Pension reforms for Belgian university professors.

Marilaure Grégoire, Professor, Directrice de recherche honoraire du FNRS, ULiège
Pierre-Guillaume Méon, Dimitri Leemans, Professors, ULB.
Michel Crucifix, Professor, Directeur de recherche honoraire du FNRS, UCLouvain.
Anthony Cleve, Professor, UNamur.
Marc Demeuse, Professor, UMons.
Jan Dhaene, Professor, KU Leuven
Daniël Linders, Professor, KU Leuven.
Steven Vanduffel, Professor, VUB.
Michèle Vanmaele, Professor, UGent.

UNIFRA

Key Messages (1). Wrap-up.

- ✓ **We understand and agree that everyone has to contribute fairly to the budgetary effort.**
- ✓ **The reform will have an impact as soon as it starts.**
  - ✓ The impact is an average reduction of gross pensions 12% for professors born in 1962-1971, 20% for those born in 1972-1981, 30% for those born after 1982, with extreme cases reaching 39%. This impact is estimated assuming **a desindexation period of 4 years and inflation rate of 2%.**
  - ✓ **This impact is estimated assuming a complete career until 67 years. It does not consider the Malus effect in case of an uncomplete career. Malus effect should be added to the 20-30 % averaged reduction.**
  - ✓ **The impact is assessed on a large diversity of profiles (more than 2000).**
  - ✓ The replacement rate will **fall below 50%.**
  - ✓ It is wrong to claim that the effect of the reform on pension reductions will only be significant in 2062.
  - ✓ It is wrong to state that the reform will only impact professors with a gross pension > 8300 euros, with only a reduction of 140 euros/month. First a few years after the reform, all professors 'pension will be **well below the Wijninckx ceiling**. Second the impact of the reform is much higher than that of desindexation (up to 39% versus 10%).
- ✓ **A disproportionate burden (5-7 times more) will be imposed to ~0,1% of the active population (~6000 Belgian university professors compared to 5 millions workers).**

Key Messages (1). Wrap-up.

- ✓ **The impact of the reform on quality of education, research, innovation and on fairness is not taken into account.**
  - ✓ Pension is part of the salary package. What is true for attracting and keeping (motivated) high profiles in the private sector, also holds for universities. There will be an immediate impact on quality of education and of research.
  - ✓ With the reform, the salary package of Belgian university professors will be much lower than that of high-profile employees in the private sector and than other surrounding countries and the US.
- ✓ **So far, there are no clear plans to (*partially*) compensate the average pension loss for all the generations.**
  - ✓ The prospect of implementing a meaningful and immediate second pillar, (partially) funded by the federal remains extremely vague.
  - ✓ Article 127 of the constitution offers the possibility to the federal and/or entities to support financially this second pillar for university's professors.
  - ✓ Unlike in Private sector, no possibility to receive part of the salary in a more fiscal friendly way.
- ✓ **The reform disregards the specificities of an academic career, which typically begins at age 35–40 or even later until 67 years.**

Outlines

1. Who are we?
2. Our aims.
3. Main achievements.
4. Key Facts (6).
5. Key Messages (5).

Who are we ?

- ✓ Belgian university professors.
- ✓ Politically independent.
- ✓ ~Half of us are experts in the domain of pension engineering.
- ✓ We understand and agree that everyone has to contribute fairly to the budgetary effort.

Our aims

- ✓ To assess objectively the impact of the pension reforms.
- ✓ To identify profiles at risk that suffer from a cumulative negative impact of the reform.
- ✓ To initiate a constructive and respectful discussion with politicians.
- ✓ To inform objectively our colleagues about our actions and discussions.

Main achievements

UNIFRA

OPEN SCIENCE

Carte blanche

LE SOIR

ACCUEIL • PLANÈTE • CLIMAT

« Désastre annoncé » pour les unifs et la recherche, dénoncent plus de 2.000 académiques

Face à des réformes jugées « catastrophiques », plus de 2.000 académiques appellent à sauver d'urgence l'enseignement supérieur et la recherche du côté francophone.

Article réservé aux abonnés

Chef adjoint du pôle Planète
Par Michel De Muelenaere

Publié le 28/04/2025 à 06:00 | Temps de lecture: 2 min

Le geste n'est pas banal : il émane de plus de 2.000 membres du personnel des universités francophones, professeurs, chercheurs, assistants, doctorants, recteurs honoraires, techniciens... L'inquiétude n'est pas banale non plus : il s'agit ni plus ni moins, disent-ils, que de prévenir « une catastrophe ». Les universités, affirme la lettre qu'ils publient sur le site du *Soir*, sont « confrontées à une combinaison d'évolutions et de réformes qui dégradent leur efficacité et leur attractivité ». A moins d'inverser ces tendances, « la qualité de l'enseignement et de la recherche dans nos universités déclinera ce qui mettra gravement en péril leur attractivité ».

April 28th 2025

Pension Simulator

Online, open access, run with several thousands profiles data

FRENCH

UNIFRA

Projection des impacts de la réforme Arizona sur les pensions académiques

Consulter notre note sur la réforme (2 juin 2025)

Plus d'informations sur le simulateur

DUTCH

UNIFRA

Projectie van de impact van de Arizona-hervorming op academische pensioenen

Lees onze nota over de hervorming (2 juni 2025)

Meer informatie over de simulator

May 10th 2025

Note of 56 pages

Objective assessment, reproducible

UNIFRA

NOTE SUR LA RÉFORME DES PENSIONS
des professeurs d'universités belges

Note of 56 pages

UNIFRA

NOTA OVER DE PENSIOENHERVORMING
van Belgische universiteitsprofessoren

June 2nd 2025

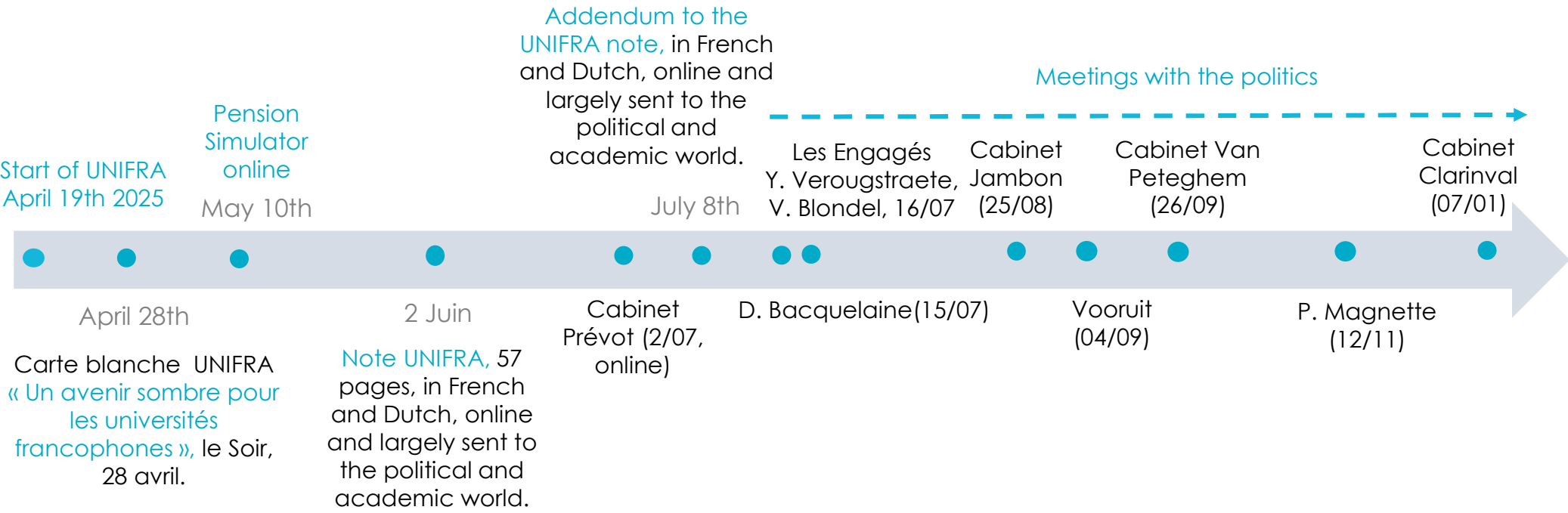
ADDENDUM

ADDENDUM à la note UNIFRA sur la réforme des pensions des professeurs d'universités belges.

ADDENDUM bij de UNIFRA-nota over de pensioenhervorming voor professoren van de Belgische universiteiten

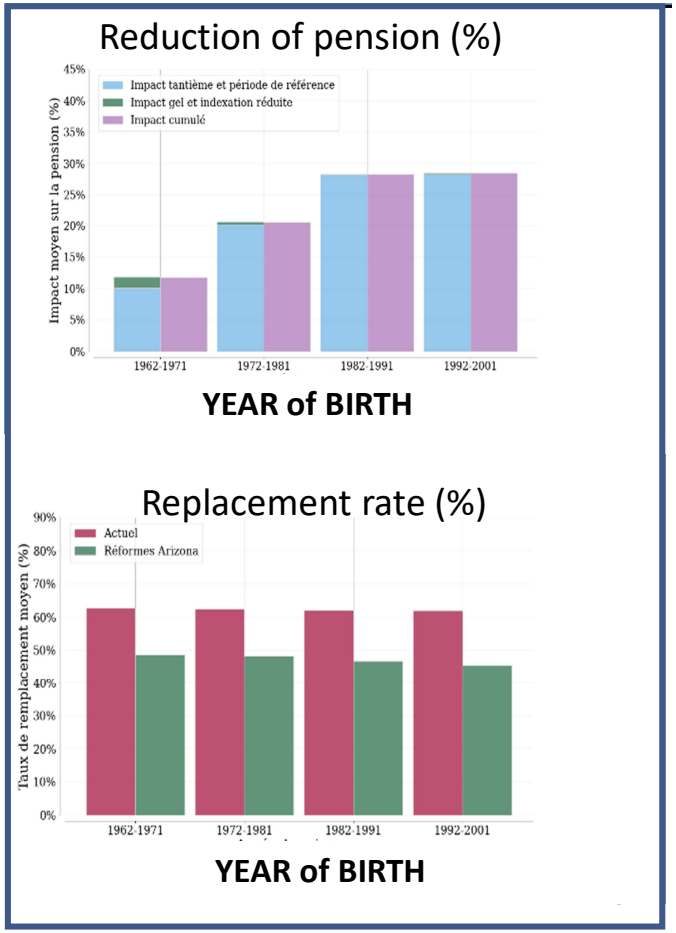
July 8th 2025

Timeline


Start of UNIFRA
April 19th 2025
Pension Simulator online
May 10th
Addendum to the UNIFRA note, in French and Dutch, online and largely sent to the political and academic world.
July 8th
Meetings with the politics
Les Engagés
Y. Verougstraete, V. Blondel, 16/07
Cabinet Jambon (25/08)
Cabinet Van Peteghem (26/09)
Cabinet Clarinval (07/01)
April 28th
Carte blanche UNIFRA « Un avenir sombre pour les universités francophones », le Soir, 28 avril.
2 Juin
Note UNIFRA, 57 pages, in French and Dutch, online and largely sent to the political and academic world.
Cabinet Prévot (2/07, online)
D. Bacquelaine(15/07)
Vooruit (04/09)
P. Magnette (12/11)

Impacts of the reform

- **Impacts are immediately significant**
- Loss of pension of **~20 %** for professors retired in 10-15 years.
- Loss of pension of **~30%** for younger professors.
- Replacement rate drops from **60-65% to 40-45%**.
- All the professors will be **well below the Wijninckx ceiling** in the future.



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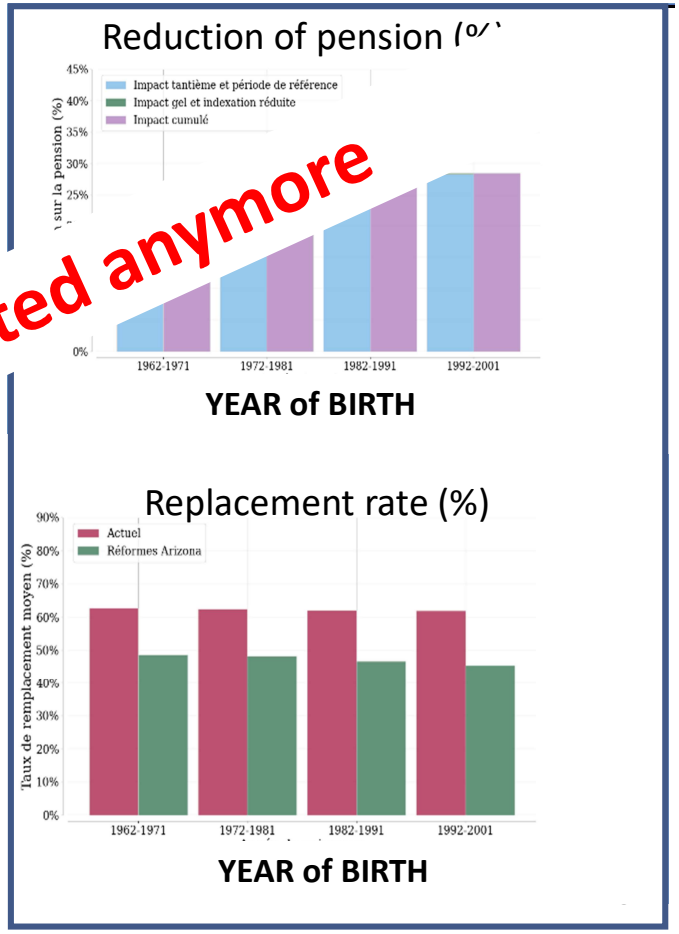
Impact numbers not contested anymore



KEY FACTS (6)

1. Innovation and Human Capital of high quality are essential pillars of prosperity and economic development

2. Innovation is primarily in universities. Striking examples.

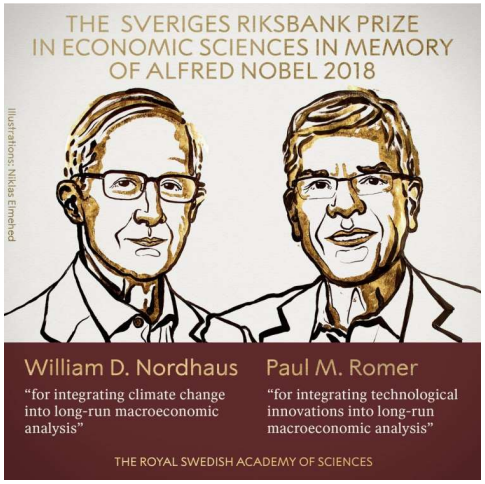
3. High level human capital is formed only in universities

4. University professors play in an international league

5. Good universities act as brain attractors; bad universities generate brain drain

6. Attractivity of Belgian universities is declining compared to the US and Eutop universities.

1. Innovation and Human Capital of high quality are essential pillars of prosperity and economic development



*A **prosperous** region is a region that forms **human capital of high quality and is able to integrate science and innovation in its economy** **(Paul Romer, Nobel prize of economy, 2018)***

HUMAN CAPITAL AND REGIONAL DEVELOPMENT*

NICOLA GENNAIOLI
RAFAEL LA PORTA
FLORENCIO LOPEZ-DE-SILANES
ANDREI SHLEIFER

We investigate the determinants of regional development using a newly constructed database of 1,569 subnational regions from 110 countries covering 74% of the world's surface and 97% of its GDP. We combine the cross-regional analysis of geographic, institutional, cultural, and human capital determinants of regional development with an examination of productivity in several thousand establishments located in these regions. To organize the discussion, we present a new model of regional development that introduces into a standard migration framework elements of both the Lucas (1978) model of the allocation of talent between entrepreneurship and work, and the Lucas (1988) model of human capital externalities. The evidence points to the paramount importance of human capital in accounting for regional differences in development, but also suggests from model estimation and calibration that entrepreneurial inputs and possibly human capital externalities help understand the data. *JEL* Codes: O110, R110, I250.

SCIENCE ADVANCES | RESEARCH ARTICLE

SOCIAL SCIENCES

Science quality and the value of inventions

Felix Poege[1,2], Dietmar Harhoff[1,3,4]*, Fabian Gaessler[1,5], Stefano Baruffaldi[1,6]

Despite decades of research, the relationship between the quality of science and the value of inventions has remained unclear. We present the result of a large-scale matching exercise between 4.8 million patent families and 43 million publication records. We find a strong positive relationship between the quality of the scientific contributions referenced in patents and the value of the respective inventions. We rank patents by the quality of the science to which they are linked. Strikingly, high-ranking patents are twice as valuable as low-ranking patents, which, in turn, are about as valuable as patents without a direct science link. We show this core result for various science quality and patent value measures. The effect of science quality on patent value remains relevant even when science is linked indirectly through other patents. Our findings imply that what is considered excellent within the science sector also leads to outstanding outcomes in the technological and commercial realms.

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INTRODUCTION

The relationship between science and technology has been subject to intense discussions for centuries. Science was largely funded via patronage during the Renaissance, and separation of public funding for fundamental research and private industrial funding for applied research and commercial innovation efforts only emerged in the 19th century (*1*, *2*). Since the aftermath of World War II, policymakers have relied on the notion that science helps to generate knowledge and information that ultimately contributes to the emergence of new technical and organizational capabilities, improvements in quality of life, and economic growth (*3*). Vannevar Bush's vision of a publicly funded science system that feeds into privately organized innovation channels became the blueprint for most of the Western national systems of science funding, research and development, and innovation. This notion has recently come under scrutiny again, as voters have increasingly been demanding evidence on the benefits of science spending. For policymakers and scientists alike, it is tantamount to improve the understanding of the impact of science on technical progress and innovation.

The most pertinent form of output delivered by the science sector

We provide evidence that the quality of scientific publications—as commonly assessed in science via citations—is a strong predictor of their relevance for and impact on technology development as documented in patents. We document two main results. First, publications with high scientific quality are vastly more likely to be cited in patent documents and at a higher rate. This confirms the baseline results of previous research going back to Hicks *et al.* (*4*) on a substantially larger and more diverse dataset. Second, the value of patents that directly build on science increases monotonically with science quality. These results hold across scientific disciplines, technological areas, and time. Ahmadpoor and Jones (*5*) recently established that patents more closely related to science are more valuable. We confirm that closeness to science matters; however, this relationship is largely driven by the actual science quality. Considering both dimensions together provides the most comprehensive view of the science quality–patent value relationship.

Data

Our analysis starts from the universe of scientific publications in Web of Science (WoS) from the year 1980 onward, corresponding to

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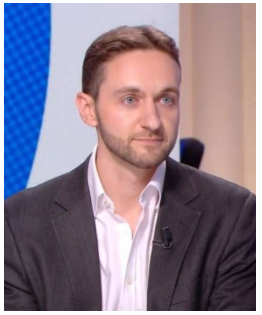

Xavier Jaravel
Professeur d'économie à la London School of Economics and Political Science

*« **Le niveau général d'éducation d'un pays est un facteur clef pour la diffusion des innovations**… **L'éducation est devenue le premier problème pour la politique économique en France**, et notamment la politique d'innovation. »*

Universities** and other research institutions are **central** actors in **early-stage innovation, generating breakthrough research and producing new skills profiles for the workforce. Mario Draghi report The Future of European competitiveness, 2024

1. Innovation and Human Capital of high quality are essential pillars of prosperity and economic development

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Xavier [illegible]

...ics and Political Science

Excellent science, Innovation, Human Capital of high quality are three essential pillars of prosperity

...egion is a region that forms ***human capital of high quality and is able to integrate science and innovation in its economy*** ***(Paul Romer, Nobel prize of economy, 2018)***

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...DVANCES | RESEARCH ARTICLE

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Universities *and other research institutions are* ***central*** *actors in* ***early-stage innovation, generating breakthrough research and producing new skills profiles for the workforce. Mario Draghi report The Future of European competitiveness, 2024***

2. Innovation is primarily in universities. Striking examples.

COVID:

- April 2020, Belgium was virtually unable to carry out COVID-19 PCR analyses.
- The political world therefore decided to create a national testing platform based on the major Belgian pharmaceutical companies (UCB, GSK, Johnson & Johnson, etc.).
- These companies were quickly unable to perform PCR tests for various reasons: the use of inappropriate methods, a shortage of reagents, a shortage of plastics, a lack of volunteers to handle the new virus (unions were also opposed to this).
- It was the **universities** (first ULiege, then UAntwerp, KUL, UGent, ULB, UCLouvain, UNamur, and UMONS) that provided all the **solutions** that enabled the national platform to operate: development of appropriate methods, local production of plastics and reagents **in a factory developed in two months**, hundreds of volunteers mobilized.
- **Belgium became the country in the world with the most tests performed (per capita)** (64,000 tests per day versus 200 by clinical biology laboratories at the start of the pandemic).

2. Innovation is primarily in universities. Striking examples.

Collibra: A data governance platform spun out of VUB STARLab. It has 1000 employees worldwide and is valued at over €5 billion, making it one of Belgium's most valuable tech companies.

Ion Beam Applications (IBA) is a very well-known spin-off from UCLouvain, pioneered the development of cyclotrons and proton therapy systems, making it a world leader in advanced cancer treatment technologies. It employs over a thousand people worldwide.

Belgian tax authorities collaborated with universities to apply **behavioural insights** to encourage timely tax payments. By sending letters that emphasized social norms many more taxpayers paid their overdue taxes on time (In 2015 alone, an estimated €30 million in overdue taxes was collected earlier than it would have been). This is effectively "free money" for the government, because the intervention costs (letters, design, minor research costs) were minimal compared to the collected taxes.

Universities create high value innovation and initiate the value chain from fundamental sciences to applied sciences, valorization via patents.

3. High level human capital is formed only in universities

- ✓ The level of **human capital** is directly correlated with the level of **employment**.
- ✓ Universities are the only places where to educate high skill people**.**
- ✓ Learning **the art of research** is done in universities: Only universities have the capacity **to award doctoral degrees in science**.
- ✓ Universities **generate spin-offs**.

From strong universities to prosperity.

PROSPERITY

Societal well-being

Economic development

Environment

Pandemia
Health

Technological transfer
High skill workers

Knowledge

High value
human captial

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High value
Innovation

Worldwide Attractive universities

Highest talents

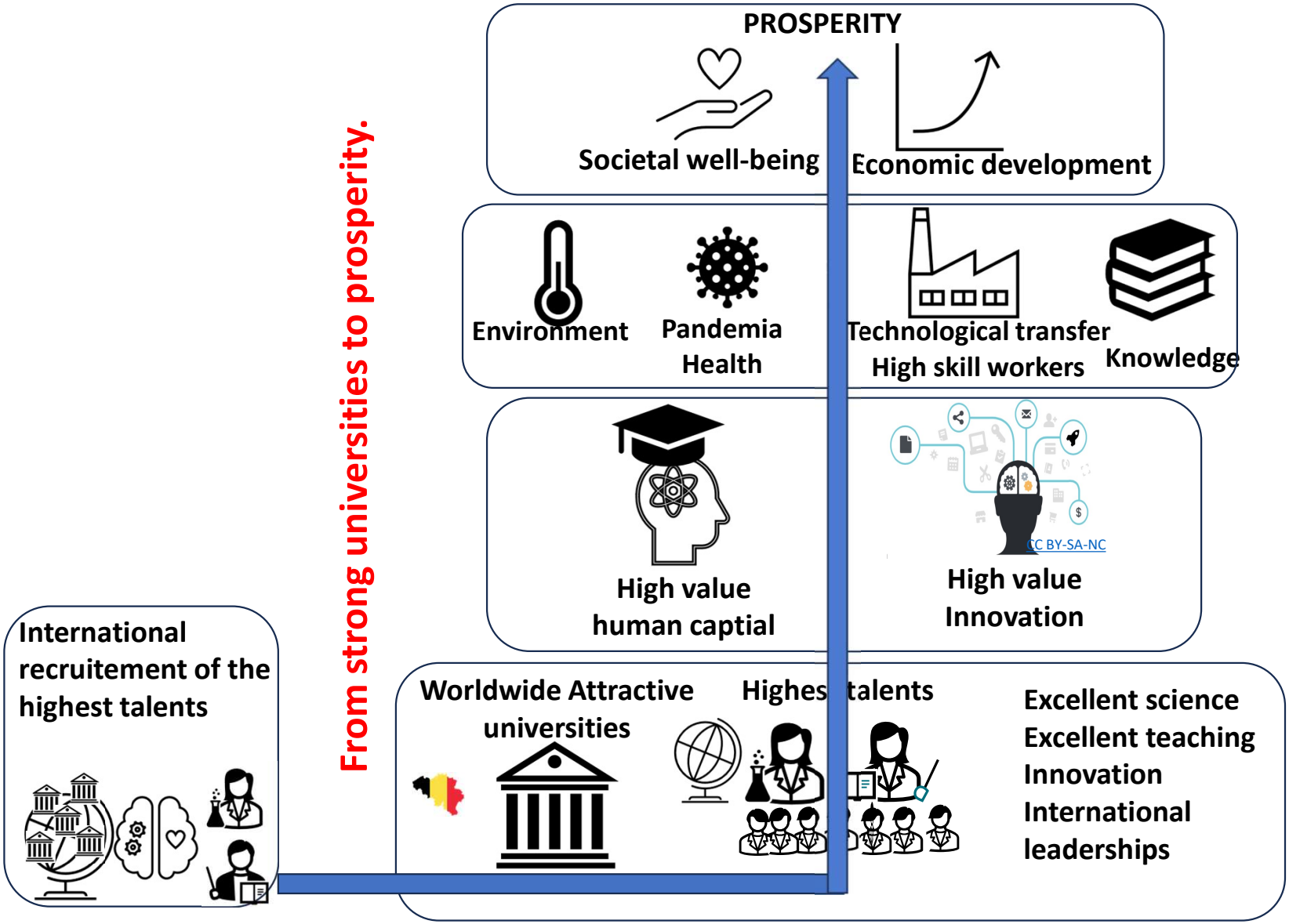
Excellent science
Excellent teaching
Innovation
International leaderships

4. University professors are like SME leaders, playing in an international league

- ✓ What makes universities great are the **professors** and their team.
- ✓ A university professor is a very hard worker, **working a lot overtime and getting retired very late**.
- ✓ University professors do not only teach but **do research**.
- ✓ University professors have to be **international leaders** in their field**.**
- ✓ **This puts Belgium in a highly ranked position on the international scene,** which again attracts talents and allows clusters of innovative industries .

5. Good universities act as brain attractors; bad universities generate brain drain

- ✓ Universities face a **fierce international competition** for the recruitment and maintenance of the best talents.
- ✓ The reform will undoubtedly **reduce the attractivity** of Belgian universities and have a direct impact on the motivation and academic activities of the existing professors.
- ✓ We need to reinforce **attractivity** compared to our neighbors. Yet, we are already losing our brains especially in some sectors, like STEM.
- ✓ The **best of the best prefer to stay in universities**. Yet, they are in position to **select** the place where to develop their team, including abroad.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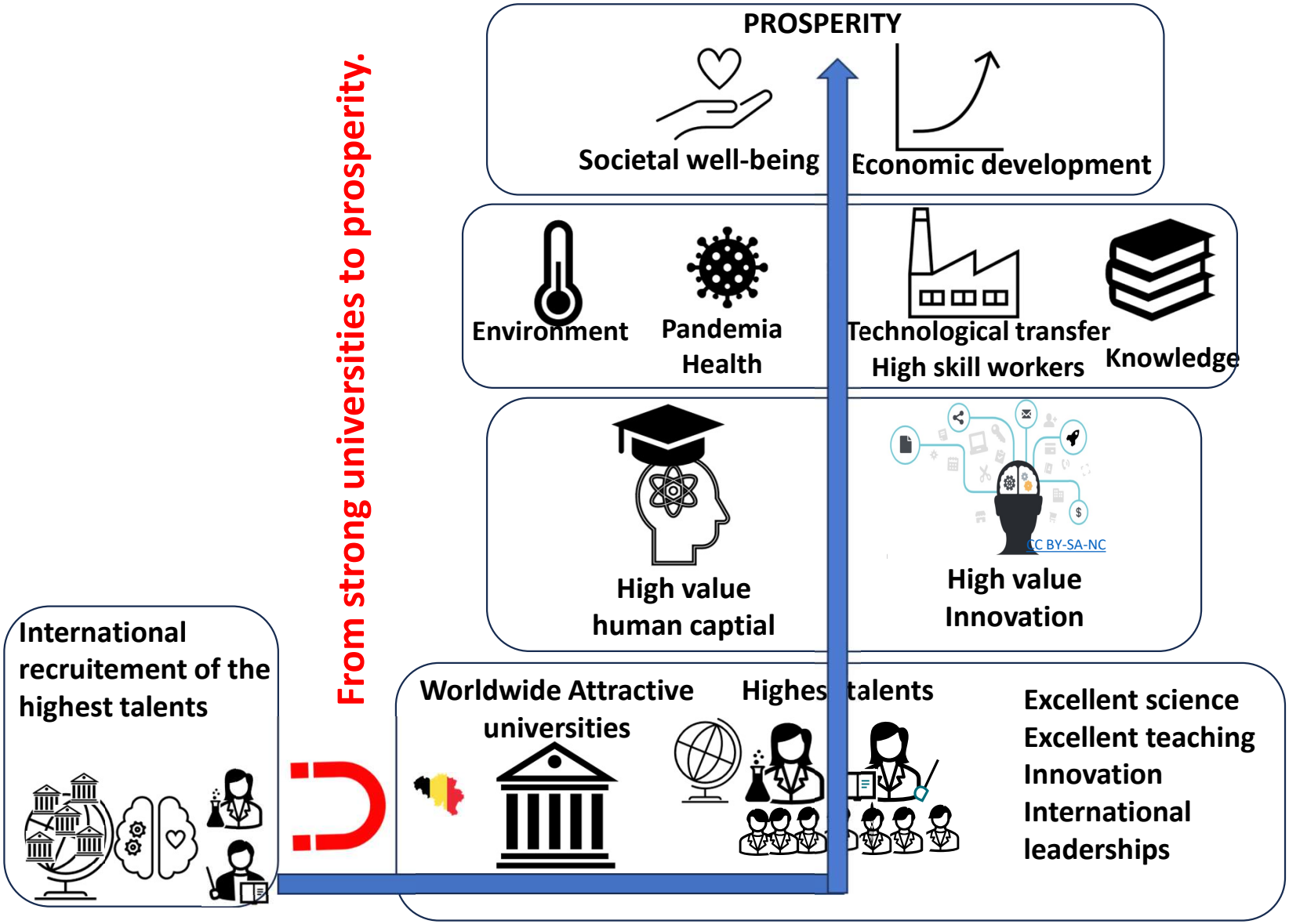
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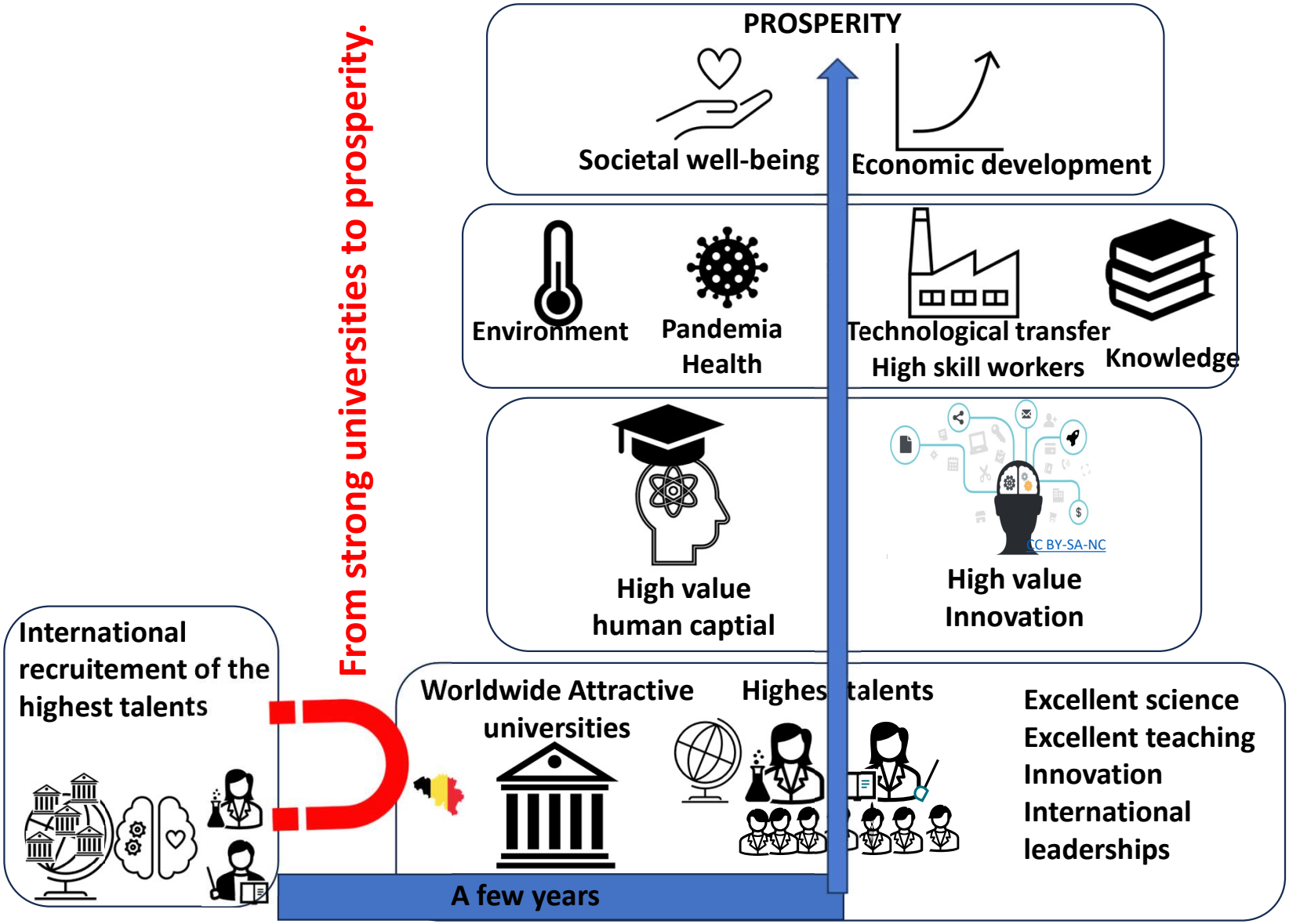
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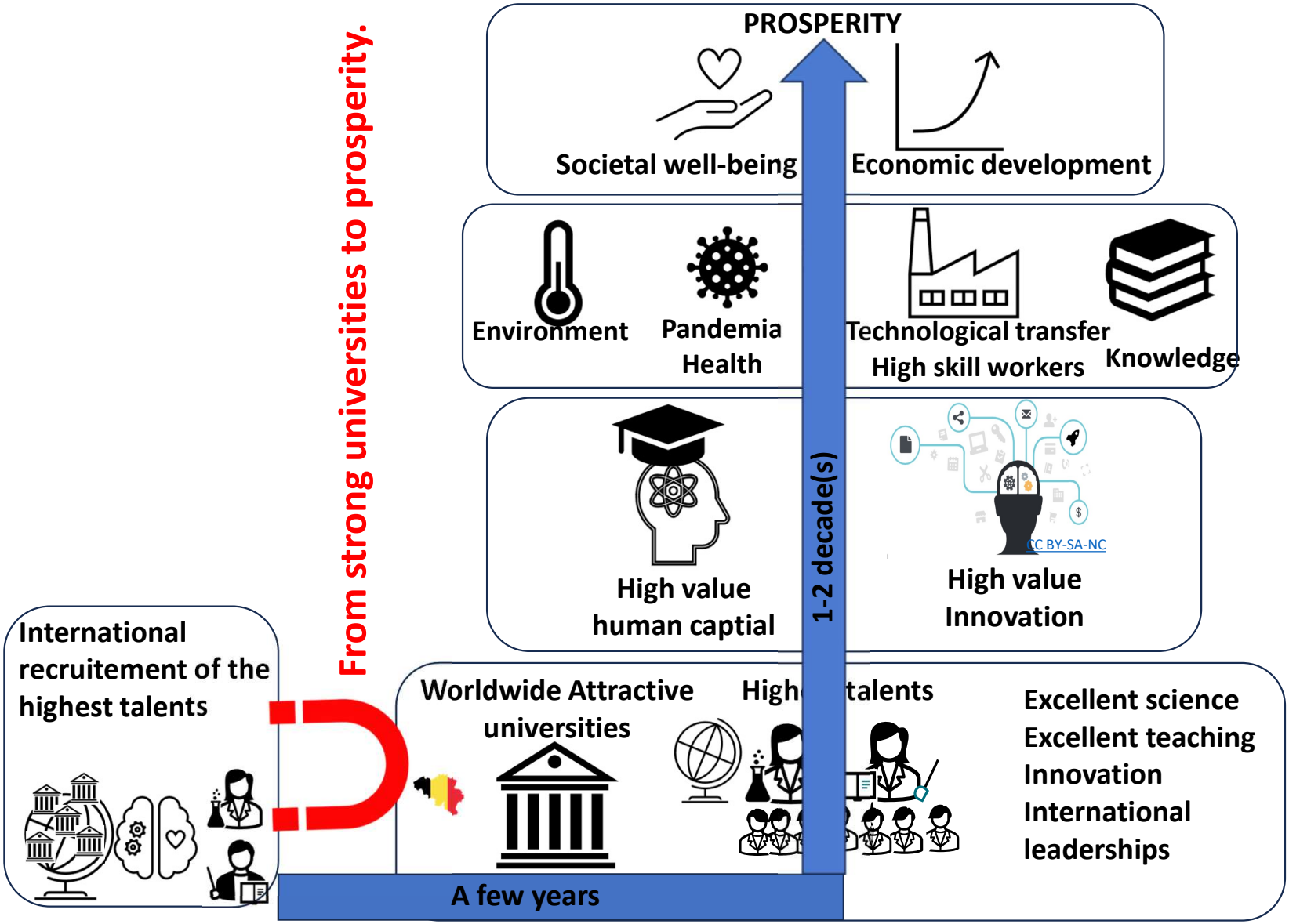
International
leaderships
A few years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Economic development
Environment
Pandemia
Health
Technological transfer
High skill workers
Knowledge
High value
human captial
High value
Innovation
1-2 decade(s)
From strong universities to prosperity.
International
recruitement of the
highest talents
Worldwide Attractive
universities
talents
Excellent science
Excellent teaching
Innovation
International
leaderships
A few years

6. Attractivity of Belgian universities is declining compared to the US and EU universities.

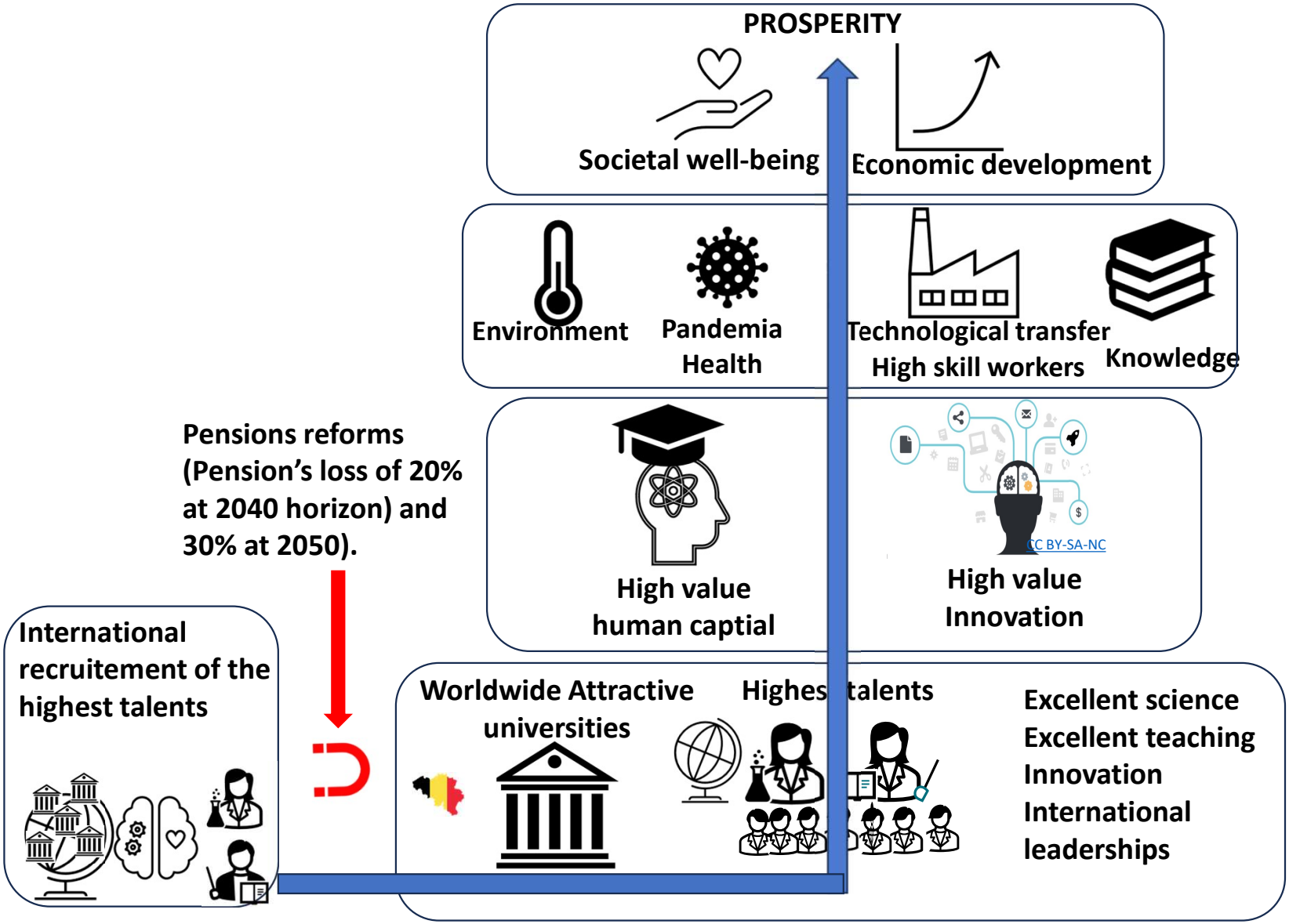
Outside of the pension scheme, most indicators relating to salary competitiveness, career prospects or even resources allocated to research, appear unfavorable or in decline

There is a growing gap with other European countries in terms **of net remuneration, teaching load or research funding opportunities.**

The pension's reform will deprive Belgian universities of an **essential strategic incentive**, without sufficient compensation elsewhere, in a globalized academic market

Indicateurs	Belgique	États-Unis	Europe (Pays leaders)
Poste de postdoc	~ 36-42k € nets/an	~ 46-50k€ nets/an	~ 78 000 € nets/an en Suisse
Salaire full professor net	~ 54 500 €	~ 103 666 € (top US universities)	~ 151 000 € nets/an en Suisse
Part R&D/PIB (2025)	~ 2 %	~ 2,8 %	Europe : ~ 2,15 % (objectif 3 %)
Contrats permanents (R3)	Tardifs (35 ans et+) et précarité importante avant la nomination.	Tardifs mais statut plus stables (vrais contrats d'employés et durées plus longue pour les docs et postdocs) avant la 'tenure'.	Statuts contractuels améliorés.

CReF note, July 2025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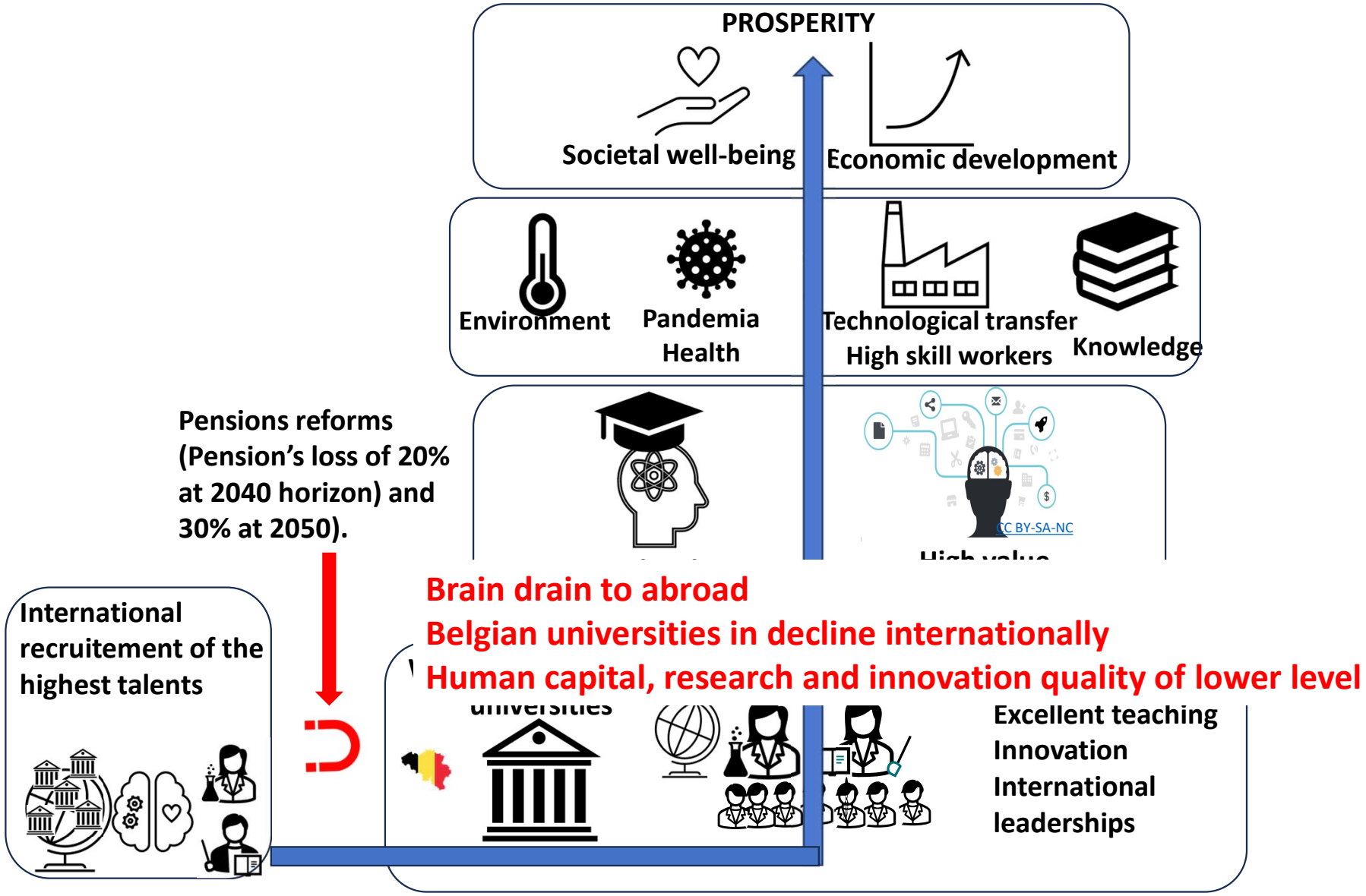
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Brain drain to abroad
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Human capital, research and innovation quality of lower level
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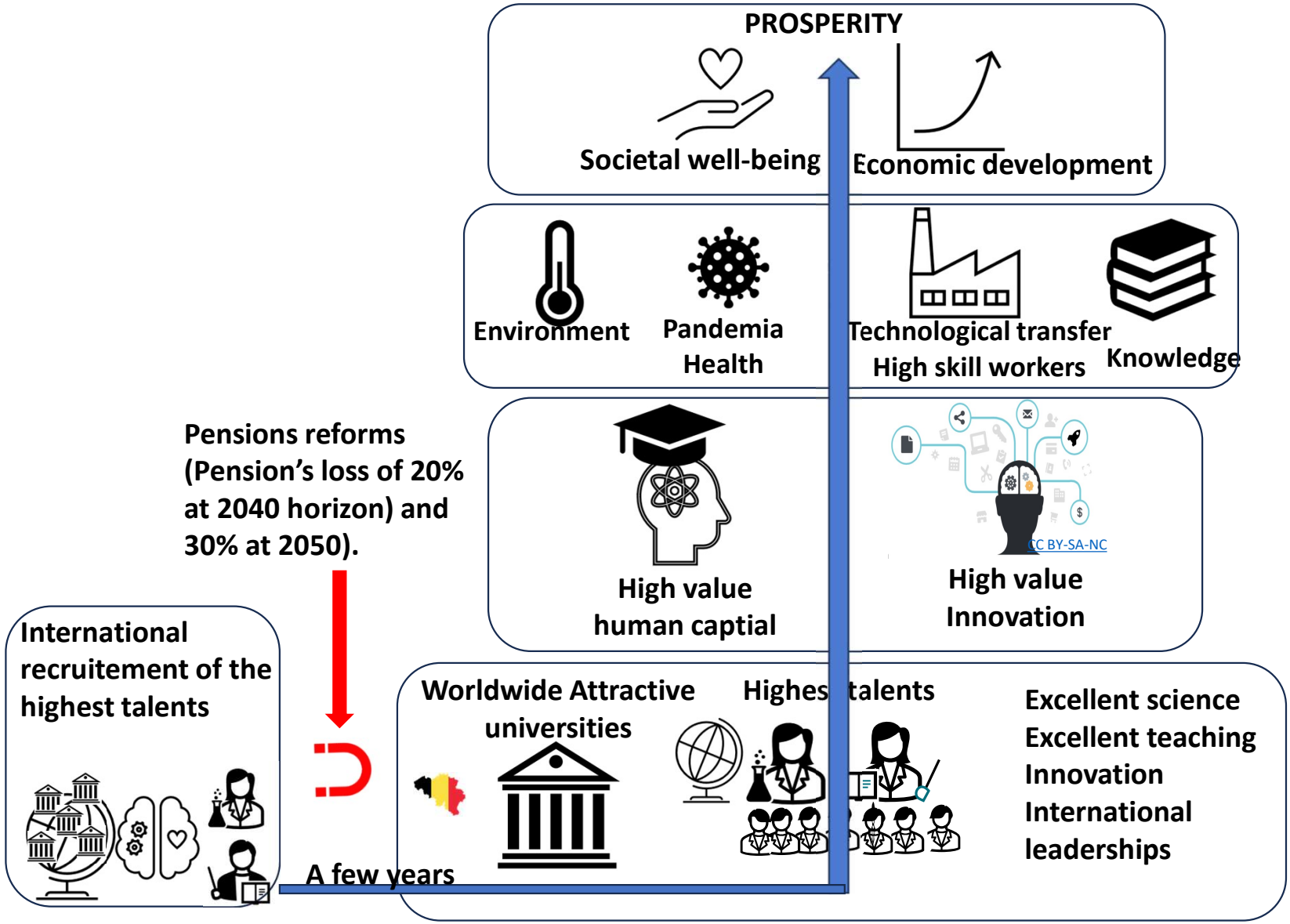
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Pensions reforms
(Pension's loss of 20%
at 2040 horizon) and
30% at 2050).
High value
human captial
High value
Innovation
International
recruitement of the
highest talents
Worldwide Attractive
universities
Highes talents
Excellent science
Excellent teaching
Innovation
International
leaderships
A few years

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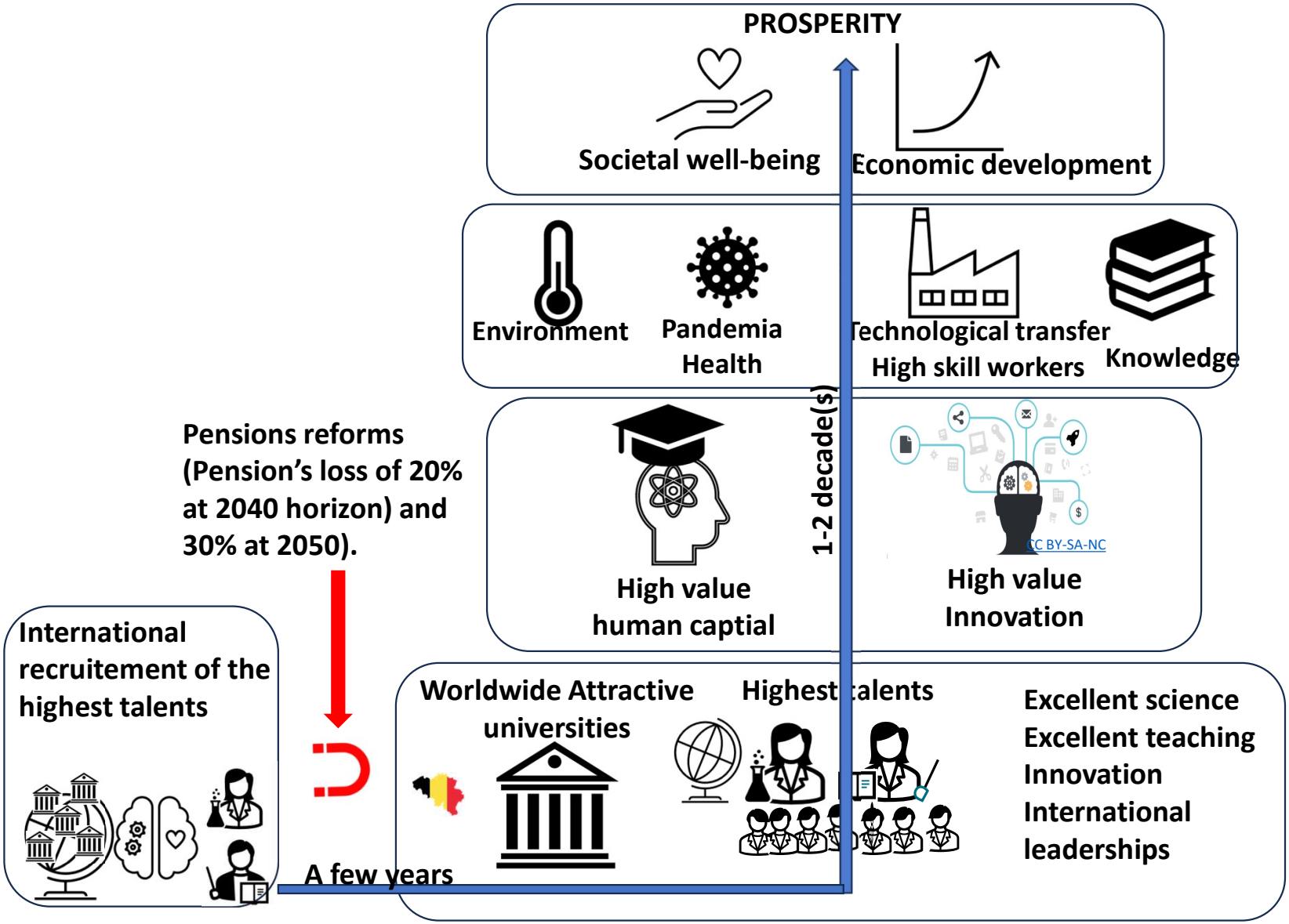
PROSPERITY
Societal well-being
Economic development
Environment
Pandemia
Health
Technological transfer
High skill workers
Knowledge
1-2 decade(s)
Pensions reforms
(Pension's loss of 20%
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High value
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MESSAGES (5)

Key Messages (1). Wrap-up.

- ✓ **We understand and agree that everyone has to contribute fairly to the budgetary effort.**
- ✓ **The reform will have an impact as soon as it starts.**
  - ✓ The impact is an average reduction of gross pensions 12% for professors born in 1962-1971, 20% for those born in 1972-1981, 30% for those born after 1982, with extreme cases reaching 39%. This impact is estimated assuming **a desindexation period of 4 years and inflation rate of 2%.**
  - ✓ **This impact is estimated assuming a complete career until 67 years. It does not consider the Malus effect in case of an uncomplete career. Malus effect should be added to the 20-30 % averaged reduction.**
  - ✓ **The impact is assessed on a large diversity of profiles (more than 2000).**
  - ✓ The replacement rate will **fall below 50%.**
  - ✓ It is wrong to claim that the effect of the reform on pension reductions will only be significant in 2062.
  - ✓ It is wrong to state that the reform will only impact professors with a gross pension > 8300 euros, with only a reduction of 140 euros/month. First a few years after the reform, all professors 'pension will be **well below the Wijninckx ceiling**. Second the impact of the reform is much higher than that of desindexation (up to 39% versus 10%).
- ✓ **A disproportionate burden (5-7 times more) will be imposed to ~0,1% of the active population (~6000 Belgian university professors compared to 5 millions workers).**

Key Messages (1). Wrap-up.

- ✓ **The impact of the reform on quality of education, research, innovation and on fairness is not taken into account.**
  - ✓ Pension is part of the salary package. What is true for attracting and keeping (motivated) high profiles in the private sector, also holds for universities. There will be an immediate impact on quality of education and of research.
  - ✓ With the reform, the salary package of Belgian university professors will be much lower than that of high-profile employees in the private sector and than other surrounding countries and the US.
- ✓ **So far, there are no clear plans to (*partially*) compensate the average pension loss for all the generations.**
  - ✓ The prospect of implementing a meaningful and immediate second pillar, (partially) funded by the federal remains extremely vague.
  - ✓ Article 127 of the constitution offers the possibility to the federal and/or entities to support financially this second pillar for university's professors.
  - ✓ Unlike in Private sector, no possibility to receive part of the salary in a more fiscal friendly way.
- ✓ **The reform disregards the specificities of an academic career, which typically begins at age 35–40 or even later until 67 years.**

Key messages (2)

- ✓ **We urge not embark on a reform that would further reduce the pensions of Belgian university professors without :**
  - ✓ A solid budget estimate of the reform including its long term and indirect effects (young generation, attractivity, fairness, second pillar costs and modalities including the potential transfer of money to third-party stakeholders).

Key messages (3)

The comparison with the private sector has to consider the entire salary package.

- ✓ If the government truly wishes to harmonize the employment conditions of civil servants and employees, this must be done with respect for acquired rights, on the basis of **comparable profiles**, and with attention to the **entirety of employment conditions** including:
  - ✓ Extra-legal benefits such as company cars
  - ✓ Bonus packages
  - ✓ A second pillar
- ✓ **All of that are not available for civil servants; although, very often, they have higher competences**.
- ✓ Before the reform, **the pillar 1 pension somehow compensated for that, now even this pension will be lower than the pension (as a sum of pillar 1 and 2) of comparable profiles in private sector** .
- ✓ Because the conditions to enter the academic career are extremely demanding (PhD, post-doc abroad very often without pension contribution), we become professor at ~35-40 years; more than 41% after 40 years and 10% after 50 years.

Key messages (3)

Starting salaries are often lower

Financial advancement prospects are slower.

Growing instability at the start of a career, marked by temporary contracts and fierce competition for access to permanent positions.

Most senior executives in the private sector benefit from **generous group insurance**, so much so that the legislator decided to limit the combination of the 1st and 2nd pillars to a replacement rate not higher than **80%** (for academic, this is currently 65% and this will drop **to 45%).**

The current pension system plays a central role in the overall balance of the attractiveness of the profession.

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The current pension system plays a central role in the overall balance of the attractiveness of the profession.

Reducing academics' pensions without compensation therefore amounts to having academics tomorrow with salaries lower than those in the private sector, without extra -benefits and with lower pensions.

Key messages (4)

- ✓ The immediate establishment of a **joint group** composed **of academic specialists from the north and south of the country, in coordination with the CREF and the VLIR, as well as members of political cabinets** to :
  - ✓ **Objectively assess the budgetary savings of the proposed reform**, taking into account the cost of **immediately** implementing a **serious** second pillar (and not in 2062). The magnitude of the actual savings could turn out to be much less than anticipated.
  - ✓ If a second-pillar system proves to be the solution:
    - ✓ Define all the financing arrangements for this second pillar to ensure, as quickly as possible, the feasibility of its immediate implementation in both communities, for all universities, with **a sufficient amount** (~10%).
    - ✓ To avoid a **leakage** of capital towards international markets especially US and, now, China — rather than a long-term investment in social welfare in Belgium.

Key messages (5)

- ✓ **We need an inspiring and ambitious vision for Belgian universities in a competitive and rapidly evolving world.**
- ✓ Important questions:
  - ✓ Where do we want to have Belgian universities in 10-15 years? to be the top in Europe or in the (lower) average? How to improve our international leaderships?
  - ✓ How to improve the attractiveness of Belgian universities? Especially in STEMS, which is vital with the explosion of AI.
  - ✓ How to reinforce university-industry collaborations? What are the barriers and the enablers?
  - ✓ How to enhance the valorization of research?
  - ✓ How to better (more effectively) support universities professors in their daily life to reinforce the position of Belgium at the international?
  - ✓ How to reward university professors who are working overtime to bring Belgium at the highest international level?
  - ✓ …

More details