

Belgium: conditions for temporary unemployment adjusted to cope with economic impact of Covid-19

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**Since 13 March, a “uniform and simplified” procedure has been put in place until 30 June for temporary unemployment applications, in order to better preserve jobs in Belgium amid the business restrictions resulting from efforts to combat the coronavirus pandemic. These applications will therefore automatically be considered as a response to “force majeure”. An employer that is indirectly affected by a temporary lack of business or orders may have recourse to the “temporary unemployment on economic grounds” framework. Workers that are forced to stop working due to suspected infection or have to go into quarantine due to the infection of a relative may also have access to temporary unemployment. In total, according to Belgium’s minister for employment Nathalie Muylle, between 800,000 and 1 million Belgian workers could be affected over the period.**

**Compensation hiked and an immediate lump-sum advance.** Against this exceptional backdrop, the Belgian government announced on 19 March that temporary unemployment compensation – both for economic reasons and force majeure – will be increased for a period of three months. This will rise from 65% to 70% of workers’ gross daily wages, with a daily supplement of €5.63 added for cases of “force majeure” and €2.00 for cases of “economic grounds”. The aim is to limit employees’ loss of income, which has been welcomed by the CSC union, which adds that the measure also helps “support domestic purchasing power”.

In addition, in order to avoid excess waiting time for the creation of a new file with the ONEM (the national employment office) and therefore a potentially large loss of income, the government has also proposed the immediate payment of a lump sum of €1,450 (corresponding to the minimum daily amount, converted into a monthly figure), which will then be deducted from the actual amount of compensation that is ultimately paid, once the application has been duly processed.

These measures concern employees and workers. Self-employed people may apply to the social insurance fund for replacement income, known as a ‘bridging right’, which amounts to €1,266 per month (€1,582.46 per month in the case of workers with dependents). Among other support measures, the federal government has already decided, on 6 March, to allow companies and self-employed people to defer the payment of social security and tax contributions.

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