacité des transferts sociaux est relativement élevée en Belgique. Selon les chiffres de l'enquête EU-SILC 2015, la pauvreté avant transferts était réduite de 44% grâce aux transferts sociaux[56], alors que la moyenne de l'UE28 s'élevait à 33%, un grand nombre d'Etats membres étant approximativement au même niveau que la Belgique. Les chiffres montrent une légère diminution de l'efficacité depuis 2005, celle-ci étant causée par une baisse au sein de la population d'âge active, alors qu'il y a une hausse chez les personnes âgées. Selon les chiffres de l'enquête EU-SILC 2016, l'efficacité baisse encore par rapport à 2015. Par ailleurs, il est pertinent de souligner que, alors que le taux global de pauvreté en Belgique se situe quelque peu en dessous de la moyenne UE28, le taux est supérieur à la moyenne UE pour un certain nombre de catégories vulnérables : les personnes issues de l'immigration, les personnes ayant des limitations légères à graves dans les activités journalières, les personnes à faible intensité de travail et les enfants. Cette conclusion indique un manque de protection adéquate des revenus par l'accès aux revenus du travail, mais elle indique aussi l'inadéquation des transferts de sécurité sociale pour les personnes dont c'est la source principale ou unique de revenus.

- Le nombre de personnes qui doivent postposer des soins médicaux a augmenté depuis 2011 dans le quintile de revenus le plus bas, mais il est resté stable à ce niveau plus élevé entre les deux points de données les plus récents (2014-2015). Le pourcentage de personnes qui doivent reporter des soins médicaux dans le quintile de revenus le plus bas fait partie des plus élevés dans le contexte de l'UE. On n'identifie pas clairement ce qui a provoqué la hausse du

56 Transferts sociaux excluant les pensions

taux de besoins non satisfaits depuis 2011 et le niveau relativement élevé, car la Belgique dispose d'un système assez élaboré pour prévenir les frais médicaux excessifs. Le non-recours et/ou les situations de revenus en détérioration pourraient constituer des causes éventuelles.

- Alors que le chômage et le nombre de personnes bénéficiant d'une allocation de chômage ont baissé, le nombre de personnes bénéficiant d'une allocation d'invalidité et le nombre de personnes bénéficiant d'une allocation d'assistance sociale ont connu une hausse constante. Selon les chiffres de l'UE, les dépenses sociales totales ont augmenté très légèrement, de 30.1% à 30.3% du PIB[57] entre les deux derniers points de données (2013-2014). Globalement, les dépenses se situent parmi les niveaux les plus élevés dans un contexte UE (en 5ème position en 2014). Néanmoins, mis à part le Danemark et la France, dont le niveau se situe autour de 33%, plusieurs Etats membres de l'UE ont un niveau de dépenses approchant 30% du PIB, la moyenne UE28 étant de 28.7%. Le Comité d'étude sur le vieillissement estime le coût du vieillissement sur la période 2015-2060 à 2.3% du PIB (2016). Par rapport aux estimations de 2015, l'estimation 2016 est plus élevée de 0,4%. Cette estimation supérieure est due à une croissance estimée moins forte dans la nouvelle projection en raison d'une croissance inférieure de la productivité et une hausse plus forte du taux de dépendance.

57 Y compris les coûts administratifs. Sans les coûts administratifs, les dépenses de sécurité sociale s'élevaient à 29% en 2014

Federal Public Service
Social Security

FPS Social Security / DG BeSoc

Administration Centre "Kruidtuin"
Finance Tower
Kruidtuinlaan 50
1000 Brussels

www.socialsecurity.fgov.be
dgBeSoC-contact@minsoc.fed.be

Publisher: Muriel Rabau

D/2017/10.770/11