



EMPLOYMENT IN BELGIUM



Employment in Belgium is governed by the Belgian labour laws and apply to any employee working in Belgium. Belgium has distinctive regions including Dutch speaking Flanders in the north, French speaking Wallonia in the south, and a German speaking community in the east of the country. Trade unions are prevalent with approximately 50% of employees being affiliated with a trade union. Below is some key information regarding employment in Belgium, intended to provide a brief overview of employment law in Belgium. It is not intended as substitute for professional legal advice and counsel.



WORKING TIME AND OVERTIME

The standard working hours in Belgium are 38 hours per week. Overtime is generally prohibited, however, there are several exceptions to this rule such as voluntary overtime, extraordinary increases in workload, or unforeseen circumstances. Hours that exceed 9 per day or 40 per week an employee will be entitled to overtime pay as a supplement to their standard salary. Overtime pay is at 1.5 times the normal salary or twice the normal salary for work on a Sunday or public holidays.

Some employers also offer flexible working schedules (horaires flottants), where an employee can plan their start and finish times. An employee can work up to 45 hours per week without overtime pay under flexible working schedules.

Rules regarding mandatory rest periods or working hours do not apply to employees in managerial positions, trust positions, or sale representatives.

Employees are entitled to minimum unpaid break of 15 minutes when working for 6 hours or more. However, most employers will provide an unpaid lunch break of 30 minutes. Within each 24-hour period there must be a break of 11 hours between working days. Overall, every working week there must be a 35-hour rest period, which would be a Sunday and an additional 11 hours.

ANNUAL LEAVE

Annual leave entitlement in Belgium depends on the employee's length of service during the previous calendar year. Generally, employees are entitled to 2 days annual leave for each month worked in the previous year. This is particularly common amongst white collar employees. Many employers will count any periods of absences and leave from the previous year as periods worked when counting annual leave entitlement. A full-time employee that works 5 days per week would be entitled to 20 days holiday for a full year of service. White collar employees receive double pay whilst on holiday, where they are paid their normal salary plus a holiday allowance. There are 10 public holidays in Belgium.

TRIAL PERIOD

Probation periods in Belgium are between 1 – 6 months when the employees' salary does not exceed €36 – €37,000.00. Employees earning more than this may have a probation period up to 12 months.

RESIGNATION AND DISMISSAL

During the probation period both the employer and employee may terminate the employment relationship by providing 7 days' notice. In Belgium, there are two methods of termination for an employment contract that is indefinite in the absence of a serious cause. An employment contract may either be terminated through serving a notice period or by paying an indemnity in lieu of notice. The following notice periods apply that are on the next page to employees who have worked for an employer since January 2014.



RESIGNATION AND DISMISSAL CONT...

Length of continuous service	Notice period
Less than 3 months	1 week
3 – 4 months	3 weeks
4 – 5 months	4 weeks
5 – 6 months	5 weeks
6 – 9 months	6 weeks
9 – 12 months	7 weeks
12 – 15 months	8 weeks
15 – 18 months	9 weeks
18 – 21 months	10 weeks
21 – 24 months	11 weeks
2 – 3 years	12 weeks
3 – 4 years	13 weeks
4 – 5 years	15 weeks
5+ years	Additional 3 weeks per year
20+ years	Additional 2 weeks per year
21+ years	Additional 1 week per year

Indemnity in lieu of notice is based on an employees gross annual salary, including benefits and is in line with the applicable notice period. This will include items such as the following

- Monthly salary
- Holiday pay
- Bonuses in the last 12 months
- Employers contribution to pensions and healthcare
- Benefit in kind of a company car, computer equipment, telephone etc
- Any stock or share plans

If employment is terminated through providing a notice period, notice must be provided in writing stating the start date and duration of the notice period. The notice period will be effective from the third working day the notice was provided in writing; a working day may also include a Saturday. The notice period will then start running from the first Monday following the week that the notice



RESIGNATION AND DISMISSAL CONT...

becomes effective. The notice in writing must be provided either by registered mail or a bailiff. If these conditions are not met the termination is considered void and the employer will be required to pay indemnity in lieu of notice. Termination of an indemnity in lieu of notice does not need to follow such formalities, this can also be completed verbally.

If an employer wishes to dismiss an employee, there must be a just cause. This would be due to either the employees conduct, attitude, the employees' competencies, or operational requirements such as financial difficulties or the loss of contracts meaning lack of work. Any dismissed employee has the right to be informed of the reasons for dismissal. The employee will need to make this request by registered mail within 2 months of the dismissal, or within 6 months of the notification of a notice period. The employer then has 2 months to respond following receipt of the request. If a dismissal is found to be unreasonable by a judge, then the employee maybe entitled to an indemnity for unjustified dismissal, this can be between 3 – 17 weeks salary.

If an employer wishes to dismiss an employee for a serious cause this must be done within 3 working days of the person who has the authority to dismiss being notified of the incident. The reasons for the dismissal must be sent to the employee within 3 working days after the dismissal. Examples of serious causes are theft, fraud, and violence. There is no entitlement to notice, or indemnity in lieu of notice if an employee is dismissed for a serious cause.

RESTRICTIVE COVENANTS

It is common for employers to insert confidentiality and non-compete clauses into a contract of employment to protect business interests. Confidentiality clauses are enforceable obliging past and present employees to maintain confidentiality with regards to trade secrets and other confidential and personal information. Non-compete clauses are strictly regulated, these can include the following, be provided in writing either at the start or during employment, limited geographically to places where the employee can effectively compete with the employer and should not be outside of national territory, not exceed 12 months after the termination of employment, and must relate to similar activities. An employer will also need to provide the payment of a single and flat-rate compensatory payment to the employee if, within 15 days after the end of the employment contract, the employer does not waive the application of the non-competition clause. The minimum amount of this payment is equal to half the employee's gross remuneration corresponding to the period of application of the clause, for example, if the non-compete clause is provided for one year, the indemnity must be for at least six months' gross remuneration. There can be further specific rules for sales representatives where clauses maybe extended outside of Belgium and be for longer than 12 months.

CONTRACT OF EMPLOYMENT

There is no legal requirement to produce a written contract of employment for permanent/indefinite contracts of employment (Contrat de travail à durée indéterminée/De arbeidsovereenkomst voor onbepaalde tijd). However, it is strongly recommended that a written contract is produced. Any probation periods or non-competition clauses must be provided in writing. A written contract of employment must be provided for the following types of employment, fixed term contracts (Contrat de travail à durée déterminée/De arbeidsovereenkomst voor bepaalde tijd), specific assignment contracts (Contrat de travail pour un travail nettement défini/De arbeidsovereenkomst voor een duidelijk omschreven werk), replacement contracts (Contrat de remplacement/De vervangingsovereenkomst) e.g. for an employee that is replacing an existing employee who is absent for a reason such as maternity leave, temporary contracts



CONTRACT OF EMPLOYMENT CONT..

(Contrat de travail temporaire-contrat de travail intérimaire/De arbeidsovereenkomst voor uitvoering van tijdelijke arbeid en uitzendarbeid), and part-time contracts (Contrat de travail à temps partiel/Arbeidsovereenkomst voor deeltijdse arbeid).

Contracts of employment will need to be in either French, Dutch, or German depending on the region of where the employment takes place. An informal copy may also be provided in English.

MATERNITY AND PATERNITY LEAVE

Expectant mothers in Belgium are entitled to 15 weeks maternity leave. A maximum of 6 weeks to be taken before the expected due date, and a compulsory minimum 9 weeks after the birth. For the first 30 days the maternity leave is paid at 82% of the gross salary, after the 31st day this is then paid at 75% with an upper limit of approximately €106 per day. Maternity leave is paid by social security. Fathers are entitled to 15 days paternity leave.

SICKNESS LEAVE

If an employee is unable to attend work due to illness, they are entitled to statutory sick pay which is paid directly by their employer for the first 30 days. After this period an allowance will be paid by social security.

SOCIAL SECURITY

Social security contributions in Belgium are compulsory and are based on employee earnings. Both the employer and employee have contributions to make which finance the social security system. This provides employees and residents in Belgium with access to unemployment benefits, sickness allowances, pensions, allowances in the event of accidents at work, industrial diseases, and incapacity to work.

HEALTHCARE AND INSURANCE

The Belgian healthcare system is divided into state and private sectors, with both having chargeable fees. The state system is funded by compulsory health insurance which provides access to subsidised services such as hospital care, dental care, doctors, and prescriptions.

The regional Flemish, Walloon, and German speaking communities all have their own administrative healthcare divisions. Anyone that lives and works in Belgium must be registered for social security and make health insurance payments, this will give access to the subsidised public healthcare. Pensioners, students, unemployed, and those with disabilities are entitled to the same subsidies as someone who is employed. Part of the process for enrolment to social security is registering to contribute to a health insurance fund. These are called ziekenfonds in Dutch and mutuelle in French. Residents can choose their own mutuelle/ziekenfonds. There is also the option for private healthcare in Belgium. This often runs alongside its public counterpart. Many private health insurers will require payment of medical costs up front and then to claim these back. Many residents in Belgium choose to take out private coverage to top up their state

coverage and provide them with access to private healthcare treatment.





EMPLOYMENT OF FOREIGN NATIONALS

Most foreign nationals will need a permit to work in Belgium. Residents of countries that are a member of the European Union (EU) or the European Economic Area (EEA) do not need a work permit for employment in Belgium. There are three work permits for Belgium, the applicants situation depends on which permit will be required.

WORK PERMIT TYPE A

To be able to apply for a type A permit, the applicant must have proven they have worked for 4 years on a type B permit within a 10-year uninterrupted stay in Belgium. Type A permits are valid indefinitely. Applicants from the following countries will only be required to have worked for 3 years on a Type B visa, Algeria, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, Morocco, Serbia, Tunisia and Turkey.

WORK PERMIT TYPE B

The type B permit is issued for a specific job, for a specific employer. This permit does need employer sponsorship, the employer will apply for the permit to employ. The permit is only valid for employment with the company that are sponsoring. A foreign worker should only work in Belgium when a labour market test indicates that there are no suitable candidates found on the Belgian or EEA labour market. There are certain positions where a foreign worker will not need a labour market test such as highly qualified workers, technical experts, and researchers. The type B permit is valid for 1 year and can be extended.

WORK PERMIT TYPE C

The type C permit is for foreign nationals staying in Belgium on a temporary basis. This includes family members of consular officials, students, and asylum seekers (when right to remain is not confirmed). This permit allows holders to be employed for any type of job in any field. The permit is valid for up to 1 year, this can only be extended in certain circumstances.





SALARY AND SALARY TAXES

MINIMUM WAGE

The minimum wage in Belgium as of January 2022 is €1,691.40 per month for over 18 years old, €1,736.28 per month for over 19 years old with at least 6 months seniority, and €1,756.23 per month for over 20 years old with at least 12 months seniority.

INCOME TAX

The Belgian tax year runs from January to December. It is the employer's responsibility to ensure taxes are paid from salaries before payments are made to employees. The general personal income tax rates are listed below as guidance. All employees are entitled to a personal tax-free allowance (belastingvrije som, somme exonérée), as of 2021 this is €9,050.



Tax Payable	Salary
25%	Up to €13,870
40%	€13,870–€24,480
45%	€24,480–€42,370
50%	€42,370+



SALARY PAYMENTS

Salaries in Belgium are generally paid on a monthly basis, with payment usually on the last working day of the month. Most employers pay a 13th month salary as a bonus to their employees. This is usually paid in December. In addition to a 13th month salary some employers even pay half of a 14th month salary. These bonuses are paid on a pro-rata basis when an employee has not worked a full year. Meal vouchers are also very common in Belgium. If certain conditions are met these are exempt from taxes and social security. The employer and employee will both need to contribute to the meal voucher.

SOCIAL SECURITY CONTRIBUTIONS

Social security contributions are the responsibility of the employer to deduct from an employee's salary before payment. Both the employer and employee are subject to social security contributions. Below is a guide on approximate contribution rates for employers and employees. However, these can vary.

	Employer Percentage	Employee Percentage
Pension Fund	7.5%	15%
Health Insurance	5%	3 - 8%
Labour Restructuring Fund	0.1%	0.1%
Labour Credit Guarantee Fund	0.025%	N/A



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