

First European Convention of Lifestyle and Home Care Services

CONTENTS

FIRST EUROPEAN CONVENTION OF LIFESTYLE AND HOME CARE SERVICES	1
CONTENTS	1
Introduction	3
Summary of workshops	3
I. Loss of independence and home help	3
II. Childcare	5
III. Family life/work balance.....	5
The challenges of developing the	7
lifestyle and home care service sector in Europe	7
Martin Vial	7
Managing Director of Europ Assistance	7
I. The general context of the lifestyle and home care service sector	7
II. Sector challenges.....	8
III. Debates-questions	10
Development prospects for lifestyle	12
and home care services in Europe	12
Jérôme Vignon	12
Director of “Social Protection and Integration” to the Directorate-General for Employment, Social Affairs and Equal Opportunities, European Commission	12
Founder of the European Network of Lifestyle and Home Care Services for Social Purposes	12
1st Round Table:	14
what are the conditions for quality jobs?	14
2nd Round Table	19
Producers of lifestyle and home care services in Europe:	19

what strategies for the future?

19

Conclusion: developing a common vision

25

Introduction

Emmanuel Kessler

The lifestyle and home care service sector is gaining in professional status and becoming a source of employment and training objective. We will examine how we can put together some proposals at European level to foster its development.

Summary of workshops

I. Loss of independence and home help

Denis Stokkink, President of the European Think Tank “Pour la solidarité” and founder of the European Network of Lifestyle and Home Care Services for Social Purposes

I would like to start by highlighting the fruitful discussions, thought-provoking presentations and high-quality exchanges that were held during this workshop.

The key messages focused on two themes: innovation and partnership.

1. Innovation

2009 will be the European Year of Innovation, and the lifestyle and home care service sector is brimming with novel ideas:

- **Economic innovation, for social purposes**
Lifestyle and home care services contribute to both economic and social activity. They may well be a source of job creation, but what matters above all is the human aspect: each person. These types of services also provide solutions for developing economic activity in regions.
- **Social innovation**
Lifestyle and home care services are a means of preventing the elderly from becoming isolated. They help to keep an eye on these populations and to connect with other social networks.
- **Citizens**
Citizens are the driving force behind lifestyle and home care services.
- **Technology**
Home automation is an integral part of lifestyle and home care services as it can make the lives of people losing their independence more comfortable.

But how can these experiences be sustained long-term? The solution probably lies in multiple funding. Public authorities at European, national and regional level must contribute, as well as households, based on their income. As part of social corporate responsibility, businesses must also play a part, either through direct funding or by participating through foundations.

2. Partnership

Lifestyle and home care services require various partnerships to be forged:

- with the families involved;
- with the volunteers and helpers who may need psychological and social assistance in difficult situations;
- with households, since the lifestyle and home care services provider must build a relationship with them beyond the simple economic commitment.

They also involve following the principle “*Think global, act local*”. This is because, although these types of services apply globally, all of the experience has shown that local ties are also essential. In this mindset, the European Commission has launched its lifestyle and home care services on the basis of local initiatives from the outset.

Emmanuel Kessler

Are European countries thinking along the same lines?

Denis Stokkink

Innovation, partnership and local initiatives are everywhere, but they are practised in very different ways. Major differences can be observed between countries and even between regions. That said, economic development and the inclusion of people go hand in hand in all cases. This is a characteristic of the European model and the key to its success.

Emmanuel Kessler

What are the costs for the community of grants for lifestyle and home care services? Have you assessed the economic impact of home stays as an alternative solution to accommodating elderly people in care establishments?

Denis Stokkink

Lifestyle and home care services certainly cost something, but the cost for the community would be even higher if they weren't there. This would require an increase in hospital and retirement home places. From a purely financial point of view, these services are therefore a highly profitable investment for public authorities. They also help to develop the economy and create jobs.

II. Childcare

Bernard Mangelinckx, Senior Innovation consultant (Belgium)

The workshop exchanges were very productive and the international approach that we have developed through Spanish, Italian, Luxembourg, French and English examples proved to be highly relevant.

The projects presented evidently respond to needs created by more women taking up work, but also highlight the role that grandparents play in childminding. They are all focused on putting children at the heart of the system.

Several issues came to light through the workshop.

First of all, childminding is not limited to looking after children, but is part of a global education policy. Childminders, without replacing parents, inevitably contribute to a child's education given the amount of time they spend with them. Training is therefore crucial so that childminders in the home develop not only their skills in this area, but also their ability to communicate with parents or to adapt swiftly to a new environment.

Secondly, children must be the focus of the system. This means sometimes having to fit around parents' working hours, which are becoming increasingly variable, to maintain a child's routine. Childminding options at flexible or unusual hours must therefore be developed in line with parents' professional commitments. This objective may lead to offering childcare at home, early in the morning or late in the evening, so as to preserve the child's link with the rest of the family.

Thirdly, it is important to involve parents in childminding options, both to avoid any sudden disruption and because they, themselves, help to contribute to their children's education.

Lastly, discussions also touched on payment vouchers, which vary considerably between countries.

III. Family life/work balance

Jean-Pierre Yonnet, consultant for ORSEU (European Office for Advice, Research and Training in Social Relations)

Tensions and imbalances between family life and work are wide-ranging:

- above all, the economic objectives of businesses are at odds with the personal mindsets of employees;
- tensions also exist between sexes, for the distinction between the traditional roles of a man and woman still has great resonance.
- tensions also arise between users and service providers: the latter would like to work regular 9-5, Monday-Friday jobs, whereas there is a high demand for night-time and weekend services;
- lastly, tensions can emerge between regions, insofar as high-quality lifestyle and home care services are appealing and therefore an asset in competition between regions.

The question of equality lies behind all of these tensions, and can be looked at from diverse angles:

- equality between men and women;
- equality between the unemployed and employed, since the former may also need lifestyle and home care services for job-hunting to be possible;
- equality between populations of different origins, in order to ensure equal access to employment;
- equality and balance between family life and work, which are often approached from a legal perspective when we should be ensuring that they are actually applied.

The Italian and Spanish presentations showed how the creation of lifestyle and home care services in rural, underprivileged areas improves not only the quality of life but also the rate of employment. These services often need to be present for employment to be possible.

EDF's experience highlights specific funding solutions that may be envisaged. In its case, the cost of each service voucher is borne equally between the user, works committee and the company itself, which has earmarked a 90-million euro budget. This solution is not feasible in SMEs, however, which employ 50% of the working population.

Lifestyle and home care services are often viewed as necessary for the elderly and overworked two-working parent families only. In practice, they are essential to all two-working parent families, especially when the parents are in part-time or casual work. Moreover, job seekers who could find a job working part-time or odd shifts give up lifestyle and home care services through lack of access.

The conditions for increasing the range of services on offer and fair access to lifestyle and home care services are therefore issues that need to be addressed.

Emmanuel Kessler

Are we to understand that, in your view, lifestyle and home care services do not exacerbate social fracture?

Jean-Pierre Yonnet

We are basically facing a choice that applies to society as a whole. Either we content ourselves with a restricted range of lifestyle and home care services for the benefit of those who can afford them, or we decide to increase supply and grant equal access. The Borloo plan favours increasing the supply of services.

The challenges of developing the lifestyle and home care service sector in Europe

Martin Vial
Managing Director of Europ Assistance

Emmanuel Kessler

Europ Assistance is the world's leading assistance network, set up in 33 countries. Although it initially revolved around vehicle breakdown and repatriation, lifestyle and home care services are becoming an increasingly important part of its business.

You presented your thoughts on these issues in a recently published book called *La Care Revolution* (in French).

I. The general context of the lifestyle and home care service sector

Martin Vial, Managing Director of *Europ Assistance*

The lifestyle and home care service sector unites a wide range of stakeholders, public authorities, associations and businesses alike.

It is also going through a full-on revolution: the “*care revolution*”.

Care is being revolutionised in both its senses, in terms of responsibility and of concern, in response to six main phenomena:

- ageing and subsequently increasing life expectancy;
- urbanisation which is generating more solitude and breakup of the traditional family unit;
- increase in health demands;
- increasing mobility in Europe and the development of global migratory movements;
- increasing free time which, paradoxically, generates a demand for lifestyle and home care services;
- the search in rich countries for physical and psychological well-being.

Demand is growing in both developed and emerging countries. Europ Assistance has a base in Brazil, South Africa, China and India, and this demand is coming from companies that want to respond to their employees' needs.

II. Sector challenges

1. Economic challenges

The sector is associated with undeclared work, very low prices and under-qualified workers and, as such, carries little appeal.

The first challenge is therefore to make demand creditworthy. The public authorities are very involved in this regard, particularly in France with the Borloo plan and the action of the French National Agency for Lifestyle and Home Care Services (ANSAP). Progress is slow, however. The tax advantages are controversial and some authorities have tried to get away with funding only basic services, through the “fifth risk” (risk of losing independence) in France, ignoring the need to enrich the sector through new technology, quality and training.

In addition to funding, the public authorities are instrumental in labelling and approval procedures, a role entrusted to the ANSAP.

The supply of lifestyle and home care services is also paradoxical. Although it is a job that places considerable responsibility on providers, it is often given to unqualified people with no references, since the profession is not very regulated. Labelling, regulation and approval for the profession may be under way in France, but they are still in their early days in many other countries. And yet they are essential, as lifestyle and home care services implicate the physical and psychological integrity of people.

The second challenge is pulling all the various options of the private supply together, for it is currently completely fragmented. There is no world leader in the sector as a result.

There are three main categories of stakeholders in the sector:

- **Service providers**
These are above all associations, although a lot of SMEs are also emerging now.
- **Distributors**
These include bank networks, insurers and superstores who expand their product ranges with a view to gaining customer loyalty.
- **Service integrators/producers, including Europ Assistance, for which this sector promises much development potential.**
Five years ago, the lifestyle and home care service/health sector accounted for 10% of Europ Assistance’s turnover. By the end of 2008, it will rise to 25%. We have 40 years of experience in this sector and work alongside 400,000 service providers worldwide.

Service integrators play a key role in maintaining contacts between the various stakeholders:

- **Between providers and distributors**
Today, some distributors contact SME producers or associations directly, which nevertheless requires sound knowledge of the sector.

- **Between producers – service integrators and distributors**
Distributors also call on Europ Assistance. Our role is then to find the right producers for the demand from the available associations or businesses.
- **Between producers – service integrators and providers**
This relationship is at the heart of Europ Assistance's economic model, which is based on a global network of correspondents. The partnership between integrators and providers is also crucial for SMEs, which need a structured demand to ensure the future of their business.

The emergency of SMEs in this sector also raises the issue of whether associations and profit-making companies can coexist.

The sector must be organised to succeed and advance as swiftly as possible in this *care revolution*.

2. Technological challenge

The technological revolution is still in its early days and above all involves new technologies for managing dependency, which are still in the experimental stages. Such technologies have enormous potential but will not replace human intervention. It is by combining technology and human contact that the content, commercial value and qualification of lifestyle and home care services will be improved.

3. Human resources

This is a major challenge, going beyond the issue of training. Immigration is also relevant as it provides a workforce capable of caring for an ageing population. Cooperation between the public and private sectors is the key to success in this area.

Emmanuel Kessler

You paint us an idyllic picture of the relationship between public and private sectors. With lifestyle and home care services initially provided by associations, is there not a risk that the private initiative might foster a sort of divide? By creating a two-tiered system with a private supply for the wealthy and a not-for-profit public or private supply for people in more difficult situations?

Martin Vial

I am convinced of the reverse. The dependency sector in France accounts for 25 billion euros in activity, with 16 to 17 billion going towards public funding. The public proportion therefore represents a key market for private stakeholders. They are subsequently seeking to offer a high-quality supply in line with the needs of the population covered by the *allocation personnalisée à l'autonomie* in France, or personal care allowance, and by public funds in general. From this point of view, the debate on the "fifth risk" in France may lead to either limited public funding that will only cover basic needs, or more ambitious funding for a more extensive, higher-quality service.

III. Debates-questions

From the floor

I represent Sicily. The debates have shown that lifestyle and home care services have heightened the appeal of regions. Sicily is successfully testing a payment voucher system. Do you think that such a system can make an economically weak region, such as Sicily, more attractive?

Martin Vial

We have just set up a second site in Italy. Our strategy is to cover the whole of Italy, including Sicily.

Regarding the situation in Sicily, I am not sufficiently qualified to answer. However, in general, the distribution of jobs through lifestyle and home care services will also concern the weakest regions in economic terms, even if job creation will mainly affect urban areas, where 75% of Europeans live.

Agnès Gude-Costat

I manage three entities: an integration company, a disability-friendly company and a lifestyle and home care services provider.

I am working on a technical, human and medical assistance project, mainly intended for people living in underprivileged neighbourhoods and who do not have the current means to access lifestyle and home care services. What solutions can we offer this potential, low-income public?

Martin Vial

The issue of giving underprivileged populations in the suburbs access to such services is one for the public authorities, as well as companies as part of their social responsibilities.

Nicole Chanel

I chair an association enabling the elderly to continue living in their own home, and we have now considerably expanded our activity to other lifestyle and home care services. What training should we give to the people we send to beneficiaries' homes? We could employ more people, but are nervous about entrusting this work to unqualified applicants.

From the floor

I represent a lifestyle and home care service provider in Rome. What benefits are there in using new technologies as part of childminding services?

Martin Vial

The first question is important, for the quality and availability of resources are going to become a real issue. The next round table will provide specific answers.

Regarding the second question, new technologies enable childcare providers to be in constant contact with the parents. We can also make use of telesurveillance or teleassistance systems as is already the case for elderly people.

From a health perspective, we can make childminding safer through 24-hour call centres that parents can call to speak to nurses if ever they have a concern.

The economic model implies that this type of system is becoming a standard feature of everyday life, and that consumers are willing to pay for the service.

Development prospects for lifestyle and home care services in Europe

Jérôme Vignon

**Director of “Social Protection and Integration” to the Directorate-General for Employment,
Social Affairs and Equal Opportunities, European Commission
Founder of the European Network of Lifestyle and Home Care Services for Social Purposes**

European countries have yet to set up common practices for lifestyle and home care services. Ten years ago, the creation of such services was supported through local development. But today this sector is gaining momentum and taking shape at European and even international level.

In Europe, these services are developing because of more women taking up work and of demographic change. As a result, families are no longer able to take care of their loved ones. Europe had already identified these areas where no services were available when demand began to increase.

First of all, there is the problem of creditworthiness. These services are often provided by families themselves as it would be too expensive for them to hire an external provider. Secondly, there are cultural inhibitions in many European countries, where these tasks are considered to be a family's responsibility, to the extent that “outsourcing” them triggers feelings of guilt. France has, for the most part, moved on in this regard.

More generally, these meetings are not only a chance to share often very creative experiences, but also to raise open questions and examine the solutions that other European countries have come up with.

I would like to base my presentation on four issues.

The first is for policymakers of lifestyle and home care services. This sector must deal with competition rules and market access. As far as Brussels is concerned, they nonetheless fall within the category of general interest commitments.

One of the objectives in this field is to grant certain underprivileged populations access to lifestyle and home care services. Indeed, affordable access is necessary for these people so that they can find jobs themselves.

Lifestyle and home care services are also being developed to create jobs, which may benefit people currently trying to reintegrate into working life.

There are therefore two objectives to creating lifestyle and home care services. A social goal giving access to such services, and a horizontal goal to create jobs. These are not examined in the same way by the Directorate-General for Competition.

Concerning State aid, there are specific rules for horizontal employment aids, while other specific rules have been defined for providing universal access to public services. The general economic

interest “package” stipulates that aid must be proportional to the cost that has to be borne by the operators to make the demand creditworthy.

Moreover, the Directorate-General for the Internal Market needs to look into who benefits from this support. To organise the sector, we must ask ourselves if we want to completely open up access to the supply, or limit it to certain types of operators, which could be justified on the grounds of general interest. In this regard, we can recall that the Services Directive is due to be transposed by the end of 2008. The ANSAP also has answers in the information it has obtained on aid beneficiaries.

The choice between these two forms of public aid is decisive for the applicable system. An incentive to transparency must also exist, for citizens and operators, regarding the objectives set and subsequent exemptions in terms of competition and market access.

The development of lifestyle and home care services may also be hampered by the uncertainty over changes in social policy. The public authorities would be wise to clarify their medium-term plans for the policy to give sector stakeholders greater insight. Brussels and the different EU Member States are said to be interested in such an initiative.

The second issue is for the public authorities and concerns performance assessment: do the results comply with the initial objectives? We cannot rate these results solely in terms of financial effectiveness. Social and local cohesion must also be taken into account.

The third issue is for operators, who must all be attentive to service quality. Next year, Europe will work on the quality of social services for the public, the aim being not only to provide a service in line with users’ needs, but also to guarantee employment quality, particularly in terms of qualifications. Lifestyle and home care services will be directly impacted by such initiatives.

How do operators work with trainers on the qualifications required, on work quality and on career paths? Initiatives in this regard must come from employers and social partners.

The last issue concerns associations. The sector will become more competitive and require greater professional status. Associations will therefore need to adapt. Guarantees must nevertheless be made that this competition is fair, which is the purpose of European regulations.

Finally, although associations may accept the competition and be obliged to give up certain services, they should still preserve their specific role in the special relationship they forge with beneficiaries.

1st Round Table: **what are the conditions for quality jobs?**

In a sector that creates so many jobs, the issue of work conditions and access to a qualified job is an important part of its appeal: social stakeholders and European networks will give their perspective of the current situation and further options to explore here.

Alain Cordesse, President of the Union of Trade Unions and Representative Employers' Associations in the Social Economy (USGERES) (France)

USGERES unites associations, cooperatives and top-up insurance companies. It covers 12 branches, including lifestyle and home care services, insured by not-for-profit organisations.

The concept of quality employment encompasses the construction of career paths, the number of hours worked, job precarity and part-time working.

Job security can improve through the signature of collective agreements.

The subject of remuneration is more complex, however, as it is passed on to the user. What's more, funding from local authorities is not guaranteed over the long-term.

Lastly, the challenge is to provide the highest-quality of service possible.

Herwig Muyldermans, President of the European Federation of Lifestyle and Home Care Services (EFSI)

I will talk about this theme from Belgian experience. The current system is in place since 2003. At the time, the government gauged the sector at 20,000 jobs: now there are some 130,000 people employed.

The sector was suffering from a shortage of manpower and quality contracts were signed with 600,000 customers to give structure to the sector. This policy helped to democratise home help in Belgium.

Four different stakeholders must gain from the sector if it is to develop: the government, job seekers, households and service providers.

With no specific collective agreement in place, it was necessary to meet with workers' organisations to draw up quality contracts in a sector that employs few qualified workers and long-term job seekers, where undeclared work is common. It is estimated that 200,000 people work in people's homes without being declared, and so to limit this, a decent social status must first be created.

The current system is run by local employment agencies, involving some 50 to 60,000 people. The unemployed who accept to work in this sector continue to receive benefits and a supplement as well. But they get no paid leave, end-of-year bonus or sick leave. This system is due to be replaced by a service voucher scheme.

Regarding work conditions, basic social law is applicable in the same conditions as other professions. Most sector employees work part-time and do not want a full-time job. Women account for 99.2% of workers in this sector.

To improve the social status of these employees, we have signed a dozen or so collective agreements over the last few years. Wages are fairly high: 9.5 to 11 euros an hour, depending on experience. In addition, end-of-year bonuses are paid by a social fund. Dialogue with personnel is not always easy because of being so spread out, but the sector relies on constructive relations built with trade unions.

Concerning training, the Belgian government has provided for financial incentives up to 5 million euros for businesses. Highly specific training must be administered, focusing on the importance of the personal relationship with often demanding customers. There is also a fund financed by employers' contributions at 0.3%.

As for safety, employees are given instructions as they are required to handle equipment with which they are unfamiliar.

Jon Richards, Senior National Officer, UNISON Education and Children's Services (Great Britain)

My presentation will focus more specifically on children's services in the UK.

Childminders generally have few qualifications (41% have none), which means that service quality is often mediocre. In addition, around 20% of private nurseries do not meet standards.

Although the level of qualification demanded has risen, wages have not kept pace. There is therefore a high turnover in the sector (18 %), to the detriment of work quality.

300 types of different qualifications have been identified in the childcare sector. However, we are trying to reduce this number and to set up a common basis of qualifications for some professions such as childminders. The career prospects of such personnel would thus improve.

Funding is also a problem for training, as until profitability increases, there are few prospects for improving training. We are trying to receive public aid to help people working in the sector to increase their career prospects by obtaining a university degree or recognised qualification.

Yves Verollet, Member of the Economic and Social Council (France)

Lifestyle and home care services are often used to fulfil everyday tasks organised within the family circle or the neighbourhood through solidarity. Questions concerning quality are therefore irrelevant as these professions are supposed to come naturally to the women practising them. In an opinion of the Economic and Social Council dated January 2007, and a second due to be published next week, an association is nevertheless made between job quality and service quality.

This sector has a very negative image: low pay, inadequate qualifications, part-time working and erratic hours. But the commitment to develop training and improve employment conditions is at odds with the desire to make these services accessible to as many people as possible, at a price that reflects the users' spending power and the current level of public funding.

The Economic and Social Council has set five objectives:

- **Gradually align collective rights in this sector**

There are various collective agreements in this sector, according to whether the employer is a household, association or private company. For similar professions, employees should avail of equivalent collective guarantees irrespective of the employer's status. Alignment could firstly materialise through agreements on vocational training and classifications.

- **Increase working hours and enable activities to diversify**

The part-time hours are one of the main reasons why this sector holds so little appeal. Statistics show that working hours are longer in businesses and associations. We therefore recommend upholding tax and social schemes that foster the development of these businesses and associations, which still only account for 20% of the market. There are, however, limits while the activity remains restricted. The integration of different activities within the same organisation should therefore be encouraged to increase working hours. It is also possible to stimulate the creation of employers' groups. These organisation means would optimise employees' career paths.

- **Reduce the isolation of home helpers**

We would like to provide a contact venue to support household employees, which represent 1.3 million people. The aim would be to give them assistance and advice, pool experiences and access professional information.

- **Develop initial and lifelong learning and create proper career paths**

Progress must be made to simplify initial training and develop lifelong learning. Diplomas granted on the basis of work experience need reinforcing.

- **Discuss funding**

Some lifestyle and home care services are provided for people losing their independence and childcare, areas which receive significant public funding.

The improvement of service quality and employment conditions will partly depend on the funds that our society decides to earmark for loss of independence, particularly in the context of a fifth social protection risk being created in France.

At the same time, the public authorities are looking to develop the range of care services for young children. A decision will need to be made here too between the different social needs, including the use of any surplus from the family branch.

Lastly, setting up the *revenu de solidarité active*, a supplement for low-paid workers on top of their salary and therefore an incentive for the unemployed to find a job, could also have a positive impact on the sector.

Alain Cordesse

I agree with the analysis that has just been presented. Several of the objectives described are already in place in associations.

In Belgium, a 0.3% contribution level for lifelong vocational training has been suggested. In France, household employers contribute at a level of 0.15%. Not-for-profit associations contribute 2.1% and therefore pay some 50 million euros a year towards lifelong learning.

Last year, 73,000 home help employees attended a training programme (230,000 hours of training in total), and 674 people took personal training leave. The incentives are significant: any employee enrolling in training immediately moves up to the next pay grade in the collective agreement grid.

The branch is also trying to counter the part-time working situation. In this regard, having a single employer is a positive factor. But average working hours in associations still only amount to 21 weeks, which is not long enough.

Emmanuel Kessler

There are also problems over training availability due to the break-up of the system.

Alain Cordesse

Yes, indeed, when an employee with five employers wants to enrol in a training programme, he must ask for authorisation from all of them.

Jon Richards

In England, the current hourly minimum wage is £5.73 (EUR 6.60). And many people working in this sector are on the minimum wage. Discussions have been held with the private sector to increase pay, but we still find university graduates earning £5.73 an hour or a just a few pence more.

The government is looking into other models. Local authorities may buy services themselves and provide them to the public. In this way, they can ensure quality training as well as a decent level of pay and guarantee access to all of these services in accordance with European requirements.

From the floor

I chair a lifestyle and home care services association in Vendôme, in the centre of France. The county council supports innovative initiatives. My association employs 20 people, 15 of whom are full-time. Those with a State Carer Diploma help elderly people in the morning and look after children at the end of the school day. For those with no qualifications, we work with another association to train them and offer them a full-time job.

The average wage is quite low in our county. With grants from the county council and the family benefits fund, we are setting up shared home care services.

Manuel Achten, Coordinator of Caritas, Fogaflex and Qualiflex initiatives (Luxembourg)

I work in the coordination of the children's sector, in which studies show that return on investment is very high. But in Luxembourg, childminding and supervision is carried out by people with very

few qualifications, especially in vulnerable environments, which means that wages can be very low. It would be wise to change tack by not employing unqualified workers in the children's sector.

Jon Richards

The social environment is certainly a decisive factor for school results. We are trying to make it easier for residents of under-privileged areas to access social and health services. However, these measures cost the government a great deal of money. It might therefore be necessary for the private sector to take over to cut costs and improve efficiency. *Learning by play* is nevertheless a promising initiative.

2nd Round Table

Producers of lifestyle and home care services in Europe: what strategies for the future?

The various economic stakeholders - social economy, private companies and household employers - are setting up federative networks at European level: they will describe their vision for the future and common strategies.

Juan Pinyol, Managing Director of ALARES

Our company was founded in 1999 with the purpose of providing home-based services to households. It soon became clear that the demand for lifestyle and home care services is high in Spain, although most people do not have the means to receive them, despite a law being voted in 1997 in support of the sector.

To develop as effectively as possible, we sought to diversify, offering the widest possible range of services for the whole family.

To date, a million people use our services, mainly businesses, banks or insurance companies who offer these services to their own customers.

We present businesses with our programme uniting the different stages of life. Our services are designed not just for the employees of businesses that use our services, but also their partners and children.

We have gradually become aware of the importance of selecting our associates, who guarantee the quality of the service we offer. Competition is in fact steep in this sector in Spain. The home help market is worth 46 million euros, the elderly market 9 million euros and disability assistance market 4 million euros. It is therefore a highly important market that is growing fast. Sector stakeholders are mostly micro-businesses entitled to local aid.

Accordingly, to challenge this competition and tackle a highly developed black market, we have learnt from the French model.

Our company currently employs 3,000 people, 82% of whom are women. We have also set up a training programme for all of our personnel.

Emmanuel Kessler

To generate income, you draw up agreements with the local authorities and private companies enabling them to include a whole range of lifestyle and home care services within their social policy.

Juan Pinyol

We are indeed a profit-making private company. We are filling a niche, overlooked by the public authorities, involving the provision of all types of assistance to families.

Our customer profiles are extremely varied. They range from multinationals such as Peugeot or Citroën to businesses with 50 employees.

It is essential that we continue to take account of our customers' expectations. This supply is advantageous for everyone. The absenteeism rate has dropped by 40% in some companies using our services. Employees, knowing that their sick child is being cared for, can concentrate on their work. This system thus helps employees to get the most out of their job.

Mr Ladopoulos, ELISAN (Greece)

The ELISAN network gathers local European representatives in charge of social affairs.

It seeks to provide a channel for expression for local representatives in Europe. European local authorities are close-at-hand stakeholders and the first to provide responses to the needs expressed by citizens in terms of social services.

1,000 European cities across 11 countries are currently part of the ELISAN network, which *de facto* encompasses some 20 million European citizens.

ELISAN's activity is based on three key principles:

- subsidiarity, with attention paid to the human and financial means granted to local stakeholders for practising transferred skills;
- social cohesion;
- local cohesion, which complements economic and social cohesion.

The current social challenges

Europe is getting older. The elderly are living longer, in better health and many of them have modest incomes. In France, Sweden, Italy and Spain, the proportion of people over the age of 65 is due to rise from 6 to 28% by 2050. The weakening of the social link and spread of precarity are, furthermore, cause for concern.

A European Commission study published in May 2008 also shows that nearly 50% of adults have no bank account in the most recently integrated Member States.

Moreover, the desire to combine work and family life is increasing service needs, particularly regarding childcare. As a result, lifestyle and home care services must become a key sector of the European economy.

Greece provides a typical example of the expansion this sector is undergoing at local level. In 2000, the first centres for the protection of older people were created there and today there are 128 and 60,000 people receiving assistance from them. For the past twenty or so years, Greece has been

developing home help programmes. Lastly, community centres have been opened along with medical prevention advice centres.

European strategy for the development of lifestyle and home care services

The demographic context justified a consistent European development policy for lifestyle and home care services. We must promote quality services and make social services for the general public safer so that everyone can access them, particularly those people most in need, the elderly or the disabled.

Improve lifestyle and home care services at the local level

Local authorities are themselves able to identify the needs of their citizens and meet them by offering convenient social services that everyone can access.

Social policy

Harmonisation of social policy at European level is only basic for the time being. But if Europe were to implement an ambitious and sustainable social policy, its citizens would appreciate how useful it is. European construction should not be limited to regulatory action and development of the common market.

Marie-Béatrice Levaux, President of the National Federation of Household Employers (FEPEM) (France)

Household employers account for 80% of the lifestyle and home care service sector.

First of all, I must say how surprised I was by the content of this convention's discussions. It seemed to me that they focused almost entirely on European lifestyle and home care services provided by service providers. I would not want the status of household employers to be perceived as a transitional stage between an informal activity and its qualitative structuring. Nonetheless, I am deeply respectful of associations, whose action leads the way in this sector and entrepreneurs who put considerable energy into enrolling.

I would like to remind you that there are 3.5 million household employers for 1.6 million employees in this sector, which represents 580 million declared hours and 9 billion euros of payroll. Moreover, it has been governed by a series of collective agreements for some twenty years now. This all goes to show that household employers do not make up a transitional sector. Quite the reverse, it is organised and proactive. MPs have, in fact, granted it economic stakeholder status.

It is of the utmost importance, since the formation of a private sector, of service providers, risks limiting service access to the rich. The household employer sector will even out this divide.

Lifestyle and home care services have for years been provided through direct employment. The key aspects inherent in this sector are the family and the definition of a European lifestyle. The family unit must not be considered as a simple marketing target.

Our society is currently undergoing significant change. Alongside emerging service providers, I am spearheading a revolution, to organise a particularly disparate household employer system that will

have considerable economic and social repercussions. This is also a sector that should encourage social dialogue and develop training programmes.

Furthermore, the household employer's role as a creator of social links must be emphasised. Many industrial companies opting to relocate have called on FEPEM, in partnership with associations and businesses, to develop reintegration programmes for their employees. The future of lifestyle and home care services subsequently lies in the combination of these different methods which, together, will create a democratised and dynamic sector.

I would like to end by recalling that lifestyle and home care services are an additional activity for many people. For example, we often encounter local representatives who garden for households, or pensioners who would like to keep up a part-time job.

Jacques Manardo, President of the European Federation of Services to Individuals (FESP) (France)

I will start by highlighting how similar the perspectives and projects presented during this convention have been. It is essential to demonstrate that lifestyle and home care services do not represent a sector of informal employment, rather the response to a market demand. Companies in this sector are therefore growing rapidly in France.

This high growth is mainly spurred by the birth rate and number of women in the workforce, as well as demographic changes. These all explain why France is one of the leading consumer countries of lifestyle and home care services.

In addition to home-based services, there are also so-called life balance services provided in the customer's workplace. When Mr Haddad mentioned the various laws accompanying the development of lifestyle and home care services yesterday, he omitted the family tax credit created in 2004. This means that employers can assist their employees through financial support for childcare. The Borloo law of 2005 has added substance to this scheme.

We have created the European Federation of Services to Individuals with the hope that the French National Institute for Statistics and Economic Studies (INSEE), Europe and the UN will integrate lifestyle and home care services, in the true meaning of the term, alongside services to businesses. A very powerful economic activity is unquestionably taking shape around these needs.

Three systems have been developed in France:

- declared direct employment;
- associations;
- the emerging entrepreneurial system.

Each of these solutions, of variable cost and quality, has its advantages.

A programme of lifestyle and home care service stakeholders is clearly taking shape for the years to come. During the last Board of Directors meeting between the French National Union of Home-Based Services (UNA), FEPEM and FESP, several strong points in common were revealed.

We jointly asked the public authorities to retain all of the advantages granted over the years to democratise access to lifestyle and home care services, which they did.

We would like to be effective in our fight against undeclared employment. This is a real scourge that swallowed up 55 billion euros from the official economy in 2005 and certainly almost 100 billion euros this year. The three official stakeholders of the sector seem to cover a mere 10% of service needs in this country. Our scope for expansion is therefore considerable.

We also recommend democratising access to lifestyle and home care services by ensuring, for example, that the tax deduction based on recourse to the CESU prepaid vouchers applies as soon as they are acquired. Another solution might be to pay the personal care allowance through CESU vouchers. Too often does this allowance fuel a clandestine economy.

We also hope that the *revenu de solidarité active* will target sector employees.

We would like to standardise collective agreements and quality reference standards, although SGS Qualicert and AFNOR, the French Standards Agency, have already made significant headway in this regard.

Another of our intentions is to focus on training, which will play a key role in increasing our sector's appeal.

We plan to create resource centres for household employers that would further strengthen the quality of the service and supply on offer.

Companies must be more involved in developing this sector, not only by paying part of the value of CESU service vouchers, but also by supporting childcare, creating company nurseries and so on.

Lastly, we would like the Government to assist SMEs in the sector so as to reduce the burden of bank loans that hamper their capacity for action.

Maud Candela, member of the European Think Tank “Pour la solidarité” and of the European network of lifestyle and homecare services for social purposes (Belgium)

I represent the European network of lifestyle and home care services that was founded a few months ago in response to the needs for quality, access to employment and professionalisation inherent in the liberalisation of social services for the general interest. Our intention is to guarantee equal access to such services, particularly to people in vulnerable situations who need them most.

We would therefore like to define common values for lifestyle and home care services, as we have found that, although the challenges identified in this regard are the same, the solutions provided differ between countries. We are seeking to promote the development of a not-for-profit social economy, which is a cohesion factor.

We see it as essential that the different European models on these services are discussed and compared.

We would like to tell stakeholders about the tools available within Europe. For, while these tools are generally local, any decisions on the matter are made at national or European level.

Sector stakeholders must also prepare for the transposition of the Services Directive into French national law at the end of 2008, and we intend to help them.

Finally, we must voice all of these messages at European level.

Conclusion: developing a common vision

Laurent Hénart, President of the French National Agency for Lifestyle and Home Care Services (France)

I am delighted to inform you that the second European Convention of Lifestyle and Home Care Services will be held in Sicily in 2009.

The first convention has shown that each country, despite having its own history and social model, is actually facing the same human challenges. Sector stakeholders, employers and employees alike, are all encountering the same difficulties. Today, training and level of income are the key issues in need of Europe-wide solutions. Exchange of best practices between countries and regulatory amendments – on taxation, free competition and so on – will have a positive impact on the development of the lifestyle and home care service sector.

In addition, we are all concerned about reducing undeclared employment. This will help turn household employment into a decent and honourable profession.

Martin Hirsch, High Commissioner for Active Solidarity against Poverty (France)

I must confess my surprise over the last few months at hearing on several occasions that there is no social Europe. Yet, when countries unite over common problems, which often come up against national skepticism, the European Union allows them to assert their rights.

The lifestyle and home care service sector creates jobs, with some countries even estimating that it will be the only one to generate employment next year. However, it is still all too often synonymous with precarity.

It is therefore down to employers and public authorities to organise this sector further, together with social partners who have always been instrumental in constructing this sector. It is imperative that all low-paid employees and poor workers be guaranteed a decent wage. Introduction of the *revenu de solidarité active* in France will help. We must also enhance the experience and reintegration of job seekers and poorly qualified people through the lifestyle and home care service sector.

Emmanuel Kessler

A recent study by INSEE reports that the model apparently taking shape in France is a lifestyle and home care service sector for the rich.

Martin Hirsch

Admittedly, this is true, but it seems to be developing. INSEE's study shows that it is mostly the richest populations that use lifestyle and home care services. However, thanks to the tax credit set up at Mr Hénart's instigation, the number of low-earners in France using these services has risen from 10 to 15% in ten years.

What's more, people working in this sector are earning more, with the average number of weekly hours worked increasing considerably (from 13 to 18 hours a week). There is certainly still a long way to go, however.

Emmanuel Kessler

Do you think that the *revenu de solidarité active* will help under-privileged people to find a job, particularly in the lifestyle and home care service sector?

Martin Hirsch

The *revenu de solidarité active* will replace the minimum wage and supplement low incomes. If a single mum can only work 18 hours a week, from June 2009, she will receive 200 euros on top of her salary with the *revenu de solidarité active*. She will therefore earn 900 euros instead of 700, which makes a big difference. This will help her to find time to train or look for more work. Moreover, if she loses one of her customers and works 4 hours less a week, the *revenu de solidarité active* will compensate this loss in earnings, up to a third minimum. Because we have a minimum wage in France, an employer should not decrease the employee's salary eligible for the *revenu de solidarité active*.

These measures do not exempt the sector from becoming more organised and from arranging training programmes, however. Precarity can only become a thing of the past through qualifications, a prerequisite to getting a stable and long-term job.

Emmanuel Kessler

Do you think that the communication initiatives taken by Mr Hénart have helped to develop this sector? Is it now perceived as a real opportunity for under-privileged people to leave precarity behind?

Martin Hirsch

Perceptions of this sector seem to have changed. But it is essential to ensure that someone accepting a job in this branch will have career prospects through qualifying training programmes. This sector will never gain in appeal without real career possibilities.

Laurent Hénart

I would like to highlight the fact that change is under way in the sector after a tax credit became available in 2007, even though this only benefited the best-off. A second tax credit has since been applied to partially democratise access to home-based services. The prepaid CESU voucher, despite coming up against cultural obstacles, also contributes. Employees earning the median wage must be the primary target for the time being.

Communication initiatives still play a key part in increasing this sector's worth, but they are not enough. Stakeholders must join forces in organising lifestyle and home care services, and the project of resource centres for household employers that we are currently working on with the FEPEM is instrumental to this. With such centres, employers will feel better supported and employees will be able to assert their rights. By creating a framework for this highly specific sector, they will help to recast it in a positive light.

Martin Hirsch

As you know, tax credits will shortly be capped in France, although tax measures targeting lifestyle and home care services will be excluded from this scheme.

It is also deeply regrettable that the various measures taken to boost this sector have partly contributed to the rise of undeclared employment. This is because the effects of limits have prompted people getting back into work not to declare all of the hours worked. These undeclared workers will then become poor pensioners who will not use lifestyle and home care services themselves. The labour law, although rigid, should under no circumstances prevent development of this sector; rather it should guarantee stakeholders decent working conditions.

Laurent Hénart

The lifestyle and home care service sector has long hoped to see the back of part-time and sporadic working. However, it seems obvious today that no economy can function without some flexibility in the way work is organised. The *revenu de solidarité active* will therefore cushion and humanise these forms of work. I would therefore like to thank Martin Hirsch for persevering with this project.

In 2009, we are planning to take part in two key European debates. The first concerns tax and competition issues, which risk undoing the respective national progress made in this regard. The second concerns the improvement of working conditions in the European Union. The European network will endeavour to highlight the merits of the *revenu de solidarité active*.