

SPRING 2015 REFORM BAROMETER - BELGIUM

		Q1 : the recommendation is	Q2 : implementation on effort is :	Detailed comments
CSR 1	Following the correction of the excessive deficit, reinforce the budgetary measures for 2014 in the light of the emerging gap of 0.5% of GDP based on the Commission 2014 spring forecast, pointing to a risk of significant deviation relative to the Stability and Growth Pact requirements.	Extremely important	Mixed	Excessive deficit remains but the focus is on reducing public expenditure.
CSR 2	Improve the balance and fairness of the overall tax system and prepare a comprehensive tax reform that will allow shifting taxes away from labour towards more growth friendly bases,...	Important	Unsatisfactory	Taxes on labour still one of the highest in Europe but measures have been taken to lower employers social security contributions.
CSR 3	Contain future public expenditure growth relating to ageing, in particular from pensions and long-term care, by stepping up efforts to reduce the gap between the effective and statutory retirement age, bringing forward the reduction of early-exit possibilities, promoting active ageing, aligning the statutory retirement age and career length requirements to changes in life expectancy.	Extremely important	Mixed	There is a limited reduction in early exit possibilities, additional reforms are being negotiated.
CSR 4	Increase labour market participation, notably by reducing financial disincentives to work, increasing labour market access for disadvantaged groups such as the young and people with a migrant background, improving professional mobility and addressing skills shortages and mismatches as well as early school leaving.	Extremely important	Unsatisfactory	No significant changes. A unemployment trap remains for lower skilled workers.

CSR 5	Restore competitiveness by continuing the reform of the wage-setting system, including wage indexation, in consultation with the social partners and in accordance with national practice, to ensure that wage evolutions reflect productivity developments at sectorial and/or company levels as well as economic circumstances and to provide for effective automatic corrections when needed; by strengthening competition in the retail sectors, removing excessive restrictions in services, including professional services and addressing the risk of further increases of energy distribution costs.	Extremely important	Mixed	Temporary freeze of wage indexation but no structural reform of the wage setting mechanism.
CSR 6	Ensure that the 2020 targets for reducing greenhouse gas emissions from non-ETS activities are met, in particular as regards buildings and transport. Make sure that the contribution of transport is aligned with the objective of reducing road congestion. Agree on a clear distribution of efforts and burdens between the federal and regional entities.	Important	Unsatisfactory	