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Executive Summary

of the State of Play Report of the Ad-PHS Project

Introduction: Personal and Household Services across Europe

6.3 million individuals currently work in Personal and Household Services (PHS) across Europe, accounting for about 3.4 per cent of total EU employment. As an area of employment, PHS has the potential to grow significantly. Increasing the number of regular PHS employees will be necessary to meet the growing demands for PHS, many of which stem from the demographic changes taking place across Europe, as well as changing expectations towards care and support provision.

Also from a gender perspective, every form of public support for PHS is beneficial, as women represent the large majority of PHS providers, both as workers in the declared and undeclared economy and as family members fulfilling household and care tasks in the unpaid sphere.

Goals of the Ad-PHS Project

The Advancing Personal and Household Services (Ad-PHS) project aims to create a common discursive framework around PHS among different stakeholders in different Member States. This implied an awareness for the different definitions of PHS in different member states and a joint communication effort in order to find a definition that is feasible for all the actors implied, a shared classification of the different approaches used for the promotion of this field and a shared understanding of the guidelines for action, that would support its further development. Therefore, the goal of the present project was to understand how PHS currently function in different contexts, what are the challenges they face and to use this information to develop frameworks that support all EU Member States to develop their PHS policies.

More precisely, the goals are targeted by preparing background information, and the initiation of thematic workshops in each country, information is being collected and analysed, just as promising practices identified. Making suggestions for developing PHS in different settings is equally envisaged (guidelines for social dialogue structures, social voucher systems, professionalisation, rights and obligations of stakeholders, digital

The Advancing Personal and Household Services Project compiled the state of PHS across 21 EU Member States: Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Luxemburg, Malta, Netherlands, Poland, Romania, Slovakia, Slovenia, Spain and Sweden. It highlights the importance of PHS for the European Union and suggests approaches for analysing PHS at the national level.

platforms and networks, workers' cooperatives); just as to initiate a European-wide dialogue, particularly through a final conference.

Centrality and Importance of PHS

The European Commission defines PHS as “a broad range of activities that contribute to well-being at home of families and individuals: childcare (CC), long term care (LTC) for the elderly and for persons with disabilities, cleaning, remedial classes, home repairs, gardening, ICT support, etc.”¹

At present, Member States have varying degrees of professionalisation and formalisation with regards to PHS. The heavy reliance on migration chains, both between Member States and with third countries, and the resulting importance of financial remittances for certain Member States add to the importance of creating a common European framework for addressing PHS. Such a framework should be part of upcoming EU initiatives, such as the planned *Action Plan on the European Pillar of Social Rights* and any initiative linked to care services (*Green Paper on Ageing, Child Guarantee, Gender Equality Strategy and European Disability Strategy*).

Policymakers can best support the development of PHS in their countries if they clearly understand the specific challenges facing these sectors and the main direct and indirect earn back effects linked to the PHS activities as well as the approaches that have been put forward by other countries under similar circumstances. Therefore, understanding how policies have made an impact in countries with advanced PHS instruments, is of a central importance.

Care and Non-Care-Services

For the project's overall goals, to create an extensive overview over the current state of play of PHS across Europe, an accessible categorisation of tasks shall be provided. The two primary categories of activities in PHS are thus *care* and *non-care* or reproductive work. *Care* work is provided at home by an external caregiver and centres on the person. It supports the physical wellbeing of individuals as well as their access to human rights and participation in community life (here taking place in the home). *Non-care* activities are generally object-centric, supporting the maintenance or preparation of a space or object directly related to the home.

Parties involved in the Work Relationships

Defining and understanding PHS requires a clear sense of the relationships between the end-user (the individual or households outsourcing PHS activities); the *employee* (the worker paid to carry out PHS activities); the *employer* (a service provider or the end-user itself); and the *government* (as central instance that sets rules of the game (by providing funding, creating and implementing legal standards, developing instruments, regulating contracts and performing inspections)).

¹ European Commission (2012): SWD on exploiting the employment potential of the personal and household services, accompanying the document «Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Towards a job-rich economy», p. 4.

Differing Work arrangements

PHS work arrangements then take different forms. They are either performed within a *direct employment relationship* (France as one example where this model is most prevalent) and characterised by the fact that the end-user legally acts as the employer of the PHS worker. Sometimes, the end-user benefit from the support of an intermediary contracted to mediate the work relationship. Another way of organising PHS relationships is to make use of a *service provider*. Those arrangements now constitute the majority of PHS arrangements in the EU (Belgium has a strongly developed and publicly supported service provider system, in which employment standards are determined by collective agreement and organisations are responsible for administering wages and benefits; similar to e.g. Finland, France, Italy, Spain and more). One recent variant of the intermediary arrangement involves the development of online platforms e.g. in Austria, Germany, Denmark and Ireland. Yet, often these service offers are part of private for profit companies operating at the edge of legality and not always part of an officially implemented service landscape. The service provider arrangement can involve *self-employed individuals*, likely most often in non-care services (e.g. in Sweden). In the case of self-employed service providers, the “organisation” consists entirely of the PHS employee/enterprise owner, who can benefit from regulatory features of the national instruments (however challenges often associated with direct employment, such as transparency, precariousness, labour rights and social protection are still problematic).

Challenges to Formalising PHS

To date, in many countries PHS are politically unaddressed or only partially regulated, reflecting a still prevalent advance towards structural disregard of the importance of this sector. In contrast, the Ad-PHS project suggests to put more emphasis on its massive contribution to all social aspects of society, making PHS a paramount example for the idea of social investment. One of the greatest challenges hindering the development of PHS is its propensity toward undeclared work arrangements (favored e.g. by specific labour market structures, cost of formal employment, policy and migration regimes). In many cases, endusers and employees continue to choose undeclared relationships, even in the presence of instruments meant to incentivise declared work, due to the gaps and shortcomings in the existing regulatory framework.

Assessing the Instruments Supporting the Development of PHS

PHS suffer from a lack of *transparency* of services (the extent to which the purpose and features of an instrument are clear and understandable to all parties); *accessibility* of services (the ability of all end-users and employees to make use of an instrument); *functionality* of services (the extent to which an instrument works as intended); *sustainability* of services (the degree to which an instrument can continue to meet the country’s PHS needs for the foreseeable future). The existing policy approaches addressing these challenges fall into three categories: *financing*, *process management* and *quality management*. The project’s state of play report assesses various approaches to tackle these challenges.

Mechanisms within PHS Instruments

The challenges are to be met through diverse strategies or approaches that focus on how to improve *financing*, *process management* and *quality*. Often multiple mechanisms are at work simultaneously within one policy instrument. That is why instruments such as e.g. social vouchers look and act differently in different Member States.

Mechanisms that consider *financing* of PHS often aim to decrease the cost of services for the user while ensuring that the payment for the employee increases or remains competitive with undeclared market wages; whereas *process management* mechanisms try to help actors in PHS interact more easily with one another. For example, instruments can determine the ways in which end-users access PHS services. Moreover, *quality management* policies aim to motivate end-users and employees to actively choose regular, formal PHS work based on its superior quality as compared to undeclared work. Mechanisms such as training programmes or certification for employees and brands or labels for employers denote compliance with regulations, knowledge of the industry, skills and abilities of the employees and reliability.

Looking Ahead

The Ad-PHS project has engaged key stakeholders from 21 Member States through a series of workshops and seminars related to national PHS discourses. Yet, it has been challenging to collect comprehensive information on the situation of PHS in all Member States covered by the project. However, given the obvious need for PHS regularization and the high interest in implementing instruments for the development of this field, the successive expansion of knowledge needs to be continued. In particular, the networks are to be enlarged in Central and Eastern European countries where the field of Ad-PHS is under supported or not very well developed yet.

For more recommendations, see the Ad-PHS project's Memorandum »The development of Personal and Household Services – a need for today and a necessity for tomorrow« for the new European Commission and Parliament from May 2019.

The document is available [here](#).

We consider essential to underline that despite its major contribution to our society, PHS are still insufficiently recognised and supported by European institutions and national public authorities. This underrepresentation could affect both PHS workers and end-users.

However, we see certain compatibility on the level of EU policies and programmes and the most relevant ones are listed below.

Programmatic Compatibility

- Thus, the EU's commitment to the *UN Convention on the Rights of Persons with Disabilities and the Disability Strategy 2010-2020* have supported the allocation of budgets and implementation of access to in-kind provision of care services and/or cash allowances to persons with disabilities in all the countries covered by the project. Therefore, a stronger involvement at EU-level could have a similar impact in the case of PHS development, too.
- The *European Pillar of Social Rights* adopted by European leaders, has a strong focus on equal opportunities and jobs for all as well as on supporting professional mobility and economic reconversion. Therefore, its forthcoming Action Plan should include measures aiming at improving access and affordability of PHS as well as working conditions in the sector.
- The Commission's recent Gender Equality Strategy 2020-2025 sets out key actions for the next five years combined with the goal to strengthening the integration of a gender perspective in all EU policies and major initiatives.



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- As cooperatives have already been singled out as important players in the PHS field in some European countries, such as Italy, the development of PHS would also contribute to the implementation of the goals of the *Action Plan for the Social Economy*.
- Given that domestic workers are often transnationally mobile, European-level actors, such as the newly created *European Labour Authority*, are called upon to ensure fair working conditions for them. European-level actors can further set impulses for creating a European-wide qualification framework for domestic workers, which would enable them to transfer their skills from one context to another. Also, the European Platform tackling undeclared work is meant to be integrated within the ELA in 2021.
- In a similar vein, the development of PHS should also be part of the EU's *Long Term Vision for Rural Areas*, both in order to prevent the exclusion of the rural population from domestic support services and in order to create diversified employment opportunities for rural residents.



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