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Employment in the Care Sector in Europe

Introduction

We live in an age of increasing needs for health and social services in Europe. Dramatic demographic changes, i.e. high life expectancy coupled with declining fertility rates as well as changes in employment and family patterns result in greater demands for formal care services to satisfy needs previously met by families, all of which puts huge pressure on these basic services. The situation is further exacerbated by the current financial, economic and social crisis which has contributed to adding new or increased needs on support services, needs that must apparently be met with fewer resources, since many European Governments have cut funding to the social sector as part of their financial reform packages.

At the same time, health and social services across the EU must deal with increasing burdens: there are serious staff shortages in many countries, and oftentimes personnel don't have sufficient or adequate skills due to a lack of (quality) training opportunities, both prior to entering the profession or as continuous career development. Links between educational institutions and employment should be enhanced, so as to prepare entrants to the labour market for existing careers options and to properly respond to labour market needs.

Mobility and migration can be seen both as a cause of and a solution to staff shortages. Mobility (i.e. within the EU) can prove beneficial for those countries that welcome professionals from other Member States but at the same time it can create staff shortages in the countries of origin, in addition to deteriorating social and family structures. The same challenges can be detected on a global scale, since the EU welcomes many health and social care professionals from outside its boundaries. This can cause great tensions in developing countries that already struggle to provide health and social care services to their communities, and so it becomes both important and urgent to address this situation in order to avoid unnecessary brain drain in countries of origin, while respecting the right of individuals to migrate and seek better working or life opportunities.

This situation also raises concerns in the context of the quality of the health and social care that citizens receive but also about the workforce employed in these services. Working conditions in the sector are more often than not characterised by low salaries, low social recognition, high rates of turnover, part time or short term contracts. This situation is not conducive to a steady supply of well trained and qualified social workers, or to high levels of job satisfaction and quality of life – both of care givers and of care receivers.

Yet, social and health services are of great economic relevance: they employ about 11% of the total European workforce and have the potential to create further jobs. However, the demand for social services currently exceeds the availability of resources needed for their supply - investment is therefore essential to ensure the needed levels and quality of service!

This paper will attempt to provide an accurate picture of employment in the care sector in Europe, describing the current situation and its implications on the possibility of providing high quality services for all EU citizens who need them. Furthermore, it will put forward suggestions for policies or solutions that can address the highlighted issues.

1. Current employment levels and growth potential:

Employment levels in the EU rose consistently since the beginning of the "Lisbon Strategy"[1] agreed in the Portuguese Capital in 2000: overall employment rates reached 65.9% in 2008, a 4% increase on pre-Lisbon figures; employment levels of female and older workers also significantly improved in the same time span, reaching 59.1% and 45.6% respectively.

Employment trends in the social and health care sectors. Similar trends can be observed looking more specifically at the broad care sector, which was the biggest source of job creation in Europe in recent years, with health and social care services being a "particularly dynamic sub-sector"[2] which contributed to the creation of 3.3 million new jobs between 2000 and 2007, i.e. one sixth of the jobs created in the services sector as a whole.[3] The trend started even earlier, however: data shows us that about 20% of the jobs created in the EU between 1995 and 2001 were in health and social care. In a nutshell, during the last 15 years, health and social care services have been one of the biggest contributors to the creation of jobs across the 27 EU Member States.

The job creation in this sector has been particularly relevant for women and older workers. Though this is obviously good news for the employment rate of these specific segments of the working population in Europe, it must be mentioned that this increases the "gender gap" in the sector making the labour market segregation even more important.[4] In any case, considering the demographic trends in the EU, where life expectancy is on the increase in all Member States, it is essential to improve labour market participation of underrepresented groups in order to ensure the financial sustainability of social insurance schemes. This is all the more urgent for the social sector in the context of changing family life patterns and of increasing numbers of women joining the labour market, meaning that informal care work traditionally performed within the family will result in growing demands on the formal care sector.

The flip side of this positive, job creation trend is that employment created so far has not always been of high quality: "this progress [in job creation] often coexisted with significant numbers of workers in precarious jobs and persistent levels of in-work poverty".[5] Moreover, there are strong weaknesses in terms of both labour supply and demand: demand for social services across the EU is higher than the resources available to provide them, especially in terms of labour supply and financial resources.[6] This situation can only worsen considering the current demographic trends described earlier, unless action is taken to make the most of the growth potential of the sector to create new jobs. It is estimated that, at current rates and needs, 2 to 3% extra jobs could be created in the "old" Member States", and 5 to 7% in the new ones.

2. Working patterns and features of employment in health and social care sector:[7]

In all Member States of the EU, total weekly working hours in the social and health care sector is lower than that in other sectors of the economy. This fact, however, doesn't give the whole picture: the very

[1] The Lisbon Strategy was agreed upon at the 2000 Lisbon European Council. Its aim was that of making the European Union (EU) the most competitive economy in the world and achieving full employment by 2010.
[2] European Commission, Biennial report on social services of general interest, Brussels, European Communities 2008, p. 15.
[3] Ibid, p.18.
[4] Ibid, pp. 15-17.
[5] Communication from the Commission, Key messages from the Employment in Europe 2009 Report, COM (2009) 639 final, 23 November 2009.
[6] European Foundation for the Improvement of Living and Working Conditions, Employment in social care in Europe, Summary, 2006 p. 4.
[7] Biennial Report, op. cit. p. 19 and following.

nature of health and social services means that they are strongly characterised by atypical working patterns: incidence of shift work and night hours, for example, are higher than in any other sector of employment. The sector also boasts higher rates of temporary work contracts and of part time jobs though there are big differences on this across Member States.

Big differences with other economic sectors are also noticeable in terms of salary levels: employees of health and social services earn considerably less than those of other economic sectors. This is perhaps not too surprising in the context of the 'gender pay gap': predominantly female employment sectors usually boast lower pay levels. What is perhaps more surprising is to note the salary trends in the care sector in comparison to those of other non market areas of employment (such as public administrations): while the care sector always had significantly lower salaries, in recent years this gap has broadened, too.

Besides gender, another element that could potentially explain the lower average salaries is migration: many migrants are employed in this field, to a greater proportion that in other sectors, which could also contribute to explain the lower pay levels. Financial constraints might also be an additional explanation. All this is worrisome: as stated in the First Biennial report on social services of general interest (2008), "The possible consequence of these developments is that it will in future become more difficult to attract qualified employees, which could lead to staff shortages or reduce the quality of services, a frequently mentioned concern among policy analysts and stakeholders."[8]

Mobility and migration are also factors affecting workforce in the health and social care sector in the EU. Free mobility of workers, right of establishment and free provision of services are fundamental freedoms sanctioned by Community legislation. If, on the one hand, free movement of workers guarantees that professionals can move to where they are most needed, it is also true, on the other hand, that workers might move for a variety of reasons, such as better pay or working conditions, improved career options, and so on. This can also negatively affect labour supply in poorer Member States especially, with further negative consequences such as, for example, the willingness of public authorities to invest in education and training programmes given the likely poor retention and return on investment.[9] It is a common perception, in old EU Member States, that the problem of staff shortages in social care can be solved by welcoming workers from newer Member States; yet, this is more a displacement of the problem than a real solution, as new Member states don't have an infinite pool of care workers, either, and some of them are already experiencing serious staff shortages as well. Recent data shows, for example, that the Czech Republic has 'lost' great numbers of care workers to nearby Germany, and is now conducting recruitment campaigns in Slovakia and the Ukraine to satisfy current staff needs.[10]

3. If work doesn't pay adequately: the working poor

It might be counterintuitive to think that being into employment doesn't shield people from the risks of poverty; however, this is exactly the situation that 8% of European workers find themselves in. Two reasons can explain this phenomenon: either their income is not sufficient to support even a one person household, or those resources have to support an entire family. Research shows that the incidence of working poor is higher in some Member States (8% being simply an EU average), but also, and most importantly, that some social groups are at higher risk than others, for example single

[8] Biennial Report, op. cit., p. 22.
[9] Cf. on this issue European Commission, Green Paper on the European Workforce for Health, COM (2008) 725 final, pp.9 and following.
[10] See Cedefop Report, page 5

parents or larger households. For the purposes of this paper, it is most interesting to analyse which types of professions or working patterns are most conducive to in work poverty: part-time work leads to a doubled risk of poverty, while workers on temporary contracts are 3 times more likely than workers on permanent contracts to fall into poverty.[11] A study conducted by Eiro online shows that women workers are much more likely than men to be working poor.[12] This finding is confirmed by Eurostat's research on low earners, showing that 77% of all low paid workers are women.

Low wages is one of the factors most contributing to in work poverty, together with part-time work. But in work-poverty is also linked to specific sectors of employment: low-wage employers can often be found in private service industries, with a "predominantly female workforce", local governments, works of public utility, such as child care, elderly care, care of the disabled, and so on. Furthermore, it has been observed that low pay tends to particularly affect women, young people or working pensioners, unskilled workers, people on fixed-term contracts and single people (single, widowed or divorced).[13]

All this data clearly indicates that health and social services employees are greatly exposed to poverty, a factor that can only negatively affect prospects to hire and retain well qualified and high performing people into the sector.

4. Training needs

A number of studies conducted on this topic point to the fact that additional and better training is needed for personnel working in health and social care services. Research conducted by Cedefop, for example, as well as the recently published Green Paper on the European Workforce for Health underline the need for more and better qualifications for the care profession as well as better planning to ensure an adequate match between available jobs and the skills required to perform them.

Whereas the health care sector is characterised by an above average availability of highly skilled staff (BR Report), the opposite is true for social services: front line staff, in particular, often lack basic training and qualifications prior to entering the sector, and adequate on the job training after beginning their career.

Vocational training and qualifications could facilitate better career opportunities for staff and strongly contribute to the offer of higher quality services. Improving professional level and training would also play a positive role in terms of increasing the attractiveness of the care sector as a career option, improve the quality of the services offered as well as working conditions.

Two additional factors call for a greater and improved offer of training: firstly, technological advancements are changing the way in which health care and social services are provided and require new and specific skills. Unless training is provided, new barriers will be created that will make it more difficult for staff to perform their jobs. Secondly, the so-called paradigm shift from a medical approach to a rights based approach in the provision of services also requires a fundamental change in attitude and job performance for frontline staff, best supported by training. This need is also recognised in article 4 of the UN Convention on the Rights of Persons with Disabilities which states that State Parties undertake "to promote the training of professionals and staff working with persons with

[11] See, inter alia, European Foundation for the Improvement of Living and Working Conditions, Foundation Focus: How are you? Quality of Life in Europe, Issue 8, June2010, p. 14.
[12] Low wage workers and the working poor, Eiro online, p. 7
[13] Eurofound, Eiro online (European industrial relations observatory online), Low-wage Workers and the "Working Poor", 2002, p. 9

disabilities in the rights recognized in the present Convention so as to better provide the assistance and services guaranteed by those rights."[14]

A final consideration is the necessity to offer language courses to those social workers that come for another country, to ensure that that care workers can communicate effectively with the people they support, thus improving the quality of the service they provide as well as the life of both care giver and service users.

Conclusions and recommendations:

Common strategies decided at European level are welcome since, even though responsibility to organise and deliver health and social care services rests primarily at national level, the EU has a very important role to play in terms of coordinating policy action, promoting cooperation among Member States and facilitating the exchange of good practice.

Any policy mix addressing the issues of shortages of qualified staff in care services in Europe and of improving working conditions should have different components, each of which addressing one of the aspects outlined earlier. The following recommendations outline opportunities for consideration to address the concerns highlighted in the paper.

1 - **Expanding the range of recruitment**, to attract new groups of people to the sector, such as male workers, young people and recent graduates, as well as targeting people with poor job prospects, e.g. unemployed or people with low skills. A key component of the strategy, if it is to succeed in these efforts, will be to these efforts will be that of working to **raise the profile of careers and the professional status of the social care sector in Europe.**

What the ESF can do:

ESF resources can be used to promote a campaign with the dual aim of increasing the societal recognition of careers in the care sector and of recruiting young people, by providing them with information on various career options. Information can be made available via the media, open-days events in social services, information sessions held by professionals in schools.

2 - **Improving the working conditions of staff employed in the social care sector in Europe**: offering better working conditions and salaries will greatly help towards improving the image of the social care sector as a viable career option. A number of other factors must be addresses by employers via integrated service planning: physical and emotional stress; irregular working hours; heavy reliance on part-time and short term contracts. A lot of these measures are directly dependent on the funding available to organise and provide services, as about 80% of the costs of running a social service are staff costs. Governments and authorities at all levels must ensure that sufficient funds are earmarked for these basic services, and provide a legal framework that allows them to continue their operations in the long term. European legislation affecting the internal market and the provision of services must be adapted or clarified so as to make these changes possible. For example, public procurement legislation has jeopardised service provision on several occasions. Where contract

[14] United Nations Convention on the Rights of Persons with disabilities, article 4 paragraph i.

awards decisions are made on the basis of low prices, without due regard for quality and continuity of service provisions, service delivery and working conditions are negatively affected.[15]

What the ESF can do:

ESF resources can be used to support national, regional and local authorities in setting up sustainable funding schemes for social services. Similarly, ESF resources can be devoted to the development of quality frameworks to be agreed upon at the appropriate levels so as to ensure that quality standards in the provision of services are respected.

ESF resources should further support the set up of adequate social dialogue structures, with the participation of employers and employees of the non profit social sector to make the most of its problem-solving potential, as well as the development and provision of human resources programmes aimed specifically at supporting staff employed in social services.

3 – The lack of **clearly defined career paths** can be addressed through the creation and offer of **vocational training and qualifications**, as a solution to promote entry-level career opportunities in the social care sector, as well as facilitate participation in higher education courses.[16] This should be coupled with the availability of lifelong learning opportunities for staff throughout their career span, to ensure that they can respond to changing needs and advances in service provision (for example, technological developments). An agreement at European level, e.g. through the European Qualification Framework, could also have a positive impact in terms of recognition of the professional profiles and qualification across all of the EU's Member States.

What the ESF can do:

ESF resources can support the creation of vocational training courses and qualifications for careers in social services. The European Qualification Framework could also play a key role in ensuring that there is a common reference and teaching standards across the various EU Member States.

4 – **Working on mobility strategies to offset geographical imbalances**: Member States and the EU should better coordinate action to ensure that regions and countries can meet their own needs in terms of requirements for care staff, or that mobility across the EU doesn't cause serious imbalances in those countries that care workers migrate from. Ethical recruitment practices must be applied at a global level to avoid unnecessary brain drain from developing countries, thus effectively jeopardising their chances of development and better public health.

What the ESF can do:

ESF resources can provide support for the set up of ethical recruitment practices, to ensure that mobility and migration do not jeopardise the health and social care infrastructure of any country.

5 - **Better synergies between educational and employment policies and mid to long term strategies** should be sought, so that schools, universities and training centres can prepare students for professions that are in demand, and for sectors that are projected to experience growth in coming years.

[15] For more detailed information on this topic, see Informal Network of Social Service Providers, Report on the seminar "The impact of EU legislation on social services, Brussels, 29th September 2009, pages 4-12.. Members of this network are: Caritas Europa, CEDAG, EPR, EASPD, Eurodiaconia, Feantsa, Solidar, Workability Europe.

[16] On this topic, see Conclusions from the Workshop on 'Future skill needs in the health care sector', Cedefop, 22-23 May 2008, Thessaloniki, Greece.

What the ESF can do:

ESF resources can support the creation of specific programmes addressing transition periods. This would ensure better coordination between educational and employment policies to ensure that students are prepared for those professions that will be available once they are ready to enter the job market. Similar types of programmes should also be set up for vulnerable groups; i.e. persons with disabilities, who might have greater difficulties in tackling transitional periods without adequate support.

6 – **Addressing the issue of in work poverty that affects care workers across the EU**. It would be wrong to assume that raising salary levels is all that needs to be done to eradicate in work-poverty: though guaranteeing adequate minimum incomes is necessary, that would not be enough. 'Underemployment' (short part time work or brief employment periods) is a key contributor to in work poverty. Social transfers can therefore become a very important tool to alleviate in work poverty, but the nature of these transfers strongly affects outcomes. OECD research points to in-work benefits, that is, "transfer payments to top up net earnings" as the solution that yields the best results in alleviating in work poverty, naturally coupled with an adequate amount of working hours. The added value of in-work benefits is that they are an incentive for people to remain in employment.[17]

What the ESF can do:

ESF resources could be devoted to increase coordination with research institutes (such as Eurostat and OECD) who gather and analyse data on topics such as in work poverty and the policy tools that are most useful in tackling it.

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October 2010

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