

COVID-19 CRISIS EXPOSES URGENT NEED TO BETTER PROTECT PEOPLE

The Covid-19 crisis has revealed some significant gaps in our social protection systems, hitting hard those who were already the most vulnerable. The Social Impact Report 2020 by the World Employment Confederation analyses social protection coverage across diverse forms of work. It also shows how the crisis can be used as an opportunity to speed up the innovation of safety nets, taking inspiration from the private employment services sector in providing protection schemes for a dynamic workforce.

Brussels, 6 July 2020 – In the wake of the Covid-19 crisis, the shortcomings of current social protection systems in many countries have become blatant. The Social Impact Report 2020 by the World Employment Confederation, shows that an employment contract remains the key to formal social protection coverage and that self-employed workers are significantly more vulnerable than workers with an employment contract.

In 90% of the countries analysed, agency workers and workers in other forms of contractual employment enjoy full statutory access to unemployment and sickness benefits. Partial access to those benefits is available in the remaining countries. 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. Regarding statutory sick leave benefits, they receive full access in less than 40% of the countries surveyed.

The World Employment Confederation's Social Impact Report 2020 further establishes that one challenging feature of current social protection systems is the discrepancy between statutory and effective access to social protection benefits for employed workers. Eligibility criteria, such as thresholds in terms of working days to be reached, can prevent some groups to access benefits in case of unemployment and sickness.

"We need to install a minimum floor of social protection for all workers irrespective of how they engage with work if we want our labour markets to be truly inclusive and facilitate transitions," says Annemarie Muntz, President of the World Employment Confederation. *"The safety nets built for the 20th century labour market do not work any longer. The variety of work arrangements to choose from today is larger than ever before, providing choice and flexibility to both employers and workers. But security and protection are equally important. The Covid-19 crisis provides an opportunity to speed up the innovation of safety nets by more equitably sharing costs, benefits and risks between government, businesses and workers."*

The report's findings concur with various OECD analysis, which also point to the significant discrepancy in social protection coverage for workers in alternative work arrangements. Self-employed workers and those on temporary or part-time contracts are said to represent up to 40% of total employment in sectors most affected by lockdowns across European OECD countries.

During the Covid-19 crisis, the private employment services industry has supported agency workers by providing additional social protection benefits for unemployment, sickness, healthcare or pension. As shown in the report, the private employment services industry can offer inspiration on how safety nets can be reformed to cover workers moving between jobs and across sectors based on the initiatives it has developed, notably through social dialogue.

Protecting people through times of crisis goes beyond the provision of basic safety nets. Implementing lifelong learning mechanisms to facilitate speedy transitions between jobs and sectors, raising labour market participation, reducing unemployment, and fighting informal employment are key in delivering security to workers and people in general. The World Employment Confederation's Social Impact Report 2020 looks into how the private employment services industry contributes in those areas. For instance, the sector provides an entry point to the labour market for those out of

employment. On average, one-third of agency workers come to the labour market from unemployment or inactivity. In the recovery of labour markets and economies, this role in boosting employment and growth through accelerating the matching of labour, supporting transitions and re-allocating workers across sectors, is crucial.

The 2020 Social Impact Report of the World Employment Confederation is available on [WEC's website](https://www.wecglobal.org).

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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 large international 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 role 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.

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