

The 2022 Labour Deal

Labour market reform aimed at increasing work-life balance and employment rate

The Labour Deal: what's in a name?



On Thursday 29 September 2022, the Chamber of Representatives voted the Belgian government's 2022 Labour Deal into law; **a set of labour market reforms that mainly introduces increased flexibility and redeployment measures**. The goal of these reforms is twofold: improve employees' **work-life balance** and increase the **employment rate** in Belgium to 80% by 2030. In order to achieve these goals, the Labour Deal takes an employee-centric approach, without losing sight of companies' organisational needs. As such, the Labour Deal is a valuable next step into modernising Belgian labour law and making the Belgian labour market fit for the new way of working.

Below, you'll find more information on the content of the Labour Deal. Starting with the different measures that are aimed at **increasing employees' work-life balance** – such as the possibility for employees to request specific flexible working arrangements – we'll next discuss **night work in the e-commerce industry** and the different **employability measures**, ending with the changes to the legislative framework for **platform work** and the new **training requirements**.

What to expect – the Labour Deal at a glance

The four-day working week



In order for employees to be able to better manage their work-life balance, a company's **work regulations can be modified** to include the option for employees to work their full-time **weekly working hours during four rather than five working days**. The work regulations can introduce the possibility of working 9.5 hours per day (i.e. 38 hours/week in a four day working week). Longer working days – e.g. the 10 hours per day that are required to have a four day working week in a system of 40 hours per week (with the grant of 12 working time reduction days) – have to be introduced by company-level collective bargaining agreement.

An employee who wishes to make use of this system must **file a request** with the employer, in writing. If the employer accepts, an agreement on the new working schedule has to be concluded, for a (renewable) period of maximum 6 months. The employer rejecting the request must motivate its refusal in writing. Filing a request for a four day working week may not result in any detrimental treatment by the employer. Moreover, the employee who files a request is **protected against dismissal** for reasons related to their request.

Employees opting for a four day working week will no longer be allowed to perform voluntary overtime on the other days of the week.

The Labour Deal at a glance

Alternating weekly working hours



Another option to increase employees' work-life balance will be the system of alternating weekly working hours. This system allows employees to **work more one week and compensate this with more time off the following week, or vice versa**. In principle, the cycle is limited to two subsequent weeks, however, it can be extended to four weeks during the summer holidays or as a result of specific circumstances.

As with the four day working week, the system of alternating weekly working hours needs to be introduced by amending the company's **work regulations**.

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Employees opting for an alternating weekly working schedule will no longer be allowed to perform voluntary overtime during the week they work less.

Variable weekly work schedules for part-time employees



The deadline for communicating variable weekly work schedules to part-time employees **will increase from five working days in advance to seven**. Derogations introduced by sector-level collective bargaining agreement remain possible, however, the minimum deadline in this respect also increases from one working day in advance to three.

The right to 'disconnect'



Each company with at least 20 employees will be required to introduce **rules on employees' right to 'disconnect'** (i.e. not having to answer calls or emails after the normal working hours or on the weekends). These rules will have to be laid down in a **company collective bargaining agreement or in the work regulations**, by 1 January 2023 at the latest.

Night work in the e-commerce industry



Next to the normal procedure of adjusting the work regulations in this respect, it will also become possible to introduce **late-night work in the e-commerce industry** – i.e. working between 20.00h and 0.00h – by:

- either concluding a **collective bargaining agreement** (for which the agreement of only one trade union suffices);
- or by introducing a one-time **late-night work experiment** (the conception of which should involve the appropriate employee representative body or, in absence of any, the employees themselves) for a period of 18 months, during which employees can voluntarily work between 20.00h and 0.00h.



Additional measures to increase employability will become applicable for employees whose employment agreement is terminated by observing a **notice period of at least 30 weeks**, or by payment of a corresponding indemnity in lieu of notice. These employees will be entitled to a termination package composed of two parts:

1. 2/3d of the notice period (or corresponding indemnity in lieu of notice), with a minimum of 26 weeks;
2. the remainder of the notice period (or corresponding indemnity in lieu of notice).

If the employee in question has to serve a notice period, they will be able to enjoy paid time off to follow additional, training, coaching etc. to improve

their employability, for a **value equal to the employers' social security contributions on the second part of the termination package**. If, on the other hand, the employee receives an indemnity in lieu of notice, they are required to keep themselves available for activities to improve their employability, also for a value equal to the employers' social security contributions on the second part of the termination package. This requirement ceases as soon as the employee finds new employment.

These measures to increase employability will come **on top of the existing outplacement regulations**. This new provisions is, however, not applicable when the employee follows a transition path, as described below.

Transition path: working for a new employer during the notice period



In case the employer terminates the employment agreement by giving notice, it will become possible for the employee to follow a transition path, i.e. **already start working – on a voluntary basis – for another employer during (part of) the notice period**.

The employee will be put at the disposal of the new employer, which will be facilitated by a temporary employment agency or by the regional employment agencies (VDAB/Forem/Actiris). The set-up must be structured by means of a **four-party agreement** between the employee, the two employers and the employment agency.

During the transition path, the initial employer continues to pay the employee's wages, however, the new employer should partly compensate the initial one. After the end of the transition path, the new employer is obliged to hire the employee with an **employment agreement for indefinite duration** (or pay a termination indemnity equal to the wages for half of the duration of the transition path).

Platform economy



The Labour Deal introduces **specific criteria** to help determine whether an individual who works in the platform economy is to be **classified as an employee or as self-employed**. In this respect, the Labour Deal uses the five criteria from the European draft Directive that was introduced by the European Commission late last year and adds three additional ones. If either **two of the five European criteria or three of the total eight criteria** are met, the individual will be **presumed to be working as an employee**. However, this presumption can still be **rebutted** by all available legal means, including the four general criteria from the Act on the nature of the employment relation.

Going forward, platforms will also have to take out **industrial accidents insurance** for all of their workers, irrespective of whether they classify as employee or self-employed.

The Labour Deal at a glance

Training plan and individual entitlement to training



On a yearly basis, each company with at least 20 employees will have to draw up a **training plan**, of which a copy has to be sent to the authorities. The works council or, if there's no works council, the union delegation has to be consulted on the content of the training plan. The plan must contain both formal and informal training, with special attention to groups at risk, such as employees over the age of 50.

Also in companies with at least 20 employees, an **individual entitlement to training** is introduced. This will replace the current collective approach in

this respect, which specifies that, on average, a certain number of days of training have to take place per full-time equivalent. More specifically, the new individual entitlement means that each full-time employee will be entitled to at least 3 days of training in 2022, 4 days in 2023 and 5 days as from 2024.

In companies with a headcount between 10 and 20 employees, a full-time employee will have an individual entitlement to at least one day of training per year. Companies with less than 10 employees are excluded from these provisions.

How PwC Legal can help

The Labour Deal creates new possibilities for employees and employers alike and contains important building blocks to help companies design a flexible organisation with a sustainable workforce.

PwC Legal can help you determine how the Labour Deal can support your people strategy, as well as help implement any changes as a result of it. Our Employment law experts work together closely with the HR, talent, reward, organisational and change specialists of PwC's People & Organisation and Advisory practises. This fully integrated way of working allows us to translate what the Labour Deal could mean for your specific organisation from all necessary angles.

If you have any questions regarding the 2022 Labour Deal and how it can help your organisation keep pace with the rapidly evolving world of work, do not hesitate to reach out; we'd love to hear from you.

Contact us



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