

**DG EMPL & ICF Mutual Learning Online Workshop on
"Access to social protection for workers and the self-employed"
25 and 26 June 2020**

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Panel discussion on adequate social protection for non-standard workers and the self-employed

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Who/what is EAPN? The European Anti-Poverty Network is the largest European network of European, national, regional and local networks, involving anti-poverty NGOs and grassroots organisations. It has National Networks in 34 European Countries as well as 13 European Organisations, active in the fight against poverty and social exclusion. The membership of EAPN is involved in a variety of activities aimed at combating poverty and social exclusion, including service provision, political advocacy work, education and training activities and last but not least a broad range of activities aimed at the better participation and empowerment of people experiencing poverty and social exclusion in policy design and monitoring.

Having said this it is of no surprise that “social protection” is one main thematic priority for EAPN. EAPN has regularly worked on policies and legislation in relation to access to social protection with a focus on

- access to minimum income schemes for people experiencing poverty and social exclusion,
- those in low-paid jobs and/or in different forms of precarious employment, i.e. workers falling into the category of “non-standard workers” – on the backdrop of the broader aim to reduce in-work poverty and to promote quality jobs and employment
- those needing specific support to enter the labour market due to lacking formal secondary education certificates (incl. early-school leavers)
- those in need of multi-faceted support to return into work after phases of unemployment, long-term illness, partial disability – in this context advocating to put in place supported pathways into employment as part of an active inclusion approach with an individualized and rights-based approach
- EAPN has no particular focus on self-employed who might, however, also fall in one of the categories just mentioned.

When it comes to social protection, EAPN has focused on access to the various social protection schemes, their coverage and the adequacy of the benefits. Comprehensive, adequate social protection for all for EAPN is a prerequisite for combatting poverty and social exclusion and should protect all against risks throughout the lifecycle, and this at levels allowing for lives in dignity.

When looking at the related access to employment/the labour market, what is key for EAPN are

- supported pathways into employment and inclusive labour markets, as part of an active inclusion approach putting in place an individualised and rights-based support
- the promotion of quality jobs and employment
- the reduction of in-work poverty, concerning in 2018 nearly 1 out of 10 workers in the EU. It is defined as the share of persons being in employment but having an equivalised disposable income – or “take-home pay” – below the risk-of-poverty threshold. Principle 6 EPSR on “Wages” explicitly recalls that “In-work poverty shall be prevented” (in the last sentence of sub-principle 6b).

EAPN has in January 2018 submitted its contribution to EC consultation on possible EU action addressing the challenges of access to social protection for people in all forms of employment which was one key step towards the adoption of the Council Recommendation.

- For EAPN ensuring access to social protection regardless of the employment status/irrespective of type contractual arrangements was a key priority - a request which is now dealt with in art. 9.
- Given the particular focus on specific type of workers, for EAPN members the provision of art. 9 a) are equally important, namely that the rules governing contributions (e.g. qualifying periods, minimum working periods) and entitlements (e.g. waiting periods, calculation rules and duration of benefits) and that they should not prevent individuals from accruing or accessing benefits because of their type of employment relationship or labour market status. Insofar a proper enforcement of this element to improve effective coverage by social protection is highly relevant.
- People at the risk of poverty and social exclusion and/or in non-standard employment for a number of reasons should also not be confronted with unnecessary bureaucratic hurdles or administrative requirements which might induce a non-application for social benefits - and consequently as one would say with regard to social assistance/MI benefits also lower take-up rates - even though the entitlement conditions are fulfilled. This important aspect of improving access to social protection is now adequately dealt with – at least on paper with – in art. 16.
- And art. 15 contains wording on user-friendly and clearly understandable information on individual entitlements and obligations free of charge, which is also important for migrant workers not mastering well the official language, also to protect them from discrimination, second class treatment and exploitation. Insofar it will be important to monitor the realisation and enforcement of these workers and citizens’ information rights and procedural rights in the two articles under the heading “transparency”.
- EAPN has also emphasised the need to stipulate minimum standards for the timely acquisition, preservation and transferability of social protection and employment service rights which is now seems to be anchored in adequate manner when taking art. 1, 2., 9. and 10. together.
- They can also be read in a way that they encourage and help realise the mandatory coverage by adequate social protection for all workers – which has been another main demand expressed by EAPN.

In the Council Recommendation on access to social protection for workers and self-employed of 8 November 2019, for EAPN art. 11 on adequacy is an essential element - in particular as its scope in accordance with art. 4 excludes all aspects in relation to access to social assistance and minimum income schemes (which is a key concern for EAPN members).

- *Adequacy: 11. Where a risk insured by social protection schemes for workers and for the self-employed occurs, Member States are recommended to ensure that schemes provide an adequate level of protection to their members in timely manner and in line with national circumstances, maintaining a decent standard of living and providing appropriate income replacement, while always preventing those members from falling into poverty. When assessing adequacy, the Member State’s social protection system needs to be taken into account as a whole*
- Art. 11 calls upon the EU MS to “ensure that schemes provide an adequate level of protection to their members in timely manner and in line with national circumstances, maintaining a decent standard of living and providing appropriate income replacement, while always preventing those members from falling into poverty”.
- As Poul Schoukens has rightfully said in his background paper and speech, there is a constant need when designing and adapting social protection schemes to find a good balance between the four

principles of redistribution (solidarity), equivalence, proportionality and financial sustainability. He also highlighted that social protection strongly reflects the idea of providing social transfers to maintain a decent standard of living and to provide appropriate income replacement.

- He also correctly referred to the “tricky” decisions in view of the interrelation between and the levels respectively of decent income replacement, minimum social protection (minimum benefits) and social assistance benefit levels (minimum subsistence) respectively.
- This brings me to a key content for EAPN contained in art. 11, namely the need to “always prevent for those covered by social protection from falling into poverty”. This for EAPN means that social protection benefits should be poverty-proof; and where and if this is not the case – as e.g. entitlements were only built up on the basis of part-time work throughout the whole or a large part of the working career or due to employment/self-employment with very low pay/income for many years – then the social assistance/general “last resort/safety net” minimum income benefit in all EU MS should achieve a level above the “poverty threshold”. As you might know this AROP threshold has been fixed since many years at EU-level at 60% of the weighted/equivalised median disposable household income.

In her pre-recorded presentation Bettina Kromen elaborated in quite some detail on adaptations of social protection schemes and benefits to better fence of the impacts of income loss, unemployment and/or short-time working arrangements due to the COVID19 pandemic. She rightfully recalled that it has shown how important access to social protection is. EAPN has done a webinar and is now elaborating a report on the impacts of the COVID19 epidemic on the living and working situation of poor people and vulnerable groups across Europe. Our members have identified some of the measures also collected by the EC. My illustrations focus on unemployment benefits and those under non-standard employment contracts:

- In Spain unemployment benefits were extended to those workers whose temporary contract ended after the declaration of the state of alarm and were not entitled to this benefit, the “exceptional circumstances allowance” (the only requirement is the minimum duration of 2 months of the former contract).
- In Belgium, a good system of temporary unemployment was introduced, with a benefit also slightly higher than the normal unemployment benefit. However, for people with low income or in part-time jobs, this was often insufficient to make ends meet. For people with a precarious employment contract such as artists, students, people in the platform economy, (...) this temporary unemployment was often not accessible.
- Ireland introduced a new non-means tested COVID-19 Pandemic Unemployment Payment of €350 per week for a period of 12 weeks, and potentially extended, for those who lost their jobs due to COVID-19. This is a positive move as the existing welfare levels for unemployment and other welfare payments of €203 per week in not adequate to provide people with a decent living.
- Norway extended the unemployment benefit scheme to ensure higher pay-outs (100 % of one’s salary up to 600,000 NOK annually the first 20 days, then 80 % up to 300,000 annually and 62.4 % of 300,000 to 600,000 annually) and better coverage for all workers (temporary workers, freelancers, self-employed etc).
- In Finland, the unemployment security was temporarily improved (including the abolition of the deductible period).
- Portugal adopted an automatic extension of the Social Insertion Income, the unemployment benefit or social supplement for the elderly.

In guise of a conclusion I would like to refer to two points important for EAPN when it comes to the best use of the Council Recommendation in the months and years to come:

- First: Refer to it and anchor specific initiatives also in the Action Plan on the Implementation of the EPSR on which the EC currently runs a public consultation and which should be presented in early 2021. It is obvious that principle 12 is the key hook for doing so. For EAPN and our members principle 12 is one of the five key principles for our thematic and advocacy work.
 - Since a number of years also various EC documents highlight the risks of new, non-standard and precarious forms of work which brings about exclusion from social protection.
 - For EAPN the proliferation of insecure, unstable forms of employment, including temporary agency work, zero-hour jobs, mini-jobs, involuntary part-time work, more “fluid” contractual relations for independent contractors - incl. in platform work and in (bogus) self-employment implying less employers’ obligations as to pay, social protection and OSH - also lead to greater labour market segmentation which in turn has the most negative impact of vulnerable groups.
 - EAPN members have concretely highlighted 1) the rise of fixed-term contracts (NL, NO, SE, UK, CY, UK, IE, AT, IT), the weakening of contractual relations (DE, SE, NL, UK) and 3) a growing or high number of workers holding multiple low-wage jobs (CY, RO, GR, NL) – all having negative consequences on the access to and adequate coverage by social protection schemes.
 - For EAPN this implies the need for new and/or adapted labour and social protection legislation to address the challenges of non-coverage and low-benefit levels just sketched out.
- Second: For EAPN it is important to further use the European Semester, including the Employment Guidelines, to improve the access to and the adequacy of social protection benefits, concretely by issuing CSRs which will support these objectives in the context of a sort of “social OMC”. The European Semester can be a useful monitoring tool as it is also backed up by agreed EU-level indicators and benchmarks. And one of the 14 Headline Indicators of the Social Scoreboard looks at the “Impact of social transfers (other than pensions) on poverty reduction
 - [EAPN Analysis of 2020 ASGS and JER](#): The 2020 Joint Employment Report acknowledges that social transfers (not considering pensions) are not performing sufficiently well in reducing poverty as their impact on poverty reduction has declined in 2018 (p. 11). This is, however, not flagged up as a point to watch neither based on the Social Scoreboard nor by the SPC via the Social Protection Performance Monitor. This signals a decreasing ability of social transfers to reduce poverty in 16 Member States (p. 126) – highlighting weakened adequacy and being a direct driver of poverty, even though some countries have registered improvements – should have been one of the main policy areas tackled, whereas the Report is rather casual and brief about this problem, despite effectiveness of coverage further declining in 2018 since last years’ JER. This should be another hook for EU action. Little is also made of the fact that only 1/3 of short-term unemployed are covered by unemployment benefits (pp.11, 107).
 - For Belgium the effect of social transfers on reducing poverty is marked in the Social Scoreboard as “To follow up!”. This is caused by the low level of social benefits which, for a wide range of family/household situations, are below the poverty threshold.
 - According to the 2020 Country Report for Portugal, changes to the social protection system have not improved the contribution of social transfers to poverty reduction. In the social scoreboard, Portugal has improved to a “watch situation” in terms of the indicator – impact of social transfers (other than pensions) on poverty reduction.