

THEMATIC BRIEF

Unlocking the potential of social dialogue for long-term care



GLOBAL DEAL

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Introduction

Ensuring that there are enough people providing care for individuals with a degree of long-term dependency, including older people, usually named long-term care (LTC), is a crucial policy priority for all OECD countries and, increasingly, for the world at large. Rapid population ageing, and a concomitant increase of age-related morbidity and health care costs foreshadow a further significant grow in the demand for LTC services in the coming decades.

The Covid-19 pandemic has highlighted that while LTC workers provide indispensable care services, many are doing so under poor working conditions or when paid, for a meagre compensation. While most people would prefer to be cared for at home, without effective public solutions to improve affordability and accessibility in home and community systems, people with LTC needs will have to turn to expensive alternatives, such as privately-provided home care, but also nursing homes and hospitals. This translates into a high risk that the needs of those who cannot afford the services will go unmet or will have recourse to undeclared work because they cannot afford otherwise. Although in principle government intervention can be scaled up to fill gaps, it is unlikely that enough resources will be available, given budget constraints.

This thematic brief reviews the challenges that stand in the way of recognising the rights of long-term care workers, and the supportive role that social dialogue can play in improving their pay and working conditions. The brief starts with an overview of current and foreseen LTC needs from an international perspective, identifying the main providers of care assistance and services. It then moves on to discuss how social dialogue, can help to strike an appropriate work-life balance for employees who are also family carers for their relatives. Thirdly, the brief explores the role of social dialogue to ensure adequate social protection, promote the legal recognition of LTC workers, to support their transition to formality, and aid in the improvement of wages and conditions. The insights and lessons emerging from this analysis focussing on OECD countries are relevant for a broader range of countries or organisations that aim at adapting to population ageing.



Defining long-term care services and their providers

Long-term care (LTC) encompasses a range of medical, personal care and assistance services provided to alleviate pain and reduce or manage the deterioration in the health status of individuals with a degree of long-term dependency. Assistance to these people can take the form of direct personal care, through help for activities of daily living (ADL, such as eating, washing, and dressing, for example) and to live independently, through help for instrumental activities of daily living (IADL, cooking and shopping, for example).

Long-term care can be delivered by family carers or by care workers, either formally or informally employed. The attention of the thematic brief focusses on two distinct but equally important groups of carers providing LTC at home:

- The first group is conventionally labelled under the term of “family carers”. As outlined in Box 0.1, this expression describes a broad set of individuals, which, in addition to the

immediate members of the family, can extend to relatives, friends and even neighbours and are non-professionals who did not receive qualifying training to provide care. One salient characteristic shared by all these individuals lies in the fact that the time they devote to providing LTC services is largely, when not entirely, unpaid. For this reason, they are generally also referred to “informal carers”, although this connotation differs from that typically used to identify informal work relations.

- The second group encompasses those professional LTC workers that, unlike “family carers”, provide their services to a private household against a remuneration. Formal long-term care workers are paid staff on regular contracts – typically nurses and personal carers – who provide care and/or assistance to people for ADL and IADL activities. However, besides formal LTC workers, many workers providing care are hired informally, and often without a written contract (ILO, 2021).

Box 1. Definitions

This box aims to clarify the key technical terms used throughout the thematic brief. Please note that they are not mutually exclusive:

- Family carer: a relative, friend, acquaintance or neighbour who provides medical, personal care and assistance services to an individual with a degree of long-term dependency. Family carers are usually unpaid and have no formal training to provide those services.

- Long-term care (LTC) worker: a person that provides medical, personal care and assistance services to people with a degree of long-term dependency. They include qualified nurses and personal care workers providing assistance with ADL and other personal support. Tasks usually include activities of daily living (ADLs), like eating, washing and dressing, but also instrumental activities of daily living (IADLs), such as cooking, shopping and managing finances. The workers are nurses and personal carers (OECD, 2020).

A share of LTC workers may be employed informally and thus lack effective labour and social protection. They provide medical, personal care and assistance services to an individual with a degree of long-term dependency. LTC workers (formal or informal) may be residing in the household of the employer (live-in LTC worker) or may be living in his or her own residence and attending work in a home or a care institution.

- Domestic worker: according to the ILO, a domestic worker performs work in or for private households, such as direct and indirect care services. Tasks may include cleaning the house, cooking, washing and ironing clothes, taking care of children, or elderly or sick members of a family, gardening, guarding the house, driving for the family, and even taking care of household pets.

Characteristics of long-term care workers and family carers

The need for long-term care workers is set to increase, driven by population ageing. In OECD countries, for example, the share of older people in total population is estimated to increase from 17% in 2019 to 27% in 2050 (OECD, 2021). An estimate from microdata surveys reveal that nearly 20% of older people already had LTC needs in the 24 OECD countries with available data over the 2015-2018 period (Killmeier, 2023): this translates into between 19 and 32 million people with LTC needs¹. Based on observed trends, this share is unlikely to increase in the coming decades (Fors, et al., 2022).

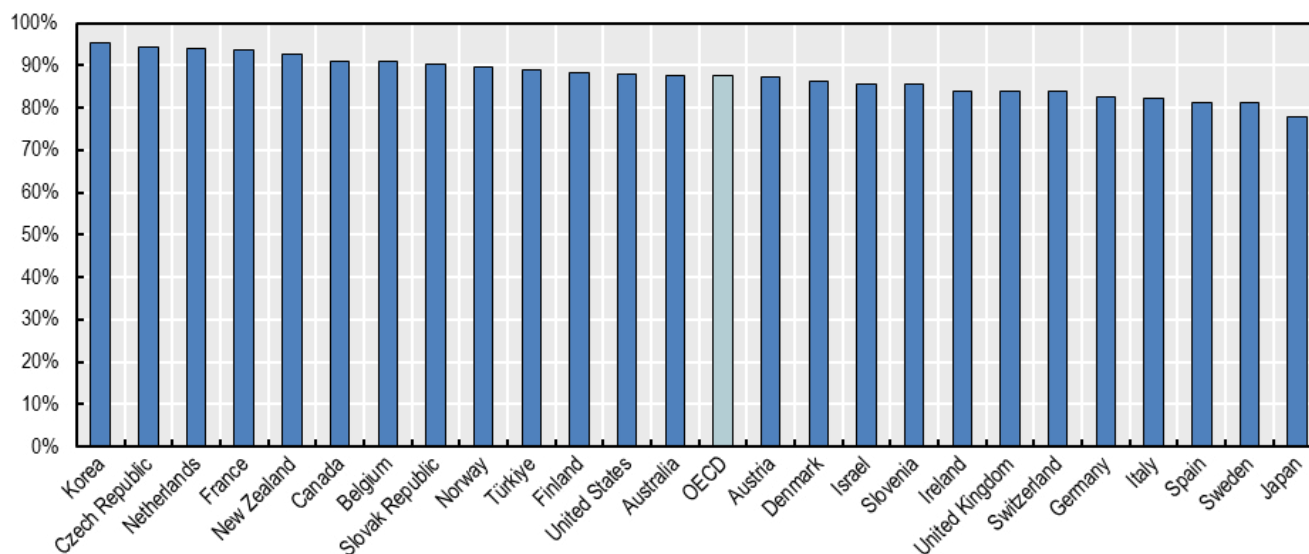
Over the past decade, an increasing number of OECD countries have experienced a shortfall of LTC workers (OECD, 2020). In 2021, on average across 32 countries,

there were five LTC workers per 100 older people (aged 65 and over), the same incidence as in 2011, despite the increase in demand. This aggregate figure masks important cross-country variations: in over 40% of OECD countries, population ageing has been outpacing the growth of the LTC supply between 2011 and 2021. Indeed, the LTC workforce has stagnated or declined, even in countries where the supply of LTC services is higher than the OECD average (OECD, 2023).

The gender dimension attached to the provision of LTC services is unequivocal. Across OECD countries women represent the vast majority of formal carers (Figure 0.1): they account for over 90% of all LTC workers (OECD, 2021). Women in LTC still earn less than men doing the same job and having otherwise similar characteristics. This strong dependence on women in caring roles stands in the way of policies aiming to increase the participation of women in the labour force.

Figure 1. Almost 90% of LTC workers are women across OECD countries

% of women among LTC workers



Note: Data refer to 2021 or nearest year.

Source: (OECD, 2023), based on OECD Health Statistics Database 2022 complemented with the EU-LFS and other national sources.

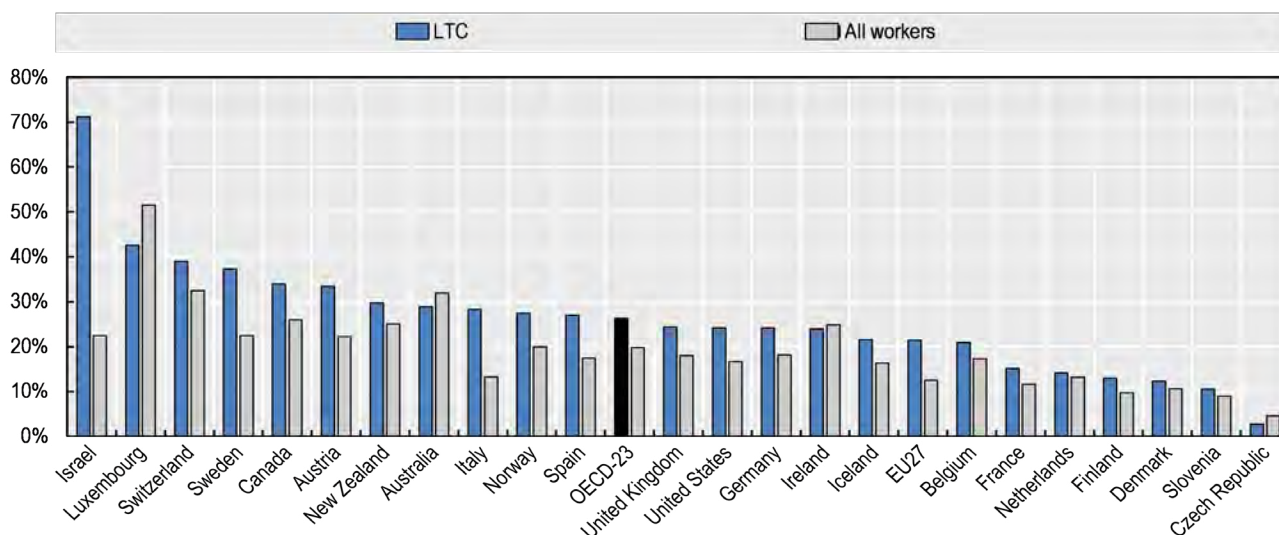
1 - OECD analysis based on responses to the SHARE survey (Wave 7, 2017), TILDA survey for Ireland (Wave 3, 2015), HRS survey for the United States (Wave 13, 2016), and the KLoSA survey for Korea (Wave 7, 2018). This wide range is explained by the lack of a cross-country agreed indicator of people in need and the need to rely on stylised cases, so-called typical cases. The typical cases are based on number of hours of need for help with ADLs, IADLs, and social activities, and span different levels of care severity (low, moderate and severe) and their prevalence was estimated using survey data using weighted scores.

Another important trait of the LTC sector is the overrepresentation of foreign-born workers. The available figures for a sample of 23 OECD countries show that on average foreign-born workers account for 22% of overall employment in the sector, compared to 16% across all economic sectors (Figure 0.2) (OECD, 2023). Foreign workers can help offset existing shortages of LTC carers but very few countries have public programmes in place to recruit LTC workers abroad (e.g. Australia, Germany, Israel, Japan).

Some countries list LTC workers among the professions eligible for work-related visas (e.g. Croatia) (OECD, 2020). At the European Union (EU) level, the 2022 European Care Strategy aims to explore channels to ease training and recognition of LTC workers in non-EU countries to facilitate the recruitment of non-EU citizens (European Commission, 2022) while ensuring that international mobility is managed ethically and does not generate shortages in the country of origin (World Health Organization, 2010).

Figure 2. Over 20% of formal LTC workers are foreign-born across 23 OECD countries

% of foreign-born workers in the LTC sector and across all sectors of the economy



Note: Data are based on ISCO 3-digit and NACE 2-digit codes. 2021 data or latest year available. Data is 2020 for Türkiye, 2019 for the United Kingdom, 2016 for Australia, Canada, Israel, New Zealand and the United States. Data for the Czech Republic and Slovenia should be treated with caution because of small sample sizes. Source: Beyond Applause (OECD, 2023).

The statistics on foreign born LTC workers generally omit informal workers. Although foreign born LTC workers often work informally, the incidence of informality is significantly larger in some countries (e.g. Spain and Italy) than in others (e.g., Germany and Poland) (Sowa-Kofta, et al., 2019). Informal LTC work appears to occur particularly in countries where formal LTC wages are relatively high, where LTC is largely home-based and where LTC entitlements consist of cash payments with little control on how they are used (Facchini, 2020; European Union, 2018).

Low pay and more generally poor working conditions limit the attractiveness of LTC work, contributing to high turnover and poor retention in the sector. About three-quarters of LTC workers are exposed to risks to their physical health, compared to 59% of all employees. About two-thirds are

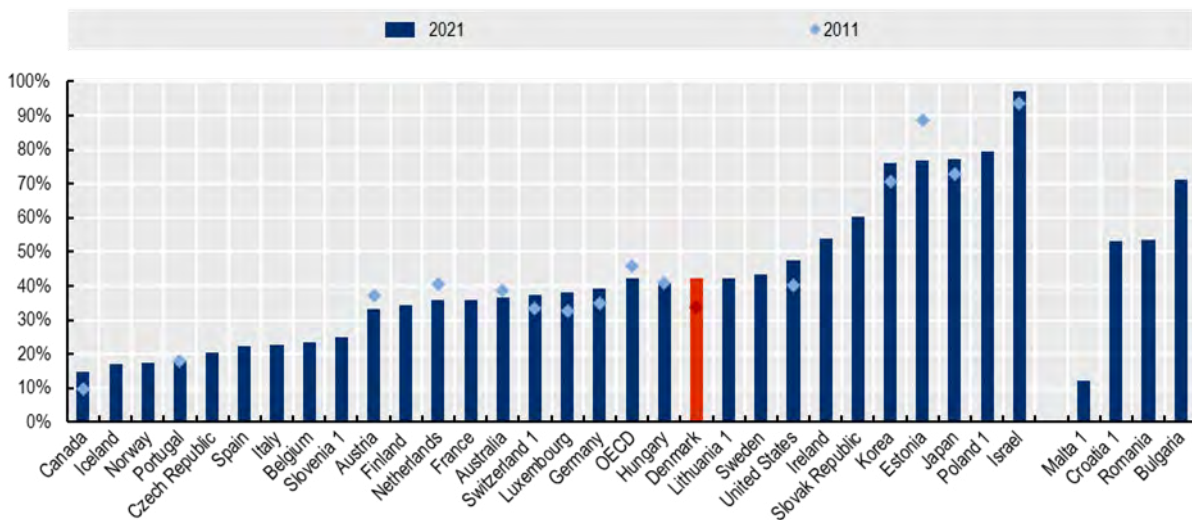
exposed to mental health risks, compared to 43% of all employees. As a result, LTC workers are more often absent from work than other employees due to work-related health issues. LTC workers earn around 70% of the economy-wide average hourly wage (Talent.com, 2023; Sowa-Kofta, et al., 2019).

In OECD countries on average, about 40% of total LTC workers worked in a private home in 2021 (Figure 0.3). This is probably an under-estimate as it hides the fact that family carers provide the bulk of long-term care. In 2016, 70% of all home care recipients in the EU countries received only family care, 11% received a combination of both formal and family care, and 19% were solely supported through formal care, according to the European Quality of Life Survey (European Commission, 2021). Measured as a percentage share of the

total population family carers in Europe and North America account for approximately 13% among those aged 50+, based on data for 2019 (OECD, 2021), possibly a low

bound. In Canada (Statistics Canada, 2020) and Australia (Deloitte, 2020), the share of family carers was about 26% and 14% of people aged 25-64 in 2018.

Figure 3. More than 40% of LTC workers work at home, 2011 and 2021 (or closest year)



Note: OECD is the unweighted average of the OECD countries shown in the chart. EU-Labour Force Survey data are based on ISCO 3 digit and NACE 2 digits. 1 Sample sizes are small, caution is needed when comparing the data.

Source: OECD Health Statistics 2023; EU-Labour Force Survey.

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A body of evidence shows that the decision by a family member who is in employment to assist another family member in need of intense caregiving has potentially detrimental effects on the employment status of the carer. For full-time workers, the probability of losing one’s job increases sharply starting from about 20 hours of care per week (European Commission, 2021; Colombo, Llena-Nozal, Mercier, & Tjadens, 2011). Not only are these negative effects on employment status associated with the

number of hours of care, but they also correlate with the care frequency. A study on family carers aged 50-70 years old in 15 European countries found that daily caregiving decreases the probability of being employed by 6.5-percentage-points and reduces hours of paid work by almost 28%. (Ciccarelli & Van Soest, 2018). Recent work by the OECD shows that caregiving is one of the main causes of early retirement among 50–64-year-old workers (OECD, 2023).



The contribution of social dialogue

The multiple facets of LTC and LTC providers suggest that the payoffs of measures negotiated by governments and workers' and employers' organisations to address challenges are potentially high. Building on the fundamental rights to freedom of association and collective bargaining, social dialogue can play a critical role in promoting the collective interest of LTC workers, improving their pay and working conditions, promoting the legal recognition of their status and a transition to the formal economy. Full respect of the dignity and labour rights of LTC carers, will be essential to prevent the emergence of shortages in the sector triggered by population ageing.

Critically, the form of social dialogue will have to be aligned to the status of individual providers. Many family carers, for example, are active labour market participants and have a regular employment. At a stage of their life these workers often face the choice as to whether they should reduce their working time to provide care to a dependent family member. Several factors will weight on this decision, including the strength of the family bonds, itself the result of social norms and cultural traditions, but also economic necessity, when they cannot afford to hire a professional carer or appeal to a dedicated institution outside the household. For these carers, effective social dialogue, particularly collective bargaining, can help find appropriate solutions that foster work-life balance and ensure access to social protection rights while they temporarily provide care support to family members.

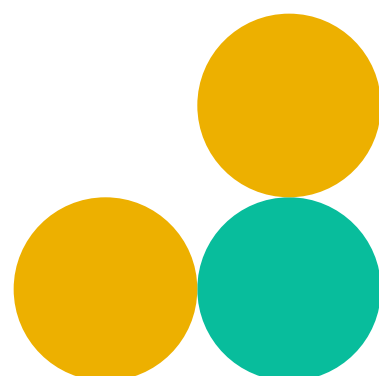
For professional LTC carers social dialogue and collective bargaining are essential to ensure that their activities are carried out ensuring full respect of worker rights such as fair pay and entitlement adequate social protection. In this way, social dialogue provides a crucial space to discuss social rights and promote formalisation for those professional carers who are hired informally to work at home. It can also facilitate equal wages for work of equal value, closing the gaps between LTC workers in an institutionalised setting and those in a household setting.

Social dialogue can help reconcile work and family care

Social dialogue has the potential to raise awareness about family carers, whose caring work is unpaid and hardly visible in economies and societies. As employers cultivate an environment supportive of employees who have care responsibilities, this can contribute to reducing turnover rates and early retirements among such workers. Employers' and employees' representatives can contribute to implementing paid and unpaid leaves and other work-arrangements that

promote a good work-life balance. For employers and trade unions, joining forces with not-for-profit organisations can also be valuable to strengthen efforts.

The legislative framework on carers' leave is an important step to support employed family carers. Across OECD countries, there is a growing commitment to support family carers combining paid employment and caring through care leaves. Nearly two-thirds of OECD countries (22 countries) provide paid or unpaid leave to care for a family member (Box 2). At the EU level, there has been an impetus on the support for care leave with the 2019 EU Work-life Balance Directive including a carers' leave: workers providing personal care or support to a relative are entitled to five days of leave per year. In non-European OECD countries, only Japan and Canada have paid leave entitlements, and only Canada, Japan and Korea provide unpaid leave entitlements. In the United States, five states legislated paid care leave under specific and various conditions (Rocard & Llena-Nozal, 2022). The legislative framework on other flexible work arrangements than care leave, such as reduced working hours, remains uncommon, although care leave can be turned into part-time work in some countries (Austria, Belgium, France, Germany and Japan).



Box 2. About half of OECD countries offer paid leave for carers

Only half of OECD countries, mostly in Europe, provide paid leave to care for family members or relatives. Three introduced paid care leave in the past decade: Austria, the Czech Republic and Germany. Still, in comparison, parental leave to care for children is more widely available. Paid leave entitlements vary starkly across countries in terms of duration, eligibility criteria and generosity of compensation. The duration varies from two days in Spain to three months, renewable once, in France, to unlimited time in Denmark. In five countries (Estonia, Germany, Netherlands, Norway and Spain), paid care leave for non-terminally-ill care recipients is limited to one month. In all countries with paid leave, aside from Nordic countries, Belgium and Ireland, the care recipient has to be a member of the family and/or be a co-resident. In five countries (Belgium, Denmark, France, Luxembourg and Sweden), paid leave targets specifically carers with a relative at the end of their life.

Leave to care availability in OECD countries

Country	Paid leave	Unpaid leave	Paid or unpaid leave
Australia	No	No	No
Austria	Yes	Yes	Yes
Belgium	Yes	Yes	Yes
Bulgaria	No	No	No
Canada	Yes	Yes	Yes
Croatia	No	No	No
Czech Republic	Yes	No	Yes
Denmark	Yes	No	Yes
Estonia	Yes	No	Yes
Finland	Yes	No	Yes
France	Yes	No	Yes
Germany	Yes	Yes	Yes
Greece	No	No	No
Hungary	No	Yes	Yes
Ireland	Yes	No	Yes
Italy	No	No	No
Japan	Yes	Yes	Yes
Korea	No	Yes	Yes
Latvia	No	No	No
Lithuania	No	No	No
Luxembourg	Yes	Yes	Yes
Malta	No	No	No
Netherlands	Yes	Yes	Yes
Norway	Yes	No	Yes
Poland	Yes	No	Yes
Portugal	No	No	No
Romania	No	No	No
Slovenia	Yes	No	Yes
Slovak Republic	No	No	No
Spain	Yes	Yes	Yes
Sweden	Yes	No	Yes
Switzerland	Yes	Yes	Yes
United Kingdom	No	Yes	Yes
United States	No (but 5 states)	No	No
Number of countries	19/35 (54%)	11/35 (31%)	22/35 (63%)

Source: (Rocard & Llena-Nozal, 2022).

At the sectoral or company level, social dialogue can foster the development of more carer-inclusive companies. For instance, the largest French companies started a process of social dialogue after the legislation on carer leave was passed in France in 2018. Companies worked with trade unions on how to effectively implement the guideline ISO 25551:2021 for ageing societies. This can also be strengthened by other initiatives such as European Works Councils, global agreements, and social dialogue charters with different types of providers which can establish an equal playing field and ensure that social dialogue and workers' rights are enshrined at all levels within the sector. Initiatives developed through social dialogue focus on raising awareness, identifying gaps for support, developing a carer culture within companies and working jointly on how to provide solutions for unplanned emergencies when carers need to be absent on a short notice, for instance (Box 0.1). In the United Kingdom (UK), after finding that about one-third of National Health System employees provided family care to older relatives, the public company introduced more flexible work arrangements. This was met with positive feedback about the measures in terms of staff's well-being and retention rates.

Countries can also foster social dialogue on caregiving for people with LTC needs through broader regulations on occupational welfare supporting work-life balance and helping working carers. Occupational welfare in this case refers to benefits and services provided by social partners, employers and trade unions which are supplemental to public benefits which can be used to support family care. For example, Italy implemented a regulatory scheme aiming

at incentivising company-based welfare uptake, including measures related to family care to older people. In Italy, the "Stability Law for 2016" extended employers' tax-exempt benefits to include those agreed through collective bargaining on occupational welfare. The number of occupational welfare measures in contractual agreements rose to reach about 11% of companies, and around 20% of employees in 2018. Such occupational welfare agreements are expected to contribute to extend care leave for working family carers (Casanova, Di Rosa, Fisher, & Lamura, 2020).

A legal definition of family carer tied to rights and the possibility of a carer registration opens access to social rights and is a step towards better social protection. This is particularly important for family carers who stop working or reduce their work hours. In some European countries, the creation of a family carer status provides a number of social rights for carers such as the possibility to receive a cash benefit or carer allowance, as well as the right to receive counselling and information and social security benefits (Croatia, Germany, Hungary, Iceland, Luxembourg, Spain, United Kingdom) (Rocard & Llena-Nozal, 2022). Access to social security as a result of the recognition of carer status can provide access to pension rights, accidents or disability in some cases and this can also contribute to the formalisation of persons undertaking care work for family members. For example, in Spain family carers who are recognised as such and registered are entitled to social security with exemptions of social contributions in 2019 (pension, health and unemployment) to provide better social protection. These exemptions boosted the number of registered carers, of which 89% are women.



Box 3. A brief case study on France

In France, only 10 out of 1 102 collective agreements include measures for carers (France Stratégie, 2022). An example of a good practice can be found in the electrical and gas industries branch, which comprises about 140 000 employees and 160 companies. In 2017, the branch signed a collective agreement with four trade unions to pay additional compensation to employees with at least three months' tenure for three specific leave types, including two covering carers of older people: family solidarity leave which covers 80% of the net salary; carer's leave, which cover 70% of the gross salary and the full employee's and employer's pension contributions if the carer takes a half-time carer's leave for six months (Editions Legislatives Lefebvre Dalloz, 2018).

Over the past few years, social dialogue has also contributed to reaching collective agreements with trade unions at the company level. Discussions on flexible time typically take place within broader conversations on gender equality because employees needing time off to care for older people are mostly women. These agreements cover flexible working time, information and communication support, and paid and unpaid leaves (time off, wage coverage, social contributions of employers and employees) (Audiens, 2023). These companies include: AXA France, le Crédit Agricole Assurance, Groupe Casino, Groupe France Médias Monde, ENGIE, la Matmut, Merck, Novartis, la Poste, Primonial, Sanofi, SAP, Solvay and Stellantis (France Stratégie, 2022). For example, the Global Deal partner and mobility tech company Stellantis organises an awareness campaign every year for the French Carers' Day, provides unpaid carers leave and has set up a leave donation system. The leave donation system allows any employee to donate days off anonymously to a solidarity bank day fund and enable an employee who is providing care to benefit from the paid leave after an assessment by their social workers. All these measures were co-constructed with the unions.

Companies and trade unions can join forces with not-for-profit organisations to initiate awareness campaigns on carers. Across OECD countries, initiatives have been recently developed to raise awareness about family carers and their work-life balance. Companies are teaming up with not-for-profit organisations in awareness campaigns. During the "Carers Week" in the UK, companies highlight their measures to identify and assist family carers in claiming public support. There is now a forum of 250 employers labelled "Employers for Carers" aimed at exchanging good practices. At the EU level, Eurocarers, a European network representing informal carers and their organisations, launched the "European Carer Day" in 2020: the 2023 edition will be on work-life-care balance. Eurocarers will reach out to companies to involve them in this initiative. In France, every year, a not-for-profit parity group (half are representatives of employers, half of workers) reward three companies for their initiatives in favour of their employees who are carers (Audiens, 2023). Raising awareness is important because family carers do not necessarily self-identify as carers and, even if they do, they may not talk about it in fear of being considered as less committed and productive at work.

Countries often lean on carers' associations to promote a carer-friendly work environment. In 2022, Ireland announced the funding of EUR 700 000 to support not-for-profit organisations on several activities: the roll-out of the Caring Employers Programme to support employees who

also have a caring role, and the development of a Career Skills Programme delivering training in confidence building, career exploration, transferrable skills, job search and interview skills (Government of Ireland, 2022).

Not-for-profit organisations can contribute to broader consensus by sometimes acting as representatives of family carers, in complement to trade unions. Although such organisations cannot negotiate with workers' and employers' organisations and governments within bipartite or tripartite social dialogue discussions, there are now examples of so-called tripartite-plus sessions involving civil society. Within this context, not-for profit associations representing carers can give advice on LTC policies and lobby for the recognition of LTC workers and their rights. For example, Eurocarers has recently started a dialogue with trade unions, especially EPSU (European Federation of Public Service Unions) and UNI Europa (European branch of UNI Global Union) on carers' leaves and flexible working hours to promote a unified agenda on carers to EU countries and companies.

The Swedish government asked the Family Care Competence Centre to propose a Swedish Carer Strategy – the first one in the country. This association is considered as a 'centre of excellence' where researchers and carers collaborate on care topics in Sweden. In the UK, key carers associations have been playing a consulting role for the legislation on long-term care.

Social dialogue for the improvement of labour rights and working conditions

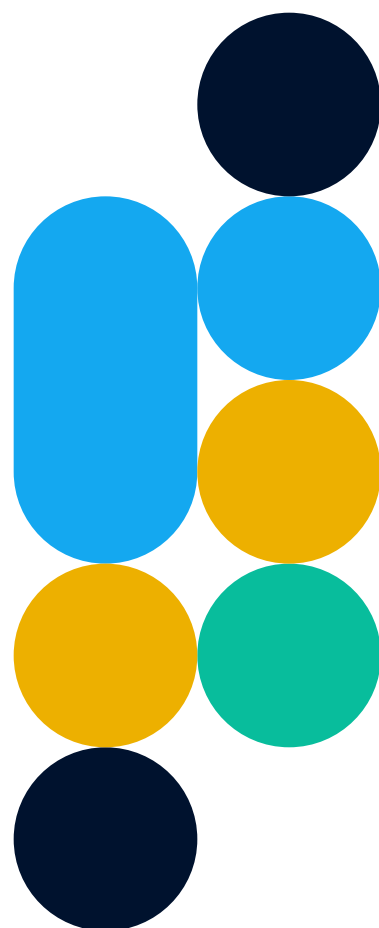
Work at home is typically less visible and less regulated than other work settings. The health and safety regulation for work taking place in employer's home is typically less protective than in work settings. Enforcing measures in homes is more challenging for pragmatic reasons – it is less cost-effective to inspect multiple private homes than big work settings. However, extending the health and safety regulations and improving enforcement measures, such as inspections and complaints processes, contribute to formalising informal undeclared work. Finally, the atomized nature of this type of workforce makes it difficult to exchange information and organise in associations: workers are less likely to be unionized, especially if they work as individual contractors because the opportunities to meet and gather are fewer.

Formalising LTC workers at home requires improving the extension and implementation of labour and social security laws as well as providing incentives for work to be formalized. There are a number of initiatives from countries to reduce the informal economy in general and to have tripartite discussions in other sectors in order to enhance compliance which might be applied to the LTC sector (Global Deal, 2020).

Social dialogue can help promoting the use of employment contracts to formalise care duties

Designing appropriate employment models can ensure adequate social protection and reduce the possibility of a grey unregulated market. On the one hand, in several countries, unregulated, informal employment is correlated with the use of cash benefits for older people in need of care who can use such cash benefit to hire people without justification. On the other, cash benefits which are more tightly regulated in terms of eligibility criteria and the use of contracts, tend to offer more security for vulnerable people, including undeclared workers in the "grey" labour market and ultimately older people themselves. Several countries (e.g. France, Germany, and the Netherlands) require that care recipients make a formal contract (or health plan) with their caregiver to receive benefits. In addition to such regulations on the use of cash benefits, social dialogue is essential to ensure that carers benefit from adequate social protection and wages (e.g. minimum pay, social contributions).

Well-regulated contract and payment models such as the ones in use in the United States and the Netherlands limit informality because of the requirements of a contract to receive public funding. At the same time, these models also ensure adequate social protection and income for the carers because the money is transferred directly from the public authorities to the carer, without passing through the recipient of the care. In the United States, many live-in LTC workers did not have federal minimum wage and overtime protections until 2015. Following the advocacy work of American Federation of State, County and Municipal Employees (AFSCME) and Service Employees International Union (SEIU), among others, the Department of Labor extended the protections of the Fair Labor Standards Act through a regulation known as the Home Care Rule. Since 2015, live-in LTC carers receive an hourly wage and the contract is subject to the minimum wage and overtime pay requirements, as well as social security pension coverage, Medicare, and unemployment compensation. Although carers are employed directly by private households, Medicare pays directly the carers.



Box 4. Formalising migrant long-term care workers

Migrant care workers who provide live-in care are in a particularly vulnerable situation and a process of broader social dialogue including civil society representatives is important to ensure adequate protection.

Migrant workers providing live-in care are particularly vulnerable, especially when employers have a control over the work permit or when the permit is employer-specific. For such reason, in Canada, the work permits are no longer employer-specific and applicants are pre-screened for permanent residency along with their family to reduce the probability that their permit is not renewed after the 2-year period (Janssen Dangzalan, 2021).

Live-in carers often lack adequate representatives in social dialogue, so not-for-profit organisations are often working to fill in the gaps and a broader process of representation of such workers by trade unions is important. In **Austria**, discussions with the public authorities, the Chamber of Commerce, trade unions and an NGO are trying to improve the regulation for live-in carers to provide them more rights. There are about 60 000 carers who are self-employed as live-in carers in Austria. While in theory they have power over their work, they are in practice often migrants who depend on placement agencies, their clients and the family of their clients. Migrants typically need to provide with the address of their clients for their work permit forms and cannot easily change employers. One main not-for-profit organisation in this field, IG24, is lobbying for better rights for live-in carer.

Social dialogue initiatives for the recognition of prior learning remain important as carers can become trapped in a low-paid position. In Spain, in 2020, the region of Comunidad Valenciana passed a decree (173/2020) to launch a formal process of evaluation and accreditation financed by the government. The certification process would aim to recognise the technical skills that carers have acquired and could be valuable for progressing in the labour market or access continuing vocational education and training in general in OECD countries (Meghnagi & Tuccio, 2022).

Social dialogue remains essential for improving working conditions as well as reskilling and upskilling carers. Access to training for LTC workers is hindered by several factors such as underfunding towards the sector, the specific nature of employers, challenges replacing workers during their shift if they need to attend training and the lack of social dialogue in several countries. A New Skills Partnership for Long-term Care was launched in Europe in 2023 to help provide training for people-centred and digital skills to 60% of workers every year. This initiative was undertaken by various representatives of employers and workers at the EU level. More broadly, social dialogue was also found to be important in the broad improvement of wages and working conditions across a number of countries such as Argentina, Austria and Germany, among others (OECD, 2020) (OECD, 2023) (Ministerio de Sanidad Argentina, 2023).

Formalising informal LTC workers through regulation on domestic workers

Broader public policies on the formalisation of domestic work can benefit informal live-in LTC workers if the regulation is broad enough to include them. In this context, the ILO's Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) proposes a wide range

of policy measures that Member States can adopt and adapt and underlines the importance of freedom of association, social dialogue and employers' and workers' organisations in enabling and supporting the transition to the formal economy. **More needs to be done to address the lack of representative of employers (families) to improve social dialogue for LTC workers at home.** Examples of these policies can be found across different non-OECD countries.

- In **Argentina**, a tripartite agreement led to a progressive increase of the minimum wage for domestic workers to become closer to the minimum living wage in 2018. A tripartite commission was set up after 2013 and was responsible for setting wages and working conditions for domestic workers, including those providing care to people with LTC needs. The commission included representatives of workers, employers and the government. Employers were represented by an organisation of families employing domestic workers. Half of Argentina's trade unions for domestic workers were invited to participate. The agreement set different hourly pay rates for different types of workers and included one for care workers (Global Deal, 2018).

- In **Brazil**, an agreement was reached to improve wages and working conditions for domestic workers, including long-term care workers. In 2017 the Domestic Workers Union of the State of São Paulo (STDMS) signed a collective agreement with the Union of Domestic Employers of the state of São Paulo (SEDESP), an employers' organisation. Renegotiated in 2021, this included a provision to pay a minimum wage above the national minimum wage, weekly rest periods for live-in domestic workers, requirements on salary payments for employers, social protection for both employers and workers. Employers' and workers' organisations shared the responsibility to provide guidance to their members to promote compliance with labour and social security legislation (e.g., costs, tax payments).

France has promoted the formalisation of domestic work, including LTC through tax deductions and the use of social vouchers and declarative and remuneration systems. Trade unions have been instrumental in the promotion of a social voucher system and there is a professional organisation representing households employing domestic workers which promotes a clear legal framework through social dialogue. Fiscal deductions apply to families the employers (families) and the employees and allow 50 per cent of the cost of services to be deducted from income tax. Private individuals can employ service providers with or without the assistance of a placement structure or an association or a company or choose to employ directly the LTC worker themselves. Public support for LTC services is provided with a pre-financed social vouchers (Prepaid CESU²) delivered by public authorities.

In addition: a universal service employment voucher declarative and remuneration systems (declarative CESU³) was introduced to simplify the hiring process of workers by households and increase further formality. The voucher system declarative CESU became very popular, with 78% of households directly employing their domestic worker using it in 2010, up from 56% in 2002 (ILO, 2017). Consequently, France has one of the highest rates of formal labour in the world. But there are downsides: the scheme is expensive for French public finances and more than 60% of these tax deductions go to the richest 10% households (Carbonnier & Morel, 2015) (Trésor, 2016).



- 2- "Chèque employ service universel (CESU) prefinancé".
- 3- « Chèque emploi service universel » (CESU) déclaratif .

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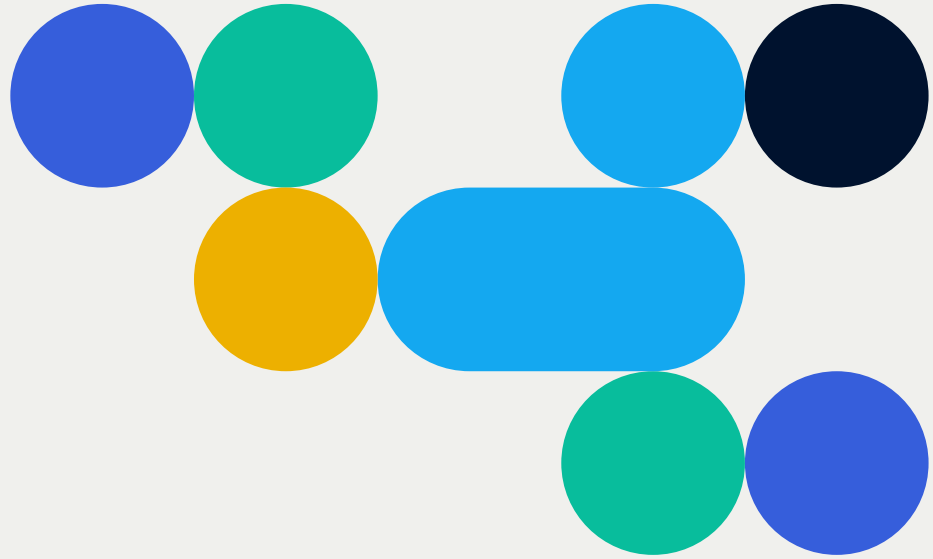
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