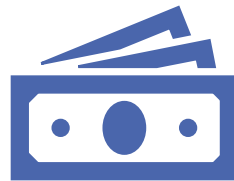


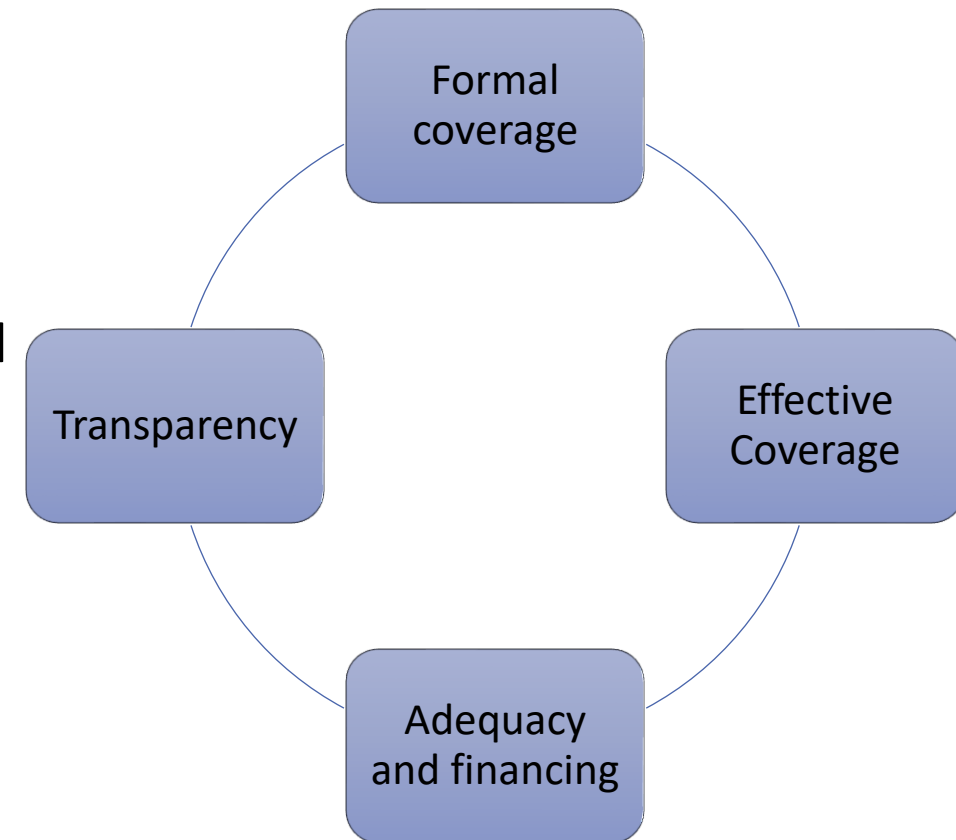
An adequate inclusion of the self-employed in social security schemes

The concept of income



Introduction

- Recommendation on access to social protection
- Increasing formal and effective coverage self-employed
- Trend of opening up schemes
- BUT...
- Lack of a clear income concept as returning gap



Why?

- Back to the basics
 - Traditional design of social security schemes
 - Traditional understanding of the income (wage!) concept
 - Fixed amount
 - Periodically
 - Paid by the employer

Problem: self-employed income

- Absence of a fixed wage
 - Fluctuations in income
 - Complex nature of self-employed earnings
- Absence of an employer
 - Self-declaration of the income
 - Organization in para-fiscal structures

Problem and objective

- Lack of a clear definition of the concept of income
- Need for an *adequate* inclusion in social security systems
- Low contributions – low benefits – financial sustainability of the system in danger



Clarification of the income concept for self-employed workers in order to provide for a sufficient **inclusion/coverage** that at the same time contributes to the **financial sustainability** of the system

Step 1: Clarifying the criteria

- Descriptive

(Legal) clarity around the four criteria from **article 14** Recommendation

1. Objective
2. Transparent
3. Taking into account income fluctuations
4. Reflect real earnings

Step 2: Comparative

Ways of collecting income for social security purposes



Cooperation

- 1) Belgium
- 2) Austria
- 3) France

Outsourcing

- 1) Netherlands
- 2) Estonia
- 3) Ireland

Separate

- 1) Spain
- 2) Portugal
- 3) Finland

- Legal definition
- Assessment basis
- Organization of financing

Step 3: Comparing the results

- Comparative results
- Connecting step 1 – step 2
- Evaluative framework
- Based on best practices (connected to the Recommendation) observed

Toolkit for EU MS (table is illustrative!)

	OBJECTIVE	TRANSPARENT	FLUCTUATIONS?	REAL EARNINGS?
AT	✓	✓		✓
BE			✓	
BG	✓	✓		✓
CY		✓	✓	
CZ	✓			
...				

Thank you!



Questions?



Remarks?



Suggestions?