

SEPTEMBER STATEMENT 2021

Madam Speaker,
Honourable Members,
Esteemed colleagues,

Corona has shaken our society.

Corona has shaken us, but it has not succeeded in bringing us to our knees.

If anything, the contrary is true. Flanders is doing **well**. Really well.

If six months ago you had given me today's *status report on this land of Flanders*, I'd have happily signed up for it. Without hesitation.

Ladies and gentlemen,

The pursuit of the wellbeing of Flemings is the highest good. It is what drives us, day in, day out. Many people have come through a

terrible time. A time of sickness, loneliness, job insecurity, mental pressures... Many Flemings who struggled have had to deal with their pain, sorrow and sadness on their own. Their personal stories didn't always reach the cabinet offices of the Flemish government at Martelaarsplein, but over the past year, I have spent many a night lying awake, thinking of the distress corona has caused. I know the same is true of my colleagues in the Flemish Government.

The welfare of Flemings is our number one priority. Which undoubtedly goes for all those present in this room.

Ladies and gentlemen Members of Parliament,

Whichever way you look at it, welfare is built on prosperity. And our economy is the driving force behind our prosperity.

And yes, our economy is doing well.

This year will see the Flemish economy grow by no less than 5.7% and we are gradually getting back to the level of BEFORE corona. Which is quite a feat, considering that only last year, we recorded a 6.1% contraction.

Next year, the economy is forecast to grow by a further 2.8%.

Employment, our labour market, is recovering at an even faster pace than expected, so much so that our businesses now have more vacancies than before the pandemic.

Our exports are positively booming; during the first half of 2021, we exported 8.5% more than we did during the first half of 2019!

Consumer and business confidence are at an all-time high.

And the cherry on the cake:

For the FIRST TIME ever in Flanders' history, we are spending MORE than 3% of our GDP on research and development.

This sees us cross a significant line and places Flanders among the world's top tier in innovation.

This is nothing short of staggering. It means that EVEN MORE international businesses will be seeking to set up shop in Flanders.

Ladies and gentlemen,

Corona has shaken our society, but it has not succeeded in bringing us to our knees.

But anyone who now thinks it's 'job done!'... anyone who believes it's time to sit back and rest on our laurels ... anyone who takes it for granted that we will remain among the best in class in Europe ... they are wrong.

They are seriously wrong.

Ladies and gentlemen,

We owe it to ourselves to seize on the crisis to do even BETTER.

To muster **even more ambition**, even more creativity, even greater diligence and vigour.

More than ever.

Painful failure sometimes sprouts the best ideas. Every entrepreneur knows that. The same applies to a crisis like corona.

Despite all the misery, we have also learnt a great deal. About ourselves, about our strengths and our weaknesses, about the vulnerability of our society and our planet. About the opportunities which the data economy has to offer.

Who would have thought that we would develop vaccines against this devastating virus in no time? And that we would be supplying the world from Puurs?

Would you have dared to predict that we'd earn ourselves an Olympic medal for our vaccination rate? I don't think so. But we did, and then some... (Wouter?) Over 90 percent of adults have received two jabs.

And even more importantly: we're seeing that same positive trend among young people. This has allowed us to get back to living freely in Flanders today.

Credit is due not just to us but to all the Flemings. Because we all did it together.

Which is why I would like to take this opportunity to say thank you again to all the obliging Flemings, all the volunteers, all the care workers, for this incredible tour de force. See you at the big celebration in a packed Sportpaleis in November!

But I repeat: we must KEEP GOING. Setting our sights EVEN HIGHER. Grabbing the opportunities coming our way in the wake of the corona crisis with BOTH HANDS. Staying with the theme of

the World Road Cycle Racing Championship: we are on course to outperform our neighbouring countries over the years ahead. If we get into the right gear, we can be an example to the world. We are in the best position to capitalise on the opportunities of a changing world.

It is my belief that we should be the champions of the post corona era. Flanders must and shall excel.

The Flemish government is ready to set the right tone.

DURING the pandemic we weren't able to take the lead. We simply didn't have enough crisis management powers to do so. That was often very frustrating.

Yet I'm tremendously proud of the fact that we managed to pull our healthy businesses, **associations and institutions** THROUGH the crisis. It cost a lot of money in grants, allowances and protection mechanisms. But we came through the other end. With great success. As protected as we were, we will be equally as strict when it comes to retrospective checks.

Some businesses will no doubt need to make extra efforts to get back to being as fit as they were BEFORE the pandemic. On the

whole, however, we have enough economic power to surprise the world.

Just the other day, we showed the whole world what we are made of. We have shown ourselves to be enthusiastic, as well as resolute Flemings, capable of organising things to perfection. Sadly, our Flandriens didn't make the podium, but we did put Flanders on it.

One year ago, this Government of Flanders set up the most ambitious recovery plan ever. With 4.3 billion euros, Flanders will invest itself OUT of the crisis all the way to the TOP.

From the outset, our ambition was to inject these investments as swiftly and as efficiently as possible into our real economy, into our community, into every Fleming.

Within 5 years, all that money should have found its way into our society, so that the effects of this huge investment in the Flanders of tomorrow become tangible.

To list a few of the investments involved:

- 1,498 kilometres in cycle lanes to be built or redeveloped, roughly equal to the distance between Antwerp and

Stockholm;

- 35,000 charging posts by 2025, set to boost our green mobility;
- 300,000 online training courses, enabling people to retrain and upskill;
- 225,000 grants to better use our energy output and become more sustainable in the process.

This is just a snapshot of the investments that will propel Flanders into the future.

Investments that are being made right **NOW**.

Just last Wednesday, we sat down with the experts who guide and monitor our Flemish Resilience plan.

Almost every one of our projects is on course. I must mention that these experts on our Flanders recovery committees have explicitly congratulated Flanders on the roll-out and approach to the reconstruction.

Yes (*glancing at the ministers*), that is something we may be proud of.

Ladies and gentlemen,

The Flemish Resilience plan is the most ambitious investment plan ever launched by a Flemish government.

But it is by no means the end station.

My entire government is keen to raise the bar of our ambitions EVEN FURTHER. In addition to making investments, we also need to REFORM things, shift goalposts and tackle sacred cows.

Last Friday, I attended a cabinet meeting with all the ministers into the wee small hours. It was a highly productive meeting. Not only did we sort out the budget, but we also agreed on the policy areas which we will be focusing on during the second half of the administration period.

It's easy to say you're raising the bar, but you do need to make CHOICES. Which areas do you want to be best in class at?

Our absolute number one priority is the labour market. That labour market is overheated. Many businesses are looking for people, but struggle to find the right profiles, even though we still have a high number of job seekers and people who are not in work. So, we are looking at a mismatch. We will make every effort to get **more people into work**. I hope ALL the other administrations in this country share this ambition.

Another key priority: the climate. In Flanders, we have the brains and the businesses to devise climate solutions that will conquer the world. We need to rank among the TOP in this field.

Another thing: government efficiency. Far too often, our agencies and administrations are siloed, as a result of which information is not shared and passed on, as illustrated during the PFOS crisis. We need to do better: the Flemish public is entitled to an administration that makes the most of the resources available.

I'll enlarge on these issues in a minute, but let me start with the budget.

As a result of the corona crisis, we found ourselves facing a substantial budget deficit. Never before has a Flemish government been forced to carry out such a difficult balancing act halfway through its term of office.

But we did it.

We are putting the **budget back on the rails** without blindly and randomly cutting down on spending and without stifling the economic recovery. By making the right choices for the future.

Ladies and gentlemen Members of Parliament,

We have managed to reach a balanced, social and fair agreement without cutting into our own flesh, but by implementing reforms and by adapting our policy to the current needs.

The Flemish government will **halve** the structural deficit of 1.8 billion euros during this term of office. By 2027 at the latest, Flanders will again have a balanced budget.

A balance we will reach WITHOUT the next government having to try and find additional cuts. This pathway is already embedded in the current measures.

Flanders thus has a clear path to get its budget back in order. So that we are prepared in the future for any new crisis, and so that we have scope for investments. So that we don't saddle our children and grandchildren with debts that are the result of irresponsible government.

Obviously, we are now forced to make savings on some items, and this will hurt at times. There is no alternative.

During the corona crisis we were called upon to spend a great deal of money. Our job now as a good caretaker is to make sure that a

few years from now we leave a sound budget. Minister Diependaele will see to this.

I am glad that we were able to spare healthcare and education, two sectors which greatly struggled during the corona crisis, as much as possible.

Where cuts need to be made, we will do so in consultation with the partners on the ground as much as possible.

The growth package will continue to be index-adjusted on an annual basis, albeit by 1 rather than 2 percent. The social supplements and care supplements, however, WILL CONTINUE to rise by 2% a year. At the same time, this administration will invest an extra 58 million euros in childcare during this term of office.

Ladies and gentlemen,

As I said before: this government is unreservedly committed to getting **more people into work**.

Which is why we have decided to grant a job bonus to people on very low incomes. We aim to encourage them by giving them a wage that is tangibly higher than benefit. The difference between

working and not working needs to be big enough.

This job bonus will go directly to the people concerned. At the same time, we will make the target group reduction more selective. As you are aware, this target group reduction is doing us a lot of favours, as among other things it gives tax breaks to businesses that employ older workers. But we have seen a sharp rise in the employment rate among older employees in recent years. Which is a good thing. Therefore, there is less need of this target group reduction for employing workers aged over 58. We will raise the age annually to reach 61 in 2024. The reduction remains in place for businesses that hire workers aged over 58 or unqualified youngsters.

With these measures we are diligently pursuing the reform of our labour market. These measures are on top of all the efforts that are already included in the Flemish Resilience plan.

I am referring to our 'All hands on deck' project, for instance, which we launched together with the social partners

The project represents an investment of 190 million euros and is currently in full swing. It is crucial that we retrain and upskill our employees as widely as possible.

I can't stress enough how important this is. And I would like to take this opportunity to directly address all those who are struggling to find a job or who feel they're not coping in their current job. The labour market offers fresh opportunities for you too. Upgrade your skills, sign up to training courses and dare to seize new opportunities. Digitalisation is bringing new jobs, for which you could be the right man or woman. Let yourself be guided - by VDAB for example! Training for a new job or changing job can be incredibly challenging. That's the future!

My government will do everything in its power to get even more people into work and achieve an 80% employment rate.

Everything. But in some ways, we still have one arm tied behind our back.

Many powers over labour market policy are still held at federal level.

Vice-Minister-President Crevits has repeatedly urged her federal colleague for Labour to pursue an asymmetrical policy. The federal policy MUST be adapted to the reality in Flanders. Because our reality is quite simply different from the reality in Brussels and Wallonia.

Ladies and gentlemen,

We are also providing a structural solution for our 100,000 domestic workers and companies working with service cheques. They support more than 750,000 Flemings in their homes. They do this for modest wages in an industry under pressure. We will boost the profitability of these companies. To do so, we are making funds available to fully index the cheques' redemption value at last.

Ladies and gentlemen,

I know that many people on low incomes are struggling. The corona crisis has taken a heavy toll.

The job bonus will thus be welcome for many.

Esteemed colleagues,

Many Flemings dream of owning their own home.

Parents across Flanders rightly impress upon their children: "Make sure you don't have to rent for too long. Buy a house!" But the corona crisis has pushed housing prices higher.

That is why the Government of Flanders has decided to lower the

registration fee for an **owner-occupied home** to 3%. From 6% to 3%. This will be a considerable stimulus for young as well as older Flemings to buy a home of their own. It's your best life insurance. On the other hand, we are raising the rate for people buying a **second, third, fourth, etc. home** to counteract the overheating on the housing market. This will have a positive effect on prices.

The portability system - the possibility of deducting the registration tax paid on a previous property from the registration tax on a subsequent property - is gradually being phased out.

Ladies and gentlemen Members of Parliament,

Standing before you is a driven, decisive but also concerned government leader and grandfather. The corona crisis has made us face facts. Our society, and by extension the entire world, is extremely fragile. Much more fragile than we thought. Fate can strike at record speed.

Just take the floods this summer. Heavy rainfall led to unprecedented human tragedies in Flanders, but even more so among our Walloon friends. Thousands of people were affected by the extreme weather conditions. I am making an offer here and now to sit down with the Government of Wallonia in the next few

days to see if we can assist Wallonia with a loan or a guarantee.

Unfortunately, this won't be the last time that we will be faced with such events.

We have two options. To just sit back and hope it all blows over. Or to take the bull by the horns. We choose the second. To act. To intervene. To persevere.

We must strike a better balance between man and nature, and Flanders has an important role to play!

The climate is warming, but we know we can limit it. Partly through innovation.

Flanders has everything it takes to shine on the international stage as a creator of solutions.

INCLUDING when it comes to climate.

That is why the Government of Flanders is investing hundreds of millions of euros in climate adaptation.

To be able to withstand the extremes of too much or too little

water. With more open space than ever. More green, more forest, more nature, more biodiversity and more sustainable agriculture.

Ladies and gentlemen,

The time is past when certain companies thought they could dump anything they wanted into nature and let THE PEOPLE pay the bill. The time is past when companies could pollute or contaminate our environment with impunity. And we are calling time on practices that lead to PFOS and other sludge in our rivers and soil. This government, with Minister Demir, has already taken decisive action in this respect and we will continue to work in that direction.

Our waste policy must also be tightened up.

That is why the Government of Flanders decided on Friday that companies will in future pay **25 euros instead of 13 euros per ton of incinerated waste, as in the Netherlands. Literally: the polluter pays.**

Flanders will also fulfil its obligations to reduce our CO2 emissions. As best we can, with well thought-out and realistic measures.

But our ambition is **many times** greater!

Flanders has the capacity to contribute much MORE to reducing global CO2 emissions. We can do that because we are a hotspot of innovation, know-how, clean tech and high tech.

We must develop this technology here and export it so that the whole world can benefit.

Ladies and gentlemen, Flanders must and will be a pioneer on the road to a cleaner environment and less climate warming.

I will be doing all I can, personally, to persuade companies to make the necessary investments. The Government of Flanders will support them in this.

The need for this became clear to me during my recent working visit to Denmark. Here again, I want to look north.

I promise you will see the first tangible results of this in the coming days and weeks.

With a view to the UN climate summit in Glasgow, I will soon convene a special climate ministers' council to further hone our

policy.

We will take climate impacts into account more often when awarding subsidies.

But we will not be forgetting our farmers and growers. They often face difficulties in remaining economically viable.

This Government of Flanders will seek a definitive solution to the problem of excessive nitrogen levels in Flanders by the end of the year. A provision has been set aside for this in the budget.

Ladies and gentlemen,

Flanders can act as a cradle of technological innovations to solve social problems. This is an ambition I would like to share with you.

I am convinced that we can do great things with the technologies of the fifth industrial revolution. Not only in terms of climate, but also for more efficient mobility, for better health care, to fight poverty, to tackle abuses, to make our education even better. In short, to improve people's lives and society as a whole.

Over the next few months, I will be discussing these issues with all

the potential partners in our society. At the end of the last century, Flanders gained international renown with Flanders Technology International. The time has come for another such tour de force!

But we must keep our feet firmly on the ground. In the meantime, over the next year, we have MUCH MUCH work ahead that will make a huge difference for so many of our fellow citizens.

It has been on many posters in recent weeks. We are aiming for greater **well-being** than ever. We are going to convert that promise into action.

With a gigantic injection of almost 600 million euros per year (!) in our health sector, in our health workers, we will have more hands at the bedside, and we will pay them the wages they deserve. This social agreement translates clap-for-carers into cash, and means a huge boost for the sector.

We are **warmer** than ever.

Because Flanders is investing no less than 1.6 billion euros in care for the disabled this parliament. 940 million more than originally anticipated. Never in its history has Flanders invested so much

extra in helping people with disabilities.

We're aiming for the best ever **education**.

Last year we moved heaven and earth to keep our schools open. And it paid off, because our children and young people were able to go to school more days than in most other countries. This year, the Minister of Education Ben Weyts, together with the entire Government of Flanders, is fighting with the same energy for the quality of our education. As from this year, for example, we are launching Digisprong: a large-scale digitalisation of our education, which will allow us to support weaker pupils better and challenge stronger pupils more.

We are also introducing new attainment targets that will raise the bar in secondary education.

And in a few weeks' time, in October, language screenings will take place in all 3rd kindergarten classes for the first time, so that, at last, we can avoid children having to start the first year of primary school with a language deficiency.

A historic investment in youth infrastructure is also in the pipeline. With 30 million euros, Benjamin Dalle and the Government of Flanders will renovate and modernise youth

centres, youth accommodations and youth clubs.

Ladies and gentlemen, Flanders' **mobility** really must become more viable, greener and safer than ever before.

That is why we are planning a whole series of infrastructure works. Of course, the Oosterweel works are the most far-reaching. A few days ago, together with Mr Peeters, I gave the green light for the final phase of that gigantic infrastructure project. A project that will reduce traffic jams, but also make the region more liveable.

Flanders should become a country for cyclists, giving them a rightful and safe place in traffic.

For every 2 euros invested by a local authority in bicycle infrastructure, Flanders will add 1 euro.

At the same time, we are committed speeding up the elimination of historical traffic black spots.

Ladies and gentlemen,

During the corona crisis, the municipal authorities proved that

they were able to respond quickly and effectively. We therefore want to give them even more resources and a greater say. Mr Somers, we intend to start a real decentralisation process and further increase local authorities' impact.

We will also help them to become more **digital** than before. But this digitalisation won't leave behind those citizens for whom it is all going a little too fast.

I have said it before: now **more than ever**, we are aiming for a Flemish public administration with impact. We are moving away from statutory appointments and towards a modern personnel policy in which contractual staff are the norm. We are providing additional resources to improve working conditions.

I would also like to talk to you explicitly about culture. On Saturday I was able to announce that, in exactly one year's time, on 25 September 2022, the KMSKA, the "finest" museum in Flanders, will reopen its doors at long last.

The pandemic made us realise more than ever how much colour our museums, our live venues and our heritage lend to our society. When cultural life suddenly stops, it leaves an unimaginable void.

I will not fail to give our cultural associations and our artists the

support they need. As well as the buildings, museums and cultural institutes where culture lives. They deserve it. More than ever.

Proud of our past, our feet in the present and our eyes on the future.

I would like to refer once again to the Adoration of the Mystic Lamb, which returned to St Bavo's Cathedral after three years and whose story is told and visualised in the new visitors' centre.

We can be particularly proud of this. The whole art-loving world is stunned.

Beauty - from culture to climate - creativity and innovation. I hope from the bottom of my heart that those words will be the common thread throughout the coming years of this government.

I hope that in a few weeks' time we can really say: the corona crisis is finally behind us.

In Flanders we are fortunately already at the point where we can lead a free and pretty normal life.

The first of October, which is in three days' time, when the face masks disappear in hospitality and shops, will be another important, liberating day.

I hope that the vaccination rate in Brussels will also rise soon, allowing us to phase out the last few measures in Flanders as quickly as possible.

But that doesn't stop us from starting the post-corona era TODAY. An era in which Flanders wants to and WILL shine internationally. Two years later than hoped, we are ready for... the *roaring twenties*, full of challenges and inspiration.

I ask you all, representatives of the Flemish people, to work with us on this with enthusiasm.

Thank you.