

Brussels, 13 July

## CEEP RESPONSE TO EUROPEAN COMMISSION'S STAFF WORKING DOCUMENT ON EXPLOITING THE EMPLOYMENT POTENTIAL OF THE PERSONAL AND HOUSEHOLD SERVICES

### Executive summary

- CEEP welcomes the staff working document and the discussion on how to make better use of the employment potential of personal and household services by the European Commission.
- CEEP being THE representative of employers as well as providers of essential services of general interest (SGI) and social services of general interest (SSGI), our members, including social economy employers, have an important role to play in turning the employment opportunities within these services into a reality.
- In CEEP's view, the European level and the European Commission can above all play a role as facilitator for awareness raising and experience sharing.
- CEEP is critical that the Commission, in its document, includes a broad range of very different activities falling under the definition of personal and household services (PHS) without any further distinction. CEEP would like to stress that the characteristics of these different services differ a lot from one to other.
- SSGI are not to be regulated at EU-level.
- The national context, circumstances, conditions, regulations and ways that these different services are delivered also vary a lot between the Members States. Any further regulation or standards or attempts to find "one-size-fits-all solutions" at EU level would therefore not be helpful. It would be too complicated, without clear added value, and would not follow the principle of subsidiarity.

### Introduction

On 18 April 2012 the European Commission published its "employment package" focusing on a job-rich recovery from the ongoing crisis. In the main Communication the European Commission points out the necessity to exploit the job creation potential of key sectors such as health and social care and sectors linked to the greening of the economy. The Commission highlights what CEEP has stated several times in the past, that challenges derived from demographic change and climate change must be turned into opportunities. Linked to the main Communication, the European Commission also published nine accompanying staff working documents, whereas several documents focus on exploiting the job potential in these key sectors.

One of these accompanying documents, an open consultation for relevant stakeholders, focuses on exploiting the employment potential of personal and household services. CEEP being THE representative of employers as well as providers of essential services of general

interest (SGI) and social services of general interest (SSGI), our members, including social economy employers, have an important role to play in turning the opportunities into a reality. We therefore consider it important to respond to the European Commission on the broad questions raised in the staff working document.

## **General remarks**

CEEP welcomes the staff working document and the discussion on how to make better use of the employment potential of personal and household services. It is important that all relevant stakeholders are given the opportunity to express their opinions on possible measures to solve the problems of promoting new jobs in personal services and household services before any final decisions are taken by the European Commission.

Moreover, in order to reach the employment rate of 75% by 2020 it is important to try to make full use of the employment potential in key sectors such as health care and social services. We have already witnessed a big contribution to employment growth within these particular services over the last years and due to an ageing population there will be an even higher increase in the demand for these services.

For CEEP members, as important social services' providers, it is essential to have personal and households services that are well-functioning, balanced and of good quality for both the citizens of Europe that request these services and also for the persons who work with them. In other words, CEEP members want to provide social services of good quality, to be good employers and to contribute to creating new jobs.

CEEP is critical that the Commission in its document includes a broad range of very different activities falling under the definition of personal and household services (PHS) without any further distinction. There would for example need to be a distinction made between "household" services where the householder voluntarily purchases services or employs workers of their own volition and services that are provided or commissioned by a social services type agency. Even this is not easy to do. As an example, in the UK, individuals who need support to remain in the community may be allocated a "personal budget" for the purchase of necessary services. This could include employing persons. For the provision of personal services there are already regulations in place in many Member States, which also include quality standards.

CEEP would like to stress that the characteristics of these different services differ a lot from one to another. The national context, circumstances, conditions, regulations and ways that these different services are delivered also vary a lot between Members States. The situation for these different kinds of services is therefore highly complex. Any further regulation or standards or attempts to find "one-size-fits-all solutions" at EU level would therefore not be helpful. It would be too complicated, without clear added value and not follow the principle of subsidiarity. These questions should therefore continue to be regulated at national level.

CEEP shares the concerns expressed by the European Commission regarding undeclared work in practice within these services, although the situation varies widely from one

Member State to another. The Commission gives several examples of how this could be reversed and CEEP agrees that there would be a lot to gain from increasing the number of jobs within the formal economy.

### **Specific remarks on the way forward**

In the final chapter of the staff working document, “the way forward”, the European Commission invites stakeholders to comment and to express their views on four different bullet points. Below is CEEP’s response to these bullet points:

- *Ways to improve measurement and monitoring of the employment levels in PHS, taking into account the impact of the on-going crisis, loss of purchasing power, labour market exclusion issues and the potentially positive effect on the creation or growth of SMEs:*

CEEP is of the opinion that it is important, through awareness raising and attempts to collect data, to improve measurement and monitoring of the employment levels in these services although it is difficult to make adequate comparisons since the services and the national systems in this regard vary so much. In order to improve this we want to emphasise tools such as sharing experiences between Member States. The European Commission could act as a facilitator in this respect.

- *The utility of developing sharing of experiences, especially concerning the tools used or planned to support the PHS with a specific attention to the cost effectiveness and to the reduction of undeclared work:*

CEEP agrees on the added value of sharing experiences and best practices amongst Member States and key stakeholders such as social partners in each Member State, and taking into account each country's own existing conditions. The European Commission could play an important role in promoting such activities. The proper form and forum for doing this would of course need to be discussed but in general we would welcome further debate about the issues mentioned above.

- *Ways of ensuring quality services and jobs (skill needs, working conditions), including possibly through development quality standards:*

CEEP remains sceptical concerning what the Commission writes about the different ways to guarantee services and good quality work (skill requirements, working conditions) through the development of quality standards. Since the national labour markets, including the social security systems, are very different from one Member State to another, this could have negative consequences in both collective agreements and national legislation and could be very difficult to achieve. The complexity of the issue has been highlighted, amongst others, by the Social Protection Committee in its Voluntary European Quality Framework for Social Services approved in October 2010.

See also CEEP’s response under “general remarks”, paragraph 4.

- *Other ways to ensure greater professionalisation of PHS jobs:*

As stated above, decreasing the number of undeclared work within these services and increasing the jobs within the formal economy would normally have a positive effect in ensuring greater professionalisation of jobs. However, in order to do this we think it is important that different actors are involved, such as social partners and public authorities. Also, the Commission highlights in its document several concrete examples of how Member States, with public support, can create incitement to use services from the formal economy. We see an added value in sharing such practices amongst Member States at European level. The conditions in each Member State are different, and the way to a higher degree of professionalism will therefore also differ between countries.

See also CEEP's response under "general remarks", paragraph 4.