

## Poverty Watch Belgium

September 2022

### 1. Who we are

The Belgian Anti-Poverty Network (BAPN)<sup>1</sup> is the national network that represents the four regional anti-poverty networks at the federal and European level<sup>2</sup>. The participation of people experiencing poverty is the core stone of our work. Together with them and starting from their experiences, stories, analyses and recommendations, we advocate for the development and implementation of national and European policies that lead to the eradication of poverty and social inequalities in Belgium.

The causes of poverty and social inequalities are to be found in societal and institutional mechanisms that structurally discriminate and/or exclude people based on their level of income and/or social status. Taking into account that the level of poverty is the result of political and societal choices, policymakers bear major responsibility to take the necessary structural measures to tackle the root causes of poverty and social exclusion. People experiencing poverty put this year forward two key priorities that need to be addressed urgently:

- Raise minimum income schemes above the European poverty threshold as soon as possible
- Make energy and housing costs affordable for people in poverty and the lower middle class, in both the short and long term

### 2. What do we mean by poverty?

Poverty is much more complex than just the absence of financial resources. It is a process of exclusion in many areas of life (health, housing, education, nutrition, energy, ...). It is an accumulation of problems that are all interconnected. It is a web of exclusion that creates a gap between the general society and the person living in poverty. After a certain amount of time, it becomes extremely difficult for the person living in poverty to bridge this gap on its own.<sup>3</sup>

*"As a child, I already knew that I was different from my classmates. I wore different clothes and could not go to birthday parties because there was simply no money to buy a present. When school organised*

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<sup>1</sup> [www.bapn.be](http://www.bapn.be)

<sup>2</sup> The four regional anti-poverty networks are: Vlaams Netwerk tegen Armoede, Réseau wallon de lutte contre la pauvreté (RWLP), Brussels Platform Armoede and Le Forum Bruxelles contre les Inégalités.

<sup>3</sup> Vranken, J. (2008) Is armoede van alle (leef)tijden? In: CAMPAERT, G., DE BOYSER, K., DEWILDE, C., DIERCKX, D. en VRANKEN, J. (red), *Armoede en sociale uitsluiting Jaarboek 2008* p. 32. Leuven, Uitgeverij Acco

*an excursion, I often stayed at home. As a young girl, it seemed like life was all about the constant struggle to make ends meet. The social skills that you learn from interacting with middle-class people were not available to me at the time.” (Testimony from a person with direct experience of poverty)*

Poverty does not only manifest itself on the ‘outside’, for instance through low income, poor housing or unequal opportunities in the education system or on the labour market. It also has a major impact on a person’s well-being. For instance, many people living in poverty lack self-confidence and experience feelings of depression and loneliness. Many are ashamed of their situation, they feel stigmatised and some even completely disconnect from the society that has abandoned and rejected them.

### 3. How is poverty measured?

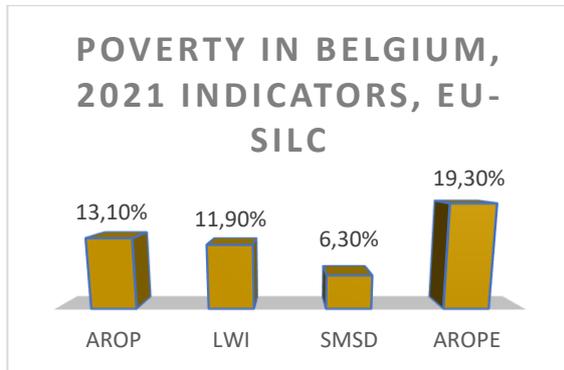
The most common indicators used to measure poverty and social exclusion in Belgium are the three indicators that make up together the AROPE indicator, which is the European indicator used to measure progress towards the European2030 anti-poverty target<sup>4</sup>:

- **At risk of poverty (AROP)**  
The AROP indicator (also called monetary poverty rate) refers to the percentage of people with an income less than 60% of the median income.
- **Severe material deprivation (SMD)**  
A person is considered as severely materially deprived when s/he cannot afford at least 4 of a list of 9 items considered to be necessary or desirable, namely: to pay rent or utility bills, to keep home adequately warm, to face unexpected expenses, to eat meat, fish or a protein equivalent every second day, to take a week’s holiday away from home, run a car, a washing machine, a colour TV, or a telephone.
- **Low work intensity (LWI)**  
The work intensity of a household is the ratio of the total number of months that all working-age (18-59 years) household members have worked during the income reference year and the total number of months the same household members theoretically could have worked in the same period.
- **At risk of poverty or social exclusion (AROPE)**  
People are considered to be At Risk of Poverty or Exclusion if they are at risk of relative monetary poverty (AROP indicator) and/or severely materially deprived (SMD indicator) and/or living in households with very low work intensity. People are counted only once even if they fall under all of the three situations.

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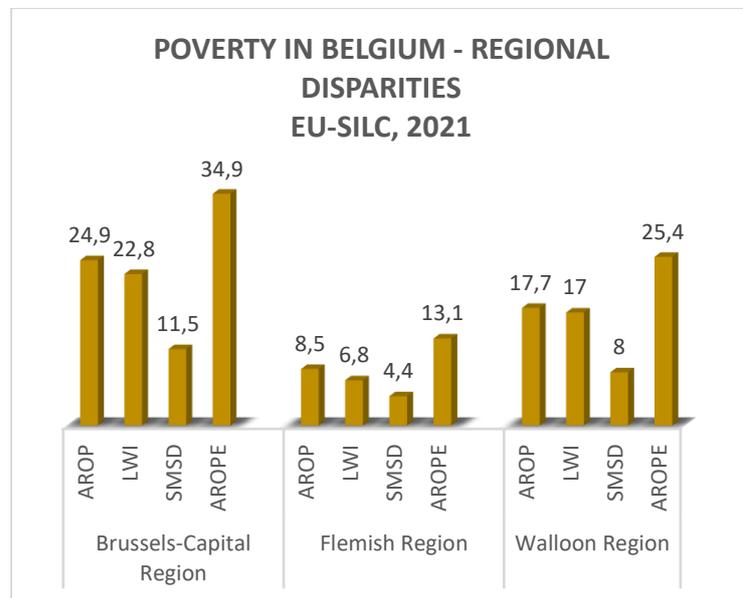
<sup>4</sup> The European anti-poverty target comprises that by 2030 15 million people in the European Union (EU) should be lifted out of poverty. Belgium has committed to contribute to this European goal by lifting 279.000 people out of poverty by 2030.

## 4. Poverty in Belgium



In 2021, 13.1% of the Belgian population had to live with an income below the European poverty threshold. 11.9 % of the population lived in a household with low work intensity, 6.3% suffered severe material deprivation. In total, almost one in five inhabitants of Belgium are confronted with a risk of poverty or social exclusion. This represents almost 2 million people. But there are strong regional disparities.

Poverty levels are the highest in the Brussels-Capital Region. More than one in three inhabitants of this region are at risk of poverty or social exclusion. One in four inhabitants have an income below the European poverty threshold.<sup>5</sup> Also in the Walloon region, poverty rates are very high, with more than 25% of the population at risk of poverty or social exclusion. The Flemish region scores better on the European poverty indicators. However, still 13.1% population is at risk of poverty or social exclusion.



Some groups are disproportionately more affected by poverty than others. People with low education level (24.8%), unemployed people (37.7%), members of one-parent families (25.4%), and tenants (27%) face higher risks of monetary poverty in Belgium. The risk of monetary poverty for people born outside Belgium (29.6%) is three times as high as for those born in Belgium (10.4%). More than one in three people born outside of the EU-27 live in monetary poverty (36.8%).<sup>6</sup> In 2021 women are still more confronted by poverty than men. The difference seems to be small: 13.5% monetary poverty for women versus 12.8 % for men. However, these figures only reflect the differences between single men and women. The EU-SILC survey presumes that people living in a joint household face the same poverty risks. The Belgian gender inequality analysis (BGIA-project) reworked the data from the EU-SILC survey with the aim of individualising incomes in order to better capture the differences between women and men in couples. The latest available statistics from 2017 show that 70% of people experiencing

<sup>5</sup> The survey sample in the Brussels Capital Region is very small. These figures should be interpreted with caution

<sup>6</sup> Source: Statbel

individual poverty were women. Within households, this situation of individual poverty leads to situations of strong financial dependence for women.<sup>7</sup>

## 5. How has poverty evolved in Belgium?

### Evolution of the AROP indicator in Belgium

EU-SILC 2012 Income 2011	EU-SILC 2013 Income 2012	EU-SILC 2014 Income 2013	EU-SILC 2015 Income 2014	EU-SILC 2016 Income 2015	EU-SILC 2017 Income 2016	EU-SILC 2018 Income 2017	EU-SILC <sup>8</sup> 2019 Income 2018	EU-SILC 2020 Income 2019	EU-SILC 2021 Income 2020
15,3%	15,1%	15,5%	14,9%	15,5%	15,9%	16,4%	14,8%	14,1%	13,1%

According to the AROP indicator, poverty slightly decreased in 2021. Statbel explains these statistics by referring to the poverty threshold. In the past, the median income in Belgium tended to evolve upwards, pushing each year the poverty threshold higher. In 2020, a year in the middle of the corona pandemic, the poverty threshold remained stable, as a result of which poverty did not increase, even slightly decreased.

A second reason why poverty rates did not increase dramatically in the aftermath of the pandemic is that the Belgian social security system worked well during the crisis to protect people from falling into poverty. Additionally, the gaps in the social security system were partly covered by social measures taken by the Belgian government. This shows that policy decisions can have a strong social impact. However, it remains to be seen what the long term effects of the covid-crisis on poverty will be.

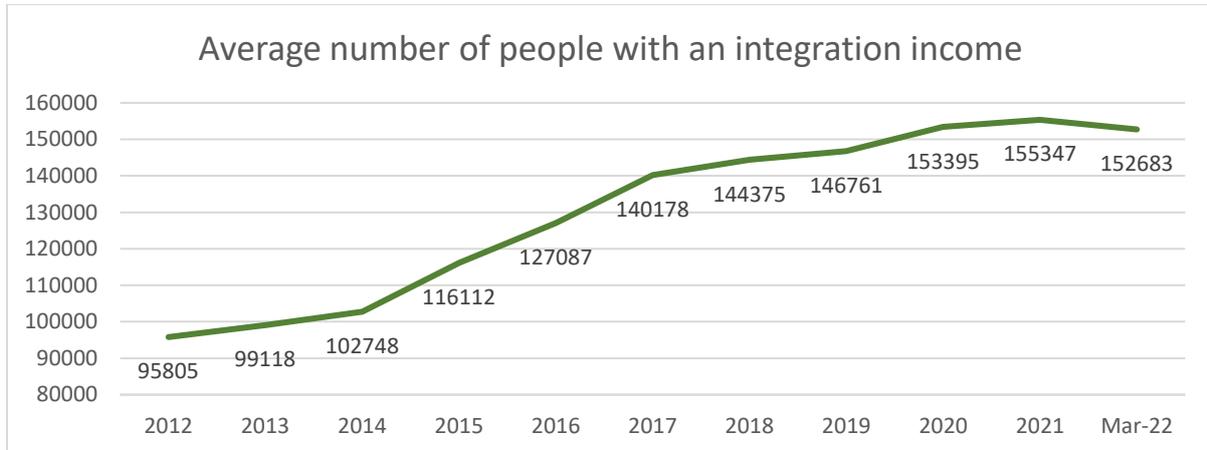
Since 2019 EU-SILC also made important methodologic changes, making the comparison with former years difficult.

Finally, AROP is also a relative poverty indicator and reflects the unequal distribution of income in a society. The percentage of people with an income below 60% of the median income says little about what a person can afford with this reference income. In other words, AROP does not take into account evolutions in people's current purchasing power. As a result of rising living costs for basic goods and services due to the different recent crises, the purchasing power, in particular for people experiencing poverty, is decreasing. In addition, other figures show that social needs are certainly not decreasing in Belgium.

<sup>7</sup> [https://statbel.fgov.be/sites/default/files/files/documents/Analyse/NL/7\\_NL\\_ongelijkheid\\_web\\_v3.pdf](https://statbel.fgov.be/sites/default/files/files/documents/Analyse/NL/7_NL_ongelijkheid_web_v3.pdf)

<sup>8</sup> Results from 2019 onwards are not comparable with the results from previous years because of important methodological changes. In 2020, the measures taken in the framework of the COVID pandemic had an impact on the data collection for SILC 2020.

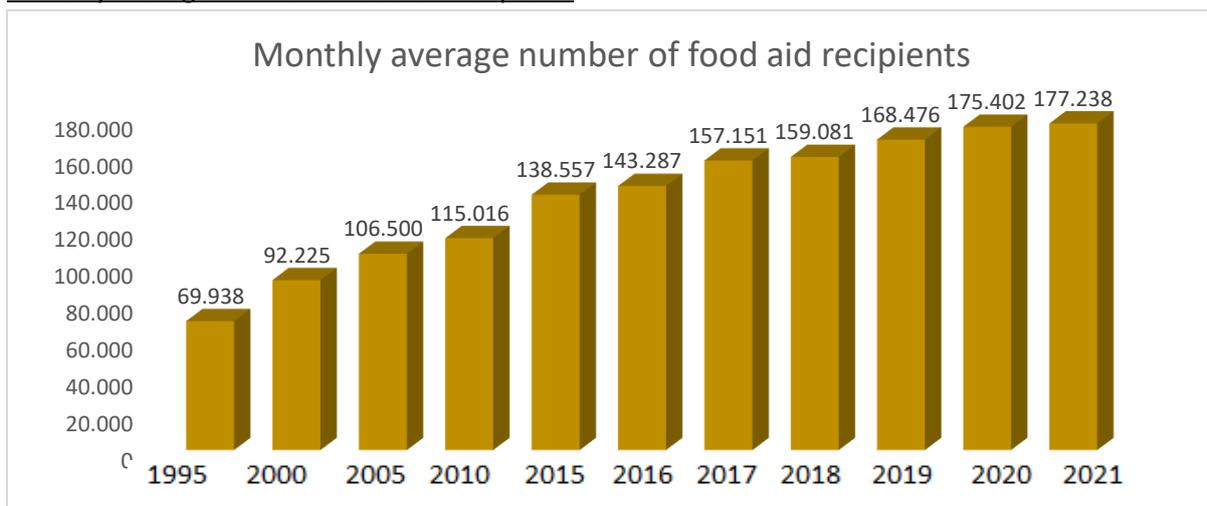
Average number of people with an integration income



The Federal public planning service for social integration, 2022  
[https://stat.mi-is.be/nl/dashboard/leefloon\\_klassieken?menu=linecharts](https://stat.mi-is.be/nl/dashboard/leefloon_klassieken?menu=linecharts)

The integration income (leefloon or revenu d'intégration sociale) is the very last social safety net in Belgium. If a person is not entitled to any other income and doesn't dispose of sufficient financial means, he or she can apply for the integration income at his or hers local authority. We see that the number of people living on this social benefit is increasing on a yearly basis. In 2012, there were every month 9.5805 people on average benefitting from the integration income. Ten years later, in the middle of the COVID crisis, this number has peaked. In the month of February 2021, there were 160.153 people receiving an integration income. Numbers declined slightly in the following months. The last numbers available date from March 2022. In this month 15.2683 people received the integration income. It remains to be seen how these figures will evolve given the current inflation and energy crises.

Monthly average number of food aid recipients



Source: Belgische federatie voedselbanken, jaarrapport 2021

Furthermore, when we look at the number of people who are obliged to turn to a food bank, we see an increase year after year. In 1995, the monthly average of people receiving food aid was 69.938. In 2021, this number had climbed up to 177.238.

### 5.1. Increasing living costs: major impact on people in poverty and the lower middle class

The aftermath of the corona crisis and the disruptions to global supply chains caused by the pandemic pushed inflation upwards in Belgium, as in many European countries. The war in Ukraine and supply cuts of Russian gas to Europe further reinforced this trend. According to official figures, inflation rose to 9.65% in June 2022.<sup>9</sup> This means that, on average, households in Belgium are paying almost 10% more for a range of goods and services than a year before. This increased inflation is mainly due to rising prices for basic goods and services, such as housing, energy, food, non-alcoholic beverages, and transport.

The impact of inflation is not the same for all households. Low-income households are disproportionately affected. According to a 2018 household budget survey by Statbel, this is mainly the consequence of higher costs for energy and housing.<sup>10</sup>

Energy poverty was already a major problem in Belgium before the corona pandemic. According to research, 1 in 5 Belgians had difficulties paying their energy bills in 2019.<sup>11</sup> The current energy crisis, caused by the pandemic, rising inflation, and the war in Ukraine, has exacerbated the situation for people experiencing poverty and the lower middle class.

*"Even though I can use the social tariff, I cut my costs by taking fewer showers and not heating my house above 16 degrees during the winter. If my energy bill goes up even more, I will have even less to live on. Eventually, I will have to get food parcels to be able to eat and that is the situation for more and more people I know." Testimony of a person in poverty (collected by the organisation SAAMO)*

It is positive that since 2021 the social tariff for energy has been extended to 1 million vulnerable households (or 2 million people in total). People in poverty receive a significant discount on their energy bill through the social tariff. According to the signals we are receiving from the field, this measure is crucial to protect people in poverty to fall into a debt spiral. It prevents people in poverty from going under completely.

Yet, there are a number of important shortcomings:

- The social tariff does not sufficiently protect people from meeting their basic needs. Moreover, the social tariff is linked to market prices, which means that it is currently also going up. Even though the increase is not as high as on the market, it puts even more pressure on the household budget of people experiencing poverty.

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<sup>9</sup> Source: Statbel

<sup>10</sup> <https://www.knack.be/opinie/inflatie-treft-armere-gezinnen-harder-beleid-moet-daar-extra-aandacht-voor-hebben/>

<sup>11</sup> Fondation Roi Baudouin, <https://www.kbs-frb.be/nl/barometers-energie-en-waterarmoede-2009-2019>

- There are problems with the accessibility of the social tariff. For instance, not all people who meet the criteria receive it automatically and know that they are entitled to receive it. Additionally, the administrative procedure is quite complicated. There is also a specific problem for people who rent privately in an apartment building with common meters. They currently can't benefit from social tariff, even if they meet the eligibility requirements.
- Since 2021, the extension of the social tariff has been extended several times for a number of months. This causes a lot of stress and insecurity for people in a vulnerable position as, without this support, they cannot make ends meet. As the energy crisis will not be solved in the short term and energy poverty is a persistent problem in Belgium, BAPN asks for a structural solution to protect vulnerable families by transforming the extension of the social tariff into a permanent measure.

*"My children don't practise hobbies any more, we haven't gone on holiday and during the week when the children are with my ex-husband, there is hardly any food in the house. I once said that I would never cut back on my children's health care. Well, I'm obliged to do so in the current situation. I find that outrageous." (Testimony of a mother whose household income is €200 too high to benefit from the social tariff).<sup>12</sup>*

Due to rising energy prices and costs for essential goods in general, we see that more and more people from the lower middle class are experiencing difficulties. Especially for people whose income is just too high to make use of the social tariff, it is becoming increasingly hard to make ends meet. BAPN therefore advocates for extending the social tariff to a larger group of people in need based on their income.

In order to avoid further derailing energy prices, BAPN also calls for a ceiling on energy prices at the European level.

We would also like to point out that a fairer tax system must contribute to the financing of these measures, as well as to supporting vulnerable families to move away from the use of fossil energy sources. Large profits are currently being made by the petroleum and gas industry. These profits are not the result of the policy of these companies but are linked to the external context, such as the war in Ukraine. To give an example, Greenpeace calculated that in one-month petroleum companies had a profit of €3 billion in Europe and €68 million in Belgium. It is essential that these surplus profits are taxed.<sup>13</sup> The revenue of these taxes should be invested in social protection measures to combat energy poverty and energy efficiency and renovation programmes for low-income households.

## 5.2. Urgent need for adequate minimum income protection

As mentioned above, 13.1% of the Belgian population had to live with an income below the European poverty threshold in 2021. In total, it regards 1.496.000 people. Despite efforts of the current federal to increase the lowest social benefits, the social minima for many benefits are still below the poverty

<sup>12</sup> <https://www.vrt.be/vrtnws/nl/2022/09/05/sociaal-energietarief-vs-commercieel-tarief/>

<sup>13</sup> <https://www.lecho.be/opinions/general/la-taxation-des-surprofits-une-necessite-sociale-et-climatique/10410338.html?loginSuccess=true&fbclid=IwAR2nRX2f2WeqFlof367G1Y7f96y-MeUCZizorWstQFPc8tkKVXkmU1OCzR0>

threshold. Currently, the integration income for a single person is € 1.115,67. For a person who falls under the cohabitation status it is much lower, € 743,78. In comparison, the poverty threshold is €1.287 for a single person. The integration income for a person with a family is € 1.507,77, whereas the poverty threshold for a household with one adult and two children is €2.059. For a household with two adults and two children to poverty threshold is € 2.703.

The poverty threshold gives an important and useful indication of what monetary poverty is. At the same time, we know that it underestimates the actual level of poverty. For instance, it does not take into account the specific situation of households and underestimates some sources of income, such as property.<sup>14</sup>

Furthermore, the increased living costs as a result of the current crises further decreases the purchasing power of many households, in particular of people experiencing poverty.

It is even more urgent than before to increase the lowest social benefits above the poverty threshold as soon as possible. In that regard, BAPN calls upon the federal government and the European Union (though an ambitious European recommendation on minimum income protection) to take immediate action.

Additionally, it is vital that the accessibility of minimum income schemes is guaranteed to people in need of it. In that regard, BAPN is very concerned that in Belgium people with an integration income have to sign a contract, a so-called individualized project on social integration (GPMS or PIIS). This contract imposes extra-legal conditions and people can be sanctioned and excluded from their MIS if they don't meet these conditions. The chance that something goes wrong is substantial, as there are a lot of problems with this system. For example, people often do not know that they have signed a contract and what the conditions and possible consequences are if the conditions are not met. The threat of a sanction, hanging like a sword of Damocles over the heads of people with such a contract, is a constant source of stress. It affects the relationship with the social worker and has a negative impact on the guidance provided to the person.<sup>15</sup>

*"I knew that if I didn't succeed in school, I could lose my integration income for a while. After all, this was a condition of my contract. That's why I wanted to save some money to have a buffer. However, I had so little money that I could only starve myself to do so. And because of that, I didn't have enough energy to study." Testimony of a student in a situation of poverty, 30<sup>th</sup> September 2021*

### 5.3. Guaranteeing the right to quality housing during difficult times

The housing policy in Belgium is mainly aimed at the purchase of one's own home, but for people in poverty this is often impossible. They are forced to rent but the problems of accessibility, affordability, quality and housing security in the private rental market are significant. More than one household in five does not have decent housing. They face humidity problems or have no bath, shower or toilet in the house, or the house is too dark (STATBEL, EU SILC 2018).

<sup>14</sup> <https://www.lesoir.be/8911/article/2015-10-12/la-pauvrete-est-sous-estimee-en-belgique>

<sup>15</sup> For more see: BAPN (2021), Le PIIS: un outil de sanction plus qu'un outil d'accompagnement, [https://bapn.be/storage/app/media/BPN%20001-20%20Rapport%20PIIS\\_v2.pdf](https://bapn.be/storage/app/media/BPN%20001-20%20Rapport%20PIIS_v2.pdf)

About 7.8% of the population spends 40% or more of their disposable income on housing. However, there is a strong link between the housing cost overburden and poverty. For people with an income below the European poverty this rate goes up to even 34.6% (Eurostat, EUSILC 2021).

The provision of sufficient qualitative and accessible social housing is an excellent means of combating the housing problem but there is an enormous shortage of social housing, with long waiting lists as a result. In Flanders the number of people on a waiting list for social housing has been rising steadily in recent years. Compared to 2016, the waiting lists in Flanders have grown by about 33%

Number of people waiting for social housing in Flanders

2016	2017	2018	2019	2020	2021
137.177	135.500	153.910	153.510	169.096	182.436

Source: Vlaamse Maatschappij voor Sociaal Wonen, 2021<sup>16</sup>

The problems are also significant elsewhere in Belgium. For example, some researchers recently calculated that in the Brussels Capital Region, 50,871 households (or 133,000 people) are currently waiting for social housing.<sup>17</sup>

Housing problems and poverty are intrinsically linked to homelessness. There are no official statistics available that can tell us how many people are homeless in Belgium. People who are homeless face very difficult living conditions and are therefore a difficult group to reach. Homelessness manifests itself also in many different ways, from precarious housing to outdoor sleeping, making it hard to track all these different forms of homelessness. However, ambitious projects have been set up in Belgium to better map this problem. In 2020, different cities started to carry out censuses. In the near future, censuses will take place again to observe the evolution of the number of homeless people.

From the current counts, the scientists already concluded that the number of homeless people was much higher than expected. Contrary to popular belief, homelessness is not only an urban problem, but is also very present in rural area. The stereotypical image of the single homeless man sleeping in the street doesn't correspond to reality. A large number of homeless people live in shelters or stay with friends and family. Also families, women, people with a migrant background or with a precarious residence status make up a large part of the homeless population. A very disturbing finding is that many young people and minors are homeless. Most homeless people have health problems and many are homeless for a long time. In cities, for example, 1 in 3 homeless people have been in a situation of homelessness for over a year.<sup>18</sup>

Number of homeless people in 2020

	Adults	Minors	Total <sup>19</sup>
Province of Limburg	932	285	1217

<sup>16</sup> [https://www.vmsw.be/Portals/0/Uploads/objects/Footer/Statistieken/2021\\_KHs/20220630\\_BulletinKH\\_1\\_0\\_v1.pdf?ver=2022-07-07-125034-890](https://www.vmsw.be/Portals/0/Uploads/objects/Footer/Statistieken/2021_KHs/20220630_BulletinKH_1_0_v1.pdf?ver=2022-07-07-125034-890)

<sup>17</sup> <https://www.lecho.be/economie-politique/belgique/bruxelles/la-construction-de-logements-sociaux-ne-reduira-pas-la-liste-d-attente-a-bruxelles/10366098.html>

<sup>18</sup> Telling en Dak- en thuisloosheid Globaal rapport 2020: [https://media.kbs-frb.be/nl/media/7768/pub2021\\_3767\\_dakenthuisloosheid\\_globaal\\_nl\\_def.pdf](https://media.kbs-frb.be/nl/media/7768/pub2021_3767_dakenthuisloosheid_globaal_nl_def.pdf)

<sup>19</sup> Local differences can partly be explained in part by the way in which the censuses were conducted

City of Gent	1472	401	1873
City of Aarlen	149	69	218
City Luik	422	78	500

In the Brussels-Capital Region censuses are already being held for more than 10 years. These findings give us an useful insight and indication into the evolution of the number of homeless people in Belgium.

Evolution of homelessness in the Brussels- Capital Region

	2008	2010	2014	2016	2018	2020
Counted people in a situation of homelessness	1729	1947	2603	3386	4187	5313

Region In a period of 12 years the number of counted homeless people in the Brussels-Capital, has more than tripled. This region also saw a large presence of minors within the homeless population (993 in total). the number of minors has increased by no less than 50 percent compared to 2020.

## 6. Conclusion

It is unacceptable that in a prosperous country like Belgium nearly one in five people live in poverty or social exclusion. Poverty and social inequalities appear to be a persistent problem in our country, whereas several examples demonstrate that policy making can have an actual impact on the ground. For instance, the Belgian social security system and the government's emergency social measures have prevented a dramatic rise in poverty during the covid-crisis. Nevertheless, social needs remain very high and for people experiencing poverty it has become even more difficult to make ends meet.

Moreover, the current inflation and energy crisis threaten to have an even greater and more lasting impact on poverty and social inequalities in our country. Energy bills are going through the roof, people's purchasing power is declining and the little reserves that people experiencing poverty had were completely used up during the covid-crisis. Not only low income households but also large part of the middle class is at risk of being impacted by a major impoverishment wave.

We therefore call on Belgian and European policymakers to take urgent action to:

- Raise minimum income schemes above the European poverty threshold as soon as possible
- Make energy and housing costs affordable for people in poverty and the lower middle class, in both the short and long term