



Deloitte Legal Newsflash

Employment, Pensions and Benefits

CBA 147 allowing economic unemployment for white-collars in all business sectors

In the midst of the COVID-19 pandemic, companies are suffering from heavy economic impacts. Significant client decreases and operational disruptions leave no employer unaffected.

Major concerns rise as employers can no longer provide work for their employees leaving them with no other option than to rely on the mechanism of force majeure/economic temporary unemployment.

On 18 March 2020, the National Labour Council of Belgium introduced CBA no. 147 to facilitate temporary economic unemployment for all white-collar employees of companies that fall under a Joint Committee without a collective bargaining agreement at industry or company level foreseeing the possibility to introduce temporary economic unemployment.

General conditions for temporary economic unemployment

Economic unemployment for white-collar employees is only open for companies recognised as being in difficulties (due to a 10% decrease in turnover, production or orders, or with

10% of temporary economic unemployment amongst blue-collar workers).

In addition, temporary unemployment must be provided for in an industry-wide collective bargaining agreement, a company-wide collective bargaining agreement or an approved business plan.

Temporary economic unemployment

Only a limited number of Joint committees (JCs) have CBAs providing for temporary economic unemployment.

Companies that fall within a JC without such CBA must therefore first negotiate a CBA at company level, or obtain the approval of a business plan before they can apply for temporary economic unemployment, which causes timing issues.

National Labour Council introduces CBA no. 147

In response to these issues, the National Labour Council decided to temporarily streamline and speed up the unemployment procedures by introducing a supplementary nation-wide CBA on temporary economic unemployment to allow companies without industry/company CBA or business plan to apply more rapidly for white-collar employees' temporary economic unemployment.

Compatibility with existing CBAs

CBA no. 147 will not prejudice existing CBAs or business plans establishing a scheme of temporary economic unemployment for white-collar employees.

However, companies that already submitted a business plan pending approval by the "Business Plans" Committee fall within the scope of this newly introduced CBA.

Formalities and procedure to apply

The standard formalities and procedure remain the same and have unfortunately not been shortened:

- At least 14 days before being able to implement this particular unemployment mechanism, the company must send a form to the unemployment office of the National Employment Office (RVA/ONEM) of the place where the company is located, proving that it meets the conditions of this mechanism.
- The company must notify the works council or, in its absence, the trade union delegation on the day of notification to the NEO.
- The company must notify its employees at least 7 days in advance (not including the day of notification) of the introduction of such a scheme and of the modalities of implementation (by displaying the notice on the company premises or by written notification to each employee whose employment contract is suspended).

- On this same day, notification of the display of notice or individual notification to the employees must be communicated electronically to the NEO.
- Also on this day, the company must inform the works council or, in its absence, the trade union delegation, of the economic reasons that justify the introduction of this type of unemployment mechanism.

Unemployment benefit supplement

The CBA further stipulates that unemployed employees will receive a supplement of 5 EUR per day on top of their unemployment benefits, which is to be paid by the employer.

If the blue-collar workers and other white-collar employees of a JC, to which the company belongs and to which the system of temporary economic unemployment applies, benefit from a minimum amount that exceeds 5 EUR, then that amount will apply.

Finally, the CBA will be effective until 30 June 2020 with a possibility of extension, following an evaluation at the beginning of May 2020.

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