



European Foundation
for the Improvement
of Living and Working
Conditions

The tripartite EU Agency providing knowledge
to assist in the development of better social,
employment and work-related policies

Panel ‘Tackling undeclared work in domestic work: challenges and successful practices’

Conference ‘10th anniversary of the ILO Convention 189 on Decent Work for domestic workers’
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Long-term care context

- Growing sector (by 1/3 in one decade)*
 - Ageing societies
 - Many gaps to fill, in particular in 14 Member States with the lowest GDP**
- Emphasis on facilitating longer lives at home
 - European Pillar of Social Rights & its 2021 Action plan
 - Deinstitutionalisation
 - COVID-19: likely accelerated due to reduced trust in residential care***

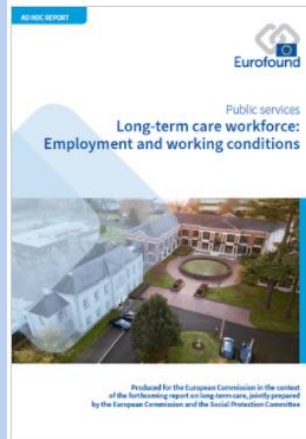
Long-term care workforce: Employment and working conditions

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Key findings

- Around 6.3 million people work in the long-term care sector in the EU – up by one third in just one decade – while 44 million people provide frequent informal long-term care to relatives or friends. ➦
- The proportion of workers aged 50 years or older is higher than in other sectors, and is increasing at a faster pace: from 28% in 2009 to 38% in 2019. ➦
- Working conditions in the sector are characterised by physical challenges such as lifting people and working with potentially infectious materials – the risks being high in the sector as the workforce is older. ➦
- Exposure to adverse social behaviour at work means there is a high risk of developing mental health problems, thereby accentuating gender differences as the workforce is predominantly female. ➦
- Better staffing levels and more training, with public funding leveraged to set standards for care work, can all contribute to improving working conditions, addressing staff shortages, and ensuring access to high quality long-term care. ➦

* Eurofound (2020), Long-term care workforce: Employment and working conditions

** Eurofound (2020), Challenges and prospects in the EU: Quality of life and public services

*** Eurofound (forthcoming), The pandemic's impacts on older people's lives, and support, <https://www.eurofound.europa.eu/publications/report/2022/impact-of-covid-19-on-the-living-conditions-of-older-people-and-their-care-needs>

Domestic care (with household as employer)

- emerged from the research as a sub-sector where
 - working conditions issues & risks for quality care
 - particularly risky: live-in care, which is most common in 7 Member States: Austria, Cyprus, Germany, Greece, Italy, Malta & Spain
 - less stable employment conditions are concentrated (self-employment, platform work, zero-hour contracts) (rare in LTC overall)
 - data are particularly patchy (e.g. excluded from most countries' Structure of Earnings Surveys – while pay tends to even lower than in LTC overall*)
 - **undeclared work is concentrated (rare in other LTC sub-sectors)**

Undeclared domestic care

- Most common in countries where:
 - sizable groups of people earn enough to pay for it
 - LTC entitlements are limited, or consist of cash payments with little control over their usage
- Estimates, e.g.:
 - DE: 300,000-350,000 undeclared live-in carers (Horn and Schweppe, 2019).
 - ES: 32% of employment in personal household services was undeclared (about 185,000 workers), after a drop from 2011 to 2012, in the aftermath of the global financial crisis (Mercader Uguina et al, 2020).
 - IT: large share of 600,000 domestic care workers
- Reasons
 - employers and workers: avoid paying taxes and social contributions (so e.g. no sick leave – risk)
 - older workers prevent reduction of pensions
 - save administrative hassle/unawareness
 - inflexibility of home care providers in the format of care provided (Kuznecovienė and Naujanienė, 2015).
 - lack of professionalisation of care in countries with a tradition of intrafamilial care is translated into similar arrangements when care is provided by an external actor: undeclared work for people without formal LTC skills (for example, Greece, Italy, Spain)

Sanctions and controls

- Fines, but in practice rare
- Problem: inspectorates unlikely to have a role
 - illegal without a judicial search warrant (e.g. Germany, Lithuania),
 - excluded from control by the labour inspectorate (e.g. Bulgaria, Portugal)
 - in any case:
 - difficult: enter a private household to conduct an inspection & prove that carers are paid
 - labour intensive: identify households, with usually 1 worker
- DK:
 - 2019: cash buyers of services are co-responsible even for declaring smaller payments
 - requiring organisations and individual households employing carers to establish appropriate records of employment before any work starts.

Particular potential: making declared work attractive for all

- Hard to tackle if (e.g. LT & SI: low take up voucher/certificate system):
 1. risk of fine perceived low,
 2. worry costs may increase over time,
 3. and... undocumented migrants:
 - CY & MT: straightforward option of non-EU migrants obtaining residence permits for care work
 - IT: entitlement to 2020 COVID-19 government support includes migrant workers providing personal care and assistance. 1 June - 15 August: 176,848 workers applied, 85% by domestic workers.*
- Subsidised care, conditional on transparent provision & use (e.g. Luxembourg, the Netherlands).
 - BE: voucher system: worker insured & reduced cost tax benefit (some IADL care included)
 - CY: recipients of care benefits from 'guaranteed minimum income scheme' must have a care service agreement with the provider, (employed through an organisation or self-employed)
 - DK: 1993 'home service scheme' key in tackling undeclared domestic work: 50% subsidy, if provider is registered
- Possible dilemmas:
 - good salaries/conditions vs attractiveness to declare
 - AT: easy and affordable way to declare undeclared domestic care (2007)
 - IT: collective agreement at high standards, but not so attractive (2007)
 - registered care providers vs. ensuring choice for the care user (to best fit needs/preferences)

* Eurofound (forthcoming), The pandemic's impacts on older people's lives, and support, <https://www.eurofound.europa.eu/publications/report/2022/impact-of-covid-19-on-the-living-conditions-of-older-people-and-their-care-needs>

Concluding remarks

- Domestic care work: risk of particularly bad working conditions, and challenges for quality of care.
- The ILO's Domestic Workers Convention contains many elements to change the situation, if signed, and adopted.
- Many elements of the Convention conditional on care being declared: crucial and we know how (several Member States have done so).
- Undeclared work is most common in countries with above average incomes. However, more and more people in lowest income countries can afford it, so important to not wait another decade to take action.

Thank you

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