

Social Impact Report 2020

Protecting people through times of crisis
Access to social protection for diverse forms of work



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The Voice of Labour Market Enablers

LEADING
IN A CHANGING
WORLD OF WORK



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About the World Employment Confederation

The World Employment Confederation is the voice of the private employment services industry at a global level, representing national federations as well as workforce solutions companies from across the world. Members of the World Employment Confederation represent a wide range of HR services, including agency work, direct recruitment, career management, Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP).

The World Employment Confederation works to broaden recognition of the positive economic and social role which the private employment services industry plays in enabling work, adaptation, security and prosperity. This work involves building networks with relevant stakeholders such as policy makers, social partners and the academic world; setting high recruitment and employment standards and practices; acting as a thought-leader shaping futureproof and competitive labour markets and providing strategic data on employment issues.

Should you have any questions regarding the facts and figures published in this Social Impact Report, do not hesitate to get in touch with the World Employment Confederation's Head Office at info@wecglobal.org.

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Executive Summary

The Covid-19 pandemic has turned the whole world upside-down in just a few weeks. Economies and labour markets in most countries have faced significant disruptions, as measures to contain the outbreak of the virus forced entire sectors to close down or to operate in a restricted way. Millions of people around the world are experiencing challenging times as they find themselves out of work, without income and with their livelihoods severely threatened. The Covid-19 crisis has placed a spotlight on the shortcomings of current social protection systems in many countries, as workers on alternative work arrangements are significantly more vulnerable than workers with an open-ended full-time employment contract.

Governments around the world have clearly taken enormous steps in a very short timeframe to bring support measures to those vulnerable groups. Nonetheless, there remain uncertainties around eligibility criteria as well as timing of support provision, as measures were new and not well established. For people in need, timely support and eased access is crucial when income suddenly disappears.

While the Covid-19 crisis has increased the urgency of providing protection to people, the significant gaps in current social protection systems are not new. Governments have been slow in adapting safety nets to the trends which are shaping labour markets in a radical way. The variety of work arrangements to choose from in today's labour markets is larger than ever before, providing choice and flexibility to both employers and workers. While flexibility is certainly crucial for well-functioning labour markets, security and protection are equally essential. To ensure inclusiveness of labour markets, all workers need basic and adequate levels of social protection.

This 2020 Social Impact Report provides an assessment of levels of social protection coverage across diverse forms of work, offering a clear picture on the coverage gap between forms of work - a gap that has become ever more critical in times of crisis, as well as the challenges in providing effective access to social protection for all, irrespective of their employment status.

Protecting people goes beyond the provision of basic safety nets. Efficient labour markets play a major role in reducing vulnerability and risk. Raising employment

levels, reducing non-employment and informal employment, facilitating speedy transitions between jobs and sectors as well as implementing lifelong learning are key in delivering security to workers and people in general. Private employment services have already demonstrated the contribution they are bringing in those areas and throughout the Covid-19 crisis, they are showing their commitment to play an even bigger role.

Main Findings

- The Covid-19 crisis presents a major disruption of global labour markets, forcing businesses and workers to adapt to unprecedented circumstances, leaving many in need of social support.
- Current social protection systems are ill-prepared for labour markets characterised by diverse forms of work. Significant gaps in access to social protection exist between different employment statuses, enhancing risks for some groups of workers.
- Workers on an employment contract - temporary, open-ended, or agency workers - receive largely similar statutory access to social protection branches. In most countries, employees benefit from full statutory coverage for unemployment benefits, paid sick leave, health insurance, labour accidents/disability insurance, parental and childcare benefits, and pensions.
- The self-employed have access to statutory safety nets much less frequently than employees. In just one-fifth of countries do self-employed have full statutory access to unemployment benefits. Often, self-employed are only able to access different social protection schemes on a partial or voluntary basis.
- Moral hazard as well as sometimes prohibitively high costs for insurance, result in underinsurance among groups of self-employed, increasing their vulnerability to shocks.
- Eligibility criteria for workers to receive safety net provisions, such as thresholds in terms of working days to be reached, result in a discrepancy between statutory social protection coverage and effective access to benefits for workers without an open-ended full-time employment contract.

- With most of the global workforce operating in the informal economy and a majority of the global population lacking any kind of social protection, efficient labour markets can play a major role towards reducing risk and vulnerability.
- Private employment services contribute to labour market efficiency by providing an entry point to the labour market for those in non-employment. On average, one-third of agency workers come to the labour market from unemployment or inactivity.
- Private employment services contribute to efficient labour markets by facilitating transitions, as the vast majority of agency workers remain employed in the period after having started as an agency worker. On average, 73% of agency workers are either employed on an open-ended, fixed-term or agency work contract 12 months after their starting out in the sector.
- In the face of Covid-19, the private employment services industry has taken many initiatives at national and global level to support the livelihoods of workers, by ensuring access to support measures or relocating laid-off workers to new jobs in essential sectors.

Policy Recommendations

- **Basic minimum levels of social protection need to be available and accessible to all workers irrespective of their work arrangement.**
- **The Covid-19 crisis provides an opportunity to speed up the innovation of safety nets to accommodate all and by sharing costs, benefits and risks proportionally.**
- **Through social dialogue, the private employment services industry has developed initiatives to provide protections for a dynamic workforce, offering inspiration on how safety nets can be reformed to cover workers moving between jobs and across sectors.**



Protecting people across diverse forms of work through times of crisis

Adequate and effective coverage through social protection systems is essential for the well-being of workers, and people in general. The Covid-19 pandemic and the related economic and labour market impacts have revealed that many people lack safety nets and are at risk of losing their livelihoods. The fact that the world of work has changed drastically over the past decades, as a result of rising demand of workers and companies for flexibility, while social protection systems have been slow in adapting to these changes, results in a dire need for a revamp of social protection schemes. In particular, people who are outside of the open-ended employment relationship are at risk, as safety nets are often not accessible to them or only in limited scope.

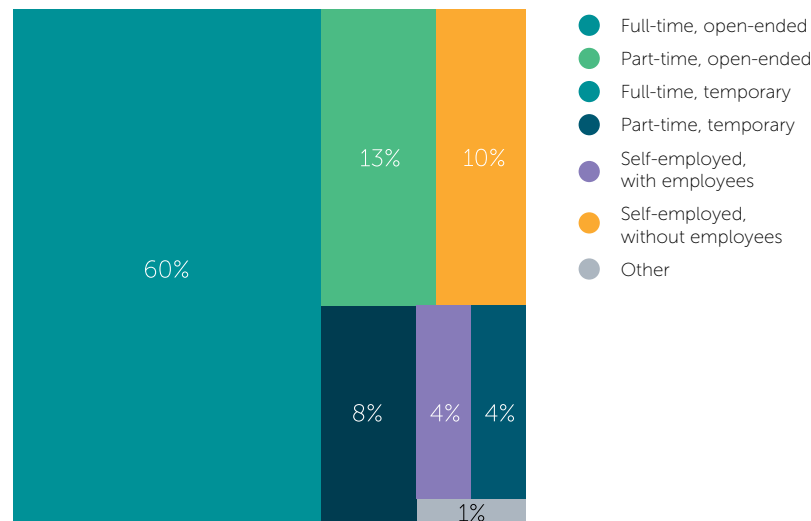
1.1 Social protection in the new world of work

1.1.1 Trends in the new world of work

Diversification of contractual labour arrangements

Over the past years there has been an increase in the range of employment arrangements available to employees and employers, as businesses' and workers' preferences developed over time with an increasing focus on flexibility. In the US, alternative work arrangements increased by five percentage points between 2005 and 2015, reaching 15.8% (Katz and Krueger 2018).¹ In the European Union, the share of dependent employment other than employees on open-ended full-time contracts rose from 12.5% to 15.8% between 2002 and 2016 (Rhein and Walwei 2018). While the share of open-ended full-time contracts remained largely stable over time, the share of non-employed (inactive and unemployed) has dropped. This suggests that **the rise in alternative work arrangements has not been at the expense of open-ended full-time contracts, but rather that it has contributed to increased employment levels.** In 2018, full-time open-ended contracts represented 60% of all labour relationships in the European Union (Figure 1).

Figure 1: Labour relationships, EU28, 2018

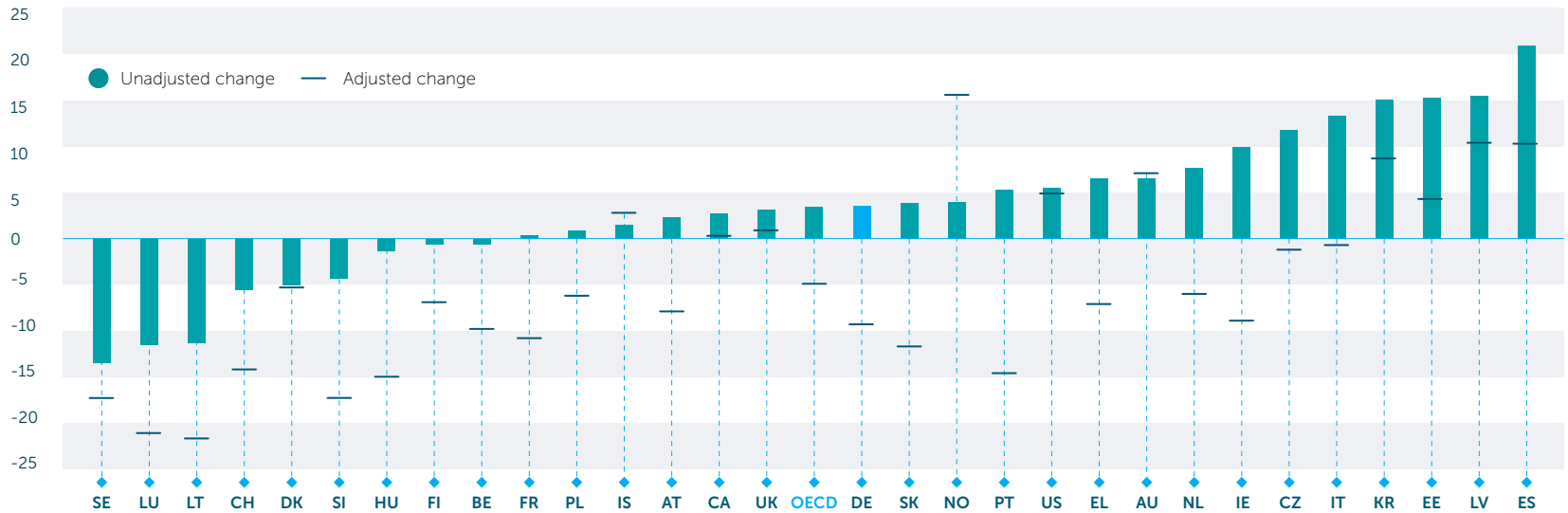


Source: Eurostat

Besides traditional work arrangements - such as open-ended, fixed-term, agency work, part-time and self-employment - new forms of employment are spreading across labour markets, increasing the variety of options available to workers and employers. Among new forms of work are, for instance, employee sharing, job sharing, casual work, ICT-based mobile work, portfolio work or collaborative employment (See Annex for a more extensive overview developed by Eurofound). Typically, different labour relationships come with different statutory and effective access to social protection systems, which will be explored in section 2.2.

¹ The analysis of alternative work arrangements by Katz and Krueger included agency workers, on-call workers, contract workers and independent contractors.

Figure 2: Percentage change in job tenure for workers not in education, unadjusted and adjusted, 2006 to 2017



Source: OECD (2019a)

Changes in job tenure

As employers' needs changed over time and individuals' preferences regarding work/life balance and career trajectories changed simultaneously, so job tenures have become shorter. The OECD (2019a) finds that job tenures have declined in many countries once the compositional effect of ageing populations has been taken into account (Figure 2).²

Average job tenure has decreased by 5% between 2006 and 2017 in OECD countries, although there is wide variation across countries. This indicates that **people tend to hold more jobs during their lifetime and switch between jobs more frequently than in the past.**

As social protection systems are traditionally linked to the job, as opposed to being linked to the person, challenges arise regarding portability of benefits for workers switching between jobs more frequently. A particular challenge arises for workers who switch more frequently between different employment statuses, e.g. from employment to self-employment or inactivity and vice-versa.

² Ageing populations result in larger shares of older workers being associated with longer tenure levels. Once this effect is accounted for, average tenure levels have declined in many countries.

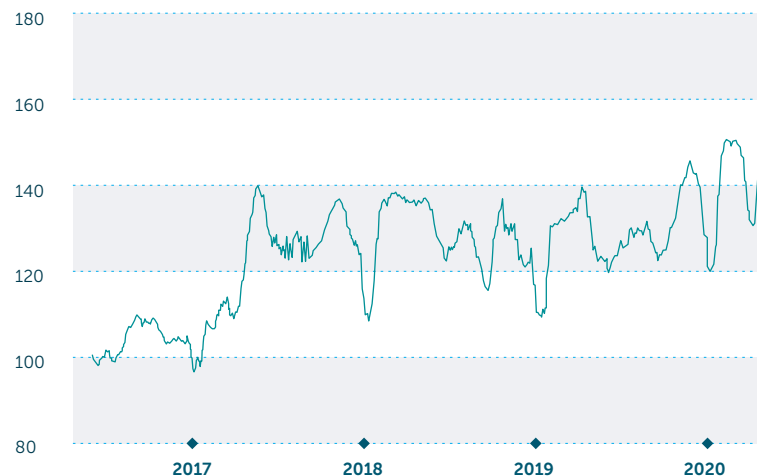
Technological change and digitalisation

Technological development has always been viewed by some as a cause for widespread unemployment and recent years have seen various studies assessing the share of jobs at risk of becoming obsolete due to their level of automatability. The OECD (2018a) estimates that 14% of jobs in OECD countries are potentially automatable. Job creation due to technological progress has the potential to mitigate much of the technological job losses, potentially even outpacing it. Various broad classes of new jobs have been identified to appear as a direct result of technological development (Autor and Salomons 2019).³ While caution is advised in jumping to conclusions regarding the number of jobs lost, advancements in automation certainly have highly disruptive potential for labour markets and workers. As jobs characteristics change along with technological advancement, skill requirements change too. Upkeep of workers' skillsets to ensure employability is becoming increasingly important in the context of automation. While some jobs might become obsolete, others are created at the same time, and are likely to require different competencies. Lifelong learning is key in this context.

Technological advancements also increase the variety of work arrangements from which people can choose. Many jobs may no longer fall under the dependent open-ended full-time employment contract relationship. This raises questions regarding the preparedness of social protection systems, which are generally designed to primarily cover those open-ended full-time employment relationships.

One of the more recent and disruptive labour market developments enabled by technological change has been the increase in work being performed via online labour platforms. While definitions for online labour platforms or, as they are sometimes referred to, gig economy platforms differ across research, the OECD (2019b) provides the following definition⁴: *Gig economy platforms are defined as two-sided digital platforms that match workers on one side of the market to customers (final consumers or businesses) on the other side on a per-service ("gig") basis. This definition excludes one-sided business-to-business consumer platforms such as Amazon (trading of goods) and two-sided platforms that do not intermediate labour such as Airbnb (intermediation of accommodation services).*

Figure 3: Activity on largest online labour platforms, May 2016 to May 2020



Source: Online Labour Index. Accessed on 14/05/2020.

As such, gig economy platforms are a subset of the "platform economy" (encompassing any type of one-sided or multi-sided digital platform) and the "sharing economy" (encompassing any type of multi-sided peer-to-peer platform).

Within the online labour platform economy, there exists a very wide range of subsets, which determine to a large extent the characteristics of the work performed and the conditions in which the workers find themselves. Due to the fact that no commonly accepted single definition of digital work/services platforms/ online labour platforms/gig economy platforms exists among researchers, it is impossible at this stage to obtain an accurate assessment of the size of the sector, both in terms of revenues and in terms of the number of workers. Research is however

aligned on the fact that online, platform-mediated work has been rising rapidly over the past years, although currently it still represents a small share of employment. Staffing Industry Analysts (2019) provides estimates for the global gig economy size and growth, broken down by business model. The major share represents business-to-consumer platform-mediated work (e.g. Uber), which grew by an estimated 43% in 2018. Business-to-business platform work (e.g. UpWork) grew by 22%. The Online Labour Index tracks in real-time the activity on the largest online labour platforms and reports index values on a daily basis in reference to its inception in 2016. Until mid-2020, activity on these platforms grew substantially (Figure 3). The share of the workforce which is active on online labour platforms to the extent where these people derive a large share of their income through this type of work is estimated to be between 0.5% and 3%.⁵ While online platform work is not a form of employment in itself and platform workers can engage in any type of work arrangement, typically, workers engaged in online platform work are classified as independent contractors, without an employment contract (OECD 2018b).

³ Autor and Salomons (2019) identified "Frontier work", "Last-mile work" and "Wealth work" as new classes of jobs to appear due to technological development. Frontier work refers to the production, maintenance and deployment of new technologies. Last-mile work refers to carrying out tasks which are automated to a large extent. Wealth work refers to novel consumer luxury services induced by rising income levels.

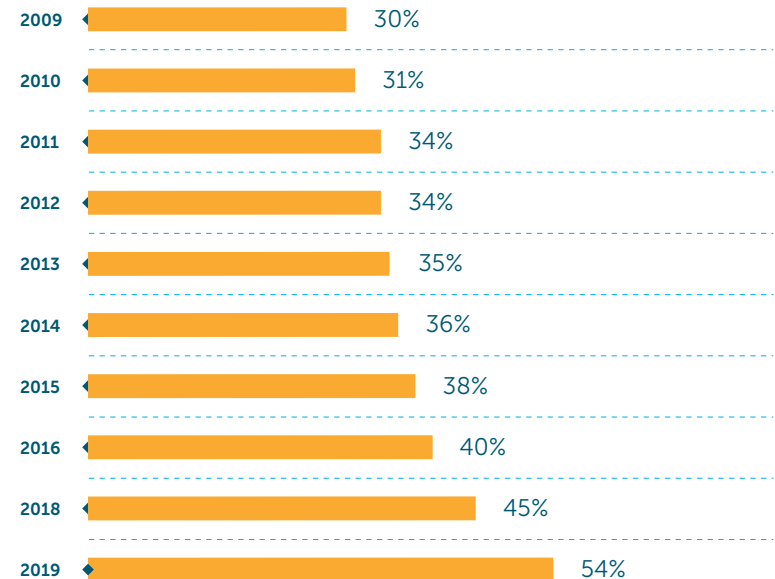
⁴ Other definitions exist which can be wider and include digital platforms which intermedate the renting out of property or facilitate sales of products between individuals.

⁵ Cf: OECD (2019b); Eurofound (2018); European Commission (2019)

Skill shortages

Employers are facing increased difficulties in finding the right talent to fill vacancies. Major reasons behind the skill shortage are increasingly competitive market environments, tightening labour markets - leading up to the Covid-19 induced recession - and skill mismatches. **More than half of global employers are reporting difficulties in finding the right people to fill job openings, with the share increasing each year** (Figure 4).

Figure 4: Share of employers reporting difficulties in filling vacancies



Source: ManpowerGroup Talent Shortage 2020

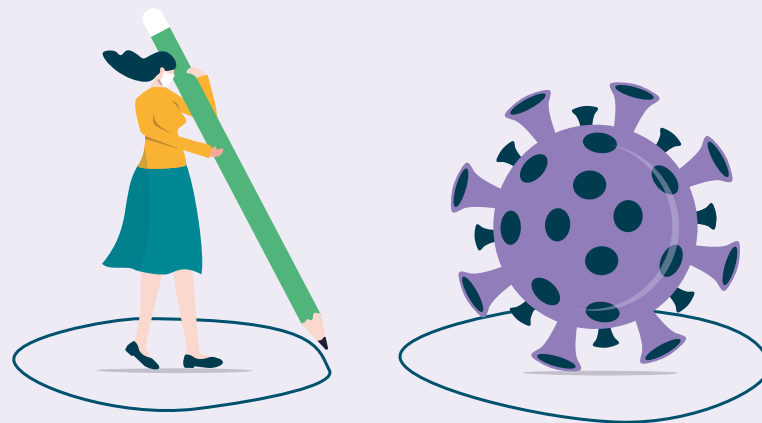
Coronavirus (Covid-19) outbreak

Potentially the most severe shock to economies and labour markets in over a century, the Covid-19 pandemic is substantially disrupting the world of work. Before the disease spread across the world, unemployment rates had reached record lows in many countries. The outbreak of the virus and the lockdown measures to contain its spread have resulted in unprecedented unemployment figures. The International Labour Organisation (ILO 2020) estimates that in the first and second quarters of 2020, global working hours dropped by 4.5% and 10.5% respectively - equivalent to as much as 300 million full-time jobs, while around 80% of the global workforce is impacted by lockdown measures.⁶ The most strongly impacted sectors employ around 38% of the global workforce.⁷ They are also the sectors in which nearly 400 million own-account workers are engaged. The United States is experiencing unprecedented surges in the number of unemployed, reaching a rate of close to 15% in April - up more than 10 percentage points in just two months. In Europe, many governments make use of job retention schemes, such as short-time work, in order to keep unemployment numbers from surging. Such measures are however not available everywhere and not to all workers. A prolonged recession, as the one forecast at global level, will lead to a rise in unemployment in the high double-digit millions around the world.

As governments enforce closures of workplaces in many sectors as part of their lockdown measures, workers are faced with three possibilities. Some people have the option to work from home. Others, who do not have this possibility, are either put on temporary unemployment schemes or are laid off by their employer. Only a minority of jobs can be performed entirely at home however, while the share is lower for poorer countries than for richer ones (Dingel and

Neiman 2020). Within countries, workers with low incomes are less likely to be able to work from home than those earning more (Saltiel 2020).

It might be the case that working from home will become significantly more prevalent in the post-Covid-19 world. While this is certainly an advantage for a large number of workers, many of the most vulnerable workers will not be able to fall back on this option. This makes targeted support increasingly crucial, since **those who are most negatively impacted by the pandemic are also the ones who were already the most vulnerable group**, facing the most pronounced risk to their livelihoods.



These and other trends are highly disruptive and require policymakers to confront them in a timely manner in order to secure labour market efficiency and the protection of peoples' livelihoods. Adequate social protection coverage is key when such disruption is raising risk and vulnerability for many.

⁶ See further ILO Monitor - Covid-19 and the world of work. 3rd edition.

⁷ The ILO identifies the following sectors as the most impacted ones: wholesale and retail trade, manufacturing, accommodation and food services, real estate & business activities.

1.1.2 Defining social protection

While a unanimous definition of social protection does not exist, we define it in the following way: social protection is aimed at preventing, managing and overcoming situations which negatively impact people's well-being. This includes poverty reduction, promotion of efficient labour markets, reduction of vulnerability and risks, and enhancement of capacities to manage risks.⁸

Central aspects to the access and provision of social protection are:

- Active policies, such as employment services or training/skilling programmes
- Promotion of efficient labour markets
- Passive policies, such as unemployment benefits or labour legislation
- Social insurance, such as health insurance schemes
- Social assistance, such as programmes which target vulnerable groups
- Collective bargaining

These sets of policies and programmes aim at reducing risk and vulnerability for children and families, the unemployed, the elderly, sick and injured people, people with disabilities and people on maternity leave, as well as providing health protection in general. Usually, a mix of contributory schemes and tax-financed benefits are applied by governments to address the above-mentioned areas. The provision of social protection can also be funded via social partner contributions, as a result of social dialogue, or be paid by employers as part of the employment conditions. Some aspects of social protection may be mandatory while others can be complementary.

SUSTAINABLE DEVELOPMENT GOALS

The United Nations' Sustainable Development Goal (SDG) 1.3 is to "implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable." Indicator for this target is the proportion of the population covered by social protection floors or systems, while particularly identifying vulnerable groups of people, such as the unemployed, children, older people and people with disabilities.

www.un.org/sustainabledevelopment



On the progress in achieving SDG 1.3, **the UN notes that, as of 2016, 55% of the global population was not covered by any type of social protection cash benefits**, while there are large variations across regions. At the same time, less than one-quarter of unemployed people have access to unemployment cash benefits.

During the Covid-19 pandemic, as economic activity is forced into hibernation, millions of workers find themselves either out of employment or, in the case of independent contractors, lacking demand for their services. Effective social protection systems are now more crucial than ever in order to protect people, both physically and financially. The pandemic revealed significant shortcomings in terms of effective social protection coverage for millions of workers around the world, as access is usually determined by a person's worker status. The level of coverage available to workers across various forms of work will be assessed in the next chapter.

⁸ This definition closely resembles that put forward by the United Nations Research Institute for Social Development (UNRISD 2010), Zhang et. al (2010) and Holzmann and Jorgensen (2001).

1.2 The challenge of statutory social protection coverage by work arrangement

As we see from the previous section, the world of work has changed, for the most part to become increasingly varied in terms of career paths and labour relationships. The classification of workers has become more complex and access to social protection systems, which rely primarily on the correct classification of a work relationship, is often unclear.

This section will explore how workers in various forms of employment or self-employment are covered under statutory social protection schemes. To do so, we are presenting the findings from an analysis which combines different data sources containing information on statutory access to social protection branches for the following types of workers:

- Employees on open-ended contracts
- Temporary employees
- Agency workers⁹
- Self-employed workers.

The data sources differentiate, on the one side, between the type of work arrangement, and on the other, between social protection branches. The following social protection branches are included in the analysis part:

- Unemployment benefits
- Paid sick leave
- General healthcare insurance
- Labour accidents/disability insurance
- Maternity and parental protection & benefits
- Childcare benefits
- Old-age pensions
- Training benefits

The following analysis showcases the level of statutory social protection coverage by social protection branch and by work arrangement across a set of more than 40 countries. The level of statutory access is determined by whether a worker of a specific worker status in a country has either: a) full access; b) partial or voluntary access; or c) no access to the branch of social protection.¹⁰ The analysis offers a consolidated overview of the level of statutory access to social protection at global level based on available data sources. To that purpose, and confined by data availability, we limited the number of work arrangement types. A wider range of work arrangements exist however, and often these are lacking formal access to social protection schemes.¹¹

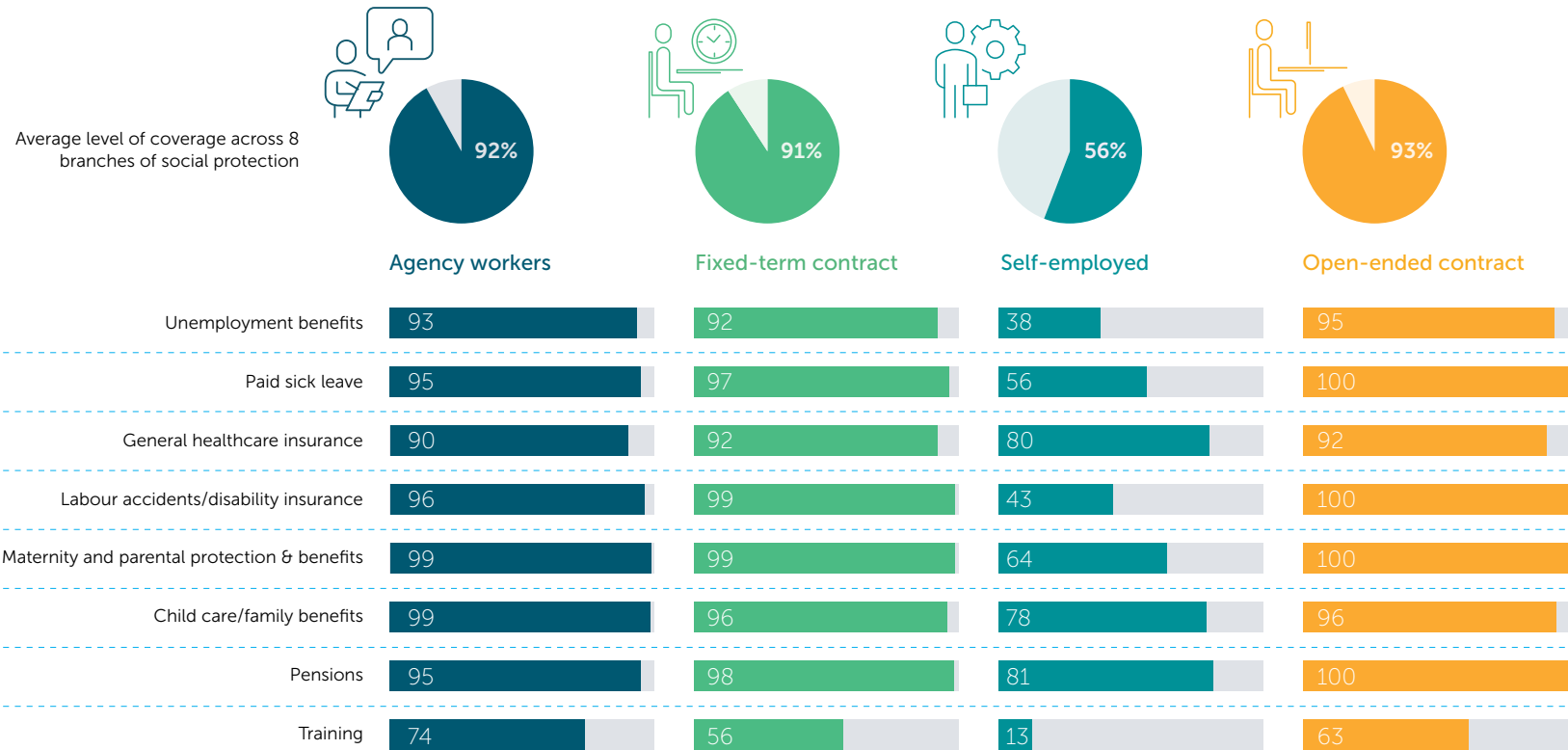
It needs to be stressed that statutory access describes whether the worker has formal coverage, not whether the worker effectively has access, or the level of provisions granted. Effective access may depend on various eligibility criteria, such as the number of days worked in a specified period in the past.

⁹ Agency work can be carried out under various arrangements, such as on an open-ended, part-time, or fixed-term basis, and is defined as follows, using the definition by the European Commission: a 'triangular' employment relationship between a temporary work agency, a worker and a user undertaking, whereas the worker has a contract of employment or an employment relationship with a temporary work agency with a view to being assigned to a user undertaking to work temporarily under its supervision and direction.

¹⁰ Consult the Annex for a detailed description of the methodology and the list of countries included.

¹¹ Annex provides a non-exhaustive table of alternative work arrangements and their lack of social protection coverage across EU Member States.

Statutory access to social protection branches by work arrangement, % of coverage (either full or partial/voluntary)



Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Note: The analysis is based on four sources of information. The information was compiled into one database using the following indexation for statutory coverage: 1=full coverage; 0.5=only partial/voluntary access; 0=no access. 42 countries are included in the analysis. The percentage of statutory coverage therefore includes countries where full access is available, and those where only partial or voluntary access exists. Instead of showcasing the share of countries with full statutory coverage, the graphs represent a measure of how well the types of workers are protected across the countries in the sample. The Annex contains more detailed description of the methodology, the list of countries and further graphs.

The analysis leads to two main findings. Firstly, dependent employees benefit from a largely similar statutory access to social protection benefits. This applies to all branches included in the analysis. Whether a worker is on an open-ended direct contract, a temporary contract, or an agency work contract, in most countries, all branches of social protection are usually available to them. As these are all regulated labour contracts, **agency workers therefore enjoy statutory access to unemployment and sickness benefits, occupational health and safety provisions, or pension schemes that are similar to directly hired employees on open-ended or fixed-term contracts.** An agency work contract refers to the triangular nature of the employment relationship, and can be done on a part-time, full-time, open-ended, or temporary basis. Full statutory coverage for unemployment benefits is available in 9 out of 10 countries for dependent employees, while in the remaining countries, partial access is often accessible.

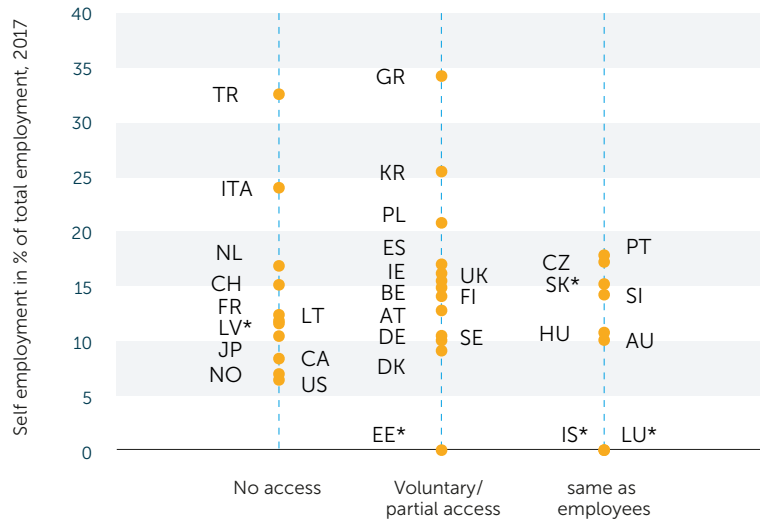
Secondly, **self-employed workers often do not have statutory access to many of the social protection branches.** In only one-fifth of the countries represented in the analysis do self-employed have full statutory access to unemployment schemes in the same way as employees. In one-third of countries, self-employed only receive partial access to such schemes or on a voluntary basis. Where voluntary schemes are available, they are often not used by these workers, as the incentives to do so are not large enough or the costs are prohibitively high. As future risks are often discounted, people tend to opt-out of voluntary schemes, leaving them without safety nets should they find themselves out of work. Fluctuating earnings of self-employed pose a further challenge in designing adequate social protection schemes for these groups of people, due to the more complicated calculation of contributions (ILO 2020b).

Part of the choice for workers to be self-employed is to be able to take the organisation of their safety nets into their own hands and to dictate their own terms in the labour market. This calculation of risks and benefits is, by design, inherent to the concept of self-employment. Challenges arise when large and growing shares of self-employed workers do not have the financial capacity to arrange their own social insurances, which can be prohibitively expensive for some. Without sufficient safety nets in place, those groups of self-employed workers are then exposed to increased vulnerability in the labour market.

Underinsurance further results in an uneven playing field in the competition for clients, as the rates set are to a large part determined by the expenses, including on insurance. For employers it then becomes relatively more expensive to hire employees directly compared to hiring an independent contractor who can set low rates due to lower expenses on social insurance.

Also of concern is the fact that in some countries with a high share of self-employment in total employment, there is no statutory access to benefits for those workers (Figure 6). As access to benefits is widened for a group of workers, the associated costs to provide those benefits rise, and in turn the labour costs for employers/businesses increase when employing/hiring these workers. This may partly explain why in some countries reduced statutory access to social protection benefits coincides with a relatively higher share of individuals (and firms) who choose to work as (or to hire) independent contractors.

Figure 6: Statutory access to unemployment benefits for self-employed compared to dependent employees and share of self-employment in total employment, 2017

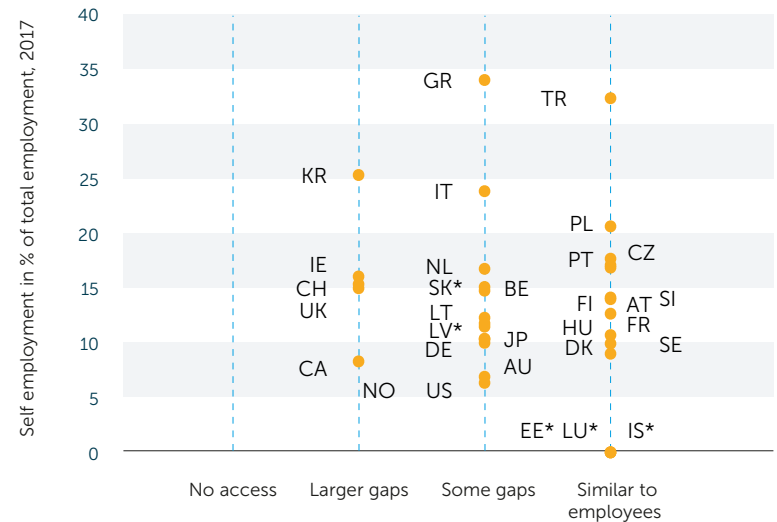


* Data on self-employment incidence is missing/incomplete for Estonia, Iceland and Luxembourg and refers to 2015 for the Slovak Republic and to 2014 for Latvia.

Source: adaptation from OECD (2019a)

Self-employed workers are only covered half as well as employees in terms of statutory sick leave benefits. Agency workers and other dependent employees benefit from full statutory access to paid sick leave in at least 9 out of 10 countries, with partial access being available in the remaining countries. Self-employed receive full access in less than 4 out of 10 countries, with two-fifth of countries providing partial and one-quarter offering no access to sick leave benefits. OECD (2019a) analysis showcases that in many countries, self-employed often face gaps, which are sometimes large, compared to employees (Figure 7).

Figure 7: Statutory access to paid sick leave, invalidity, and work injury benefits for self-employed compared to dependent employees and share of self-employment in total employment, 2017

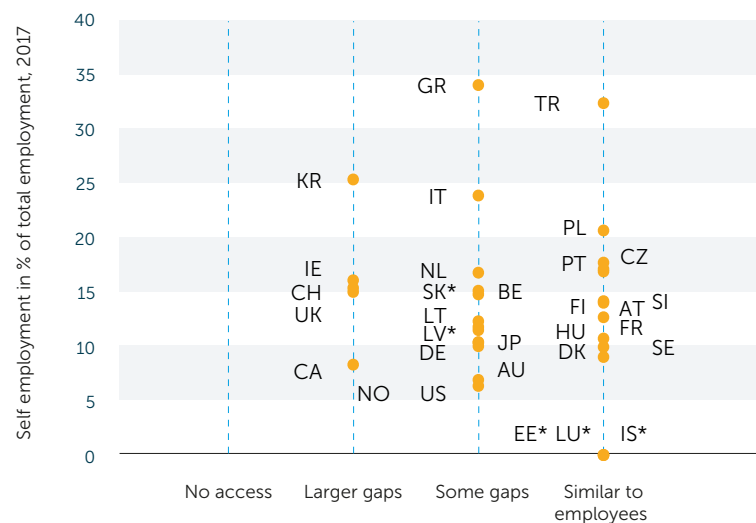


Source: adaptation from OECD (2019a)

In terms of access to health insurance, the gap between labour relationships is less significant, although still present. While in nine out of ten countries, full statutory access to healthcare insurance is available to workers on an employment contract, in eight out of ten countries self-employed have either full, partial or voluntary access. Regarding labour accidents/disability insurance, in one-third of the countries self-employed have full statutory access to insurance, while in one-fifth they receive only partial/voluntary access. Agency workers, temporary workers and workers on open-ended contracts are, on the other hand, fully covered in nearly all countries in the sample. Regarding statutory access to maternity and parental benefits, in just about half of the countries self-employed have the same level of access as employees, while in one-fifth of countries, self-employed only have partial access to parental benefits. Self-employed are also covered less frequently than other work forms when it comes to statutory access to childcare and family benefits. In OECD countries with high shares of self-employment, access levels similar to employees are less frequently available to self-employed.

Access to pension schemes is crucial for people’s livelihoods when they enter retirement. Our analysis shows that **employees, whether temporary, open-ended, or agency workers, have similar access to pension schemes** in most countries covered in the sample. In nine out of ten countries, agency workers have full statutory access, while self-employed receive this benefit in only 60% of the countries with the remaining countries only granting access partially or on a voluntary basis. This enhances the risk of falling into poverty in old age, as workers often tend to opt-out of voluntary schemes and do not prepare sufficiently for their retirement. On average, across a panel of 15 OECD countries, retired self-employed receive 22% lower public pensions than employees (OECD 2019c).

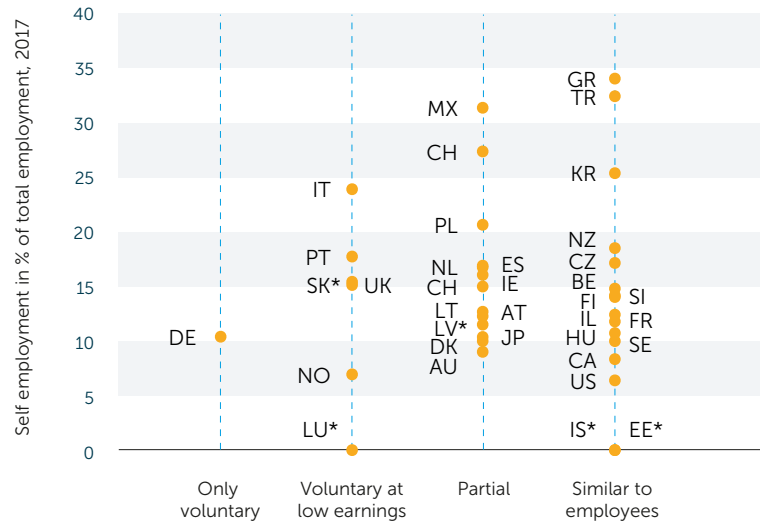
Figure 8: Statutory access to maternity and family benefits for self-employed compared to dependent employees and share of self-employment in total employment, 2017



Source: adaptation from OECD (2019a)

* Data on self-employment incidence is missing/incomplete for Estonia, Iceland and Luxembourg and refers to 2015 for the Slovak Republic and to 2014 for Latvia.

Figure 9: Statutory access to old-age pension benefits for self-employed compared to dependent employees and share of self-employment in total employment, 2017



Source: adaptation from OECD (2019a)

* Data on self-employment incidence is missing/incomplete for Estonia, Iceland and Luxembourg and refers to 2015 for the Slovak Republic and to 2014 for Latvia.

Training benefits, a form of social protection as regards to the activation role and upkeeping employability, are scarcely available to all types of workers across many countries. In most countries, both employees and self-employed do not have statutory access to training benefits. Here again, self-employed are at a disadvantage compared to employees. A major policy issue here is the fact that those workers who have the lowest level of access to training benefits are also the ones who currently are the least skilled, meaning that those who need training most receive it the least, a recurring pattern across social protection systems. As necessary policies need time to be implemented, they often lag behind the quickly changing characteristics of labour markets (OECD 2019a).

One feature of current social protection systems that is particularly challenging is the discrepancy between statutory or formal and effective access to social protection benefits. People on an employment contract are covered to a similar extent in most countries for most social protection benefits. This is an advantage compared to the level of coverage available to self-employed. In practice, temporary or part-time workers may have trouble accessing social protection schemes compared to employees on open-ended contracts for various reasons. Effective coverage for the former type of workers often depends of specific eligibility conditions, thresholds or criteria that are to be reached in order to receive benefits. The actual level of benefit provision may also depend on such conditions. For example, workers on temporary contracts may be required to reach a certain threshold regarding the number of days worked in order to qualify for access to unemployment benefits. The number of months in which former temporary workers receive unemployment benefits may directly depend on the number of months during which these workers were in employment over a specified period in the past. Disrupted employment periods, as may be the case for workers on temporary employment contracts can lead to difficulties for temporary workers to fulfil such eligibility conditions. This may lead to a gap in effective coverage between open-ended employees, for whom such thresholds are more easily reached, and those on temporary contracts. While some restrictions regarding thresholds may be justified, workers on temporary contracts are placed at a disadvantage. Workers who have been in employment continuously, may still face barriers due to the

fact that they have not been employed under one open-ended full-time contract. Agency workers, which can be temporary or open-ended employees, can benefit from various initiatives developed by the private employment services industry to alleviate such issues. These will be explored in the next chapter.

The share of workers at risk of not being covered is significantly higher for temporary employees compared to those on open-ended contracts (Table 1). This is of concern, as workers on temporary contracts have a stronger need for effective access to safety nets than people on open-ended contracts, while receiving less effective benefit access (Eurofound 2020).

Table 1: Proportion of workers at risk of not being covered by social benefits in the EU28 by type of labour contract.

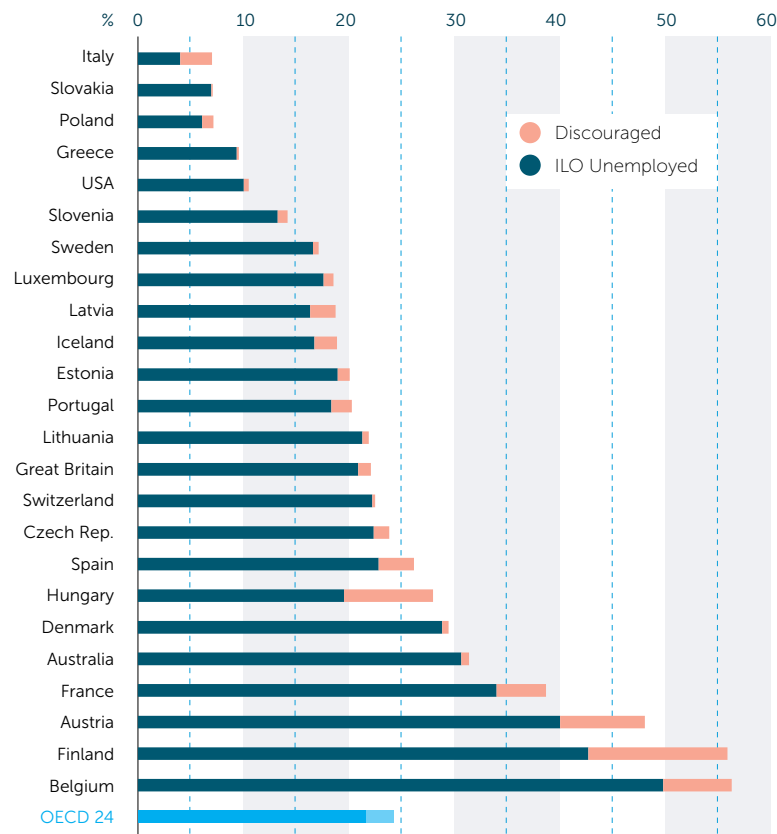
	Unemployment benefits	Sickness benefits	Maternity
Temporary full-time	32%	5%	9%
Temporary part-time	39%	10%	2%
Open-ended part-time	1%	2%	13%

Source: author's elaboration from European Commission (2018)

Just above one-fifth of global unemployed are covered by unemployment benefits (ILO 2017). In most OECD countries, most jobseekers do not receive unemployment benefits (Figure 10).

In most OECD countries, employees on open-ended contracts are significantly more likely to receive income support from the state compared to all other work arrangements (temporary, part-time, self-employed) (Figure 11).

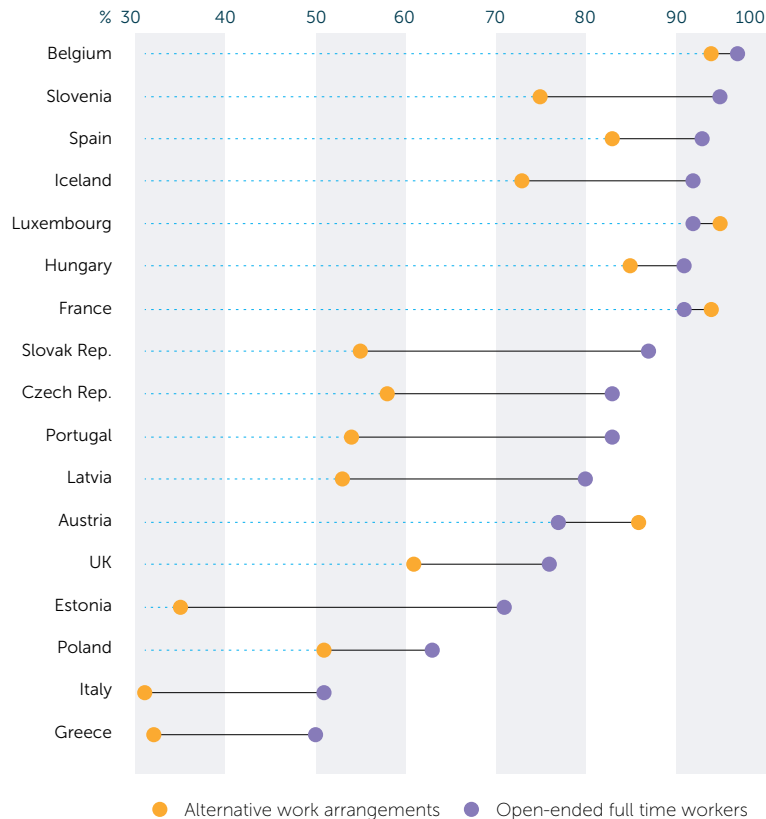
Figure 10: Unemployment benefit coverage among unemployed and discouraged workers¹²



Source: adaptation from OECD (2019a)

¹² "Discouraged workers" refers to individuals without employment who are available for work but not actively searching for a job.

Figure 11: Likelihood of receiving income support for open-ended, full-time employees and people on alternative work arrangements



Source: adaptation from OECD (2019a)

In the context of a global pandemic like the Covid-19, adequate social protection systems are more crucial than ever. Existing systems are not well adapted to the fast-changing dynamics of labour markets, with increasing diversity in work arrangements, evolving career dynamics and technological developments. **The Covid-19 crisis has exposed the weaknesses and unpreparedness of social protection systems.** An unprecedented number of people find themselves without income while access to support schemes is often unavailable or difficult to access, depending on the type of work arrangement people find themselves in.



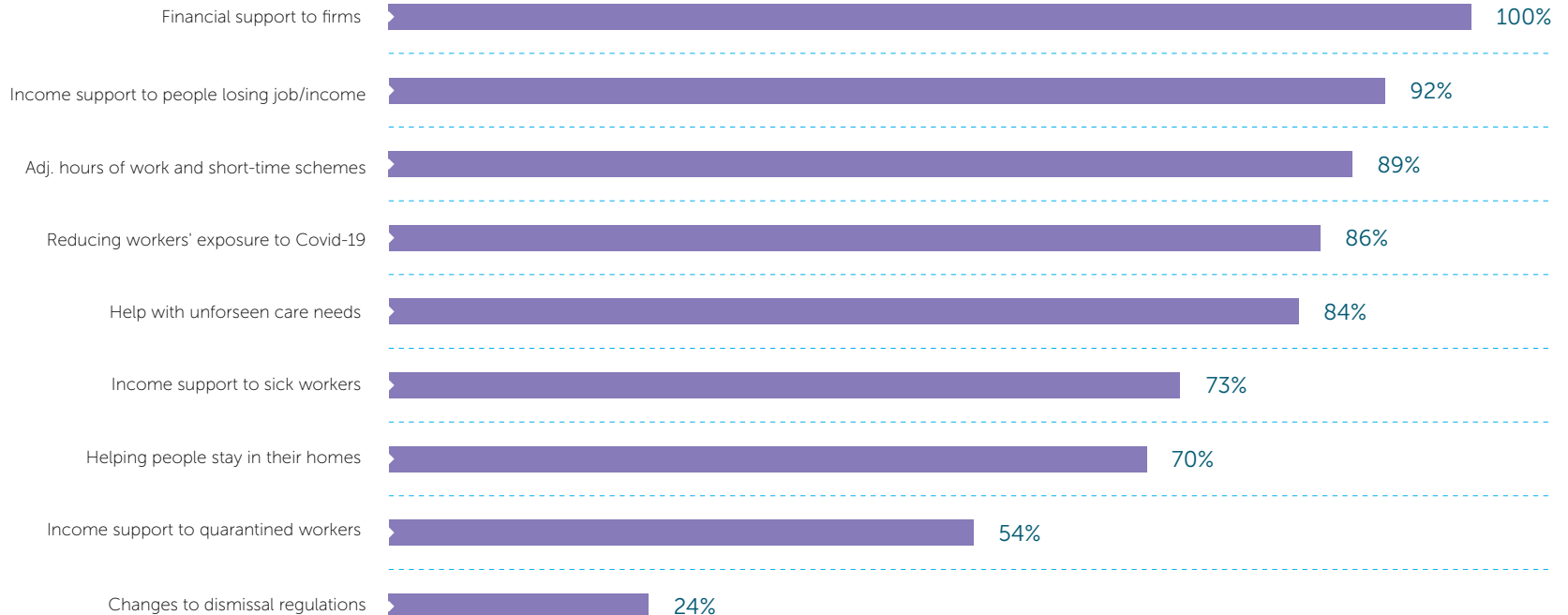
The level of social benefits available to workers critically depends on a person's employment status, i.e. whether a person is classified as an employee or self-employed. **As new forms of work emerged, including the possibilities to work offered by technological advancement, the correct determination of a worker's employment status has been made more complicated.** False self-employment is the result of a worker being classified as self-employed although the characteristics of the labour relationship align to a large extent with those of an employee. Crucial in determining an employment status is the level of dependence on the client as well as the level of control which the client has over the worker's ways of working. In reality, this can be difficult to assess and current employment legislation is insufficiently adapted to accommodate new ways of working, particularly in the context of online platform work. Both workers and businesses may want to organise their labour force in a flexible manner and high social premiums on employment contracts can create incentives for both to arrange labour relationships outside the dependent labour contract. A lack of clarity and enforcement can further incentivise rogue players, both employers and workers, to abuse the status of self-employment, leading to an uneven playing field among both businesses and workers as well as government tax income losses (OECD 2019a).

As work arrangements outside the dependent employee relationship increase, current systems of statutory social protection coverage create "inequitable, and possible regressive, treatment of workers based on their employment status, while also eroding the financial sustainability of social protection provisions" (OECD 2019a). The financial sustainability of welfare states in general is at risk as state spending increases to cope with social risks, such as unemployment and pensions (European Commission 2018).

Informal employment is one of the major challenges of labour markets around the world, especially in developing countries. According to ILO estimates, around 60% of the global workforce is engaged in the informal economy (ILO 2017). Without an employment contract, these people do not have access to social security schemes, leaving a major share of the world's workers particularly vulnerable. The high share of informally employed people globally is a major factor in the high share of people not covered by social protection, illustrating the need for getting workers into formal employment. Currently, more than half of the global population is not covered by a single social protection benefit (ILO 2017).

Effective access to safety nets for all, regardless of their work arrangement, also plays a significant role in the recovery phase. A rebound in consumer spending is crucial and depends greatly on the social support systems available for people. The lifting or relaxation of eligibility criteria to access relief measures is therefore critical, as is the timely distribution of support packages. While such measures typically undergo lengthy processes until support arrives at the targeted groups, as the Covid-19 crisis unfolded, governments around the world took significant action to provide timely support on an unprecedented scale. As of 20 June 2020, 92% of OECD countries had taken steps to provide income support to people who lost their job due to the crisis (Figure 12). Nevertheless, access to income support is not evenly distributed across people in different work arrangements. Groups of workers which generally benefit from less coverage face increased difficulties in accessing support measures or have to wait longer to receive income support. Looking ahead and learning from the past and the present, it is vital to have adequate and inclusive social protection systems ready for when the worst-case scenario hits.

Figure 12: Share of OECD countries that have introduced (or announced) new measures or expanded existing ones in response to Covid-19



Source: <http://oe.cd/covid19briefsocial>. Version: 20 June 2020

It is critical to remember that statutory access to the various social protection benefits does not necessarily mean that all workers under the respective contract (or self-employed) are effectively receiving these benefits, as various eligibility criteria may apply. In order to mitigate such risks for agency workers, the private employment services industry has - in some countries - introduced options for agency workers to access specific labour conditions that support the employ-

ability of agency workers through skilling and other means. Often these options remain available as agency workers move from assignment to assignment, or from employment agency to employment agency. The contribution of the private employment services industry to protecting people in times of crisis will be further explored in the next chapter.

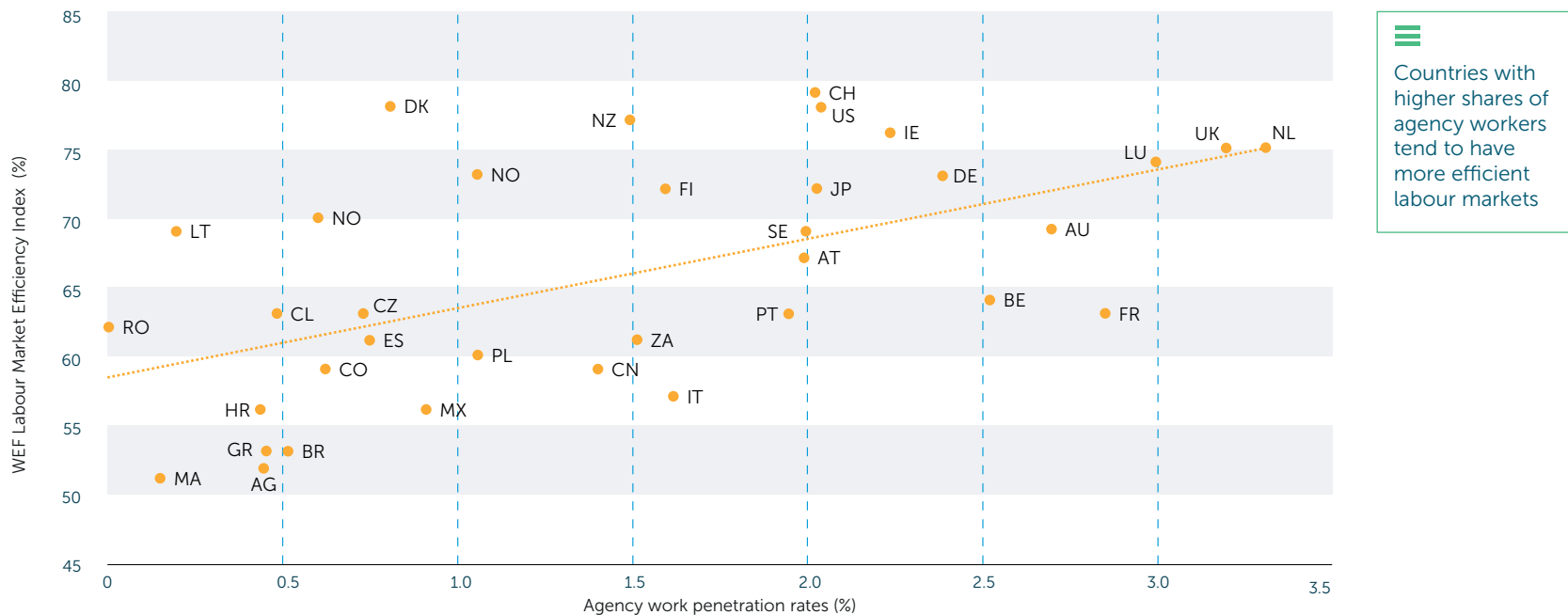
The contribution of private employment services to protecting workers

2.1 Efficient labour markets, transitions, and formal employment

As per our definition, social protection goes beyond the provision of basic access to insurance schemes and also incorporates the existence of efficient labour markets. While access to basic safety nets for all workers irrespective of working arrangement is a key aspect in protecting workers and people in general, so too are raising employment rates, facilitating transitions and reducing informal

employment and non-employment critical in reducing vulnerability and risks for people. The private employment services industry contributes to efficient labour markets around the world. As a labour market intermediary, private employment agencies are able to reduce labour market slack and improve matching between employers and workers.

Figure 13: WEF Labour Market Efficiency Index and Agency work penetration rates ¹³



¹³ The agency work penetration rate refers to the share of agency workers (in full-time equivalents) in the working population.

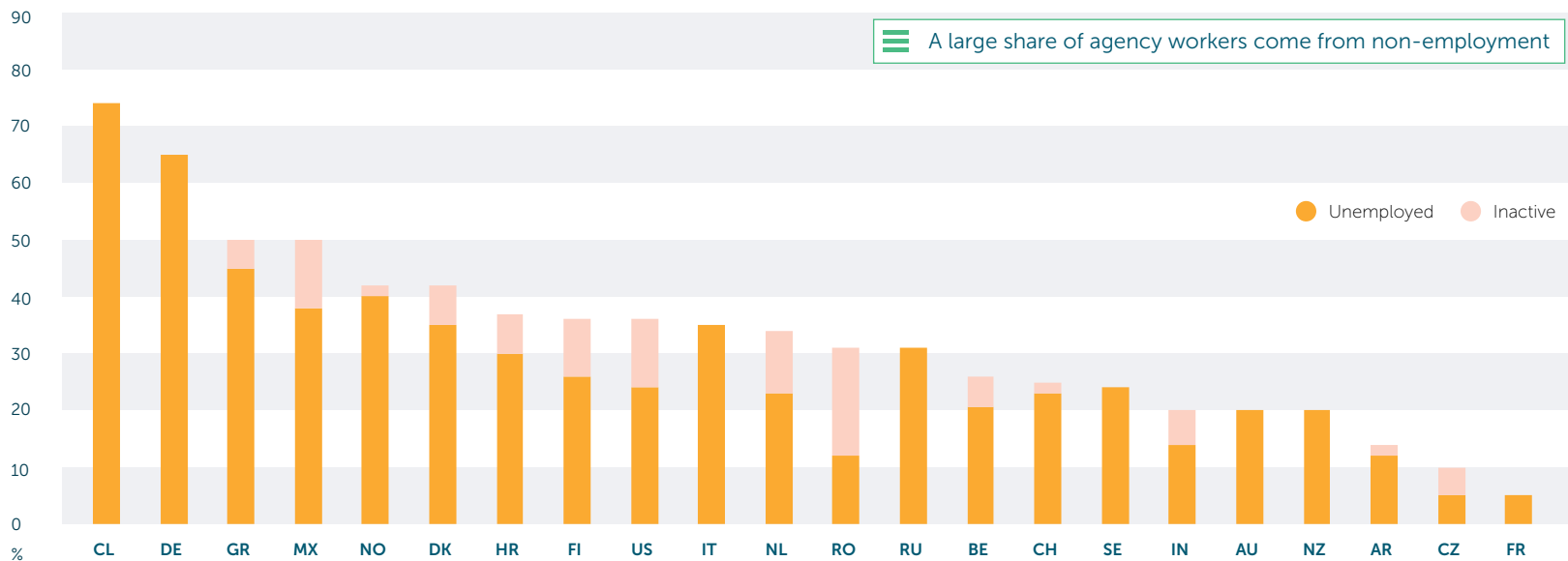
Source: World Economic Forum (2019) and WEC national federation members. R²=0.33

In 2018, nearly 54 million people were placed in labour markets through the agency work sector across 32 countries.¹⁴ This activation role is critical. Firstly, companies are better able to navigate uncertain market developments, so boosting economic growth. Secondly, private employment agencies are at the forefront during the recovery phase by bringing unemployed and inactive people back into the labour market. During the last global recession, the agency work sector had already played its part in the recovery, by bringing the flexible component to labour markets, allowing many people to return to work quickly at the onset of the recov-

ery in 2009. It is also shown that firms with a higher usage of agency workers fared relatively better during the last recession (Baumgarten & Kvasnicka 2016).

A large share of agency workers come from either inactivity or unemployment, one-third on average (Figure 14). This highlights the sector's activation role and its contribution to efficient labour markets, economic growth and formal social protection coverage for workers. For unemployed and inactive people, the private employment services industry provides a bridge to employment.

Figure 14: Share of agency workers coming from unemployment or inactivity prior to their assignment



¹⁴ See further: 2020 WEC Economic Report.

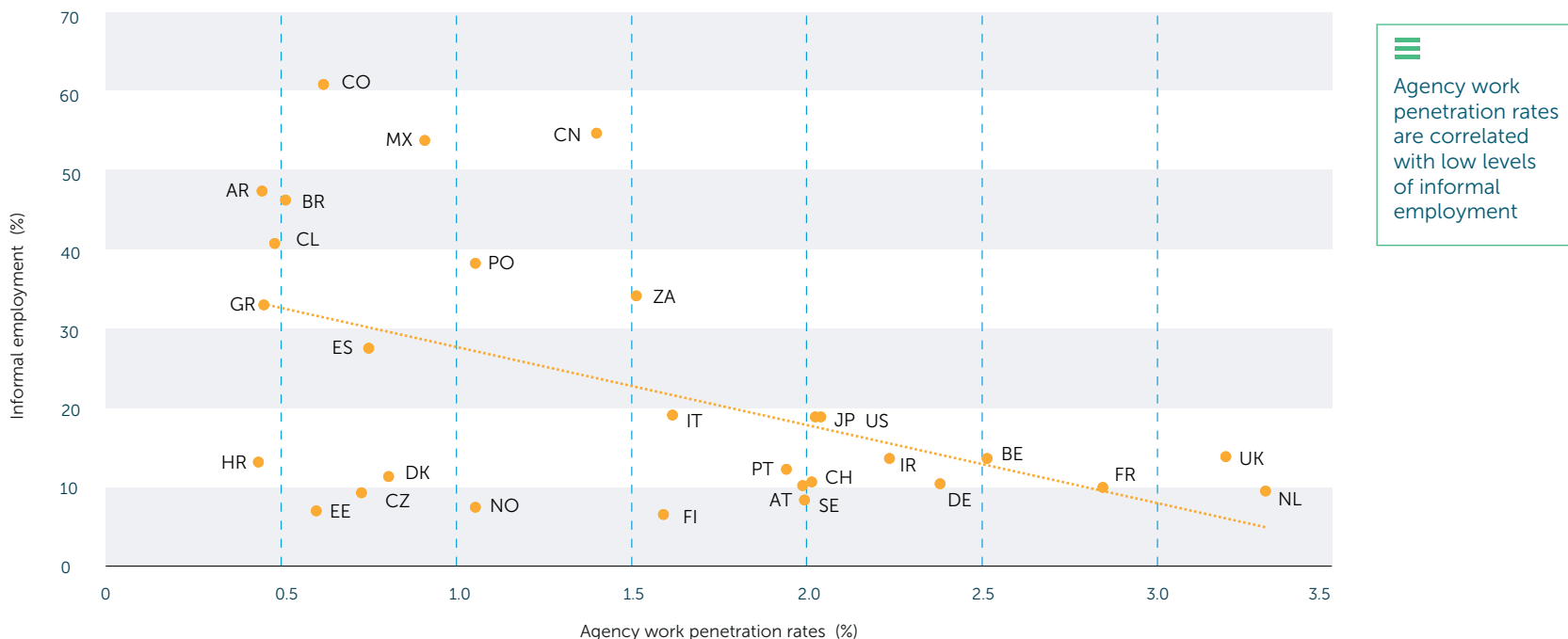
Source: WEC national federation members. 2018 or most recent year available.

By raising employment rates, private employment services contribute to the furthering of the United Nations Social Development Goal (UN SDG) 8 of promoting "sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."¹⁵

¹⁵ Further information on UN SDG 8: <https://sustainabledevelopment.un.org/sdg8>

Higher penetration rates of agency work are also correlated with lower shares of informal employment (Figure 15). By bringing people into formal employment, the private employment services industry effectively raises social protection coverage as well as the contribution base to protection schemes.

Figure 15: Informal employment and agency work penetration rates



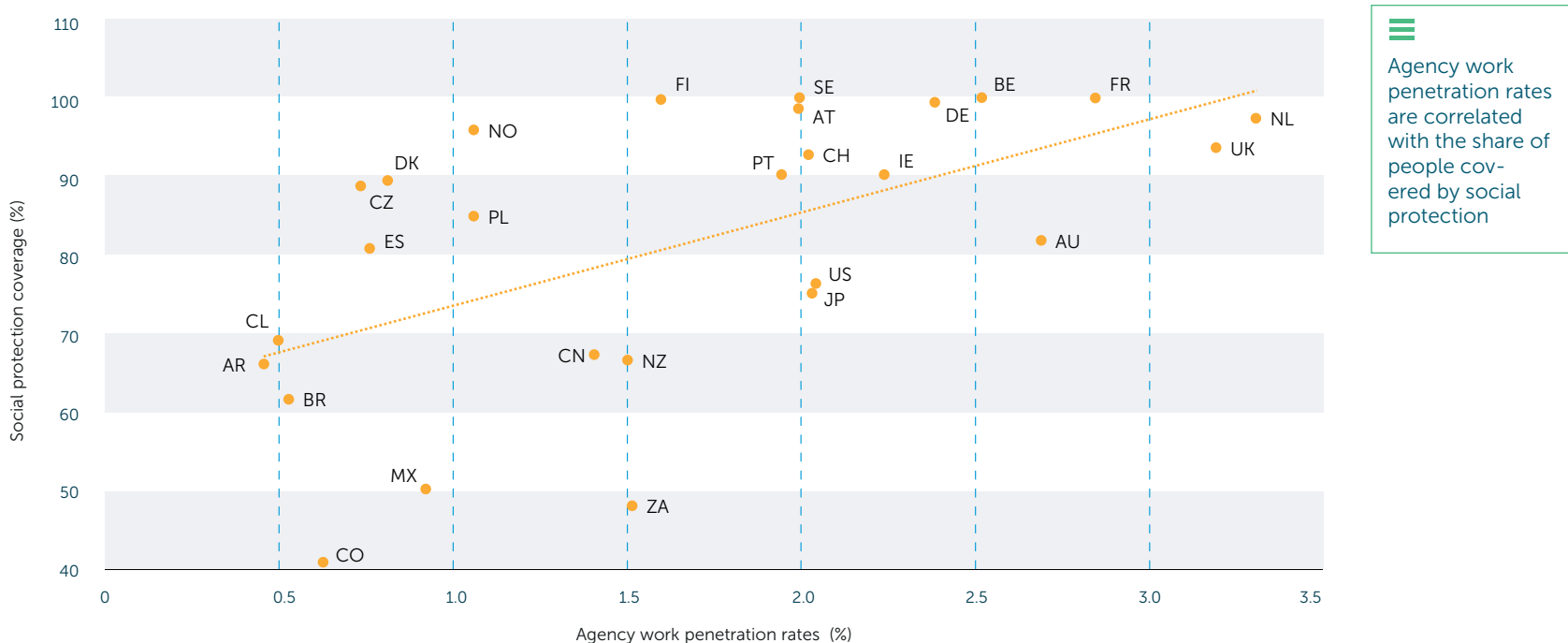
Source: Informal employment from ILO. Agency work penetration rates from WEC national federation members. R²=0.26

Countries with a higher share of agency workers among the working population display greater shares of social protection coverage among the population (Figure 16). In this way, private employment services also contribute to getting closer to UN SDG 1.3 of “implementing nationally appropriate social protection systems and

measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.”¹⁶

¹⁶ Further information on UN SDG 1.3: <https://sustainabledevelopment.un.org/sdg1>

Figure 16: Social protection coverage and agency work penetration rates

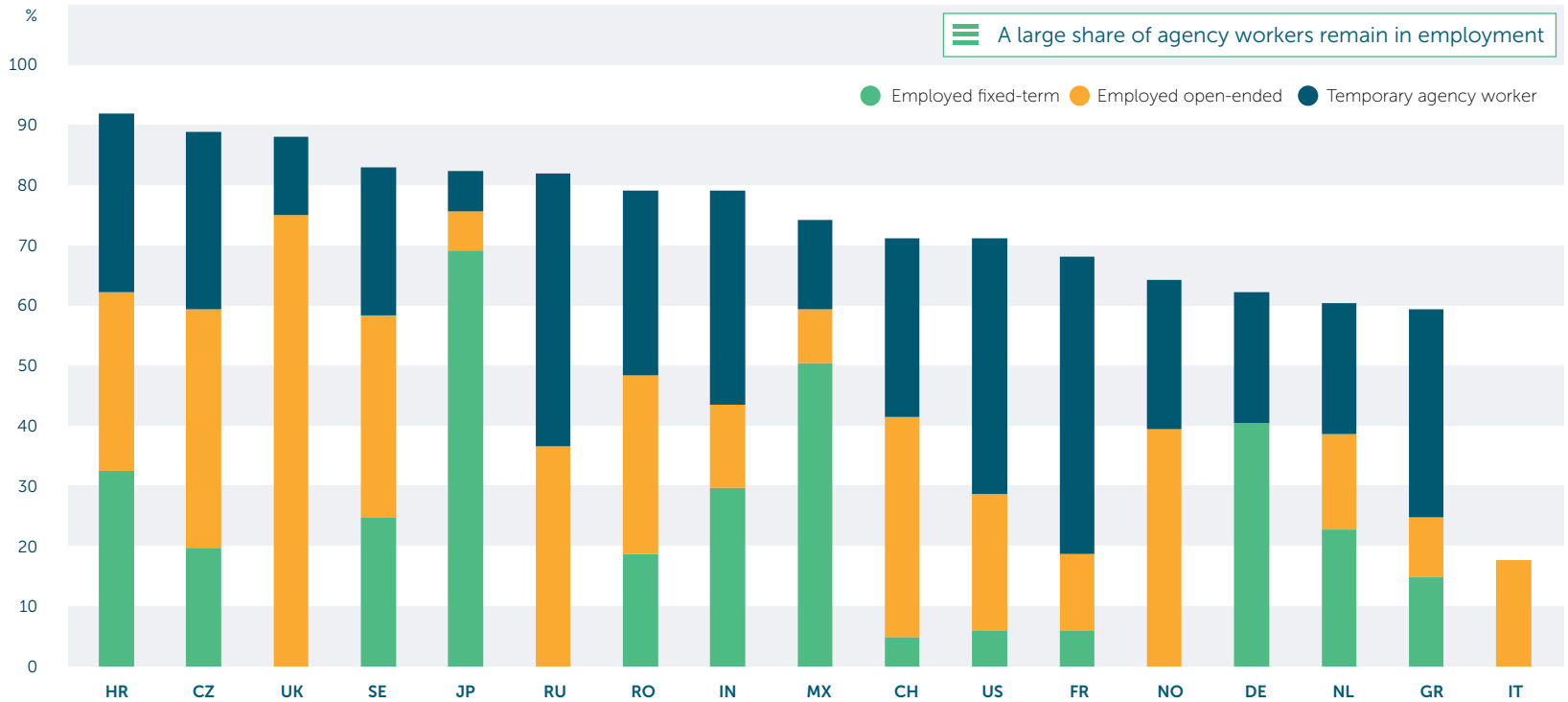


Source: Social protection coverage (% of population covered by at least one social protection benefit) from ILO database. Agency work penetration rates from WEC national federation members. R²=0.33

It is also shown that the vast majority of people entering the labour market through the agency work sector remain in employment 12 months later, either staying in the agency work sector, or moving on to direct, fixed-term or open-ended con-

tracts (Figure 17). On average, 73% of agency workers across countries remain in employment.

Figure 17: Share of agency workers remaining in employment 12 months after entering the sector

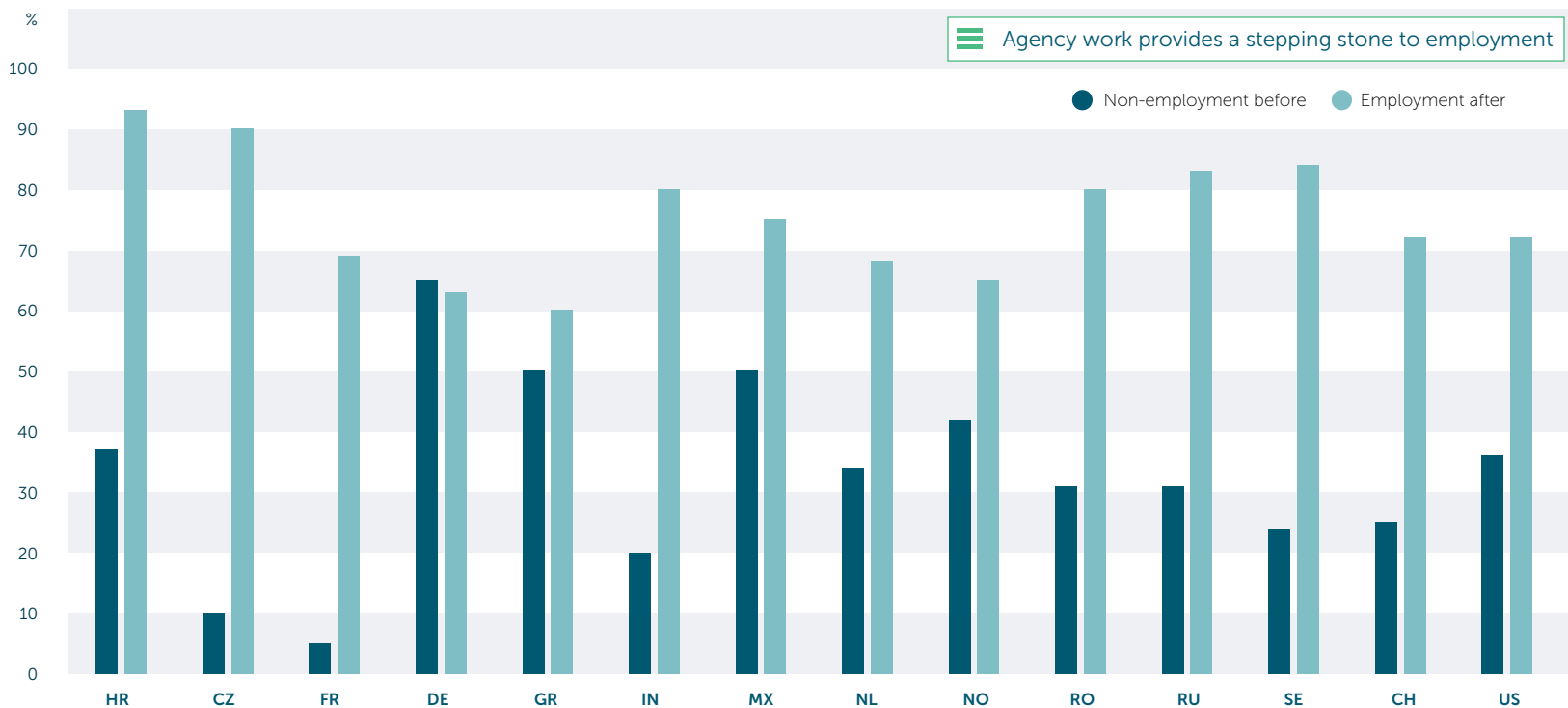


Source: WEC national federation members. 2018 or most recent year available.

While a large share of people come from non-employment (unemployment or inactivity) when going into the agency work sector, an even larger share remains in

employment. This is the case in most countries for which both “before” and “after” statistics are available (Figure 18).

Figure 18: Share of agency workers in non-employment before and in employment 12 month after entering the sector

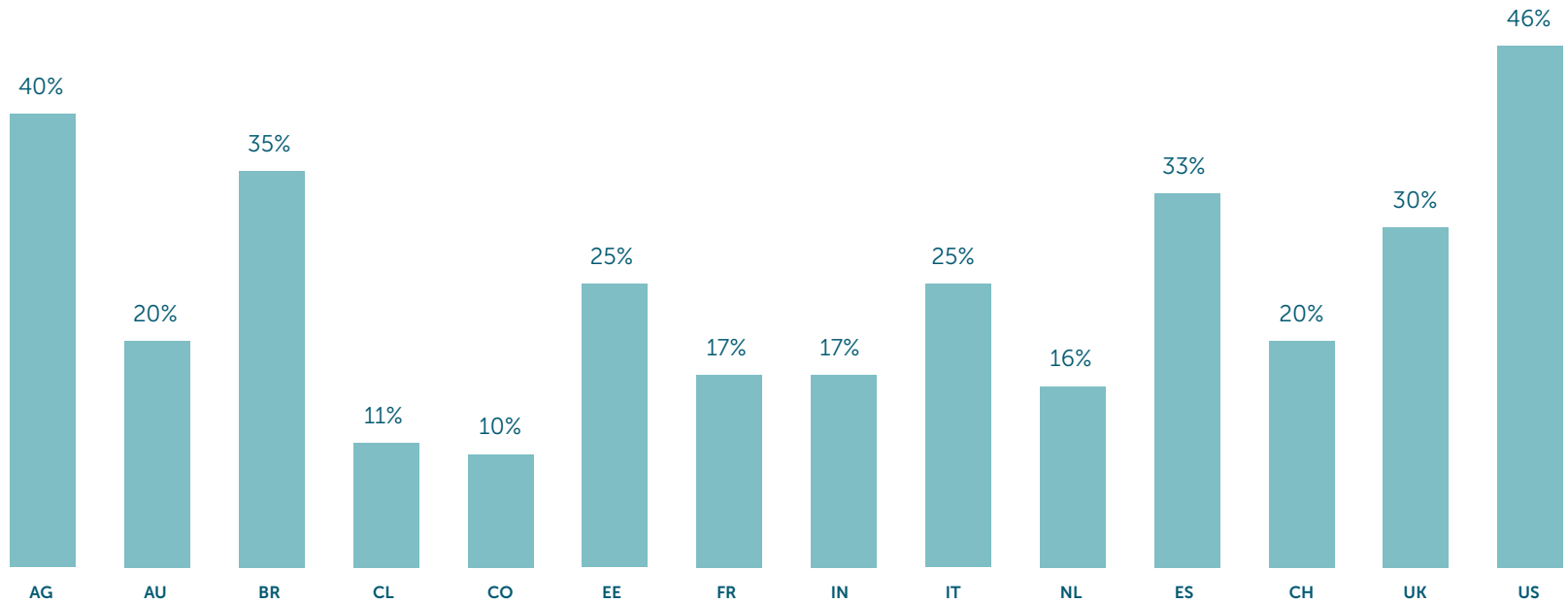


Source: WEC national federation members. 2018 or most recent year available.

Agency work also provides the opportunity for workers seeking open-ended employment to be taken over directly by the client company. Employers often use agency work as a means of screening future employees.

Figure 19: Conversion rates of agency workers to open-ended employees at client companies

Many agency workers are converted to open-ended staff



Source: WEC national federation members, 2018 or most recent year available.

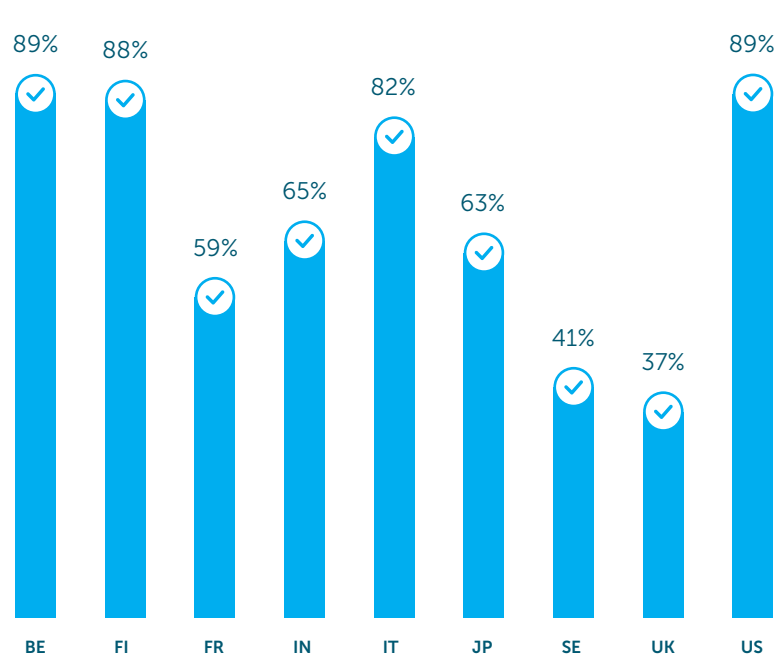
Next to the prospect of being hired directly as an employee on an open-ended contract, many agency workers choose this form of work, which combines flexibility with security. Surveys across different countries show that a major share of

Figure 20: Satisfaction levels of agency workers with their labour market situation/ work in general



agency workers are satisfied with their situation, while a large share are also open to remaining in the agency work sector (Figures 20 and 21).

Figure 21: Openness to working again as an agency worker



☰ Most agency workers are satisfied with their labour market situation

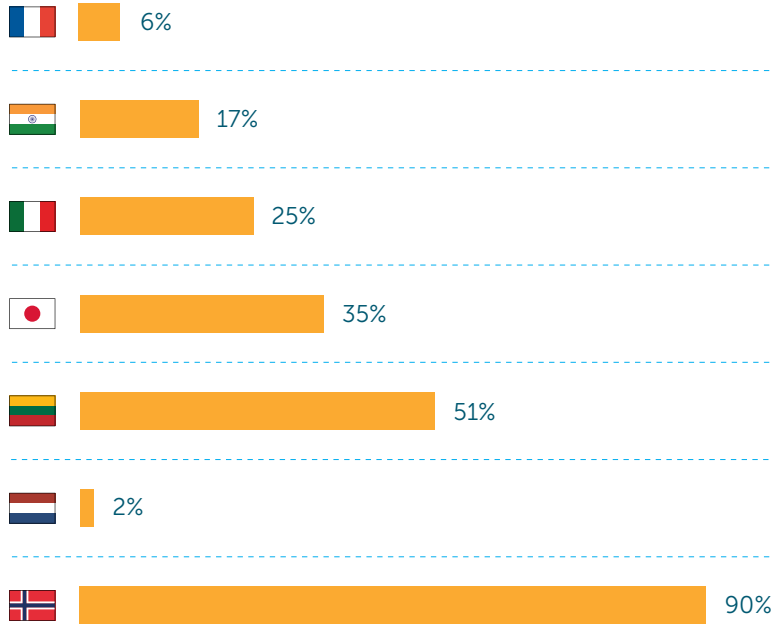
☰ Agency workers are generally open to remaining in the sector

Source: WEC national federation members, 2018 or most recent year available.

Source: WEC national federation member surveys; Staffing Industry Analysts

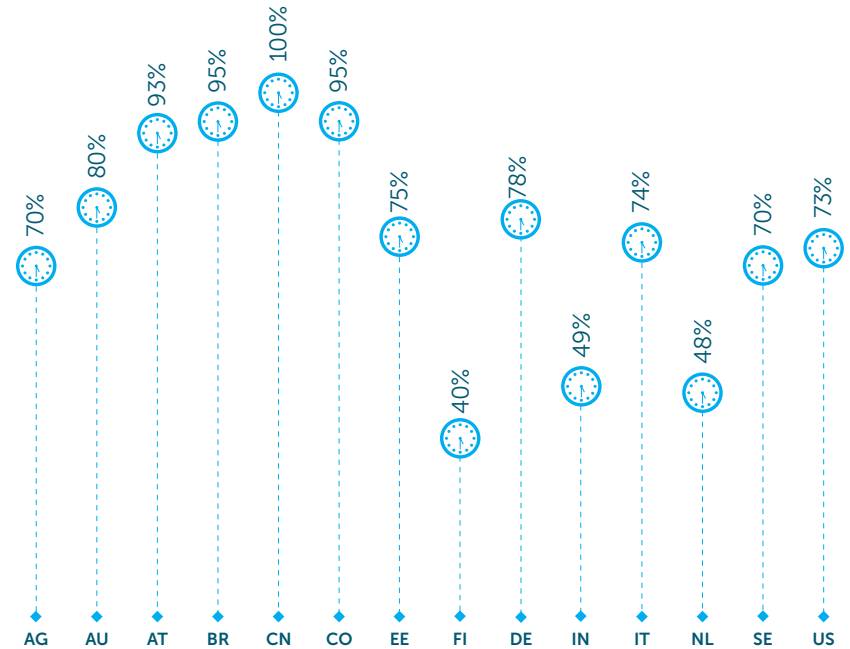
Besides fixed-term contracts, agency workers often also have the possibility to work on an open-ended contract. In several countries, such open-ended contracts exist for agency workers, providing them with additional security (Figure 22). While

Figure 22: Share of agency workers on open-ended contract (if available)



most agency workers work on a full-time basis, part-time employment is also an option (Figure 23).

Figure 23: Share of agency workers working on a full-time basis



≡ Agency work is often done on open-ended contracts

≡ Most agency workers work full-time

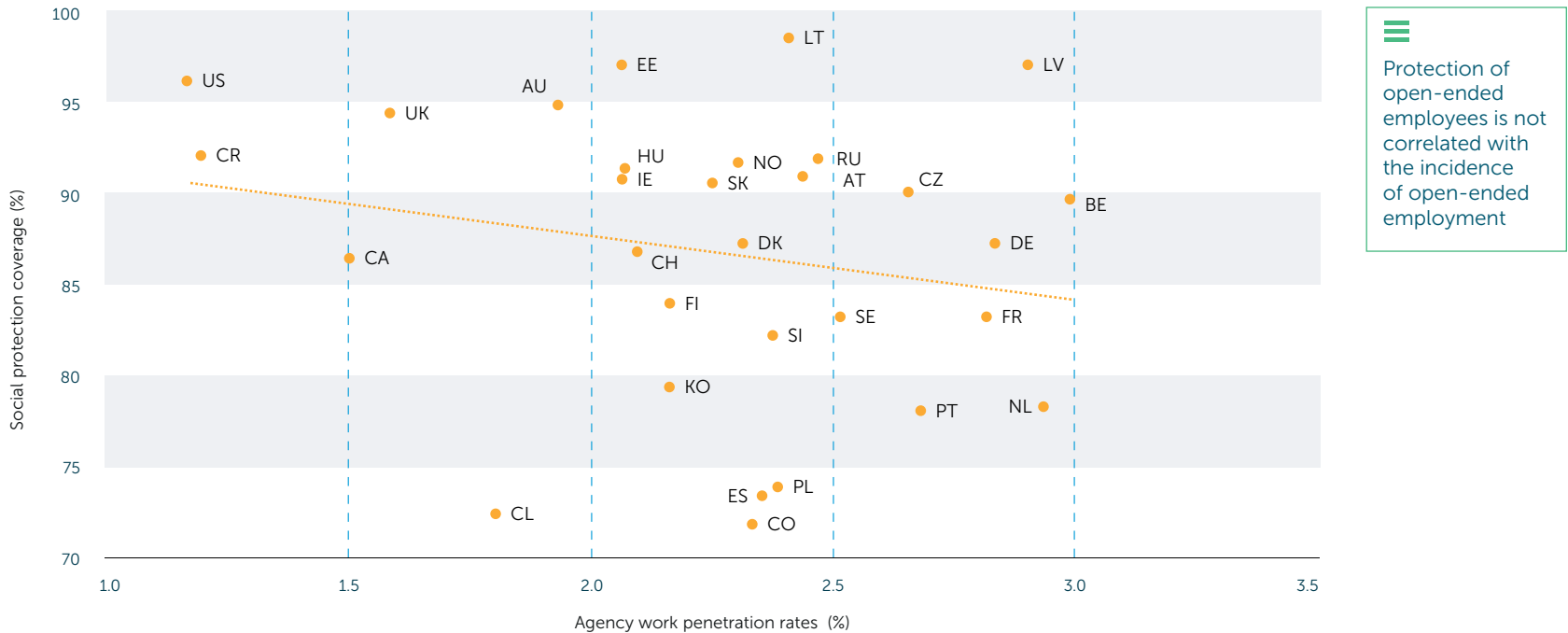
Source: WEC national federation members, 2018 or most recent year available.

Source: WEC national federation members, 2018 or most recent year available.

The flexibility and efficiency brought to labour markets by private employment services is crucial and benefits both companies and workers, as the preferences of each evolve and need to be catered for. Regulations aiming to restrict the incidence of flexible work forms, by increasing employment protection for open-ended employees and enhancing conditions for employing temporary workers, are not

shown to raise the incidence of open-ended employment (Figure 24). Employer surveys further indicate that most companies would not create additional vacancies for open-ended positions in the case where access to flexible labour were to be restricted.

Figure 24: Protection of open-ended employees against dismissal and incidence of open-ended employment

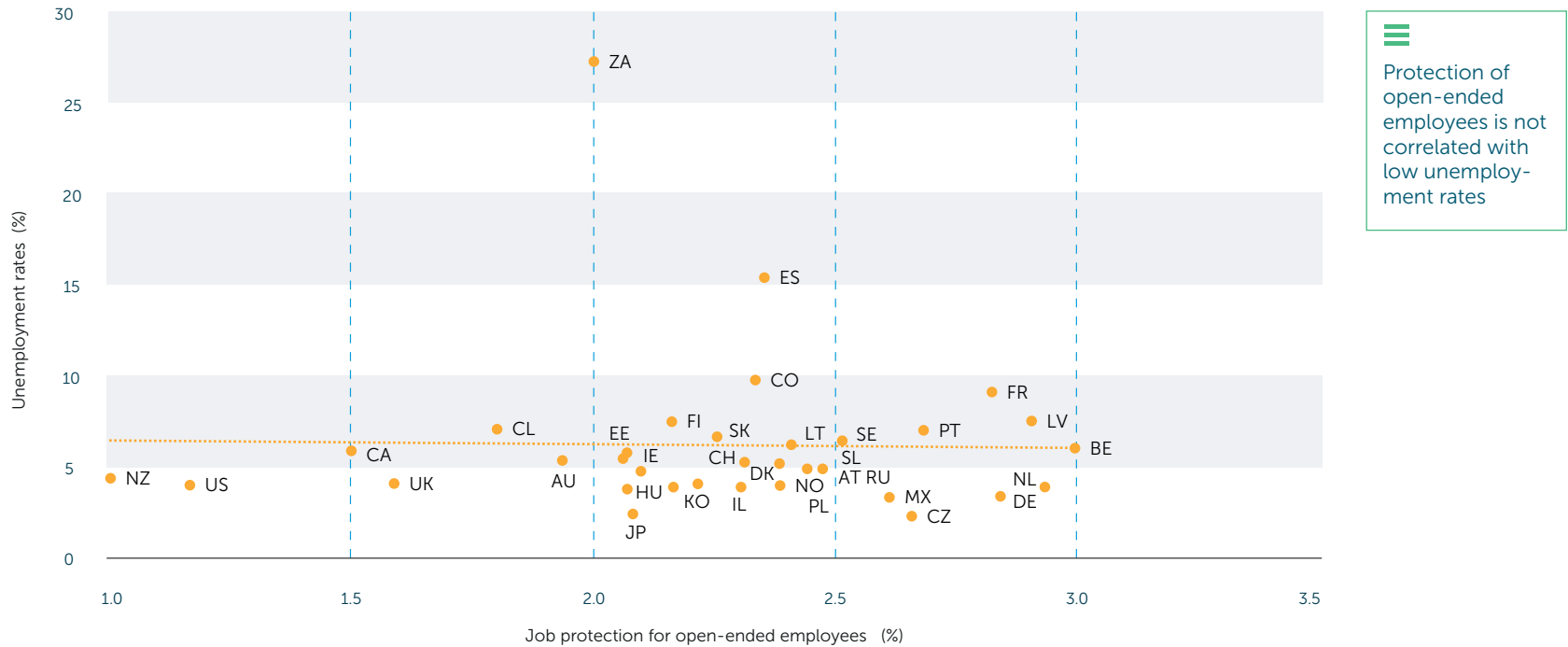


Source: OECD database. R²=0.04

Similarly, there seems to be no relation between the degree of job protection provided to open-ended employees and either unemployment rates or the share of the population covered by social protection schemes (Figure 25 & 26). Regulations which aim to restrict flexible forms of working might therefore not yield the desired

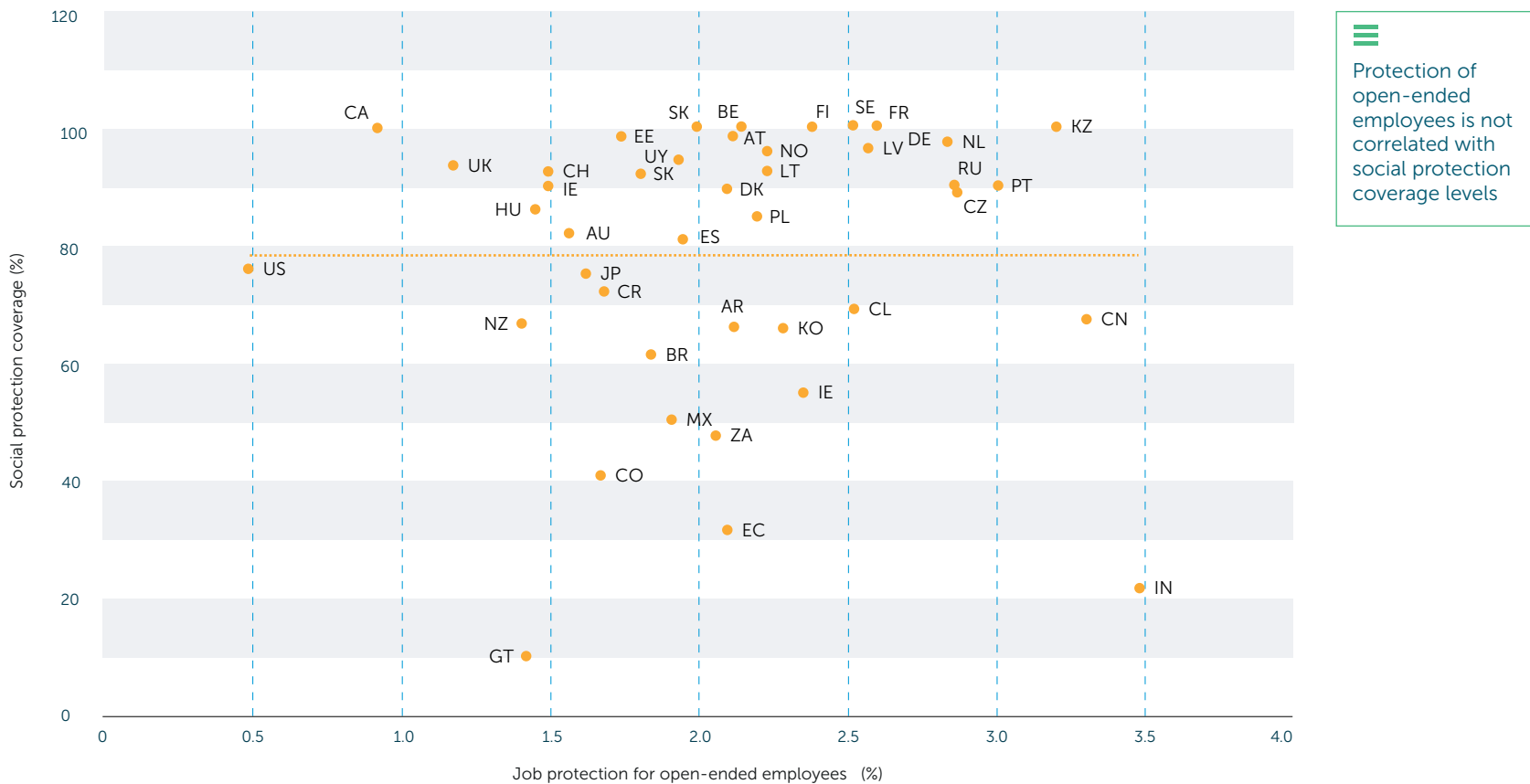
outcomes in reducing risk for workers. Flexibility can be part of the solution through its contribution to efficient labour markets, raising employment levels and therefore levels of formal social protection coverage.

Figure 25: Protection of open-ended employees against dismissal and unemployment rates



Source: OECD database. R2=0.0

Figure 26: Protection of open-ended employees against dismissal and social protection coverage



Protection of open-ended employees is not correlated with social protection coverage levels

Source: OECD; ILO. R2=0.0















In addition to agency work, other segments of the private employment services industry also contribute to better-functioning labour markets by facilitating transitions and supporting inclusiveness – thereby improving protection of workers and reducing risk and vulnerability among them. Hired by companies, career management firms facilitate workers' transition from one job to another with a new employer (outplacement/career transition), movement internally to new positions with the same employer (redeployment) and often provide skilling programmes to support workers' employability and effectiveness in the labour market. As careers become more fragmented and the number of transitions between jobs and sectors increases, guidance to workers is crucial. Enabling smooth transitions within the labour market and reducing time spent in unemployment is of high value for workers as well as businesses. Globally, job-to-job transitions are on average 30% - 50% quicker when a career management firm is involved.¹⁷

As labour markets change, workers need to adapt to new environments and skill demands. This is especially true in the context of the Covid-19 crisis. Career guidance, transition support, resilience and other upskilling education – core features of the career management industry – are also protecting workers. During the peak of Covid-19 induced lockdown measures, LHH, the career management brand of The Adecco Group, recorded a 23% increase in the number of individuals referred to them for transition support. People are also increasingly proactive in driving their career and the Covid-19 crisis is accelerating this trend. A survey by The Adecco Group in the United Kingdom shows that nearly one-third of the UK's workforce, 29%, are considering a significant career change once the crisis has passed. 16% have already begun the process of retraining during the lockdown phase. Intoo, a career management firm in Italy, reports an increase in the number of individuals approaching them for support in the search of new opportunities, even when they are still employed.

Besides contributing to efficient labour markets through its activation, transition and formalisation role, **the private employment services industry also provides sectoral supplementary provisions to workers in order to top-up their effective access to social protection benefits** (Table 2). While it may be more difficult for workers on fixed-term contracts to access certain benefits, the agency work sector is in a unique position to provide additional support. Being its own sector, social partners are able to engage in collective bargaining and develop sectoral funds and solutions to the benefit of the workers employed in the sector. This is the case in several countries, where systems of portability of rights are implemented for agency workers to have facilitated access to safety nets. Other funds allow agency workers to access training benefits to keep up their employability and reduce future risks of unemployment. Supplementary health insurance funds are also available for agency workers. Such initiatives showcase the leading social innovation role of the private employment services industry. Collective bargaining outcomes often result in more generous provisions becoming available to agency workers than to regular employees on fixed-term contracts (OECD 2019a). Sectoral funds such as those mentioned above exist in Belgium, France, Italy, the Netherlands, and Switzerland.

¹⁷ Range based on input from three global career management firms – RiseSmart, Right Management, LHH -, members of the World Employment Confederation's Career Management Task Force.

Table 2: Additional benefits provided to workers by the private employment services industry

	Supplementary pension schemes	Complimentary health insurance	Access to credit or accommodation	Support to parents in childcare
	✓			
			✓	✓
	✓	✓		
	✓			
		✓	✓	✓
		✓		
	✓	✓	✓	✓
	✓	✓		
	✓		✓	
		✓		
	✓	✓	✓	✓
	✓	✓		
	✓			
	✓	✓	✓	✓

Source: WEC national federation members

Note: The benefit provisions depicted in the table may differ in size and character depending on the country. Only schemes which are provided specifically for agency workers are considered. Benefits not ticked as "yes" may still be available to agency workers as part of coverage regardless of the type of employment contract. In other countries, which are missing from the table, benefits may be provided nonetheless regardless of employment status. Benefits depicted in the table include those which are part of a collective labour agreement between social partners.

2.2 Protecting workers in the Covid-19 crisis



During the Covid-19 pandemic, WEC corporate and national federation members implemented various initiatives to support workers and counter negative repercussions on labour markets.¹⁸



Support for jobseekers in Australia

RCSA partners with the Queensland Government to connect professional recruitment and staffing agencies with Queenslanders looking for work during the Covid-19 pandemic. The Jobs Finder Queensland programme will help job seekers by pairing them with agencies who are supporting local businesses and organisations in high priority areas such as health, aged care, customer care, medical, logistics, fresh produce and cleaning.



Supporting incomes of agency workers in Italy

Assolavoro and trade unions Nidil Cgil, Felsa Cisl and UilTemp signed an agreement in order to protect the continuity of employment and pay of workers involved in the Covid-19 emergency. €1 million and other extraordinary measures are released to provide daily allowances for hospitalisations and home isolation, reimbursement of expenses for family assistance and contributions for respiratory rehabilitation. Initially, the measures are intended both for agency workers employed in production units located in the so-called "red and yellow areas" and for workers who are resident or domiciled in the same areas. Following the publication of the Presidential Decree of March 9th 2020, some measures are extended to the entire national territory (i.e. articles 2 & 3) and the time-limits laid down in the national collective agreement for the submission of applications for access to services are implemented for a period of 30 days from the date of implementation.



Re-allocating workers to essential sectors in the Netherlands

Until mid-April, approximately 45,000 temporary workers lost their existing work, around 17% of all temporary workers. The ABU and its members were able to relocate 22,000 agency workers to new positions in other sectors, 16,000 of them in essential sectors. Even in times of crisis, the agency work sector continued to fulfil its allocation function, made possible by work-to-work vouchers from the DOORZAAM Foundation, the joint social fund in the industry.



Partnering with sectors in need of workers in the United States

The American Staffing Association (ASA) has developed a partnership with the National Association for Retail Organisation (RILA). This partnership seeks to fill openings for retail workers at essential businesses like grocery stores and pharmacies that provide critical services during the course of the Covid-19 pandemic. ASA provides an online directory to connect RILA member retailers to ASA member staffing agencies that can fill these high-demand roles.

¹⁸ A comprehensive overview of the initiatives by the private employment services industry at global and national level to mitigate the impacts of the Covid-19 crisis can be accessed here: <https://infowecglobal.sharepoint.com/:x:/g/ERdRZ8A41FILsoDqLNdLdmoBxrJkD4s5rjxuv0xG7WkD7w?rt=2kIIPfAC2Eg>



Supporting job transitions for laid-off workers around the world

As of April through June 2020, Lee Hecht Harrison (LHH, career management brand of The Adecco Group) is offering small and medium sized businesses the opportunity to provide furloughed and laid-off employees with 30 days of complimentary access to virtual, self-paced job search resources. As offering outplacement support is too often not an option for employers during these financially challenging and uncertain times, the LHH offer is a way to support laid-off employees and redirect them to companies trying to fill open positions.



Supporting education during lockdown in the United States

Kelly Education is supporting its substitute teachers by strategically partnering with the app Moonlighting so that families can hire qualified educators to tutor students. All participation fees are being waived and the income will go directly to the teachers. This will support the teachers and parents, until schools reopen. More than 20,000 tutoring requests were made in April.



Ensuring income support for agency workers in the Netherlands

Many employment agencies in The Netherlands maintain/continue all agency work employment contracts regardless of the existence of assignments. This is to ensure access to relief measures for workers. No assignment could usually mean the end of the employment contract. In the current context the agency worker would not be able to access relief funds based on salary criteria. This effectively means that Randstad fronts 10% of wage payments (the remaining 90% is paid by the Dutch government) without there being a paying customer to compensate them.



Ensuring a safe return to work in the new normal through an industry alliance

In order to ensure that businesses and workers can safely return to their workplaces and work towards economic recovery in the wake of the Covid-19 pandemic, the World Employment Confederation is coordinating an industry alliance, initiated by global private employment service agencies – Randstad, The Adecco Group and ManpowerGroup. The initiative has developed a compendium of best practice health and safety protocols containing more than 100 measures and a practical guide for a safe restart. National federations of the private employment services sector across the world are closely working with their local authorities and other relevant stakeholders to disseminate those practices in their respective countries.

Conclusion

Speed-up Social Innovation to ensure access to minimum levels of social protection

During the Covid-19 crisis, it has become clear how unprepared social protection systems have been for many people around the world. With millions of people losing their work and income as a result of government-implemented lockdown measures, it is even more crucial to support groups at risk through adequate safety nets. Broad access to unemployment and sick leave benefits is necessary to support the livelihoods of people and workers across diverse forms of work arrangements. Current systems of social protection are too much geared towards providing full protection to workers in open-ended full-time employment, while the new world of work - with changing worker and employer preferences, increasing variety of work forms and evolving career dynamics - has moved past this point. Safety nets need to adapt as well.

Basic minimum levels of social protection need to be available and accessible to all workers irrespective of their work arrangement.

People on employment contracts are generally well covered under current social protection systems, at least regarding statutory coverage. Open-ended employees and workers on fixed-term or agency work contracts receive much the same level of statutory coverage around the world. However, workers outside employment relationships, namely self-employed, are much less frequently covered, resulting in enhanced risk for groups of self-employed who are unable to afford insurances or opt-out of voluntary schemes as future risks are discounted. As effective coverage often differs from statutory coverage, especially for employment contracts of limited duration, any reforms of social protection systems need to take this into account. Eligibility criteria should be re-evaluated and reformed to suit peoples' needs for support. Portable social protection rights tied to the person rather than to the job type are crucial in this respect to allow movement across jobs, work arrangements and sectors while keeping risk at a minimum.

Through social dialogue, the private employment services industry has developed initiatives to provide protections for a dynamic workforce, offering inspiration on how safety nets can be reformed to cover workers moving between jobs and across sectors.

The private employment services industry plays its role in the recovery by contributing to efficient labour markets. By raising formal employment levels, increasing formal social protection coverage for workers, facilitating transitions and re-locating people who have lost their work to sectors in need of labour, private employment agencies play their part in getting labour markets back on their feet. A swift recovery out of the recession will depend on many factors, including the fading of the Covid-19 pandemic and the effectiveness of government support measures for firms and workers. Governments around the world have taken unprecedented action to provide adequate support to people who lose their income due to the Covid-19 crisis. In some countries, support measures covered the self-employed for the first time. While this is to be lauded, timely distribution and ease of eligibility conditions are still crucial elements in terms of implementation and effective support to reach the individuals in need of support. Many workers who find themselves without income, do not have adequate savings to support themselves while they await the arrival of government support.

The Covid-19 crisis provides an opportunity to speed up the innovation of safety nets to accommodate all by sharing costs, benefits and risks proportionally.

"In order to ensure that future labour markets and societies are well-functioning and equitable, countries need to close social protection gaps and guarantee effective access to adequate and comprehensive social protection to workers in all forms of work, including self-employment. In the light of ongoing transformations in the world of work, adequate social protection is also critical to support workers through the more frequent life and work transitions (including between different employment status, multiple employment) and to facilitate structural transformations of national economies" (ILO 2020b).

As the pandemic eases off and the world moves to the new normal, governments around the globe are well advised to assess the adequacy of their social protection systems and whether they are effective in providing support to people and workers, regardless of employment situation. Due to labour market idiosyncrasies, no one-size-fits-all and governments need to adapt any reforms to suit the national context and specificities.

Annex

1) Methodology applied for the social protection coverage analysis / list of countries included

To assess the level of statutory access to various social protection branches across different forms of work arrangements, four sources of information were used.

- European Commission publications on social protection coverage, as well as related country reports by the European Social Policy Network (2017/2018),
- OECD Employment Outlook 2019,
- Eurociett/UNI-Europa (2015). How temporary agency work compares to other forms of work,
- Survey responses from WEC National Federation members gathered in 2019.

These sources provided country-level information on the level of social protection available to different types of workers for different branches of social protection benefit provision. None of the sources provided information on all types of workers, all countries, and all branches of social protection. Therefore, the information from those sources was combined into one database, allowing us to cover as many countries, social protection branches and types of work arrangements as possible. In total, 42 countries are included in the analysis, whereas the number of countries included in the analyses for each social protection branch differs, due to gaps in information.

Information on the level of access to social protection provided by the sources is of a qualitative nature. Mostly, sources indicated whether a type of worker has full, partial, voluntary, or no access to the specific social protection benefit in the specific country. We have categorised this information to develop a quantitative assessment. In order to do so, we defined three ranges for the level of social protection access:

- Full access or similar to open-ended employees - equals 1
- Only partial access or on a voluntary basis - equals 0.5
- No access or not applicable - equals 0

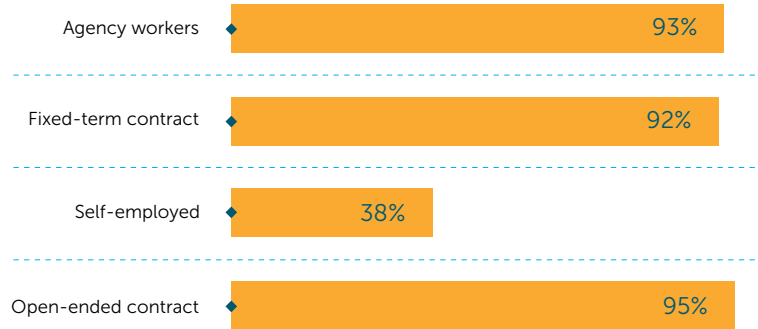
The analysis therefore differentiated between different access levels in terms of weighting. To calculate the level of access to social protection benefits for any worker, the sum of all country scores was divided by the number of countries. In effect, the levels of coverage describe not the share of countries where access of any sort is available, but rather the level of overall coverage, taking into account full and partial access, which is available to the specific worker across all countries for which information was available.

The following countries were included in the analysis:

Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States.

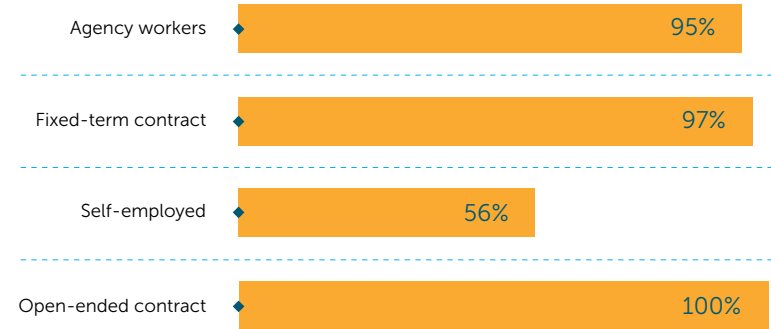
2) Statutory access to social protection branches by work arrangement, % of coverage (either full or partial/voluntary)

Unemployment benefits



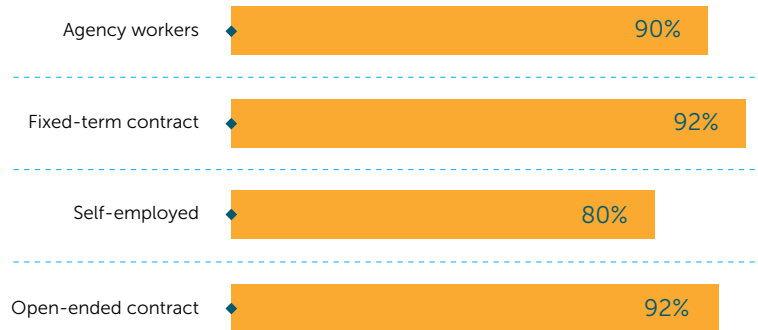
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Paid sick leave



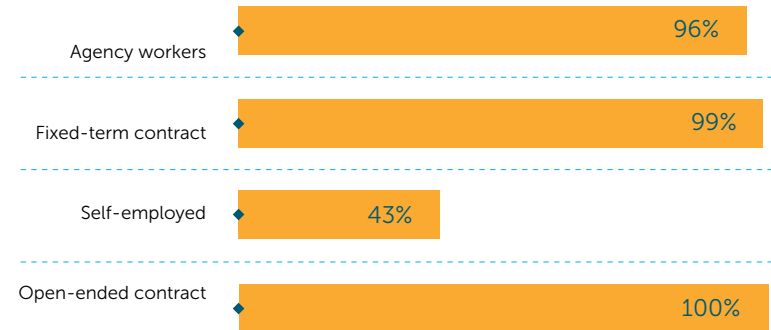
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Health insurance



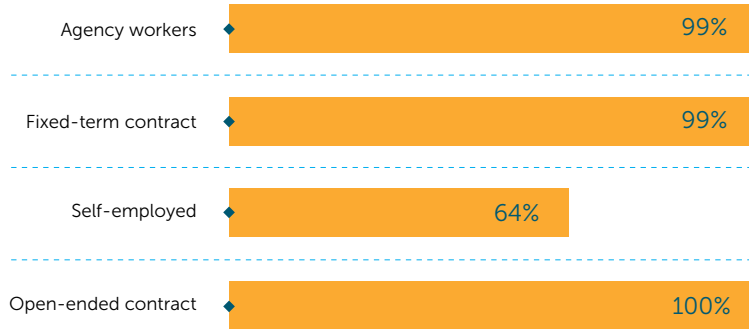
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Labour accident/disability insurance



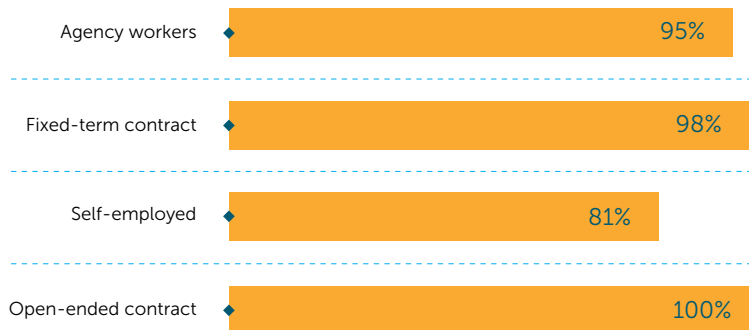
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Maternity and family benefits



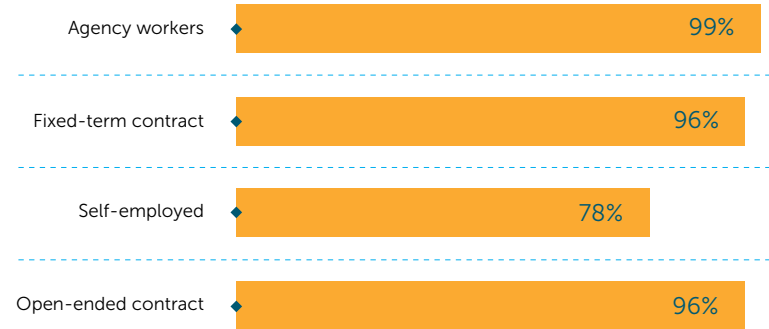
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Pension benefits



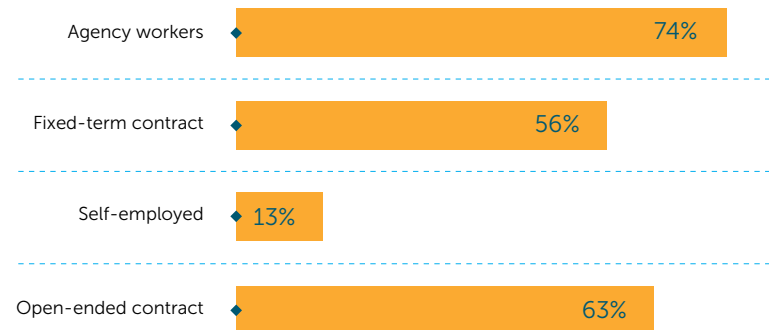
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Childcare benefits



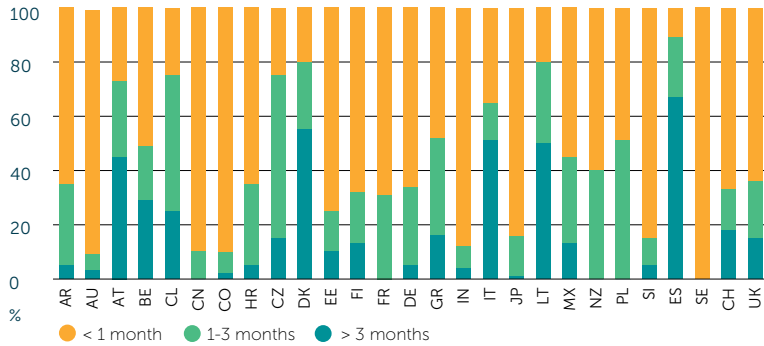
Source: WEC Survey 2019; EU (2017); Eurociett/UNI Europa (2015); OECD (2019a)

Training benefits

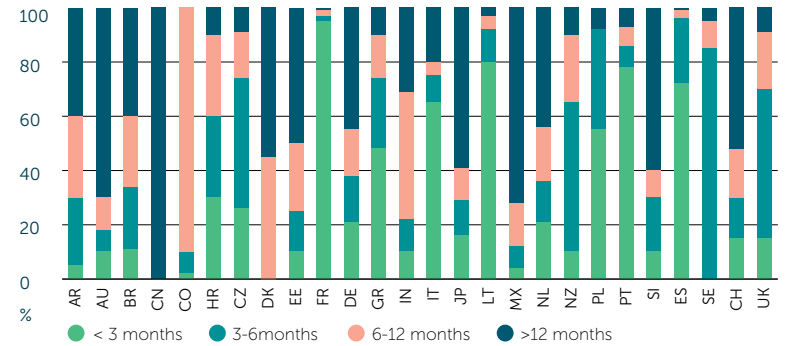


Source: WEC Survey 2019

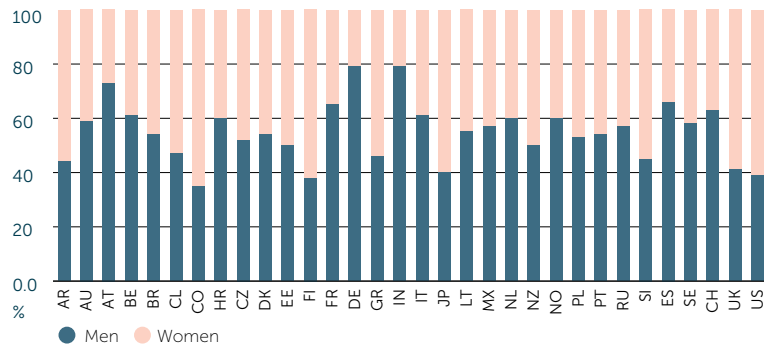
3) Average assignment length of agency workers



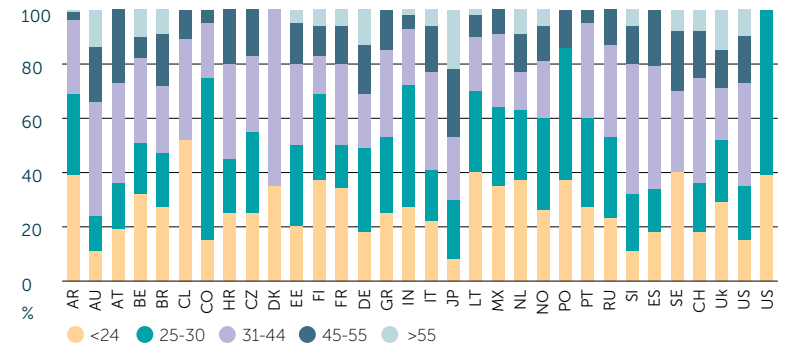
4) Average contract length of agency workers



5) Gender distribution of agency workers

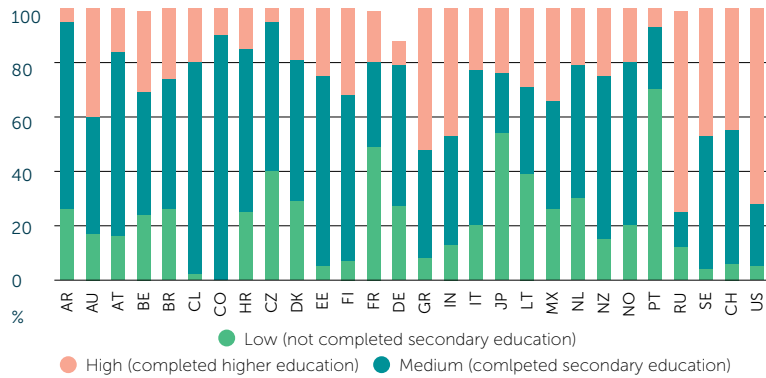


6) Age distribution of agency workers

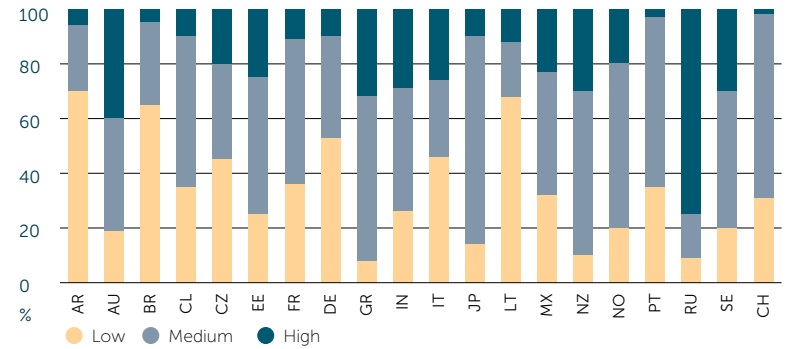


Source: WEC national federation members. 2018 or most recent year available.

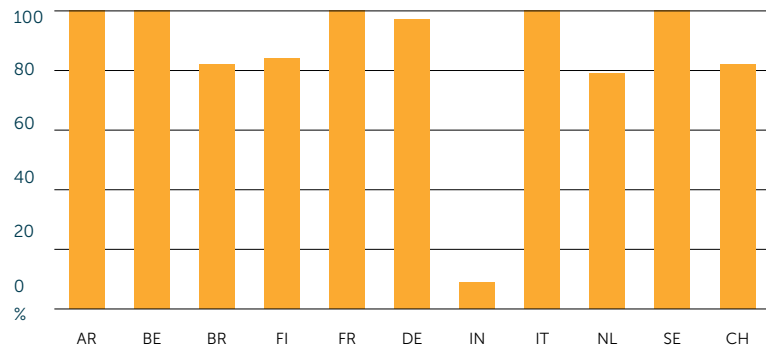
7) Education level of agency workers



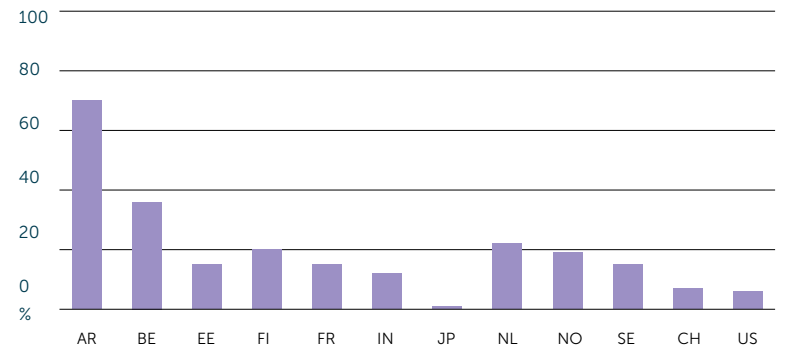
8) Skills required to perform agency workers' jobs



9) Share of agency workers covered under a collective bargaining agreement



10) Share of students among agency workers



Source: WEC national federation members, 2018 or most recent year available.

11) Lack of formal access to social protection for alternative work arrangements.

Social policy area/ types of employment	Casual work	Seasonal work	Civil law contract	On call job	Marginal part time/freelance
Unemployment benefits	BG, RO, LV, HU, MT, LT	BG, RO, LV, HU, MT, LT	PL		AT
Sickness benefits	BG, HU, LT, LV, RO	BG, HU, LT, LV, RO	PL		
Maternity benefit	BG, RO		PL	BG	AT, BG, FR
Accident and occupational injuries	BG, RO, HR	BG, LT, LV, RO	PL	BG	
Health care					
Old age/ survivors' pensions	BG, MT, RO	BG, HU, RO, LT		HU, LU	AT
Invalidity	HU, RO	HU, RO			AT
Family benefit		MT		LT	

Source: author elaboration from ESPN (2017)

12) New forms of employment in the EU28 and Norway

New forms of employment	Characteristics	Countries in which form has been identified
Employee sharing	An individual worker is jointly hired by a group of employers to meet the human resources needs of various companies.	AT, BE, BG, CZ, DE, EL, FI, FR, HU, LU
Job sharing	An employer hires two or more workers to jointly fill a specific job, combing two or more part-time jobs into a full-time position.	CZ, HU, IE, IT, PL, SI, SK, UK
Interim management	Highly skilled experts are hired temporarily for a specific project or to solve a specific problem.	CZ, EL, FR, HR, HU, LV, NO, UK
Casual work	An employer is not obliged to provide work regularly to the employees, but has the flexibility of calling them in on demand.	BE, FR, FI, HR, HU, IE, IT, NL, RO, SE, SI, SK, UK
ICT-based mobile work	Workers can do their job from any place at any time, supported by modern technologies.	BE, CY, DE, DK, EL, ES, FI, FR, HU, LV, LT, NL, NO, PT, SE, SI
Voucher-based work	The employment relationship is based on payment for services with a voucher purchased from an authorised organisation that covers both pay and social security contributions.	AT, BE, EL, FR, HR, IT, LT, SI
Portfolio work	A self-employed individual works for a large number of clients, doing small-scale jobs for each of them.	CY, DK, EL, HU, IT, LT, LV, NL, NO, PT, UK
Crowd employment	An on-line platform matches employers and workers, often with a larger task being split up and divided among a virtual cloud of workers.	BE, CZ, DE, DK, EL, ES, FI, IT, LV, LT, PT, UK
Collaborative employment	Freelancers, the self-employed or microenterprises cooperate in some way to overcome limitations of size and professional isolation.	AT, BE, CY, DE, EL, ES, FI, FR, HR, HU, IT, LT, NL, SE

Source European Commission (2017)

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