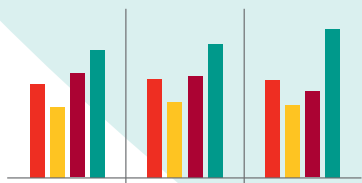



SOCIO-ECONOMIC BAROMETER 2018



FGTB

WWW.ENSEMBLEPOURLECHANGEMENT.BE

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SOCIO-ECONOMIC BAROMETER 2018

Men - women

All references to people or jobs (e.g. worker) obviously refer to both men and women.

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FGTB SOCIO-ECONOMIC BAROMETER 2018: INTRODUCTION

The purpose of our socioeconomic barometer is to take the pulse of our society. How well is our welfare state? How sustainable are growth and employment? How is this growth divided up? Who are the winners and losers?

We continue to keep an eye on the 'new' socioeconomic and social trends such as digitalisation, migration, climate change and mobility issues.

This barometer provides a snapshot of the socioeconomic situation ten years after the crisis in 2008. What started as a financial crisis triggered an economic crisis and a crisis in public finances, a crisis whose consequences we are still suffering today in terms of employment, income and the distribution of wealth, and a crisis which can also be explained by bad political choices over the past ten years, characterised – in particular over the past 4 years – by deregulation, increased flexibility and wage restraint. So we are suggesting a different policy, a policy featuring a fairer way of dividing out work and income, and good living and working conditions.

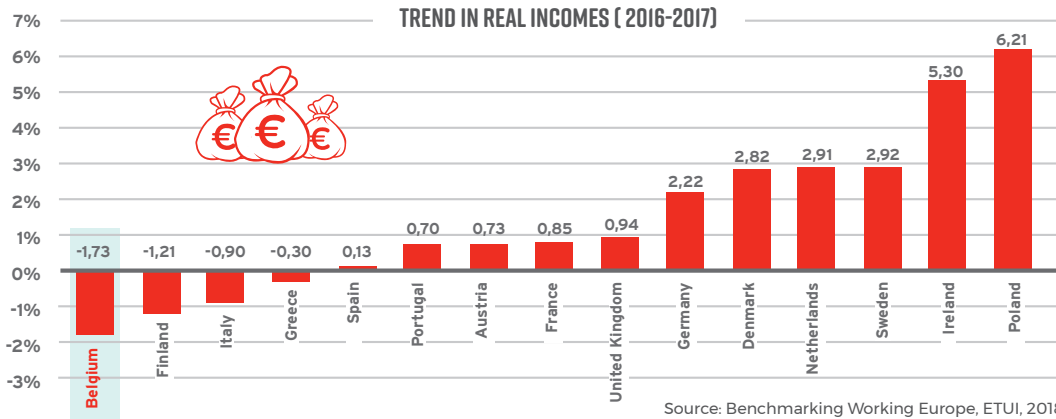
The barometer has been produced by the FGTB's research arm, but it is based on very personal testimonies. Because that is what we have to do: to show, with figures to back us up, what the problems facing workers in this country are, and from that, to create a new policy. Because we can do things differently. Differently and better.

PURCHASING POWER: CONTINUING TO BE ERODED

'Every month, I keep an eye out for the best deals, but for the last year or two, I have been ending up with less and less at the end of the month. Yet my wife and I are still earning the same. I can't understand it - after all, our wages are index-linked when prices go up, aren't they?' - Paul

IS PAUL RIGHT?

As various studies have shown, Paul and his wife are not alone. Wages are no longer keeping pace with the increase in the cost of living. The European Trade Union Institute (ETUI) has studied the trend in our pay by reference to inflation, in other words as a function of rising prices.

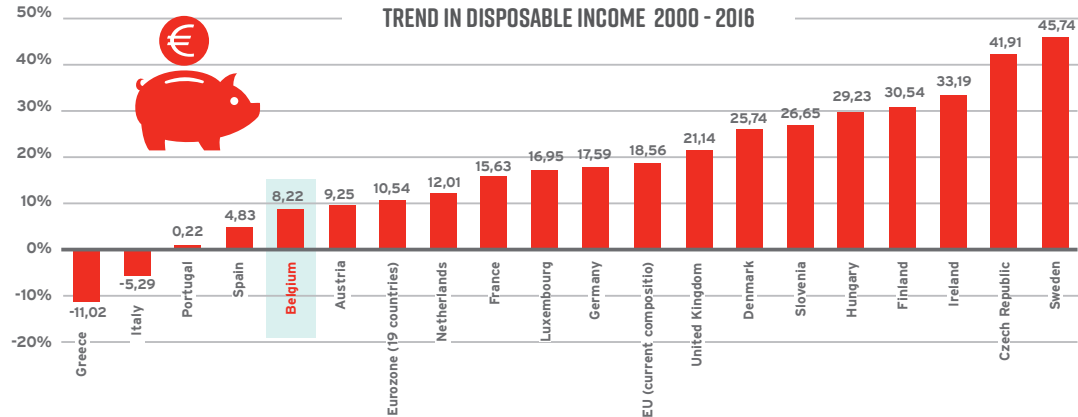


Conclusion : on average, Belgians have lost 1.7% of purchasing power between 2016 and 2017. In 2016, you could buy more goods and services for 100 euro than you can today

WHAT ARE THE REASONS BEHIND THIS TREND?

The Michel government (Center to right-wing neo-liberal government) is driving down workers' purchasing power to make our country 'more competitive' on the international markets. It has done this by applying a rise in the index, but also by imposing low wage margins (plus the index) and increasing taxes, duties and prices for public services.

And despite this, some people say that workers are living beyond their means and that they cost too much. That is astonishing, especially when you read statistics on the trend in total disposable income since 2000 in the recent European Commission publication. That income overall includes investment income and social benefits. What do we find? Among the countries with which we can compare ourselves in economic terms, only the four which have suffered the deepest crisis (Greece, Italy, Portugal and Spain) are reporting poorer performances. And we are supposed to be living beyond our means? Not at all.



Source : European Commission

BELGIAN WORKERS DO NOT COST TOO MUCH

According to the employers and this government, workers are still too expensive to enable businesses to remain 'competitive' enough. But that statement is not actually correct. Admittedly, Belgian workers do indeed cost a bit more, but they also bring significantly more to businesses. We can see this when we measure productivity. The point is that businesses do not make their investment decisions dependent simply upon the cost of an hour of labour, what they are looking at above and beyond that is how much that hour earns them.

COMPARISON BETWEEN PRODUCTIVITY AND WAGE COSTS IN BELGIUM AND IN THE NEIGHBOURING COUNTRIES

	Belgium	Neighbouring countries	Difference
Productivity (yield per hour worked)	51,5 €	45,9 €	12,2 %
Hourly wage costs	37,5 €	33,3 €	12,6 %
Yield per euro invested in wage cost	1,373 €	1,378 €	0,30 %

Source : Central Economic Council, 2018

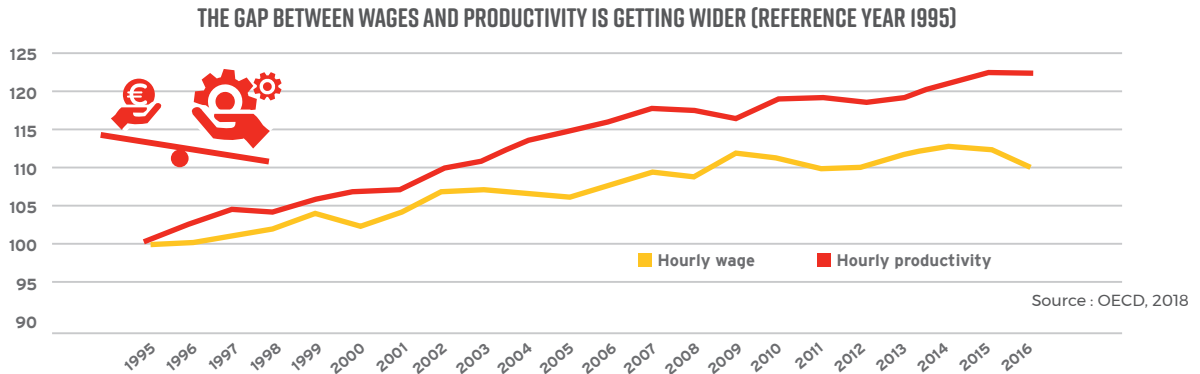
The wage gap is totally offset by Belgium's high productivity. So there is no effect on our competitiveness, and job creation is not being slowed down by high wage costs.

PRODUCTIVITY AND WAGES : WORKERS ARE NOT GETTING THEIR FAIR SHARE

'We did some tough negotiating to secure a decent collective labour agreement for 2017-2018, to get a 1% pay rise and a series of little extras. Today, we are seeing that our CEO's pay, and dividends to shareholders, increased by over 15% last year. We think that is disgusting' - Eva, member of the trade union delegation in a BEL 20 company.

DISTRIBUTION OF WEALTH: THE BASIS OF OUR SOCIAL MODEL

After the Second World War, a 'Social Pact' was signed which agreed that the wealth produced as part of increased productivity should be distributed evenly between the owners of the means of production (the shareholders) and the workers. Since the oil crisis, the balance between labour and capital has shifted in favour of capital. Over the past 20 years, it has to be noted that there has been absolutely no improvement in the situation.



The policy of the Michel government has further exacerbated the situation (wage formation in a straitjacket, encouragement of 'alternative' forms of wages to the detriment of gross wages, etc.). This means that shareholders and the more wealthy are keeping an ever bigger slice of the cake for themselves. So the 'share' of workers in the economy is going down. The gradual erosion of wage share since the Michel government came to power is striking.

DECREASE IN WAGE SHARE IN BELGIUM IN THE PRIVATE SECTOR (AS A % OF GDP)



Source : BNB, 2018

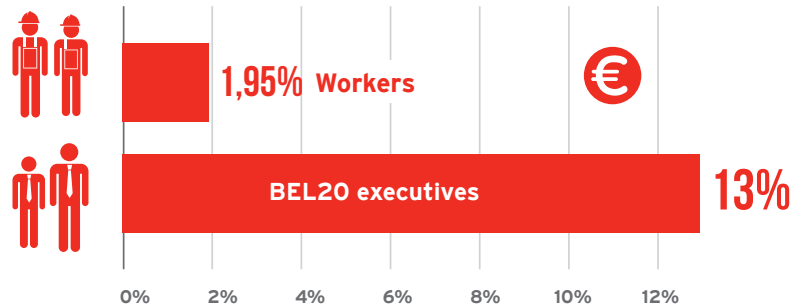
SOME PEOPLE NEVER GET ENOUGH

However, we hear some people saying that the workers in this country can make do with a bit less. We have already said, on the topic of 'Purchasing power', that the '96 law is intended to be stricter, but apparently this does not apply for everyone.

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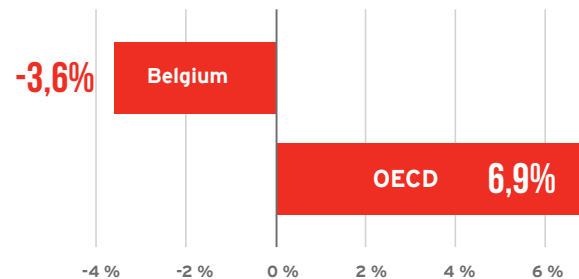
In the meantime, the lowest wages are continuing to be nibbled away. The gap between the trend in the minimum wage and the median wage is getting bigger in Belgium at a time when it has fallen by almost 7% in the OECD countries since 2000.

TREND IN EARNINGS OF BUSINESS EXECUTIVES AND WORKERS BETWEEN 2016 AND 2017



Source: De Tijd, Bureau de Plan

MINIMUM WAGE TREND AS A % OF MEDIAN WAGE SINCE 2000



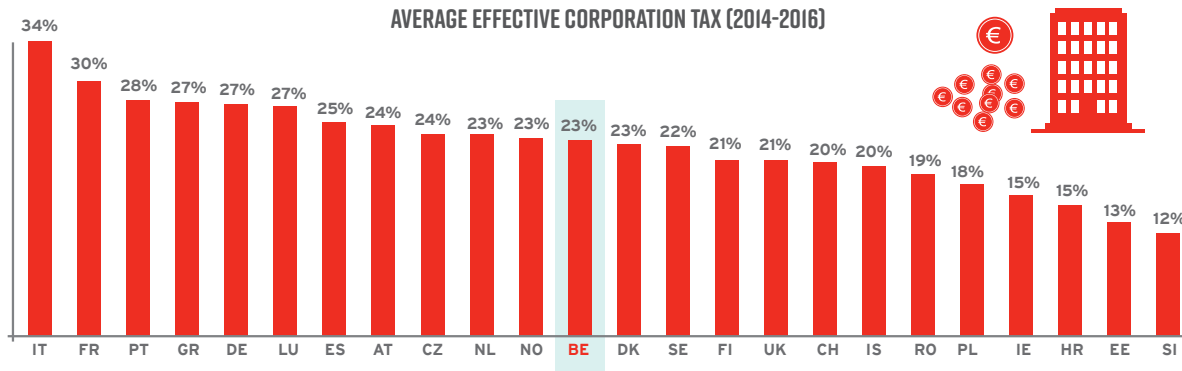
Source : WSI minimum wage report, 2018

CORPORATION TAXES: NOT HIGH AT ALL

'On the works council, we have been told that we mustn't go over the top with our claims for the new collective labour agreement. The taxes on their profits are too high and the margins in this country are already so slender' – Jean, member of the works council at a shipping company in Limburg.

ARE BELGIAN COMPANIES REALLY TOO HEAVILY TAXED?

This government has given companies a huge gift: a considerable reduction in corporation tax. Are contributions too high for companies in Belgium? International comparisons demonstrate that they are not. In fact they are more within the average range.

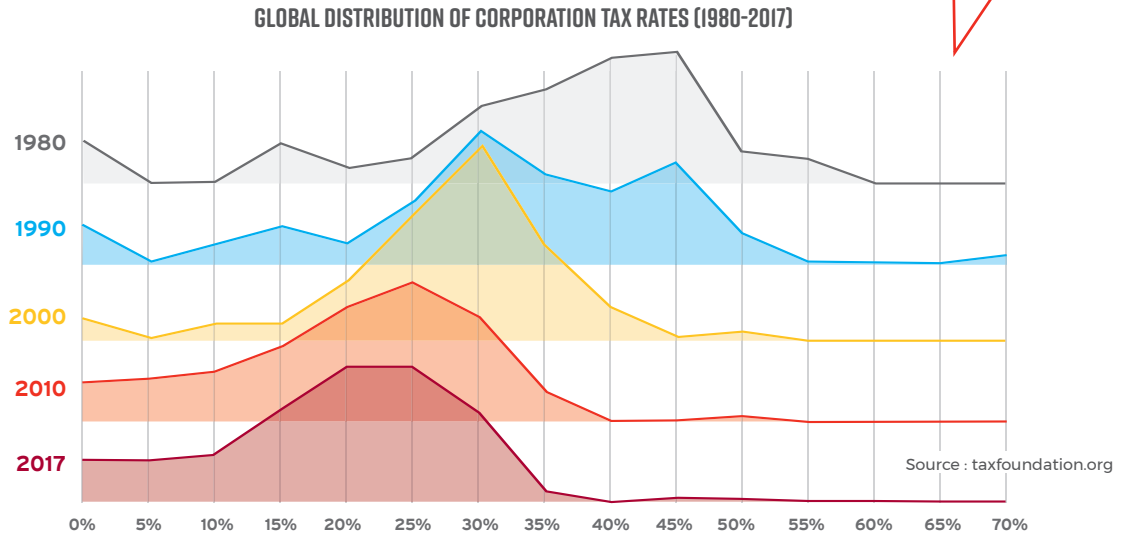


Source : Benchmark ING Working Europe, ETUI, 2018

Nevertheless, the Michel government wants to follow the international trend towards lower taxation for businesses. There is a race to the bottom underway in terms of taxation, which is putting more and more pressure on workers and consumers, who do not have the option of shifting their profits offshore to Panama or the Bahamas or threatening to relocate their activities to somewhere with lower wages.

The trend towards 'less and less' comes into even clearer focus when we compare all the world's corporation tax schemes. As the graph below shows, rates of corporation tax have gone down over the years. During the 1980s, the most commonly applied rate was around 40 to 45%. By 2017 it stood at more like 20 to 25%.

The steeper the curve, the more a certain tax rate was in force at a given time. For example, in 1980, the rate most commonly applied was 45%; by 2017 it was between 20 and 25%.



BELGIAN BUSINESSES SUPPORTED BY SUBSIDIES

Calls from businesses to reduce taxes and wage costs are not only unfair in terms of the contribution made by all to common prosperity according to their means, they also leave a bitter taste on two scores:

- Incomes for shareholders (the owners of businesses) in the private sector have grown considerably compared to those of workers.

	1995	2016	% increase
Workers (wages + benefits)	78,0	151,2	93,8%
Shareholders (dividends)	7,2	30,6	320,9%

(billion euro)

Source: BNB, 2018, sectors s11 & s12

- Businesses are heavily subsidised in two ways: they do not have to pay a lot of social contributions and they receive wage subsidies (tax breaks for certain work schemes).

	1996	2016
Wage subsidies (excl. at-risk groups)	0,3	6,2
Reductions in employers' contributions	1,3	7,4
Total	1,6	13,6

(billion euro)

Source: Central Economic Council, , 2017

In 2016, Belgian businesses paid 14.5 billion euro in corporation tax. It may be a coincidence, but in that same year, businesses received over 13 billion euro worth of subsidies...

THE WAGE GAP: A LOT OF WORK STILL REMAINS TO BE DONE!

'If all of us women were suddenly to stop work at once, men would soon be begging us to go back'
- Vicky, cleaning sector worker

WOMEN ARE STILL BEING PAID LESS THAN MEN

The most persistent form of discrimination on the labour market has to do with inequality between men and women. This is still giving rise to a considerable wage gap. The 14 years of campaigning and awareness-raising for Equal Pay Day have delivered some benefits. In fact the pay gap has almost disappeared for a working week of equal length; women working full time still receive 5% less pay than their male colleagues. But this is only a fictitious situation, because when we look at monthly salaries, it is a quite different picture.



REAL WAGE GAP
(ON MONTHLY BASIS)



WAGE GAP BETWEEN MEN AND WOMEN

Source : SPF Economie, 2018



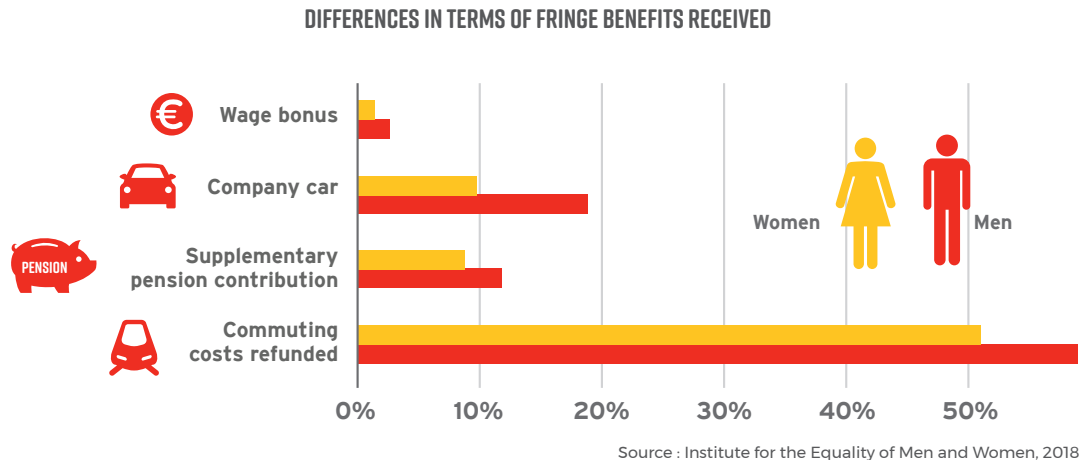
WAGE GAP IN FULL-TIME EQUIVALENT
(ON HOURLY BASIS)



In the private sector, on a gross monthly basis, women are still being paid almost 20% less than men. One of the major causes is part-time work. But this is too often presented as a 'free choice', even though only 8% of workers deliberately choose to work part-time. In addition, some sectors and some jobs only offer part-time contracts.

Moreover, the fact that the 'female professions' and 'female sectors' (healthcare, nursery schools, etc.) are generally less well-paid is no accident, it has to do with value judgements.

But the pay gap is not restricted to gross wages. It widens as fringe benefits are factored into the comparison.



PENSION GAP

The gap between men and women is not just a factor during a person's working career. As soon as a woman retires, she receives on average 25% less per month in pension than a male worker, not to mention the supplementary pension: in the second pillar, the gap widens to 47%!

PENSION GAP BETWEEN MEN AND WOMEN



Source : FGTB Equal Pay Day campaign 2018

DISCRIMINATION

In 2016, the Institute for the Equality of Men and Women received a total of 549 reports of discrimination on the basis of sex and/or gender, including 231 requests for information and 318 complaints, an increase of 18% over 2015. Thirty-five per cent of the reported cases of discrimination fall within the context of work, and almost 70% of these come from women, and within that figure, almost 40% relate to pregnancy or maternity arrangements.

So there is a lot still to be done!

CONCLUSION

RESTORING OUR PURCHASING POWER, ENSURING FAIR TAXATION, PUTTING A STOP ONCE AND FOR ALL TO THE WAGE GAP BETWEEN MEN AND WOMEN

Our purchasing power is being sorely tested under the Michel government; the index is rocketing, the pay act is under review and prices are rising. We are trapped in a downward spiral and the only way to stop it is to restore the balance between labour (wages) and capital.

If we are to restore this balance, we need:

- to move cross-sectoral training away from the yoke of the new 1996 act. When comparing our wage costs with those in neighbouring countries, we need to take account of the differences in terms of productivity and wage subsidies;
- to guarantee and respect automatic indexation and seniority increases;
- to reduce wage tension within businesses. The difference between the highest pay and the lowest pay must not be more than a ratio of 1 to 14. Wage tensions must be addressed in compulsory reporting to workers;
- to bring in a minimum hourly wage of 14 euro – the amount required in order to live in dignity.

But we also need to make urgent changes to taxation, after a failed tax shift.

- A slide towards taxes on fortune and capital: a real tax on fortunes (not just the associated income), the introduction of a tax on added value, fair property taxes (updating of the rental income system) and a levy on financial transactions.
- Corporation tax: a European minimum tax of 25% with reporting of profits, removal of notional interest allowances, and an end to abuses of management companies.

CONCLUSION

- Personal income tax: restore the progressive tax on all income without exception and whatever its origin by making fortune and income known. Introduction of generalised social contribution to guarantee the funding of social security.
- Fair taxation of consumption and the environment, including by means of a non-deductible levy on CO₂ emissions for businesses.

And finally, equal pay for equal work. The wage gap between men and women must be cut to zero by making the elimination of the wage gap a permanent point of action in the two-yearly cross-sectoral agreements, introducing gender-neutral function classifications, parity in all decision-making bodies and a minimum representation of 1/3 in social consultation bodies. We also need to extend partner's maternity leave to 20 days and increase provision of affordable, accessible support and care infrastructures for children and dependents.

GROWTH AND JOBS – BELGIUM IS NEAR THE BOTTOM OF THE CLASS

'We need a tax shift, because it creates growth and investments'
– Pieter Timmermans, FEB.

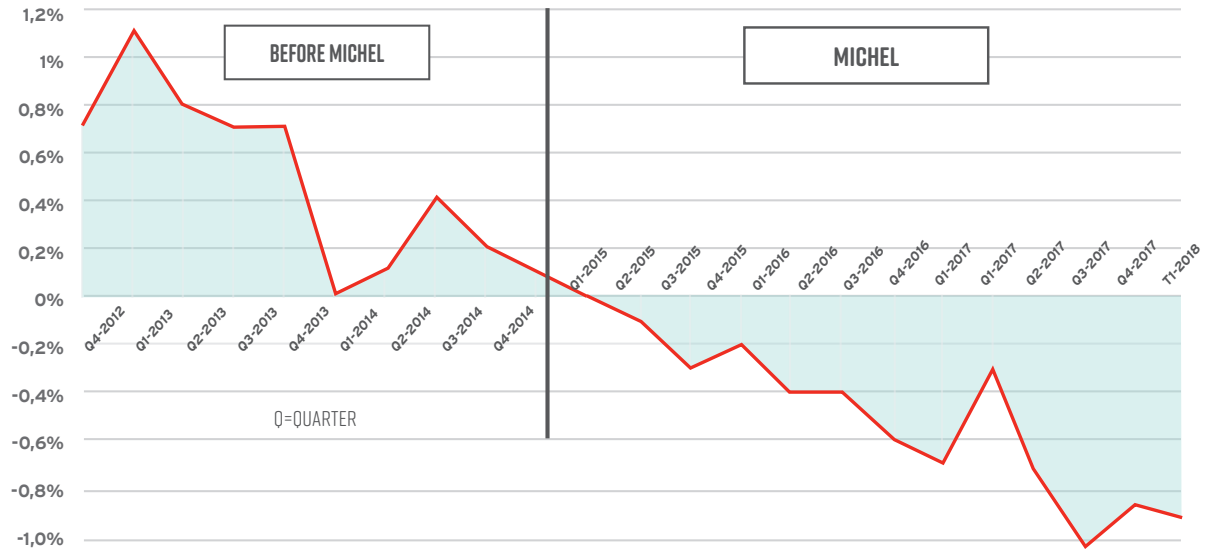
HAS BELGIUM HAD A GROWTH SPURT?

Before the Michel government was elected, the Belgian economy was faring better than the average in the Eurozone. The lack of an overly severe austerity policy, coupled with minimal respect for social consultation on wage formation had a lot to do with this.

Once the Michel government took office, the picture changed significantly. Heavy budgetary restrictions, an additional curb on public investments and the slashing of wages and allowances made themselves felt. Three years into the Michel administration, our economic growth is lagging well behind the Eurozone average, despite a favourable global economic context.

In the 4th quarter of 2012, Belgium reported 1% more growth in Gross Domestic Product (GDP) than the average across the Eurozone countries, but by the 1st quarter of 2018, Belgium was achieving 0.9% less GDP growth than the Eurozone average.

BELGIUM'S ECONOMIC PERFORMANCE COMPARED TO THE EUROZONE BEFORE AND DURING THE MICHEL ADMINISTRATION

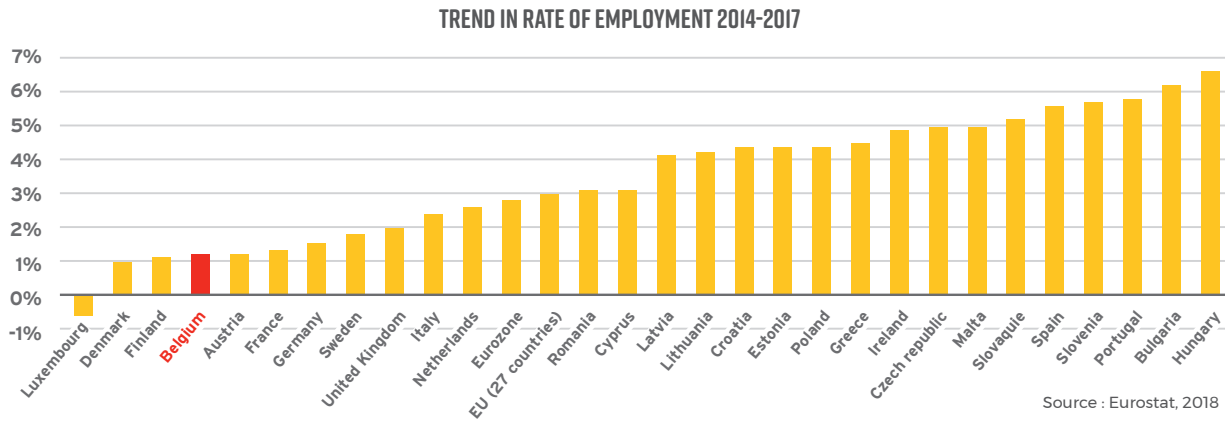


Source : Eurostat

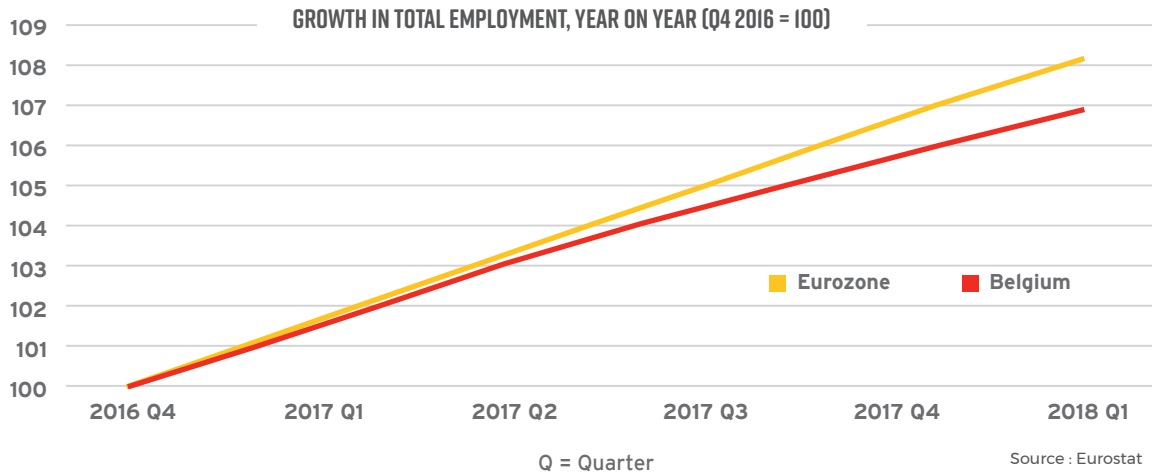
The argument that 'the rest of the EU has had to play catch-up, so it's logical that Belgium is now below the European average' does not hold water. Countries such as Sweden, Austria, Germany and Luxembourg have also experienced a recession less severe than Belgium, yet today they are doing better than the Eurozone average. Since the Michel government took office, Belgium has been in 25th place (out of 28 European countries) in the economic growth league table. In addition, we have already been below the Eurozone average for over two years, and the gap is continuing to widen. This is clearly the fault of the government's policy, which is curbing economic development.

WHAT ABOUT THE JOBS WE WERE PROMISED?

When a child comes home with his school report, his parents do not look just at their own child's grades, they also look at the class average. Compared to Europe, Belgium's marks are very inadequate when it comes to job creation.



When we look at the absolute growth in jobs, we also need to put the government's positive announcements into perspective. In 2017, in particular, job creation in Belgium broke step with the rest of the Eurozone. The Belgian job creation engine is spluttering in comparison with the rest of Europe.



MIGRATION : PAS UNE MENACE, MAIS UNE OPPORTUNITÉ

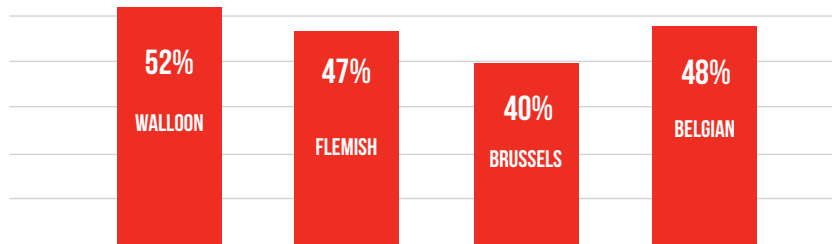
'It's been almost 2 years now since I arrived in Belgium. I had to leave everything behind in my home country, where I was under a death threat. I am now waiting for news on my application for my papers to be put in order. It takes a long time. I have enrolled at a technical college. I often hear people on the radio commenting how migrants like me are a 'threat' or a burden for Belgium. I am doing my utmost to integrate as well as possible!' Abdallah, aged 18.

No, no and no again: Abdallah is neither a burden nor a threat to Belgium's prosperity. Quite the reverse!

ULTIMATELY, MIGRATION CLEARLY DELIVERS ADDED VALUE FOR OUR PROSPERITY

Migration is not a new phenomenon. Over recent decades, many immigrant workers have arrived in Europe, often at our request. According to the IMF¹, some 15% of workers have a migration background. When asked, 'Does immigration represent a cost to the public purse?', almost half of Belgians say, 'Yes'

PERCENTAGE OF PEOPLE WHO THINK THAT IMMIGRATION IS A COST TO THE PUBLIC PURSE



Source : European Social Survey ESS

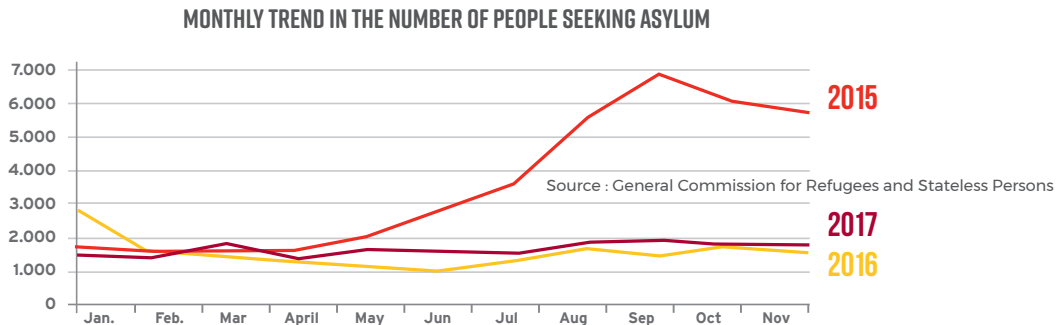
Various studies prove that the opposite is the case. Figures from both the IMF and the OECD 2 demonstrate that migratory movements have positive effects on our prosperity:

- The net contribution made by migration to Belgium's public purse is estimated at 0.75% of GDP (OECD), or almost 3 billion euro.
- Migrants increase GDP per person and productivity: a 1% increase in the proportion of migrants in the adult population increases GDP per inhabitant in the economies of the West by 2% in the long term (IMF).
- The prosperity is widely shared: an increase in the proportion of migrants improves the average income per person of the bottom 90% and the top 10% of employees (IMF).
- According to the Plan Bureau, the additional costs associated with ageing without a migratory flow of 20,000 persons per year will rise by 0.5% of GDP (2 billion euro per year) by 2060.

The perception of half of Belgians is thus not correct, and the mantra that migration is 'a threat to our social security and our prosperity' is a nonsense!

AND WHAT ABOUT THE CURRENT FLOW OF MIGRANTS?

The refugee crisis which began in 2015 with the war in Syria and the general instability in the Middle East and Africa gave rise to a major, but temporary, spike in applications for asylum. At present, these figures are stabilising.



The National Bank³ has analysed the impact of the influx of refugees in 2015. It seems that the budgetary impact over five years has been positive. It is logical that there would be an impact on the public purse in the short term (reception, staff, allowances, etc.), but that impact stabilises quite quickly. Just five years after arriving, asylum seekers who arrived in 2015 were already having a positive effect on the State's primary balance (primary income) of 0.04%, with an immediate positive effect on GDP: GDP is 0.17% higher in 2020 than in a scenario with no migratory flow.

MACROECONOMIC ESTIMATES OF THE EFFECTS OF MIGRATION IN 2015 COMPARED TO A NO-MIGRATION SCENARIO

	Short term		Medium term
	2015	2016	2020
GDP (percentage variations)	0,03	0,14	0,17
Employment (persons)	200	3.900	21.100
Unemployment (percentage points)	0,00	0,03	0,12
Primary balance (percentages of GDP, non-aggregated)	-0,04	-0,16	0,04

Source: BNB, 2016

Whether or not migration is a success depends largely on how asylum seekers are received:

- Work is crucial: asylum seekers must be issued with work permits as quickly as possible and must be guided towards a job right from the application procedure.
- Qualifications must be recognised as widely and as quickly as possible. Skills not linked to a paper qualification must be identified via specific tests.
- Linguistic skills are of particular importance: 24% of first-generation jobseekers have found that their poor linguistic skills were the major obstacle to securing a job.
- Training needs to be adapted to migrants' skills and the needs of the labour market.
- The employment programmes set up by the government need to act as a springboard towards other sectors.
- Active resistance to all forms of discrimination by means of intensive consultations with the social partners (drawing up diversity plans).
- Reliable information on childcare structures so that women can also gain easier access to the labour market.

CONCLUSION

LABOUR IS NOT A COMMODITY

Labour must be THE way for people to develop themselves. Labour is not a commodity. Workers are not tools equipped with an on/off switch, to be used as and when competitiveness or the business world dictates. And yet the Michel government treats them that way. The government sees workers as no more than numbers, graphs and tables.

The government boasts about creating jobs, but it says nothing about the quality of those jobs created. What counts is its slogan: jobs, jobs, jobs. As for us, we are calling for quality jobs. Not young people doing unpaid internships that go on indefinitely, not an endless string of temporary contracts with no guarantee of security. We have to recognise that often, workers have no choice than to work part-time: we say that everything needs to be done to ensure that every worker, male and female alike, should not have to kiss a quality professional career goodbye.

Jobseekers are not social outcasts. They deserve a status which protects them from insecurity, which allows them to look for a job that matches their expectations and their abilities. Jobseekers already face an intolerably high risk of poverty, so how can we dare to say that these people need to be 'encouraged' to look for work? What we have is not a shortage of labour, but a shortage of qualifications.

We at the FGTB are saying that investments need to be made in support for jobseekers. The training efforts being made by our businesses put them at the bottom of the league in Europe.

CONCLUSION

In the past, the FGTB successfully ensured that employers had to dedicate 1.9% of their wage bill to professional training, or pay a penalty. The present government has scrapped that system, at the employers' request. The employers are now calling for professional training to be funded by society as a whole. Our objective is and remains an individual right to 5 days of quality training, per worker, per year, across all businesses – in addition to the right to Paid Educational Leave. Workers' rights in small enterprises must be enshrined in law. Every training course (including informal ones) must give rise to the issue of an attestation so that it can be capitalised on by a worker when seeking a (new) job.

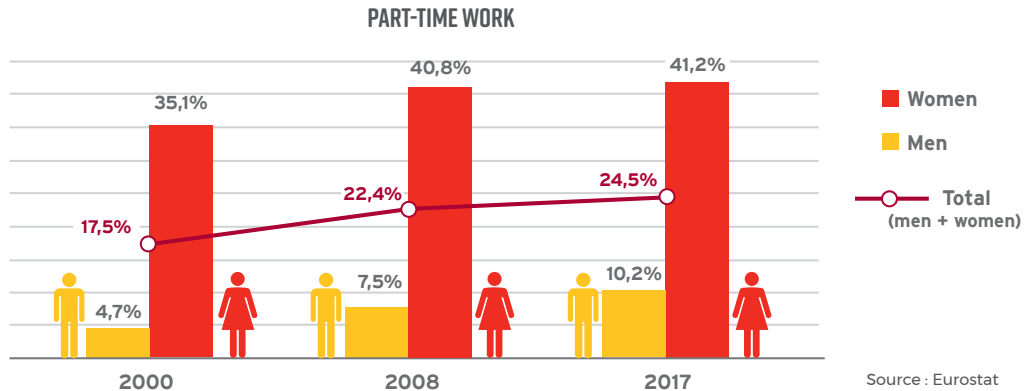
Moreover, access to the employment market is often refused, with no valid reason given. We need to tackle discrimination by making standard 'mystery calls', offering more opportunities to at-risk groups (for example through diversity plans at enterprise level and numerical targets at sector level) and ensuring proper pay for the victims of discrimination. The authorities need to pay more attention to raising awareness, certainly with regard to recent migration movements. Every person deserves a chance in life. Every person can bring something to society.

MORE FLEXIBLE WORKING PRACTICES: INSECURITY

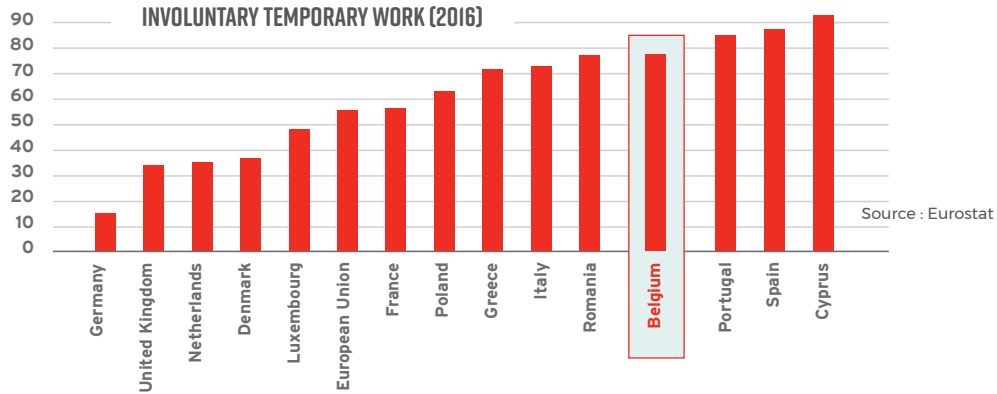
'Originally, we signed a contract for four hours a day. We hoped to build up to eight hours a day. But our boss reckons that after four hours of work, we can't keep delivering the same quality. So no overtime for us.' - Linda, cleaning sector.

PART-TIME JOBS AND TEMPORARY CONTRACTS ARE RARELY A DELIBERATE CHOICE

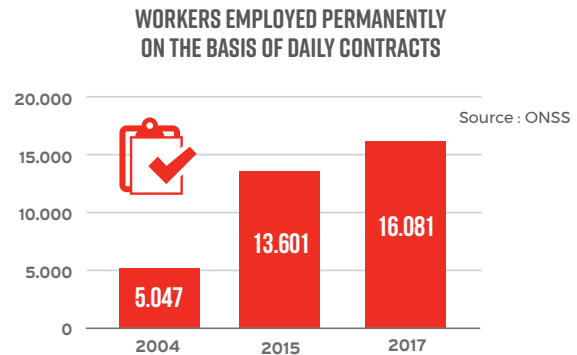
Part-time work is still often regarded as a practical solution to allow a good work/life balance. Very often, however, we forget that the vast majority of part-time workers are working part-time against their will, with serious consequences for incomes and pensions. Only 8% are really choosing to work part-time, and do not want to work full-time. At that level, there is also massive gender inequality: 41% of women work part-time, compared to only 10% of men.



Temporary work (interim, limited-term contracts, etc.) can be a personal choice. But according to a European study, in Belgium it is a response to a specific situation in only about 20% of cases. When it comes to involuntary temporary employment, Belgium scores very badly.



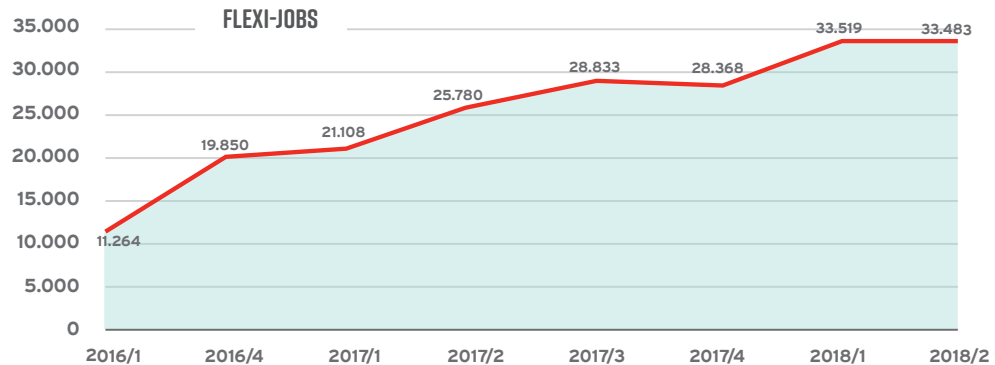
The most extreme example of flexibility is provided by daily contracts in the interim sector. The number of interim workers employed year-round on the basis of daily contracts is rising year by year. In 2017, this insecurity affected 16,000 Belgians.



FLEXI-JOBS = DUMPING SOCIAL

In early 2016, this government brought in a scheme under which any worker employed at least 4/5 of the time could take on an extra little job on the side, in hospitality, catering or other sectors. This option can be termed '*dumping*', because these are jobs involving the payment of very low social security contributions.

In addition, these jobs are in no sense a solution to the struggle against unemployment, because these '*flexi-jobs*' are not accessible to jobseekers.

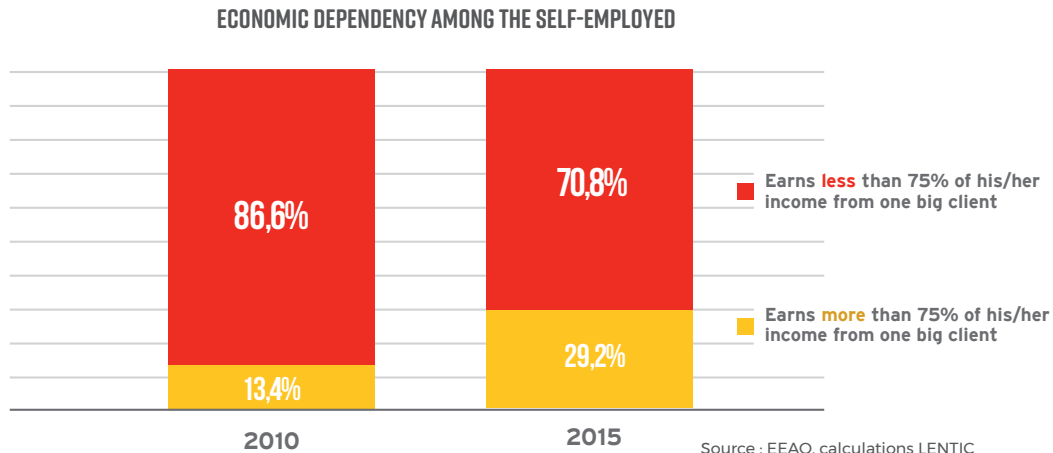


Source : ONSS

Yet even that was not enough for the Michel government. It has gone ahead and created another deregulatory system – in the face of a storm of protests from both self-employed workers and trade unions – for workers in the 'platform economy' or associations. A further threat to regular jobs and a proper drain on our social security system.

WORKING FOR YOURSELF: INCREASINGLY MORPHING INTO WORKING FOR SOMEONE ELSE

The decision to work for yourself is generally taken in order to avoid being dependent on a single employer, to be able to make decisions for yourself and not to be accountable to anyone. This is a noble objective in itself, but the self-employed are increasingly becoming pawns in the hands of a single big client. In 2015, this was already the case of almost 3 in 10 self-employed people, more than double the figure in 2010. As a falsely self-employed person, you can therefore be employed on a hyper-flexible basis – without any protection whatsoever.



READY FOR THE DIGITAL (R)EVOLUTION?

'Today we are living in the age of digitalisation.

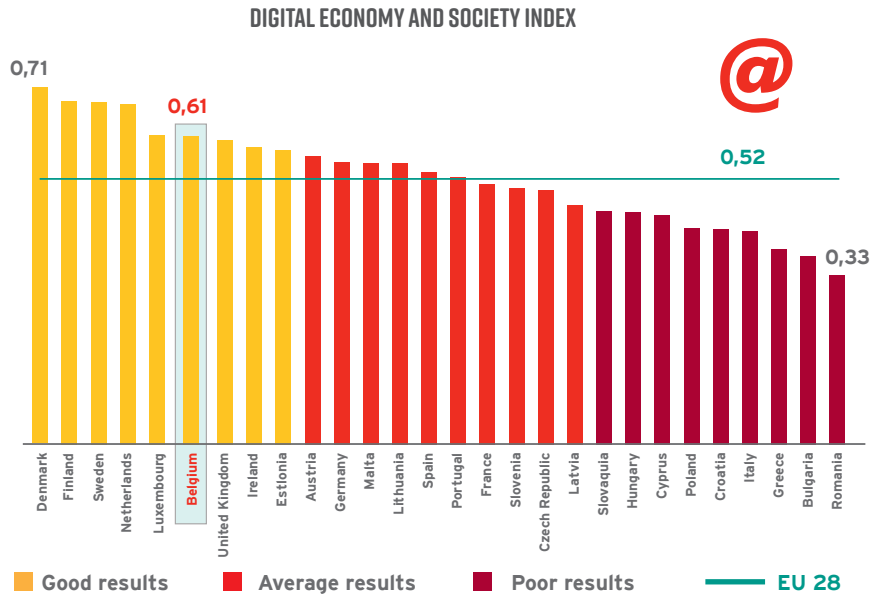
We hear more and more about the connected world, the Internet of Things, networks, smart machines, and so on. Everything is speeding up today, to a sometimes worrying extent: the pace of work, increases in productivity, exponential management of diverse, multiple information. But is all this really positive for my job and my quality of life? I do wonder' - Mathilde, aged 46, secretary.

The digitalisation of the economy has become a hot topic in the political and social debate. A new revolution is underway, and it represents a major issue, one which is going to cause a radical shake-up to the world of labour, production processes, and economic and industrial relations, with some significant differences between sectors, types of job and levels of qualifications.

Is Belgium ready?

WHAT IS THE SITUATION IN BELGIUM

In general terms, Belgium is not doing too badly in the league tables looking at digitalisation, standing in sixth place in the Digital Economy and Society Index 2017¹.



Source : commission européenne

It is part of the group of countries with high performances: Belgium's strengths are its connectivity and the good integration of digital technologies within businesses. Conversely, its weakness lies in digital public services, which are less well developed than in other countries.

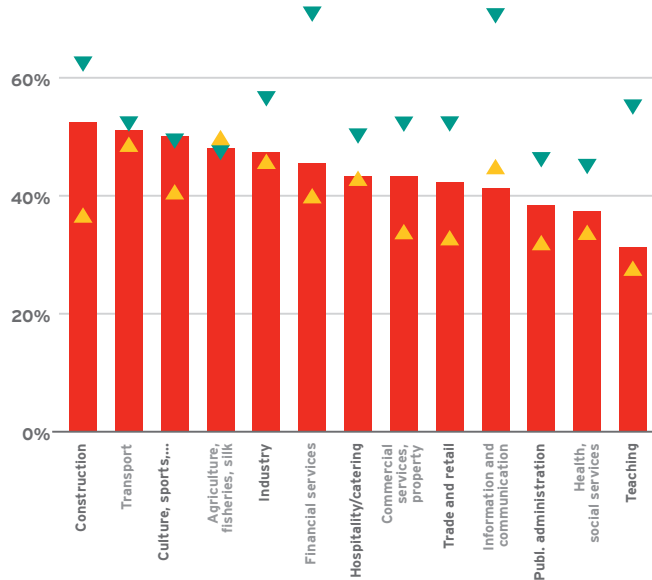
¹ Indicateur européen qui regroupe une trentaine d'indicateurs autour de la connectivité, le capital humain, l'utilisation de l'internet, l'intégration des services de technologie numérique et services publics en ligne

IMPACT ON EMPLOYMENT... UNPREDICTABLE

There has been an impact, and there will continue to be one! But this impact is uncertain and very difficult to predict. It depends greatly on the sector, the type of job and the workers' qualifications.

OECD analyses reveal that in Belgium, 7% of workers are running a serious risk of losing their jobs because of the rise of robots and digitalisation, and some 30% must expect a change of activity. This will be mainly the case for administrative jobs, or jobs in sales, transport and logistics, construction and industry. Jobs in teaching and HR management are at less risk.

A university degree offers no protection against the risk of losing your job because of digitalisation. But at the moment it is still the lower-skilled jobs, combined with routine tasks, that are under the greatest threat.



PROPORTION OF JOBS WITH A HIGH NUMBER OF ROUTINE TASKS PER SECTOR AND LEVEL OF EDUCATION, (BELGIUM 2015)

- > 3/4 repetitive tasks
- ▼ Low level of education
- ▲ High level of education

Source : Minerva, Shaping the digital age. On the impact of digitalisation and robots on society, 2018

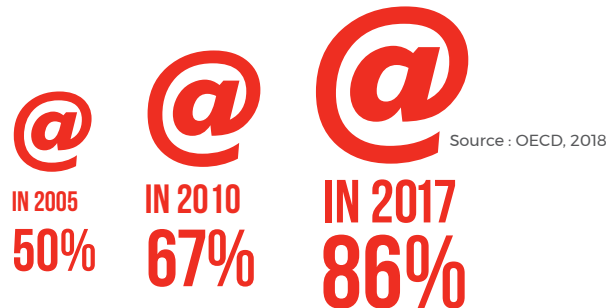
The crux of the matter thus lies in how the public authorities and businesses will support this transition in terms of qualifications, training, retraining or redistribution of labour (reduction of working time) and how social coverage will then be ensured. All this has to be achieved with proper respect for the social dialogue.

THE DIGITAL DIVIDE

In Belgium, although the digital divide has lessened, it still affects some 15% of the total population, with differences depending on age groups. For example, among those aged 65 to 74, the digital divide hits over 40%. The digital divide refers to citizens who do not have access to Information and Communication Technologies, including the internet, for a number of reasons:

- technical, when citizens are living in inaccessible areas where it is hard to connect to the network (for example rural areas);
- socioeconomic, where the fact that a person does not use information and communication technologies has to do with his/her level of education, standard of living or age.

ACCESS TO AND USE OF 'ICT' BY HOUSEHOLDS IN BELGIUM



CONCLUSION

FACING UP TO THE INSECURITY OF FLEXIBILITY AND DIGITALISATION

All the indicators show that the physical and mental workload at work is constantly on the increase. With the demand for greater flexibility, coupled with a mushrooming of different types of precarious status, and a faster pace of work, more and more workers are worn out. And this is at a time when many workers are looking for a job or trying to get more hours. Today more than ever, we need to find a different approach to the concept of 'work'.

Indeed, a Dutch study shows that extending flexi-jobs is holding back economic growth: as people on flexi-jobs earn less, they spend less and therefore feed less in to the engine of the economy.

The FGTB therefore proposes exploring the following avenues:

- Bring in a collective reduction of working time. This is the only solution that will guarantee a better distribution of the work available among those who are working too much and those who are looking for work or wanting to work more hours. This is the only way which is likely, in the short term, to improve the work/life balance. So what are we waiting for?
- Use better collective bargaining to give workers greater autonomy so that their security and mental health become the priority, and so that workers – not just employers – can adapt working conditions to suit their needs.
- Allow for the possibility of imposing penalties on employers in cases where flexibility is abused (for example where daily contracts are abused).

CONCLUSION

- Improve information and consultation procedures when restructuring operations occur. Do everything to avoid redundancies and in the worst-case scenario, ensure that workers have enough baggage to enable them to get a new job quickly, with workers being taken into account by subcontractors.
- Digitalisation implies a rapid change to working processes and labour relations. Workers must have a say in the processes of change which are happening within their companies. They must be informed in time about investments being planned, and the potential consequences for the way that work is organised, and they must have the chance to put forward (alternative) proposals.

DECENT PENSIONS SO THAT PEOPLE CAN GROW OLD WITH DIGNITY

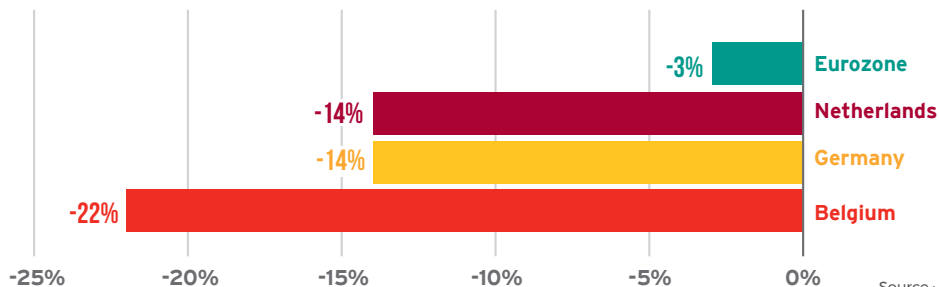
'And here's me, hoping to enjoy a well-earned pension after a full career in the metal industry, now finding myself condemned to count every cent in order to make it to the end of the month. If I even can make it to the end of the month. Does that seem right to you?' – Eddy, aged 67.

OUR PENSIONS DO NOT ALLOW US TO GROW OLD WITH DIGNITY

'Pensions are unaffordable, pensions are too high, we have to tighten our belts and save'. That is the only language that we are hearing from certain politicians when it comes to pensions. But are Belgium's older people really living the high life?

We can see this at European level by examining how the median income of those aged over 60 compares to the income of people aged under 60. So we also take other sources of income into account.

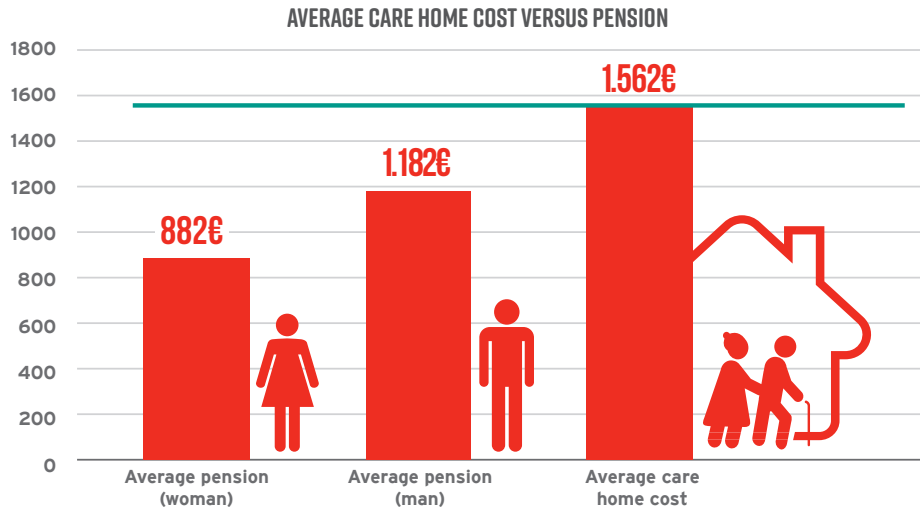
RATIO OF MEDIAN DISPOSABLE INCOME OF THOSE AGED 60 AND OVER COMPARED TO THE REST OF THE POPULATION



Source : Eurostat, 2018

If we look at all the countries in the Eurozone, we find that pensioners' incomes are 3% below the average in the population. In Belgium, they are 22% lower! So pensioners are suffering from a serious loss of income when they stop work.

The basic reason for this is that our legal pensions are so low. The legal average pension in Belgium is 1,182 euro for a man and 882 euro for a woman. You only need to set these figures against the cost of a care home to see that the legal pensions are not enough...



Source : Centre d'expertise des pensions, Solidaris

So the minimum legal pension is too low. We have already talked about social minimum payments. The minimum pension, after a full career, is 1,220 euro per month for a single person, or only a tiny fraction above the European poverty threshold.

A SUPPLEMENTARY PENSION IS NOT A MIRACLE CURE

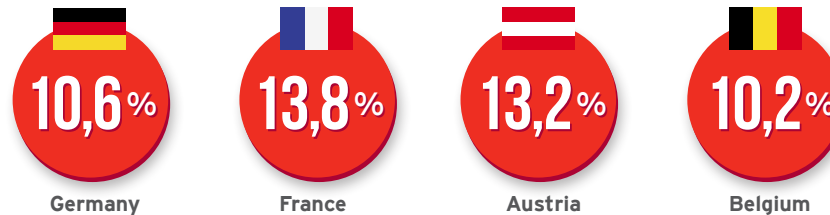
But could we not look at boosting supplementary pensions? No. Let's look a little beyond our borders, and take the example of Germany. At the turn of the millennium, they decided to reduce the legal pension, from 70% of salary to 43%. Private pension funds were supposed to take up the slack. But that has never happened. Workers could not afford to invest in a private fund, and even when employers did chip in, they soon began to consider this to be a cost that could easily be scrapped. Compare this to the situation in Austria, which left no space for private funds and has actually boosted the legal system.

AVERAGE MONTHLY LEGAL PENSION	Austria	Germany	Belgium
Men	1.817€	913€	1.181€
Women	1.220€	590€	882€
Pension as a % of average (net) income	92,8%	65,4%	72,7%

Source : Centre d'expertise des pensions, WSI/IMK/AK Wien

Austria spends more on pensions than Belgium. But this is a political choice. The Austrian system is maintained collectively and not approached in a defeatist manner, as Belgian right-wing politicians like to do.

PENSION SPENDING (AS A % OF GDP)



Source : Pensions panorama, OECD

CONCLUSION

IMPROVING AND EXTENDING ACCESS TO SOCIAL SECURITY

Every Belgian citizen must be able to rely on social protection worthy of the name and a decent income – whether from employment or otherwise. That is what we are standing up for! But it is not the case in Belgium, because more and more people are falling through the safety net.

It is essential to take account of the changes in terms of social patterns (more and more single-parent families, etc.) and the changes on the employment market. Fewer and fewer people are managing to pay up their full entitlement to social benefits, because contracts which would enable them to do so are becoming scarce. Other people are simply excluded from social benefits, such as young people who have just finished their education.

The right to social security certainly needs to be extended, but benefits need to be increased too. We are therefore calling on the government to honour its promise to raise the social minima above the poverty threshold (with no exceptions at all) and to award the welfare package in full.

Our legal pensions are too low. They need to be increased. The FGTB is calling for a net minimum pension of 1,500 euro and for the legal pension age to be returned to 65. People should be able to take an early pension at 62, after working for 40 years. The minimum should be 60 for those in hard jobs, with no loss of pension. That is affordable. It boils down to political choices.

We need to continue to guarantee the funding of social security. We can do this if we stop giving gifts to the bosses in the form of reductions to employers' contributions. Additional funding can AND must be found from the wealthiest, via a generalised social contribution.



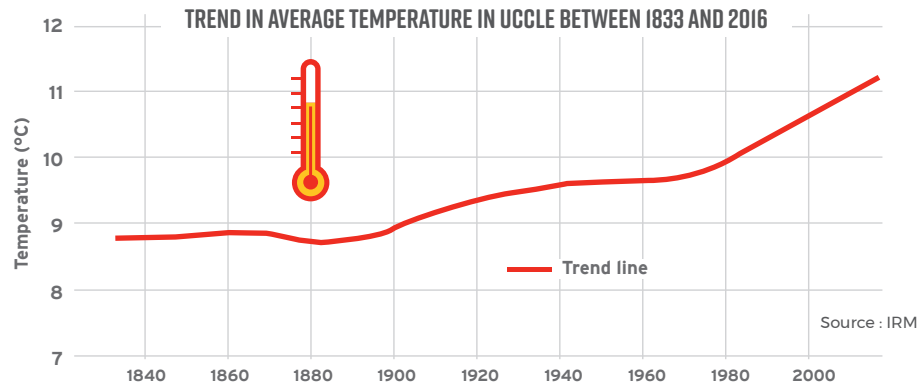
CLIMATE CHANGE DEMANDS URGENT ACTION

'I'm worried! Climate change is becoming a reality and the scientists' predictions are alarming to say the least! I keep hearing about how urgent this transition to a low-carbon society is, but I don't see any sign of it actually happening. What kind of world am I going to be leaving for my little Théo?' - René, aged 37

The international community made some serious pledges in Paris in 2015: a maximum rise of 2°C in the temperature! But are we on the right track? Belgium does not seem to have got to grips with the issue.

CLIMATE DISRUPTION: FROM A HYPOTHESIS TO A REALITY, INCLUDING IN BELGIUM

Climate change is a reality! Trump is now the only one denying it! Since the dawn of the industrial age, the temperature has been constantly rising in Belgium.



his graph clearly shows that the average annual temperature in Belgium has increased gradually since the end of the 1800s.

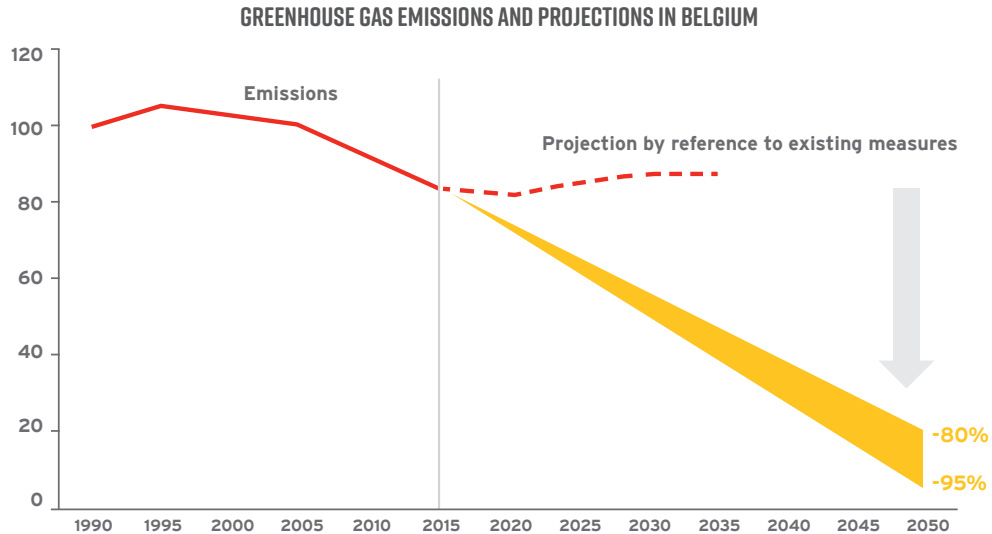
Nineteen of the 20 hottest years have been experienced since 1988, while 20 of the coldest years were recorded before 1896!

What this means for Belgium:

- Rainfall becomes more seasonal: a reduction of up to 25% in 2100 in the summer and an increase of up to 22% in 2100 in the winter
 - Outbreaks of intense rain in winter and severe storms in summer becoming more common and more intense, increasing the risk of flooding
 - More frequent summer heatwaves
 - Lower flow in rivers in the summer (reduction of over 50% by the end of the 21st century) because of lower summer rainfall, combined with greater evaporation, leading to risks of water shortages
- A rise, by 2100, of 60 to 90 cm in sea level at the Belgian coast, or even 200 cm in the worst-case scenario!

JUST TRANSITION TO A LOW-CARBON SOCIETY: A LONG WAY TO GO

Belgium did of course also ratify the Paris Agreement. That means that like the other signatories, it has to achieve an 80 to 95% reduction in its CO₂ emissions by 2050 (the baseline being the 1990 figure). As this diagram shows, we are still a long way short of the mark.

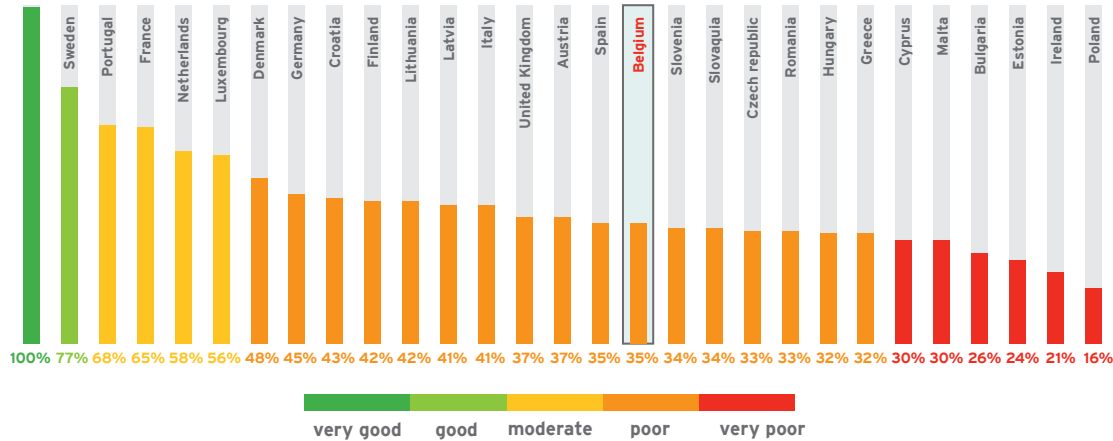


Source : CNC/KNC 2017

A recent report by the Climate Action Network¹, put Belgium in 16th place out of 28 European countries in terms of ambition and action in the fight against climate change

¹ European platform of environmental associations. Note: the first place is always symbolically left blank.

AMBITIONS AND PROGRESS IN THE FIGHT AGAINST CLIMATE CHANGE: CLASSIFICATION OF EUROPEAN UNION COUNTRIES



Source : climate action network

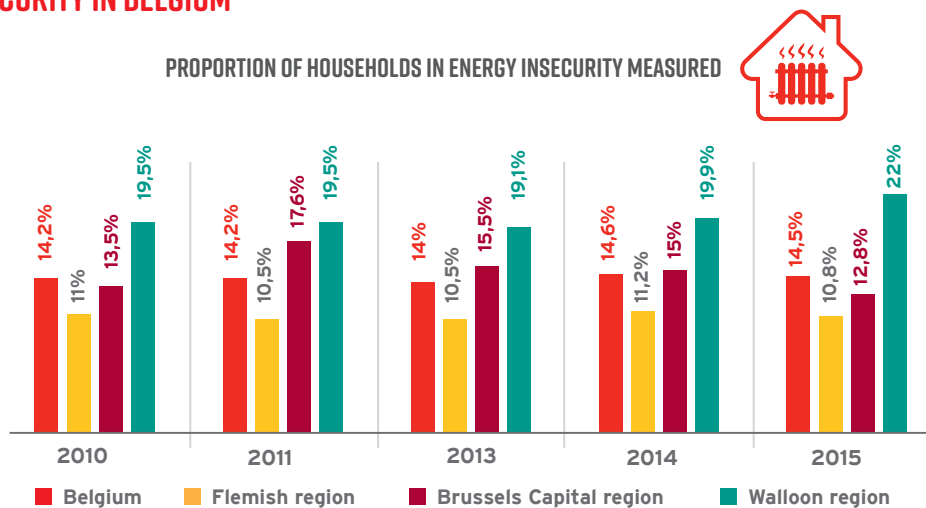
Belgium was supposed to reduce its emissions by 15% by 2020 compared to 2005. According to the European Commission, it is only going to manage an 11.5% reduction! This makes Belgium one of the 7 European countries which will not reach its objectives (the others being Malta, Finland, Ireland, Luxembourg, Germany and Austria).

ENERGY INSECURITY: UNACCEPTABLE BUT NEVERTHELESS STILL A FACT OF LIFE

'I'm currently looking for a job and I'm renting a little ground floor place in Frameries. It gets cold in winter and I'm seeing my energy bills going through the roof' – Gwenaëlle, aged 24.

And Gwenaëlle is not the only one in this situation...

ENERGY INSECURITY IN BELGIUM



Source : Barometer of energy insecurity (2009-2015) – Fondation Roi Baudouin, third edition 2017

In 2015, 22% of Walloon households, almost 13% of Brussels households and 10.8% of Flemish households were considered to be experiencing energy insecurity, in other words these people were not managing to meet their needs for heating, either for want of money or because of the state of their home.

14.5% of households would be paying too much for their energy compared to their disposable income (after deduction of rent). Their 'extra' energy spending above the 'normal' would be running at about 53 euro per month.

3.9% of households would be limiting their energy consumption to below the basic level that they need. The average slippage in energy expenditure for households with hidden energy insecurity and what would be considered 'normal' would amount to about 77 euro per month.

5.1% of households would be afraid of not being able to heat their home properly.

Isolated people, and particularly women aged over 65 and living on their own, and single-parent families, are at particularly high risk of energy insecurity.

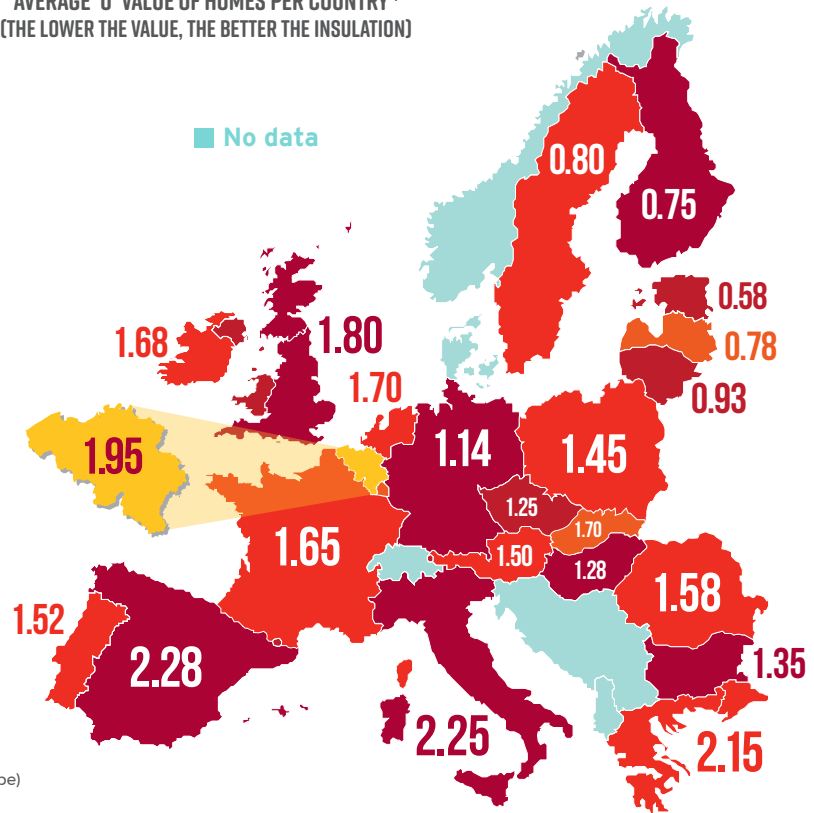
LOW ENERGY PERFORMANCES, HIGH ENERGY PRICES

There are 2 factors involved here: the very poor energy performance of buildings in Belgium and energy prices.

1. Belgium is among the worst in Europe in terms of insulation on buildings!
2. Between 2007 (when the energy market began to be liberalised) and 2017, electricity prices for private individuals (including taxes) increased by an average of 71.81% (CREG - the federal regulator).

AVERAGE 'U' VALUE OF HOMES PER COUNTRY ¹
(THE LOWER THE VALUE, THE BETTER THE INSULATION)

Germany	1,14
Austria	1,50
Belgium	1,95
Bulgaria	1,35
Spain	2,28
Estonia	0,58
Finland	0,75
Greece	2,15
Hungary	1,28
Ireland	1,68
Italy	2,25
Latvia	0,78
Lithuania	0,93
Netherlands	1,70
Poland	1,45
Portugal	1,52
Romania	1,58
Slovakia	1,70
Slovenia	1,47
Sweden	0,80
Czech republic	1,25
UK	1,80
EU average	1,69



Source: BPIE (Building Performance Institute Europe)

¹ The U value (also known as the u. factor or u coefficient) indicates the ability of the construction elements (wall, floor, ceiling, window, etc.) and the insulating materials to resist this transfer of heat It is measured in W/m² K. The lower the U value, the more insulation the material provides.

Belgian families have the third highest electricity bills in Europe.

According to the latest Eurostat barometer, electricity prices for Belgian households climbed by 10% between mid-2016 and mid-2017, whereas they fell by an average of 0.5% in Europe over the same period.

Businesses face the 10th highest electricity bills in Europe (source: Test Achats).

While it is true that such an increase is not due solely to the 'pure' electricity price, but also reflects levies (transport and distribution costs, taxes, renewable financing surcharges, etc.), the fact remains that families are paying these surcharges up to 150 times more than big companies! A family pays 54 euro per megawatt/hour while a big industrial company pays 36 euro cents (source: ABVV).

CONCLUSION

A JUST TRANSITION GUARANTEES A SUSTAINABLE FUTURE

The planet is dying and the Michel government is looking the other way. Belgium is far – very far, in fact – from having set off on the road towards a low-carbon society. Air quality is deteriorating, with all the impacts that that has for our health and that of our children. Belgium is suffering from catastrophic congestion. Energy insecurity is haunting one family in five, and energy bills just keep on going up.

It is time to develop a new model, with social justice as its objective, the environment as a framework to be respected and the economy as one of the ways of achieving it.

The FGTB is backing a choice of society by defending a strong public sector, because we believe that it genuinely contributes towards reducing inequalities and creating a sustainable society for all. It is against the commercialisation of public services and any form of privatisation of them.

There is an urgent need to develop a programme of investments based around employment, training and the technologies that will ease the transition towards a low-carbon economy and the preservation of natural resources in compliance with international labour standards and the principles of health and safety at work.

Such a programme needs to be underpinned by strong public authorities which guarantee economic diversification. The point is that the role of the public authorities is central in this process! They must be able to encourage, guide and monitor the private sector so that it follows the right direction. In terms of mobility, the idea of the car as the automatic choice is showing its constraints and limits more and more every day.

CONCLUSION

These days we have not one sort of mobility, but multiple varieties!

Types of mobility which have to respond to the challenges of modern life: to be accessible to the greatest number, to take account of the challenges of congestion and environmental impacts, health, climate, quality of life and the economy.

The aim is not to ban cars but to prioritise public transport (trains, buses and trams), 'soft mobility', car pooling and combining these various means of transport. To allow all citizens in this country to enjoy a quality public transport system.

In concrete terms, the FGTB is calling for:

- A national public transport investment plan responding to actual needs (not based on a fictitious allocation key)
- Strong, affordable and accessible railways (including for those with limited mobility) offering an even wider service in rural areas, to be developed in collaboration with regional and local public transport providers.
- There should be fewer incentives to use company cars. The Mobility Budget as developed by the two sides of industry within the Central Economic Council is a step in the right direction!

As to energy, liberalisation has not had the effects that its proponents promised us. Far from it.

CONCLUSION

The FGTB is calling for an energy sector in public ownership, with public enterprises, intermunicipal organisations and citizens' cooperatives as the main stakeholders.

Alongside support for increased self-production, both by citizens (notably via cooperatives) and some businesses, the FGTB demands that the federal State should act swiftly to set up an ambitious public investment strategy (notably via a call for citizen savings) with regard to electricity production capacities, to allow the public authorities to regain control over this strategic sector.

The best energy is the energy that is not consumed. The FGTB demands that a huge programme to manage the demand and the rational use of energy should FINALLY be developed.



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