

# Chapter 4:

## Development of appropriate measures

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# What could act as an incentive?

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- **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)

## Advantages

- **Exist in many EU Member States (21/27)**
- **Reach a large number of companies**
- **Simple to apply**
  - Experience rating (Finnish Agriculture)
  - 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**

## 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

- **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

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Target group/measures	Low	Middle	High
Risk level of branch	Training	Organization	Concrete actions; focus on technical measures
Size of company	Projects with targets	Projects with targets	Promotion of OSH Management
Degree of OSH- Management level	Promotion of OSH Management	Training	Award
Degree of outsourcing (supplier)	Good integration system for workers from suppliers	Good integration system for workers from suppliers	Give bonus when supplier has been successfully audited on OSH management



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**Thank you very much  
for your attention!**

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