IP/10/699

Self-employed workers to gain maternity and pension benefits under new EU law

Self-employed workers and their partners will enjoy better social protection – including the right to maternity leave for the first time – under new legislation endorsed by EU governments today. The Directive on self-employed workers and assisting spouses repeals and replaces an earlier law (<u>Directive</u> <u>86/613/EEC</u>) and improves the social protection rights of millions of women in the labour market, boosting female entrepreneurship. At present, women represent only one in three entrepreneurs.

"This new law makes real improvements to the rights of self-employed workers and their partners, in particular women," said Viviane Reding, EU Commissioner for Justice, Fundamental Rights and Citizenship and Vice-President of the European Commission. "It will help them to better balance work and family life and encourage more women to become entrepreneurs – which is good for the economy too. I would like to pay tribute to the Spanish and Swedish Presidencies and in particular to the European Parliament's rapporteur Mrs Astrid Lulling for their hard work in reaching this agreement."

The legislation, agreed with the European Parliament on 18 May and endorsed today by EU Member States, considerably improves the protection of female self-employed workers and assisting spouses in case of maternity or motherhood. It will provide equivalent access to maternity leave as for employees, but on a voluntary basis. At EU level, this is the first time a maternity allowance has been granted to selfemployed workers.

The new rules will also serve to promote entrepreneurship in general and among women in particular. There is a currently a major gender gap in this area – only 30% of entrepreneurs in Europe are women.

Finally, the provision on social protection for assisting spouses and life partners (recognised as such in national law) is also a considerable improvement from the 1986 Directive. They will have the right to social security coverage (such as pensions) on an equal basis as formal self-employed workers. This will help to provide a stronger social safety net and to stop women from falling into poverty.

The Council of Ministers is now expected to formally adopt the legislation on 24 June 2010. EU countries will then have two years to introduce it into national law. Where justified by particular difficulties, they may have an additional period of two years to implement the provisions concerning assisting spouses.

Background

Self-employment is a significant – albeit minority – form of employment in Europe, representing around 16% of the active population.

Around 11% of self-employed workers in Europe rely on the help of spouses and partners who work on an informal basis in small family businesses, such as a farm or a local doctor's practice. These assisting spouses are traditionally completely dependent on their self-employed partner. As such, they are at a high risk of poverty in the event of divorce, their partner's death or bankruptcy.

As far as employees are concerned, the EU recently adopted a new Directive improving the right to parental leave ($\frac{IP}{09}/1854$) and the Commission's proposal for a revised Directive on maternity leave is currently in first reading by the European Parliament (see also $\frac{IP}{08}/1450$).

Further information

Proposal for a Directive on equal treatment between self-employed men and women

http://ec.europa.eu/social/BlobServlet?docId=608&langId=en EU gender equality policy and legislation

http://ec.europa.eu/social/main.jsp?langld=en&catId=418

Women and entrepreneurship

http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/women/portal/index_en.htm