



# Personal care services in Europe

European approaches and perspectives on a challenge for the future



# **PERSONAL CARE SERVICES IN EUROPE**

EUROPEAN APPROACHES AND PERSPECTIVES  
ON A CHALLENGE FOR THE FUTUR



Pour la Solidarité (PLS) is a service provider for socio-economic and political stakeholders wishing to operate in a professional manner in the European solidarity sector. Pour la Solidarité, which is in permanent contact with the European Institutions, caters for the needs of solidarity stakeholders in Europe.

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The Chèque Déjeuner Group is a cooperative group active in the fields of business services, services to social agencies, local and regional authorities and private individuals. The group was founded in 1964 and now includes nearly 2200 employees working in 11 European countries; it ranks worldwide as the third leading player on the service voucher market.

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## **Personal Care Services in Europe**

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January 2012

ISBN: 978-2-930530-21-5

Copyright registration: D/2012/11.262/1

Front jacket photographs: Shutterstock

Layout: Olivier Hargot

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# Preface

by Jacques Landriot  
CEO of the Chèque Déjeuner Group

*The initial expertise of the Chèque Déjeuner Group was issuing vouchers of a social and cultural nature. With the launch of the Chèque Déjeuner meal voucher in 1964, the group began to specialise in this sector of activity and thus its story began.*

*Every day, the different types of service voucher (Chèque Déjeuner, Cadhoc, Chèque Culture, Chèque Domicile CESU, etc.) demonstrate the group's amazingly modern approach to the problems and challenges of contemporary society.*

*With the launch of the Chèque Domicile CESU (a universal service employment voucher) in 1996, the Chèque Déjeuner Group was the first to propose a solution for access to home care services. The group moved into the employment voucher market in order to develop local employment opportunities and to improve the quality of life of individuals.*

*The Chèque Domicile CESU, a voucher that provides a practical method of paying for home care services, was born from the desire of major actors in the social economy to improve not only local employment opportunities but also the daily lives of beneficiaries.*

*Furthermore, since the beginning of the 1990s, the Chèque Déjeuner Group has been engaged in a controlled strategy of diversification and expansion and the launch of new products. Always keen to find innovative solutions to the problems of companies, local and regional authorities and social organisations, the Chèque Déjeuner Group has broadened its expertise by developing innovative service solutions.*

*The Services Division is therefore centred on three entities, each developing specialised and high-performance professions linked to personal care services:*

- Bringing ICT into social welfare: a specific expertise that aims to optimise the management of social welfare through organisations providing home care services, socio-medical structures, social welfare centres (Centres Communaux d'Action Sociale), and regional councils (Conseils Généraux).*
- Personal care services: the field that gives priority to providing care and support to individuals and improving their quality of life.*
- Services for companies: specialised services to improve the companies' quality of service and to assist them in their development.*

*The desire to meet social needs and the need for new services has always driven the Chèque Déjeuner Group to adapt its range of products and services to social realities. This can be clearly seen from the challenges surrounding the issue of personal care services and particularly issues related to dependency.*

*2012 was declared the "European Year of Active Ageing and Solidarity between Generations", providing an opportunity to remind ourselves that Europeans today live longer, and in better*

*health, than ever, and to reflect on the doors that this could open.*

*The Chèque Déjeuner Group, which is now present in 11 European countries, asked its partner, to carry out this study. The study should give us a good insight into the situation of personal care services in various Member States of the European Union and should make this issue, which is at the very centre of many social challenges, a consideration in new political strategies of the European Union.*

## Introduction

“Personal care services”, sometimes called “local services” are defined by European authorities as “services which, on the basis of a geographical and/or relational proximity, meet new or insufficiently met collective or individual needs”.<sup>1</sup> In accordance with the communication from the European Commission,<sup>2</sup> such services provide personalised help to assist the inclusion of individuals into society and to guarantee the fulfilment of their fundamental rights. The aim of these services is to complement and support the role of the family in care, particularly for the youngest and oldest members of society, including individuals with long-term needs linked to a disability or health problem.

In this study, we chose to look at a broad range of services that can be divided into two main categories according to the beneficiary of the service: “home comfort” services and services to help individuals dependent on care. The first category covers a broad range of services such as housekeeping, gardening, ironing, preparing meals, etc. The second category could include helping the individual to get out of bed or to wash, preparing meals, providing transport, shopping and putting them to bed. The common point of all of these services is that they are carried out in the home of the beneficiary.

Beyond this notable similarity, there are essential differences between the services in these two categories. Home comfort services are mainly carried out while the beneficiary is absent (household tasks, gardening, etc.), which has the effect of reinforcing their invisibility. In the case of personal care services, however, the presence of the beneficiary is necessary for the service to be provided. This distinction is valid to a greater or lesser degree according to national legislation (see section II).

The term “local services” implies not only geographical closeness but also closeness in terms of the relationship between the beneficiary and the service provider. As Jean-Louis Laville states, “*some services are characterised by not only an objective proximity but also a subjective one*”.<sup>3</sup> We speak of subjective proximity when a close relationship is indispensable to the quality of service. Care for dependant persons requires particular inter-personal skills beyond the technical skills required to carry out their work.

This study aims to draw up an overview of the situation of personal care services in Europe. After having defined the theoretical and conceptual framework of the sector we will analyse the conditions of the Personal Care Services (PCS) sector in various European countries. We will then examine how the sector has, little by little, become a European concern as well as looking at the challenges faced in European countries today.

Denis STOKKINK and Audrey HOUSSIÈRE, Pour la Solidarité

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1 European Union White Paper “Growth, Competitiveness, Employment: The Challenges and Ways Forward into the 21st Century”, 1993.

2 Communication from the European Commission of 26 April 2006, “Implementing the Community Lisbon programme. Social services of general interest in the European Union” [COM(2006) 177 final – Not published in the Official Journal].

3 Laville, J.-L., « Histoire et actualité des services aux personnes: une perspective internationale in Services à la personne - Evolutions, organisation et conditions de travail, eds. Frédéric Dumalin and Nadia Rahou, Anact, 2008.



# I. Fast-growing demand for services

## A. Key factors affecting demande

The huge increase in the use of personal care services in Europe in recent years is the result of various economic, sociological and demographic factors, which will be examined in this section.

### 1. Demographic factors

Demographic changes in recent years have caused a significant increase in the need for personal care services, a phenomenon set to increase further if the statistics of Eurostat (Statistical Office of the European Communities) are to be believed. At the end of 2008, Eurostat published its population projections for 2008-2060, the main conclusion of which was that *“The EU27 population is projected to become older throughout the projection period, due in particular to persistently low fertility and an increasing number of survivors to higher ages.”*<sup>4</sup> It is thought that all Member States will be affected by this process, with the percentage of the population aged 65 or over expected to vary from 23.6% in Luxembourg, 24.7% in the United Kingdom and 25.0% in Denmark to 36.2% in Poland, 36.1% in Slovakia and 35.0% in Romania.

*“In consequence, the old age dependency ratio in the EU27, i.e. the population aged 65 years and older divided by the working age population, is projected to increase from 25% in 2008 to 53% in 2060. In other words, there would be only two persons of working age for every person aged 65 or more in 2060, compared with four persons to one today.*

*The old age dependency ratio is projected to be more than 60% in Bulgaria, the Czech Republic, Latvia, Lithuania, Poland, Romania, Slovenia and Slovakia, and less than 45% in Cyprus, Denmark, Ireland, Luxembourg and the United Kingdom.”*<sup>5</sup>

Population ageing in Europe will therefore not be without consequence on the demand for personal care services and will inevitably have an effect on the evolution of the legislative and statutory context surrounding this issue.

### 2. Economic factors

The development of the welfare state in Europe has enabled the legal system to lend significant support to personal care services in many European countries. This can be explained, at least in part, by the fact that the state now increasingly delegates the care that it previously gave to personal care service providers, and also due to the fact that families are less and less likely to take on the responsibility for the long term care of elderly relatives. In the majority of European countries the costs of dependency are covered by a mixed financing system combining public revenue (taxes, social security contributions) with private assets (savings/ insurance).

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4 Europa, Press Release Rapid, “Population projections 2008-2060”, August 26th 2008, <http://europa.eu/rapid/pressReleasesAction.do?reference=STAT/08/119>

5 *Idem*

Purchasing power per capita within the EU has tripled since the 1970s, allowing an increase in the use of and demand for services, so much so that services account for half of household expenditure. Even though this figure is lower for countries that have more recently joined the EU (CEEC), we can see that the demand for services in these countries is also increasing. In most countries the personal care service sector receives state support that aims to make services economically viable for beneficiaries and therefore allows the partial outsourcing of domestic work. As Jean-Louis Laville underlines, “*by making [these services] the object of public policy and finance, they become a collective responsibility and no longer that of the family alone*”.<sup>6</sup>

### 3. Social factors

From a sociological point of view, *defamilialisation* is a further element that explains the growing use of personal care services. This concept designates the process of transfer of the provision of social needs from the family unit to external structures or individuals. *Defamilialisation* varies greatly from one country to the next; while it is central to the social model in Scandinavia, it is less common in southern European countries or in CEECs, where the provision of care remains mainly within the family.

This process can be explained by various factors. It could, for example, be due to a proactive policy by the state to ease the burden and responsibilities placed on families, notably to allow women to enter the workforce, by moving this responsibility into the public realm. It is also caused by profound changes within the family unit itself and in society, such as the empowerment of women, increasing divorce levels, erosion of the family unit, rising individualism, etc.

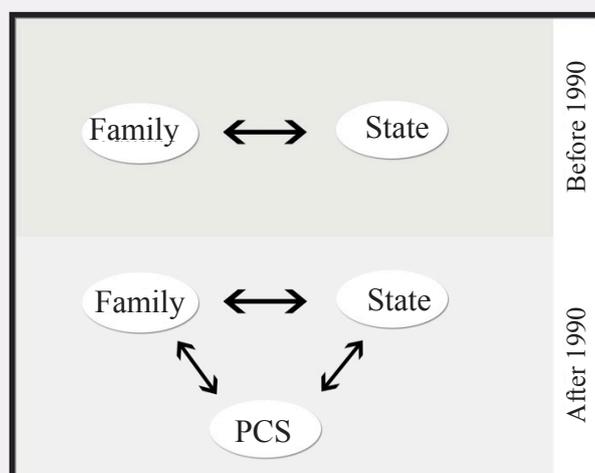
Although the participation of women in the workforce varies greatly among European countries,<sup>7</sup> it is still true that all EU countries have witnessed a growth in female employment levels, with a European average of 62.5% in 2010 compared to 44% in 1992, 30% in 1980 and 22% in 1960. The increase in paid work for women has resulted not only in a decrease in the time that women have available but also in greater financial means, and thus households are increasingly making use of domestic services.

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6 Laville, J.-L., «Histoire et actualité des services aux personnes: une perspective internationale» in *Services à la personne - Evolutions, organisation et conditions de travail*, eds. Frédéric Dumalin and Nadia Rahou, Anact, 2008.

7 In 2010, Denmark (71.1%), the Netherlands (69.3%), Sweden (70.3%) and Finland (66.9%) registered the highest levels of female employment and Malta (39.3%), Italy (46.1%), Greece (48.1%) and Hungary (50.6%) had the lowest. Source: Eurostat.

### Personal care services: The story of a transition from the family unit to the public sphere



### Personal care services: The story of a transition from the family unit to the public sphere

Patrick Haddad, Associate Professor in Economics at the University of Angers speaks of three distinct periods that had an effect on the birth and growth of the sector:<sup>8</sup>

1. *Immediately post-war*: emergence of the first association-based initiatives.
2. *Trente Glorieuses (post-war economic boom)*: development of the welfare state and public services.
3. *Crisis of the welfare state*: appearance of social enterprises aiming to resolve the crisis.

The social economy, and more specifically associative organisations, played a crucial role in the construction and structuring of the sector, which arose *“around an aim shared with the public authorities to carry out common research of social interest.”*<sup>9</sup>

This change can be seen in a certain number of European countries that have undergone social changes similar to the rest of Europe such as population ageing, decline in industrial employment, higher female participation in the workforce, defamilialisation, etc.,: factors that all contribute to the growth of the quaternary sector.

The exponential growth of activity in the sector over recent years goes alongside an increase in competition within the sector, which is now dominated by three types of organisation: local and regional authorities, private profit-making companies and, finally, companies and organisations of the social economy. It is the latter of these that provides the majority of personal care services.

8. P. HADDAD, *l'économie sociale et solidaire face aux mutations des services à la personne*. Revue Internationale de l'Economie Sociale (RECMA), n°314.

9. Ibid.

## B. PCS: A driving force for growth

### 1. PCS and the development of the local economy

PCS form an economic sector indispensable to the development of the local economy. Regional opportunities for partnerships and cooperation (private sector, research, integration, etc.) are emerging and growing.

PCS fall within the scope of *new sources of employment* (NSE) identified by the EU. An important issue for Europe, NSEs, which are characterised by the emergence of activity and employment in new sectors, are local sources of employment that are best suited to deliver the services needed. These NSEs are based on the observation that certain functions of great social interest are not carried out sufficiently to meet needs. This could mean local personal/family care; audio-visual, recreational and cultural services; services aimed at improving quality of life or for the protection and enhancement of the environment.

What makes these sources of employment *new* lays not so much in the type of work itself but more in the conditions under which such employment is carried out:

- they respond to social needs that are currently not met;
- they can be carried out under conditions that do not rely on strictly economic mechanisms (public funding)
- they aim to call social norms into question (undeclared work/black market).

The combination of two fundamental elements are required for the development of these NSEs: the development of activity at a local level as a response to mass unemployment, and the development of companies that create employment in these new service sectors.

The European Commission has identified 19 areas capable of meeting the new needs,<sup>10</sup> many of which are related to the fields of activity of PCS. These are also the areas where the most significant employment potential can be found. The Commission also indicated the main obstacles to the development of these new sources of employment, as well as the main ways in which these obstacles can be overcome or avoided: by ensuring that services are affordable for the beneficiary and by structuring their supply (through professionalisation and organisation).

The concept of NSEs is also related to the need for employment, both in terms of the need to employ potential workers and the need for employment to respond to new and growing demand.

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<sup>10</sup> European Commission, *Local Development and Employment Initiatives: An Investigation in the European Union*, Brussels, March 1995. See also: *First Report on Local Development and Employment Initiatives: Lessons for Territorial and Local Pacts*, Commission staff working paper, November 1996.

### **SerDom: A project to improve assessment of local needs<sup>11</sup>**

SerDom is a long term project, financed by the European Social Fund, in the north of Italy. This programme allows for a better assessment of needs at a municipal level in Italy and to respond appropriately to the need for personal care services. The SerDom project is made up of a series of local initiatives with the aim of promoting and developing home care services, focusing particularly on the issues of supply and demand.

A study is carried out in every town taking part in the project in order to better identify the needs of the local population and to provide accurate indicators of supply and demand in terms of home care services. In addition to the quantitative aspect, this study also looks at the nature of home care needs, thus including also the qualitative aspect of demand. The aim is to then identify the available supply and to reorganise it according to the needs found by the study in order to offer a complete and consistent network of services. The project aims not only to ensure the re-qualification of those already working in the field of home care services, but also to create new employment through training programmes aimed primarily at young people looking for their first job.

The specific aims of the project are:

- to meet the needs for social and medical assistance of individuals who are not cared for by members of their family, particularly elderly people dependent on care;
- to streamline resources, in particular by bringing the private tertiary sector closer to the public sector;
- to supply a single, global response to these needs by integrating social and medical dimensions in a comprehensive approach to home care;
- to provide adequate professional training to meet the needs of workers who are new to the sector of home care;
- to follow and update, according to new needs, the training of those already working in the sector.

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<sup>11</sup> [http://www.comune.modena.it/progettoeuropa/english/ChiSiamo\\_Progetti\\_Finanziati.php?nid=15224](http://www.comune.modena.it/progettoeuropa/english/ChiSiamo_Progetti_Finanziati.php?nid=15224)

## 2. PCS as a tool for social and regional cohesion

Proximity, whether relational or geographic, is at the very centre of the concept of PCS, which are in fact known as *services de proximité* (local services) in Belgium. Historically the long experience in the sector of organisations in the social economy has ensured the firm local rooting of personal care services.

PCS are economic services but are often supplied by organisations in the social economy and thus have an ultimately social aim and are a method of fighting poverty and social exclusion. Aside from the economic aspects outlined here, local employment contributes to maintaining social relations within a localised economic framework: autonomy and inclusion (the elderly, individuals dependent on care), and the balance of private and professional life (child care, housekeeping, etc.) are furthered greatly by PCS, which therefore contribute to local solidarity and social cohesion. This dimension of social and civic responsibility, whether it is concerned with the beneficiaries of services or domestic workers, is therefore an essential (though non-saleable) component of personal care services: the return to working life for those excluded from the job market, the end of isolation for the elderly, improved welfare, etc.; notions that are all at the heart of the concept of local, sustainable development.

### Local Community Centres– ADMR in Belgium<sup>12</sup>

The non-profit organisation ADMR (*Aide à Domicile en Milieu Rural* – Home Care Services in Rural Areas) recently developed an innovative project: community centres aimed specifically at the elderly and people with disabilities. ADMR is a social enterprise aimed at the public and is present in more than 100 towns in the Walloon region of Belgium. The organisation offers family care, housekeeping, and in-home care services, or versatile workers for families, the elderly and people with disabilities, allowing them to live longer and more independently in their own homes.

These community centres, opened in partnership with local authorities and CPAS (*Centres Publics d'Action Sociale* - Public Centres for Social Welfare), offer a complementary solution to the day care centres of nursing homes. The motivation behind the creation of these community centres was the fact that many people receiving home care services suffer from isolation. The objective of ADMR was to ensure that the centres were as close as possible to places of importance in the daily lives of these people.

With the support of the cooperative financial group Cera and in partnership with local authorities and local networks of associative organisations, ADMR opened four community centres for the elderly in rural towns in the Walloon region (Trois-Ponts, Héron, Chimay and Neufchâteau). This is the extension of an innovative project carried out successfully in two towns in the Belgian province of Luxembourg: Paliseul and Libin. The project proposes a new way of offering services to the elderly in the

<sup>12</sup> More informations about these project: <http://www.cera.be/fr/Maatschappelijke-projecten/NF%20-%20Projecten/NF%20-%20Nationaal/NF%20-%20Medisch-Sociaal/Des%20maisons%20communautaires.aspx>

These local community centres, “with a family spirit and where life is good”, are established in the centre of villages in places of importance in the daily lives of the elderly. The centres are generally open two days per week and fulfil two different social needs: providing a meeting place for people who are isolated and have lost their social ties as well as offering respite for families who care for people with dementia or disabilities. The centres provide socio-cultural activities (photography exhibitions, knowledge-sharing workshops, intergenerational activities, art workshops, etc.), in which individuals can participate according to their means or to what they can bring to the activity. Since 2010, ADMR has organised in-home mediation activities for relatives of elderly people living in their own homes and has aimed to reinforce support for family caregivers.

It should also be noted that the National Institute for Health Insurance (INAMI) in Belgium launched a programme to encourage local initiatives that aim to increase the autonomy of the elderly, to support family caregivers, to (re)create social ties and to allow people to avoid or delay staying in a nursing home.

### **3. Growth alongside a move towards deinstitutionalisation**

The PCS sector also enables the desire of those dependent on care to live at home to be fulfilled. This personal desire also corresponds to an international and European movement of deinstitutionalisation, which supports dependants living in their own homes, where possible. The consequence of such deinstitutionalisation is a need for quality local services.

In 2009, in line with this movement of institutional care reform, Vladimír Špidla, the former European Commissioner for Employment and Social Affairs, brought together an *ad hoc* group of independent experts who prepared a report on “*the Transition from Institutional to Community-based Care*”<sup>12</sup>

The starting point for this report was the observation that, throughout the EU, many people of all ages and different conditions (elderly, children, people with disabilities or mental health problems) live in residential institutions.

The Špidla report shows the benefits of “non-institutionalised” care, with local alternatives offering greater advantages as much to the beneficiaries as to their families and care professionals. The document highlights the negative aspects of the institutional culture of care establishments (depersonalisation, rigidity of routine, weak social relations, paternalism, etc.), which acts as an obstacle to the dignity and inclusion of the vulnerable people concerned.

Based on the experience and good practices of Member States that had previously carried out such reforms, and taking into account the identified challenges, the experts drew up a set of ten “Common Basic Principles” as guidelines and to guarantee a successful process of

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12 Report of the Ad Hoc Expert Group on the Transition from Institutional to Community-based Care handed over to Commissioner Špidla. Available online: <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=614&furtherNews=yes>

deinstitutionalisation. Various aspects are necessary in order for this process to be a success: the respect of users and the involvement of users in the decision-making process, preventing placement into care institutions, creating local services, closing institutions, ensuring quality control and the adoption of a more comprehensive approach.

Convinced of the benefits of individuals staying in their own homes, the EU aims to support the provision of home care services. Thus, in a document accepted on 8 June 2009, the Employment, Social Policy, Health and Consumer Affairs Council of the EU encouraged *“the Member States to facilitate the provision of quality care services, including home care for older persons, taking into account the different needs of older women and men; to improve the recognition of the value of the work undertaken by professional caregivers; to support families providing care to older persons; and to promote equality between men and women in the sharing of care responsibilities”*.<sup>13</sup>

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<sup>13</sup> Council Conclusions on equal opportunities for women and men: active and dignified ageing, Employment, Social Policy, Health and Consumer Affairs Council, Luxembourg, 8 June 2009.

## **Perspectives on PCS in Europe. Examples from eight European countries: Belgium, Czech Republic, France, Germany, Italy, Romania, Spain, Sweden**

Institutional approaches vary according to national models. However, a convergence in these models emerged in the 1990s with the appearance of new commercial organisations, resulting in a commercialisation of the sector. As such, all countries share an approach that aims to orient demand towards the free choice of supply, including towards the profit-making private sector.

In Europe, a distinction is traditionally made between four distinct models of organisation of social services.

The universalist model of Scandinavian countries is characterised by a long tradition of public and social services, with high levels of support from the welfare state, particularly for the elderly and for child care.

Social services in Mediterranean countries (Italy and, to a lesser degree, Spain) are based more on family solidarity and the welfare state is underdeveloped.

In the United Kingdom, PCS are provided more by the private sector, which is, nonetheless underdeveloped. Furthermore state funding is low and the United Kingdom has established a voucher system, equivalent to the French CESU<sup>14</sup>. The provision of services is essentially private and local but there are also some larger companies present in the sector.

Finally, in continental European countries (Germany, Austria, France and Belgium), it is associative organisations that have been the driving force for the development of social services as a response to the emerging needs of the population. Although the responsibility for services has since been partly transferred to the state, associative organisations continue to play an important role. In France and Belgium, public funding to meet demand is high.

This section will give an overview of the organisational models of PCS in eight different European countries, chosen for their unique characteristics. These countries are Spain, Italy, Germany, Belgium, Sweden, France and, from the Eastern European countries, the Czech Republic and Romania.

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14 «Chèque Emploi Service Universel», a universal service employment voucher.

## A. The institutional context

In general, the sector of personal care services has developed progressively in the European countries chosen for this report. Although some of these countries may have already adopted certain legislation, this is not the case for all. However, we can see that social services are, in many countries, the object of a policy of decentralisation and local and regional authorities are involved to varying degrees. Finally, the scope of PCS in these countries often covers differing realities and their definition often limits the field of PCS to health and social issues (often linked to dealing with issues of dependency, disability or child care).

In **France**, the term “services à la personne” (personal care services) was coined in 2005 by the plan for the development of personal care services (also known as the **Plan Borloo**, see box below). Within the framework of this plan, new activities were added to the list of personal care services that benefit from tax reductions. This was the case for caretaking of primary and secondary residences, administrative assistance and technological and online assistance. Delivery of meals, shopping or of laundered clothes was also included when part of the provision of a package of services of home care. This list of activities giving the right to tax reduction can be updated annually.

In **Belgium**, public authorities have, for a long time, taken initiatives that show their interest in developing personal care services. In general, federal support is given mainly through the system of service vouchers. Support is earmarked primarily for service providers: the state finances three-quarters of the hourly labour cost of domestic workers, through income-tax relief and regional subsidies. Some regions and communes of Belgium also give a further contribution and have developed their own methods of support. Offering support for direct employment is not a solution that has been favoured in Belgium.

As in France, there is a voucher system in **Belgium** called “**titres services**” (service vouchers). This system was created with the law of 20 July 2001, which aimed to support the development of local services and employment, to create employment and to combat undeclared work. However, this system only covers some PCS. The law defines service vouchers as “a payment voucher (...) that allows the user to pay, with financial aid from the state in the form of a consumer subsidy, for the provision of local employment or services carried out by an authorised body”. Domestic services are funded in part by federal authorities and the service voucher system from which they benefit is in fact managed by the Federal Minister for Employment.

In **Sweden**, the recognition of personal care services is relatively recent, with PCS being the object of a global policy with tax incentives (“**RUT-avdraget**”) since 1 July 2007. Other than in these three countries there is no “national” public policy on PCS among the countries in our study. In other words, there is no policy that covers such services in their entirety without limiting them to one single aspect of the entire process of care provision. As such, in **Spain**,<sup>15</sup> personal care services are not perceived to be a specific sector of activity and there is no global public policy to support these services. Services for people dependent

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15 *Services à la personne: bilan et prospective* «Information Report n° 589 (2009-2010) by Joseph KERGUERIS, on behalf of the Délégation à la prospective, submitted 30 June 2010. Available online (in French only): <http://www.senat.fr/rap/r09-589/r09-58959.html>

on care are the only type of personal care services that are the object of a policy of state support through the law 39/2006 on the Promotion of Personal Autonomy and Care of Dependant People.

As a direct consequence, home care services are between three to five times less developed in **Spain** than in other European countries.<sup>16</sup> Various factors explain this lack of support for personal care services: strong family solidarity, a delay in the development of a welfare state and a high level of direct employment of individual workers. As in **Spain**, personal care services in **Italy** are a part of more general policies, such as “Italia 2020: a national action plan for the inclusion of women in the labour market”, which plans notably for the improvement of early childhood support services and trials of an employment voucher system (Biaggi Law) which would give a more coherent structure to private personal care and aid services.<sup>17</sup> Furthermore, since 28 June 2009, the Ministry of Labour and Social Security has run a national publicity campaign on “employment vouchers”. This campaign aims to inform the public of new measures in terms of personal care services and of the possibility of using “employment vouchers” to pay for such services. Above all, the campaign aims to reduce the number of undeclared workers through payment by vouchers.

As in Italy and Spain, **Germany** is characterised by a family model, dominated by the idea of the “male breadwinner”.<sup>18</sup> However, unlike in the southern European countries, the welfare state in **Germany** is highly developed. Personal care services in Germany have developed progressively in recent years but it is difficult to give an overview of the sector due to a surprising lack of statistical data.

Therefore, the particularities of the German system, in which the state relies strongly on charitable organisations, make it difficult to provide basic data. The constitution stipulates that the state has an obligation to provide social welfare (Sozialstaat) and one of the pillars of social welfare in Germany is “private social welfare”, in which the cooperation between private and public bodies is regulated by the German Social Code and by more detailed legal regulations for services for children and youth. Furthermore, a large percentage of personal care services are supplied by individuals, particularly undeclared workers. Nevertheless, the “Hartz II” reform, which came into effect on 1 April 2003, made it possible to legalise some jobs in the underground economy.

In **Romania**, the personal care services sector is not yet a “market” in the traditional sense of the term, or at least is not developed to the same level as in countries such as France or Sweden. There are various reasons for this: there remains strong family solidarity that drives family caregivers – often women, with a fairly low rate of participation in the workforce (52% in 2010) – to take on the responsibility for the care outside a recognised system. It is also worth noting that there is no specific recognition of the social risk of “dependency”. However, since the entry of Romania into the EU, the country has taken measures to solve the problems of the lack and underfunding of social services.

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16 Haddad, P., *Quel modèle de développement pour les services à la personne ? Aperçu européen et spécificités françaises*, 2006.

17 *Services à la personne : bilan et prospective* «Information Report n° 589 (2009-2010) by Joseph KERGUERIS, on behalf of the Délégation à la prospective, submitted 30 June 2010. Available online (in French only): <http://www.senat.fr/rap/r09-589/r09-58961.html>

18 Yonnet, J.P., ORSEU (European Office for Social Research).

It should also be noted that other personal care services, particularly those related more to comfort, have developed naturally in urban areas: in the absence of dedicated tax schemes, these services generate the growth of an informal economy that is difficult to measure and are inevitably limited as services cannot be made affordable through support or benefits.

In the **Czech Republic**, the institutional context governing personal care services refers only to services for people dependent on care or with disabilities, and is governed by the social services act (Act no. 108/2006 Coll. Social Services, and its implementing decree no. 505/2006). This act notably defines four levels of dependency, according to the number of services required by the person. The level of benefits to be awarded is determined based on this level of dependency, and the responsibility for this is decentralised to the regions. The status of family caregiver also appears in various acts of law, particularly in clause 5 of Act no. 155/1995 on pension insurance.

A common factor among all these countries is the decentralisation of government responsibilities, with a growing role given to local and regional authorities: the *Länder* in **Germany**, the forthcoming regionalisation of service vouchers in **Belgium**, the role of the *départements* and of *Centre communaux d'action sociale* (Community Centres for Social Welfare - CCAS) in France, the growing power of municipalities in **Italy** and the **United Kingdom**. The sharing of responsibilities leads to a growing institutional complexity that can, in turn, lead to institutional fragmentation or to regional disparities in the supply and funding of services.<sup>19</sup> **Italy** is characterised by great regional disparities between the north and south, as much in socio-economic terms as in terms of mechanisms for the application of public policies. The industrial sector, which is particularly developed in the north, allows for a better regional coverage of these policies.

The fragile economic situation in the south and in CEECs, on the other hand, entails the development of an informal sector based on the subsistence economy. This observation has been made even clearer with the current debt crisis witnessed by many European countries causing great tensions and even a questioning of national welfare systems. The debate in France in 2011 on the possible suppression of tax benefits for the personal care sector is one such example.

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<sup>19</sup> Petrella, F. and Richez-Battesti, N., *Diversité des formes de gouvernance territoriale des politiques sociales et place des organisations d'économie sociale et solidaire : regards croisés sur les services de «care» en Europe*. LEST, Université de la Méditerranée, 2006.

## The development plan for personal care services, or the Borloo Plan (2005)

Objectives of the plan:

1) To increase the demand for services and to close the gap between supply and demand by providing access for all to services at a reasonable price (reduction of employer contributions and tax relief), notably through:

- the creation of a universal service employment voucher (CESU);
- the creation of national brands, partly in order to make the offer of services more comprehensible;
- incentives to care providers to obtain quality certification through an approved organisation in order to strengthen the confidence of consumers. The leading organisation of a network may receive accreditation for all of its member organisations.

2) To increase the supply of services, and to broaden the range of supply through:

- the creation of the National Agency for Personal Care Services (Agence Nationale des Services à la Personne - ANSP), which is to be the sole representative of the sector at state level;
- a more simple procedure of national accreditation, with one single accrediting authority.

3) To create real professions and new forms of employment along with an improvement in working conditions and salaries (improvement of the social rights of workers, increase in pay scales, etc.) and to improve professional training (vocational training with internships; development of a system of professional standards; contribution to professional training; acceleration of the Validation des Acquis de l'Expérience (VAE), a French system allowing degrees to be granted based on work experience).

## B. Financial instruments adopted by states

The main data given in this section is taken from the information report of the French Senate of June 2010,<sup>20</sup> mentioned earlier in this study.

There are various ways of funding PCS through public policy available to states: through social policy, support for job creation or fiscal policy through tax credits.

However, it can be observed that the choice of various European countries lies mainly in subsidising supply, or more still in attempts to support demand and make services more affordable. **France** and **Belgium** are good examples of this logic, with the creation of the CESU in France and that of service vouchers in Belgium. The Belgian state goes even further

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20 «Services à la personne : bilan et prospective» Information Report n° 589 (2009-2010) by Joseph KERGUERIS, on behalf of the Délégation à la prospective, submitted 30 June 2010. Available online (in French only): <http://www.senat.fr/rap/r09-589/r09-589.html>

than France in that it finances three-quarters of the hourly labour cost (€21) of domestic workers, through income-tax relief and subsidies.<sup>21</sup> Among the countries in this study that support personal care services, **Belgium** has chosen to reserve its financial aid for service-providing organisations. **France** and **Germany** encourage both forms of employment (direct employment through private agreements or employment via a service-providing organisation).

As seen above, there is no policy in **Germany** that deals specifically with PCS. However, the sector is indirectly supported in two ways through help for people dependent on care (see Focus 1) and the promotion of “mini-jobs”.

In **Germany**, the rise of PCS was helped in the 1990s by the rise of “mini-jobs” and then by the Hartz IV reform (2003), which made “mini-jobs” more flexible and created “midi-jobs”. Mini-jobs are those from which the monthly revenue does not exceed €400 and that give the employee the right to full exemption from social security contributions. In compensation, the employer pays higher social security contributions (30% compared to around 19% for other forms of employment). Midi-jobs are those that provide a monthly salary of between €400 and €800, and that give the worker the right to a sliding-scale reduction in social security contributions. In 2010, 230,000 people were reported to be working in mini-jobs in domestic services in Germany<sup>22</sup> (around 3% of the total number employed in mini-jobs). Only employment made directly with the private household concerned can benefit from this system (service-providing organisations are excluded). Furthermore, in 2009, the Family Benefits Act was adopted, which allowed for households that use domestic services to benefit from a tax reduction of 20% of the costs of these services, up to a maximum of €4,000 (€20,000 in costs).<sup>23</sup>

In **Sweden**, the state tries to develop personal care services through tax incentives. The current system is based on tax reductions of 50% of the cost of labour for services provided, with a limit of €5,000 (50,000 SEK) per year and per person, or of €10,000 per year per household. In return, the service provided must be invoiced and earnings made must be declared.

In **Spain**, there is no direct support for personal care services to speak of. Nevertheless, the state has introduced support that indirectly benefits two types of PCS: childcare services (through the Law 35/2007 on “Single payment for childbirth or adoption”) and technological support services (through the Plan Avanza 2 on ICT sector development). The Law 35/2007 on “single payment for childbirth or adoption” of 2007 introduced state aid with the aim of financing expenditure related to childcare. In more concrete terms, for every birth or adoption, the mother can benefit from a tax reduction of €2,500 on personal income tax (IRPF) as well as financial support of €500 per year and per child under three years old, and of €291 per year and per child for households with an annual income of less than €11,000.

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21 In practice, the company receives €20.80 per hour worked. The user buys a service voucher at a cost of €7.50, which gives a 30% tax reduction. The difference is covered by the state, which therefore pays €13.30 to the authorised company.

22 Zahl der Haushaltshilfen steigt drastisch. Die Welt, 06 September 2011

<http://www.welt.de/wirtschaft/article13587034/Zahl-der-Haushaltshilfen-steigt-drastisch.html>

23 Bundesministerium für Familie, Senioren, Frauen, und Jugend: Förderung und Entlastung für Familien: Kabinett beschließt Familienleistungsgesetz. <http://www.bmfsfj.de/BMFSFJ/familie,did=113778.html>

The Plan Avanza 2 is an initiative with the aim of developing a real Information Society in **Spain**. To this end, in 2009 the plan allocated €663 million to a series of projects aimed at supporting companies that develop products and services contributing to the growth of the ICT sector, as well as €548 million to projects on training for ICT professionals.<sup>24</sup>

Although state support plans do not directly aim to develop the PCS sector, these forms of financial aid have indirectly contributed to the funding of services in the fields of childcare and ICT support by Spanish households.

**Spain** has a very pro-active policy in terms of ICT for the elderly, and the Autonomous Communities take on the financial responsibility for remote monitoring systems.

In order to achieve greater visibility for PCS, the Spanish Association for Personal Care Services (AESP) has started an initiative to promote the sector and is putting pressure on the Spanish public authorities to adopt a global policy of development for personal care services, a sector that is currently strongly characterised by undeclared work. The AESP estimates that in 2010 the underground economy in Spain represented around 23% of GDP (or €200 billion that is not controlled by the state), of which 60% came from work within the personal care services sector. According to the calculations of AESP, personal care services represented a market worth around €5 billion in 2008.

### Spanish Association for Personal Care Services (AESP)

The idea to form the Asociación Española de los Servicios a la Persona (AESP) originated from the observation that personal care services were an important source of employment and that it was necessary to move this sector away from the underground economy (it is estimated that around one million people are currently in undeclared employment in this sector).

Therefore, the promotion of such services offers a national opportunity to create, between now and 2013, more than 350,000 new full-time jobs in the sector of family care services (child care, academic support, petcare, IT support) and almost 660,000 in the sector of health and quality of life (services to the elderly, housekeeping, mobile hairdressers).

Founded in April 2009, the AESP brings together non-profit organisations working in areas linked to personal care services (families, the elderly and people with disabilities, health and other services).

The AESP aims to guarantee the quality and universality of available services by promoting the professionalisation of a sector that currently uses a high level of undeclared employment.

Furthermore, the AESP puts pressure on the Spanish public authorities to adopt a policy to promote personal care services in order to make up for the lack of a specific public policy. The association is also negotiating for the implementation of a series of tax measures, inspired by the Borloo Plan, to be put in place in Spain, which would offer benefits to people using this type of service.

24 For further information see <http://www.planavanza.es/Paginas/Inicio.aspx>.

Above all, the AESP proposes the adoption of two fundamental measures:

- The creation of a National Agency for Personal Care Services, similar to the ANSP in France, in order to act as a coordinating body and as the sole representative of the sector;
- The creation of a standing consultation committee for the different personal care services.

In **Italy**, a 19% tax reduction is given to people who employ home help (cleaner, nursing assistant, etc.) for a person dependent on care and whose income does not exceed €40,000.<sup>25</sup> Furthermore, social security contributions for the employment of home help (housekeeper, nursing attendant, etc.) are deductible within the limit of €1,549.37 per year.

It is not possible to accurately assess the total cost to public finances of these measures as they are not part of a global policy.

Global and fiscal systems mean that the funding of personal care services in the **Czech Republic** stems from an institutional context that is concerned only with the question of dependency, and a level of provision is thus financed by the state budget.

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<sup>25</sup> The tax authorities define non-autonomy as the impossibility for a person to feed him/herself, to carry out acts of daily life (washing, travelling alone) but also if he/she requires constant surveillance. A medical certificate must be submitted.

## C. Persons and organisations involved in the field of PCS

Personal care services can be provided in different ways. Firstly, households using services can directly employ someone to carry out domestic services by private agreement. A high percentage of this type of employment, though difficult to measure, is undeclared.

There are also three types of organisation that play the role of intermediary between the user and the person supplying the personal care services: these are local and regional authorities; large, private, profit-making companies; and social enterprises and associations with social aims.

Different variations on this provision of services through an intermediary are therefore possible. The organisation may be an agency that recruits workers ad hoc in order to provide domestic services to the client. The client who receives the service is then responsible for salary payments and social security contributions. In comparison to direct employment (i.e. a private agreement between employer/employee), the client continues to play the role of employer but does not recruit the employee. Finally, the organisation may be the service provider, whereby it is the employer of the worker providing services to the client. As opposed to using an agency, the client hands over full responsibility for the provision of service and for the associated administrative procedures to the organisation. Some organisations act as both agency and service provider.

With the aim of reducing undeclared employment, in recent years public authorities have attempted to help individual employers. To this end, in **France**, the service employment voucher, which became the universal service employment voucher (CESU) in 2006,<sup>26</sup> facilitates procedures for individual employers. The CESU serves as an employment contract for the employee of an individual employer and also as a pay slip, within certain limits. The CESU allows households to pay for the personal care services that they use, no matter which type of supplier they choose, and makes it easier for them to declare the employment of workers through private agreements. The aim of this measure of the "Borloo Plan" is to develop the demand for personal care services and to reduce the level of undeclared work. The CESU makes services more affordable for the user by giving the right to a tax credit of 50% to households using services and also legalises some undeclared work by simplifying the administrative red-tape faced by individual employers. The CESU comes in two forms:

- the "declaratory" CESU (*CESU "déclaratif"*) allows the individual employer to declare the payment of his/her employee over the internet or via a declaration form (*volet social*) supplied in a chequebook or in the CESU voucher booklet;

- the prepaid CESU (*CESU préfinancé*) is a payment voucher for a predetermined sum. This is financed entirely or in part by a company, works council, insurance company, pension fund, or a local/regional authority and is used to pay a domestic worker, a registered child-minder, a service provider or a child care facility (*crèche*, nursery, etc.). Payment by *CESU préfinancé* can also be declared over the Internet or via the CESU declaration form.

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26 Law no. 2005-841 of 26 July 2005

All Member States are moving towards the construction of “social markets”, in other words, the development of private structures that supply social services.

These structures are financed (entirely or in part) and regulated by the state, particularly in terms of quality. The supply of services in **Germany** is provided mainly by the charity sector, with two important organisations being the Catholic Federation Caritas and the Diakonisches Werk of the Evangelical Church.<sup>27</sup>

For historical reasons, many countries are characterised by the predominance of associative organisations. This is the case particularly in **France, Belgium** and **Italy**, where home care services are increasingly organised via the creation of associations that aim to meet needs of the population that are not met by the state or the private market. In 2007, such associations made up 45% of the personal care services sector in **France**. Other bodies in the sector in France are public organisations (particularly CCAS – Community Centres for Social Welfare), commercial companies (essentially for non-vulnerable individuals) and cooperative groups.

In the Mediterranean model that characterises **Spain** and **Italy**, families, communities and even the church play a crucial role in the provision of services, thus redressing the lack of provision from the state and private market. During the 1970s there was a strong growth in social cooperatives in Italy, particularly following the introduction of laws on deinstitutionalisation. These cooperatives were an attempt to provide new solutions to social needs (people with disabilities, drug addiction, care for the elderly, mental health, troubled youth, etc.).

This observation is also valid for **Romania**, where the model is based mainly on family solidarity. However, Romania also has a large network of foundations, NGOs and charitable organisations that provide more than half of “official” social services. It is interesting to note that the social services sector in Romania is currently undergoing complete reform. This structural reform, driven in part by the open method of coordination (OMC), also has an effect on the qualitative framework of the provision of services in Romania.

All of the countries in this study are faced with the issue of undeclared employment, but to varying degrees. However, due to the nature of the work, it is difficult to provide precise statistics on the level of undeclared work in the personal care service sector. According to various sources from Eurostat and national statistics organisations, undeclared employment represents up to 70% of work in home care for the elderly in **Spain** and **Italy**. In **Germany**, the federal government estimates that undeclared employment in services currently represents 45% of the sector. In **France** and **Sweden** these figures are “only” 30% and 15% respectively. However, undeclared employment does not always perform the same role. In **Germany** it compensates for the clear lack of supply, whereas in **Spain**, where there is excess supply of labour, it leads to a decrease in salaries and a worsening of working conditions.

Faced with this phenomenon, there are two principal solutions that seem to have proven effective:

- professionalisation of the declared workforce in order to clearly show the benefits of using

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<sup>27</sup> Evaluation of fiscal spending and of tax loopholes in favour of personal care services (in French only) : <http://www.budget.gouv.fr/files/import/rapport-depenses-fiscales/Annexe-C-Rapport.pdf>

a legal supplier, as clients are highly aware of the quality of the service provided.

- making legal work more attractive for clients by reducing the cost of work. This can be through reduced costs and/or tax benefits.

### Social Service Reform in Romania

On 5 October 2011, a bill on social services was passed by the senate and the next stage will be for this bill to be sent for discussion in the Chamber of Deputies (which represents the decision-making authority). It is also important to note that the bill has received positive feedback from the government and there is therefore a high chance that it will be enacted into law.

According to the bill, social services are of two types: basic or specialised:

- **Basic social services:** extracurricular or informal education for children or adults, awareness-raising activities or measures and also those aimed at preventing social exclusion.
- **Specialised social services:** aid, care, support, re-adaptation, workforce integration or re-education. Specialised social services can be supplied at home or in welfare units, but also at the community level.

The suppliers of social services can be a person or legal entity, or a private or public body, such as:

- Public welfare structures with a legal status equivalent to public institutions;
- Public institutions that have a social assistance department within their constituencies;
- Other specialised public structures under the authority of a public authority;
- Associations, foundations, religious organisations or any other NGO;
- Authorised individuals;
- Branches or subsidiaries of international associations or foundations.

The Romanian bill provides that commercial enterprises can also supply social services through non-profit organisations created to this end.

## D. Focus 1: Care for dependants

All of these countries have introduced a policy of solidarity towards dependants, with the aim of allowing them to remain in their own home. Although the aim is the same in all countries, methods of funding long term care vary greatly in Europe, according to the traditions and priorities of individual countries. The European Federation of Retired and Older Persons (FERPA) identifies four factors in this area:<sup>28</sup>

- the programmes and population covered by long-term care services;
- national mechanisms for the financing of the care system;
- the degree of financial contribution by private individuals;
- the demarcation line between public and private responsibility for long term care.

Germany and Spain finance the care of dependants through social security; Sweden through taxes; France and Belgium by mixed financing systems.

### **Germany**

In Germany, dependency insurance is included in the obligatory health insurance regime with the act of 26 May 1994. It is financed by obligatory social security contributions (by the employee and employer), allowing for payments to be transferred in cash or in kind to people dependent on care. This insurance covers all forms of dependency regardless of the age of the beneficiary, who is able to choose between benefit payments in kind, either at home or in a care institution, or in cash. According to the Minister of Health, in December 2009, 2.37 million people were covered by this insurance.

### **Spain**

Act no. 39 of 14 December 2006 on the promotion of personal autonomy and care for dependant persons provides for the progressive introduction, since 1 January 2007, of a system of care for dependants which covers, as in Germany, all forms of loss of autonomy. Once the degree of dependency has been determined, a person requiring care can also benefit from the catalogue of services offered by the System for Autonomy and Care for Dependants (SAAD), which includes:

- Services for the prevention of situations of dependency and for the promotion of personal autonomy (article 21);
- Personal alert system (article 22);
- Home help services (article 23), such as household tasks and personal care
- Day and night centre service (article 24);
- Residential care service (article 25) for the elderly and people with disabilities who are dependent on care.

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28 FERPA *Comparative Study on Dependency in the Member States*, 2010.

## **France**

The act of 21 July 2001 created a personal care allowance, entitled *allocation personnalisée d'autonomie* (APA) with the aim of reinforcing the provision of care for people with diminished autonomy by allowing them to receive benefits necessary to carry out daily tasks and activities. This allowance is both for elderly people living in their own homes and for those living in residential care homes. The system is based on freedom of choice regarding where an elderly person should live and also on allowing the person's family to benefit from support for the care that they provide. French regional councils (*conseils généraux*) are responsible for the allocation and management of these social benefits. Moreover, some of these councils have chosen to offer these benefits in the form of CESU, providing a guarantee of the way in which the benefits will be used.

## **Czech Republic**

People dependent on care receive financial support from the state of between €32 and €480 per month, depending on their level of dependency. The aim of this subsidy is to give the beneficiaries access to high quality care. As previously mentioned, support for dependants is linked to the severity of the situation of the individual concerned. These criteria are themselves based on the estimated amount of care required by the dependant person.

The maximum allocated sum of €480 therefore corresponds to total incapacity, requiring a minimum of 31 separate incidences of care provision per month.

## **Romania**

Care for dependants is regulated by law no. 448/2006 regarding the protection and promotion of disabled persons. Responsibility for actions related to the protection dependants and to the financing of dependency lie with the national government. The law stipulates that financial aid will be given to the families of people with disabilities. By way of example, caring for an adult with severe disabilities gives the right to a monthly allowance equal to one-third of the minimum wage and a supplementary personal budget equivalent to 15.1% of this wage.

## **Belgium**

As dependency is a matter of regional policy in Belgium, we have chosen to describe here the situation of care for dependants in the Walloon region. The Walloon Decree of 6 December 2007 mentions that support services for families and for the elderly "are provided in the home of the beneficiary in order to enable individuals who are isolated, elderly, disabled or ill and of families in difficulty to live in their own home or return home, and to provide company and care in their daily lives, in cooperation with their family and community, and aim notably to enable the beneficiary to maintain, as far as possible, their independence".

Article 5 of the decree defines the mission of in-home care as "to accompany the beneficiary who requires the continual presence of another individual and who, due to health issues or disability, cannot travel alone outside of his/her own place of residence. It aims mainly to provide an active presence, day or night, along with the relatives of the beneficiary, and to

optimise the mental, physical and social well-being of the beneficiary through actions under the status of home care.”

According to the decree, assistance in daily life can also be extended to caregivers related to the beneficiary. Such assistance is offered, in priority, to those with the greatest need and without high financial means.

## E. Focus 2: Child care

Policies aiming to reconcile family and profession life are based on two fundamental concepts:

- parental leave: length, financial remuneration, flexibility of working hours.
- care for young children: child care allowance, tax exemptions, availability of public care facilities.

We will, for the purposes of this section, restrict our discussion to the second of these points.

**France**, whose child care system is the most developed in Europe, is characterised by a system of reconciliation that is more favourable than those of its neighbours. France is the only country, along with Finland, that provides a child care allowance to which tax reductions are also added. Furthermore, over 20% of children under three years old are provided with care in facilities funded by public finances.

**Sweden** also stands out from other countries in that every child, from the age of one, has the right to child care guaranteed by the municipality. Attendance of public child care facilities in Sweden is as high as 33%.

On the other hand, child care services in **Germany** are particularly limited, with only 5% of children under three receiving care in public facilities.

As in France, **Belgium** has a system of tax exemption for those who use child care services. However, the use of service vouchers is not possible for this kind of service. The level of attendance of public child care facilities is, at 30%, close to that of Sweden.

**Southern European countries** have less favourable policies on ensuring a balance between work and private life, and public child care facilities in **Italy** and **Spain** are used by less than 5% of children under three. There are also no public systems that aim to make the demand for child care services more affordable.

Faced with low fertility rates (1.3 children per woman), in 2005, Spain launched the **Plan Concilia** as a “policy for the well-being of families”, which included measures on family policy, such as the introduction of parental leave and tax reductions to encourage mothers to keep their jobs, as well as the development of personal care services offered by public or private care providers, the latter of which are financed by the user.

**Sweden** (0.7%), **Romania** and the **Czech Republic** (both 0.6%) are the countries in this study that give the highest percentage of their GDP as cash benefits during parental leave. **France** (0.4%) gives around the average, whereas **Belgium**, **Germany** (both 0.2%), **Italy** and **Spain** (both 0.1%) spend the lowest amount of GDP in this area.<sup>29</sup>

Such comparisons however, must be taken in context, and cannot be measured by the level of social security benefits given to families. The systems in place in each country, the balance between collective and individual child care as well as the accessibility of these services are also determining factors in our comparisons. They should meet not just the needs and choices of families but also the economic capacity to support the cost of a form of child care, whether individual or public.

Other data that is just as important here as it is for personal care services linked to dependency includes that of the rate of participation of women in the workforce and the level of part-time employment. We can see that countries such as France or Sweden, where there is a higher employment rate of women (more than 70% in Sweden), are also those who have enabled the development of child care systems or parental leave allowing a better work/life balance. This generally results, in a more developed provision of personal care services, often linked with support given to encourage choice in the type of child care provision, as is the case in France.

Conversely, countries with a low rate of female employment (Romania 52%, Czech Republic 56.3%)<sup>30</sup> tend to have child care systems that favour family support where the woman remains at home. This results in a more limited development of personal care services in the formal child care sector.

#### **Romanian Angel Appeal Foundation – Romania**

The Romanian Angel Appeal Foundation organises, through a European Social Fund (ESF) project, special training for child care workers in Romania. One of the advantages of the introduction of this project is that there are no services for families with very young children. This means that, if mothers are not to give up work, parents generally have to ask members of their family or non-qualified workers to look after their children. This wide-ranging project organises training courses throughout the country. However, in providing better training for caregivers, this project only solves a small part of the problem and does not guarantee that families will be able to afford to employ individuals with higher qualifications.

For more information (in Romanian): <http://scoalabonelor.ro/>

This comparison of various countries, which gives a general overview of personal care services,

<sup>29</sup> Fagnani, J., Math, A. and Meilland, C. *Comparaison européenne des aides aux familles*, CNAF, DOSSIER D'ETUDE no. 112, January 2009.

<sup>30</sup> Eurostat 2010.

reveals a history and social model specific to each country. However, despite different forms of organisation, those involved in the sector are working with the same human reality and are often faced with the same difficulties.

The European Union has seen its competences grow in the domain of social issues and could therefore be seen as an opportune framework for action and reflection. It is therefore interesting to look more in depth at European strategies in this area.

### III. European framework

The European Union has been entrusted with a share of responsibility in fields such as employment, social protection and inclusion, public health, information society and transport, although the main role lies with national, regional and local governments, as well as with civil society and social partners.

To understand the European context of personal care services, one must remember that the sector is part of two distinct broad policy frameworks: policies linked to employment on the one hand (the personal care service sector as a sector that creates employment), and policies of social inclusion on the other (personal care services aim to improve social inclusion for the elderly and to maintain their quality of life)

Furthermore, the care and service sector is also dealt with in a specific way within the context of policies on the liberalisation of services.

Despite the fact that the sector does not benefit from a specific strategy at European level (the organisation of services being the responsibility of national governments), there has been increasing interest in the sector of personal care services over the last twenty years.

This section will therefore set out to identify the place of PCS within European policies and strategies.

#### A. The place of PCS in employment policies

During a period of economic gloom, the PCS sector has proved to have strong potential for creating local employment that cannot be delocalised elsewhere, offering regions a stable growth in employment that is unaffected by globalisation. Faced with high unemployment levels throughout Europe, public authorities and European institutions tend to view local services, and particularly personal care services, as a potential sector for the creation of jobs for the most vulnerable. Because of the demographic situation, PCS make up one of the rare sectors to have shown an increase in job creation during a period of recession.

Health and long term care are employment generating sectors, with around 4.5 million new jobs in these sectors in the EU-15 between 1996 and 2006. Job creation was higher in the sector of long term care than in health and, at the level of the EU-27, almost 3.3 million jobs were created in the sector of long term care between 2000 and 2007. At the same time, the sectors of health and long term care provide employment for 20.6 million people within the EU-27.

## B. The place of PCS in social policies

The majority of personal care services exist due to a desire to provide social welfare. Historically it is in fact social policy that initially contributed to the growth of personal care services, and today some social services also benefit from subsidies that are made available through the main policies of social protection. This is notably the case for services aimed at the so-called “vulnerable” members of society: the elderly, people with disabilities and, to a certain extent, children under three years old. Social policies are the responsibility of the Member States but are also dealt with inside the EU within the framework of the “Open Method of Coordination”<sup>31</sup> (OMC). In the following paragraph we will focus particularly on a part of national social policies, i.e. on long term care services and the place that they hold at European level.

### **The issue of long term care**

Long term care receives particularly close attention at the European level. Due to the convergence of various common interests (ageing population, balance of the social welfare system, labour shortages, etc.) the EU encourages the coordination of national policies on long term care through the Open Method of Coordination (OMC). The EU thus established a framework for reflection based on three large challenges facing the sector: access, quality and sustainability services.<sup>32</sup>

The issue of **access to services** is, in part, a financial one. The challenge here is to reach all sections of the population through universal medical coverage and/or affordable care, in other words, access to care should not depend on the individuals’ ability to pay or on their access to private sources of financing. Beyond these financial aspects, Member States should also offer sufficient provision of services (home care, community and institutional services) and should reduce waiting times. Whether in terms of social or of territorial cohesion, the issue is therefore the **democratisation of long term care**.

Secondly is the issue of **quality**: the European Union aims to help people live in their own home for as long as possible. The necessary condition for this “deinstitutionalisation” of care is access to suitable and high quality care. Among the challenges linked to quality of care is the promotion of interdisciplinarity, in other words a better coordination of medical, nursing, social and palliative care. Finally, quality and evaluation systems should also contribute to the improvement of the quality of care.

Lastly, the challenge of **sustainability** is linked particularly to the challenges of achieving budgetary equilibrium.

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31 The Open Method of Coordination (OMC) was introduced for social matters within the context of the Lisbon Strategy. This method allows Member States to fix common objectives. Initially this European process, which was created under the framework of employment policy, was solely concerned with social inclusion. The method was then extended to the field of pensions and, later, to healthcare and long-term care. Since 2006 these three separate processes have been integrated into an “OMC for Social Protection and Social Inclusion”

32 <http://ec.europa.eu/social/main.jsp?catId=792&langId=en>

These challenges can be met through the conciliation of public and private finances but also through the promotion of lifelong health. Efforts should also be made to guarantee a sufficient supply of qualified personnel (training, peer supervision, counselling, respite care and reconciling family care with paid employment).

### **The issue of care for dependants and the European Year 2012**

The idea of “European years” was established in 1983 by the European Commission. The principle is to highlight a specific theme that will be focused on in the various domains of European policy throughout that year. The aim is to inform and raise the awareness of European citizens and states and to increase dialogue. After having proposed the theme of the year to the Council of Ministers and to the European Parliament, the European Commission is responsible for the promotion of this theme to European citizens through public events.

On the eve of the European year dedicated to Active Ageing and Intergenerational Solidarity, the issue of provisions for elderly people dependent on care must be raised. In fact, despite social and medical progress, ageing often remains linked to a loss of autonomy. According to Eurostat, the percentage of the population dependent on care may rise from 25.39% in 2008 to 38% in 2030 and to 53.47% in 2060.

According to certain estimates, 7.3 million Europeans suffer from a form of dementia, and this figure may well double over the next twenty years as life expectancy increases. Alzheimer’s disease is the cause of 70% of such cases.

The concept of “active ageing” is understood to mean remaining active in spite of age by working longer, retiring later, doing voluntary work during retirement and practicing healthy activities adapted to age. This concept, first used in Anglo-Saxon countries, was developed on the European continent and consecrated by the European Union. For the EU, successful ageing is a process that aims to optimise equal opportunities so that health allows older persons to play an active role in society and to benefit from a quality of life that favours independence and well-being.

## C. The growth of PCS in the context of the EU 2020 Global Strategy

### **The Europe 2020 Strategy**

In March 2010, the European Commission presented, in the form of a communication, its new project for an economic strategy for the forthcoming decade, therefore reiterating, 10 years later, the process initiated by the European Council of Lisbon in March 2000 and which gave birth to the eponymous strategy.

The aim of the new strategy, entitled “Europe 2020: A European Strategy for Smart, Sustainable, and Inclusive Growth”, is to revive the European economy by 2020.

The main focus areas of the strategy are the promotion of low carbon industries, investment in the development of new products, the use of opportunities offered by the digital economy and the modernisation of education and training.

The EU also fixed five interconnected objectives to guide and direct progress:

- raise employment levels from 69% to 75%;
- invest 3% of the EU’s GDP in research and development, instead of the current 2%, which leaves the EU far behind the United States and Japan;
- reassert the objectives of the EU on fighting climate change (“20/20/20” targets), which are already among the most ambitious of such objectives in the world;
- reduce the level of poverty by 25%, which would mean 20 million fewer people at risk of poverty;
- improve levels of education by reducing the number of early school leavers to 10% and raising the percentage of adults between 30-34 years old with a higher education diploma or equivalent to 40%.

## The Role of Personal Care Services in the Europe 2020 Strategy for Smart, Sustainable, and Inclusive Growth

### Sustainable Growth

“White jobs”<sup>33</sup> provide considerable potential for the creation of employment that cannot be delocalised, particularly as the sustainability of an ageing society depends on its capacity to offer quality services to the population.

Nevertheless, the long term sustainability of public spending on health care, particularly long term care, is under enormous pressure due to the ageing of the population. In order to keep costs under control the EU supports a preventive approach that integrates health care services and long term care services through the use of new technologies and ICT.

### Inclusive Growth

Personal care services are an important factor for the inclusion of women (better work/life balance, care for the most vulnerable, etc.).

Personal care services offer solutions adapted to social needs, and as such the sector holds a **high social interest**. As mentioned earlier, the use of personal care services facilitates female employment. For proof we need only look at the statistics, which show that it is women who carry out the majority of household tasks.

### Smart Growth

Enabling people dependent on care to remain in their own home brings challenges in terms of accessibility.

The ageing of the population causes us to consider the contribution of technology to the well-being and quality of life of the elderly. **Gerontechnology** is an interdisciplinary field of study that combines the study of ageing (gerontology) with technological development.<sup>34</sup>

Gerontechnology also includes domains as diverse as health, housing, mobility, communication, leisure and employment of the elderly. The results of research in the field should, ultimately, allow the creation of a living environment adapted to the needs of ageing individuals. Such research therefore forms a working basis for professionals (ergonomists, construction professionals, engineers, manufacturers and health professionals).

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33 The term “white job” is used to describe jobs in the sectors of health and social services.

34 La gérontechnologie : une approche novatrice pour vieillir à domicile  
[http://innov-age.com/index.php?page=la-gerontechnologie&hl=fr\\_FR](http://innov-age.com/index.php?page=la-gerontechnologie&hl=fr_FR)

From the point of view of accessibility, dependants' remaining at home brings about specific needs in terms of ergonomics and the adaptation of accommodation. The concept of home automation is strongly linked to personal care services and creates the need for specific technological progress (software applications and packages). The challenge here is how to reconcile the growing use of information and communications technologies (ICT) while at the same time maintaining the human aspect of the provision of services.

In the communication entitled "A Digital Agenda for Europe"<sup>35</sup> a flagship initiative of the Europe 2020 Strategy, the European Commission stressed the importance of ICT for successful ageing. To this end, the Commission proposed to strengthen the joint programme on Ambient Assisted Living (AAL).

### **The Ambient Assisted Living Joint Programme (AAL)**

The EU aims to make use of longer life expectancy in order to turn this demographic challenge into an opportunity. As such, the ageing of the population is considered in relation to objectives for growth and employment in Europe, notably within the framework of the Europe 2020 Strategy.

The Ambient Assisted Living Joint Programme (AAL) was established on the initiative of various Member States in order to encourage research and development on population ageing and the use of ICT. The aim is to ensure that the digital society allows people who are vulnerable or suffering from chronic diseases or disabilities to live a more independent and dignified existence.

The programme is based on applied research for the development of products and services to improve the independence, employability and social participation of elderly members of society. More concretely, the AAL programme promotes the innovation and introduction of ICT solutions in key areas such as preventing falls (an issue for more than one-third of over 65s) and support for patients suffering from forms of dementia (more than seven million people in the EU). The aim of the programme is to double the number of elderly people able to live independently by 2015.

States have committed to contribute to the funding of the programme, and the European Union co-finances research, development and innovation activities through the ICT theme of the Specific Programme 'Cooperation' of the Seventh Framework Programme for Research and Development.

The Member States that contribute to the programme are Austria, Belgium, Cyprus, Denmark, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovenia, Spain, Sweden and the United Kingdom. In addition, some third countries (Israel, Norway and Switzerland) also contribute to the programme by carrying out joint activities.

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35 COM(2010) 245

## D. The place of PCS in the “Services” Directive

What impact does the liberalisation of services have on the personal care services sector?

### 1. The liberalisation of services in the internal market: the “Services” Directive

The liberalisation of services raises the question of how personal care services will be integrated into the internal market.

The Directive of 12 December 2006 on services in the internal market,<sup>36</sup> known as the “Services Directive”, forms part of the global measures of liberalisation of services laid down in the founding treaties (see particularly articles 14-2, 43 and 49, TFEU).

The directive lays out four principal objectives to this end:

- to ease freedom of establishment for providers and the freedom of provision of services in the EU;
- to strengthen rights of recipients of services as users of the latter;
- to promote the quality of services;
- to establish effective administrative cooperation among the Member States.

The underlying idea is to create a market of services regulated by the laws of competition, with the aim of allowing the expansion of small and medium-sized enterprises outside their usual location, thus increasing their competitiveness. To achieve this it was necessary to remove red tape and legal uncertainties surrounding the provision of services.

#### Services not covered by the directive.

This directive relates only to services provided for economic return. As such, certain categories of service are excluded from the European internal market for services, particularly **health care services and certain social services related to social housing, child care and assistance for those in need.**

It would appear, therefore, that personal care services are not actually included in the scope of the Directive, in accordance with the White Paper on services of general interest:

*“This Directive should not cover those social services in the areas of housing, child care and support to families and persons in need which are provided by the State at national, regional or local level by providers mandated by the State or by charities recognised as such by the State with the objective of ensuring support for those who are permanently or temporarily in a particular state of need because of their insufficient family income or total or partial lack of independence and for those who risk being marginalised. **These services are essential in order to guarantee the fundamental right to human dignity and integrity and are a manifestation of the principles of social cohesion and solidarity and should not be affected by this Directive e”.**<sup>37</sup>*

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<sup>36</sup> Directive 2006/123/CE of the European Parliament and Council of 12 December 2006 on services in the internal market [Official Journal L 376 of 27 December 2006].

<sup>37</sup> *Ibid.*, paragraph 27.

## 2. The situation of social services: the Communication of 2006

The “services” directive therefore excludes from its scope a certain number of services. These services of “general interest” are not regulated by Community law and consequently escape the rules of the free market. This concept of general interest is not defined anywhere in the treaties as its’ definition is the responsibility of Member States.

However, the Communication from the European Commission of 26 April 2006 entitled “*Implementing the Community Lisbon programme: Social services of general interest in the European Union*”<sup>38</sup> is a turning point for the acknowledgement and recognition of social services at a European level.

Designed with the aim of liberalisation of services within the EU, this document intends to acknowledge the characteristics of social services at a European level. The 2006 Communication intends particularly to serve as a reminder of the activities and organisations that make up “social” services.

On the one hand, the concept of social services implies:

*“Statutory and complementary social security schemes, organised in various ways (mutual or occupational organisations), covering the main risks of life, such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability”.*

On the other hand the concept also includes certain personal care services, as highlighted in the following definition:

*“Other essential services provided directly to the person. **These services that play a preventive and social cohesion role** consist of customised assistance to facilitate social inclusion and safeguard fundamental rights. **They comprise, first of all, assistance for persons faced by personal challenges or crises** (such as debt, unemployment, drug addiction or family breakdown). **Secondly, they include activities to ensure that the persons concerned are able to completely reintegrate into society** (rehabilitation, language training for immigrants) and, in particular, the labour market (occupational training and reintegration).*

***These services complement and support the role of families in caring for the youngest and oldest members of society in particular.** Thirdly, these services include activities to integrate persons with long-term health or disability problems. Fourthly, they also include social housing, providing housing for disadvantaged citizens or socially less advantaged groups. Certain services can obviously include all of these four dimensions”.*<sup>39</sup>

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38 Communication from the Commission of 26 April 2006 “Implementing the Community Lisbon programme: Social services of general interest in the European Union” [COM(2006) 177 final – Not published in the Official Journal].

39 COM(2006) 177 final

In addition to this attempt to define such services, we can see a real will for modernisation on the part of the Commission. In fact, the social services and personal care services sectors are growing and are the vehicle for an increase in employment. The Commission shows a clear desire to modernise the sector in order to obtain effective and high quality services in Europe through the establishment of general principles:

- the introduction of benchmarking methods, quality assurance, and the involvement of users in administration,
- decentralisation of the organisation of these services to the local or regional level,
- the outsourcing of public service tasks to the private sector, with the public authorities becoming regulators, guardians of regulated competition and effective organisation at national, local or regional level,
- the development of public-private partnerships and the use of other forms of funding to complement public funding.
- In order to consolidate and clarify the Community framework, particularly on social services of general interest, the Commission proposes the publication of regular communications on the subject:

*“In order to improve the reciprocal knowledge of operators and the European Commission of questions concerning the application of the Community rules to the development of social services and to deepen the exchange of information between operators and the European institutions, a monitoring and dialogue procedure in the form of biennial reports will be established. The reports will come within the framework of other Community initiatives supporting the modernisation of social services, in particular the open method of coordination in the area of social protection and inclusion”<sup>40</sup>*

Personal care services are mentioned, but within the framework of social services. All personal care services are thus not fully taken into account by Community legislation, leaving Member States a great amount of freedom regarding their management.

### **3. Communication from the commission on services of general interest and social services of general interest (2007)**

An important milestone in the field was marked by the adoption of a protocol on services of general interest annexed to the Treaty of Lisbon. Faced with changes in demographics, society and the family structure within the EU, this protocol aims to create a clearer and better structured framework in the field at European level.

The protocol recalls the role of states in the definition and provision of services:

*“[...] it is essentially the responsibility of public authorities, at the relevant level, to decide on the nature and scope of a service of general interest [...]”<sup>41</sup>*

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40 Ibid.

41 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – “Services of general interest, including social services of general interest: a new European commitment”. COM(2007) 725 final.

The distinction between services of general economic interest and non-economic services is again dealt with here, but a reminder is also given on the ambiguity and lack of clarity in this area, thus necessitating clarification on certain points. According to the Communication from the Commission, the best way to distinguish services is therefore based on the nature of activity of the service.

The document again states the unique characteristics of social services, which are “*typically organised at a local level and are heavily dependent on public funding*”.<sup>42</sup>

The European Commission highlights the crucial role of public authorities in the transmission of information at a local level: “*a clear mandate must be assigned by the competent public authority to the service provider regarding the operation of the service at stake. It is therefore important that Member States ensure that such adoption of acts of entrustment is effectively made for all services of general economic interest, including the provision of social services, in order to provide adequate legal certainty and transparency towards citizens.*”<sup>43</sup>

### **Summary:**

The Commission has shown a desire to work towards ensuring the quality of provision of personal social services. There is currently a European consensus that it is necessary to create a European framework on the provision of services of general interest. Personal care services remain in the sphere of social services, since it is only the socio-medical aspects that are taken into account.

The two Communications discussed here demonstrate a crucial stage in the way that social services, and particularly personal care services, are dealt with at European level. These services are vehicles for solidarity, cohesion and closer ties within Europe.

Nevertheless, due to the legal ambiguity surrounding social services, many concerns remain. These concerns are in part on the subject of quality: some organisations fear that, in the context of a free market, standards in terms of quality will suffer. Furthermore, concerns about public finances are raised within the context of state aid reforms.

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42 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – “Services of general interest, including social services of general interest: a new European commitment”. COM(2007) 725 final.

43 *Ibid.*

## IV. Challenges in the PCS sector

### A. Professionalisation

The personal care service sector is often characterised by difficult working conditions, both physical and psychological. Employment in this sector involves working with sections of the population who are socially and economically disadvantaged, lifting and carrying people, etc., all of which can be causes of stress, repetitive strain injury (RSI) or even road-traffic accidents. There are therefore many companies and organisations that are developing good practices in order to improve the working conditions of their employees, particularly as this also has a great influence on the quality of service provided. Let us give as examples of measures for the prevention of occupational, risk training, programmes on the avoidance of back injuries, the purchase of ergonomic equipment, regular rest periods, etc.<sup>44</sup> More generally, personal care structures are developing various systems in order to motivate workers.

#### **Arduous work in domestic employment – a collaborative project in France<sup>5</sup>**

Domestic assistance and care are among the forms of employment in the social economy that are most affected by arduous physical tasks (manual handling, heavy lifting, pressure on joints, repetitive posture, extended standing, crouching, slow and repetitive walking, twisting and bending, etc.). These difficult conditions cause a rise in absenteeism and occupational risks, as well as an increase in social costs and social security costs and a decrease in the quality of the services provided.

With this as their starting point, Chorum-CIDES, UNA and Mutualité française carried out, between 2007 and 2009, a project aiming to identify the main causes of difficulty in work in the field of domestic care and to highlight effective practices developed by workers and by domestic care organisations.

Two guides were produced within the scope of this project:

- “L'évaluation des risques professionnels dans l'aide et les soins à domicile” (The evaluation of occupational risks in domestic assistance and care): a methodology and guideline for the drawing up of a single and uniform occupational risk assessment document.
- “Pratiques de prévention dans l'aide et les soins à domicile” (Risk prevention measures in domestic assistance and care): a guide outlining elements of observed practices, and advice on the main risks in the sector, legal references and a practical tool in the form of a table summarising the risks and actions to take if necessary.

These guides are available to download (in French only) from the CIDES website:  
[http://cides.chorum.fr/cides/f\\_109cbd5c1200013a/Guides.html](http://cides.chorum.fr/cides/f_109cbd5c1200013a/Guides.html)

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<sup>44</sup> Examples taken from the brochure *Emplois et services de qualité: enjeux pour l'économie sociale*, ASBL SAW-B.

Personal care services are carried out in within the context of a social relationship where the service provider and user, or client, interact. Due to this relational proximity, personal care services require the development of strong skills and a relationship of trust, which are indispensable for the successful provision of service.

However, the sector suffers at times from a negative image, with work in the sector characterised by low pay, insufficient qualifications and the imposition of part time work or work in split shifts.<sup>45</sup> Measures to improve the working conditions and qualifications of workers clash with the aim to democratise these services.

It is therefore absolutely essential that personal care services are not transformed into a simple product.<sup>46</sup> Home care for the elderly is the archetype of such an approach, raising the question of the compatibility between the completely professional nature of the service and, as is often the case, the financial and social vulnerability of the person providing the service. Is it possible, then, to think about the professionalisation of workers without questioning the quality of service provided or of the working and employment conditions? Beyond these simple sectorial challenges, these questions require real choices by society. Today, issues such as training and salary levels form major challenges, to which solutions should be found at a European level.

### **The importance of white jobs in the European strategy “New skills for new jobs”<sup>47</sup>**

The European initiative “new skills for new jobs” represents a great opportunity for those involved in the sector, such as home care organisations for the elderly, organisations that are active in the fields of care and health, or social enterprises working towards the reinsertion of people excluded from the job market. There is another big challenge of particular concern to these structures: that of recognition, of professionalisation and of the quality of jobs created in order to meet these new social and human needs. In fact, care and daily social home care, nursing care and assistance to the elderly or people with disabilities require effective and high-quality personnel. Furthermore, social service and healthcare professionals will, in the future, need new, particularly technical and social, skills.

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45 These poor working conditions were taken up again by the European Council on 6 December 2010 in its conclusions on the impact of an ageing workforce and population on employment policies: “[...] the strong female presence, the employment segmentation and sometimes low pay in the care and personal services sector imply important challenges in terms inter alia of equal economic independence, reconciliation between work, family and private life, and equal access to social rights”.

46 Devetter, F.-X., Jany-Catrice, F. and Ribault, T., *Les services à la personne*, Collections Repères, La Découverte, 2009.

47 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, “New skills for new jobs. Anticipating and matching labour market and skills needs. [COM(2008) 868 final].

### **The “Competences+” Project**

Competences+ is a project financed by the European Union through the Leonardo da Vinci programme for education and life-long learning.

The general objective of the project is to identify and promote skills in home care services. The project was established on the observation that employment in home care services requires workers to have clearly identified technical skills but also relational and social skills. These last skills are acquired throughout life at various times and places: through work, family education, involvement in associations or in a sports team or cultural activity. Although such skills are rarely recognised, they are nevertheless useful for success in professional life and are sought by employers.

Based on the observation that work in this field is undervalued and not sufficiently professionalised, the Competences+ project sets out to identify and promote the experience and social and organisational skills that have been acquired in the daily, professional or private lives of workers, or of those who wish to work in the home care field. The Competences+ project is concerned particularly with work in the fields of home care services for the elderly, ill or disabled, in order to provide help and support for these people in their daily lives.

For more information please visit <http://www.competencesplus.eu/>

### **The problem of labour shortage**

As well as the issues surrounding qualification mentioned above, there is also another problem faced by the sector, that of labour shortages. This is an issue for many Member States, particularly in the areas of child care and care for the elderly, as explained in a study by the European Foundation for the Improvement of Living and Working Conditions (EUROFOUND). According to this study, despite great potential in terms of job creation, the demand for services remains higher than the supply, in terms both of available workers and funding reserved for these means. According to the European Centre for the Development of Vocational Training (Cedefop), although a predicted 20 million new jobs will be created in the health and social sectors, there would also be a shortage of 12 million workers.

How, then, should we deal with these issues of availability and quality of resources? Although there is no ready-made solution, the cooperation of service providers, public authorities, social partners and training establishments is essential in order to identify needs and organise training, while the use of immigrant labour is often proposed as a solution to the labour shortage.

A future labour shortage is the likely result of the increase in available jobs and the lack of qualified personnel to fill these jobs. This shortage will be greatly felt in the health and social sectors and therefore also in the field of home care. The expected shortage of personnel and insufficient levels of qualification are among the main concerns of those in charge of policies on long term care in OECD countries, who feel that the solution could lie in better working conditions and higher pay.

## B. Quality of employment

The PCS sector aims to improve the **quality of life** of users through enabling a work/life balance, increasing independence, by motivating employees, etc. More than simple services, PCS are based on individual relationships and yet one of the prerequisites of quality services is quality employment.

The personal care sector offers many opportunities for decent work and this can be seen in many areas: as mentioned at the beginning of this study, support of this sector has led to a great reduction in the use of undeclared workers, therefore allowing many workers to benefit from better working conditions and social benefits such as social welfare. The move of local services into the formal economic sphere has enabled the sector to meet the criteria on decent work as underlined by the ILO: *“Decent work sums up the aspirations of people in their working lives”*. In more concrete terms, the employee should benefit from the same rights and protection as all other employees: paid holidays, respect for health and safety regulations, decent retirement, paid sick leave, etc.

Personal care services are a source of employment that cannot be delocalised elsewhere, but these jobs are sometimes criticised due to the precarious nature of work in the sector. Quality services, however, require quality employment. The issue of professionalisation, qualification and training of the workforce is thereby a crucial one.

In an ILO report entitled “Decent work for domestic workers”<sup>48</sup>, the Organisation states that *“paid domestic work remains virtually invisible as a form of employment in many countries. Domestic work does not take place in a factory or an office, but in the house. The employees are not male breadwinners, but overwhelmingly women. They do not work alongside other co-workers, but in isolation behind closed doors. Their work is not aimed at producing added value, but at providing care to millions of households. Domestic work typically entails the otherwise unpaid labour traditionally performed in the household by women. This explains why domestic work is undervalued in monetary terms and is often informal and undocumented. It tends to be perceived as something other than regular employment, and as not fitting the general framework of existing labour laws despite the fact that its origins go back to the “master-servant” relationship. As a result, the domestic employment relationship is not specifically addressed in many legislative enactments, thus rendering domestic workers vulnerable to unequal, unfair and often abusive treatment”*.

Following this report, which was published in 2010, a set of international standards aiming to improve conditions for domestic workers was adopted on 16 June 2011.<sup>49</sup> The adoption of the “Convention Concerning Decent Work for Domestic Workers”<sup>50</sup> marks an historical milestone, as underlined by Juan Somavia, Director-General of the International Labour Office: *“We are*

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48 ILO, “Decent work for domestic workers” Report IV for the , 99<sup>th</sup> Session of the International Labour Conference, 2010

49 “100th ILO annual Conference decides to bring an estimated 53 to 100 million domestic workers worldwide under the realm of labour standards” [http://www.ilo.org/ilc/ILCSessions/100thSession/media-centre/press-releases/WCMS\\_157891/lang-en/index.htm](http://www.ilo.org/ilc/ILCSessions/100thSession/media-centre/press-releases/WCMS_157891/lang-en/index.htm)

50 Text of the Convention Concerning Decent Work for Domestic Workers: [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_157836.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_157836.pdf)

*moving the standards system of the ILO into the informal economy for the first time, and this is a breakthrough of great significance*". This convention, binding to ratifying members, also includes an accompanying Recommendation that provides detailed guidance on how to apply the Convention.

According to the newly adopted standards, domestic workers should be granted the same fundamental rights as every other worker: to have reasonable working hours, a weekly rest period of at least 24 consecutive hours, a limitation to payments in cash, clear information on the terms and conditions of employment, as well as the respect of the fundamental principles and rights at work, including freedom of association and the right to collective bargaining.

In fact, although the sector is growing rapidly, the forms of employment that concern us here still suffer from a separate status, raising various questions about dignity and the financial and social recognition for workers.

An essential point is that domestic work should be recognised as a real form of employment and not just as something to be taken for granted. This vision of domestic work is partly explained by the fact that the skills required are often gained through informal learning and by knowledge passed on by families (to avoid using the word mother). The European Economic and Social Committee calls for a definition and recognition of this informal knowledge and also stresses the importance of specifying tasks and skills: "*Better conditions for such work requires a detailed description of the tasks to be performed, the responsibilities that must be taken on and the requisite skills needed to perform these tasks correctly for any client or validation of prior experience*".<sup>51</sup>

In support of the ILO report and in line with the opinion of the EESC, the European Parliament adopted, by a strong majority (517 votes in favour, 64 against and 14 abstentions), a resolution submitted by the Commission for Employment and Social Affairs on the proposed ILO convention supplemented by a recommendation on domestic workers.<sup>52</sup>

This draft resolution supports the ILO convention on decent work for domestic workers and calls on EU Member States to ratify and promptly implement the convention and recommendation. The European Parliament considers that the adoption, ratification and implementation of this convention on decent work for domestic workers:

- can have an impact by reducing the numbers of working poor;
- would address the needs of one of the most vulnerable categories of worker;
- would not only improve the position of the large number of women on the labour market for domestic work by guaranteeing them decent working conditions, but would also enhance their degree of social inclusion.

Members call for the provision of broader access to readily available and affordable high-quality child care and elderly-care facilities, thus helping to ensure that workers are not

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51 Opinion of the European Economic and Social Committee on 'The professionalisation of domestic work' (additional opinion) 2011/C 21/07. Rapporteur: Ms OUIIN.

52 European Parliament resolution on the proposed ILO convention supplemented by a recommendation on domestic workers.

forced to undertake these duties on an informal basis, and they also stress the need to ensure that precarious domestic care jobs are transformed, wherever possible, into decent, well-paid sustainable jobs.

### **The contribution of service vouchers to employment quality**

By ensuring the implementation of international labour standards, service vouchers are in line with the Decent Work Agenda<sup>1</sup> to which Member States are required to conform. The vouchers fulfil various roles: creation of employment, combating the formal economy, generation of income for public finances and a guarantee that aid given is transparent, safe and used correctly.

In a time of economic crisis, service vouchers can help to ease the burden of the crisis and offer considerable support to the state by ensuring a broader distribution of benefits. Among the accepted social advantages is that service vouchers are considered the most just or fair method since, used daily, they affect a potentially vast number of beneficiaries (tens of millions in Europe).

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<sup>1</sup> <http://www.ilo.org/global/about-the-ilo/decent-work-agenda/lang-en/index.htm>

## C. Accessibility

Personal care services have a duty to respond to democratic and universal challenges. In a context of growing social inequality and poverty among the elderly, the issue of accessibility is an essential one, as much for users as for service providers, who are often associative organisations.

The challenge of professionalisation, discussed above, brings new difficulties. The current desire to professionalise the sector is incompatible with the purchasing power of users and with the level of public funding. Indeed, the cost of professionalisation entails an increase in the cost of the service. Thus, as stated by Jean-Pierre Yonnet, there is “*a permanent tension between the need for professionalisation and maintaining an affordable price*”.<sup>53</sup>

Although certain organisations benefit from a legal framework and relatively stable structural support, this is far from true for all. Many organisations have difficulty finding the necessary means to pursue the different tasks assigned to them or that they wish to pursue, such as the integration of vulnerable members of society, providing quality services accessible to as many as possible, training and supervision of workers, etc. These organisations meet needs that are otherwise unfulfilled because services are unaffordable and therefore are not profitable for traditional companies. The support of public authorities is therefore indispensable if they are to function correctly and is entirely justified given the collective benefits generated by these services (transportation of people with limited mobility, child care, collection of green waste, etc.). There must therefore be cooperation between representatives of various public authorities to improve existing measures and to develop new ones in order to effectively support local social services.

Faced with high unemployment in Europe, public authorities tend to consider local services, and the social economy more generally, simply as a potential for creating employment for the more vulnerable members of society.

The majority of funding allocated to these services is therefore linked to the reinsertion of those excluded from the traditional job market. This aim, though important, can be in contradiction with other aims in the field of local services. These services require a great deal of supervision and training of the worker and thus financial means that companies often do not have. Furthermore, some organisations involved in local social services find themselves forced, through lack of financial means, to let go of their workers after one or two years once they no longer receive employment benefit. These “stepping stone” jobs make it difficult to create the relationship of trust necessary for the provision of domestic services to beneficiaries.

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53 Speech by J.-P. Yonnet, Director of ORSEU: «Panorama des politiques publiques en Europe en faveur des services à la personne: synthèse et conséquences en lien avec la réforme des modèles d'Etat social», during the seminar «Les services à la personne en Europe. Politiques publiques et structuration territoriale: quelles réponses des organisations de l'économie sociale?» 23 November 2007, Marseille.

## D. Local and regional governance

Throughout this study, we have seen that personal care services, in all the countries looked at, fall under the scope of various different policy frameworks (social welfare, economic development, job creation, tax exemption, family support policy, etc.). As well as this multitude of policy frameworks, we must add the fact that public policies on personal care services are drawn up at various levels of power: national, regional or even local. We see therefore, a division of responsibility, which is closely linked to the notion of governance. Governance is defined as *“all interactions between various public and private entities in the creation and implementation of public policies in order to achieve common objectives of general interest”*.<sup>54</sup>

Among the shared trends seen in Europe, the growing diversity of individuals and organisations involved and the decentralisation of responsibilities raise the crucial issue of local and regional governance and of coordination in the field of personal care services.

It will also be necessary to tackle needs that are becoming increasingly complex, such as home care for dependants with serious illnesses. Irregular visits, with no coordination, from helpers and caregivers will no longer be enough. We need to look at a more comprehensive solution: the coordination of health and socio-medical fields, adaptation of housing, integration of ICT, use of preventive measures, etc. To achieve this, institutions and workers need to acquire new skills, particularly technical and organisational skills. These changes need action at various levels: the relevant public authorities (in France the state, local and regional authorities and regional councils), social partners, employment and training organisations and other kinds of local and regional organisations. The challenge today, therefore, is that of the establishment of stronger territorial governance, the conditions of which remain to be defined.

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54 Petrella, F. and Richez-Battesti, N., Diversité des formes de gouvernance territoriale des politiques sociales et place des organisations d'économie sociale et solidaire - regards croisés sur les services de «care» en Europe. LEST, Université de la Méditerranée.

### **Cohésia – Chèque Déjeuner Group**

Faced with growing institutional complexity in the field of social welfare, the Chèque Déjeuner Group developed a simple system aimed at simplifying the management of social benefits (personal autonomy benefits, disability compensation, etc.), throughout the whole process, from funder to beneficiary, via the service provider.

Entitled “Cohésia”, this tool brings technological solutions to different members of the field of social welfare in order to:

- standardise the flow of information,
- improve administrative and financial management,
- guarantee the effectiveness of services,
- ensure quality of services for beneficiaries and their families.

By bringing together various technological solutions, the system is directly involved in all stages of the care process: before (information on the care plan), during (recording time spent at the home of the beneficiary), and after (processing and transfer of data, invoicing) the provision of care.

Finally, this system guarantees the effectiveness of the care plan offered by home care services while at the same time simplifying the relationship between the various individuals and organisations involved, particularly between the funder and the home care service provider.

For more information (in French only) visit: [www.cohesia.fr](http://www.cohesia.fr)



## Conclusion

According to EU sources, personal care services today represent 3% of employment in Europe. Whether these services are aimed at children, households or the elderly, the challenge is the same: to meet the aspirations of families regarding access to services that allow a better balance of work and private life and thereby a better **quality of life**.

As previously discussed, the situation varies greatly from country to country. Whether in legislative framework or methods of funding, we notice a **wide diversity** in the field of personal care services in Europe. However, all countries face the same challenges of an ageing population, the greater participation of women and senior citizens in the workforce, unemployment, etc. All of these challenges require innovative solutions in order to adapt to the changes in society. In this regard, personal care services represent a great opportunity to prepare national strategies whose impact will determine the **future of the population in terms of health and social wellbeing**.

Similarly, **in terms of economic and social challenges**, the current social changes bring about increased needs in the field of care services, thus naturally generating new jobs. Proposing quality services is therefore a way to meet human needs but also to encourage economic development.

However, beyond the quantitative aspects linked to the supply of services, the development of personal care services must be seen from the point of view of different forms of **solidarity**: although family solidarity remains fundamental to the field of care, we have seen that countries at the leading edge of personal care services have, for the most part, developed a system based on principles of national solidarity. In this respect, the European Year 2012 dedicated to active ageing and solidarity between generations can offer new perspectives at the European level, allowing Member States to be inspired by the experiences of their neighbours with a view to developing a model that meets, as closely as possible, the needs of their own population.



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According to EU sources, personal care services today represent 3% of employment in Europe. Whether these services are aimed at children, households or the elderly, the challenge is the same: to meet people's aspirations for services that allow a better balance of work and private life, and thereby a better quality of life.

Nowadays, all countries face the same challenges of an ageing population, the greater participation of women and senior citizens in the workforce, unemployment, etc. All of these challenges require innovative solutions in order to adapt to the changes occurring in society. In this regard, personal care services represent a great opportunity to prepare the implementation of national strategies whose impact will determine the future of the population in terms of health and social wellbeing.

This study was conducted by the Chèque Déjeuner Group and the think tank Pour la Solidarité. On the one hand, it aims to develop an overview of the situation of personal care services in several European countries, and on the other hand, to analyse how political strategies in this field are gradually being set up at the EU level.

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