

2015-25

THE SOCIAL SECURITY SCHEME FOR SELF-EMPLOYED WORKERS (RSI)

The social security scheme for self-employer workers (RSI), created in July 2006, was intended to bring the three funds responsible for the social security of self-employed workers (craftsmen, traders and liberal professions) together under the umbrella of a single national fund for the purposes of simplifying the administration involved and streamlining the management costs incurred. Since 1 January 2008, the RSI has therefore become the single social representative body (ISU) for the social security of the self-employed, and the URSSAF consequently oversees the collection of taxes and social contributions from self-employed workers on behalf of the RSI.

This merger of the separate regimes has failed to simplify the overall structure of the system, which remains somewhat complex, with tasks divided between the RSI, the ACOSS (Central Agency of Social Security Bodies), the URSSAF and other authorised bodies. Moreover, the merging of the respective IT systems has brought about a series of malfunctions, whilst the recovery of contributions has been the primary source of the significant tension observed among certain users and the suffering encountered by RSI agents. The difficulties encountered in the introduction of the single social representative body (ISU) had resulted in a loss of contributions for the RSI amounting to €1.5bn by late 2010 (according to a 2012 report by the *Cour des Comptes* (Court of Accounts)). By late 2013, of the €17.5bn in contributions due, €15.7bn still remained outstanding (with the exclusion of automatic taxation, according to a 2014 report by the Senate).

The extension of the status of self-employed workers to include sole traders in 2008 contributed to the weakening of the RSI, causing an influx of insured parties (their numbers increasing by 26% between 2006 and 2011, according to the INSEE 2015), who were often new to managing a business and had

lower average incomes than others covered by the RSI. Finally, the turnover generated by self-employed workers was heavily affected by the crisis (with 65% declaring a decrease in turnover, according to the IFOP 2013).

Whilst the initial aims of the reform, namely to provide insured parties with a single representative and to make the system easier to manage, have been only partially achieved, the situation is gradually becoming normalised. In 2014, the RSI system received some 28,000 claims - a decrease of 11% in relation to 2013 - with the amounts outstanding decreasing to 13.7% (with the exclusion of automatic taxation), as opposed to 17% the previous year. A series of joint RSI/ACOSS teams have been set up with a view to facilitating the recovery process and the *Trajectoire* 2018 project, designed to restructure RSI funds, is set to be launched in 2019.

As far as our Assembly is concerned, beyond efforts to simplify the system, and the recovery process in particular, and to streamline the way in which it is structured, reflection on the RSI should take a much broader perspective, with the notable aim of reflecting developments within the employment market.

2,8 million contributing to and 6.8 million benefiting from the RSI system in 2014

Self-employed workers earned an average 2,600 euros per month in 2011 (INSEE 2015)

Nearly one self-employed worker in five is a sole trader



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REFORMS TO BE UNDERTAKEN FOR THE RSI MUST BE STRUCTURED AROUND 4 MAIN AVENUES:

- Simplifying the declaration of contributions and introducing an effective recovery strategy
 - evaluating the “3-in-1” system Until 2014, contributions were calculated based on the income earned two years previously (N-2) with an adjustment that could apply until the following year (N+1). In the framework of the “3-in-1” system, provisional contributions are calculated based on the income earned in the last known year (N-1) or the estimated income for the current year;
 - testing the self-assessment procedure: payment of contributions as soon as the income earned in the quarter in question is known;
 - combining the five bases currently applied in the calculation of minimum contributions into a single basis, setting a single rate of 11.5% and assessing the financial impact thereof;
 - combining the facilities for submitting both income and dividend declarations on the same website;
 - improving communications sent to insured parties by mail by clarifying and identifying the body sending the correspondence;
 - improving the adoption of the automatic taxation procedure through the exchange of data with the Department of Public Finance (DGFIP).
- Improving prevention
 - organising annual sector-specific information campaigns and evaluating any specific prevention programmes put in place (such as in the construction sector, for example);
 - introducing “drawing rights” for a prevention consultation and exploiting the results thereof;
 - examining the possibility of pooling the RSI's medical departments with those of other Social Security schemes.
- Improving support for self-employed workers
 - organising training courses on setting up and running a business, raising awareness of free advice services and tracking their progress in a “business creation skills” passport;
 - ensuring that unemployed job-seekers who may go on to create businesses have the minimal knowledge required of the field in the framework of any guidance offered by the *Pôle Emploi* employment agency.
- Ongoing restructuring efforts: on what conditions?
 - allowing RSI employees to have representatives sitting on the Boards of Directors of the RSI funds in an advisory capacity, as well as on the general fund and the MSA;
 - freezing reductions in workforce numbers at regional level in the forthcoming Agreement on Objectives and Management (COG) and revising their distribution between the national fund and regional funds;
 - developing an electronic tool that takes into account all of the tasks with which the RSI is entrusted and making it interoperable with those of the URSSAFs and the ACOSS;
 - monitoring the feasibility of the Trajectoire restructuring project until 2019 using a series of indicators and considering postponing it by one year on this basis;
 - incorporating an indicator relating to the cost of managing a case in the COG to enable each of the bodies concerned to optimise its management practices.