

Contribution to the consultation on addressing the challenges of access to social protection for people in all forms of employment in the framework of the European Pillar of Social Rights

The World Employment Confederation-Europe welcomes the consultation of EU Social Partners on addressing challenges of access to social protection for people in all forms of employment. The World Employment Confederation-Europe calls for framing this consultation in a broader context and debate on the changing world of work. EU policies on the access to social protection should also better recognise the need for diverse forms of work. At the same time, action in the field of access to social protection needs to respect the principles of subsidiarity and proportionality, taking into account that there are no one-size fits all solution to these challenges.

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General Assessment of the Consultation

- The World Employment Confederation-Europe welcomes a debate at EU and national levels on new forms of social security, as long as this is closely linked to the changing world of work and a recognition of the fact that a diversity of labour contracts and forms of work organisation is beneficial to companies, workers and the well-functioning of the labour market. EU policies should respect the freedom of choice of EU citizens to opt for a specific form of employment, without valuing certain forms of work such as open-ended contracts higher than other.
- The World Employment Confederation-Europe strongly advocates to respect the principles of proportionality and subsidiarity in the debate on reforms of social security and social protection schemes. In a European Union of 28 Member States and taking account of the heterogeneity of national traditions, including insurance based and tax based systems, there is certainly no one size fits all solution for these challenges.
- The World Employment Confederation-Europe also sees a need to clarify the scope of the consultation, specifically whether it is targeting all forms of employment or only non-standard ones. Clarifying the scope will be important to design appropriate policy responses.

Employment industry specific comments

- Experience from the employment industry illustrates the important role played by collective bargaining and social dialogue in ensuring new forms of security and the transferability and portability of rights.
- Within the agency work sector, bipartite funds have been established in several European countries to ensure access to vocational training, social benefits and complementary pension entitlement. This role of the employment industry in fostering social innovation by creating new forms of security should have been better reflected in the consultation document.
- When reforming social protection schemes, the related costs for companies and the impact on job creation need to be taking into account. One approach could be to consider moving from non-wage labour costs to taxation-based approaches, allowing social benefits to become more easily transferable and portable.

1. General Assessment of the Consultation

- 1.1. As a starting point, the World Employment Confederation-Europe aims to emphasise the need to respect the principles of subsidiarity and proportionality. Any approach to social security systems and to making social benefits portable and transferable needs to fully respect the competence of EU Member States and the different industrial relations systems at national level.
- 1.2. Based on the different starting points and national labour market models, there is certainly not a one size fits all approach, but different solutions that work well in different national contexts. Against this background policy approaches focused on dialogue, the exchange of good practices and mutual learning should certainly be favoured compared to an EU legislative or regulatory approach.
- 1.3. The World Employment Confederation-Europe also aims to highlight that there are different challenges and starting points for different forms of work. Whereas at EU level, the differentiation is mostly focused on standard vs. non-standard forms of work, there is a significant heterogeneity with regard to access to social protection and social security for different forms of non-standard contracts, such as fixed-term contracts, part-time work, agency work or online talent platforms. A simplified classification in standard vs. non-standard forms of work is not appropriate and any form of work, which is based on a recognised, legal framework at national level should be valued and encouraged. Furthermore, it needs to be highlighted that people engaging in different forms of work have different motives for doing so and some people, such as self-employed, might choose deliberately not to contribute to collective social protection schemes.
- 1.4. Against the background of this heterogeneity, the World Employment Confederation-Europe calls for clarifying the scope of the consultation, as it makes reference to all forms of employment in the title, while focusing mostly on non-standard forms of work in the consultation document.
- 1.5. In the discussions on access to social protection, also the new reality of work needs to be better reflected and taken into account. This new reality of work is characterised by an increased diversity of forms of work and new forms of work organisation. This implies that for many modern and emerging jobs, it becomes increasingly difficult to define working hours or the habitual place of work. Work becomes increasingly project- and task-based, which implies that former concepts of labour law and labour market policies become less suitable. In an increasingly individualised society, there should also be room to allow people to choose their own model of social protection, which could be either based on public social protection system or on a private pension and social protection scheme.
- 1.6. In several European countries, experience from the employment industry shows that there is an important role for social dialogue and collective bargaining to organise portability and transferability of rights. Within the agency work industry, bipartite bodies have been established to ensure the portability of training entitlements, social benefits and complementary pension rights, independent from individual labour contracts with the temporary work agency.¹ These best-practices should have been better reflected and valued in the consultation.
- 1.7. Finally, the World Employment Confederation-Europe aims to highlight that ensuring access to social protection for people in all forms of employment is related to costs for business, for job seekers and for public authorities. These costs have to be carefully calculated and taken into account in the policy design. One approach to be explored could be to move from insurance-based systems to finance social protection to tax-based systems, thereby also reducing non-wage labour costs. However, as for the general policy design, there is no one size fits all solution to managing the costs of social protection schemes, as these are deeply embedded in national labour market models and traditions.

¹ See also: <http://www.wecglobal.org/economicreport2017/enabling-security.html#tab2>

1.8. The World Employment Confederation-Europe does not intend to enter into negotiations with its social partner UNI-Europa on the topic of access to social protection for all, as an exclusively sectoral approach does not seem appropriate, while best-practices developed in the employment industry should be taken into account. The World Employment Confederation-Europe aims to highlight that the sectoral social partners for temporary agency work have completed several joint research projects providing evidence with regard to access to social protection, including the recently completed project on comparing temporary agency work to other forms of work.²

2. Employment industry specific aspects linked to the access to social protection

2.1. In the previous chapter of this position paper, some general observations on the access to social protection for people in all forms of employment have been discussed. In this second part, the focus will be laid on the employment industry.

2.2. For temporary agency workers, there is actually no sector-specific challenge in terms of access to social protection, as agency workers are fully covered under the statutory social protection and social security schemes. These cover for example access to unemployment benefits, sick leave and pension entitlements corresponding to the time worked within the agency work industry and at a client company.

2.3. Complementary to these statutory rights, the agency work industry has been driving social innovation by establishing bipartite

funds to ensure for example access to training, social benefits and pension rights. These bi-partite funds allow to acquire rights independent from the individual employment contract and thus ensure the transferability and portability of the rights. The French social fund for the agency work sector (Fastt) for example delivered 70,000 services in favour of agency workers in 2015 by designing innovative solutions. The agency work industry can therefore serve as benchmark for social innovation and the establishment of new forms of security. Countries such as the

Netherlands, France and Belgium have been particularly advanced in developing these innovative solutions. While recognising these best-practices, it needs to be underlined that while certain rights are made portable and transferable (training, pensions and social benefits), no such systems exist yet for other areas, such as invalidity, parental leave or long-term care.

Bipartite funds in European countries offer extra social protection to agency workers

	Social benefits	Training	Healthcare Schemes (complementary)	Health & Safety at work	Inclusion & coaching	Pension (third pillar)
AT	SWF	SWF				
BE				Pi		
FR	fastt	FASTT	REUNICA		fspi	REUNICA
IT	ebitemp	FE				fontemp
LU		fsi				
NL	sfti	STOOF				StuPP
CH	swisstempany	swisstempany				swisstempcmp swisstafing

² The findings of this project are available on the World Employment Confederation-Europe website: <http://www.weceurope.org/index.php?id=94>

3. Transparency and access to information

- 3.1. Besides the concept of transferable and portable rights, which need to be developed in a tailor-made, national solution, the European Commission rightly puts an emphasis on the need to enhance transparency and access to information.
- 3.2. In a changing world of work, which is characterised by an increased number of job transitions and a larger diversity of labour contracts throughout the professional career, it is important to ensure and enhance transparency and access to information for workers on their working conditions and entitlements.
- 3.3. This transparency can be ensured based on individual accounts for certain entitlements or bipartite structures that manage certain benefits. Again, the employment industry and its agency work activities have developed some innovative solutions and best-practices in this area, such as the social fund in Belgium, which managed end-of-year bonus.
- 3.4. However, the main responsibility to ensure transparency and access to information for workers lies with public authorities, who should be encouraged to take action in this field.

4. Simplifying administrative requirements

- 4.1. Complementary to enhanced transparency and access to information, the EU Commission calls for simplifying administrative requirements and easy access to information on individual entitlements. The EU Commission points to particular challenges in cases of more frequent job and employment status changes.
- 4.2. The World Employment Confederation-Europe supports the call to simply administrative requirements to gain access to individual entitlements.
- 4.3. With regard to benefits and entitlements managed by public authorities, the call for simplifying administrative requirements depends on the national systems and structures in place and thus requires a country-by-country assessment.

About the World Employment Confederation–Europe: The World Employment Confederation-Europe is the voice of the employment industry at European level, representing labour market enablers.

With 30 countries and 7 of the largest international workforce solutions companies as members, the World Employment Confederation–Europe is fully representative of the industry, both in size and diversity. It brings a unique access to and engagement with European policymakers (EU Commission, European Parliament, and Council) and stakeholders (trade unions, academic world, think tanks).

The World Employment Confederation-Europe strives for a recognition of the economic and social role played by the industry in enabling work, adaptation, security and prosperity in our societies. Its members provide access to the labour market and meaningful work to more than 11 millions of people in Europe and serve around 1,5 million organisations on a yearly basis.

