



Workshop

**Atypische arbeidsvormen in de werknemersverzekering:
hoe zelfstandigen en platformarbeid sociaal verzekerd krijgen?**
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Access to social protection for the self-employed in Europe

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Outline of the talk

Introduction: the European Social Policy Network

1. The European context: from an economic to a social protection discourse on self-employment
2. Access to social protection for the self-employed in Europe: making sense of diversity
3. Reform trends and policy debates

ESPN

1. European Social Policy Network established in 2014 to provide the Commission with independent analysis & expertise on social policies in 35 European countries
 - Dutch partner: Regioplan
2. Managed by LISER (Luxembourg Institute of Socio-Economic Research), Applica and the European Social Observatory (OSE)
3. Most recent reports on working poor, inequalities in access to health care and financing social protection (forthcoming)
4. + 300 “Flash reports” on significant social policy developments in Europe
 - “New Dutch draft law to reduce the gap between permanent and flexible contracts” (ESPN Flash Report 2018/67)

I. The European context: from an economic to a social protection discourse on self-employment

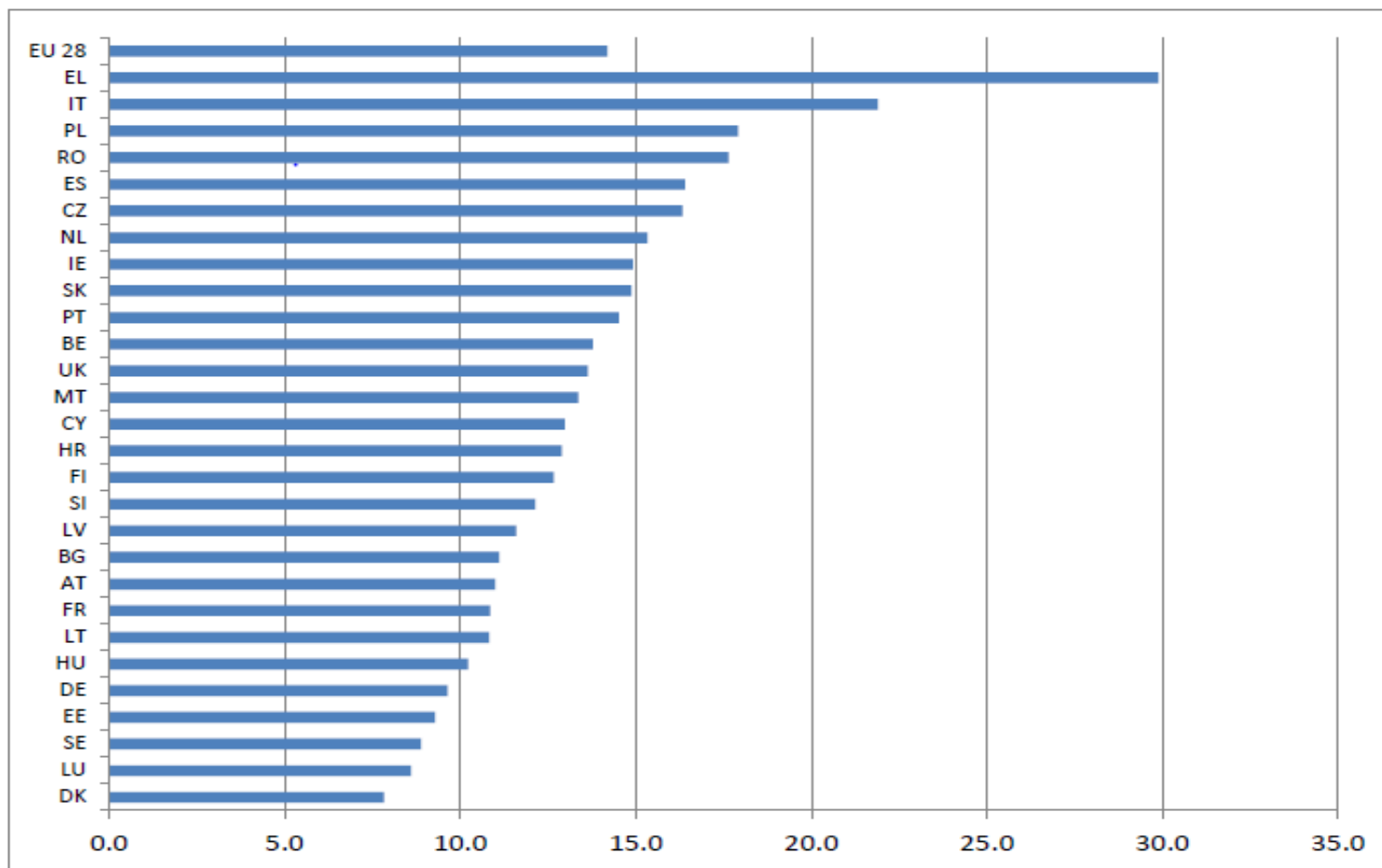
The EU context: self-employment in national labour markets

- The share of the self-employed has remained **relatively stable** over the period 2007 to 2015 (but a declining trend since 2009).
 - About 15% of total employment in 2015 (EU-28)
 - But it has grown significantly in several countries since 2005 (e.g. LU, NL, UK, SI, BE, FR, CZ)
- The share of **self-employed *without* employees** has been growing faster, especially in the service and construction sectors
 - Diversity in labour market statuses: “vulnerable” and “concealed” self-employed

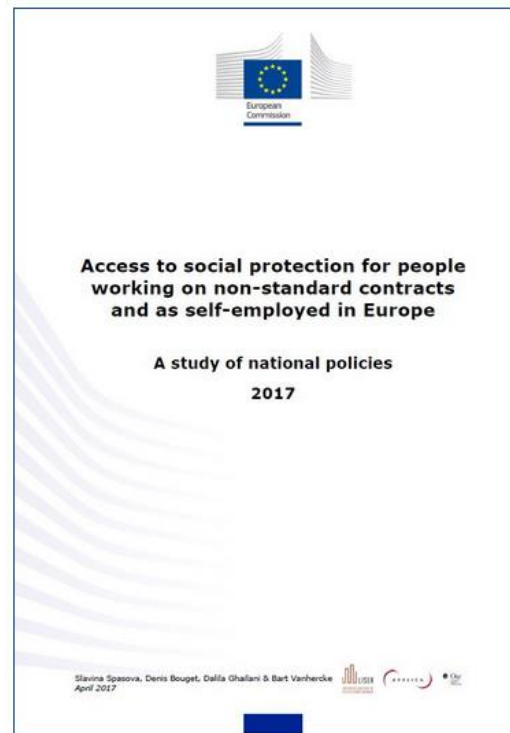


Numerical incidence of SE in national labour markets

Self-employed as a percentage of total employment in 2015 (age 15-64), Eurostat 2015, %



In support to the European Commission analysis: ESPN Synthesis Report



Spasova S., Bouget D., Ghailani, D. and Vanhercke B. (2017). Access to social protection for people working on non-standard contracts and as self-employed in Europe. A study of national policies. European Social Policy Network (ESPN), Brussels: European Commission. Free [download](#)

Self-employment in EU discourse and initiatives

- In the EU policy discourse, self-employment mainly considered as a tool to *make labour markets more flexible and boost employment*
- The self-employed rarely included in EU initiatives as it is the case of non-standard workers
- the Treaties do not refer to self-employment

Self-employment in EU discourse and initiatives

- **Council Recommendation** on access to social protection for workers and the self-employed adopted by EPSCO Council (6-7 December 2018)
 - Political momentum created by the **European Pillar of Social Rights**; Principle 12 on self-employment
 - A “milestone” in EU discourse and action on social protection

Self-employment in EU discourse and initiatives

- **Dutch government** reluctant towards Recommendation
 - In spite of its non-binding nature; until last debates in the EPSCO Council
 - Amended text regarding “mandatory approach” to pensions regarded as too constraining...becoming “where appropriate”
 - Dutch Statement on the possibility to make exceptions in light of national circumstances
- **Formal adoption** in Council pending on debates in German and Czech Parliaments (formal adoption before summer 2019?)
- Commission will keep up the pressure, also through European Semester (CSRs)

The Proposal for a Council Recommendation in a nutshell

- Gaps in statutory and effective access to social protection
- Lack of transferability of entitlements
- Lack of transparency linked to regulatory complexity and poor access to information on social security rights
- Adequacy of social protection benefits as one of the cornerstones of the initiative
- Mandatory insurance clearly supported for most of the social protection schemes. Voluntary insurance: a 'suitable solution' only for unemployment benefits for SE
- The existence of categories of self-employed with differing social situations acknowledged

II. Access to social protection for the self-employed: making sense of diversity

Wide variation in *statutory* access to social protection:

- Among countries
- Within a country
- Depending on the benefit schemes (contributory vs non-contributory)
- Depending on the categories of the self-employed
- Historical categories (e.g. liberal professions, farmers), newly created statuses ('auto-entrepreneur' in France), 'dependent self-employed' (e.g. DE, ES, IT, PT)

Summary table on statutory access to social protection for the self-employed

Country	Healthcare	Family benefits	Long-term care	Social assistance	Survivors' pensions	Old-age	Invalidity	Maternity/paternity cash benefits and benefits in kind	Sickness benefits	Accidents at work and occupational injuries benefits	Unemployment benefits
HU	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full
LU	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full
IS	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full
RS	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full
HR	Full	Full	Full	Full	Full	Full	Partial	Full	Full	Full	Full
SI	Full	Full	Full	Full	Full	Full	Full	Full	Partial	Full	Full
FI	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Partial
SE	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Partial
EE	Full	Full	Full	Partial	Full	Full	Full	Partial	Full	Partial	Partial
AT	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	Voluntary opt-in
DK	Full	Full	Full	Full	N/A	Full	Full	Full	Full	Voluntary opt-in	Partial
PT	Full	Partial	Partial	Full	Full	Full	Full	Full	Partial	Voluntary opt-in	Full
CZ	Full	Full	Full	Full	Full	Full	Full	Voluntary opt-in	Voluntary opt-in	Full	Full
PL	Full	Full	Full	Full	Full	Full	Full	Voluntary opt-in	Voluntary opt-in	Full	Partial
ES	Full	Full	Full	Full	Full	Partial	Full	Full	Full	Voluntary opt-in	Voluntary opt-in
RO	Full	Full	Full	Full	Partial	Partial	Partial	Partial	Voluntary opt-in	Voluntary opt-in	Voluntary opt-in
MK	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	None
MT	Full	Full	Full	Full	Full	Full	Full	Full	Full	Full	None
SK	Full	Full	Full	Full	Full	Full	Full	Full	Full	None	Full
EL	Full	Full	Full	Full	Full	Full	Full	Partial	None	Partial	Partial
UK	Full	Full	Full	Full/Partial	Partial	Partial	Partial	Partial	Partial	None	Partial
DE	Full	Full	Full	Full	Partial	Partial	Partial	Partial	Partial	Voluntary opt-in	None
NL	Full	Full	Full	Full	Full	Partial	Voluntary opt-in	Partial	Voluntary opt-in	Voluntary opt-in	None
BE	Full	Full	Full	Full	Full	Full	Full	Full	Full	None	None
CY	Full	Full	Full	Full	Full	Full	Full	Full	Full	None	None
LT	Full	Full	Full	Full	Full	Full	Full	Full	Full	None	None
LV	Full	Full	Full	Full	Full	Full	Full	Full	Full	None	None
NO	Full	Full	Full	Full	Full	Full	Full	Full	Partial	None	None
FR	Full	Full	Full	Full	Full	Full	Full	Partial	Partial	None	None
TR	Full	Full	Partial	None	Full	Full	Full	Full	Partial	Full	None
IE	Full	Full	Full	Full	Full	Full	None	Full	Partial	None	Partial
IT	Full	Partial	Partial	Full	Full	Full	Partial	Full	None	Full	None
BG	Full	Full	Full	Full	Full	Full	Full	Full	Voluntary opt-in	None	None
LI	Full	Full	Full	Full	Full	Full	Full	Voluntary opt-in	Full	None	None
CH	Full	Full	Full	Partial	Partial	Partial	Partial	Full	None	None	None

The 'three gaps schemes' in statutory access for the self-employed

Social protection scheme	No legal access	Statutory access	
		Mandatory	Voluntary
Unemployment	BE, BG, CY, DE, EE ^a , EL ^b , FR, IE ^a , IT, MT ^a , NL, LT ^b , LV, PT ^b , UK ^a	CZ, HR, HU, LU, SI, SK ^c , PL	AT ^c , DK, ES, FI, RO, SE
Accidents at work & occupational injuries	BE, BG, CY, CZ, DE, DK, IE, LT, LV, NL ^b , SK, UK	EE, EL, HR, HU, IT, PL, LU, MT, SE, SI	AT ^c , ES ^d , FI ^d , FR ^b , PT, RO ^d
Sickness benefits	EL ^b , IE ^a , IT	AT ^c , BE, CY, DE ^c , DK, ES ^d , FI, FR, HR, HU, LU, LT, LV, MT, PT ^c , SE, SI, SK ^c , UK ^c	BG, CZ, EE, NL, PL, RO ^d

a) Access only to means-tested benefits b) Access only for certain categories of SE c) OPT- OUT and exemptions d) Compulsory /voluntary access depending on the category of SE



The 'three gaps schemes' in statutory access for the self-employed

Social protection scheme	No legal access	Statutory access	
		Mandatory	Voluntary
Unemployment	BE, BG, CY, DE, EE^a , FI^b , FR, IE^a , IT, MT^a , NL 53%	CZ, HR, HU, LU, SI, SK^c , PL	AT^c , DK, ES, FI, RO, SE
Accidents at work & occupational injuries	BE, BG, NL^b , SK, LV, 43%	EE, EL, HR, HU, IT, PL, LU, MT, SE, SI	AT^c , ES^d , FI^d , FR^b , PT, RO^d
Sickness benefits	EL^b , IE^a , 11%	AT^c , BE, CY, DE^c , DK, ES^d , FI, FR, HR, HU, LU, LT, LV, MT, PT^c , SE, SI, SK^c , UK^c	BG, CZ, EE, NL, PL, RO^d

a) Access only to means-tested benefits b) Access only for certain categories of SE c) OPT- OUT and exemptions d) Compulsory /voluntary access depending on the category of SE



Hybrid social protection for 'dependent self-employed'

Country	'Dependent self-employed'
Germany	Since 1999, the 'own account self-employed' who are dependent on a single client have been subject to compulsory insurance for old-age pensions while the other categories of self-employed are not.
Italy	In Italy, an unemployment benefit was introduced in 2015 for dependent self-employed persons working on continuous collaboration contracts (<i>co.co.pro.</i> , <i>Collaborazioni coordinate a progetto</i>).
The Netherlands	Only the dependent self-employed are compulsory covered by occupational and work injury schemes. The rest of the self-employed should take out private insurance.
Spain	Accident at work insurance is compulsory for the dependent self-employed ('economically dependent self-employed' — TRADE) but voluntarily for the rest of the self-employed.
Portugal	Only the dependent self-employed have access to unemployment benefits.
Romania	Dependent self-employed benefit from compulsory pension and health insurance (while conditional upon a certain income for the rest of the self-employed). Yet, compared to a salaried worker, the dependent self-employed do not have mandatory insurance against unemployment.

Clustering on statutory access to insurance-based schemes

'All-inclusive' systems	'Optional access' systems	'Partially exclusive' systems	Patchwork of 'optional access' and 'partially exclusive' systems
HR, HU, LU, SI 14%	AT, CY, DK, ES, FI, PL, 28%	BE, CY, EL, ES, IT, LT, LV, 32%	BG, DE, EE, IE, NL, PT, UK 25%

‘Effective’ access to social protection for the self-employed

- **Eligibility conditions tailored to salaried employment**
 - contributory periods
 - shorter duration of benefits
 - waiting periods
- **Voluntary access, opt- out and exemptions**
- **The way the income assessment base is determined**
 - upfront payments (advance social security payments), payments of arrears
- **Transferability of entitlements between schemes**
- **Under- or non-reporting of income**

Examples: Issues in 'Effective' access

Voluntary access, opt-outs and exemptions	Low minimum assessment bases
<p>Romania: only 10-11 % of the self-employed are covered for old-age benefits, invalidity, sickness or maternity benefits.</p>	<p>Latvia: 85%-90% of self-employed pay contributions based only on a minimum monthly wage.</p>
<p>Czech Republic: In September 2017, 15.37% of SE (main economic activity) contribute to sickness insurance.</p>	<p>Spain: the average monthly base of the self-employed is approximately 36% lower than that of salaried workers. 86.1% of self-employed are insured at minimum contribution base.</p>
<p>Austria: coverage of the unemployment insurance which is voluntary: 0.02 % of all self-employed (117 persons insured in 2015)</p>	<p>Slovenia: 70% of self-employed persons pay social security contributions on the minimum insurance base for pensions.</p>
<p>Finland: coverage of the second-tier voluntary unemployment insurance: solo self-employed: 20% and for self-employed with employees only about 10%.</p>	<p>Estonia: there is a legal incentive to declare only 'passive income' instead of 'active income' (the former is not subject to social tax and income tax). Households with business income are estimated to under-report 62% of their actual active income.</p>

III. What has been changing?

Reform trends and policy debates

Self-employed: extension of social protection through 'parametric' and 'paradigmatic' reforms

Parametric reformes	Paradigmatic reformes
DK, EE, ES, HU, NO, NL, PT, RO, SI	AT, BE, CH, EL, ES, IE, FI, FR, LT, LV, MT, NO, PT, TR, UK

Examples of paradigmatic reforms aimed at extending social security to the self-employed

- Malta: extending unemployment insurance to the self-employed in 2019
- Finland: New forms of unemployment insurance
- Greece: new pension system (2017) unifying several social insurance funds into one pension fund
- Ireland: extension of invalidity pensions and the treatment benefit (healthcare) to the self-employed (2017)
- Austria: new self-employed included in pension, health and work accident schemes since 2000

Initiatives and debates around the ‘digital economy’

- BE: law on sharing economy (July 2018)
- FR: law on digital platforms
- DE: White Paper « Work 4.0 »
- NO: Uber declared illegal; set up of a special commission on the digital economy
- UK: inquiry into self-employment and the gig economy; judgement against Uber

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Vanhercke B., Ghailani D. and Sabato S. (Eds.) (2018), Social policy in the European Union: state of play 2018, Brussels, European Trade Union Institute (ETUI) and European Social Observatory (OSE).