

## 9. A SUMMARY OF THE MAIN FINDINGS<sup>1</sup>

In this section, the main results of the I-Wire research shall be described from a comparative perspective. It should be stressed that the sample groups in the different countries involved suffer from distortion caused by the self-selection of the respondents. Still, an international comparative analysis points to shared characteristics that, corroborated by the Eurostat data, make it possible to draw up a credible profile of the professional group and its problems.

In large part, the respondents meet Sergio Bologna's definition of «second generation independent workers»<sup>2</sup>, meaning individuals employed in cognitive and creative professions that are highly influenced by the new digital technologies<sup>3</sup>. As shown in Section I, they constitute a subset of Independent Professionals (IP): one we refer to as New Independent Professionals (NIP).

A number of methodological considerations already illustrated in the presentation of the research are reviewed below.

The questionnaire, meant to highlight the socio-economic characteristics, the professional condition, the expectations and the perceived needs of such workers, consisted of 66 questions divided into 6 sections: description of the profession and the sector; the perceived working conditions; description of the market conditions; relations with union and quasi-union organisations; socio-demographic data.

The data were gathered by means of an on-line questionnaire that was uploaded onto the Google Forms platform, where it remained available from 15 June to 30 September 2017. Word of the questionnaire was spread primarily on the website of the I-Wire Project (<http://www.i-wire.eu>) and by associations of freelancers, as well as union organisations.

A non-probabilistic snowball approach, a technique well suited to the use of on-line questionnaires, was utilised to reach the respondents. A total of 2,054 questionnaires were collected, of which 47 were winnowed out for not being consistent with the objective of the survey or being incomplete or contradictory. Once the collection phase was completed, it was found that the majority of the questionnaires came from professionals not organised into professional orders, as well as from journalists and artists, while there were almost no respondents who belonged to professional orders or worked in finance.

Apart from being difficult, distribution of the questionnaire proved to be varied in terms of:

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<sup>1</sup> This chapter was written by Anna Soru, Cristina Zanni and Elena Sinibaldi.

<sup>2</sup> Bologna, S. and Fumagalli, A. (1997), *Il lavoro autonomo di seconda generazione. Scenari del postfordismo in Italia* ("Second-Generation Self-Employment: scenarios of post-Ford industrialism").

Bologna, S. (2015), *La new workforce. Il movimento dei freelance: origini caratteristiche e sviluppo*, Trieste, Asterios Editore ("The New Workforce. The Freelance Movement: origins, features and developments").

<sup>3</sup> Even though the survey was meant for all IPs, it did not succeed in reaching professionals in the areas of medicine or finance or, in general, those engaged in activities governed by professional orders.

- the number of questionnaires gathered, which ranged from 20 in the UK to more than 900 in Italy, a diversity not always explained by the different economic structures of the countries involved or by their respective levels of freelance workers;
- the distributions channels utilised, with associations being the primary channel everywhere, though the target groups reached through such organisations presented noteworthy differences in terms of professional categories, types of employment contracts and the economic force of the respondents;
- the types of professional activities and working arrangements of the respondents.

For the above reasons, it was decided not to pool the country-level data, but rather, after a specific analysis for each country, to compare the countries with each other only in a descriptive way. The dimensions of the factors utilised in the comparison are summarised on the table below, which also includes the countries with fewer than 100 respondents (Spain, Sweden, Slovenia). As noted, the sample groups were distorted by the self-selection of the respondents. The data collected for Italy and Holland were consistent, on the whole, with those for the sum total of the NIPs, and so weighting operations were carried out to take into account the known variables of the reference universe (ISTAT 2016 data for Italy and Eurostat 2015 data for Holland), with the objective of reducing the principal distortions.

FEATURES OF THE SAMPLE	COUNTRIES							
	ITALY	FRANCE	BELGIUM	GERMANY	NETHERLANDS	SPAIN	SWEDEN	SLOVENIA
Number of questionnaires	907 (with weighting)	153	236	231	237 (with weighting)	91	46	31
Main employment status	Mostly NIP and VAT (95%)	Mostly salaried entrepreneurs (72%)	Mostly salaried employees (45%) and members of a coop (25%)	Mostly NIP VAT publishing and translation	Mostly sole-entrepreneur (87.5%)	Mostly NIP VAT publishing	Mostly NIP VAT publishing	Mostly sole-entrepreneur translators
Level of education (Univ. degree)	81.3%	92%	88%	85%	95%	97%	89%	89%
Multiple jobs	20% →1 activity	30% →1 activity	21% →1 activity	29% →1 activity	32,5→1 activity	24%→1 activity	23%→1 activity	31%→1 activity
Level of Independence: Objective criteria/ Subjective Perception	54% → 6 criteria Average score (AS) → 7.9	Around 76% → 6 criteria AS → 7.9	48% → 6 criteria AS → 7.8	77% → 6 criteria AS → 8.7	64% → 6 criteria AS → 9,1	67% → 6 criteria AS → 7,4	64% → 4/5 criteria AS → 4,5	85% →4/5 criteria AS → 8,3
Workplace and main market	At home National	At home National	At home and client's working space National	At home National	At home and in a own office National	At home National	At home National	At home National and foreign markets
Income	75% < 30,000	87% < 30,000	81% < 30,000	68% < 30,000	49% < 30,000	56% < 30,000	72% < 30,000	86% < 30,000
Online Platforms to sell or buy professional services	22%	27%	38%	42%	57%	81.3%	22.7%	48.3%
3 biggest problems perceived	Tax burden; Unfair competition; Low compensation	Tax burden; Unfair competition; Low compensation	Tax burden; Unfair competition; Low compensation	Low compens.; Tax burden; Unfair competition	Unfair competition; Low compens.; Shortage of assignments	Unfair compet; Low compens; Shortage of assignments	Low compens; Shortage of assignments Tax burden	Unfair compet; Low compens; Shortage of assignments
Reasons for satisfaction	Independence and the work itself	Independence and the work itself	Independence and the work itself	Independence and the work itself	Independence and the work itself	Independence and the work itself	Independence and the work itself	Independence and the work itself
Perceived Social Protection	Low	Quite high	Quite low	Low	High except for unempl. benefits	Low	Low	Low
Representation, mostly members of:	Multi-sectorial associations	LMI/UC	Trade Unions LMI and professional ass. (NIP)	Professional associations	Professional associations	Trade Unions	Trade Unions	any associations

## 9.1 MAIN EMPLOYMENT STATUS

As emerges from national cases, self-employed professional or freelancer is not a recognised legal status. Indeed, the employment status of freelancers varies: some self-employed independent professionals can be registered to charge VAT, carrying out working activities on their own; others provide services through limited companies, partnerships or other business structures or use intermediaries, such as umbrella companies; still others work under some type of project contract (i.e. occasional collaboration, copyright royalties etc.), an approach often used in both the public and private sectors as a low-cost alternative to fixed-term and full-time contracts.

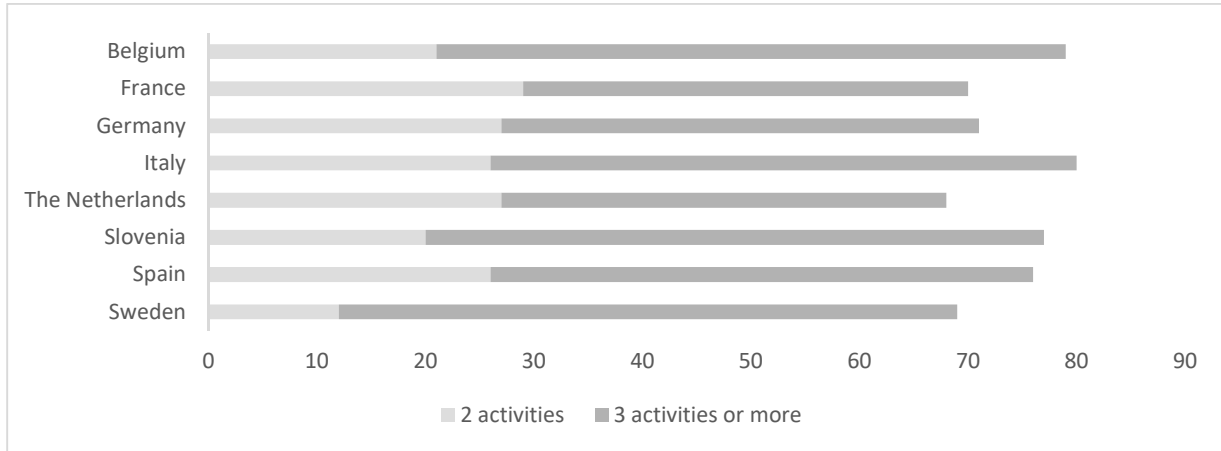
In most of the countries involved in the I-Wire research, the respondents are professionals registered to charge VAT or who work as individual/small companies (Italy, France, Belgium, Germany, Netherlands, Spain, Sweden, Slovenia). However, in France and Belgium there are two specific types of contracts. In France, the great majority (72%) of the respondents works as salaried employees. Salaried entrepreneurs is the most widespread category, but salaried workers also include employees of portage firms, intermittent entertainment workers and employees of other UC. In Belgium, the majority of the respondents work through LMI/UC, with 45% being salaried employees of cooperatives, while 1/4 are cooperative members. Very few have established their own businesses.

## 9.2 LEVEL OF EDUCATION

The respondents are highly educated and skilled: in Germany and Spain, for example, more than 3/4 of the respondents have university degrees, while around 14% have a PhD; in the Netherlands, 51% have bachelor's degrees and 43.7% have a master's. This is consistent with the Eurostat data, which show that 70.7% of the IPs hold a university degree, a figure significantly higher than that for salaried employees (38.6%) or other categories of professionals.

## 9.3 MULTIPLE JOBS

The respondents are active in a wide range of knowledge-based sectors and almost all of them practice more than one profession. In fact, in practically all of the countries involved in the I-Wire survey (with the sole exception of Spain), the majority of the respondents states that they work at more than one profession, ranging from 63% of the Swedish NIPs to 84% of those in Slovenia. A significant portion of those interviewed even declare that they have 4 or more jobs (from 1/5 of the NIPs interviewed in Germany and France to 39% of those in Belgium). The Eurostat figures show that multiple jobs are particularly widespread and NIPs, with this being especially true in the sectors of education and the arts, being tied to part-time work.

**FIGURE 1- MULTIPLE JOBS**

Source: ACTA, I-WIRE survey, analysis of data

In the United States, the term «slash workers generation» was coined to describe this increasingly common condition<sup>4</sup>. The rise of slash workers is traceable to a variety of factors, in particular the development of new professional activities in and around different sectors and/or complementary sectors, a situation most frequently found when digital technology is involved. In other instances, professionals carry out projects for private clients or small businesses based on limited budgets, assignments that often call for solutions of little sophistication, but still require several skills. In other cases, economic difficulties oblige NIPs to supplement their main activity with other, decidedly different pursuits in other sectors, such as sales or crafts. Similar situations present both opportunities and risks: on the one hand, they can increase the ability of NIPs to respond rapidly to new market demands, but at the same time they can gradually undermine levels of specialisation, as some freelancers, due in part to a lack of economic resources for further professional training, could wind up with skills that are overly fragmented or not specialised enough to allow them to remain competitive on the market.

#### 9.4 LEVEL OF INDEPENDENCE

In terms of operational independence, the majority of the respondents perceives themselves as independent with regard both to the objective criteria considered (the standard parameters used internationally to gauge levels of subordination/para-subordination) and their self-evaluations. More specifically, the I-Wire survey assessed the following parameters to determine the respondents' levels of independence or subordination: the ability to choose (i) the place of work; (ii) working hours; (iii) content of the work; (iv) free time; (v) working tools. Along with these elements, consideration was also given to (vi) the number of clients. The majority of respondents in the different countries presents a high level of independence: in Germany, for example, almost all of the respondents (91.3%) met between 5 and 6 of the criteria that define independence, while ¼ satisfy all 6 conditions. Self-assessment of independence, judged on a scale of 1 to 10, shows a high average score.

<sup>4</sup> It was coined by Marci Alboher, author of *One Person/Multiple Careers* in 2007, to describe the 'slash' in the job title of someone who is an X/Y/Z - or journalist/web editor/PR, to give an example. A survey was recently carried out on the topic: [www.and.co/slash-workers#intro](http://www.and.co/slash-workers#intro)

In contrast, the estimated percentage of the bogus self-employed, meaning respondents who met fewer than 4 of the criteria of independence, is not high: from a maximum of 17% in Belgium to a minimum of 7.5% in France.

## 9.5 WORKPLACE AND MAIN MARKET

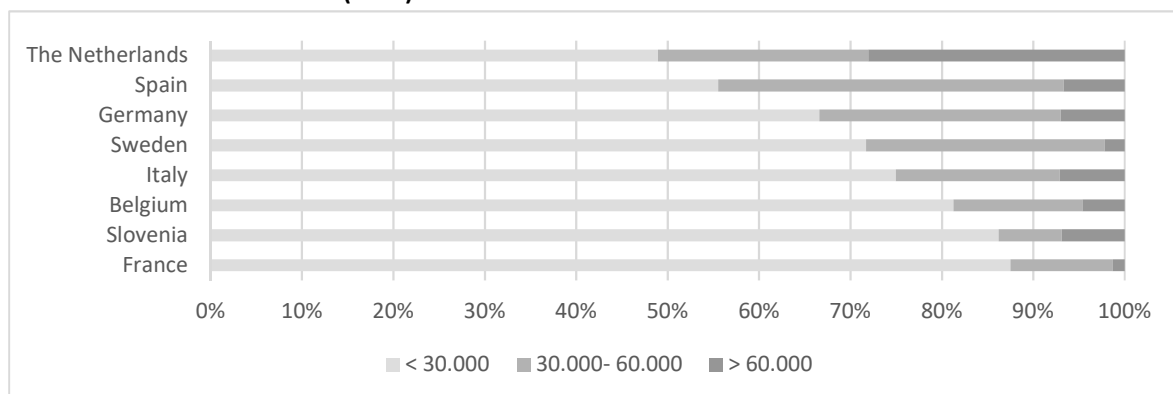
The majority of the respondents works at home, while some work at their client's offices. Few use co-working spaces, though these are considered to be typical places of work for freelancers. In their pioneering paper on the emergence of independent work, Bologna and Fumagalli (1997) emphasised that "domestication" (meaning the lack of a distinction between times and places of work and life) is one of the chief outcomes of independent work, capable of representing either an opportunity or an oppressive factor. What is more, the respondents work alone for the most part, occasionally being involved in large-scale projects as part of networks of professionals, and so it comes as no surprise that one of the problems remarked upon was a sense of loneliness.

In terms of their market of reference, the I-Wire survey shows that the majority of the professionals in the different countries has little inclination to work on an international scale, being more rooted in their country of residence. Only the Slovenian NIPs state that they work on foreign markets to a significant extent.

## 9.6 INCOME

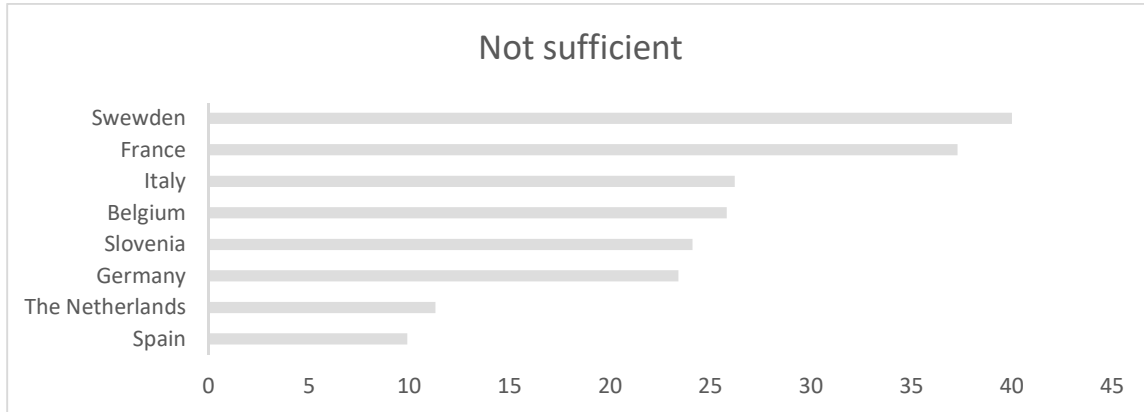
The majority of the respondents in the different countries earns less than 30,000 euro a year: in Italy, ¾ of those interviewed have a pre-tax income of less than 30,000 euro, while 23.4% do not earn more than 10,000 euro a year; In France, Belgium and Slovenia, those with incomes of more than €30,000 are in the minority, at between 12.5% and 18.8% of the respondents; in Belgium and France, there is a disproportionately high presence of artists, workers who use LMI/UCs as intermediaries and salaried entrepreneurs in this income bracket (< 30,000 euro a year). The Netherlands is an exception among the different countries involved, with the majority of the Dutch respondents (51%) earning more than €30,000, while 15.2% have annual incomes of more than 100,000 euro.

**FIGURE 2 – ANNUAL INCOME (2016)**



Source: ACTA, I-WIRE survey, analysis of data

Even when additional income from work or other sources (pension, rent income, GIG employment) is considered, a large number of the respondents state that their overall income is not enough to meet their day-to-day expenses.

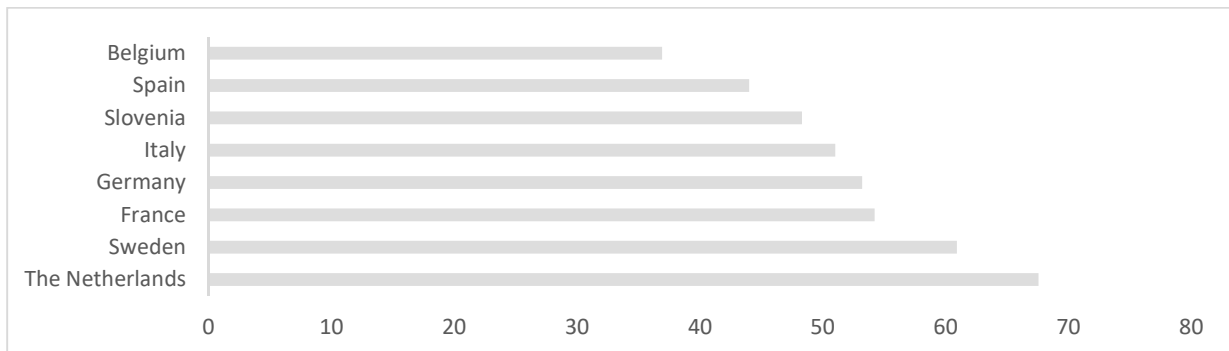
**FIGURE 3 – GLOBAL INCOME IS...**

Source: ACTA, I-WIRE survey, analysis of data

To cope with this trying economic situation, the majority of the respondents is aided primarily by income from a partner or their family of origin. In the case of Germany, there is no mistaking that the primary approach is a dual earner strategy.

Low incomes are often tied to discontinuous employment and low pay, links that prove particularly evident in the cases of Italy and Belgium.

In Slovenia, Italy, Germany and France, the respondents who work on a continuous basis account for roughly half, or slightly more than half, of the total. The situation is especially difficult in Belgium, where more than ¼ of those interviewed works less than 6 months of the year, attributable to the elevated percentage of artists.

**FIGURE 4 – CONTINUITY OF WORK**

Source: ACTA, I-WIRE survey, analysis of data

## 9.7 ONLINE PLATFORMS TO SELL OR BUY PROFESSIONAL SERVICES

There is still relatively little use of IT marketplaces as tools for supplementing income and expanding the market of reference (apart from Slovenia, in all the other countries, the reference market is generally the national one). Still, the situation appears to be changing in a number of countries: in Belgium, Germany and Spain the percentage of independent professionals who have used platforms to buy/sell services is quite significant, while almost 1/3 of the sample group in the Netherlands uses platforms to offer its services.

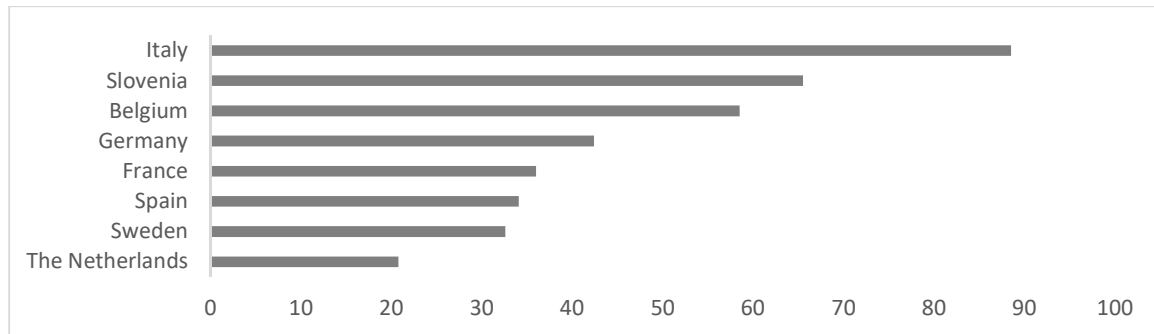
## 9.8 THREE MAIN PERCEIVED PROBLEMS

In all the countries involved, the respondents identified low pay as one of the three main problems. Research on the situation in the United States (see box no. 1) also shows a shift in pay, as well as a decrease in measures safeguarding workers, accompanying the increase in contingent workers.

Lower pay is tied to intense competitive pressure in markets that often present an overabundance of supply. In fact, recurring responses for the three main problems include harmful competition (in 7 countries out of 8: Italy, France, Belgium, Germany, Netherlands, Spain and Slovenia) and a shortage of work assignments (Netherlands, France, Slovenia, Sweden and Germany).

Another problem reported as worthy of note is the high social security/tax payment burden, especially in Italy, France, Belgium, Germany and Sweden. In Italy and Slovenia, these charges are perceived as excessive even by NIPs who benefit from favourable tax rates.

**FIGURE 5 – THE PERCEIVED PROBLEM OF SOCIAL SECURITY/TAX BURDEN**



Source: ACTA, I-WIRE survey, analysis of data

The problems identified in the different countries represent possible vulnerabilities for the NIPs, threatening to produce a significant imbalance in incomes in the central portion of the social ladder, as confirmed by a recent research effort in Italy<sup>5</sup>.

## 9.9 REASONS FOR SATISFACTION

The primary reasons for satisfaction have to do with independence, content of work and flexible working procedures that make it possible to reconcile professional and family. In other words, professional independence stands as a value and a benefit that NIPs are not willing to do without, whereas the levels of pay and social safeguards associated with such employment do not prove to be equally satisfying.

## 9.10 PERCEIVED SOCIAL PROTECTION

The sample group of the I-Wire research perceives a low level of safeguards to protect them against the main risks: unemployment; future pension benefits; illness; maternity. Despite the large-scale

<sup>5</sup> A longitudinal study (1994-2014) on the distribution of wealth in Italy points to an income gap within the Italian middle class between salaried employees and independent professionals. During the period of 1994-2014, the inequality level was relatively low and stable among middle-class salaried employees, while it was higher and growing among the self-employed. Among the self-employed, the hardest hit were young professionals who are highly skilled and involved in volatile markets such as the services sector and the knowledge economy (Dagnes, Filandri, Storti, 2018).



changes that have affected the labour market over the last 30 years, the system of guarantees in the majority of the countries involved is still tied to “the job” as opposed to the “worker”. A telling example is the case of Germany, where independent professionals enjoy only limited rights, as compared to salaried employees, when it comes to a series of social safeguards. Since 2006, for example, obligatory medical insurance was extended to include all residents, independent workers as well, though the latter, unlike salaried employees and other sectors of the population, must meet the monthly costs themselves, placing those with limited incomes, or who find themselves momentarily unemployed, in serious difficulty. As for unemployment benefits, it was decided, once again from 2006 on, that only independent workers who have previously worked as salaried employees are entitled to remain in the insurance system that covers periods of unemployment, paying into it on a voluntary basis<sup>6</sup>. In Belgium and France as well there is a clear-cut discrepancy between insiders and outsiders: the subset of those interviewed who work through LMIs or umbrella companies, or as salaried entrepreneurs, and who thus benefit from the standard safeguards afforded to salaried employees, consider themselves to be protected by the welfare system, unlike sole entrepreneurs, who feel excluded from the welfare safeguards.

### 9.11 REPRESENTATION

Problems tied to difficulties on the marketplace and a lack of social safeguards naturally ushers in the subject of how the interests of independent workers are represented, and their resulting capacity to influence public policy. The I-Wire survey shows that various approaches to representation are on offer in the different countries, ranging from professional associations to horizontal organisations that take in a number of different sectors (almost unions), plus umbrella companies and traditional unions. In Italy, horizontal associations, so-called “quasi-unions” that combine a number of different professional categories, are the most widespread approach, while in Germany the great majority of the sample group belongs to a professional association, with membership in traditionally unions also being relatively significant; in France, the type of association preferred by the respondents was the umbrella organization, to be expected, seeing that the respondents were largely reached through such organisations; membership in unions, on the other hand, was low, even though a large part of the workers opting for this approach were classified as salaried employees.

The variety of different forms of representation observed by the survey would appear to translate into a splintering of union initiatives, a situation that, in turn, weakens the professional group’s ability to obtain a hearing for its collective voice. The respondents are well aware of this weakness, suggesting that it be remedied through network strategies. Cooperative efforts involving unions and professional associations or self-organised associations could prove more effective in dealing with complex problems, such as the general reduction in pay, the lack of adequate welfare safeguards, the risk of indigence in old age etc..

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<sup>6</sup> I-WIRE, Country Case Germany, Paolo Borghi, 2017.