Self-employed suffered most during the pandemic

Support measures show weaknesses in the eligibility criteria, duration and coverage

Brussels, 30/4/2021 – The SMEunited report published today outlines the socio-economic impact of the pandemic and of the containment measures on the labour market and on households. Particular focus is put on the negative consequences faced by self-employed. They have been disproportionately impacted by the crisis. National Recovery and Resilience Plans should provide targeted measures to allow a swift recovery and re-activation for SMEs and self-employed.

Since the beginning of 2020, the pandemic and its containment measures strongly affected Member States' economies and citizens. President Maggiar: "The consequences of the sanitary restrictions, health protocols and adjustments of working practices are well visible in the 2020 labour market figures".

"Deep-dive analysis reveals that self-employed suffered steeper drops in income and in working hours than employees in 2020. The rationale has to be found in the gaps at EU and national level in the socio-economic protection for self-employed already present before the first pandemic outbreak", continued Mr. Maggiar.

Additionally, crisis impact is visible in the strong increase in financial difficulties faced by self-employed and in the more than half a million of business closures prompted by the pandemic during 2020.

Thus, when compared to employees, the disproportionate drawbacks suffered by self-employed call for targeted measures to mitigate these effects. So far, support measures for self-employed show weaknesses in the eligibility criteria, in the duration and in the coverage. Consequently, the schemes currently in place should be adapted for the length of the crisis. Moreover, "SMEunited asks to use the National Recovery and Resilience Plans to invest in a swift recovery of SMEs and self-employed and guide their business activities towards the digital and green transition", concluded Mr. Maggiar.

Report

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EDITORS' NOTES: SMEunited is the association of Crafts and SMEs in Europe with 65-member organisations from over 30 European countries. SMEunited represents national cross-sectoral Craft and SME federations, European SME branch organisations and associate members. Combined, we represent more than 12 million enterprises with around 55 million employees across Europe. SMEunited is a recognised employers' organisation and European Social Partner. SMEunited was formerly known as UEAPME.

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