



## Human Capital

### 1. Employer's obligations

#### Registrations, insurance and work regulations

- In principle, every employer must **register** with the National Agency of Social Security (ONSS/RSZ).
- In most instances the employer will choose to affiliate with a **payroll agency** who will serve as the collection agent for the various federal agencies (Child Allowances, Health Care, Pension Fund).
- One of the important and mandatory obligations of the employer will be to contract an **insurance against accidents** at the workplace, (which includes coverage for accidents occurred during the travel from and to the workplace). The employer will also have to establish work regulations and keep a register of the employees.

#### Paying an employee

- The **computation of the salary** of a white-collar employee is governed by a variety of laws, regulations and collective bargaining agreements and will vary from industry sector to industry sector. Payroll agencies exist to assist in carrying out these tasks for a reasonable fee.
- A white-collar employee is paid **per month**, usually before the end of the month by wire transfer.
- **Salaries** are usually negotiated on a monthly basis. Most collective bargaining agreements stipulate that an employee is entitled to a 13th month (100% of normal monthly salary), and double vacation pay (single pay equals to the normal monthly salary, the double amounts to about 89% of the monthly salary). Salaries are linked to the index of prices.

#### Social security

- Belgian **social security legislation** consists of specific regulations that provide for unemployment benefits, pensions, sickness and disability benefits, family and child allowances, and industrial accidents and health care.
- The payment of social security **contributions** is compulsory. Blue and white collar workers pay 13,07% of their salary, while employers pay between 32 and 38% of the gross salary varying from sector to sector. The employer's social security contributions are calculated on the gross salary, while the employer deducts the employee's contributions from the gross salary. These are remitted every three months by the employer to the National Social Security Agency. Pay-roll agencies exist to assist in this complex calculation and transfers.

## 2. Employment agreements

### 2.1. Types

#### Fixed-term

- A fixed-term employment agreement is one where the parties agree that the agreement will automatically end at a **given point in time** that is defined at the time of hiring. The agreement must indicate a specific date and/or an event which should occur at a set date, after which the parties will be free of their respective obligations.
- **Consequences:**
  - The agreement comes to an end when the term as defined has been reached, without either the employer or the worker being required to express any wish to terminate the agreement.
  - Should the parties continue to execute the agreement after the set expiry date, the agreement will then be subject to the same rules as if the agreement was concluded for an unlimited duration.
- In order to be legally valid, such agreement will be **in writing prior** to the commencement of the employment. In the absence of a written document, the agreement will be subject to the same rules as an agreement of unlimited duration.

#### Clearly defined tasks

- This type of agreement also expires at a definite point in time, but the date is uncertain, as the agreement expires when the task entrusted to the worker **has been completed**.
- At the time of hiring, the subject and the scale of the work to be carried out are defined **precisely enough** to allow the worker to determine, during the execution of the agreement, when the agreement will end.
- This agreement is subject to the same **formal rules** as the fixed-term agreement.

#### Unlimited duration

- This type of agreement does **not specify a fixed term**. As the duration of the agreement is not set, either party may in principle decide to terminate it at any time, subject to the giving of notice.
- An agreement of unlimited duration may be **concluded** verbally. Nevertheless, some of the clauses that such an agreement may contain are only valid if in writing.

#### Temporary

- **Temporary** labour is defined as an activity carried out within the framework of a labour agreement and intended to replace a permanent worker, or to respond to an extraordinary increase in work, or to carry out exceptional work.
- This type of labour agreement **must be concluded:**
  - In writing, no later than when the worker comes into service.
  - Setting out the reason for the replacement.

## 2.2. Termination

- In case of termination of an employment agreement, **notice periods** must be taken into account. They are calculated according to the seniority of the employee.
- Written notice must be given by the person terminating the agreement to the other party in the form of a **registered letter** mentioning clearly the duration of the period of notice.
- If one of the parties has committed a "**serious fault**", the agreement may be terminated at any time without prior notice, under certain conditions.
- The notice periods differ for **white-collar and blue-collar** workers.
  
- If the employer and the employee do not agree on the length of the period of notice, the dispute goes to the labour court.
- An employment agreement may stipulate a **trial period**, the purpose of which is to allow the parties to determine whether the appointment is mutually satisfactory.
  - It must in all cases be laid down in writing prior to the commencement of the employment agreement.
  - The trial period is minimum 7 days and maximum 14 days for blue-collar workers. For white-collar workers a minimum period of one month applies; it cannot exceed 6 or 12 months depending on the level of salary.

## 3. Employment incentives

In addition to the federal measures consisting mainly of an exemption from payment of social security contributions during a certain period of time, employers can also obtain grants at a regional level in Brussels.

For more information:

### **Brussels Regional Employment Office (ORBEM)**

Subsidies Department  
Boulevard Anspach, 65 1000 Brussels  
Tel: +32 2 505 16 12  
Fax: +32 2 505 79 08  
Email: [info@orbem.be](mailto:info@orbem.be)  
[www.orbem.be](http://www.orbem.be)

### **Federal Public Service of Employment**

Rue Ernest Blerot, 1 1070 Brussels  
Tel: +32 2 233 41 11  
Fax: +32 2 233 44 88  
E-mail: [min@meta.fgov.be](mailto:min@meta.fgov.be)  
[www.meta.fgov.be](http://www.meta.fgov.be)