



➤ A HELPING HAND FOR DEVELOPMENT: GRANTS AND ASSISTANCE FOR EMPLOYMENT AND TRAINING

To run a business you have to be able to count on a workforce that's qualified, available and productive. And the Wallonia Region has exactly that, probably more than many other European regions.

This talent for performance stems not only from a culture and economy that are naturally open to the world, but also from an educational system that meets modern requirements for diversity and quality – while at the same time preserving a deep-rooted tradition of quality and high standards.

Vocational training is ubiquitous in companies in the Wallonia Region. It brings together many public-sector bodies under the coordination of FOREM, the regional public service for employment and vocational training. These bodies respond effectively to the market's skill requirements by organizing training courses in the occupations that are in highest demand.

So it is not surprising that many Wallonia and foreign businessmen pronounce themselves very satisfied with the quality of the workforce available to them.

In parallel to this objective of constantly raising the level of vocational skills, numerous aids and incentives have been implemented by the Wallonia government to help companies of all sizes to be more competitive. These cover two main areas:

- Tax advantages and grants that permit reduced labor costs. These include recruitment grants, and reduced social security charges and tax exemptions for employees engaged in R&D, exporting and quality.
- Supporting measures that promote training: beneficial training plans or programs, financial aid for staff training and the recruitment of jobseekers, financial incentives to help companies to reorganize and adjust.

GOOD TO KNOW

FOREM has a special facility for foreign investors: FOREM Foreign Investors Contact. This new service creates a single point of contact for potential foreign investors, with information about services and support provided by FOREM and the resources to which it has access. It can direct them towards the relevant FOREM services, chiefly on the corporate side (human

resources consultants, publication of invitations to tender and the like) and vocational training for skills development.

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Employment grants: up to €34,250!

Companies with fewer than ten employees can obtain a grant of €5,000 for their first new recruit, and €3,250 for every additional job. Certain conditions apply, for example the company's turnover may not exceed €7 million and it must achieve net job creation (additional staff in full-time equivalent terms). If the company does not maintain the staff increase for two years following the recruitment quarter, the grant is repayable in full.

Tax, social-security and other reductions

- Most companies can benefit from a reduction in their social-security contributions of €400 or €1,000 per full-time employee per complete quarter. These reductions are available in respect of older employees, long-term jobseekers, first-time employees, young employees and staff who have been laid off in connection with corporate restructuring.
- There are also tax exemptions for recruiting staff engaged in R&D, exporting and quality.
- The company may apply for a very useful tax ruling affecting qualified or managerial staff posted to a Belgian subsidiary. This allows the calculation of deductible costs for the transfer of expatriated managers along with the expatriated manager's taxable income. This takes into account only the work actually performed in Belgium, the days worked abroad on behalf of the group being taxed in the expatriate's country of origin.
- "FIRST" programs are available for staff engaged in R&D (researchers) in the context of a specific program. The company must enter into an agreement with a university body and the Wallonia Region for the provision of a researcher for two years, with a 50% cost subsidy.

The PFI training & recruitment plan

The PFI training & recruitment plan was designed to enable companies to recruit staff suited to their needs on advantageous terms, while at the same time undertaking to train them in specific tasks within the company. The company must maintain the PFI for a period that is at least as long as the apprenticeship contract.

The period of training may not be less than four weeks or more than 26, and the training program must be provided either in a FOREM training center or within the company itself. Practical training is combined with an educational element.

The trainee continues to receive unemployment benefit during the training contract. The company pays the trainee a (progressive) incentive bonus equal to the difference between the wage level of the trainee's future vocation and his actual income (social inclusion allowance, social financial assistance, unemployment benefit, tide-over allowance, compensation allowance).

Training Checks and Retraining Credits

The Training Check, a form of financial aid for ongoing employee training, cuts the cost of training by 50%. It is available to companies with a maximum of 250 employees and turnover of no more than €40 million.

Retraining Credits give companies a subsidy (of €6 – 10 per hour) to cover part of the costs of training courses for at least three employees leading to craft specialisms, qualifications or training that comply with descriptions contained in current standard reference material. They must also involve retraining and promote mobility within the company.

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