



European Foundation
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of Living and Working
Conditions

The tripartite EU Agency providing knowledge
to assist in the development of better social,
employment and work-related policies

Exploring self-employment in the European Union

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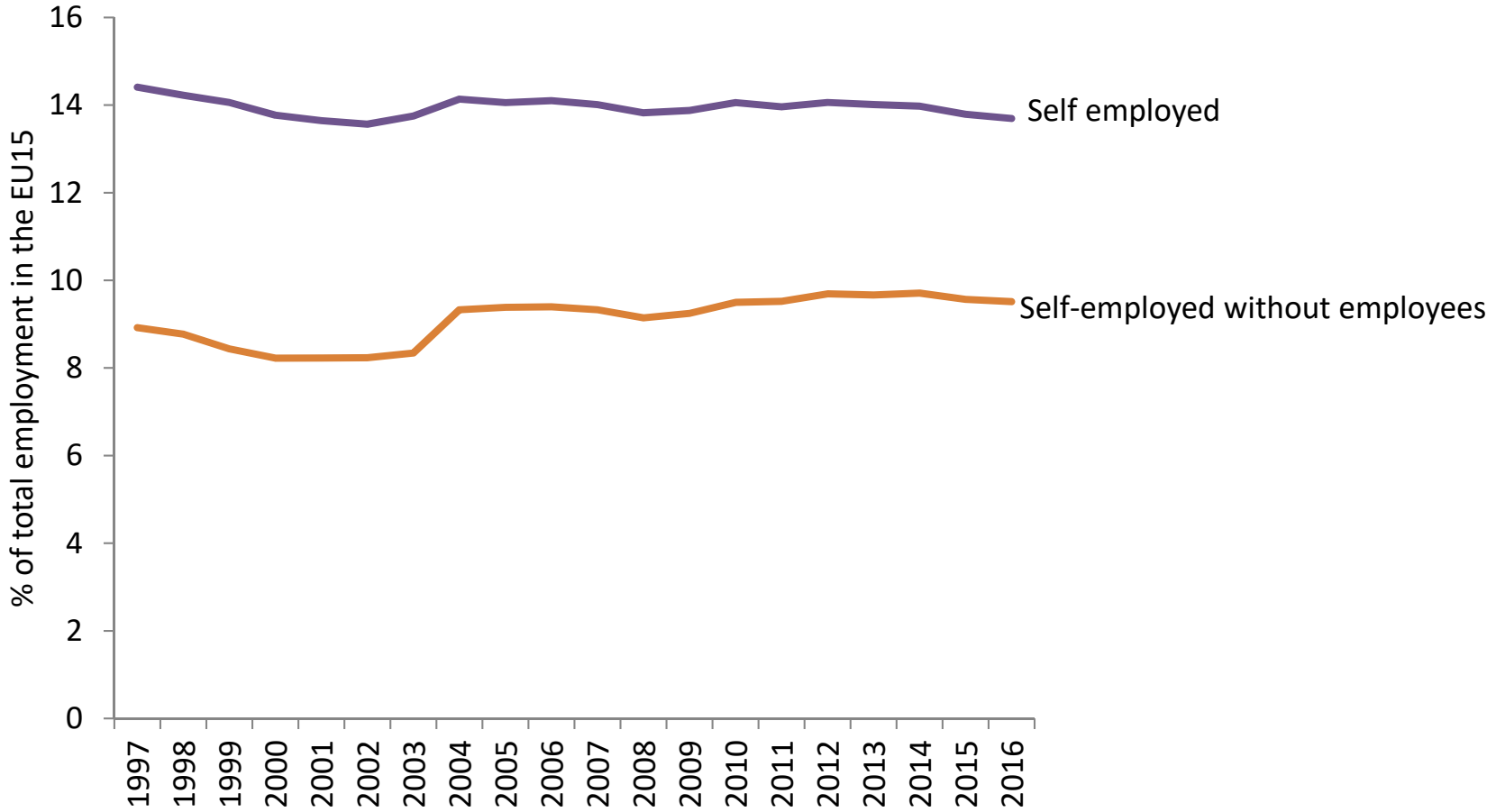
FOD Sociale Zekerheid

Brussels, 12 December 2018

Policy background

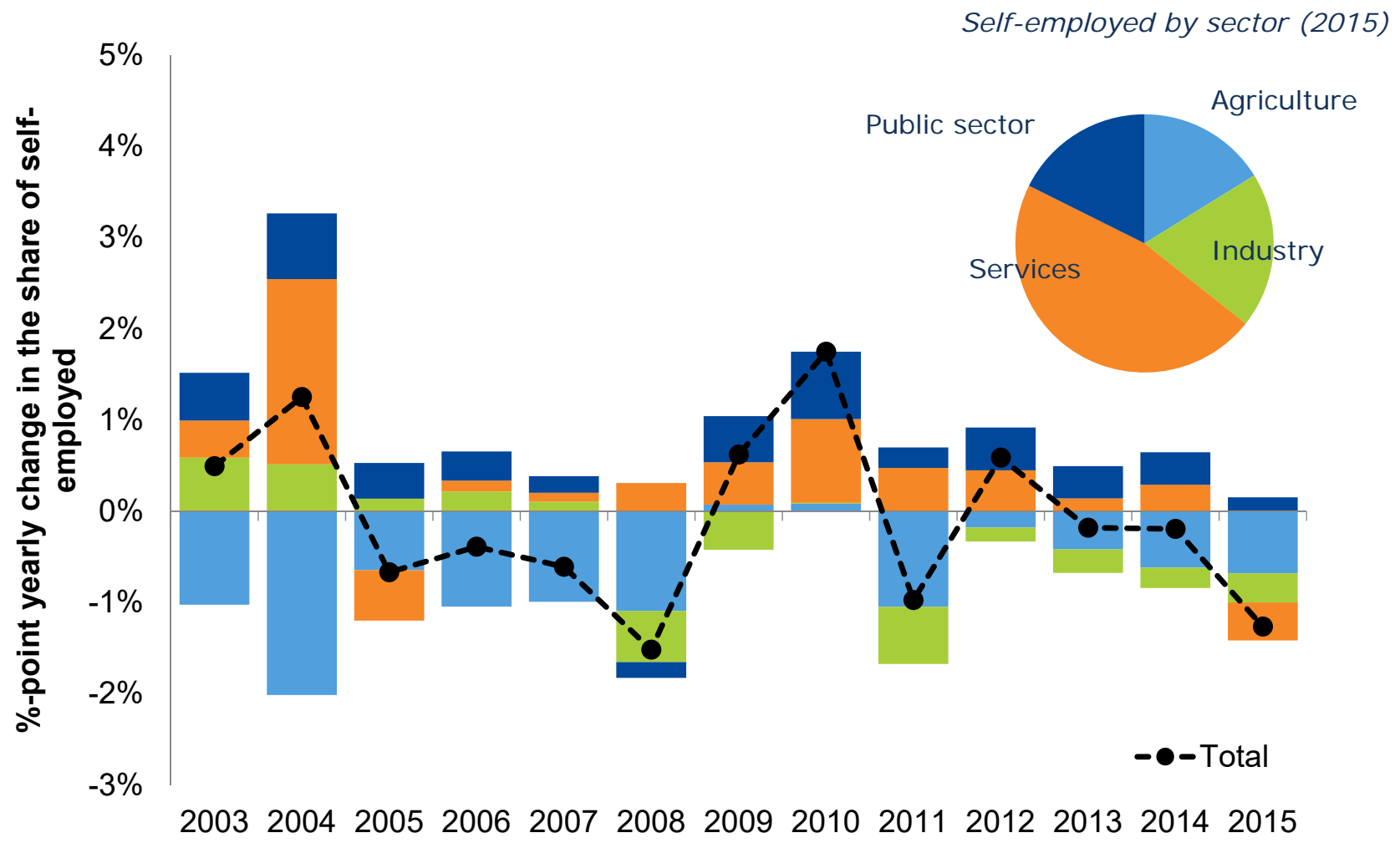
- Self-employment promoted to boost labour supply
- Is the nature of employment changing?
 - New, non-standard forms of employment
 - Employment status ambiguous
 - More precarious work?
- Sustainability of social protection systems
- European Pillar of Social Rights principle 12:
Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to adequate social protection.

Self-employment stable overall, but more without employees

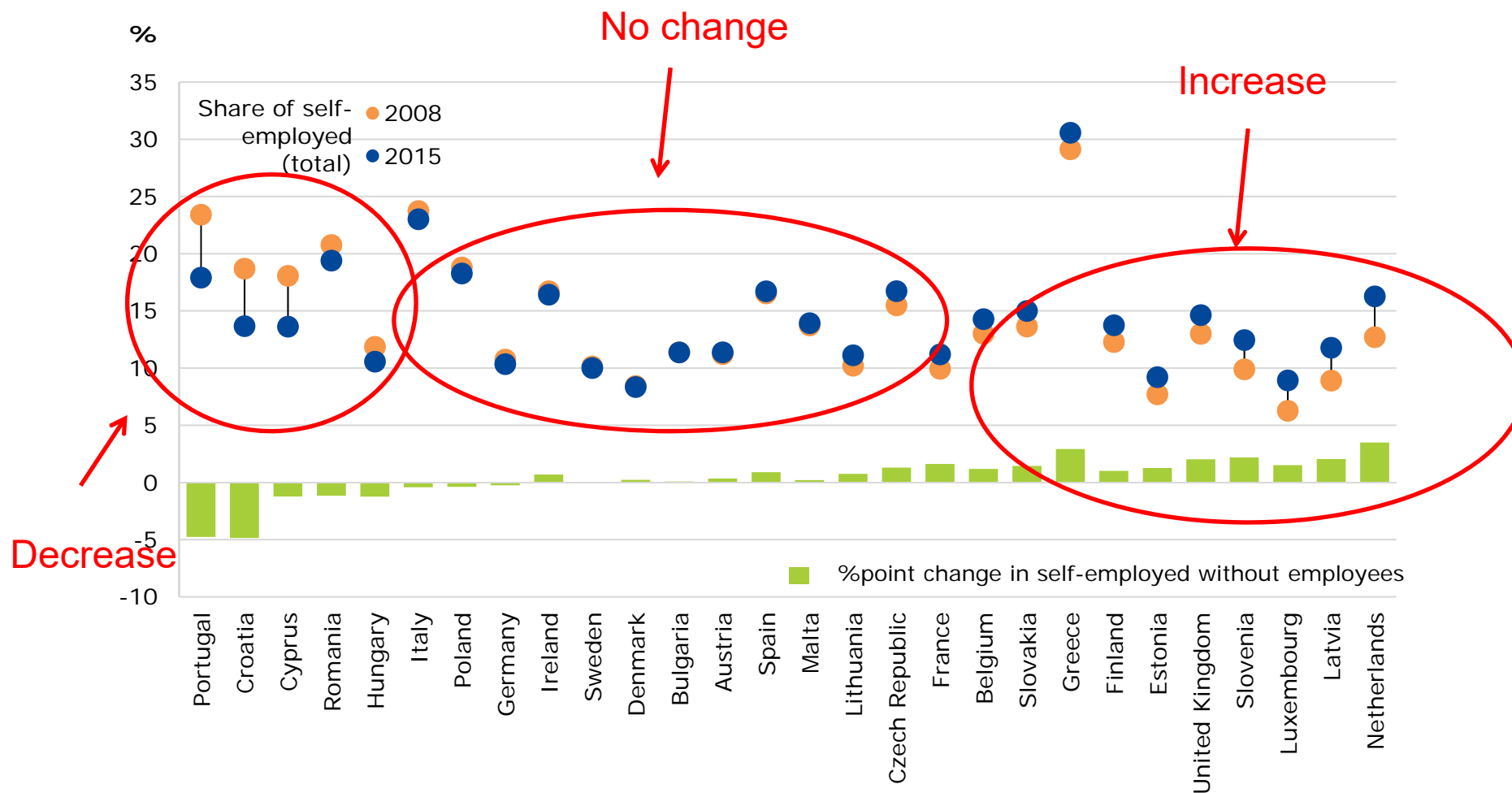


Source: Eurostat (LFS)

More self-employed in services, less in agriculture

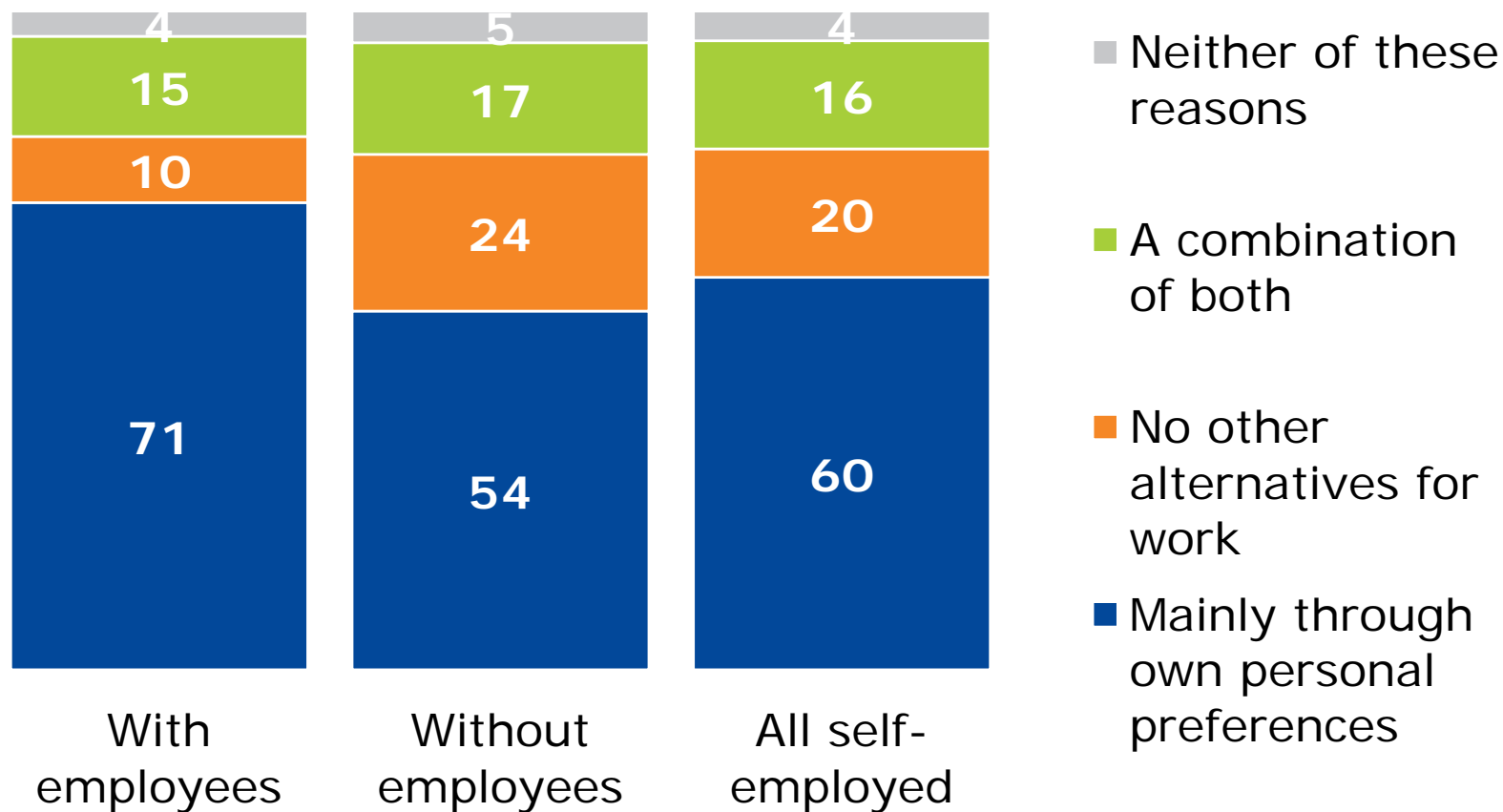


Country differences in trends



Source: Eurostat (Labour Force Survey)

Why become self-employed?

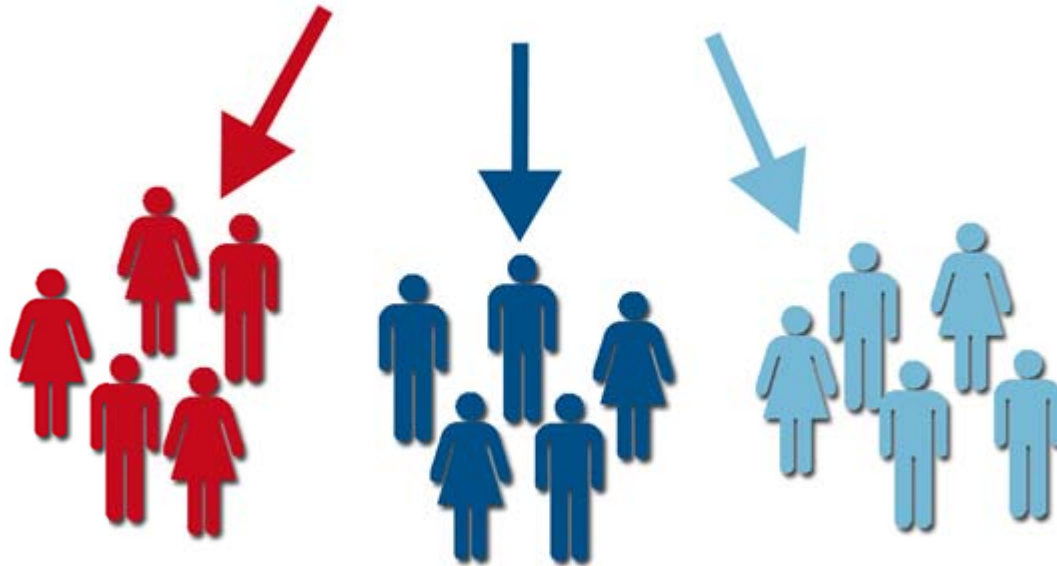


Source: Eurofound (European Working Conditions Survey 2015)

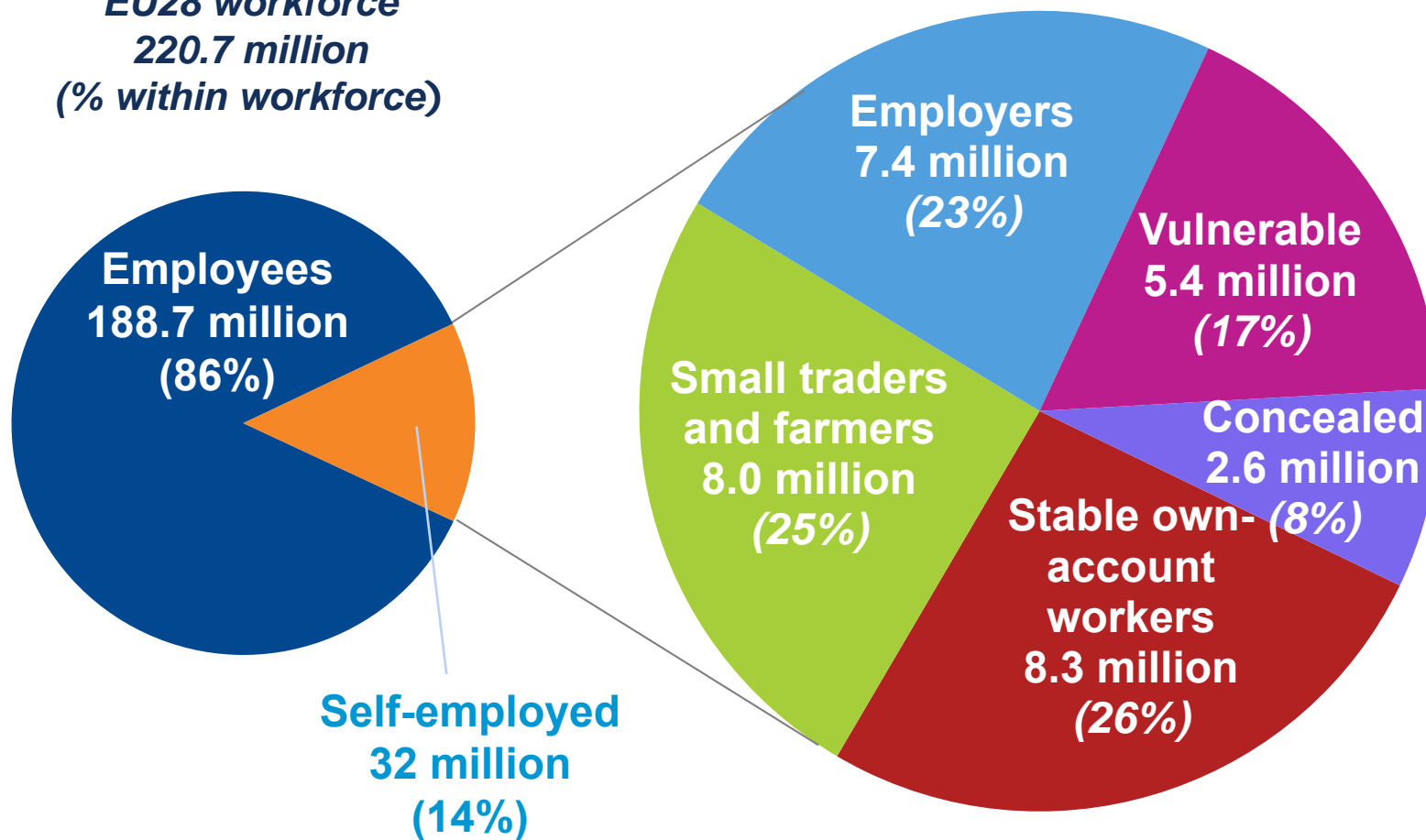
Clustering the self-employed



VRIJE
UNIVERSITEIT
BRUSSEL



EU28 workforce
220.7 million
(% within workforce)



Stable own-account workers (26%)

**Opportunity,
independent,
autonomous**

99% does not
employ staff

93% has more than
one client

12% self-employed
out of necessity

90% able to take
time off



Vulnerable (17%)

**Dependent,
precarious,
necessity**

**40% out of
necessity**

**55% only
one client**

**48%
difficult to
find new
clients**

**63% in
lowest
income
quintile**

**98% no
training**



Implications

- Majority of self-employed generally have good working conditions
 - Good job quality
 - Innovation and job creation?
- Self-employed are not always independent and autonomous
 - Worse job quality
 - Lack of social protection?
 - Lack of representation?
- Ambiguity regarding the self-employment status: dependence and subordination, but employee legislation does not apply

Social protection

Social protection and representation may be lacking

- No unemployment protection in 11 member states
- No insurance against accidents at work in 10 member states
- No sickness benefits in 3 member states
- Take up of voluntary coverage ranges from 1% to 20%

(Source: Spasova et al, 2017)

Representation

Union representation may be lacking for self-employed

- In some countries, barriers exist for unions to recruit self-employed. Conflict of interest?
- Collective bargaining and competition law

ETUC (2018):

- Self-employed represented in sectors with traditionally many self-employed
- Some unions specifically for self-employed
- More and more bigger unions now focus on recruiting self-employed as well

Policy approaches

- Member states
 - Criteria to distinguish employment from self-employment
 - Create a third status

- European Commission: access to adequate social protection for all

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