Chapter 4: Development of appropriate measures
What could act as an incentive?

- Insurance premium variations, e.g. dependent on:
  - Occupational accidents and diseases
  - Specific risk of sector
  - Prevention activities such as training, investments, personal protection measures
- Tax incentives, e.g. better write-off conditions
- Better banking conditions, e.g. lower interest rates
- State subsidies, e.g. for innovative investments or reorganisation
- Certification of OSH management systems (e.g. reimbursement of certification fees)
The social security systems in Europe are either predominantly Beveridgean (11 countries, mainly tax-based contributions) or Bismarckian (16 countries, mainly insurance-based contributions).

Worker’s compensation is either a state-run monopoly (19 countries) or a private competitive market (8 countries).

Dominant models
- Bismarckian + state monopoly (SM)
- Beveridgean + private competitive market (PC)
Insurance-related schemes

Advantages

 Exist in many EU Member States (21/27)
 Reach a large number of companies
 Simple to apply
  o Experience rating (Finnish Agriculture)
  o Effort based systems (German Butchery)
 Clear relation between effort and award

Problems

 Difference between private and public insurance markets
Advantages

- Exist in all EU Member States independent from social systems
- Targeted prevention of risks (Experience Fund Belgium)
- Stimulation of innovative solutions (Prevention Fund Denmark)
- Simple administration (e.g. Budget)

Problems

- Difficult to reach high numbers of enterprises
- Unclear relation between effort and reward
Tax incentives

Advantages
- Quite popular idea
- Clear relations between effort and award
- Increases interest of financial departments in OSH

Problems
- Dead weight loss effect
- Non-profit organisations
- Provision of budget
- Only few countries use tax incentives
Conclusions on appropriate measures

- Reach many enterprises or develop innovative solutions
- Following incentives are possible everywhere:
  - Experience rating (private or public insurance)
  - Subsidies (Insurance or governmental)
  - Tax incentives (rarely used)
- Problem: effort-based incentives in private markets, possible solutions:
  - Long-term contracts
  - Prevention funds (e.g. Finland)
## Develop appropriate measures – planning table

<table>
<thead>
<tr>
<th>Target group/measures</th>
<th>Low</th>
<th>Middle</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk level of branch</td>
<td>Training</td>
<td>Organization</td>
<td>Concrete actions; focus on technical measures</td>
</tr>
<tr>
<td>Size of company</td>
<td>Projects with targets</td>
<td>Projects with targets</td>
<td>Promotion of OSH Management</td>
</tr>
<tr>
<td>Degree of OSH-Management level</td>
<td>Promotion of OSH Management</td>
<td>Training</td>
<td>Award</td>
</tr>
<tr>
<td>Degree of outsourcing (supplier)</td>
<td>Good integration system for workers from suppliers</td>
<td>Good integration system for workers from suppliers</td>
<td>Give bonus when supplier has been successfully audited on OSH management</td>
</tr>
</tbody>
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Thank you very much for your attention!

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