

Exploring self-employment in the European Union

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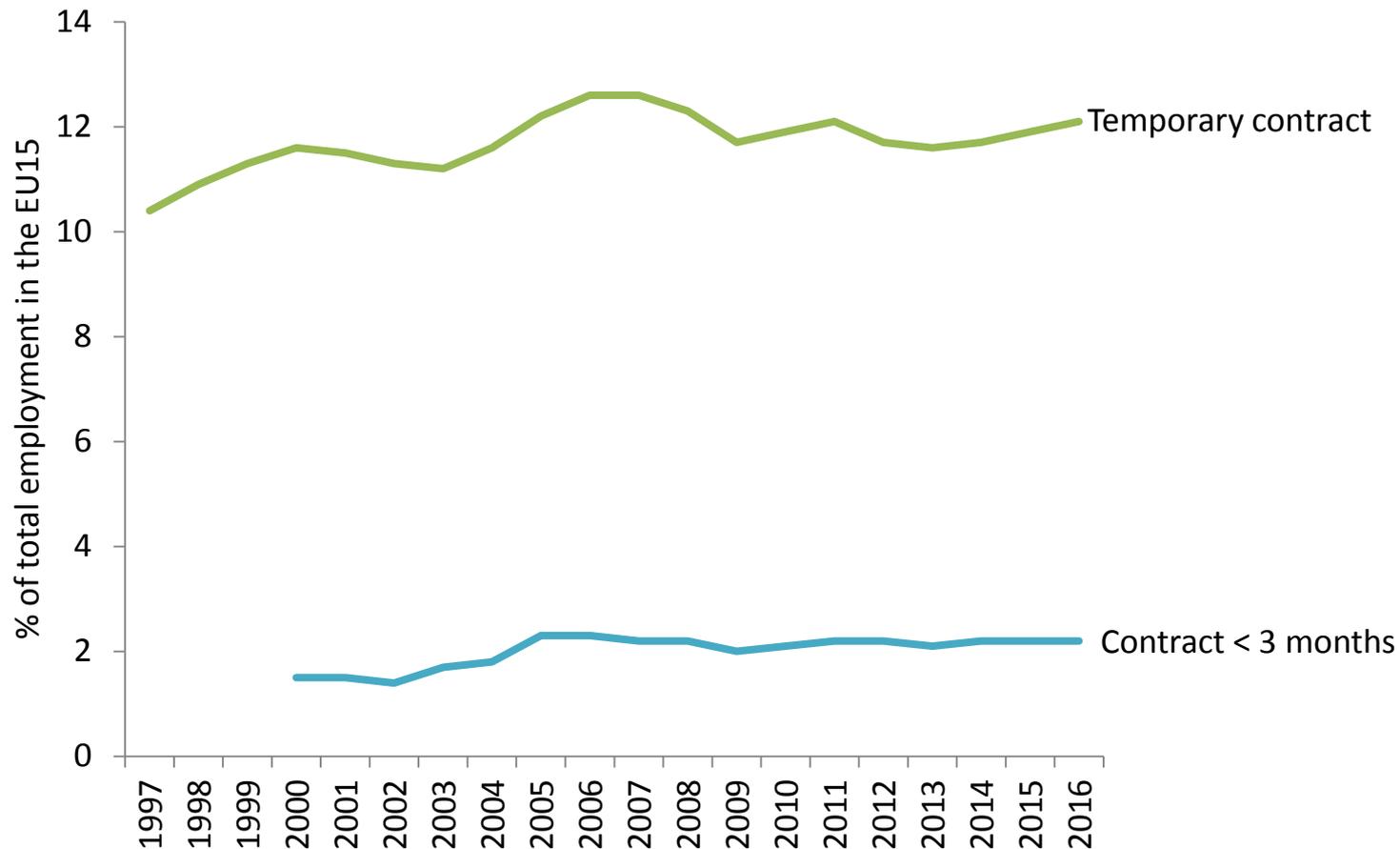
*Peer review on the rise of precarious work – causes,
challenges and policy options*

Den Haag, 19 April 2018

Concerns

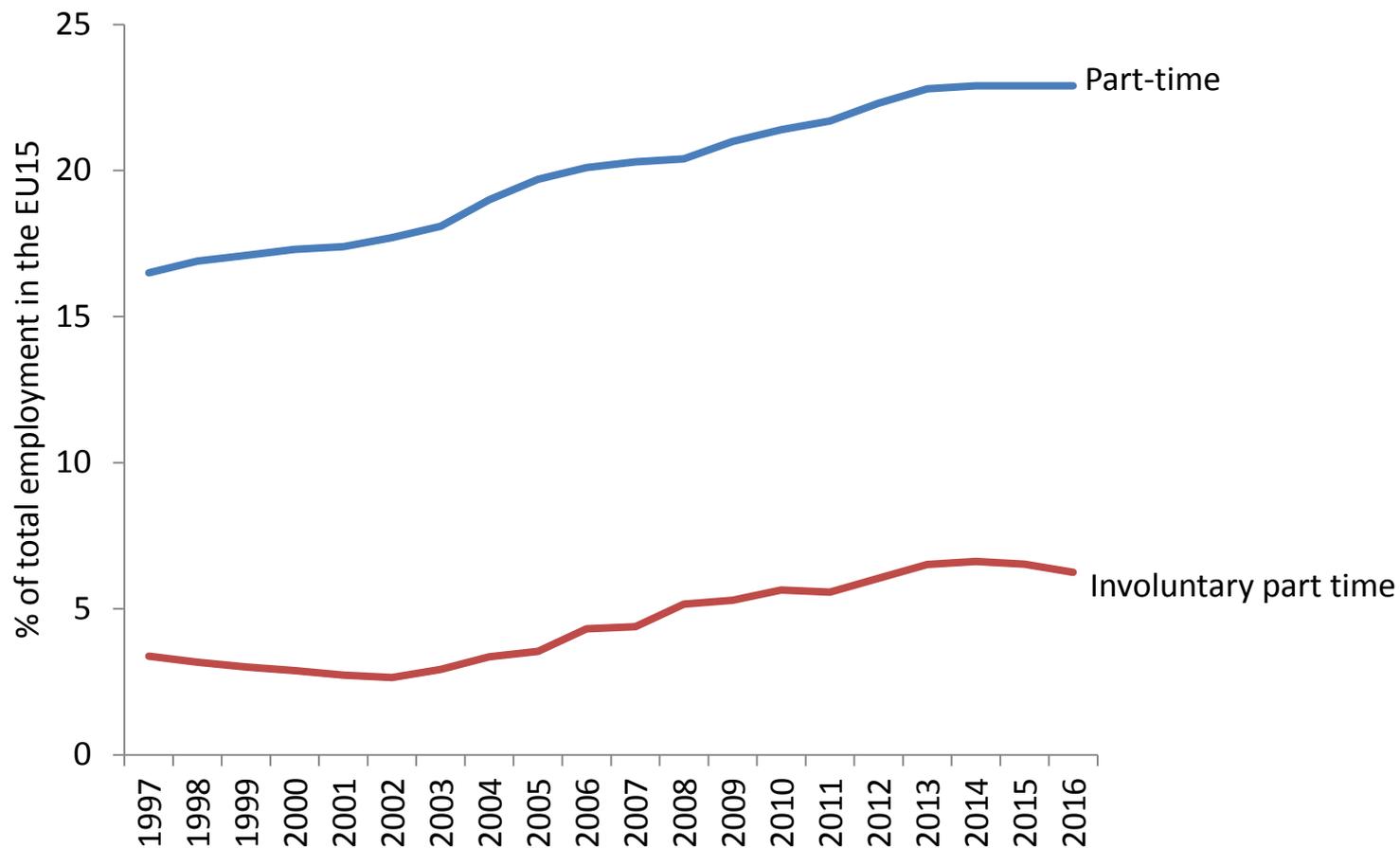
- Is the nature of employment changing?
 - New, non-standard forms of employment
 - Employment status ambiguous
 - More precarious work?
- What is the effect of digitalisation and globalisation on work?
- Does social protection cater for these changes?

Temporary employment stable, but more short term contracts



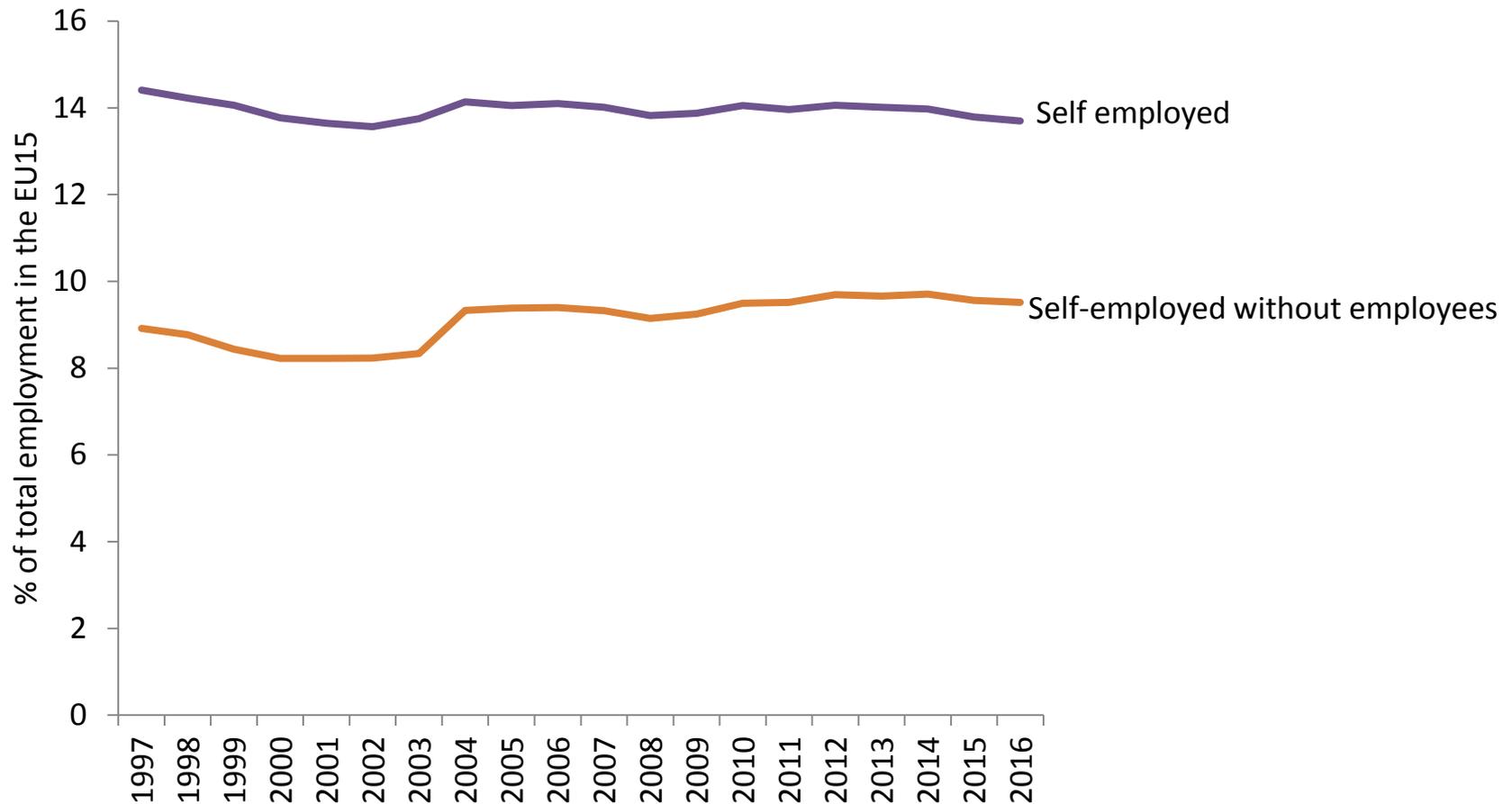
Source: Eurostat (LFS)

More part-time, more involuntary



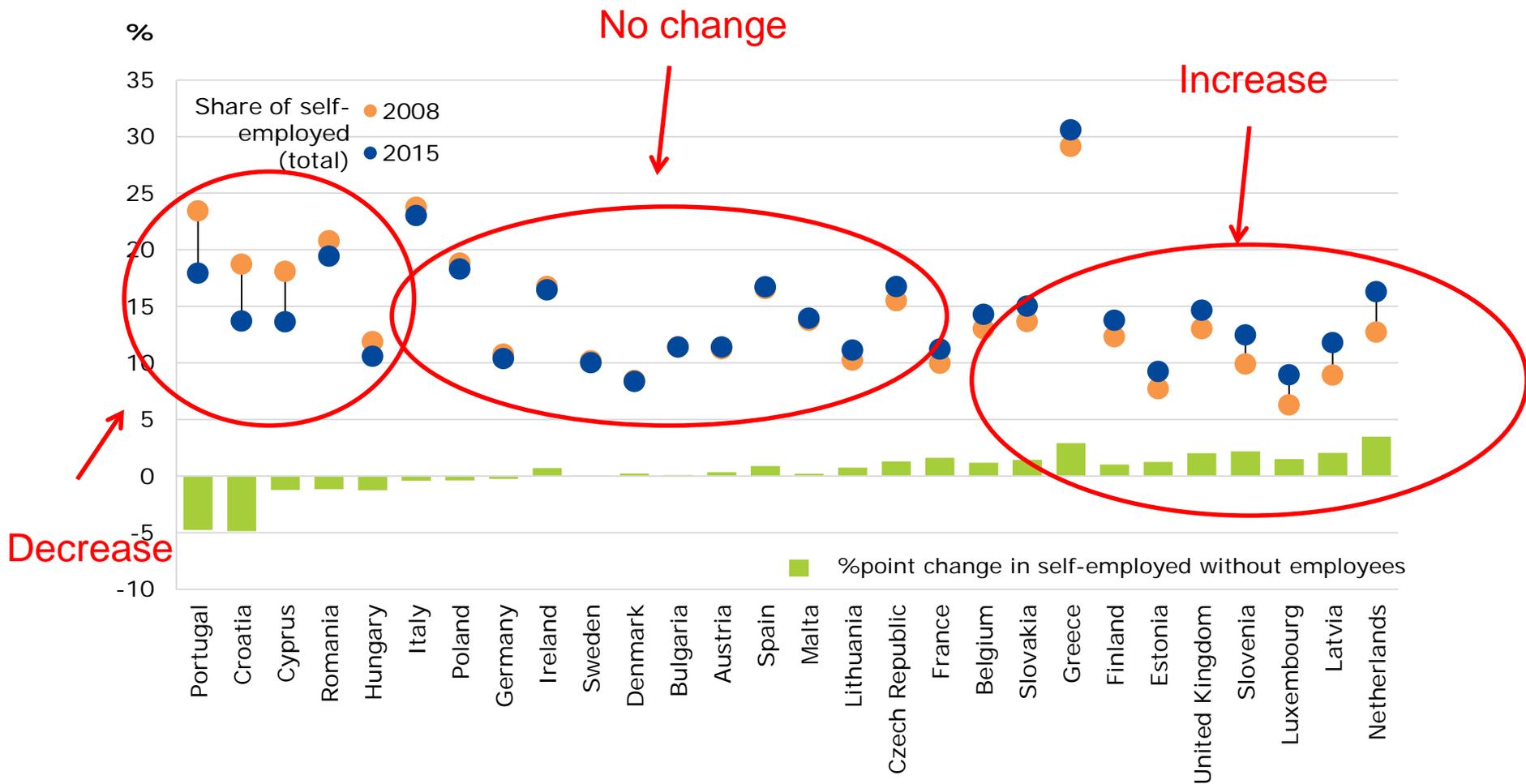
Source: Eurostat (LFS)

Self-employment stable overall, but more without employees



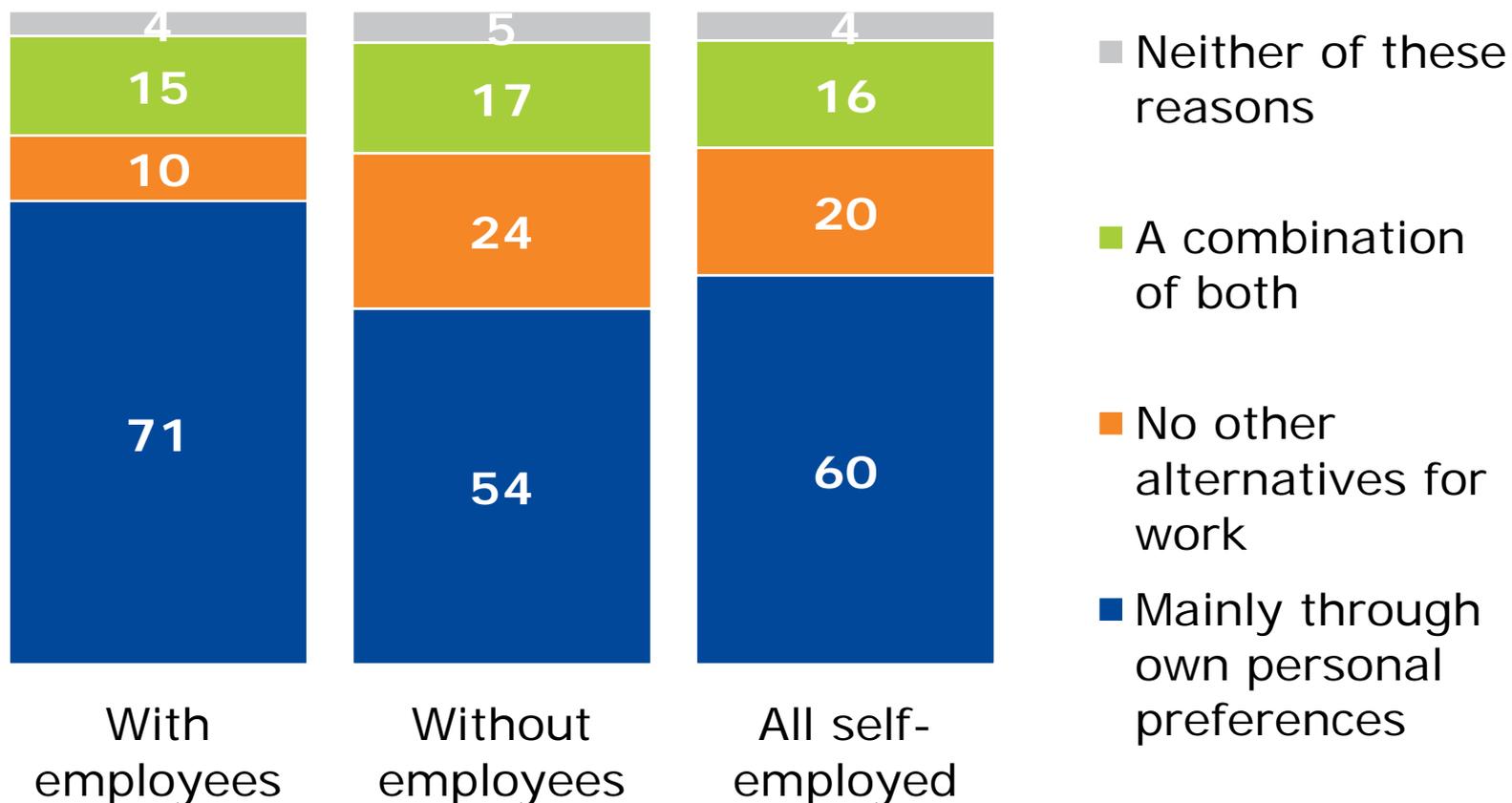
Source: Eurostat (LFS)

Country differences in trends



Source: Eurostat (Labour Force Survey)

Why become self-employed?

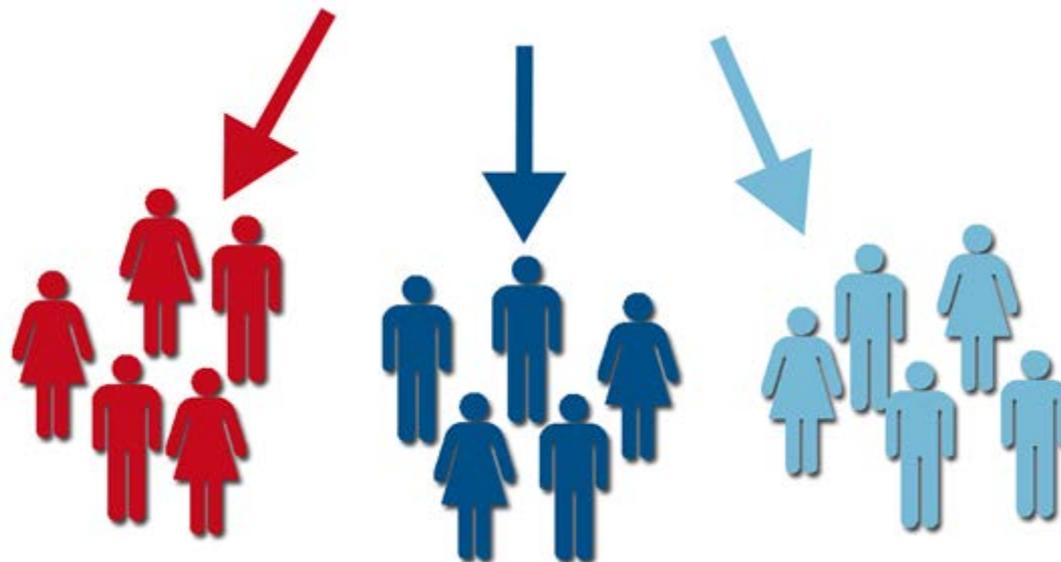


Source: Eurofound (European Working Conditions Survey 2015)

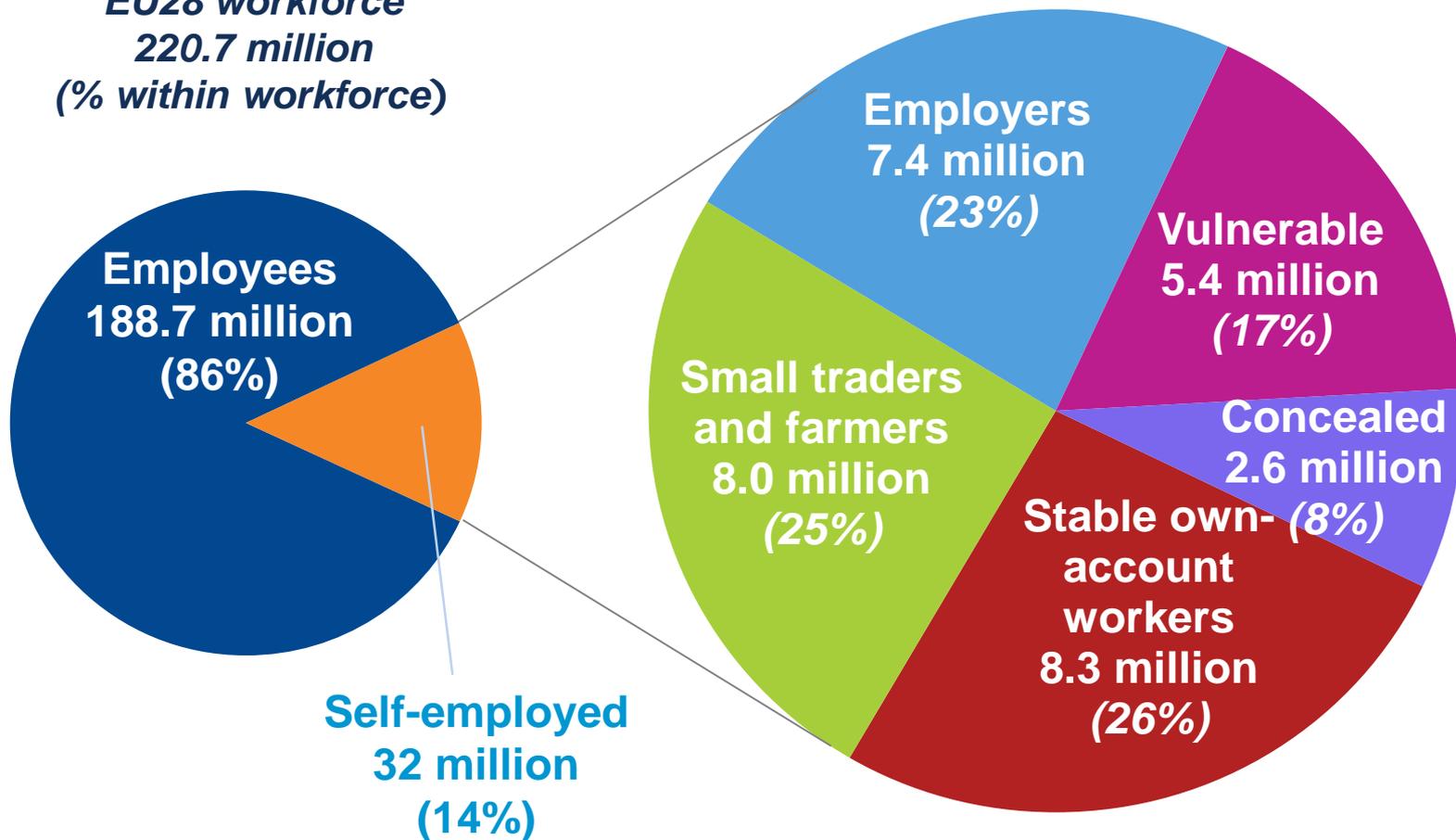
Clustering the self-employed



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?
- Ambiguity regarding the self-employment status

Between the legal cracks

- Dependence and subordination, but employee legislation does not apply
- 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%

Policy approaches

- Member states
 - Criteria to distinguish employment from self-employment
 - Create a third status
- European Commission: access to adequate social protection for all

Suggested reading

- Eurofound (2017), [Exploring self-employment in the European Union](#), Publications Office of the European Union, Luxembourg.
- Eurofound (2017), [Non-standard forms of employment: Recent trends and future prospects](#), Eurofound, Dublin.
- 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.
- OECD/European Union (2017), [The Missing Entrepreneurs 2017: Policies for Inclusive Entrepreneurship](#), OECD Publishing, Paris.
- ILO (2017) [Dependent self-employment: Trends, challenges and policy respondents in the EU](#). Employment Working Paper No. 228.

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