

Modifications regarding termination notices and trial periods One single employment status for both blue and white collars

As you may have heard, in Belgium, on 26 December 2013, a new law was passed on the introduction of a single employment status for both blue and white collar employees. This law primarily addresses:

- Advance notice periods in case of termination or resignation
- The abolishment of trial periods
- The abolishment of the day without pay for the first sick leave day for blue collar employees

The standardization of the systems stops right there. Nothing changes in regard to the rules for the guaranteed salary in case of sick leave (30 days for white collars and 14 days for the blue collars) or for the payment and the computation of holiday pay.

Please note that management had already abolished the system of the unpaid first sick leave day for its blue collars in 2004.

TERMINATION NOTICES :

Effective 1 January 2014, there are no more differences between notice periods for blue collars and white collars:

1. *Dismissals* : here are the new notice periods :

Length of service	Period	Length of service	Period	Length of service	Period
0 - <3 months	2 weeks	6 - <7 years	21 weeks	18 - <19 years	57 weeks
3 - <6 months	4 weeks	7 - <8 years	24 weeks	19 - <20 years	60 weeks
6 - <9 months	6 weeks	8 - <9 years	27 weeks	20 - <21 years	62 weeks
9 - <12 months	7 weeks	9 - <10 years	30 weeks	21 - <22 years	63 weeks
12 - <15 months	8 weeks	10 - <11 years	33 weeks	22 - <23 years	64 weeks
15 - <18 months	9 weeks	11 - <12 years	36 weeks	23 - <24 years	65 weeks
18 - <21 months	10 weeks	12 - <13 years	39 weeks	24 - <25 years	66 weeks
21 - <24 months	11 weeks	13 - <14 years	42 weeks	25 - <26 years	67 weeks
2 - <3 years	12 weeks	14 - <15 years	45 weeks	26 - <27 years	68 weeks
3 - <4 years	13 weeks	15 - <16 years	48 weeks	27 - <28 years	69 weeks
4 - <5 years	15 weeks	16 - <17 years	51 weeks	28 - <29 years	70 weeks
5 - <6 years	18 weeks	17 - <18 years	54 weeks	29 - <30 years	71 weeks

2. *Resignations* :

Length of service	Period
0 - <3 months	1 week
3 - <6 months	2 weeks
6 - <12 months	3 weeks
12 - <18 months	4 weeks
18 - <24 months	5 weeks
2 - <4 years	6 weeks
4 - <5 years	7 weeks
5 - <6 years	9 weeks
6 - <7 years	10 weeks
7 - <8 years	12 weeks
8 years and +	13 weeks

3. **Validity** : for all employees, the termination notice period will take effect on the **Monday** following the week during which the termination was notified.

4. *Calculation of notice periods and severance pay for employees who began to work BEFORE 1 January 2014*

The computation of the notice period or the severance pay is done in two steps. The results obtained are added up. The aim of this calculation system is to safeguard the termination notice periods acquired by the employee prior to 1 January 2014.

a. **First step** : calculation of the **length of service** acquired on **31 December 2013**.

The termination notice period is calculated according to the **former system**, i.e. in accordance with the rules applicable to the employee on 31 December 2013 and with his/her status (blue or white collar).

➤ **Blue collars :**

BLUE COLLARS		
	Dismissal	<i>Resignations</i>
Length of service	Contract signed before 1 Jan 2012	Contract signed between 1 Jan 12 et 31 Dec 13
< 6 months	7 days (min) <i>(14 days)</i>	28 days <i>(14 days)</i>
>= 6 months - < 5 years	35 days <i>(14 days)</i>	40 days <i>(14 days)</i>
>= 5 years - < 10 years	42 days <i>(14 days)</i>	48 days <i>(14 days)</i>
>= 10 years - < 15 years	56 days <i>(14 days)</i>	64 days <i>(14 days)</i>
>= 15 years - < 20 years	84 days <i>(14 days)</i>	97 days <i>(14 days)</i>
>= 20 years	112 days <i>(28 days)</i>	129 days <i>(28 days)</i>

➤ **White collar employees:**

- ✓ For white collar employees on 31 December 13, whose annual remuneration does not exceed 32.254 Euros, the notice period is equal to
 - **3 months per each started five-year period** of service when the notice is given by the employer.
 - **1.5 month for each started five–year of service**, with a maximum of 3 months when the notice is given by the employee (resignation)
- ✓ For white collar employees whose annual remuneration exceeds 32.254 Euros on 31 December 2013, the notice period given by the employer is:
 - one month per each started year of service with a minimum of 3 months.**

b. **Second step: calculation of the length of service acquired as of 1 January 2104.**

We take into consideration the length of service as of 1 January 2014 and the notice is calculated in accordance with the **new provisions**.

- c. The results of these two calculations are added up and represent the notice period or severance pay to grant to the employee.
- d. The above provisions also apply to the notice period given by the **employee who resigns**. This calculation also takes place in two steps with the exception that the result of the second calculation based on the new rules cannot be taken into account when the caps (= 3 months ≤32.254€, 4.5 months >32.254€ and 6 months >64.508€) have already been reached on 31 December 2013. If caps are not reached, the addition of the second period will not exceed 13 weeks.

e. **Examples :**

Example 1 : WHITE COLLAR EMPLOYEE – REMUNERATION UNDER 32.254 Euros :

Start of employment : 1 July 2010

Dismissed on : 1 September 2016

calculation of notice:

1. on 31 Dec 2013 : less than 5 years of service => termination notice= 3 months
2. From 1 January 14 to 1 September 2016: 2-<3 years of length of service = termination notice=12 weeks (new system)

Total 1 + 2 = 3 months + 12 weeks.

Example 2 : EMPLOYEE – REMUNERATION EXCEEDING 32.254 Euros :

Start of employment : 1 September 83

End of contract : 1 September 2017

Calculation of notice:

1. On 31 Dec 2013 : 30 years and 4 months of service => termination notice= 31 months
2. From 1 January 2014 to 1 Sep 2017 : between 3 and 4 years of length of service => 13 weeks

Total 1 + 2 : 31 months and 13 weeks.

Example 3: BLUE COLLAR EMPLOYEE

Start of employment : 1 January 2010

end of contract : 1 September 2017

Calculation of notice:

1. On 31 Dec 2013 : 4 years of service= < 5 years => 35 days of notice
2. From 1 January 2014 to 1 Sep 2017 : between 3 and 4 years of length of service => 13 weeks of notice under the new system.

Total 1 + 2 = 35 days +13 weeks.

NOTE : An additional severance pay is granted by the unemployment office to blue collar employees who have at least 20 years of service on 1 January 2014.

5. Notice at retirement age (65 years old)

Before : For white collar employees, the notice period to be given by the employer was maximum 6 months, and 3 months in case of resignation.

Now : For ALL employees : normal notice period with a MAXIMUM of 26 weeks.

Trial periods are abolished. The new rules provide relatively short termination notice periods during the first year of employment. Because of the short duration of these periods, the trial period did not serve any meaningful purpose. Only contracts for students and contract for interim employees still have a trial period.