



EMPLOYMENT IN HOUSEHOLD SERVICES

The promotion of employment in household services in the European Union is one measure to increase activity rates. While the current EU employment strategy focuses on the need to achieve and sustain higher rates of economic and employment growth, the policy approach also emphasises the importance of creating good quality jobs. A recent Foundation research project has been examining job creation in household services, looking in particular at the experiences of paid workers in this sector. Household services cover five fields: child care, eldercare, domestic cleaning, home maintenance and catering. The research addresses concerns about the quality of this employment and the working conditions, as well as highlighting the implications for equal opportunities and social inclusion.

Key findings

- There has been an increase in the number of services and jobs in the household services sector, but this is not a uniform development as regards the types of services, nor does it apply equally to all countries.
- Child care and food services are the two sub-sectors in which employment growth is most evident. In several countries there is also a less marked, but significant, increase in eldercare and domestic cleaning.
- Many household services jobs are still developing as undeclared work.
- Despite the recent increase in the provision of household services, there is still a large unmet need for these services, which will continue to grow as a result of social and demographic trends.
- The cost of services is an obstacle to transforming latent demand into real demand.
- There are cultural barriers to the development of this sector: the notion that domestic and caregiving work can be contracted out is not yet universally accepted.
- The involvement of the private for-profit sector in the provision of household services (apart from the catering sector) is still limited.
- Part-time working is very common in household services: given the low hourly wages, workers tend to view this form of work as a limitation rather than a choice.
- There is some potential for career development in coordination and management roles: the experience of social enterprises seems particularly promising in this respect.
- Working in household services does not present more obstacles to reconciling work and family life than any other employment sector.
- Promoting men's entry into the household services sector does not receive adequate attention in equal opportunity policies.



Introduction

The research defines household services as those services provided by public or private organisations or the third sector which substitute unwaged work traditionally carried out in the home with paid work. The transformation of this work into paid jobs in household services is witnessed to some extent in all industrialised countries.

This phenomenon arises from socio-cultural and economic changes which are proving a challenge to welfare systems, such as:

- the entry into the paid workforce of large numbers of women;
- the ageing of the population;
- changes in family and household types;
- more individualised lifestyles and patterns of consumption;
- higher expectations about quality of life;
- the development of new forms of collective action aimed at alleviating social problems within localities (the third sector, social economy, etc.).

European policy makers are increasingly interested in the development of household services on account of its job creation potential. However, there is also a concern that unless appropriate action is taken through policy and workplace measures, the majority of jobs created will be low-skilled, poorly-paid and low-status. In addition, given that workers in household services are predominantly women, it is legitimate to ask to what extent these services are a factor in balancing the division of household and caregiving responsibilities between the sexes.

The Foundation's research study on 'Employment, family and community activities' has been looking at job creation in household services and the

experiences of paid workers in this sector. Concerns about the quality of this type of employment and the working conditions, as well as implications for equal opportunities and social inclusion, are issues which have been addressed in the research.

The report of the study, *Employment In Household Services*, is based on the results of research carried out in eight Member States (Austria, Finland, France, Germany, Italy, the Netherlands, Portugal, and UK) and covering five fields: child care, elder care, domestic cleaning, home maintenance and catering. This leaflet offers an overview of the report which documents the nature and extent of the work, the quality of jobs and the job satisfaction of those working in the area. The report demonstrates the rapid growth of employment in household services and points to the many contributing factors, notably needs arising from different aspects of demographic and labour market developments, together with social and cultural changes. Women have traditionally dominated this area of work. The resulting high gender segregation creates its own problems in terms of pay and professional status and the reconciliation of family and working life.

Job creation in household services

Expansion of services and employment in the household services sector is prevalent, but it is not a uniform development as regards the types of services, nor does it apply equally to all countries. Almost everywhere, child care and food services are the two sub-sectors in which employment growth is most evident. In several countries there is also a less marked, but significant, increase in eldercare and domestic cleaning. Changes in the provision of household and domestic maintenance services is difficult to assess and probably varies from country to country.

Table Examples of typical jobs in household services

Child care	Eldercare	Domestic Cleaning
Child care centre manager/entrepreneur	Home care agency manager/entrepreneur	Laundry and ironing business entrepreneur
Nanny	Daycare centre for the elderly educational staff	Cleaning worker/domestic help
Childminder	Nurse	Carpet cleaner
Out-of-school club worker	Meals on wheels driver	Window cleaner
Child care centre auxiliary staff	Home care assistant/home help	Laundry worker
Playgroup worker	Meals on wheels cooking and packing staff	Domestic worker

Source: National reports



Many household services jobs continue to develop as undeclared work. The strong competition offered by the informal sector constitutes a stubborn barrier, and measures taken to remedy the situation have been more successful in some countries than in others.

Despite recent progress, there is still a large unmet need for household services, which will continue to grow as a result of social and demographic trends. The extent of this need in the different sub-sectors varies from country to country, depending on the previous level of service provision. It cannot be taken for granted that these needs will be met by the emergence of new services and the creation of new jobs. There are many economic, socio-cultural, policy-regulatory and organisational obstacles to their development and so far these have been only partially overcome.

Measures and means to promote job growth

Some of the measures which have been introduced and which influence the development of household services are:

- Employment promotion targeted at groups with low levels of employability;
- Expansion of eldercare and child care services;
- Provision of community-based rather than residential care;
- Tax credit schemes for families;
- Home care allowances for parents of children under school age and/or relatives of dependent people;
- Supporting the establishment of organisations which provide household services (start-up grants);
- Special measures to boost the creation of enterprises by women;
- Tax credit schemes for employers who provide child care services.

However, many of these measures have been implemented only recently and it will be years before their effects can be definitively assessed. The cost of services constitutes an obstacle to transforming latent demand into real demand, and there are also cultural barriers: the notion that domestic and caregiving work can be contracted out is not yet universally accepted.

Third sector involvement

There is a substantial overlap between job creation in household services and the growing role of the third sector. Changes in the third sector include the development of new providers with innovative organisational and legal forms (such as social cooperatives) and an increasing acceptance of the operating methods used in the private for-profit sector. Some evidence indicates that the third sector is capable of combining job creation with development of the volunteer sector, although there are signs of decline in the latter in some services

currently undergoing professionalisation (especially in child care and eldercare).

Private for-profit sector

The involvement of the private for-profit sector in the provision of household services (apart from the catering sector) is still limited. Services are for the most part provided by small and medium-sized enterprises. The study did uncover a few instances of large companies (including multinationals) operating in this market, notably in the domestic cleaning sector. Incentives such as subsidised jobs and fiscal measures (e.g. lower VAT) seem to have a positive effect. Some private companies are also beginning to purchase or develop household services for their own employees. This phenomenon draws on new financial resources that can be mobilised to bridge the gap between the high cost of services and the households' limited ability to pay, a difficulty which can only partly be addressed through public funding.

The study has shown that forming local partnerships between public, private and third sector actors is a successful way of creating jobs in the sector. Such partnerships can make effective use of existing resources and skills, as well as making it easier to link supply and demand.

Quality of employment

Working conditions in household services were analysed in the research, which was conducted on the basis of statistical information and literature as well as through interviews with a sample number of workers in the cleaning, child care and eldercare sectors. The study uncovered several problems in the quality of jobs in these areas where working conditions vary, some jobs and work settings offering better working conditions than others.

Job satisfaction

The research found that work in household services (especially in child care and eldercare) is satisfying and rewarding for the more motivated workers. The most valued aspects are the opportunity to develop meaningful relationships with people, to help those in need and to use one's creativity. Those who work in household services, however, are also exposed to the risk of physical and mental stress. Self-employed workers have greater difficulty handling such stress because they are more isolated; however, even those individuals who work in specialist facilities often receive inadequate support. The study nevertheless identified several examples of good practices that, with little effort, can provide workers with a support network.

Pay

Low wages are a problem in household services jobs, especially in view of the level of skills and responsibility often required. Low pay creates the necessity to work long hours and is associated with

the over-representation of certain groups: women, workers with less pressing economic needs, and workers willing to accept precarious jobs (e.g., students and immigrants). This is partly the cause, and partly the consequence, of the relatively low status of the social professions. The study also found disparities and inequalities in the levels of pay for the same jobs, as well as in the ways of calculating the work done. Efforts to develop standardised systems are currently underway in some countries.

Social protection

The research revealed a division between some relatively well protected workers (mostly those working in the government and third sectors, especially in child care and, to a lesser extent, in eldercare) and workers with little protection (mainly self-employed workers across the whole household services sector). Some countries are experimenting with measures that fall halfway between self-employment and employment, for example through service agencies. This can ensure a minimum of social benefits and a steady income. The latter, however, still depends largely on the sensitivity and commitment of employers.

Working hours

Working hours in household services vary according to the organisation of the services (e.g. opening hours), the type of task performed, and also the subjective choices of workers – who in turn are constrained by their need to earn and the time available to do paid work. Part-time working is very common in household services; with few exceptions, given the low hourly wages, workers see part-time work as a limitation rather than a choice. Indeed, in some countries, the workers who are able to choose the hours they work tend to take on several jobs, often at the expense of the quality of their family and social life.

Career progression

Career prospects in household services tend to be poor, mainly because there are no formal routes offering career progression in this sector, because skills gained through experience or training tend to receive little recognition and on account of the fact that self-employed workers tend to have numerous employers (sometimes simultaneously). Moreover, few opportunities exist for career progression from a less qualified to a more qualified job, or by moving from one sub-sector to another. The study found that there is nevertheless some potential for career development if the worker takes on coordination and management responsibilities, and here the experience of social enterprises seems particularly promising.

In regard to continuous training, it is the public structures and larger third sector organisations which offer more opportunities in this area than private for-profit and smaller third sector organisations.

Reconciling work and family life

Working in household services does not present more obstacles to reconciling work and family life than any other employment sector. It is often possible to choose one's working hours and, at times, how many hours to work, although this choice is often influenced by the low rates of pay and by the time available for paid work. Workers who are forced to work long or atypical hours fill niches left uncovered by the market; and these are the workers most likely to experience a conflict between work and family commitments. On a positive note, some employers and workers within the household services sector are fortunate to encounter an organisational culture which encourages consideration and respect for workers' needs. The study documents instances of enterprises that are flexible in their response to the family needs of workers, and on occasion actively supportive, often through informal arrangements (for example, by allowing workers to avail of the child care and eldercare services offered by the enterprise).

Implications for equal opportunities

Analysis of the composition of the household services workforce and of the policies implemented in various countries leads to some conclusions about the implications for equal opportunities brought about by the development of these services.

Household work, an aspect of family life which women have traditionally had to manage on their own, is becoming the focus of public and private investment. Indeed, there is a consensus that the 'male breadwinner model' is no longer sustainable. That much investment in household services occurs in the context of employment and social policies, rather than equal opportunity policies, is positive insofar as it shows that these services are viewed as a necessity and an opportunity to promote not just gender equality but also wider economic and social development for all. There are nevertheless some issues to be addressed.

First, cultural barriers to the use of household services have to be tackled. The belief that families – which normally means women – should handle their own domestic and caregiving duties is still prevalent. Alongside the many other economic and organisational problems, this represents a barrier to the transformation of unmet needs into real demand and hence into functioning services.

A second problem has to do with the fact that services are not always planned on the basis of an understanding of the needs of working women. A welcome development here would be the introduction of new, innovative services which are tailored and flexible and which supplement more traditional services.



A third difficulty lies in the highly segregated and female-dominated nature of the job market in household services. There is a vicious circle here based on the following factors: valuing traditional female attitudes in caregiving work more than skills obtained through training; according low status to household services occupations; and a tendency for men to avoid work in this sphere.

Promoting men's entry into the household services sector does not receive adequate attention in equal opportunities policies. The low status of the family care and domestic work sectors is part of a deeply entrenched social situation that is slow to change.

It is important to stress in the context of equal opportunities that the promotion of entrepreneurship in household services can be a tool for the empowerment of women.

The current widespread employment of immigrant workers in the household services sector is also problematic from the point of view of equal opportunities. In some countries, many of the less skilled jobs in household services are performed by non-EU immigrants. These workers find it particularly difficult to obtain more qualified jobs, because of language difficulties, restrictions on residency and work permits, and the lack of recognition of their educational degrees. The prospect of an enlarged European Union makes it crucial that this problem is tackled, especially since many immigrant workers come from Eastern European countries. It should be noted that the research identified some promising pilot projects in which qualified immigrant workers had established household services.

Policy dilemmas

The following dilemmas for European policy makers were highlighted in the research:

- the choice between professionalisation and large-scale job creation;
- quality of services versus social integration of unqualified workers;
- specialised or integrated services;
- promotion of female employment/desegregation;
- third sector/private enterprise;
- supporting demand/promoting supply;
- tensions between national policies and local initiatives;
- a top-down or bottom-up approach to improving conditions on the job and services;
- part time/full time working;
- prior training/on-the-job training;
- individual/collective employment;
- positive action to draw in men/indirect action.

Recommendations

In relation to the issues set out above, it is possible to identify three central policy objectives relating to household services. These are:

- ❑ to create good quality jobs in household services (in the context of employment creation policies);
- ❑ to improve working conditions in household services (in the context of policies modernising social protection);
- ❑ to promote equal opportunity of access to qualified occupations in household services (in the context of mainstreaming equal opportunities in all policies).

A broad strategic approach to achieving these objectives will need to be adopted, centered on the following: improving knowledge and information; raising awareness; developing accreditation and qualifications; fostering innovation; protecting rights; establishing partnerships; and securing common financial incentives. These elements of strategy can be considered in relation to the three main policy objectives.

Knowledge and information

Employment

- Promote an improved and standardised classification of household services jobs at the European level, to facilitate more accurate monitoring of employment trends.
- Research the willingness of families and households to pay for household services, and identify the socio-economic and organisational obstacles to the use of household services.
- Conduct studies on the willingness of employers to fund and provide household services for their own employees.

Social protection

- Gather more information on undeclared work in household services, on the different sub-phenomena that compose it, and on the reasons for the success or failure of policies to reduce it.
- Support scientific and technological research aimed at improving working conditions in the domestic and caregiving sectors (e.g. by using information technologies in eldercare, stress management and support networks for workers).

Equal opportunities

- Conduct studies on cultural barriers limiting women's and families' use of household services.
- Assess the influence of care allowances on the willingness to make use of household services.
- Support research on the attitudes of boys and girls concerning domestic and caregiving work, both as unpaid work and as a profession.

Raising Awareness

Employment

- Mobilise private enterprises to supply household services, by providing information on the market potential for services.
- Raise the awareness of enterprises about the importance of household services in terms of increasing workforce productivity.
- Conduct information campaigns about existing services targeted at potential consumers.

Social protection

- Inform smaller provider organisations of low-cost measures they can adopt to foster the reconciliation of work and family life and better working conditions for employees.

Equal opportunities

- Include household services as a high-profile occupation in the course of career guidance activities.
- Raise the awareness of educational agencies concerning the sharing of household and care responsibilities, both paid and unpaid, between men and women.

Qualifications and Accreditation

Employment

- Support training in transferable skills in business start-ups, management, fund-raising and human resources management in household services.

Social protection

- Create an inventory of household services professions at the European and/or national level.
- Harmonise educational and vocational training curricula and qualification standards.
- Establish and formalise possible career paths in the household services sector.
- Develop accreditation frameworks which recognise experience acquired on the job or through continuing education.

Equal opportunities

- Challenge the view that only those with appropriate family experience can perform caregiving work.
- Promote the recognition of the professional qualifications of non-EU workers.

Innovation

Employment

- The market potential for integrated and innovative household services (in terms of flexibility, hours, etc.) should be tested.
- Efforts currently being made to bring supply and demand for household services into line – and any good practice outcomes from them – need to be widely disseminated.

Social protection

- Good practice examples of household service providers who offer workers job and income security, support and supervision, and the reconciliation of their work and family and social life should be identified and disseminated.
- Child care and eldercare services which are geographically accessible, affordable and suited to the working hours of household services workers need to be made more widely available.

Equal opportunities

- Experiments should be undertaken to encourage greater male participation in the household services workforce.
- Efforts need to be made to encourage and enable women to establish household services enterprises.

Protecting Rights

Employment

- Eliminate access barriers to the household services market for potential entrepreneurs.
- Ensure a level playing field for all types of providers in accessing the public and private market for household services.

Social protection

- Establish uniform wage scales that ensure same pay for same work.
- Simplify procedures to fulfil social security obligations *vis-à-vis* household workers.
- Compare and disseminate experiences acquired with collective agreements for work in the household services sector at the European level.
- Establish, through dialogue among the social partners, a set of basic workers' rights in household services as regards paid holidays, sick and maternity leave, parental leave, etc., ensuring that they meet the need for flexibility in the services.
- Promote measures aimed at the regularisation of undeclared work in a way that does not punish or penalise the workers.

Equal opportunities

- Promote agreed implementation of quality standards in household services by involving all the stakeholders.
- Discourage discrimination against men who would like to work in the household services sector.
- Discourage discrimination against immigrant workers and ethnic minority workers in accessing higher quality jobs in the household services sector.

Establishing partnerships

Employment

- Support the creation of partnerships between public, private and third sector entities (such as



platforms and service pools) as a way of promoting the development of household services at national, regional and local levels, and in the context of territorial employment pacts.

Social protection

- Promote round tables between employers and workers (and even informal groups of workers, in less unionised fields) in order to improve working conditions in the household services jobs where working conditions are poorest.

Equal opportunities

- Provide opportunities for consultation on the development of household services, bringing together both equal opportunities bodies and those responsible for social, employment and vocational training policies.
- Promote the involvement of immigrants' representative associations in the establishment of policies concerning the development of household services at European, national, regional and local levels.
- Ensure balanced participation of both genders in the bodies charged with promoting development

of household services at European, national, regional and local levels.

Common financial incentives

Employment

- Encourage the adoption, by all the Member States, of tax breaks on expenditures for household services.
- Encourage the inclusion, by all Member States, of the household services sector among those who benefit from lower VAT.

In conclusion

Many people who did not previously have an opportunity for paid work are now finding jobs in household services. For the potential of this employment to be realised, the important contribution being made to families and the community needs to be acknowledged. The Foundation's research offers a sound basis for policy initiatives in this sector, particularly to improve working conditions, work organisation and training, in order to provide for good quality services.

Household services research group

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1. Employment in household services (report)

Available in EN. To be published also in DE, FR, IT
Cat. No. TJ-37-01-429-EN-C
EUR 22

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EF/99/43
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EF/01/02/EN



OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES

L-2985 Luxembourg

ISBN 92-897-0075-0



9 789289 700757