

The social balance sheet 2008

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Introduction

Introduced in 1996, the social balance sheet contains a set of information concerning various aspects of employment in enterprises. That information can be used to analyse the trend in workforces, staff costs and working time, the structure of employment at the end of the financial year, staff movements and employee training.

Having already been modified twice since its introduction, the social balance sheet was revised thoroughly in December 2007. The new form, applicable to financial years ending on or after 1 December 2008, no longer contains a record of the use made by businesses of various employment promotion measures, since the NSSO is able to supply the information requested from the multi-purpose declaration that businesses have been required to file since 2003. Another important change concerns the tables relating to training, which have been modified in order to take better account of all corporate training efforts: formal training, informal training and initial training are captured in separate tables. In addition, the report on persons employed at the end of the financial year now includes a breakdown cross-referenced by type and standard of education in both the full-format and abbreviated balance sheets. On the other hand, the breakdown of staff recruitment and departures by type and standard of education that was available only in the full-format accounts no longer appears there.

Some enterprises which end their financial year on 31 December have mistakenly continued to use the old form. Since they scarcely represent more than 3 p.c. of the total and are mostly small in size (70 p.c. of them have 10 employees or less), these enterprises have not been

removed from the analysis except where they could have skewed the results.

This article discusses the results of the social balance sheets filed for 2008. It is subdivided into five sections. The first section examines the trend in employment between 2007 and 2008. The second section analyses staff movements recorded in 2008. The third examines the structure of employment (working arrangements, levels of education, types of employment contracts and the use of outside workers). The fourth and fifth sections focus respectively on staff costs and training. This last section is more developed than in previous editions of this article to the extent that it incorporates newly available data.

The results presented in this article are obtained, for each financial year, from uniform populations⁽¹⁾ of firms which have filed a social balance sheet meeting a range of quality criteria. Annex 1 summarises the methodological principles governing the construction of these populations and the regional distribution of the firms. The breakdown by branch of activity is based on the sections and divisions of the NACE-Bel nomenclature (2003 version) reproduced in Annex 2. Annexes 3 to 10 contain a series of detailed indicators per branch of activity. Annexes 9 and 10

(1) It should be noted that the obligation on large and very large NPIs to file standardised accounts, imposed from the 2006 financial year, causes a break in the historical data series. Even though all NPIs employing more than 20 persons have been required to complete a social balance sheet since 1998, some of them still do not comply. Nonetheless, since 2006, the standard models for the annual accounts of large NPIs include a social balance sheet, which encourages the largest of them to fulfil their legal obligations. NPIs are considered to be large if they meet or exceed more than one of the following criteria: average annual number of workers (in full-time equivalents) equal to 5; total annual income other than extraordinary income (excl. VAT), equal to 250,000 euro; balance sheet total equal to 1,000,000 euro. NPIs are considered to be very large if their average annual number of workers employed (in full-time equivalents) exceeds 100 persons or if one of the following criteria is exceeded: average annual number of workers employed (in full-time equivalents) equal to 50; total annual income other than extraordinary income (excl. VAT), equal to 6,250,000 euro; balance sheet total equal to 3,125,000 euro.

relating to training make use of the new data available in the social balance sheets. Annexes 11 to 13 break down a range of indicators according to the region to which the firms belong. Annex 14 contains the social balance sheet form applicable to firms filing full-format accounts for years ending on or after 1 December 2008⁽¹⁾.

Most of the results of this analysis are obtained from a constant reduced population⁽²⁾ of firms, which permits analysis of the movement in a range of variables between the 2007 and 2008 financial years, whereas comparison with the data relating to the complete population for 2007 would introduce a bias which would distort the conclusions. Nonetheless, the use of a constant population does impose constraints. By definition, the firms which are included in that population must have filed social balance sheets for two successive years. This automatically excludes new businesses and companies which have disappeared (e.g. because they have gone bankrupt or been taken over), possibly causing some discrepancies between the changes observed in the constant population (referred to as the reduced population in the rest of this article) and those recorded for the total population.

However, adherence to this approach is justified in view of the considerable length of time required to obtain information for all firms, and the safeguards offered by the representativeness of the reduced population.

The reduced population retained for analysis of the social balance sheets relating to 2008 comprises 43,387 firms, making up 53 p.c. of the firms in the total population in 2007. The companies in the reduced population employed 1,383,394 workers in 2007, corresponding to 73 p.c. of the workers employed by the firms in the total population.

The breakdown of firms by branch of activity is based on the NACE-Bel codes. Altogether, workers employed in the trade, transport and communication branch represent around 30 p.c. of the staff in the reduced population, and those working in industry 26 p.c. The other branches are

- (1) This form is also available on the National Bank's website (www.nbb.be/DOC/BA/SocialBalance/Models/Bilan%20social_C_17032008.pdf), as is that applicable to firms filing accounts in the abbreviated format (www.nbb.be/DOC/BA/SocialBalance/Models/Bilan%20social_A_17032008.pdf).
- (2) Firms have seven months from the end of the financial year to file their social balance sheets at the Central Balance Sheet Office. In view of the time needed to check the data, the full set of social balance sheets was not available on 16 September 2009, the date on which the 2008 figures were extracted.

TABLE 1 CHARACTERISTICS OF THE TOTAL AND REDUCED POPULATIONS IN 2007
(percentages of the total, unless otherwise stated)

	Total population		Reduced population	
	Number of firms	Number of employees ⁽¹⁾	Number of firms	Number of employees ⁽¹⁾
<i>p.m. Units</i>	82,045	1,902,531	43,387	1,383,394
<i>(in percentage of the corresponding data for the total population)</i>			(52.9)	(72.7)
Breakdown by branch of activity				
Agriculture	1.7	0.5	1.6	0.4
Industry	12.8	24.2	14.5	26.3
Construction	14.8	7.4	14.1	6.5
Trade, transport and communication	42.0	30.5	40.9	29.8
Financial, real estate and business services	20.4	17.3	20.8	17.8
Other services⁽²⁾	8.4	20.0	8.2	19.8
Breakdown by size of firm⁽³⁾				
Small firms (up to 50 FTEs)	94.8	34.8	92.3	27.5
Medium-sized firms (over 50 to 250 FTEs)	4.2	20.4	6.2	22.0
Large firms (over 250 FTEs)	1.0	44.9	1.5	50.5

Source: NBB (social balance sheets).

(1) Sum of items 1001 (full-time workers) and 1002 (part-time workers).

(2) Health and social work; community, social and personal services.

(3) Determined according to the value of item 1003 (FTEs) in 2007.

less important in relative terms, namely 20 p.c. for other services (which include hospitals), 18 p.c. for the financial, real estate and business services sector, and 7 p.c. for construction. Agriculture remains decidedly marginal, which is why it does not appear universally in the tables and charts in this article.

The classification by size of firm is based on the average number of workers expressed as full-time equivalents (FTEs)⁽¹⁾ observed in 2007. Small firms with no more than 50 FTEs, or 92 p.c. of firms in the reduced population, employed around 27 p.c. of that population's workforce, well below the figure of 35 p.c. recorded for the total population. Medium-sized firms, employing 50 to 250 FTEs, account for 22 p.c. of the workforce in the reduced population, a proportion broadly similar to that for the total population. Large firms, with over 250 FTEs, employ just over half of the workforce in firms in the reduced population on the other hand, compared to 45 p.c. in those belonging to the total population. The trends outlined using the reduced population are therefore influenced by the over-representation of large firms.

1. General characteristics of employment developments

As an annual average, employment increased in 2008 by 1.7 p.c. in the 43,387 firms in the reduced population. This growth, which remains vigorous, nonetheless signals

a slowdown compared to the previous year. The situation at the end of the year in itself bears witness to a marked deterioration in employment in these firms during 2008. Compared to 31 December 2007, the rise in the workforce was in fact no more than 0.8 p.c., less than half the average annual growth.

This sort of shift is observed in all branches of activity except those of health and social work. The group of firms affected most includes, unsurprisingly, those in industry and the financial and insurance services, which recorded net job losses at the end of the year. On the other hand, the workforce continued to expand at a steady pace in real estate and business services, health and social work and in community, social and personal services.

The growth in the workforce expressed in FTEs was somewhat less dynamic than that for the workforce expressed in individual persons, due to faster growth in part-time workers than full-time. Moreover, this gap widened during the year since, on 31 December 2008, the number of persons employed on a full-time basis showed only marginal improvement –0.1 p.c. as against 1.1 p.c. for the annual average.

This slowdown was felt more particularly among male workers. From one year-end to the next, there is a decline of 0.3 p.c. in men working full-time, while corresponding

(1) Item 1003 of the social balance sheet.

TABLE 2 EMPLOYMENT DEVELOPMENT BETWEEN 2007 AND 2008
(reduced population)

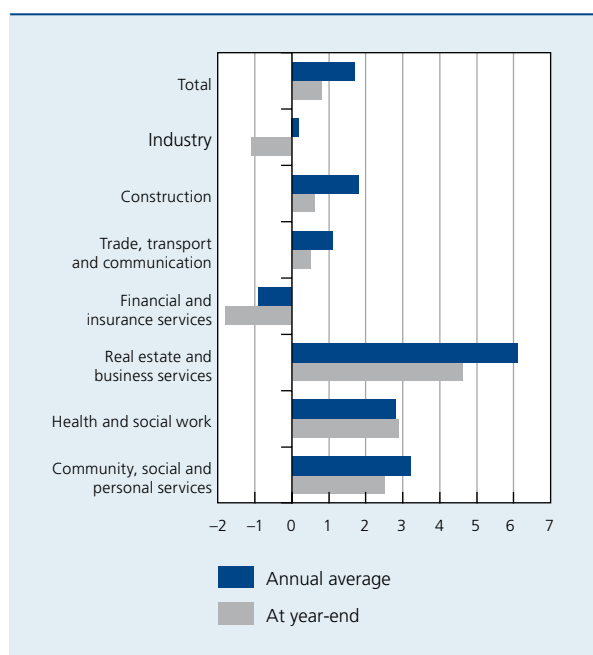
	Persons employed			FTEs
	Full-time	Part-time	Total	
Annual average				
Percentages	1.1	3.4	1.7	1.6
Units	10,730	12,544	23,274	19,693
As at 31 December				
Percentages	0.1	2.8	0.8	0.7
Men	-0.3	4.3	0.2	0.1
Women	1.2	2.4	1.8	1.8
Units	1,298	10,385	11,683	8,727
Small firms	2,692	3,759	6,451	5,580
Medium-sized firms	1,977	3,496	5,473	4,253
Large firms	-3,371	3,130	-241	-1,106

Source: NBB (social balance sheets).

female employment still grew by 1.2 p.c. This development can be explained as a branch-specific effect, men working primarily in industry, which saw net job losses, and women in the services sector which, in 2008, were the least affected by the economic downturn. At the same time, part-time employment continued to increase at a solid rate. Although the growth still relates, proportionately, more to women than men, it is among the latter that it was most vigorous, namely 4.3 p.c. as against 2.4 p.c. This difference arises mainly from a base-population effect, even if the unfavourable economic climate may also have magnified, to a greater extent for men than for women, the slippage between full-time and part-time working arrangements, in the context of measures adopted by firms to reduce the volume of hours worked while still preserving employment.

This sort of process may explain the trend in employment within the large enterprises in the analysis population. This group in fact shows a slight fall in the workforce at the end of the year, which is even more evident if the latter is expressed in FTEs, to the extent that full-time workers opted for a part-time working arrangement. In small and medium-sized enterprises, it is also part-time employment which developed most widely even though full-time employment also showed growth.

CHART 1 CHANGE IN EMPLOYMENT BETWEEN 2007 AND 2008: BREAKDOWN BY BRANCH OF ACTIVITY
(percentages, reduced population)



Source : NBB (social balance sheets).

2. Staff movements

2.1 Staff recruitment and departures

The social balance sheet provides data both on the workforce and on staff movements. It contains, on the one hand, recruitment of workers at the time of their entry in the firm's staff register and, on the other hand, staff departures corresponding to the termination of their employment contract during the year. These movements are on a considerable scale. In 2008, they involved around 40 p.c. of the workforce in firms in the reduced population and close to 30 p.c. of the staff in those filing full-format accounts, indicating a greater mobility of staff in the smaller firms. These high recruitment and departure levels partly reflect substitutions – renewals of temporary-contract workers, which can arise several times a year for the same job. All these movements mean costs for the firms in the area of human resources management and training for newly recruited staff.

As a consequence of economic developments, recruitment only rose by 0.6 p.c. in the group of firms in the reduced population, while departures increased by 5.2 p.c. Total net recruitment came to 13,399 persons in 2008⁽¹⁾, which is a net fall compared to the 37,463 recorded a year earlier. In firms filing full-format accounts, appointments of staff decreased by 1.8 p.c., while departures grew by 3.3 p.c.

2.2 Trends in working arrangements

The proportion of workers employed on a part-time basis is growing from year to year. According to the labour force surveys (LFS) carried out by the DGSIE, nearly one employee in four did not work full-time in 2008. The growing importance of part-time working arrangements is also apparent from the analysis of the social balance sheets, which also show how they have contributed to the growth in employment expressed in individual persons.

In fact, part-time work meets the needs of both employers and workers. It enables the former to adapt the service offering to demand, notably in the context of activities requiring non-typical or offset working hours and when surges in activity require additional staff for a limited duration. This working arrangement also enables a given volume of activity to be spread over a wider workforce, and therefore the effects of restructuring to be eased in

(1) Staff changes recorded as at 31 December year-on-year (11,683 units in table 2) are not always equal to the balance of staff recruitment and departures owing to the existence of errors in the social balance sheets filed.

TABLE 3 STAFF RECRUITMENT AND DEPARTURES
(reduced population)

	Units		Percentages	
	2007	2008	Changes between 2007 and 2008	Movements in 2008 ⁽¹⁾
Recruitment	559,177	562,435	0.6	40.6
of which: full-format accounts	323,866	318,060	-1.8	29.0
Departures	521,714	549,036	5.2	39.6
of which: full-format accounts	300,430	310,342	3.3	28.3
Net recruitment	37,463	13,399	-64.2	1.0
of which: full-format accounts	23,436	7,718	-67.1	0.7

Source: NBB (social balance sheets).

(1) Ratio between staff movements and the workforce at the end of the previous year.

some firms. Where it is adopted willingly (according to the labour force surveys, less than 15 p.c. of part-time workers had accepted employment of this type due to not finding full-time employment in 2008), part-time work allows a better work-life balance to be achieved. In this respect, the proportions of men and women employed part-time are symptomatic of the workings of a society that is still largely dominated by the traditional role of the woman, who bears the responsibility for household and family duties. In the context of managing the approach to retirement, working a reduced number of hours represents an alternative to the premature ending of all professional activity.

Moreover, the individual reduction of working hours is encouraged by various means. Thus, the time credit scheme – applicable in the private sector – enables people to reduce their working hours for a set period, while still receiving an allowance paid by the NEO. In 2008, no fewer than 108,526 workers took advantage of this measure, nearly 70 p.c. of them for a one-fifth reduction in their working time and the balance to cut their hours by half. The distribution by gender and age of those benefiting shows that it is women who make the most use of this in the under-50 age group (84 p.c. as against 16 p.c. for men), but this difference is completely cancelled out for those aged 50 or more, men and women being represented equally. Finally, 617 persons were in early retirement and working half the full-time hours, a status which does not arise from the choice of the worker, unlike that of the time credit.

The expansion of part-time working was not on the same scale in all three firm classes, and did not always originate from the same source. In fact, the social balance sheets

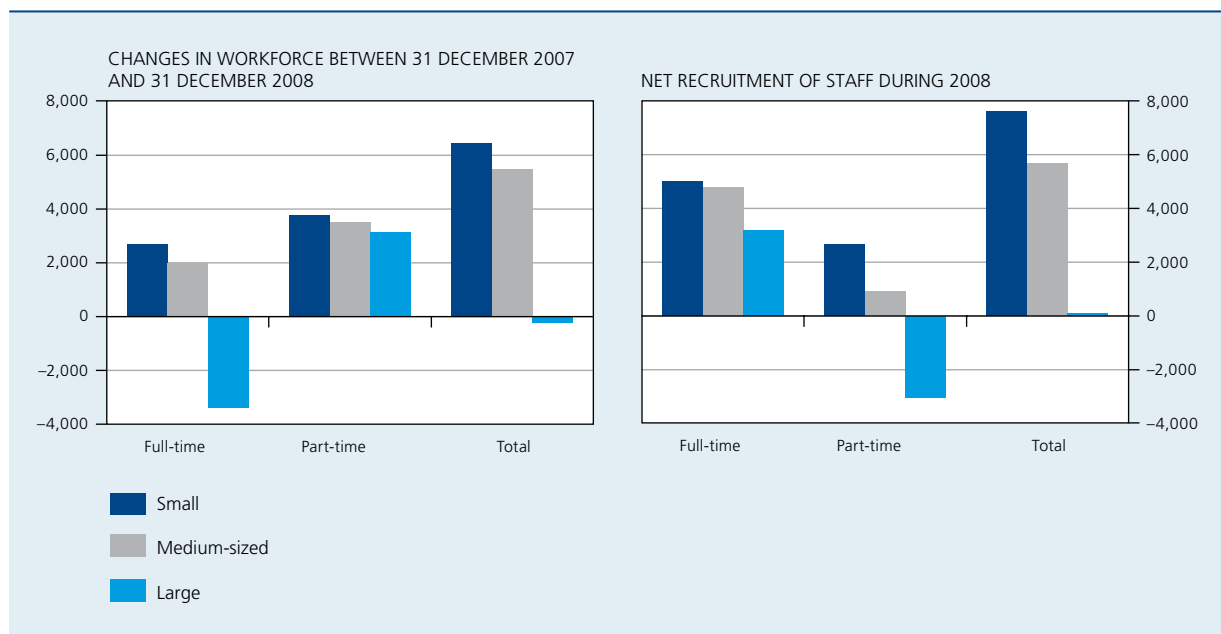
make it possible to identify the contribution made by staff recruitment and departures and by changes in working arrangement to the development of the relative shares of full-time and part-time workers. The scale of internal movements can be ascertained by comparing the change in the workforce between two year-end dates and external staff movements during the year.

Net recruitment of part-time workers is not enough to explain the increase in employees working reduced hours in any of the classes of firm, indicating a shift during the year of some of the staff previously employed on a full-time basis to a part-time working arrangement. This phenomenon is particularly marked in large enterprises, where part-time workers grew by 3,130 units between the end of 2007 and the end of 2008, while net departures of 3,068 part-time workers were recorded for the whole of the year. These differing trends can be reconciled by considering the movements in the opposite direction among full-time workers, where net recruitment rose by more than 3,000 units but the number of workers at 31 December 2008 had dropped by 3,371 persons compared to the previous year. All these developments bear witness to large-scale changes in working arrangements within these firms, which are notably registered within the framework of restructuring programmes in manufacturing industry.

With the exception of financial and insurance services and, more marginally, mining and quarrying and the energy and water industries, where firms showed a fall both in their part-time and full-time workforce between the end of 2007 and the end of 2008, part-time employment expanded in all branches of activity. Part-time

CHART 2 STAFF MOVEMENTS IN 2008: BREAKDOWN BY WORKING ARRANGEMENTS AND FIRM SIZE

(persons, reduced population)



Source : NBB (social balance sheets).

workers continued to increase in manufacturing industry and in transport and communication, while the number of full-time workers dropped. Construction, trade, community services and especially real estate and business services, along with the health and social work sector, on the other hand, recorded a rise in staff in both working arrangements, the growth in the number of part-time workers being higher than in the number of full-time workers in firms coming under trade and health.

2.3 Type of employment contract

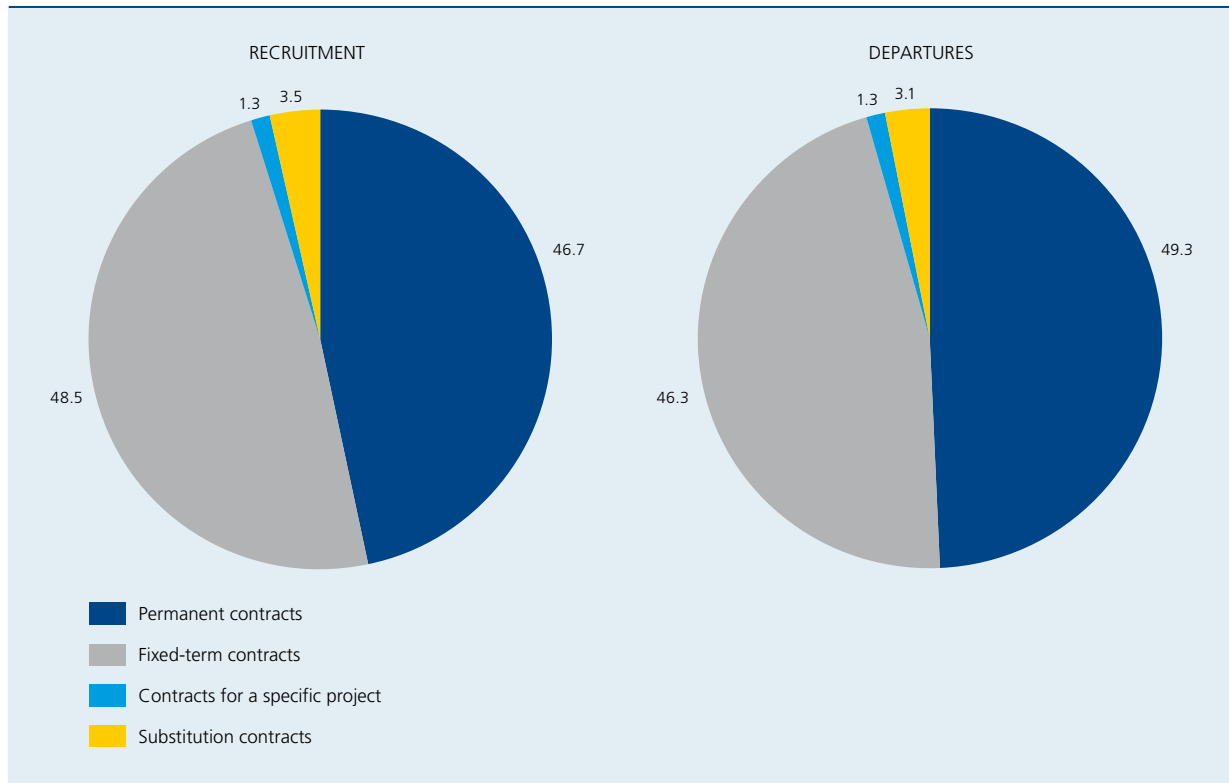
Firms in the reduced population filing full-format accounts stated that 46.7 p.c. of staff recruitment and 49.3 p.c. of departures recorded in 2008 concerned workers on permanent contracts, while the respective figures for staff on fixed-term contracts were 48.5 and 46.3 p.c. Substitution contracts or those concluded with a view to the execution of a specific project represented 4.4 p.c. of recruitment and 4.8 p.c. of departures. In spite of the higher turnover among employees on temporary contracts, movements relating to staff on permanent contracts made up nearly half of gross recruitment and departures, indicating the very clear predominance of permanent contracts on staffing registers, equal to 94 p.c. of the total.

A permanent contract does not signify non-mobility or inviolability by any means. Staff working on this basis also exhibit some mobility due to natural wastage or the desire of either party to terminate the contract. The staff turnover rate provides an indication of this external mobility: it is calculated by comparing the staff departures recorded during any given year with the number of staff observed at the beginning of the year. In 2008, this rate was 14.6 p.c. – a slight fall compared to the previous year. This means that in 2008, more than one permanent worker in seven was replaced in the firms in the reduced population. This percentage is relatively stable over time but it varies considerably according to the firms' size and branch of activity.

The rate of turnover is highest in small firms, with more than one worker in four per year, as against less than one in five among medium-sized firms and slightly more than one in ten in large firms. These differences, exhibited every year, may be due notably to greater opportunities for internal mobility in large firms which also tend to have a more structured approach to pay progression.

Differences in turnover rates can also be seen between branches of activity, and the ranking that can be drawn up in this respect varies little over time. To understand this phenomenon, it is necessary to bear in mind that some sectors tend to bring together a greater proportion of

CHART 3 GROSS STAFF RECRUITMENT AND DEPARTURES IN 2008 : BREAKDOWN BY TYPE OF CONTRACT
(percentages of the total, reduced population, full-format accounts)



Source : NBB (social balance sheets)

large firms. This applies to health and social work, financial and insurance services, industry and transport and communication, where the staff turnover rate is substantially lower than the average. Conversely, the hotel and restaurant trade, with its annual replacement rate of three workers in five and, to a lesser extent, real estate and business services with one in three, and community, social and personal services and construction with around one in five, are set apart by the difficulty they have in generating loyalty among their workers. Admittedly, these are sectors comprising firms of more varied size but less favourable working conditions and pay also help to explain the scale of staff turnover.

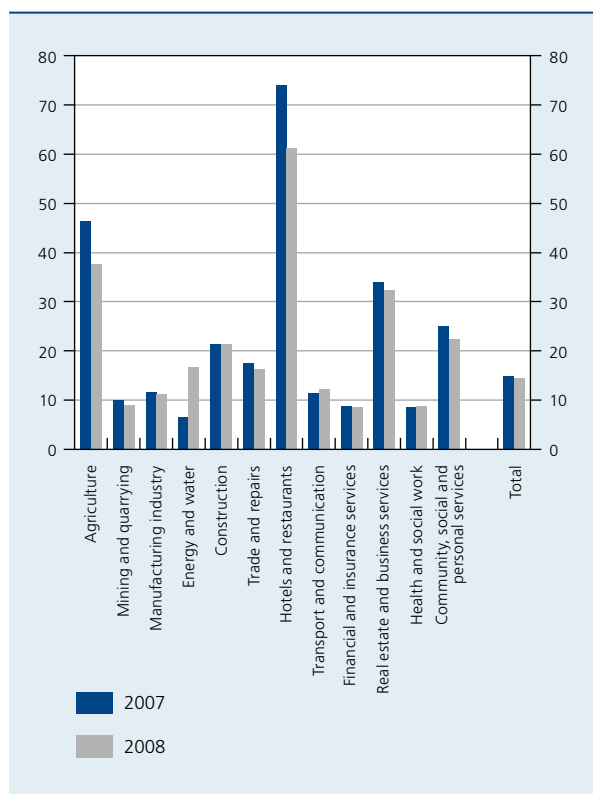
2.4 Reasons for leaving

When recording staff departures, firms filing full-format accounts are required to specify the reason for contract termination. Following the picture seen in previous years, around half of departures are due to the termination of a temporary contract. Furthermore, 29 p.c. of contract terminations occurring in 2008 were due to voluntary

departure, a proportion virtually equivalent to the previous year, again reflecting the relative dynamism of the labour market. In fact, the ratio of voluntary departures tends to be higher in years of cyclical upswing, as workers have more chance of finding employment elsewhere. Among the other causes, 14.4 p.c. of departures were due to redundancies. Staff taking early retirement or normal retirement amounted to 3.0 and 2.6 p.c. respectively of those leaving, these proportions also being entirely comparable with those observed in 2007.

The relative importance of the reasons for terminating contracts vary according to firm size and, first and foremost, the branch of activity to which they belong. There are few differences to be seen in 2008 regarding the proportion of redundancies, which is of the order of 15 p.c. in small and large firms and 12.5 p.c. in those of medium size. Conversely, while the termination of a temporary contract only accounts for 32 p.c. of departures in small firms, it is the cause of more than half of all departures in medium-sized and large firms. Departures due to people taking early or normal retirement are proportionately most common in the latter: they represent 8.1 p.c. of

CHART 4 RATE OF TURNOVER ⁽¹⁾ FOR WORKERS UNDER PERMANENT CONTRACTS IN 2007 AND IN 2008
(percentages, reduced population, full-format accounts)



Source : NBB (social balance sheets).

(1) Ratio between the departures recorded in *t* and the workforce at the end of *t* minus recruitment and plus departures recorded in *t*.

departures, as against less than 4 p.c. in SMEs. Without doubt, the age structure of the workforce and the fact that a considerable proportion of large firms belong to the industrial sectors contribute to this difference. Voluntary departures are most widespread in the small firms: they lie at the root of half of staff departures, as against one-third and one-fifth respectively in the medium and large firms.

In terms of branch of activity, termination of a temporary contract was the reason for almost 75 p.c. of departures recorded in firms operating in the other services sector which, as already mentioned, is made up of health and community, social and personal services. It is also a major reason for leaving in the trade, transport and communication sector. With respect to firms in the construction sector, 55 p.c. of departures were due to people leaving voluntarily. Similarly, the proportion of voluntary departures in industry is also greater than the average. Financial, real estate and business services also deviate from the norm in that just over a quarter of departures are due to redundancy. Finally, it is the industrial sector where early retirement is most widespread, with almost 10 p.c. of departures.

3. Structure of employment

The new form for the social balance sheet not only provides for a breakdown of full-time and part-time workers registered at the end of the year by type of contract of employment, professional category and gender, as was already the case previously, but also a distribution of male and female workers by level of education (primary,

TABLE 4 REASONS FOR GROSS DEPARTURES OF STAFF IN 2007 AND IN 2008
(reduced population, full-format accounts)

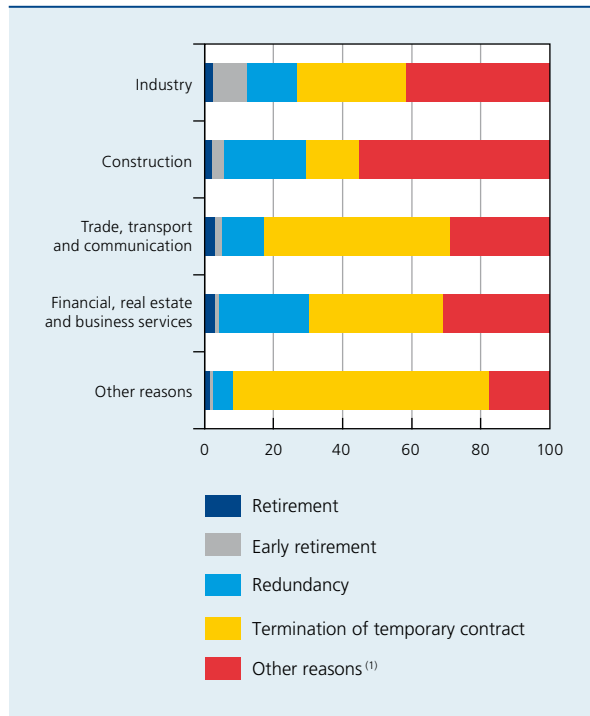
	Percentages of the total					Units
	2007	2008				2008
		Total	Small firms	Medium-sized firms	Large firms	
Retirement	2.3	2.6	2.2	1.1	3.7	8,027
Early retirement	3.0	3.0	0.9	1.6	4.4	9,162
Redundancy	16.4	14.4	15.1	12.5	15.5	44,712
Termination of temporary contract	49.5	50.7	31.9	53.0	54.2	157,266
Other reasons ⁽¹⁾	28.8	29.4	49.9	31.8	22.2	91,175
Total	100.0	100.0	100.0	100.0	100.0	310,342

Source : NBB (social balance sheets).

(1) Essentially voluntary departures resulting from agreement between the parties, and deaths in service.

CHART 5 REASONS FOR GROSS STAFF DEPARTURES IN 2008: BREAKDOWN BY BRANCH OF ACTIVITY

(percentages of the total, reduced population, full-format accounts)



Source: NBB (social balance sheets).

(1) Essentially voluntary departures resulting from agreement between the parties, and deaths in service.

secondary, higher non-university or university). This new information allows new lines of analysis, enabling the picture of employment structure within firms to be filled in.

This section examines in turn (developments in) staff structure by way of working arrangement, standard of education and contract of employment.

3.1 Full-time and part-time work

Part-time work has spread steadily in firms required to file a social balance sheet. While it is primarily an instrument for adjusting the volume of employment in line with activity, part-time work also makes it possible to respond to the expectations of employees concerned about achieving a work-life balance or wishing to manage their approach to retirement.

While one in five workers was employed part-time in 1998, that proportion had risen to one in four by 2004. It continued to increase significantly thereafter, particularly between 2005 and 2006, a development which is

doubtless not unrelated to the inclusion of a larger number of NPIs – which often employ a higher proportion of part-time staff – in the total population with effect from 2006, following the obligation imposed on the larger ones to submit accounts to the Central Balance Sheet Office. In 2007, part-time workers represented 27.9 p.c. of the workforce: 10.9 p.c. of men and 52 p.c. of women were employed under this work arrangement. Since 1998, the rate of part-time work has shown a greater increase among men than among women, even if this work arrangement still remains largely a female preserve: in 2007, 77 p.c. of part-time workers were women.

In the reduced population, new growth of 2 p.c. in the rate of part-time work was observed between 2007 and 2008. This situation is due in part to the success of schemes for managing working time backed by financial assistance from the NEO; the number of people benefiting from these increased again in 2008, especially in the context of managing the approach to retirement among workers over 50 years of age.

While modest in scale among women (0.6 p.c.), the increase in part-time working was clearly more substantial among men (4.1 p.c.), admittedly starting from a much lower level. If these developments are applied to the figures for the total population in 2007, it seems that 52.3 p.c. of women and 11.4 p.c. of men were working part-time in 2008.

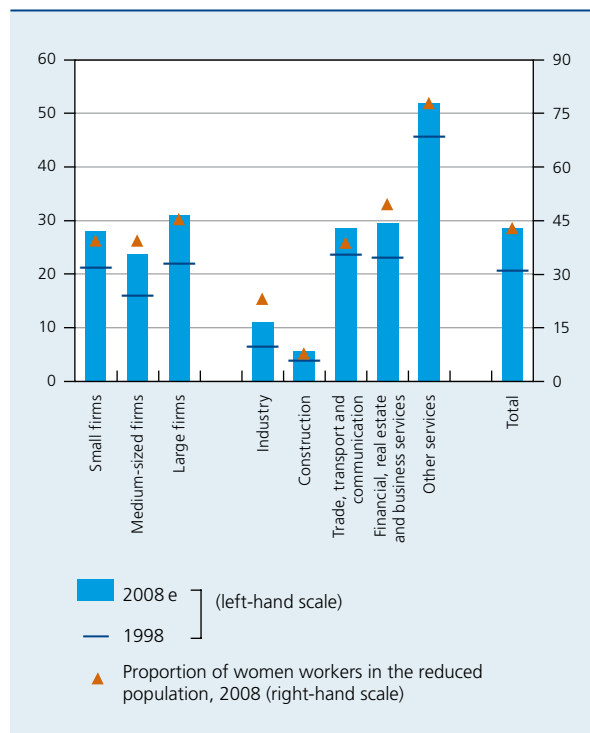
The rise in part-time work is a very widespread phenomenon: the three categories of firm as classified by size and all branches of activity are affected. Nevertheless, this work arrangement is unevenly distributed. Part-time work is less widespread in medium-sized firms (23.8 p.c. of workers in 2008) than in small firms (28 p.c.) or large firms (31 p.c.). Compared to 1998, it is among the latter that the rise has been most pronounced: here, the rate of part-time working increased by nearly 10 percentage points, as against 8 in medium-sized firms and barely 7 in small firms.

The relative importance of part-time work is closely connected with the percentage of women in the workforce of the various branches of activity. Construction – a sector where less than 7 p.c. of workers are women – is where this working arrangement is least common (5.7 p.c.). In industry, where women account for 22 p.c. of the workforce, part-time working involves 11.1 p.c. of workers. It is in this sector that the proportional rise was greatest: the percentage of part-time workers has almost doubled since 1998. In trade, transport and communication and the financial, real estate and business services sector, a little under 30 p.c. of employees are working part-time.

In the other services sector, where more than three-quarters of the workers are women, part-time workers make up 52 p.c. of the workforce, a proportion which has increased by 7 percentage points in the space of ten years. The rate of part-time working is considerably above average in this sector – which includes hospitals – especially among male staff: more than three-fifths of women and one-fifth of men are working reduced hours.

If part-time working is unevenly placed within firms, the picture is the same among workers, as shown by the results obtained for the reduced population in 2008. As emphasised above, women are affected to a greater degree. The rate of part-time working does not vary much according to standard of education, except with regard to workers holding a university qualification. On average, slightly under 30 p.c. of those having received primary, secondary and higher non-university education work part-time as against only 15 p.c. of university graduates. Moreover, part-time working is not very widespread among workers exercising supervisory roles, a large number of whom have completed university-level studies by all appearances: less than 7 p.c. of them are working reduced hours. On the other hand, 30 p.c. of clerical workers and 23 p.c. of manual workers are in this position. Among other workers – a heading which includes trainees and apprentices among other categories – one person in four is employed on a part-time basis. An examination of

CHART 6 PART-TIME WORKING IN 1998 AND IN 2008⁽¹⁾
(percentages of corresponding employment, data as at 31 December, total population)



Source: NBB (social balance sheets).

(1) The results for 2008 were obtained by applying the change recorded between 2007 and 2008 for the reduced population to the value observed in 2007 for the total population.

TABLE 5 DEVELOPMENTS IN PART-TIME WORKING BETWEEN 1998 AND 2008

(percentages of corresponding employment, data as at 31 December)

	Men	Women	Total
Total population			
1998	6.2	43.0	20.0
1999	6.7	43.7	20.8
2000	7.0	44.0	20.7
2001	7.3	45.4	21.9
2002	8.2	47.0	23.3
2003	9.2	48.5	24.6
2004	9.8	49.2	25.4
2005	10.3	50.6	26.1
2006	10.8	51.7	27.5
2007	10.9	52.0	27.9
2008 e	11.4	52.3	28.5
Reduced population			
Percentage changes between 2007 and 2008	4.1	0.6	2.0

Source: NBB (social balance sheets).

the data in terms of type of contract furthermore reveals that part-time working is more common among workers on a temporary contract (at a level of 40 p.c.) than among workers on a permanent contract (at 26 p.c.).

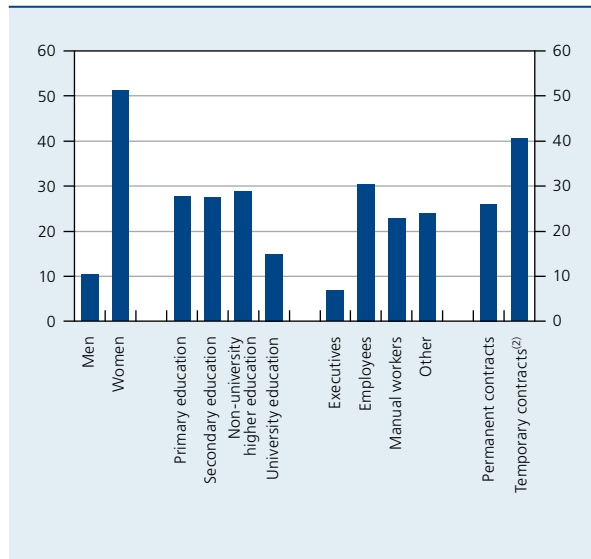
3.2. Standard of education

Among the 43,387 firms in the reduced population, 1,462 continued to use the old form to fulfil their obligations with regard to social information. These are small firms for the most part, so that the loss of information is not substantial. Of the 41,925 firms which filled in the new form, a small number furthermore omitted to provide the additional breakdown of female and male workers according to level of education. This information is nevertheless available for 99 p.c. of men and for 98 p.c. of women employed in the firms which completed the new form.

A breakdown of staff in terms of the highest qualification obtained measures at most those workers' level of education, which differs from the actual level of qualification which is based notably on the expertise acquired after the

CHART 7 PART-TIME WORKING IN 2008: BREAKDOWN BY CHARACTERISTICS OF WORKERS ⁽¹⁾

(percentages of corresponding employment, data as at 31 December, reduced population)



Source : NBB (social balance sheets).

- (1) The breakdown by standard of education was obtained on the basis of those social balance sheets for which this distribution is available.
 (2) Fixed-term contracts, substitution contracts or contracts concluded for a specific project.

academic course by way of experience or continuing training. This is especially true for the oldest workers whose expertise, accumulated over the course of their careers, compensates for a generally lower standard of education than that of the younger generations, educational models having developed considerably over a number of decades, notably following the raising of school-leaving ages and the establishment of equal access to higher education.

In total, 18 p.c. of workers registered as at 31 December 2008 in those firms for which information is available obtained a certificate of primary education at best, 54 p.c. additionally completed their secondary education, 20 p.c. hold a qualification from a higher non-university educational institution and 8 p.c. have a university qualification.

On average, women have a higher standard of education than men. The proportion of university graduates is virtually identical for both sexes (8 p.c.), but a greater number of women have obtained a qualification from a higher educational institution (27 p.c. as against 16 p.c.). 20 p.c. and 56 p.c. of men respectively still have at best a certificate of primary or secondary education, as against 14 p.c. and 52 p.c. of women. This situation doubtless stems in part from the later arrival of women on the labour market, the younger generations having a higher

level of education on average than the older generations. Nevertheless, according to the results of the labour force survey relating to 2008, women between 25 and 29 years of age are more educated on average than men of the same age group, the latter being more inclined to interrupt their studies early and displaying lower levels of academic achievement on average than women (High Council for Employment, 2009).

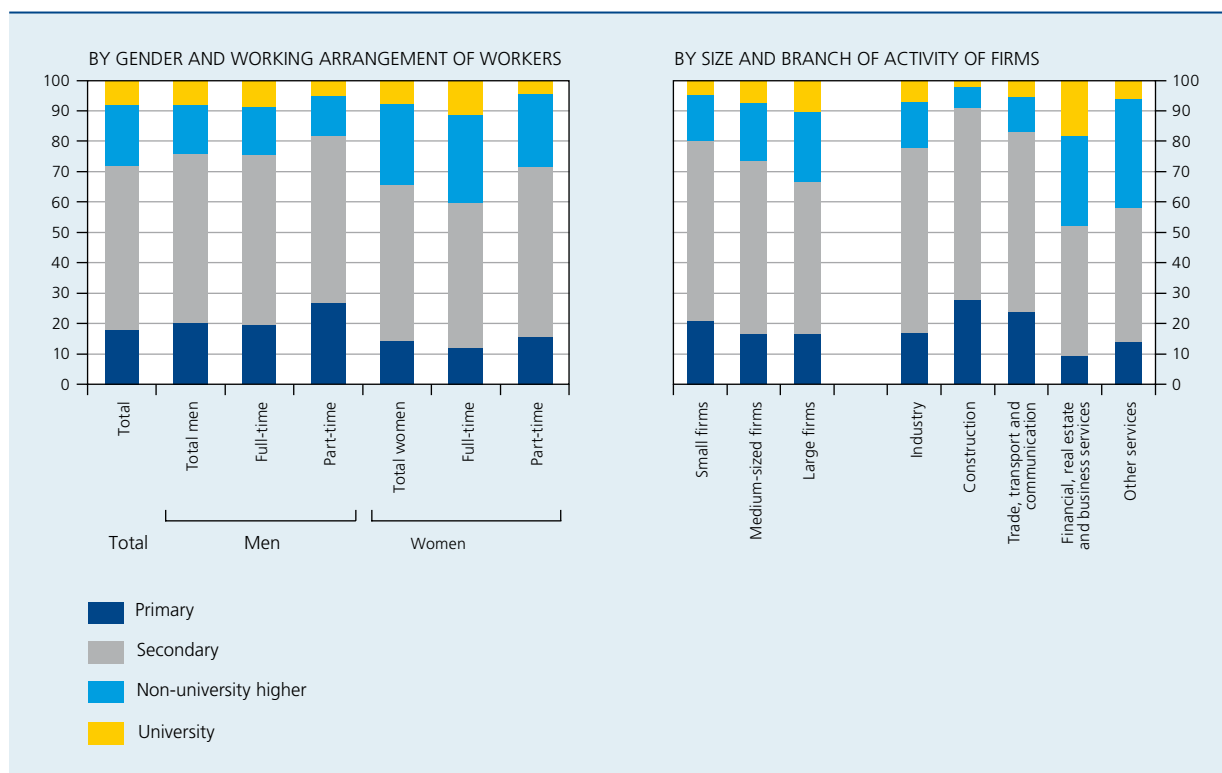
Part-time workers have, on average, a lower level of education than full-time workers. Among women, the proportion of university graduates is more than two and a half times higher among full-time workers than among those working part-time, at 11.3 p.c. compared to 4.4 p.c. Holders of a qualification from non-university higher education are also proportionately more numerous within the female population employed full-time. As a corollary, more women with little or average education are seen among part-time workers. This also applies to men: 82 p.c. of part-time workers have a certificate of primary or secondary education compared to 75 p.c. of full-time workers. It is worth pointing out that the proportion of university graduates among part-time workers is virtually identical in men and women, at slightly under 5 p.c.

The structure of the workforce in terms of standard of education is fairly different from one category of firm to the next. The average level of education rises as the size of firm increases. In small firms, the proportion of workers having a certificate of primary education at most is still around 21 p.c. compared to 17 p.c. in medium-sized and large firms. Small firms report 59 p.c. of workers having completed secondary education at best compared to 57 p.c. and 50 p.c. respectively for medium-sized and large firms. Within the latter, one-third of staff have completed higher education, 23 p.c. in an institution of higher education and 10 p.c. at university. In small firms, the proportion of university graduates is half this level, and workers holding a qualification from non-university higher education only represent 15 p.c. of the workforce. Medium-sized firms fall between the two.

More than the size of the firm, it is the type of activity that determines the level of education that workers must have when they take up their jobs, even if their expertise is likely to be enhanced by internal or external training and/or by the accumulation of professional experience. In fact, the demands on taking up a position are very different in construction or the hotel and restaurant trade, where part of the know-how is acquired on the job (notably by means of apprenticeship), and in banks or insurance companies. Nine-tenths of workers in construction have not exceeded the level of secondary education and 28 p.c. have a certificate of primary education at most (it is worth

CHART 8 EDUCATIONAL STANDARD OF WORKERS IN 2008 ⁽¹⁾

(corresponding percentages, data as at 31 December, total population)



Source : NBB (social balance sheets).

(1) The breakdown by standard of education was obtained on the basis of those social balance sheets for which this distribution is available.

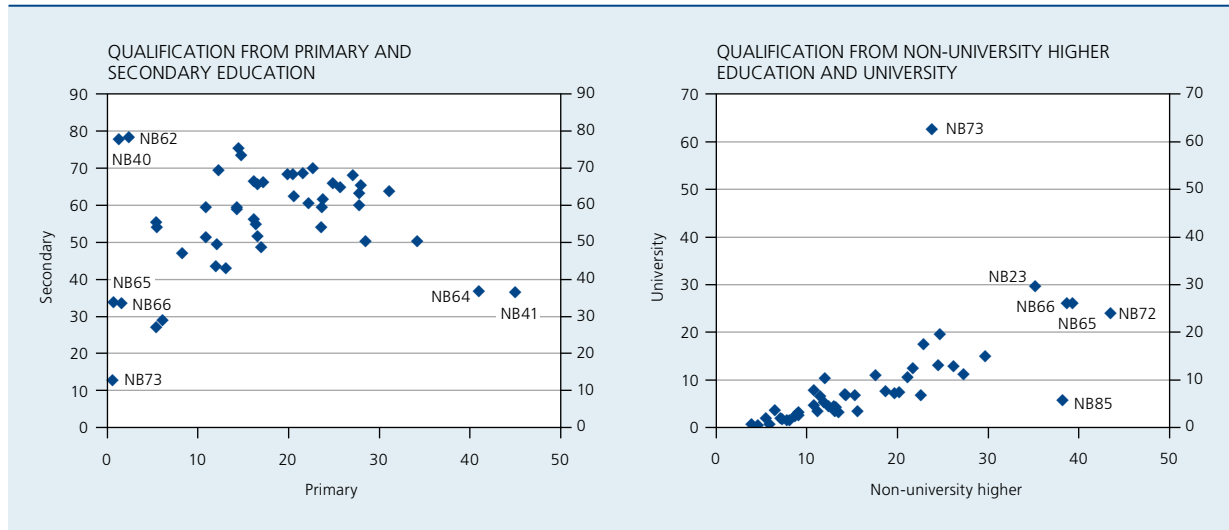
pointing out that some of the latter are doubtless undergoing work-based training). The proportion of workers with this standard of education is similarly high (24 p.c.) in the trade, transport and communication sector. Conversely, it is less than 10 p.c. in financial, real estate and business services. The average level of education is highest in this latter sector: 18 p.c. of staff hold a university qualification and 30 p.c. a qualification from non-university higher education, representing nearly half of the workforce in total. Moreover, a considerable proportion of workers who have completed higher education can be found in the other services sector (42 p.c.), and in particular in the health and social work sector. This proportion is twice as high as that seen in industry (22 p.c.) and in the trade, transport and communication sector (17 p.c.).

If the analysis is refined by using the NACE-Bel two-digit divisions – a level of breakdown by activity that nevertheless displays a fair amount of aggregation – even clearer differences can be seen, whether this is because the needs of the firms diverge or because they have a large minority of older workers, whose level of education is lower on average.

Most branches of activity have between 10 p.c. and 35 p.c. of workers with a certificate of primary education at most and between 40 p.c. and 70 p.c. of workers having completed their secondary education at most. However, some of them display particular combinations: the collection, purification and distribution of water sector and the post and telecommunications sector record a proportion of workers completing primary education that is clearly higher than the average. Other sectors show less than 5 p.c. of workers completing primary education. Thus, the energy production and distribution sector and the air transport sector combine a low proportion of workers completing primary education with almost 80 p.c. of the workforce in possession of a qualification of secondary education. For their part, banks and insurance companies have around one-third of their workers completing secondary education, and the research and development sector barely 13 p.c. The latter branch of activity therefore brings together a large number of highly educated workers, specifically 24 p.c. of graduates from an institution of higher education and 63 p.c. from a university. It diverges from the other sectors in the very marked over-representation of university-level workers.

CHART 9 EDUCATIONAL STANDARD OF WORKERS IN 2008 ⁽¹⁾: BREAKDOWN BY NACE-BEL ⁽²⁾ AREA OF ACTIVITY

(percentages of total employment, data as at 31 December, reduced population)



Source: NBB (social balance sheets).

(1) The breakdown by standard of education was obtained on the basis of those social balance sheets for which this distribution is available.

(2) Sectors employing fewer than 1,000 workers are not included. The NACE-Bel codes are linked to the following sectors: NB23: Manufacture of coke, refined petroleum products and nuclear fuel; NB40: Electricity, gas, steam and hot water supply; NB41: Collection, purification and distribution of water; NB62: Air transport; NB64: Post and telecommunications; NB65: Financial intermediation; NB66: Insurance; NB72: Computer and related activities; NB73: Research and development; NB85: Health and social work.

In fact, a clear correlation (0.65) can be seen between the proportion of workers holding a qualification from an institution of higher education and that of workers holding a university qualification.

3.3 Type of employment contract

Temporary employment contracts – i.e. fixed-term contracts, substitution contracts or contracts concluded for the execution of a specific project – and contracts employing agency workers are instruments for adjusting the volume of labour according to production and/or staff selection requirements. Furthermore, with the prior authorisation – or in some cases notification – of the Social Inspectorate, secondment of staff enables a firm to make use of additional workers, usually from an associated company.

Information on agency workers and staff on secondment is only available for firms filing full-format accounts. For firms as a whole, the only available item is the breakdown by contract for workers entered in the staff register at the end of the year, which already offers a good idea of the extent of recourse to certain instruments permitting flexible employment.

3.3.1 All firms

Following a decline recorded between 1999 and 2002, the share of temporary contracts (fixed-term, substitution or for a specific project) stabilised around 6 p.c. between 2002 and 2005, before climbing to 6.6 p.c. in 2007. If the development recorded for the reduced population between 2007 and 2008 is applied to the figure for the total population in 2007, the proportion of temporary contracts would have decreased slightly, coming to 6.5 p.c. in 2008.

There can be no doubt that the fall in relative share of temporary contracts reflects the slowdown in economic activity. Temporary staff are in fact in the front line when it comes to reducing the volume of work, with employers being less inclined to renew these contracts. Although the number of workers employed on a fixed-term contract (which accounts for eight-tenths of temporary workers) only declined slightly – by 0.1 p.c. – between 2007 and 2008, this downturn puts an end to the rising trend observed since 2005. The number of workers employed by way of substitution of other employees was reduced by 2.7 p.c. and the number of workers employed for the execution of a specific project decreased by 3.2 p.c. Conversely, staff employed on a permanent contract continued to increase between 2007 and 2008, by 0.9 p.c.

A contraction in temporary working was recorded in medium-sized firms and even more so in large firms. Conversely, in small firms, the rise observed since the beginning of the decade continued. In these companies, temporary workers represented 6.9 p.c. of the workforce in 2008, compared to 4.3 p.c. in 2001. In medium-sized firms, the proportion of temporary working remained relatively stable over the same period, at a level close to 6 p.c., but a very weak downward trend showed itself in 2007 and 2008. While temporary staff represented almost 9 p.c. of the workforce of large firms at the end of the 1990s, there was a substantial decrease at the beginning of the decade resulting in the fact that this proportion only reached 6.6 p.c. in 2003. The slight recovery which appeared subsequently was completely cancelled out by the decline recorded in 2008: if the growth seen for the reduced population between 2007 and 2008 is applied to the figure for the total population in 2007, the proportion of temporary working would have come to 6.2 p.c. in 2008.

The movements observed in the three categories of firm seem to some extent to transcend those occurring in the classification by branch of activity. In fact, a rise or a stabilisation was reported in all branches of activity for small firms and a moderate fall in all branches for medium-sized firms (except in the other services

sector where a modest rise appears). The situation is less homogeneous for large firms: a considerable downturn was recorded in industry (-0.8 percentage points), in the financial, real estate and business services and other services sectors (-0.5 p.c. each), while the proportion of temporary workers remained stable in construction and increased by 0.5 p.c. in the trade, transport and communication sector.

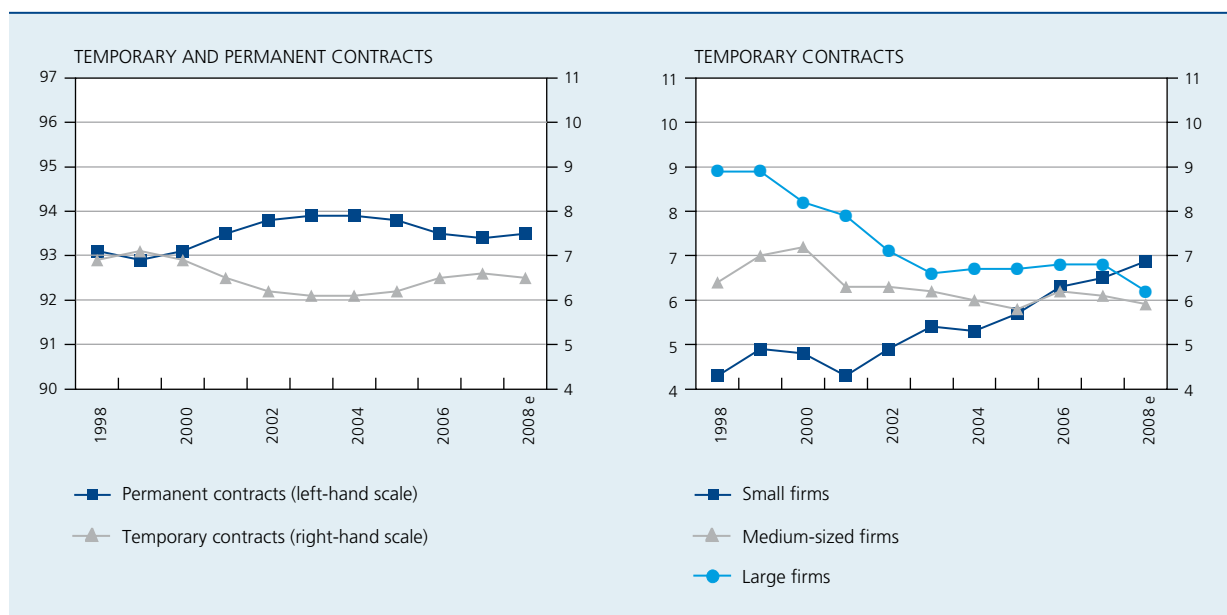
3.3.2 Firms filing full-format accounts

The decline in the share of temporary work recorded in medium-sized and large firms is also found in the population of companies filing full-format accounts – these furthermore report a contraction in agency workers⁽¹⁾ and staff on secondment. In fact, companies filing full-format accounts are required to provide additional information⁽²⁾ on the external workers brought in, whether these comprise agency staff or staff on secondment from another company. It is thus possible to break down the workforce as a whole by contract of employment.

(1) In terms of hours worked, the volume of agency work stated in the social balance sheets for 2008 represented over 40 p.c. of that recorded by Federgon, the federation of firms supplying agency workers. The conclusions which may be drawn from the social balance sheet therefore appear to be representative.

(2) Average number of persons employed, in FTEs; actual number of hours worked; cost to the firm.

CHART 10 RELATIVE IMPORTANCE OF TEMPORARY⁽¹⁾ CONTRACTS AND PERMANENT CONTRACTS BETWEEN 1998 AND 2008⁽²⁾
(percentages of the total, data as at 31 December, total population)



Source : NBB (social balance sheets).

(1) Fixed-term contracts, substitution contracts or contracts concluded for a specific project.

(2) The results for 2008 were obtained by applying the change recorded between 2007 and 2008 for the reduced population to the value observed in 2007 for the total population.

Staff expressed in FTEs increased by 0.3 p.c. between 2007 and 2008 in these firms, driven solely by the effect of growth in registered workers employed on a permanent contract, who represent almost nine-tenths of workers. The number of workers seconded by another firm decreased very slightly, while temporary and agency worker numbers fell back, by 3.7 p.c. and 3.6 p.c. respectively.

In total, the firms in the reduced population filing full-format accounts employed 40,744 FTE agency workers, equating to 3.8 p.c. of FTE employment compared to 4 p.c. a year earlier. This percentage varies considerably according to the branch of activity: in industry (5.4 p.c.) and in the trade, transport and communication sector (4.6 p.c.), the level of penetration is a good deal higher than the average. These sectors are also where the highest proportion of firms using this facility can be found – 85 p.c. and 61 p.c. respectively. In construction, almost 60 p.c. of firms bring in agency workers, but this staff only corresponds to less than 2 p.c. of employment. In the financial, real estate and business services and other services sectors, almost 50 p.c. and 40 p.c. respectively of firms make use of this option. In 2008, agency workers accounted for 2.7 p.c. and 1.2 p.c. of employment in these firms respectively.

The contraction in agency worker numbers reflects a lack of momentum in the business activity and the crisis which hit the financial sector in autumn 2008 before spreading

out into the real economy, both of which evidently led many firms to reduce or suspend their use of external workers, with the twin aims of limiting the volume of work and cutting costs. In this context, those sectors most exposed to competition were the first to be affected. The industry sector, which is the main user of this type of labour, thus reduced its agency workforce by 10 p.c. The financial, real estate and business services and construction sectors also reduced their use of such external workers, the former by 5 p.c. and the latter by 12 p.c. Conversely, the less vulnerable sectors of trade, transport and communication and other services continued to boost their agency workforces, although at a more moderate rate than that observed in 2006 and 2007.

As with employment, the volume of hours worked by agency workers declined, by 3.6 p.c., with the result that the average annual duration of work per agency worker remained stable at 1,877 hours. Since this is slightly higher than the hours worked by a worker entered on the firm's register, the volume of hours worked by agency workers accounted for 4.6 p.c. of the total volume of work. The average hourly cost of an agency worker went up from 23.8 euro to 25 euro, representing a rise of 4.9 p.c. This increase is greater than that observed for workers entered in the staff registers of firms filing full-format accounts, whose hourly pay increased by 3.7 p.c. Overall, 3.1 p.c. of staff costs in 2008 were made up of costs associated with employing agency workers.

4. Staff costs

The staff costs included in the social balance sheets comprise only payments by employers to workers entered in the staff register. They differ from the labour cost concept used in the national accounts in that they do not include either the payments made to pensioners – who are no longer recorded in the staff register – or certain costs associated with any restructuring – which firms may record on their balance sheets as exceptional expenses. Furthermore, the picture indicated by the social balance sheets relates to a reduced population of firms, constant for 2007 and 2008, with the associated omission of workers and companies implied by this methodology. Consequently, the changes in staff costs shown in the social balance sheets are not directly comparable with those calculated on the basis of the national accounts.

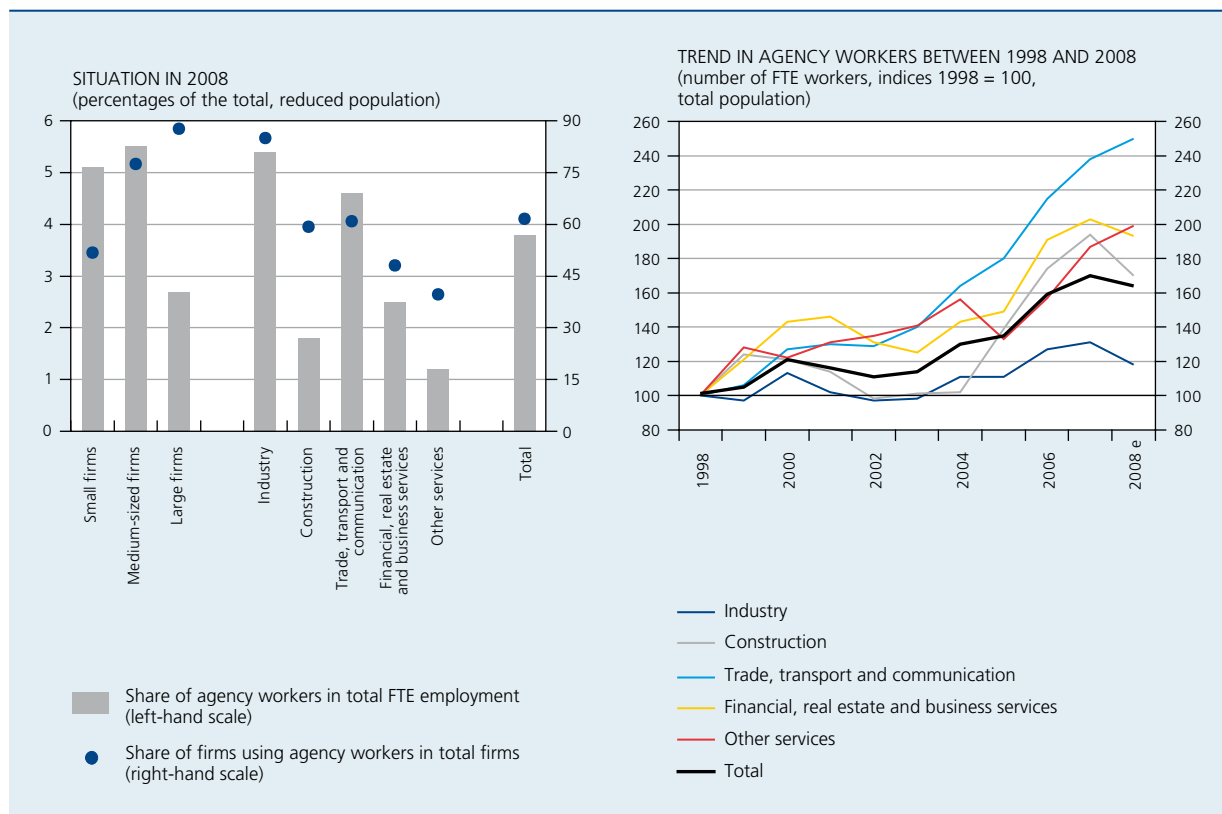
Staff costs grew by 5.3 p.c. between 2007 and 2008 in the firms in the reduced population. Over the same period, the number of workers expressed as FTEs rose by 1.6 p.c. This pushed up the average annual labour cost per FTE by 3.7 p.c., from 51,700 euro to 53,618 euro.

TABLE 6 AGENCY WORKERS IN FIRMS
FILING FULL-FORMAT ACCOUNTS
(reduced population)

	2007	2008
Percentages of the total		
Number of FTEs	4.0	3.8
Hours worked	4.9	4.6
Staff costs	3.2	3.1
Units		
Number of FTEs	42,273	40,744
Hours worked (thousands)	79,345	76,494
Hours worked per FTE	1,877	1,877
Staff costs per hour worked (in euro)	23.8	25.0
<i>p.m. Percentages of agency employment recorded by Federgon</i>		
<i>Hours worked</i>	<i>42.4</i>	<i>42.3</i>

Sources: Federgon, NBB (social balance sheets).

CHART 11 AGENCY WORKERS
(full-format accounts)



Source: NBB (social balance sheets).

(1) The results for 2008 were calculated by applying the change recorded between 2007 and 2008 for the reduced population to the value observed for the total population in 2007.

Since the volume of labour expressed in hours developed at the same rate as employment expressed in FTEs, the costs per hour worked also rose by 3.7 p.c., reaching an average of 35.1 euro in 2008. The rise was a little slower – 3.5 p.c. – for full-time workers than for part-time workers, for whom hourly costs grew by 4.8 p.c. In 2008,

hourly pay rose on average to 35.8 euro for a full-time worker and 32 euro for a person employed part-time.

The trend in hourly costs is often more volatile for part-timers than for full-timers: the changes in the structure of the workforce implied by the development of part-time

TABLE 7 STAFF COSTS FOR WORKERS ENTERED IN THE STAFF REGISTER
(euro, unless otherwise stated; annual averages; reduced population)

	2007	2008	Percentages change between 2007 and 2008
Per FTE	51,700	53,618	3.7
Per hour worked	33.8	35.1	3.7
Full-time workers	34.5	35.8	3.5
Part-time workers	30.5	32.0	4.8

Source: NBB (social balance sheets).

working can be substantial where a relatively reduced population is involved. Gender, level of education, seniority, branch of activity and working arrangement are all factors which influence the level and development of the overall wage bill. It is also worth noting that the breakdown of volume of labour and costs between full-time and part-time workers is often a complicated matter for firms and that the resulting errors have more of an effect on part-time work than full-time work, which is much greater in volume.

It is mainly in large firms that the rise in hourly costs associated with part-time workers has diverged from that seen for full-time workers: growth remained fairly moderate, at 3.6 p.c., for the latter while the average hourly pay of part-time workers increased by 5.4 p.c. In total, hourly costs grew by nearly 4 p.c. within this category of firm, while the rise was limited to 3.4 p.c. in medium-sized companies and was homogeneous for both classes of worker. It is in small firms that the rise in hourly costs was most vigorous: they show average growth of 4.3 p.c., and 5 p.c. for part-time workers alone.

The trend was fairly uniform between the different branches of activity, the rise being within a range extending from 3.5 p.c. in industry and the financial, real estate and business services sector to around 4 p.c. in the trade, transport and communication and other services sectors. A finer breakdown shows that the rise remained markedly more restrained in real estate and business services (2.6 p.c.) and in mining and quarrying (3 p.c.). Conversely, the rise in hourly costs was considerably greater than the average in financial and insurance services (6.2 p.c.), transport and communication (4.8 p.c.), energy and water (4.7 p.c.) and community, social and personal services (4.5 p.c.).

The relative development in labour costs in Belgium and the principal neighbouring countries serves as an important indicator of firms' competitive position in terms of costs. Since the entry into effect of the Law of 1996 relating to the promotion of employment and the preventive safeguarding of competitiveness, the development of labour costs has been governed by a payroll standard which defines the margin of increase in hourly labour costs. The payroll standard is fixed for a period of two years by the social partners when they negotiate the central agreement (AIP) referring to that period, based on the anticipated average development in hourly labour costs in Germany, France and the Netherlands. The central agreement for 2006 had thus established a standard for growth in hourly labour costs of 5 p.c. for the period 2007-2008. At the time, the social partners were counting on an expected inflation rate of 3.9 p.c. However, the actual

indexation ultimately proved markedly higher, at 4.6 p.c. over the two years. Such a hike in inflation tends to have repercussions for nominal wages, albeit at some remove – given the indexation mechanisms – and to a limited extent – taking account of the safeguarding clauses included in the joint agreements – so that the payroll standard may be exceeded *ex post*, even if the real pay rises agreed in joint committees comply with the payroll standard *ex ante*.

To evaluate observance of the standard among firms filing a social balance sheet, a constant population was constructed for the period 2006-2008. A total of 38,114 firms fulfilled the quality, consistency and uniformity criteria for the three successive years. Among these firms, there is a clear overrun on the payroll standard. In total, hourly costs increased in these firms by 6.8 p.c. during the period under review. As is traditionally the case, the rise was somewhat more moderate during the first year (2.9 p.c.) of the central agreement than during the second (3.8 p.c.), given that the collective agreements are generally signed in the course of the first half of the first year of the period covered by a central agreement and that they only make their effects felt after a certain time lag. Moreover, it is worth noting that the contribution made by the indexation was greater in 2008 due to the upturn in inflation.

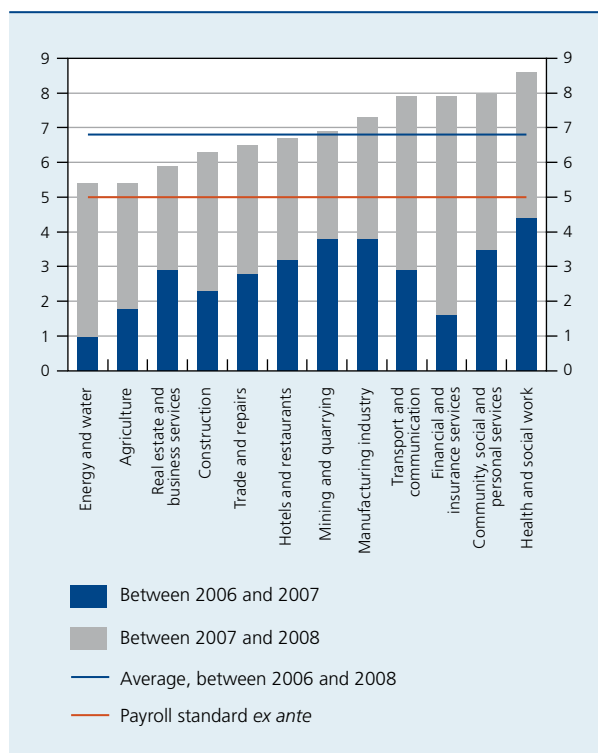
Marked differences are found in the developments seen between 2006 and 2008 according to the branch of activity. The rise was smallest in the energy and water sector and in agriculture, where the standard was only exceeded to a limited extent. Conversely, the rise was close to or equal to 8 p.c. in transport and communication, financial and insurance services, the community, social and personal services sector and health and social work, where it reached as much as 8.5 p.c.

Among the 38,114 companies included in the population under consideration, the rise in hourly wage costs was greater than 5 p.c. in almost three-fifths of firms. The rise even exceeded 7.5 p.c. in nearly half of the firms. In those firms where the *ex ante* standard was exceeded, which employ around 70 p.c. of staff expressed as FTEs, the growth in hourly costs settled at 10.3 p.c. on average, the respective figures in 2007 and 2008 being 4.6 and 5.4 p.c. On the other hand, average hourly costs decreased in almost one-fifth of firms, these firms representing slightly over 10 p.c. of employment expressed as FTEs. The decline in hourly costs reached an average of 7.2 p.c. in these firms. Since employers do not generally reduce the basic pay of their workers and the flexible part of the remuneration is itself rarely revised downwards (Druant et al., 2008), the negative trends thus observed doubtless reflect modifications in the structure of the workforce in essence.

CHART 12

CHANGE IN STAFF COSTS BY HOUR WORKED BETWEEN 2006 AND 2008

(percentages, reduced population for the period 2006-2008)



Source : NBB (social balance sheets).

5. Training

The social balance sheet makes it possible to measure the training efforts of firms on an annual basis. For years ending prior to 1 December 2008, it comprised two tables, one concerning formal training and the other dealing with training, guidance and mentoring activities under the Law of 5 September 2001 promoting the employment rate of workers. Since these last activities are relatively uncommon, this table no longer appears in the new version of the social balance sheet applicable to years ending on or after 1 December 2008. Moreover, the area of application of the new form has been expanded considerably. The training measures covered are currently divided into three elements. Two of these relate to continuing vocational training, which is broken down into formal training and informal or less formal training, and the third covers initial vocational training.

Measures for continuing vocational training cover training which is planned in advance and which aims to expand staff knowledge or improve staff expertise. These training courses are funded partly or entirely by the firm (including indirectly, for example by way of contributions to training

funds). This category of training is subdivided into formal training and informal training.

Formal vocational training refers to courses and programmes designed by trainers. These training events are characterised by a high level of organisation by the trainer or the institute which runs them. They are held in a location clearly separate from the place of work, they are addressed to a group of learners and, where relevant, they form the subject of a certificate of attendance.

Less formal or informal vocational training covers learning activities other than those referred to above. This kind of training features a high degree of self-organisation (timetable, location and content) on the part of the learner or group of learners. The content is determined according to the learner's own needs. The training, which is linked directly to work or the place of work, also covers attending conferences or taking part in trade fairs, for learning purposes.

The social balance sheet devotes one table to each of these types of continuing training. In both cases, employers are required to state the number of workers involved, the hours spent on training and the net cost incurred by the firm, giving separate figures for men and women. The table relating to formal vocational training is more detailed as regards costs: employers must specify the calculation of the net cost for the firm, namely the gross costs linked directly to training (which include the inherent costs of training – enrolment fees and, where relevant, travel and accommodation costs, cost of supplies, remuneration of trainers and organisers and sundry operating costs – and the wages of the workers receiving training), plus the contributions made and the payments to collective funds intended for funding training and less the subsidies and other financial benefits received.

The third table is devoted to initial vocational training given to persons employed under systems which alternate the training with work within the firm. For training to be regarded as initial, it must fulfil the following criteria: the purpose of the training is to acquire a diploma or official certificate; the person's main activity is training, but the course includes, at least in part, a practical element within the firm; and the duration of the training is at least six months. With regard to initial-level training, employers must state separate figures for men and women indicating the total number of apprentices, trainees or workers receiving training in question, the hours worked within the firm (the time spent within the training institution not being counted) and the net cost to the firm. The initial training referred to here does not therefore relate in any way to the training programmes or courses that workers

newly employed by a firm are required to attend when taking up their posts.

Given the importance attaching to this information for the process of evaluating firms' training efforts, not only at the macroeconomic level but also at the sector or individual level, it was essential to be clear about what it involves. It is for this reason that the Central Balance Sheet Office, the Central Economic Council and the National Labour Council jointly compiled a note on methodology⁽¹⁾ and similarly organised a joint information session targeted at firms in April 2008.

The clarification of the definitions and methodological concepts to be used in distinguishing the various types of training caused many firms to start again in terms of their method of evaluating training efforts. Some training activities thus shifted from formal training to informal training, the latter type not having been listed previously. This means that any comparison between the results obtained for 2008 and those relating to preceding years is tentative at best, unless it is restricted to formal training alone, the definition of which has remained unchanged between the two versions of the social balance sheet, and is not relevant when looking at the new global measure of training efforts.

It therefore seemed preferable in this section not to measure the results obtained for 2008 by the yardstick of those recorded for the preceding years, even within the constant reduced population. Since the aim was limited to explaining the results obtained for 2008, it was decided to consider all firms which had filed, as at 16 September 2009, for this year, a social balance sheet meeting the quality, consistency and uniformity criteria which any firm must fulfil in order to be listed in the analysis (see Annex 1). The population constructed in this way, amounting to a total of 50,156 firms, nonetheless remains provisional given that the final year-end for the 2008 financial year will not arrive until the beginning of 2010. As a comparison, for the 2007 financial year, the final population closing at the beginning of 2009 comprised more than 82,000 firms.

5.1 Firms providing training

Media coverage of the changes taking place in that part of the social balance sheet devoted to training and also the mobilisation of (inter)professional federations and social partners in favour of better accounting with regard to training efforts have borne fruit. The number of firms providing information on their training policy has substantially increased, in particular among the smallest firms.

TABLE 8 FIRMS PROVIDING VARIOUS TRAINING⁽¹⁾ OR NO TRAINING IN 2008

(provisional population)

	Units	Percentage of the total
Provisional population	50,156	100.0
Firms providing training	9,344	18.6
of which:		
Firms which organise activities for:		
formal training	7,626	15.2
informal training	3,299	6.6
initial training	1,678	3.3
Firms combining different types of training	2,890	5.8
Firms not providing training	40,812	81.4

Source: NBB (social balance sheets).

(1) A firm is counted as providing training if the net cost of training is not zero. A firm may therefore be regarded as providing training even if the workers it employs have not taken part in any training activity during the year. This definition contrasts with that used in Section 5.5, where a firm is considered to provide training if it has at least one worker receiving training.

The provisional population relating to the 2008 financial year established as at 16 September 2009 included 9,344 firms providing training (combining all types of training), more than 7,600 of which had filled in the table relating to formal training; for 2007, the total population included only slightly over 5,700 companies providing training (formal training).

The table relating to informal training was completed by 3,299 firms, and the part devoted to initial training by 1,678 companies. However, a quick survey of the largest firms claiming to have organised initial training efforts showed that mistakes had been made in interpreting the content of these activities. While the note on methodology specifies that this training must occur in the context of a long-term academic course (at least six months) alternating training at the academic institution and practical experience within the firm, some companies recorded training intended for their newly appointed workers under this heading. So, in this scenario, what is involved comprises continuing vocational training (formal or informal) upon entering the firm and not initial training. Given that these training activities were actually supported by the firms in 2008 and that it was impossible to correct these errors of classification in the timescale allowed, it

(1) See explanatory notes, only available in French or Dutch, on the information on training activities included in the social balance sheets at: www.nbb.be/DOC/BA/SocialBalance/Notice_Formations_FR_4%20avril%202008.pdf.

was decided to keep these activities under this heading even if it is known that at least part of them do not involve initial training.

Among the 9,344 firms providing training, 2,890 or 5.8 p.c. of the total organise several types of training aimed at their workers, by far the most common combination bringing together formal and informal training activities.

5.2 Participation in training activities

Lifelong learning has become one of the guiding principles of the European employment strategy. Training activities, which are costly expenses in the short term, need to be regarded as a long-term investment in human capital. In fact, training enables people to add to their know-how and acquire new skills that are indispensable, not only to ensuring the longevity and growth of the firm but also to maintaining employability and developing adaptability among workers.

In this context, a target in terms of worker participation in training was adopted at the 2003 employment conference: in Belgium, in 2010, half of all workers must have access to training. The statistics that can be compiled on this subject from the social balance sheets do not allow a calculation of the overall level of participation. In fact, one worker who attends several training events of the same type (formal, informal or initial) is only included in the accounts once in the corresponding table of the social balance sheet, whereas if he or she takes part in relevant training activities of different types, he or she will be recorded in each of the tables. Adding together the participants in these training activities therefore generates double, or even triple, entries in the accounts.

In 2008, 580,000 workers in the provisional population took part in one or more formal training activities, representing 37 p.c. of the total workforce. Informal training extended to one-fifth of workers, while the level of participation in initial training did not exceed 1 p.c. Breaking the data down by gender shows that on average, women attend formal training activities slightly less than men (36 p.c. compared to 38 p.c.), whereas the situation is reversed for informal training (22 p.c. compared to 20 p.c.). With regard to formal training, the women's level of participation is lower than men for all branches of activity, with the exception of health and social work and the hotel and restaurant sector. The situation is more mixed for informal training, but markedly greater participation by women is recorded in several branches, including health and social work and trade, where women are

TABLE 9 PARTICIPATION IN TRAINING ACTIVITIES IN 2008
(percentages of total employment, provisional population)

	Formal	Informal	Initial
Total	37.0	20.6	1.1
of which:			
Men	37.8	19.6	1.3
Women	35.9	22.1	0.9
Breakdown of firms by size:			
Small firms	8.3	4.3	0.9
Medium-sized firms	32.2	16.8	1.6
Large firms	54.9	31.3	1.0
Breakdown of firms by branch of activity:			
Agriculture	3.9	4.8	0.7
Mining and quarrying	30.0	17.9	1.5
Manufacturing industry	41.1	21.8	0.9
Energy and water	69.0	14.4	0.2
Construction	20.5	6.8	1.9
Trade and repairs	22.7	15.0	1.2
Hotels and restaurants	14.0	2.3	1.9
Transport and communication	49.6	29.1	1.9
Financial and insurance services	57.4	34.3	0.1
Real estate and business services	26.4	16.8	0.7
Health and social work	43.1	24.8	1.0
Community, social and personal services	23.7	11.9	1.9

Source: NBB (social balance sheets).

represented to an above-average degree in proportional terms.

In large firms, more than half of all workers had access to formal training in 2008, whereas this only applied to around one-third of employees in medium-sized firms and less than one-tenth of workers in small firms, where interrupting production activities in order to allow staff to attend training away from the workplace is a more complex matter. Nonetheless, the level of participation in informal training activities also increases considerably with the size of the firm. However, these involve measures that are reckoned to be less costly, easier to split up and which are conducted for the most part in the work situation. This does not lessen the fact that putting procedures in place to allow the importance of this type of measure to be quantified is difficult, and that such action demands resources that small firms may find more difficult to release.

5.3 Training costs

While the existence of three separate tables for listing training activities has doubtless caused a break in methodological continuity between 2007 and 2008 for some firms, the introduction, for formal training, of an explicit breakdown of net training costs between different elements is similarly likely to distort comparisons between these two years.

In terms of informal continuing training and initial training, firms are only required to report the net costs incurred. For formal continuing training, on the other hand, the new form provides for a breakdown of these net costs, under separate headings, between gross training costs, contributions and payments to collective funds and subsidies and other financial benefits received.

Firms are thus supposed to take better account of the different elements of training costs. Even if they do not organise formal training activities for the benefit of their workers, companies are in principle required to fill in the section "contributions and payments to collective funds", which are compulsory sums payable under social legislation or joint agreements entered into at the inter-sector, sector or firm level. In spite of the compulsory nature of these expenses, only around 3,700 firms specify a positive sum in this section. Among these, some 500 companies

made compulsory payments when their workers had not taken part in any training activity.

In 1998, under the central agreement entered into for the period 1999-2000, the social partners quantified the financial outlay to be made with regard to training for the six years to come: in 2004, training costs were to represent 1.9 p.c. of the labour costs borne by firms in the private sector as a whole. This percentage was fixed on the basis of the results of the CVTS⁽¹⁾ survey as recorded for formal training in the three main neighbouring countries. Interim targets were defined for the years 2000 (1.4 p.c.) and 2002 (1.6 p.c.). This target was confirmed at the conference on employment in 2003, at the same time as a target was added with regard to participation in training (see above). At the end of 2005, under the Generation Pact, the government asked the social partners to ensure that these commitments were fulfilled. In particular, it asked the various sectors to define new growth paths. In this connection, provision was made for assessing training efforts at the sector level, which would go hand in hand with a penalty system in the form of a specific contribution from sectors making insufficient effort. The pact also stipulated that the target of devoting 1.9 p.c. of the wage bill in the private sector to training was now to be achieved by 2006, or two years later than the social partners originally planned.

Focussing down on formal training, the objective of the central agreement is far from being achieved: in 2008, the firms in the provisional population put together a budget equivalent to 1.2 p.c. of staff costs, and furthermore this percentage is likely to be revised downwards when the

(1) The survey referred to here (Continuing Vocational Training Survey, abbreviated to CVTS) forms part of a European project aimed at taking stock of the training efforts of European firms employing at least 10 workers and operating in most branches of the private sector. This survey was organised for the first time in 1993, and then again in 1999. Since 2005, it has been organised every five years.

TABLE 10 TRAINING COSTS IN 2008
(provisional population)

	Formal	Informal	Initial	Total
As a percentage of staff costs				
Net training costs ⁽¹⁾	1.24	0.41	0.06	1.71
Gross training costs	1.26	–	–	–
Contributions made and payments to collective funds	0.06	–	–	–
Subsidies and other financial benefits received (–)	0.07	–	–	–
<i>p.m. Subsidies, as a percentage of gross costs</i>	5.96	–	–	–
In euro				
Net cost per hour of training	55	37	13	45
Net cost per participant	1,623	966	2,511	–

Source: NBB (social balance sheets).

(1) The net training costs are obtained by adding to the gross costs any contributions made and payments to collective funds, and deducting subsidies and other financial benefits received.

total population is available. In fact, the provisional population contains a greater proportion of large companies, whose training budgets are bigger in relative terms.

The gross costs associated with formal training activities represent 1.26 p.c. of staff costs. To these costs must be added compulsory payments by way of social contributions (training leave, employment and training of vulnerable groups) or payments to training funds for the various sectors. These payments correspond to 0.06 p.c. of staff costs for the firms in the provisional population. This sum is evidently underestimated, since in principle all firms would have to record such expenses in their accounts, which is far from being the case. It is among the large firms that these expenses are recorded best: in this case, they represent 0.09 p.c. of staff costs, compared to 0.05 p.c. in medium-sized firms and 0.02 p.c. in small firms. According to the social balance sheets, the total payments made amount to some 48 million euro, while the Central Economic Council estimates that a sum of around 220 million euro was paid to social security bodies or sector funds.

The subsidies received (notably in the form of training cheques or allowances paid to firms or workers by the sector funds), which have to be deducted from the gross costs, amount in themselves to 0.07 p.c. of staff costs. They finance a total of 6 p.c. of the gross costs incurred for formal training. While regional measures relating to supporting training policy are primarily aimed at providing financial support for the SMEs in their training efforts, it is among the large firms that the subsidies cover the biggest share of training expenses, representing 6.2 p.c. of gross costs compared to 5.3 p.c. in medium-sized firms and 3.6 p.c. in small firms. This leaves no room for doubt that measures to provide information have to be implemented among SMEs, and more particularly the very small firms, with a view to improving the gathering of information.

If the expenditure stemming from informal and initial training activities are added to those for formal training, the budget generated corresponds to 1.7 p.c. of staff costs. This global measurement, which includes additional elements with respect to the indicator used up to now for measuring progress towards meeting the target of 1.9 p.c. set under the central agreement, therefore nonetheless still remains lower.

Training expenses are known to be unevenly distributed among firms. Small companies mobilise an overall budget equivalent to 0.41 p.c. of their staff costs on average. Adding the elements relating to informal and initial training allows a virtual doubling of their performance compared to what it would be if only formal training

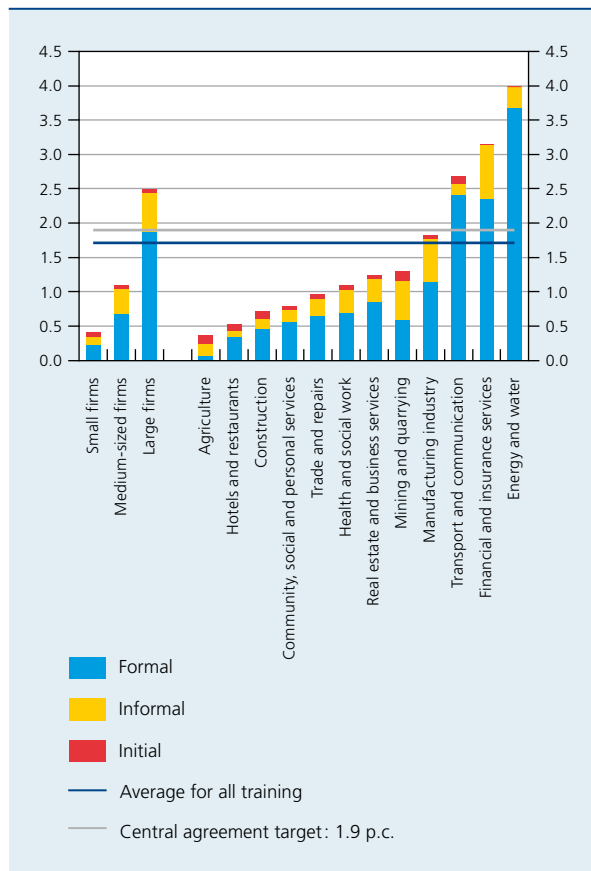
were taken into account (0.24 p.c. of staff costs). Among medium-sized companies, the total effort is quantified at 1.1 p.c. of staff costs, comprising 0.69 p.c. for formal training and 0.35 p.c. and 0.06 p.c. respectively for informal and initial training. Expenditure on formal training in large firms accounts for 1.88 p.c. of staff costs on their own. Adding informal training (0.56 p.c.) and initial training (0.05 p.c.) brings the total effort to 2.5 p.c. of staff costs.

The sectors where large firms are strongly represented mobilise proportionately greater resources with regard to training. In the energy and water sector, training costs amount to 4 p.c. of staff costs, more than 90 p.c. of these being expenses for formal training. In transport and communication, the latter type of training also absorbs nine-tenths of the budget, which reaches a total of 2.7 p.c. of staff costs. Conversely, financial and insurance services and manufacturing industry devote 3.1 and 1.8 p.c. of staff costs respectively to training, of which 25 p.c. and 35 p.c. respectively are expenses for informal training. At the other end of the scale, agriculture and the hotel and restaurant sector and construction are the branches of activity where training efforts are weakest. Accounting for informal training and initial training (the latter being very widespread in these activities by virtue of apprenticeship contracts) allows a considerable boost to the performance of these three sectors where, in total, training costs amount to 0.4 p.c., 0.5 p.c. and 0.7 p.c. of staff costs respectively, while the costs associated with formal training on its own represent 0.1 p.c., 0.3 p.c. and 0.4 p.c. of these costs respectively.

Firms providing training spend an average of 45 euro for one hour of training. The hourly cost is considerably higher for formal training (55 euro) than for informal training (37 euro), which is associated with much lower fixed costs. One hour of initial training costs 13 euro on average. The difference can be partly explained by accounting for the remuneration level of the persons receiving training in the indicator; that of trainee workers or apprentices is markedly lower than the average.

Firms providing training spend 1,623 euro for each worker benefiting from formal training activities, compared to 966 euro for informal training activities. The costs per trained worker are very high in the case of initial training (more than 2,500 euro). It must be borne in mind, however, that the bulk of the time spent by apprentices and trainees within the firm is devoted to training, so that the indicator relating costs to training participants is less significant than that relating costs to training hours.

CHART 13 NET COSTS ASSOCIATED WITH TRAINING ACTIVITIES AS A WHOLE IN 2008 ⁽¹⁾
(percentages of staff costs, provisional population)



Source: NBB (social balance sheets).

(1) Gross costs, added to which are contributions paid and payments made to collective funds and subtracted from which are subsidies and other financial advantages received.

Initial training is proportionately most important in the branches of activity where apprenticeship is most widespread – agriculture, construction, hotels and restaurants: it represents half of training time in the latter two sectors and even more in agriculture. Formal training predominates in the other sectors. In the energy and water sector, it accounts for close to 90 p.c. of training hours. Conversely, in manufacturing industry, a not inconsiderable proportion of training is carried out through informal channels: over 40 p.c. of training hours are devoted to this.

Participants in formal training measures enjoy an average of 30 hours of training per year. This average is slightly lower – 26 hours – in the case of informal training. Conversely, workers receiving initial training receive an average of nearly 200 hours of training per year. It is highly likely that if only those receiving work-based training were counted under this heading, this duration would be further extended by a considerable amount. In agriculture and construction, for example, the average duration is markedly higher.

The average duration of training for male workers is considerably higher than for female workers. In terms of formal training, it amounts to 33 hours for men and 24 hours for women. The differences are relatively similar for informal training (31 hours compared to 20). Various explanations can be put forward, notably the fact that part-time working is more widespread among women and that this may make organising training more complicated in the context of reduced working hours. Moreover, it can be seen that women are represented at a higher level in some activities where training is of shorter duration on average (this applies, for example, in health and social work).

5.4 Duration of training

As a whole, the firms in the provisional population devote 1.34 p.c. of the volume of work to training measures. Formal training accounts for the lion's share, with nearly 60 p.c. of the total, while informal training represents 29 p.c. of training hours and initial training 12 p.c.

As the expenses show, the volume of work reserved for training increases considerably with the size of firm, but the distribution between the different types of measure is very variable. Small firms spend almost half the training hours on initial training activities, while the latter only account for 15 p.c. of the work time in medium-sized firms and 6 p.c. in large firms. Conversely, two-thirds of the time released for training in the latter relates to formal activities. This share amounts to 52 p.c. in medium-sized firms and 34 p.c. in small firms.

5.5 Characteristics of firms providing training

To paint a portrait of firms providing training, by comparing them with firms which do not offer their workers formal or informal training, this section is based on the population of firms completing the new form of the social balance sheet for 2008. Among the 50,156 firms fulfilling the usual checks, 1,765 (or 3.5 p.c. of the total) still filled in the old form and consequently have not been retained. The analysis population comprises a total of 48,391 firms.

The new form of the social balance sheet differentiates between three types of training within a firm: formal training, informal training and initial training. Since the data relating to initial training measures do not seem completely reliable, it was decided to restrict the analysis to formal and informal training activities.

TABLE 11 HOURS DEVOTED TO TRAINING ACTIVITIES IN 2008
(provisional population)

	Formal	Informal	Initial	Total
Hours devoted to training activities, as a percentage of hours worked, except where stated otherwise	0.80	0.39	0.16	1.34
	Percentages of the total			
Breakdown of firms by size				
Small firms	34	18	48	0.48
Medium-sized firms	52	33	15	1.05
Large firms	65	29	6	1.98
Breakdown of firms by branch of activity				
Agriculture	11	26	63	0.47
Mining and quarrying	34	43	23	1.26
Manufacturing industry	52	41	7	1.50
Energy and water	88	12	0	2.75
Construction	35	16	48	0.93
Trade and repairs	45	23	32	0.90
Hotels and restaurants	38	13	49	0.62
Transport et communication	83	11	6	1.89
Financial and insurance services	62	37	1	2.34
Real estate and business services	60	32	8	1.03
Health and social work	59	30	11	1.18
Community, social and personal services	45	26	29	0.92
Duration of training per participant, in hours	30	26	194	–
of which:				
Men	33	31	211	–
Women	24	20	159	–

Source : NBB (social balance sheets).

A simple empirical model is used, which makes it possible to estimate the probability of a firm providing training. A firm qualifies as providing training once it records a participant in the tables relating to formal or informal training. This model does not take account of differences in intensity of training, in terms of financial outlay or level of participation by workers.

Apart from the size of the enterprise, the branch of activity to which it belongs and whether or not it forms part of a group of firms with international scope (subsidiary or multinational), the model reflects the staff structure by gender (proportion of women), socio-professional category (percentage of staff with the status of manual worker), standard of education (proportion of those with a qualification from higher education), type of contract (proportion of permanent contracts) and working arrangement (percentage of part-time workers). A final

group of variables is linked to the location of the firm's registered office and place(s) of business. In line with the methodology for regional breakdowns used in the social balance sheets, firms are subdivided into four groups: the three classes of firm which are located in a single region and multi-regional firms which have bases in more than one region.

For the purposes of this analysis, the data from the social balance sheet are supplemented by information drawn from the direct investment survey. The latter records those companies which hold at least 10 p.c. of the capital of a non-resident enterprise or which are held in the same percentage terms by a foreign enterprise. This makes it possible to differentiate, on the one hand, between Belgian multinationals – that is to say those firms owning holdings in foreign companies without themselves being held by a foreign shareholding entity – and businesses of

foreign firms based in Belgium and, on the other hand, firms having no significant investment link with non-resident entities.

The training policy of a firm is dependent on many parameters. In fact, training needs differ according to the strategy as regards human resources management. The latter is partly dictated by resource constraints, notably associated with the size of the firm and the economic situation, but it also depends among other things on the branch of activity and the educational level and age of the workforce. An empirical model may therefore struggle to control the effect of all the parameters likely to explain the differences in training opportunities found between firms.

Not all firms have sufficient resources available to provide their workers with training activities. Compared to large firms, small firms are less capable of absorbing the temporary fall in productivity which could result from training periods. In other words, they are less likely to allow their employees to be absent or to replace them when they are receiving training. Moreover, when they offer training activities to their workers, small firms do not benefit from economies of scale to the same extent as large firms. Firms employing small workforces would therefore have less chance, other things being equal, of being able to offer training activities than larger firms. According to several Canadian studies (cf. Rabemananjara and Parsley, 2006, for a review of the literature), small firms give priority to informal training due to its more accessible nature, this type of training not involving the fixed costs associated with formal training (costs linked to premises, training materials, etc.). However, the data gathered in 2008 from Belgian firms do not allow a validation of this hypothesis.

By controlling for the effect of variables relating to the branch of activity, location, significant investment links with non-resident entities and the structure of the workforce, the size of firm is the explanatory variable with the greatest impact on the probability that a firm would provide training. Other things being equal, the smaller the firm, the less chance it has of providing training. Whereas the probability of providing training is less than 8 p.c. for firms with no more than 10 FTEs, it exceeds 30 p.c. for those employing 10 to 50 FTEs and reaches almost 65 p.c. for those with 50 to 100 FTEs and 80 p.c. for those employing 100 to 250 FTEs. Among the largest firms, there are no significant differences between firms with 250 to 500 FTEs and those where the workforce is greater than 500 FTEs since the probability is of the order of 90 p.c. in both cases. Consequently, it seems that the obstacles associated with organising training referred to above still exist, mainly for small firms, despite the public measures to support these efforts.

Even when the effect of firm size is neutralised, the proportion of firms providing training differs from one branch of activity to the next. It is primarily the firms operating in the hotels and restaurants sector which have a lower probability of providing training, followed by companies in agriculture, the trade and repairs sector and that of transport and communication. Mining and quarrying and also health and social work, on the other hand, display a greater probability than the others of offering their workers training activities.

These differences between branches of activity are notably associated with differences in mobility of staff. Where workers remain in the service of the same employer for a short time, there are few incentives to acquire knowledge specific to their job of work. Similarly, the employer has little to gain from investing in training these workers. So, firms operating in the hotels and restaurants sector and construction, where the labour force displays a high level of mobility (Heuse and Saks, 2008), have a lower probability of providing training on average than those operating in branches of activity where mobility is lower, notably manufacturing industry, health and social work and also energy and water.

Even in a well-defined branch of activity, a very great diversity can be observed between firms operating within it, notably in terms of productivity. This is why, in the analysis population, those companies having a significant investment link with non-resident entities, namely subsidiaries of a foreign enterprise and multinational enterprises, are considered in isolation. There are two reasons why it is important to take account of these variables in the model. In the first place, these variables may exert a direct effect on the training offered by the firm. Because of economies of scale, multinational enterprises and subsidiaries typically offer a more structured range of training, with a common core of training for all the firms in the group. These enterprises operating on an international level also have specific training needs, notably with regard to language courses. Secondly, firms with a link to non-resident enterprises or which are involved in international trade are generally more productive than firms not exhibiting these characteristics (see notably Andersson et al., 2008). Looked at another way, these variables can also be considered to be indicators of performance.

The existence of a significant investment link with non-resident entities seems relevant in determining the probability of a firm offering its workers training activities. In line with expectations, the fact that a firm is a multinational or a subsidiary of a foreign company has a favourable influence on the probability of it providing training. A model restricted to just the companies in manufacturing

industry showed that, on average, firms involved in export also display a higher probability of providing training.

Moreover, the structure of the workforce seems to play a role. The greater the proportion of persons holding a qualification from higher education, the greater the

chance of the firm providing training. On the other hand, the more manual workers there are among the staff, the less the chance of the firm providing training. This much is known: there is something of a polarisation of training around the most qualified in spite of the institutional measures taken with a view to counteracting this.

TABLE 12 PROBABILITY OF A FIRM PROVIDING TRAINING IN 2008
(results of econometric estimation from the logit model, provisional population, firms completing the new form)

Variable	Coefficient of parameter	Standard deviation	Significance ⁽¹⁾	Probability ⁽²⁾
Reference ⁽³⁾	2.3052	0.2951	***	90.9
Up to 10 FTEs	-4.8553	0.2518	***	7.2
From 10 to 50 FTEs	-3.1080	0.2508	***	30.9
From 50 to 100 FTEs	-1.6979	0.2540	***	64.7
From 100 to 250 FTEs	-0.9642	0.2592	***	79.3
From 250 to 500 FTEs	-0.1397	0.3055	-	89.7
Agriculture	-0.4845	0.1607	***	86.1
Mining and quarrying	0.9711	0.3223	***	96.4
Energy and water	0.1295	0.3782	-	91.9
Construction	-0.2063	0.0578	***	89.1
Trade and repairs	-0.3804	0.0500	***	87.3
Hotels and restaurants	-0.8763	0.1198	***	80.7
Transport and communication	-0.3748	0.0682	***	87.3
Financial and insurance services	-0.1713	0.0947	*	89.4
Real estate and business services	-0.1030	0.0556	*	90.0
Health and social work	0.3606	0.0736	***	93.5
Community, personal and social services	0.0558	0.0840	-	91.4
Subsidiary	0.8194	0.0908	***	95.8
Multinational	0.8613	0.1226	***	96.0
Proportion of women in the workforce	-0.4449	0.0618	***	86.5
Proportion of manual workers in the workforce	-0.6861	0.0552	***	83.5
Proportion of workers holding a qualification from higher education in the workforce	0.7552	0.0491	***	95.5
Proportion of workers on a permanent contract in the workforce	0.5459	0.1415	***	94.5
Proportion of part-time workers in the workforce	-0.2529	0.0724	***	88.6
Single-region Brussels	-0.3820	0.1056	***	87.2
Single-region Flanders	-0.1506	0.0976	-	89.6
Single-region Wallonia	-0.1975	0.1011	*	89.2

Source: NBB (social balance sheets).

(1) ***: significant at 1 p.c., **: significant at 5 p.c., *: significant at 10 p.c.

(2) The probabilities contained in the table are not additive. The presentation adopted assumes all other things are equal: only one characteristic at a time is modified with respect to the reference firm.

(3) The reference is a firm which has a workforce greater than 500 FTEs from manufacturing industry, which is neither a subsidiary nor a multinational, and is multiregional.

Interpretation:

On the basis of the coefficients, it is possible to calculate the probability for any linear combination of the characteristics included in the model.

Example: for a firm with a workforce between 11 and 50 FTEs, operating in construction which is neither a subsidiary nor a multinational, and where the workforce comprises 0 p.c. women, 90 p.c. manual workers, 15 p.c. holders of a qualification from higher education, 95 p.c. workers on a permanent contract and 20 p.c. part-time workers, in the single region of Flanders, the linear combination of the coefficients gives:

$$(1 \times 2.3052) + (0 \times -4.8553 + 1 \times -3.1080 + 0 \times -1.6979 + 0 \times -0.9642 + 0 \times -0.1397) + (0 \times -0.4845 + 0 \times 0.9711 + 0 \times 0.1295 + 1 \times -0.2063 + 0 \times -0.3804 + 0 \times -0.8763 + 0 \times -0.3748 + 0 \times -0.1713 + 0 \times -0.1030 + 0 \times 0.3606 + 0 \times 0.0558) + (0 \times 0.8194 + 0 \times 0.8613) + (0 \times -0.4449 + 0.9 \times -0.6861 + 0.15 \times 0.7552 + 0.95 \times 0.5459 + 0.2 \times -0.2529) + (0 \times -0.3820 + 1 \times -0.1506 + 0 \times -0.1975) = -1.33559.$$

Given the logit specification used, the probability of providing training is given by $\exp(-1.33559) / (1 + \exp(-1.33559)) = 20.8$ p.c.

There are various reasons for this empirical finding. In the first place, firms proceed on the basis that training efforts produce a better return on average for the most qualified workers, thus reducing the risk that they run by investing in such activities. Apart from this, the most qualified members of staff would demand training more than others on average. Secondly, firms where there is a large proportion of staff with a high standard of education could also stand out in other respects, and this effect would also be picked up by the variable reflecting the level of education. Thus, innovative enterprises and those producing goods and services with a high added value could also be characterised by these variables relating to qualification structure.

The proportion of workers on a permanent contract has a positive influence on the probability of a firm providing training. Where there is a greater likelihood of these workers remaining with the company, the investment in training made by the employer has all the more chance of proving profitable. Finally, the proportions of women and part-time workers have a significant negative, but smaller, impact on the probability of a firm providing training.

As for location, it does not seem to have a very great influence on the probability of providing training. The probability of a firm offering its workers training would be greater for multi-regional enterprises than for those operating in a single region. However, the difference between Flemish enterprises operating in either multiple regions or a single region is not significant.

5.6 Distribution of training efforts according to firm

Having examined the incidence of enterprises providing training, which corresponds to a firm's decision as to whether to support training activities or not, this section looks at the intensity of training within those firms providing training, that is to say the scope of the financial outlay that firms providing training devote to formal or informal training activities once it has been decided to offer them. It is measured by the relationship between expenditure on formal and informal training activities and staff costs. This ratio is only calculated for firms funding training activities, comprising a population of 8,445 enterprises⁽¹⁾.

(1) A simple rule was applied to suppress outliers in the sample: the firms retained had to report costs for formal and informal training greater than 10 euro for 2008, and the costs for formal training, and also those for informal training, were not to exceed 10 p.c. of total staff costs. The firms eliminated in this way represent some 0.7 p.c. of the sample and involve, moreover, firms generally employing few workers.

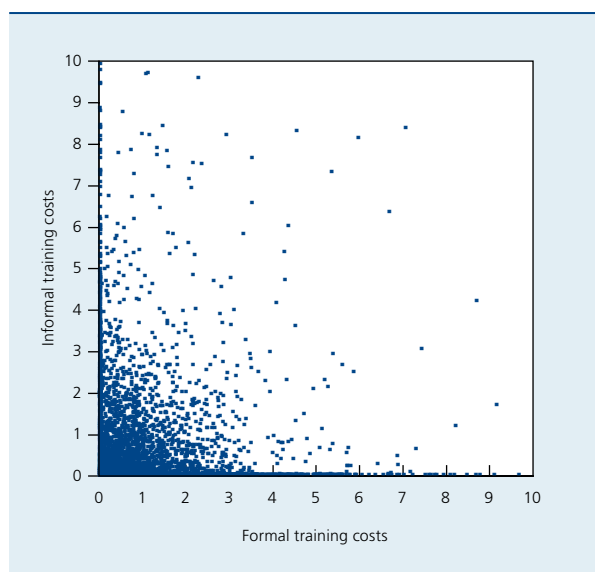
(2) In general, R^2 , that is to say that part of the variance explained by the model, is less high if individual data are used rather than aggregated data. In fact, aggregated data partly mask the differences in behaviour between individual firms since low and high values cancel each other out. The result of this averaging effect is that there are fewer variations of the dependent variable to be explained by means of the independent variables, giving a higher R^2 than for the estimates carried out on the basis of individual data.

Representing the population of firms providing training in graph form, by taking the costs of formal training and the costs of informal training, expressed as a percentage of staff costs, as the respective axes, reveals a wide distribution in training efforts.

While it can be shown, on the basis of the entire set of data, that there is more chance of a firm carrying out a formal training activity if it already carries out an informal training activity, there is no statistically significant relationship between the financial efforts devoted to formal training and those devoted to informal training. A large number of enterprises state that they do not arrange any informal training at all, or only very rarely, while it seems likely that workers have taken part in such activities in most if not all firms, including the smallest of them. On-the-job training is an indispensable stage, even for holding posts that are *a priori* "non-qualified". What is more, numerous businesses organise "quality circles" or groups for resolving problems. These means provide an incentive for employees to share their knowledge, know-how and practical experience, even if this is not their direct objective. Firms appear to have insufficiently reported informal training measures in 2008, which is hardly surprising since this is the first year for which they have been asked to quantify these measures.

The financial outlay for training, defined as the total cost associated with formal and informal training activities expressed as a percentage of staff costs, varies considerably between the firms that provide training. The unit of analysis in this case is the individual firm, whatever its workforce, even if the effect of the size of the firm is controlled for among the explanatory factors. A model of this financial outlay, constructed on the basis of the same variables as those used for determining the probability of a firm providing training, scarcely explains 6 p.c. to 7 p.c. of the differences in training costs between firms⁽²⁾: 93 p.c. of the differences seen between firms providing training are not therefore due to the size of firm, the branch of activity, the circumstance of being attached to a group of international scope, the staff structure (gender, socio-professional category, educational level, type of contract and working arrangement) or even the location. This may be explained notably by the fact that training efforts fluctuate under the effect of other specific factors, such as a technical or organisational change within the firm. In fact, the introduction of new technologies gives rise to an increased need for training, and reorganisations bring with them job changes. Thus, the installation of a new machine, the launch of a new product, or even an increase in the R&D budget are all factors likely to reinforce training efforts. The latter may also develop if the firm sets up or modifies a mechanism for managing expertise. The data drawn from

CHART 14 COSTS ASSOCIATED WITH FORMAL AND INFORMAL TRAINING ACTIVITIES⁽¹⁾ IN 2008
(percentages of staff costs)



Source: NBB (social balance sheets).

(1) The scale of the axes has been limited to 10 p.c. Firms displaying extreme ratios of training costs are not taken into account.

the social balance sheets do not allow all these enterprise-specific factors to be measured.

Of the statistically significant variables explaining individual variations in financial outlay for training, the most important is the size of the firm. Even within those firms providing training, small companies devote a smaller proportion of their staff costs to training than medium-sized and large firms. In firms operating in manufacturing industry, the expected training cost ratio is 0.72 p.c. for firms employing from 10 to 50 FTEs, 1.16 p.c. for those employing from 100 to 250 FTEs and 1.94 p.c. for those employing more than 500 FTEs⁽¹⁾. A simple frequency effect is therefore not sufficient to explain the fact that the financial effort of small firms is more limited: not only are firms providing training relatively fewer in number among small companies, but those small enterprises which do finance training activities deliver a more modest outlay than medium-sized and large firms.

The branch of activity is also a statistically significant variable explaining the training effort. Expenditure on training in health and social work, in the community, social and personal services sector and also in construction is,

(1) These values were obtained using the same structure of the workforce for these three theoretical enterprises, namely 23 p.c. women, 62 p.c. manual workers, 21 p.c. holders of qualifications from higher education, 97 p.c. workers on a permanent contract and 12 p.c. part-time workers, which are levels close to the averages seen in manufacturing industry.

all other things being equal, less than in manufacturing industry, which is used as a reference group. This also applies to firms operating in the transport and communication sector. The latter branch of activity is fairly atypical, in that it contains a number of very large players with very high training ratios and a multitude of small firms whose training efforts are much smaller. Conversely, the financial and insurance services sector, and likewise in marginal terms the mining and quarrying industry, show considerable training expenses.

Among the other variables explaining the individual intensity of training effort, attachment to a foreign group has a positive, and typically significant, impact on the training effort. Conversely, being a firm involved in exports, a parameter which was only tested for manufacturing industry, does not have a significant effect. The variable with the most marked positive impact on training costs, after the size of the firm, is the percentage of workers with qualifications from institutions of higher education among the staff. This is due to the fact, on the one hand, that access to training is all the easier if the employee has a higher-education qualification and, on the other hand, that training for the most qualified is more costly on average than training intended for members of staff who are less so, even if only because the net cost of training includes the participants' pay, the latter increasing on average in line with their educational level. The proportion of women in the workforce also has a negative influence, although limited, on the financial outlay for training.

Conclusions

On average, employment increased by 1.7 p.c. in 2008 in the 43,387 firms making up the reduced population. This growth, which is still solid, nonetheless signals a slowdown compared to the previous year and the results at the end of 2008 (+0.8 p.c.) bear witness to a marked deterioration in the situation during the year. The slowdown was seen in most branches of activity and especially affected industry and the financial and insurance services sector. The scale of net staff movements was reduced under the effect of the economic trend. In total, net recruitment settled at 13,399 persons in 2008, compared to 37,463 a year earlier.

Net recruitment of part-time workers is not enough to explain the increase in employees working reduced hours in any of the classes of firm, indicating a shift of some of the staff previously employed on a full-time basis to a part-time working arrangement. This movement was particularly marked in large enterprises, notably in the framework of restructuring programmes in manufacturing industry.

The turnover rate of staff on a permanent contract was 14.6 p.c. in 2008, falling slightly compared to the previous year. This percentage varies considerably according to the firms' characteristics: it is higher in small companies and in those branches which have the greatest difficulty in generating loyalty among their staff, given the pay and working conditions.

Following the picture seen in previous years, around half of departures recorded in 2008 can be accounted for by the termination of a temporary contract, while 29 p.c. were due to voluntary departure, and 14.4 p.c. to redundancies. In terms of staff departures, staff taking early retirement or normal retirement respectively amounted to 3.0 and 2.6 p.c., these proportions being comparable to those observed in 2007.

The rate of part-time work grew by 2 p.c. between 2007 and 2008, so it seems that 52.3 p.c. of women and 11.4 p.c. of men were working part-time in 2008. The use of this working arrangement is greater in small and large firms, and likewise in those branches of activity where women are most widely represented. If part-time working is unevenly placed within firms, the picture is the same among workers: women are affected more than men, clerical workers more than manual workers and executives and temporary workers more than workers on a permanent contract. Conversely, the rate of part-time working varies only a little according to standard of education, except for university graduates where the proportion of part-time workers is half that for holders of other qualifications.

Based on the new information available in the social balance sheets, it appears that in total, 18 p.c. of workers have a certificate of primary education at best, 54 p.c. have additionally completed their secondary education, 20 p.c. hold a qualification from a higher non-university educational institution and 8 p.c. have a university qualification. On average, women have a higher standard of education than men, a situation which doubtless stems in part from their later arrival on the labour market. The average level of education of employees rises as the size of firm increases. But more than size, it is without doubt the type of activity that determines the level of education that workers must have when they take up their jobs. In construction, for example, nine-tenths of workers have not exceeded the level of secondary education. On the other hand, in financial, real estate and business services, almost half of the workforce hold a qualification from university or non-university higher education.

The proportion of temporary contracts decreased slightly between 2007 and 2008, from 6.6 p.c. to 6.5 p.c. This fall

is due to the economic situation. In firms filing full-format accounts, agency staff and staff on secondment from another associated firm also declined. In total, agency workers only represented 3.8 p.c. of FTE employment in 2008 compared to 4 p.c. a year earlier. It is those sectors most exposed to international competition which were the first to be affected. The industry sector, which is the main user of agency workers, thus reduced its use of this type of labour by 10 p.c. The financial, real estate and business services and construction sectors also reduced their agency workforces, by 5 p.c. and 12 p.c. respectively.

Staff costs grew by 5.3 p.c. between 2007 and 2008 in the firms in the reduced population. Over the same period, the number of workers expressed in hours increased by 1.6 p.c. so that the average annual labour cost per FTE rose by 3.7 p.c.

Over the course of the period 2006-2008, hourly costs increased by 6.8 p.c. in firms filing a social balance sheet meeting the quality criteria for these three successive years, while a guideline payroll standard had been fixed at 5 p.c. for that period. It is the case that the indexation markedly exceeded the anticipated inflation. The rise was particularly vigorous in transport and communication, financial and insurance services, the community, social and personal services sector and health and social work. Moreover, it can be seen that close to 60 p.c. of firms recorded a rise in hourly labour costs greater than 5 p.c. between 2006 and 2008 and that the rise even exceeded 7.5 p.c. in almost half of firms.

For financial years ending with effect from 1 December 2008, the scope of the social balance sheet has been markedly expanded as regards training: the reporting now relates to formal continuing training, informal continuing training and initial training. Since a valid comparison could not be made between the results for 2007 and those for 2008 on this issue, the analysis population brings together all those firms which had filed a social balance sheet for the year 2008 as at 16 September 2009 (amounting to slightly over 50,000 companies), irrespective of their position for the year 2007.

Media coverage of the changes made to the social balance sheet seem to have borne fruit: the number of firms providing information on their training policy has substantially increased. In 2008, 37 p.c. of workers took part in one or more formal training activities. Informal training involved one worker in five, while the level of participation in initial training was only 1 p.c. It should not be forgotten that the target set under the central agreement is that, each year from 2010, half of workers benefit from training. In total, firms assigned 1.34 p.c. of the volume of

work to training measures. Formal training took the lion's share, with almost 60 p.c. of the total, while informal training represented 29 p.c. of training hours and initial training 12 p.c.

In terms of costs, the central agreement target of 1.9 p.c. for 2006 was still not met in 2008, the firms in the population under consideration having devoted a budget equivalent to 1.2 p.c. of staff costs to formal training. If the costs associated with informal and initial training activities are added to this expenditure, the budget allocated to training rose to a total of 1.7 p.c. of staff costs and therefore also remained below the target.

Small companies mobilise an overall budget equivalent to 0.41 p.c. of their staff costs on average. Adding the elements relating to informal and initial training allows a virtual doubling of their performance compared to the situation where only formal training is taken into account. Among medium-sized companies, the total effort is quantified at 1.1 p.c. of staff costs, of which 0.69 p.c. is for formal training. Expenditure on formal training in large firms accounts for 1.88 p.c. of staff costs on their own, out of a total effort amounting to 2.5 p.c. of these same costs. The sectors where large firms are strongly represented (energy and water, transport and communication) mobilise proportionately greater resources with regard to training. In agriculture, the hotel and restaurant sector and construction, formal training efforts are low, but accounting for informal training and initial training allows a considerable boost to their performance.

Using the individual data relating to training, an evaluation was carried out as to the probability of a firm providing training, as a function of its own characteristics relating to size, branch of activity, whether or not it is linked to a non-resident entity, the structure of its workforce and its location. The statistical analysis resulting from

this highlights correlations, not causal links, and confirms the studies carried out previously. Among the various explanatory factors, size appears to be the most important element. Whereas nine-tenths of large firms support training activities, this applies to barely one-tenth of the smallest companies. Moreover, the proportion of firms providing training differs according to the branch of activity. The firms in the hotels and restaurants sector exhibit a below-average probability of providing training, while the probability is above average for companies operating in health and social work. The probability also seems to be linked to staff structure: the greater the proportion of persons holding a qualification from higher education and the higher the proportion of workers on a permanent contract, the greater the chance of the firm supporting training activities. On the other hand, the more manual workers there are among the members of staff and the greater the proportion of women, the less the chance of the firm providing training.

Among those firms providing training, a wide distribution can be seen in financial efforts with regard to training. A firm's training policy is dependent on many parameters, the majority of which are specific to the firm so that a general model can only explain a very small part of the distribution observed. The size of the enterprise remains a determining factor: small firms that provide training, which are less numerous in proportional terms, release training budgets that are relatively more modest than medium-sized and large firms. The scale of financial effort also varies according to the branch. Firms in the health and social work sector report, other things being equal, markedly lower training costs than those in the financial and insurance services sector. Among the other variables having a significant effect on intensity of training effort, the condition of being a subsidiary of a foreign group has a positive impact on the training effort, as does having a qualified workforce.

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Annex 1

Methodological annex

1. Methodological principles governing the composition of the populations of firms

The methodological principles that governed the composition of the populations of firms used in the analysis are described in detail in Annex 1 to the article "The social balance sheet 2005", which appeared in the December 2006 Economic Review and is available on the website of the National Bank of Belgium (www.nbb.be).

It should be remembered that only the social balance sheets of firms which meet certain criteria relating to homogeneity, consistency and quality are taken into account. In particular, the financial year must comprise 12 months and must end on 31 December; the firms must be in the private sector⁽¹⁾, they must employ at least one FTE worker, and their economic activity must be clearly identified⁽²⁾; the data reported in the social balance sheet must tally exactly with the data in the annual accounts⁽³⁾; firms submitting abnormal values for hourly staff costs or hours worked per FTE are eliminated, as are any anomalies found in regard to training and the use of agency workers.

The use of these methodological principles is justified by the desire for reliable, consistent data. However, it does mean that the number of social balance sheets used to carry out the analysis in this article is significantly smaller, for each year, than the total number of social balance sheets filed at the Central Balance Sheet Office.

In addition, the analysis of the results of the social balance sheets filed for 2008 is conducted on a constant reduced population⁽⁴⁾, which further limits the coverage of the analysis population in relation to the balance sheets filed at the Central Balance Sheet Office. The results presented in this article therefore reflect the changes recorded in a population which remained stable between 2007 and 2008, and may differ from the changes which, following final closure, will be observed on the basis of the total population⁽⁵⁾ of firms filing a social balance sheet.

Following the selection process, the total population for 2007 comprised 82,045 firms and 1,902,531 employees. For the same year, the constant reduced population comprised 43,387 companies which together employed 1,383,394 workers, corresponding to 72.7 p.c. of the persons active in all the firms submitting a social balance sheet for that year, although the number of firms included in the reduced population represents only 53 p.c. of the total population of firms. Workers employed in firms in the reduced population amount to 51 p.c. of the private sector employment recorded in the national accounts.

Representativeness according to the employment criterion varies from one branch of activity to another. Expressed as a percentage of the workers employed in firms in the total population relating to 2007, it is lowest in the branches dominated by small firms, whose annual accounts are filed and/or processed later. This applies, in particular to hotels and restaurants and to agriculture.

Furthermore, some firms or jobs are not represented in the analysis population. Examples include NPIs employing fewer than 20 persons, which are not required to submit a social balance sheet, and temporary employment agencies which were omitted for the sake of the consistency and quality of the analysis populations. Similarly, paid staff working for employers not incorporated as a company are excluded since only companies are required to file a social balance sheet. Consequently, representativeness expressed as a percentage of the employment recorded in the national accounts is

(1) Private sector employment is defined as employment recorded in the total economy (S1), less employment in the public sector (S13) and in the household sector (S14). This concept also excludes firms in NACE-Bel branches 75 "public administration and defence; compulsory social security", 80 "education" and 95 "Activities of households as employers of domestic staff", which are not taken into account in full in the social balance sheets, as well as temporary employment agencies (NACE-Bel 74.502).

(2) Firms whose activity or address is unknown are excluded from the population.

(3) This amounts to excluding firms in which some of the employees work abroad or are not entered in the staff register (statutory staff).

(4) Firms have seven months starting from the date of the end of the financial year to file their social balance sheets at the Central Balance Sheet Office. In view of the time needed to check the data, the full set of social balance sheets relating to 2008 was not available on 16 September 2009 when the data were extracted.

(5) Firms which did not file a social balance sheet for one of the two years are in fact excluded from the reduced population. Moreover, since the Central Balance Sheet Office gives priority to processing the annual accounts of large firms, the results based on this reduced population lead to some distortion in favour of large firms.

TABLE 1 REPRESENTATIVENESS OF THE REDUCED POPULATION IN 2007

	Number of workers			Representativeness of the reduced population	
	In the national accounts ⁽¹⁾	In the social balance sheets		In p.c. of private sector employment ⁽¹⁾	In p.c. of the total population
		Total population ⁽²⁾	Reduced population ⁽²⁾		
	(1)	(2)	(3)	(4) = (3) / (1)	(5) = (3) / (2)
According to the employment criterion	2,704,699	1,902,531	1,383,394	51.1	72.7
Agriculture	17,840	10,126	5,202	29.2	51.4
Industry	584,379	459,594	363,922	62.3	79.2
Mining and quarrying industry	3,069	2,965	2,591	84.4	87.4
Manufacturing industry	555,615	433,077	341,924	61.5	79.0
Energy and water	25,695	23,553	19,407	75.5	82.4
Construction	191,474	141,719	89,980	47.0	63.5
Trade, transport and communication	803,487	581,058	412,771	51.4	71.0
Trade and repairs	477,565	319,577	217,746	45.6	68.1
Hotels and restaurants	90,379	57,510	23,762	26.3	41.3
Transport and communication	235,543	203,971	171,263	72.7	84.0
Financial services, real estate and business services	594,997	329,242	245,808	41.3	74.7
Financial and insurance services	128,298	111,877	93,482	72.9	83.6
Real estate and business services ⁽³⁾	466,699	217,365	152,326	32.6	70.1
Other services	512,522	380,792	265,711	51.8	69.8
Health and social work	407,349	330,607	232,017	57.0	70.2
Community, social and personal services	105,173	50,185	33,693	32.0	67.1
According to the criterion concerning the number of firms	n.	82,045	43,387	n.	52.9

Sources: NAI, NBB (social balance sheets).

(1) The concept of employment used here corresponds to paid employment in the private sector, or employment in the total economy (S1) less employment in the public sector (S13) and the household sector (S14). Moreover, this concept excludes employees in NACE-BEL branches 75 (Public administration and defence; compulsory social security), 80 (Education) and 95 (Private households with employed persons), which are not taken into account in full in the social balance sheets.

(2) Sum of items 1001 (full-time workers) and 1002 (part-time workers).

(3) Excluding temporary recruitment agencies in the case of the social balance sheets.

particularly low in the branches containing a large proportion of such enterprises or workers, notably the community, social and personal services branch, the real estate and business services branch, hotels and restaurants, and agriculture.

2. Methodology governing the regional breakdown of the social balance sheets

The analysis of the social balance sheets is not conducted from a regional angle in this article. Nevertheless, Annexes 11 to 13 contain a series of regional indicators identical with those published in the December 2007 and December 2008 issues of the Economic Review.

The regional breakdown of firms applies only to the total populations obtained on the basis of the methodological principles described in section 1, for the years 1998 to 2007. The methodology governing the regional breakdown is similar to that used in 2004⁽¹⁾.

(1) See the article "The social balance sheet 2003", published in the Economic Review in the fourth quarter of 2004.

TABLE 2 REGIONAL BREAKDOWN OF FIRMS FILING A SOCIAL BALANCE SHEET IN 2007
(total population)

	Number of firms		Number of workers	
	Units	Percentages of the total	Units	Percentages of the total
Single-region firms	80,914	98.6	1,413,234	74.3
Brussels	9,587	11.7	157,968	8.3
Flanders	49,566	60.4	894,409	47.0
Wallonia	21,761	26.5	360,858	19.0
Multi-region firms	1,131	1.4	489,297	25.7
Total	82,045	100.0	1,902,531	100.0

Source : NBB (social balance sheets).

Single-region firms are those whose registered office and place(s) of business are located in a single region. In 2007, these single-region firms numbered 80,914, or almost 99 p.c. of the total firms filing a social balance sheet which met the quality criteria for that year. These companies are generally fairly small: on average, they employ 17 workers.

The remaining 1,131 "multi-region" firms are established in more than one region. On average, they employ 433 people.

For firms established in more than one region, there are two ways of producing the regional breakdown. The first consists in attributing the whole of the amounts entered in the social balance sheet items of these firms to the region in which the firm records the largest number of jobs. In this "majority" approach, each firm is attached to a single region each year, but that region may differ from one year to the next according to the changes in employment at its places of business. This majority allocation method introduces distortions in the employment breakdown because some of the firms active throughout Belgium are attributed to Flanders, which covers 44 p.c. of the country but contained almost 58 p.c. of its residents as at 1 January 2008, while others are allocated to the Brussels Region owing to the location of their registered office, where many services and hence workers are concentrated.

The proportional allocation approach consists in allocating all the social balance sheet items of multi-region firms among the regions where their registered office and their places of business are located. Such a formula can be calculated for employment or wages on the basis of the data per establishment collected by the NOSS, as is done by the NAI for compiling the regional accounts. Conversely, it is not possible to define an allocation formula appropriate to all the variables in the social balance sheet. That is the case, for example, for further training and for agency work. On these subjects, corporate behaviour may vary according to the activity, organisation and location of the various places of business, and possibly the training or the agency work available.

Neither the majority breakdown (which attributes all the social balance sheet items of each firm to the region in which it employs the largest number of workers) nor the proportional allocation (which breaks down the social balance sheet items between the various regions where the enterprise is active according to the employment recorded there) was considered satisfactory. The group of multi-region firms was therefore not divided among the regions.

It must be pointed out that the breakdown by branch of activity differs considerably between multi-region and single region firms. Within each of these groups there are divergences in specialisation between firms based in Brussels and those established in Flanders or Wallonia. This heterogeneity is part of the reason for the differences in results recorded for the regional indicators in Annexes 11 to 13.

TABLE 3 REGIONAL STRUCTURE OF EMPLOYMENT IN 2007
(percentages of the total, total population)

	Single-region firms				Multi-region firms	Total
	Brussels	Flanders	Wallonia	Total		
Agriculture	0.1	0.8	0.7	0.7	0.0	0.5
Industry	8.9	28.5	25.3	25.5	20.3	24.2
Construction	4.7	9.4	11.5	9.4	1.7	7.4
Trade, transport and communication	28.6	27.4	24.0	26.7	41.6	30.5
Financial, real estate and business services	33.6	12.2	10.0	14.1	26.7	17.3
Other services	24.1	21.6	28.4	23.6	9.7	20.0

Source: NBB (social balance sheets)

Annex 2

The classification of the firms by branch of activity is based on the activity code given in the directory of firms prepared by the National Bank for the compilation of the national accounts, and containing a range of administrative data on firms active during any year. The 2006 directory was chosen as the reference to determine the sector and branch of activity to which firms should be allocated for the whole period from 1998 to 2008. It is based on the 2003 NACE-BEL nomenclature. (N.B. the new version of the nomenclature introduced on 1 January 2008 is used in the article on trends in the financial structure and results of firms in 2008, which is also published in this edition of the Economic Review). Firms not listed in the 2007 directory retain the activity code attributed in the 2005 directory, or failing that, the code allocated to them by the Central Balance Sheet Office.

The descriptions in the body of the text are based on a breakdown into six or twelve branches, according to requirements. These two breakdowns appear systematically in Annexes 3 to 10.

CLASSIFICATION USED FOR THE ANALYSIS OF THE SOCIAL BALANCE SHEETS AND LIST OF SECTIONS AND DIVISIONS IN THE NACE-BEL NOMENCLATURE OF ACTIVITIES

Heading	Section	Division
Agriculture	A-B	01-05
Industry		
Mining and quarrying	C	10-14
Manufacturing	D	15-37
Energy and water	E	40-41
Construction	F	45
Trade, transport and communication		
Trade and repairs	G	50-52
Hotels and restaurants	H	55
Transport and communication	I	60-64
Financial, real estate and business services		
Financial and insurance services	J	65-67
Real estate and business services ⁽¹⁾	K	70-74
Other services		
Health and social work	N	85
Community, social and personal services	O	90-93

(1) Excluding temporary employment agencies (code NACE-Bel 74.502).

Annex 3

CHANGE IN THE NUMBER OF WORKERS RECORDED BETWEEN 2007 AND 2008 IN FIRMS IN THE REDUCED POPULATION

	Full-time equivalents			Number of persons						
	Average employment		Employment at year end (p.c.)	Average employment						Employment at year end (p.c.)
	(units)	(p.c.)		Full-time		Part-time		Total		
			(units)	(p.c.)	(units)	(p.c.)	(units)	(p.c.)	(p.c.)	
Agriculture	129	2.7	2.4	114	2.8	15	1.4	129	2.5	2.4
Industry	713	0.2	-1.1	-605	-0.2	1,485	3.7	881	0.2	-1.1
Mining and quarrying	-25	-1.0	-2.1	-5	-0.2	-25	-15.8	-29	-1.1	-2.1
Manufacturing	709	0.2	-0.7	-570	-0.2	1,430	3.7	859	0.3	-0.7
Energy and water	29	0.2	-7.6	-30	-0.2	81	4.9	51	0.3	-7.4
Construction	1,720	2.0	0.5	1,492	1.8	142	2.8	1,634	1.8	0.6
Trade, transport and communication	3,895	1.1	0.4	1,446	0.5	3,284	3.0	4,730	1.1	0.5
Trade and repairs	2,712	1.4	1.1	1,860	1.2	647	1.0	2,507	1.2	1.0
Hotels and restaurants	236	1.4	-0.4	-2	0.0	453	3.5	451	1.9	0.0
Transport and communication	947	0.6	-0.3	-412	-0.3	2,184	6.3	1,772	1.0	-0.2
Financial, real estate and business services	7,217	3.3	1.9	5,201	3.0	3,193	4.5	8,395	3.4	2.2
Financial and insurance services	-932	-1.1	-1.7	-709	-1.0	-116	-0.5	-825	-0.9	-1.8
Real estate and business services ⁽¹⁾	8,148	6.1	4.2	5,910	5.6	3,309	7.1	9,220	6.1	4.6
Other services	6,020	2.8	2.9	3,082	2.4	4,425	3.2	7,506	2.8	2.8
Health and social work	5,186	2.8	3.0	2,404	2.3	4,033	3.1	6,437	2.8	2.9
Community, social and personal services	833	2.8	2.4	678	2.8	392	4.3	1,069	3.2	2.5
Total	19,693	1.6	0.7	10,730	1.1	12,544	3.4	23,274	1.7	0.8

Source: NBB (social balance sheets).

(1) Excluding temporary employment agencies.

Annex 4

HOURS WORKED BY WORKERS RECORDED IN THE STAFF REGISTER

	Units, per year (total population)									Percentage change between 2007 and 2008 (reduced population)		
	2001	2002	2003	2004	2005	2006	2007			Per full-time equivalent	Per full-time worker	Per part-time worker
	Per full-time equivalent						Per full-time equivalent	Per full-time worker	Per part-time worker			
Agriculture	1,537	1,545	1,533	1,556	1,525	1,548	1,566	1,546	755	-0.1	0.2	-1.0
Industry	1,517	1,506	1,508	1,532	1,516	1,520	1,521	1,523	976	-0.6	-0.7	1.2
Mining and quarrying	1,479	1,487	1,497	1,490	1,463	1,479	1,501	1,501	994	0.4	0.2	2.2
Manufacturing	1,522	1,510	1,511	1,539	1,520	1,525	1,525	1,528	971	-0.7	-0.8	1.2
Energy and water	1,414	1,426	1,425	1,410	1,445	1,434	1,448	1,444	1,090	1.6	1.6	0.1
Construction	1,438	1,427	1,433	1,464	1,442	1,442	1,445	1,441	912	0.8	0.7	5.3
Trade, transport and communication	1,640	1,626	1,616	1,605	1,578	1,576	1,574	1,573	909	0.0	0.6	-1.7
Trade and repairs	1,628	1,609	1,599	1,609	1,597	1,589	1,589	1,593	951	0.2	0.3	0.7
Hotels and restaurants	1,580	1,589	1,567	1,562	1,561	1,564	1,557	1,531	660	-0.8	0.1	-2.0
Transport and communication	1,666	1,656	1,648	1,608	1,554	1,560	1,556	1,553	1,019	-0.1	0.9	-5.8
Financial, real estate and business services	1,588	1,551	1,541	1,551	1,536	1,540	1,543	1,566	881	0.6	0.4	1.4
Financial and insurance services	1,501	1,428	1,426	1,436	1,422	1,417	1,434	1,475	874	0.3	0.0	1.2
Real estate and business services ⁽¹⁾	1,653	1,645	1,624	1,630	1,608	1,610	1,603	1,616	884	0.4	0.4	1.2
Other services	1,537	1,531	1,538	1,533	1,511	1,496	1,506	1,492	909	0.1	-0.5	1.2
Health and social work	1,530	1,524	1,530	1,525	1,498	1,483	1,491	1,469	912	0.2	-0.4	1.3
Community, social and personal services	1,586	1,582	1,596	1,585	1,593	1,585	1,597	1,590	869	-0.7	-0.9	-0.7
Total	1,562	1,547	1,545	1,552	1,532	1,530	1,532	1,534	910	0.0	0.0	0.4

Source: NBB (social balance sheets).

(1) Excluding temporary employment agencies.

Annex 5

BREAKDOWN OF THE NUMBER OF WORKERS REGISTERED BY EMPLOYMENT CONTRACT AND BY GENDER

(percentages of the total workers recorded in the staff register at the end of the year)

	2001	2002	2003	2004	2005	2006	2007	2007	2008
	(total population)							(reduced population)	
By type of contract									
Permanent contract	93.5	93.8	93.9	93.9	93.8	93.5	93.4	94.0	94.1
Fixed-term contract	4.9	4.9	5.0	5.0	5.2	5.4	5.4	4.9	4.9
Agriculture	7.5	5.2	6.1	6.2	6.4	6.3	10.3	6.3	6.6
Industry	4.2	3.8	3.5	3.8	3.9	4.4	4.7	4.8	4.4
Mining and quarrying	5.6	5.8	6.0	6.1	6.3	8.2	6.9	7.4	6.3
Manufacturing	4.0	3.7	3.4	3.7	3.7	4.2	4.6	4.7	4.3
Energy and water	7.4	6.3	6.4	6.0	6.4	6.6	6.0	6.5	5.4
Construction	2.1	2.7	2.7	2.7	2.9	3.2	3.3	2.4	2.4
Trade, transport and communication	4.7	5.2	5.7	5.5	6.0	5.9	5.8	4.9	5.2
Trade and repairs	5.6	5.6	6.0	5.7	6.1	5.8	5.8	5.5	5.9
Hotels and restaurants	8.9	9.7	11.4	12.6	15.0	15.4	14.7	12.4	13.3
Transport and communication	2.5	3.7	3.7	3.2	3.3	3.3	3.4	3.1	3.3
Financial, real estate and business services ...	4.2	4.1	4.2	4.1	4.4	4.3	4.3	3.5	3.2
Financial and insurance services	4.4	3.5	2.9	3.0	2.9	2.9	2.6	2.4	1.9
Real estate and business services ⁽¹⁾	4.0	4.5	5.1	4.7	5.2	5.0	5.2	4.1	3.9
Other services	8.3	7.6	7.6	7.7	7.5	7.7	7.5	7.4	7.4
Health and social work	8.2	7.5	7.4	7.6	7.4	7.6	7.5	7.6	7.5
Community, social and personal services ...	8.7	8.8	8.6	7.9	8.4	8.4	7.3	6.3	6.9
Substitution contract	1.3	1.1	1.0	0.9	0.8	0.9	0.9	0.9	0.9
Contract for a specific project	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1
By gender									
Men	61.7	61.0	60.7	60.6	60.8	59.1	58.7	59.8	59.5
Women	38.3	39.0	39.3	39.4	39.2	40.9	41.3	40.2	40.5

Source: NBB (social balance sheets).

(1) Excluding temporary employment agencies.

Annex 6

BREAKDOWN OF EMPLOYMENT ACCORDING TO THE STATUS OF WORKERS IN FIRMS FILING FULL-FORMAT ACCOUNTS

(percentages of average FTE employment)

	2001	2002	2003	2004	2005	2006	2007	2007	2008
	(total population)							(reduced population)	
Workers on the staff register	96.6	96.6	96.4	95.8	95.6	93.7	93.5	93.1	93.3
Agency workers	2.7	2.6	2.7	3.1	3.3	3.7	3.9	4.0	3.8
Agriculture	3.6	5.4	5.4	6.7	4.5	7.3	8.2	7.2	7.9
Industry	4.2	4.1	4.3	5.0	5.1	5.8	6.0	6.0	5.4
Mining and quarrying	3.3	3.7	3.1	2.3	2.6	2.8	3.1	3.0	3.3
Manufacturing	4.4	4.3	4.5	5.2	5.3	6.1	6.3	6.3	5.7
Energy and water	0.9	0.9	1.0	1.1	2.1	1.3	1.4	1.2	0.9
Construction	1.3	1.1	1.1	1.2	1.6	2.0	2.2	2.1	1.8
Trade, transport and communication	2.8	2.7	2.9	3.4	3.7	4.2	4.6	4.4	4.6
Trade and repairs	3.5	3.3	3.5	3.9	4.0	4.6	4.8	5.0	4.8
Hotels and restaurants	5.0	4.6	4.0	4.0	4.3	6.0	7.7	6.2	6.9
Transport and communication	1.9	2.0	2.3	2.9	3.4	3.8	4.3	3.8	4.3
Financial, real estate and business services	2.0	1.8	1.7	2.0	2.1	2.6	2.7	2.7	2.5
Financial and insurance services	1.2	0.8	0.7	0.6	0.7	0.8	0.9	0.9	0.8
Real estate and business services ⁽¹⁾	2.8	2.7	2.7	3.2	3.2	3.8	3.9	4.1	3.7
Other services	0.8	0.8	0.8	1.0	0.9	0.9	1.1	1.2	1.2
Health and social work	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.5
Community, social and personal services	5.1	5.1	5.1	5.2	5.3	5.8	6.6	6.7	6.6
Persons seconded to the firm⁽²⁾	0.7	0.8	0.8	1.1	1.1	2.6	2.6	2.9	2.9

Source: NBB (social balance sheets).

(1) Excluding temporary employment agencies.

(2) Workers recorded in a firm's staff register and seconded to another firm which is obliged to file a social balance sheet are counted twice.

Annex 7

STAFF COSTS PER FTE ⁽¹⁾

	Euro, per year (total population)							Percentage change between 2007 and 2008 (reduced population)
	2001	2002	2003	2004	2005	2006	2007	
Agriculture	27,007	28,417	28,750	29,772	29,826	29,908	30,621	3.1
Industry	46,450	48,692	49,684	51,589	52,669	54,559	56,430	2.9
Mining and quarrying	41,812	43,941	45,628	46,147	46,671	47,957	50,575	3.4
Manufacturing	45,271	47,283	48,620	50,285	51,348	53,240	54,998	2.6
Energy and water	74,041	77,576	74,853	77,810	79,151	80,898	82,984	6.3
Construction	34,508	35,604	36,575	37,710	37,875	39,008	39,997	4.6
Trade, transport and communication	38,821	40,493	41,228	42,369	43,539	44,833	46,062	4.0
Trade and repairs	39,823	41,112	41,538	42,415	43,463	44,750	46,251	3.6
Hotels and restaurants	25,141	26,517	27,510	28,230	28,675	29,534	30,083	2.4
Transport and communication	39,748	41,975	43,215	44,919	46,461	47,926	48,953	4.7
Financial, real estate and business services	55,140	56,152	56,883	57,497	58,090	58,926	59,999	4.0
Financial and insurance services	63,909	64,293	65,667	67,277	68,907	70,837	72,804	6.5
Real estate and business services ⁽²⁾	48,629	49,989	50,585	50,808	51,232	52,164	52,992	3.0
Other services	35,215	37,181	38,704	39,351	40,038	40,513	42,440	4.2
Health and social work	35,328	37,204	38,770	39,454	40,059	40,339	42,355	4.3
Community, social and personal services	34,397	37,008	38,209	38,638	39,913	41,671	42,946	3.8
Total	42,736	44,435	45,299	46,489	47,498	48,513	49,945	3.7

Source: NBB (social balance sheets).

(1) Item 1023 / item 1003.

(2) Excluding temporary employment agencies.

Annex 8

STAFF COSTS PER HOUR WORKED⁽¹⁾

	Euro (total population)							Percentage change between 2007 and 2008 (reduced population)
	2001	2002	2003	2004	2005	2006	2007	
Agriculture	17.6	18.4	18.8	19.1	19.6	19.3	19.6	3.3
Industry	30.6	32.3	33.0	33.7	34.7	35.9	37.1	3.5
Mining and quarrying	28.3	29.6	30.5	31.0	31.9	32.4	33.7	3.0
Manufacturing	29.7	31.3	32.2	32.7	33.8	34.9	36.1	3.3
Energy and water	52.4	54.4	52.5	55.2	54.8	56.4	57.3	4.7
Construction	24.0	24.9	25.5	25.8	26.3	27.1	27.7	3.8
Trade, transport and communication	23.7	24.9	25.5	26.4	27.6	28.4	29.3	4.0
Trade and repairs	24.5	25.5	26.0	26.4	27.2	28.2	29.1	3.4
Hotels and restaurants	15.9	16.7	17.6	18.1	18.4	18.9	19.3	3.2
Transport and communication	23.9	25.4	26.2	27.9	29.9	30.7	31.5	4.8
Financial, real estate and business services	34.7	36.2	36.9	37.1	37.8	38.3	38.9	3.5
Financial and insurance services	42.6	45.0	46.1	46.8	48.5	50.0	50.8	6.2
Real estate and business services ⁽²⁾	29.4	30.4	31.1	31.2	31.9	32.4	33.1	2.6
Other services	22.9	24.3	25.2	25.7	26.5	27.1	28.2	4.1
Health and social work	23.1	24.4	25.3	25.9	26.7	27.2	28.4	4.1
Community, social and personal services	21.7	23.4	23.9	24.4	25.1	26.3	26.9	4.5
Total	27.4	28.7	29.3	29.9	31.0	31.7	32.6	3.7

Source: NBB (social balance sheets).

(1) Item 1023 / item 1013.

(2) Excluding temporary employment agencies.

Annex 9

TRAINING IN 2008 IN FIRMS IN THE REDUCED POPULATION ⁽¹⁾

	Number of participants in training activities ⁽²⁾			Hours devoted to training activities				Net training-related costs ⁽³⁾			
	(as p.c. of average employment)			(as p.c. of hours worked)				(as p.c. of staff costs)			
	Formal ⁽⁴⁾	Informal ⁽⁵⁾	Initial ⁽⁶⁾	Formal ⁽⁴⁾	Informal ⁽⁵⁾	Initial ⁽⁶⁾	Total	Formal ⁽⁴⁾	Informal ⁽⁵⁾	Initial ⁽⁶⁾	Total
Agriculture	4.0	4.8	0.7	0.0	0.1	0.3	0.5	0.07	0.17	0.11	0.35
Industry	42.5	21.2	0.9	0.9	0.6	0.1	1.6	1.37	0.62	0.04	2.04
Mining and quarrying	29.9	18.3	1.6	0.4	0.6	0.3	1.3	0.60	0.58	0.14	1.32
Manufacturing	40.7	21.5	0.9	0.8	0.6	0.1	1.5	1.15	0.65	0.05	1.84
Energy and water	75.1	15.3	0.3	2.7	0.3	0.0	3.0	3.96	0.32	0.01	4.29
Construction	19.9	7.0	2.0	0.3	0.2	0.4	0.9	0.43	0.17	0.11	0.71
Trade, transport and communication	33.5	20.3	1.5	0.9	0.2	0.2	1.3	1.43	0.19	0.09	1.70
Trade and repairs	22.6	15.0	1.2	0.4	0.2	0.3	0.9	0.65	0.22	0.06	0.93
Hotels and restaurants	13.2	2.0	1.8	0.2	0.1	0.3	0.6	0.35	0.10	0.11	0.55
Transport and communication	50.3	29.7	1.9	1.6	0.2	0.1	1.9	2.42	0.15	0.11	2.68
Financial, real estate and business services	37.4	23.0	0.5	0.9	0.5	0.1	1.5	1.53	0.56	0.03	2.12
Financial and insurance services	55.8	34.6	0.1	1.4	0.9	0.0	2.3	2.31	0.84	0.01	3.15
Real estate and business services ⁽⁷⁾	26.9	16.3	0.7	0.6	0.3	0.1	1.1	0.87	0.33	0.06	1.26
Other services	42.6	24.6	1.1	0.7	0.4	0.2	1.2	0.69	0.33	0.07	1.09
Health and social work	45.1	26.3	1.0	0.7	0.4	0.1	1.2	0.70	0.36	0.07	1.13
Community, social and personal services	25.7	12.8	2.0	0.4	0.3	0.3	1.0	0.62	0.19	0.06	0.87
Total	37.3	20.9	1.1	0.8	0.4	0.2	1.4	1.27	0.42	0.06	1.75

Source: NBB (social balance sheets).

(1) The items concerning initial training are mentioned separately, even though for some firms it is actually found that the information given here also concerns formal or informal training.

(2) Owing to double counting linked to the fact that the same person may have followed more than one type of training, no total is calculated here.

(3) Gross costs, added to which are contributions paid and payments made to collective funds and subtracted from which are subsidies and other financial advantages received.

(4) Courses and practical classes designed by training staff who are responsible for their organisation and content, intended for a group of trainees, in premises outside the workplace.

(5) Other apprenticeship activities, of which organisation and content are largely determined by the trainee according to his or her own needs, in direct relation to the work or workplace. These activities also involve participation in conferences or trade fairs as part of the learning process.

(6) Training of a minimum duration of six months given to employees in the framework of systems alternating between in-firm work and training, with a view to acquiring a diploma.

(7) Excluding temporary employment agencies.

Annex 10

TRAINING ACTIVITIES IN 2008 IN FIRMS FROM THE REDUCED POPULATION OFFERING TRAINING ⁽¹⁾

	Hours spent on training activities (average per participant, in hours)			Net training-related costs ⁽²⁾ (average per participant, in euro)		
	Formal ⁽³⁾	Informal ⁽⁴⁾	Initial ⁽⁵⁾	Formal ⁽³⁾	Informal ⁽⁴⁾	Initial ⁽⁵⁾
Agriculture	18	34	608	29.6	31.9	8.1
Industry	30	41	163	61.9	41.2	17.1
Mining and quarrying	21	45	284	49.5	37.4	16.6
Manufacturing	28	42	163	56.1	40.5	16.9
Energy and water	51	27	58	92.1	69.8	41.9
Construction	24	33	319	38.7	32.4	7.3
Trade, transport and communication	38	14	196	50.2	30.0	12.9
Trade and repairs	25	19	334	49.5	34.3	6.8
Hotels and restaurants	19	51	185	31.5	21.6	7.2
Transport and communication	45	10	82	50.8	25.0	35.3
Financial, real estate and business services	33	32	151	70.1	42.9	24.9
Financial and insurance services	33	35	186	89.7	49.5	22.3
Real estate and business services ⁽⁶⁾	33	30	149	47.0	33.6	25.1
Other services	19	18	164	30.3	27.2	13.0
Health and social work	19	17	158	29.2	27.8	15.1
Community, social and personal services	24	29	187	40.9	22.0	6.6
Total	30	26	194	54.5	37.5	13.3

Source: NBB (social balance sheets).

- (1) The items concerning initial training are mentioned separately, even though for some firms it is actually found that the information given here also concerns formal or informal training.
- (2) Gross costs, added to which are contributions paid and payments made to collective funds and subtracted from which are subsidies and other financial advantages received.
- (3) Courses and practical classes designed by training staff who are responsible for their organisation and content, intended for a group of trainees, in premises outside the workplace.
- (4) Other apprenticeship activities, of which organisation and content are largely determined by the trainee according to his or her own needs, in direct relation to the work or workplace. These activities also involve participation in conferences or trade fairs as part of the learning process.
- (5) Training of a minimum duration of six months given to employees in the framework of systems alternating between in-firm work and training, with a view to acquiring a diploma.
- (6) Excluding temporary employment agencies.

Annex 11

TYPE AND STRUCTURE OF EMPLOYMENT CONTRACTS, ACCORDING TO REGIONS

(total population)

	2001	2002	2003	2004	2005	2006	2007
Part-time employment							
(percentages of employment as at 31 December)							
Single-region firms	22.1	23.5	24.4	25.0	25.4	26.7	27.2
Brussels	21.3	22.9	23.1	23.9	25.0	24.0	24.9
Flanders	21.7	23.3	24.5	25.3	25.6	27.3	27.6
Wallonia	23.4	24.3	24.7	24.9	25.1	26.6	27.3
Multi-region firms	21.7	23.0	25.4	26.3	28.2	29.7	29.9
Total	21.9	23.3	24.6	25.4	26.1	27.5	27.9
Temporary work⁽¹⁾							
(percentages of employment as at 31 December)							
Single-region firms	6.4	6.2	6.2	6.2	6.4	6.8	6.9
Brussels	6.3	6.6	7.4	7.5	7.2	6.9	8.6
Flanders	5.4	4.9	4.9	4.8	5.1	5.7	5.5
Wallonia	9.1	9.5	9.1	9.0	9.1	9.7	9.7
Multi-region firms	6.6	6.4	5.9	5.7	5.7	5.7	5.5
Total	6.5	6.2	6.1	6.1	6.2	6.5	6.6
Agency work in firms							
filing full-format accounts							
(percentages of average FTE employment)							
Single-region firms	3.2	3.1	3.1	3.6	3.8	4.4	4.7
Brussels	2.3	2.4	2.3	2.5	2.6	2.6	3.2
Flanders	3.2	3.2	3.2	3.8	4.1	4.8	4.9
Wallonia	3.7	3.4	3.3	3.6	3.8	4.4	4.6
Multi-region firms	1.9	1.7	2.0	2.2	2.3	2.4	2.7
Total	2.7	2.6	2.7	3.1	3.3	3.7	3.9

Source: NBB (social balance sheets).

(1) Fixed-term contracts, substitution contracts or contracts concluded for a specific project.

Annex 12

HOURS WORKED AND LABOUR COSTS, ACCORDING TO REGIONS

(total population)

	2001	2002	2003	2004	2005	2006	2007
Hours worked per FTE (units, per year)							
Single-region firms	1,567	1,557	1,552	1,566	1,549	1,547	1,549
Brussels	1,625	1,604	1,586	1,598	1,579	1,578	1,596
Flanders	1,561	1,554	1,554	1,573	1,553	1,553	1,551
Wallonia	1,554	1,539	1,530	1,533	1,525	1,520	1,522
Multi-region firms	1,547	1,522	1,528	1,513	1,485	1,483	1,485
Total	1,562	1,547	1,545	1,552	1,532	1,530	1,532
Staff costs per FTE (euro, per year)							
Single-region firms	40,420	41,958	42,743	44,033	45,015	45,791	47,420
Brussels	48,844	51,133	50,864	52,509	53,420	53,647	55,984
Flanders	40,124	41,670	42,770	43,951	45,022	45,906	47,627
Wallonia	36,704	37,809	38,675	40,188	41,158	42,102	43,247
Multi-region firms	48,714	50,757	51,790	53,560	54,432	56,029	57,144
Total	42,736	44,435	45,299	46,489	47,498	48,513	49,945
Staff costs per hour worked (euro)							
Single-region firms	25.8	27.0	27.5	28.1	29.1	29.6	30.6
Brussels	30.1	31.9	32.1	32.9	33.8	34.0	35.1
Flanders	25.7	26.8	27.5	27.9	29.0	29.6	30.7
Wallonia	23.6	24.6	25.3	26.2	27.0	27.7	28.4
Multi-region firms	31.5	33.3	33.9	35.4	36.7	37.8	38.5
Total	27.4	28.7	29.3	29.9	31.0	31.7	32.6

Source: NBB (social balance sheets).

Annex 13

FORMAL TRAINING IN FIRMS, BROKEN DOWN BY REGION⁽¹⁾

(total population)

	2001	2002	2003	2004	2005	2006	2007
Training participants (percentages of average employment)							
Single-region firms	25.6	27.0	26.5	27.1	27.4	27.1	27.2
Brussels	28.4	29.4	27.2	28.3	27.0	26.7	27.0
Flanders	27.4	29.1	29.0	29.2	29.5	28.8	29.4
Wallonia	19.2	19.8	19.7	21.0	22.1	22.8	22.1
Multi-region firms	61.1	55.6	56.8	61.7	61.0	61.8	61.9
Total	35.4	34.9	35.0	35.9	36.2	36.2	36.1
Hours of training (percentages of hours worked)							
Single-region firms	0.58	0.53	0.56	0.53	0.54	0.54	0.54
Brussels	0.60	0.59	0.59	0.49	0.54	0.56	0.51
Flanders	0.63	0.57	0.62	0.59	0.58	0.58	0.58
Wallonia	0.42	0.38	0.38	0.39	0.45	0.44	0.42
Multi-region firms	1.51	1.46	1.31	1.32	1.30	1.43	1.60
Total	0.84	0.78	0.77	0.73	0.74	0.77	0.80
Training related costs (percentages of staff costs)							
Single-region firms	0.82	0.76	0.76	0.73	0.73	0.71	0.70
Brussels	0.86	0.83	0.72	0.63	0.70	0.69	0.68
Flanders	0.90	0.82	0.85	0.82	0.77	0.75	0.75
Wallonia	0.58	0.52	0.48	0.56	0.61	0.62	0.60
Multi-region firms	2.47	2.31	2.09	2.07	2.07	2.28	2.42
Total	1.35	1.26	1.19	1.13	1.13	1.19	1.21
Training firms (percentages of total firms)							
Single-region firms	6.5	6.6	6.5	6.4	6.2	6.4	6.5
Brussels	6.7	7.1	6.7	6.9	6.8	7.1	7.1
Flanders	7.2	7.3	7.2	7.1	6.9	7.0	7.1
Wallonia	4.5	4.7	4.5	4.5	4.4	4.7	4.9
Multi-region firms	46.3	47.6	43.4	44.1	45.1	43.7	41.9
Total	7.1	7.2	7.1	6.9	6.8	7.0	7.0

Source: NBB (social balance sheets).

(1) The data shown in this table cannot be compared with those in Annex 9, which include information gathered on the basis of the new social balance sheet form applicable to the years ended as of 1 December 2008.

Annex 14

SOCIAL BALANCE SHEET

Numbers of joint committees applicable to the firm:

STATEMENT OF PERSONS EMPLOYED

WORKERS RECORDED IN THE STAFF REGISTER

This year and last year

	Codes	1. Full-time <i>(this year)</i>	2. Part-time <i>(this year)</i>	3. Total (T) or total in full-time equivalents (FTEs) <i>(this year)</i>	3P. Total (T) or total in full-time equivalents (FTEs) <i>(last year)</i>
Average number of workers	100	.....	.....	.....(FTEs)	.....(FTEs)
Actual number of hours worked	101	.....	.....	.....(T)	.....(T)
Staff costs	102	.....	.....	.....(T)	.....(T)
Value of benefits additional to wages	103	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	.....(T)	.....(T)

On the balance sheet date

Number of workers recorded in the staff register

By type of employment contract

Permanent contract	110	.....	.....	.....
Fixed-term contract	111	.....	.....	.....
Contract for a specific project	112	.....	.....	.....
Substitution contract	113	.....	.....	.....

By gender and standard of education

Men:	120	.....	.....	.....
elementary	1200	.....	.....	.....
secondary	1201	.....	.....	.....
higher non university	1202	.....	.....	.....
university	1203	.....	.....	.....
Women:	121	.....	.....	.....
elementary	1210	.....	.....	.....
secondary	1211	.....	.....	.....
higher non university	1212	.....	.....	.....
university	1213	.....	.....	.....

By occupational category

Managerial and supervisory staff	130	.....	.....	.....
Clerical workers	134	.....	.....	.....
Manual workers.....	132	.....	.....	.....
Other	133	.....	.....	.....

Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
105

AGENCY STAFF AND PERSONS SECONDED TO THE FIRM

During the year

	Codes	1. Agency staff	2. Persons seconded to the firm
Average number of persons employed	150	.....	.....
Actual number of hours worked	151	.....	.....
Costs to the firm	152	.....	.....

TABLE OF STAFF MOVEMENTS DURING THE YEAR

RECRUITMENT

	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of workers entered in the staff register during the year	205	.....	.....	.....
By type of employment contract				
Permanent contract	210	.....	.....	.....
Fixed-term contract	211	.....	.....	.....
Contract for a specific project	212	.....	.....	.....
Substitution contract	213	.....	.....	.....

DEPARTURES

	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of workers whose contract expiry date was recorded in the staff register during the year	305	.....	.....	.....
By type of employment contract				
Permanent contract	310	.....	.....	.....
Fixed-term contract	311	.....	.....	.....
Contract for a specific project	312	.....	.....	.....
Substitution contract	313	.....	.....	.....
By reason for contract termination				
Retirement	340	.....	.....	.....
Early retirement	341	.....	.....	.....
Redundancy	342	.....	.....	.....
Other reason	343	.....	.....	.....
Of which: number of persons continuing to work for the firm at least half time as self-employed workers	350	.....	.....	.....

INFORMATION ON TRAINING FOR WORKERS DURING THE YEAR

Formal further vocational training at the employer's expense

Number of workers concerned
 Number of hours of training completed.....
 Net cost to the firm
 of which gross cost directly relating to training
 of which contributions and payments to communal funds
 of which subsidies and other financial benefits received (to be deducted)

Semi-formal or informal further vocational training at the employer's expense

Number of workers concerned
 Number of hours of training completed.....
 Net cost to the firm

Basic vocational training at the employer's expense

Number of workers concerned
 Number of hours of training completed.....
 Net cost to the firm

Codes	Men	Codes	Women
5801	5811	.....
5802	5812	.....
5803	5813	.....
58031	58131	.....
58032	58132	.....
58033	58133	.....
5821	5831	.....
5822	5832	.....
5823	5833	.....
5841	5851	.....
5842	5852	.....
5843	5853	.....