Social protection for all, including self-employed workers

2013/2111(INI) - 12/12/2013 - Committee report tabled for plenary, single reading

The Committee on Employment and Social Affairs adopted the own-initiative report by Vilija BLINKEVIIT (S&D, LT) on social protection for all, including self-employed workers. The report looked at the degree to which social protection rights were granted in self-employment and in new forms of employment, noting that in 2012, **self-employment represented more than 15 % of total employment in the EU.** However, Members found in some cases, it was not the preferred option of the person concerned, but rather a necessity owing to a lack of other job opportunities or sufficiently flexible working arrangements to combine work and care for dependents. Members also noted that economically dependent self-employed workers were rarely represented by trade unions, even if they were more likely to be victims of working time and other abuses.

Social security for all: Member States were called upon to **ensure sustainable long-term financing of social security systems**, particularly in periods of economic crisis, that would safeguard a decent income established by each country and guarantee access to basic social benefits, particularly in the event of illness, unemployment, maternity, disability and retirement. The committee emphasised the fact that effective social protection of a sufficiently high quality should be based on measures to promote participation in employment, and that **lowering the level of social protection should not be seen as a solution** paving the way to increased levels of employment.

The report stressed the need for:

- policies that ensured **access to lifelong learning** by redistributing existing EU and national funding from workers with permanent contracts only to all workers – including the self-employed – irrespective of their contract type;

- greater efforts to implement **structural reforms in order to create jobs for young people** and ensure that young workers were not discriminated against through the restriction of their social security entitlements.

- speeding up the application of Articles 7 and 8 of **Directive 2010/41/EU,** and by providing workers at their request with flexibility regarding working hours, teleworking and part-time work for the purpose of caring for minors and dependants, and to achieve this without any loss in workers' social benefits;

- adequate social security also for the **most vulnerable groups** such as the unemployed, the disabled, single-parent families, young families, the young, the elderly and pensioners;

- social protection measures to ensure that **women's pay and welfare entitlements**, including pensions, are not lower than those of men doing the same job, and safeguarding maternity entitlements, and preventing the unfair dismissal of employees during pregnancy;

- more efforts to **combat undeclared employment and precarious work**, including 'mini jobs' and false part-time jobs, and ensuring that all workers enjoy appropriate social protection;

- **improved administrative cooperation** between the different institutions (labour inspectorates, tax offices, municipal authorities and social security services) at national and EU level, as a means of facilitating the implementation of Union labour law provisions, and reducing undeclared work;

- ensuring that all **EU migrant workers** enjoy adequate social security entitlements and cover when working in another Member State;

- striking an appropriate balance between labour market security and flexibility, for example through the global implementation of flexicurity principles;

Members called on the Commission to:

- conduct **an EU-wide study** into whether, as a result of recent changes made to Member State labour laws, employees' social security cover has not been diminished and the principle of flexibility with security has not been infringed;

- include in its proposals **the four targets set in the ILO Decent Work Agenda**, and to consider the targets set in the ILO Social Protection Floors Recommendation in the annual growth review, so that all workers in Europe may enjoy social protection.

Social security cover for self-employed workers: Members wanted to see the expansion of self-employment going hand-in-hand with **appropriate social protection for the self-employed**. Member States were asked to facilitate the combination of work and care responsibilities by providing workers with flexibility with regard to working hours and place of work in order to **avoid a situation whereby that they have no options for flexibility other than to resort to dependent self-employment**. The committee urges Member States to ensure that self-employment does not become a means of preventing workers from benefiting from social and job security or a means for employers to circumvent labour and social security law. **Social security and social protection rights should be linked to the individual rather than the working contract**, thereby enabling decent social protection for all, including self-employed and employed workers, regardless of their contract type or employment status.

The report called for the following:

- more detailed, up-to-date **statistics** for the purpose of analysing the economic significance of self-employed workers and the various categories of self-employment;

- the inclusion of questions concerning self-employment in the **EU labour force survey**;

- a **clear national definition of self-employment**, since the absence of one increased the risk of false self-employment among EU workers and could hamper their access to adequate social security;

- exchanges between Member States and the Commission in order to provide **guidance on the different forms of atypical employment and self-employment,** so as to assist Member States to properly apply the relevant labour laws and social protection measures to workers so employed;

- clear means of **identifying false self-employment and sanctioning employers** if such cases are identified and proven;

- **group insurance** for occupational accidents and illness and access to collective and solidarity-based insurance and pension schemes for the self-employed;

- **making information available** to all citizens regarding their rights to social protection and also appropriate information for those wishing to become self-employed workers on the changes to their social protection and the labour law applicable to them arising from such a change in status.

Lastly, Members stressed the need to **involve social partners** in a process of developing and modernising social protection and developing the social dialogue at EU and national level. They encouraged social partners to exchange good practices among trade unions and professional associations on services provided to the self-employed, fighting bogus self-employment, and organising own-account self-employed workers.